

**CITY OF
SUGAR CREEK,
MISSOURI**

**Financial Statements
With
Independent Auditor's Report
Year Ended September 30, 2023**

CITY OF SUGAR CREEK, MISSOURI

FINANCIAL STATEMENTS

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
Board of Aldermen
City of Sugar Creek, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Sugar Creek, Missouri (the City) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability (asset) and related ratios, schedule of employer contributions, schedule of contributions, and schedule of changes in net Other Post-Employment Benefits (OPEB) liability and related ratios as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules of revenues, expenditures and changes if fund balances – budget to actual are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other

records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2024, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Hood & Associates CPAs PC

Kansas City, Missouri
September 30, 2024

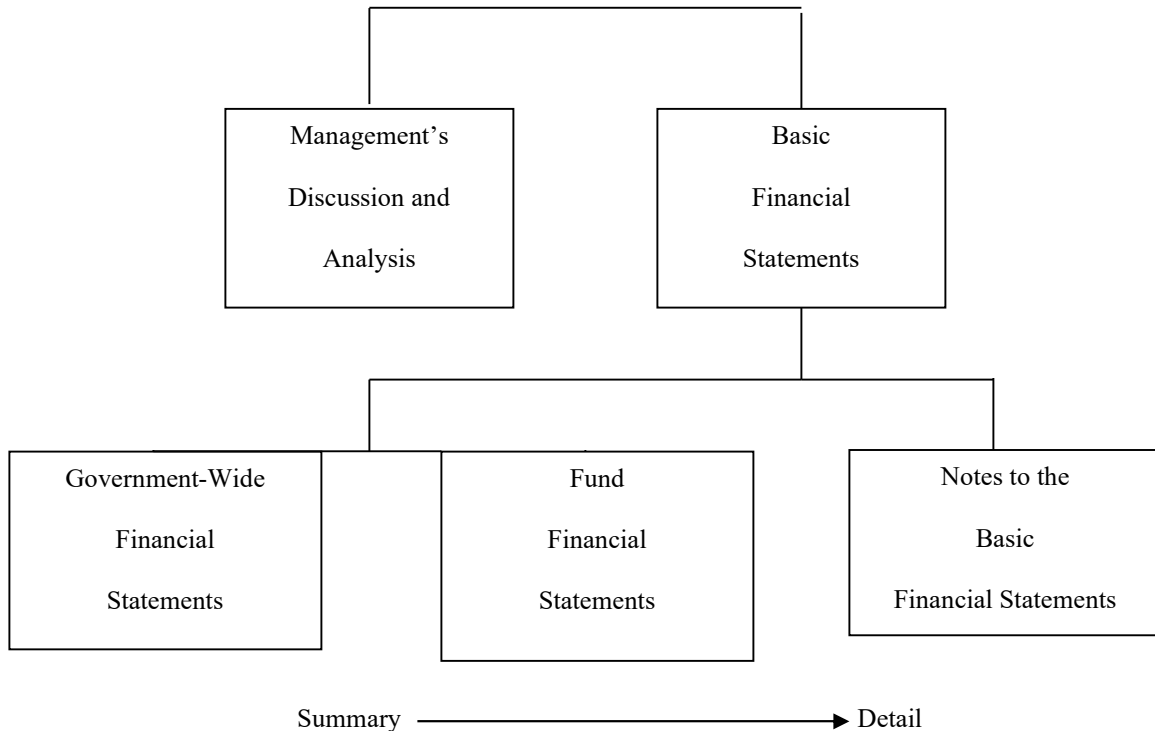
MANAGEMENT’S DISCUSSION AND ANALYSIS

Our discussion and analysis of the City of Sugar Creek’s (the City) financial performance provides an overview of the City’s financial activities for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

- The assets and deferred outflows of the City of Sugar Creek exceeded its liabilities and deferred inflows at the close of the September 30, 2023 fiscal year by \$21,802,922 (Net position). The assets and deferred outflows of the City of Sugar Creek exceeded its liabilities and deferred inflows at the close of the September 30, 2022 fiscal year by \$21,444,742.
- As of the close of the current fiscal year, the City of Sugar Creek’s governmental funds reported combined ending fund balances of \$10,071,468, an increase of \$398,967 in comparison with the prior year. Approximately 33 percent of the fund balance, \$3,365,028 is unassigned and available for spending at the government’s discretion.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$3,365,028, or 53.7 percent, of the total General Fund expenditures for 2023.

Overview of the Financial Statements - *Required Components – Figure 1*



The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The Statement of Net Position and the Statement of Activities (on pages 12 and 13) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 14. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds.

Reporting the City as a Whole

Our analysis of the City as a whole begins on page 7. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities reports information about the City as a whole and its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's net position and changes in it. You can think of the City's net position—the difference between assets and deferred outflows less liabilities and deferred inflows—as one way to measure the City's financial health, or financial position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other non-financial factors, however, such as changes in the City's property tax base and the condition of the City's roads, to assess the overall health of the City.

To aid in the understanding of the Statement of Activities, some additional explanation is given. Of particular interest is that the format is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative net financial costs of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants.

In the Statement of Net Position and the Statement of Activities, we divide the City into two kinds of activities:

- Governmental activities—Most of the City's basic services are reported here, including general administration, public safety, streets and public works, health and welfare, and parks and recreation. Taxes, (sales, property, gross receipts taxes and franchise fees) charges for services, fines, and state and federal grants finance most of these activities.

- Business-type activities—The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City’s water, sanitary sewer and sanitation funds are reported here.

Reporting the City’s Most Significant Funds - Fund Financial Statements

The fund financial statements begin on page 14 and provide detailed information about the most significant funds—not the City as a whole. Some funds are required to be established by State law and by bond covenants. The City establishes other funds to help it control and manage money for particular purposes (BP Reuse, State Gas Tax, Capital Improvement, Revolving Improvement, Debt Service and the Combined Sales Tax funds). The City uses two types of funds to manage its resources: governmental and proprietary funds. A fund is a fiscal entity with a set of self-balancing accounts recording financial resources, together with all related liabilities and residual equities and balances, and the changes therein. These accounting entities are separated for the purpose of carrying on specific activities or attaining certain objectives in accordance with regulations, restrictions or limitations.

- Governmental funds—Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in the reconciliation following the fund financial statements.

- Proprietary funds—When the City charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City’s water, sanitary sewer and sanitation enterprise funds, are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

Government-Wide Financial Analysis

Our analysis below focuses on net position (Figure 2) and changes in net position (Figure 3) of the governmental and business-type activities.

Figure 2 - Statement of Net Position

September 30,

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 13,887,450	\$ 14,812,554	\$ 169,490	\$ 135,325	\$ 14,056,940	\$ 14,947,879
Capital assets	10,866,095	11,147,396	731,891	796,518	11,597,986	11,943,914
Total assets	24,753,545	25,959,950	901,381	931,843	25,654,926	26,891,793
Deferred outflows of resources	650,738	444,903	25,382	25,734	676,120	470,637
Other liabilities	448,090	1,014,547	159,063	156,226	607,153	1,170,773
Long-term debt	2,958,505	3,171,265	1,574	12,986	2,960,079	3,184,251
Total liabilities	3,406,595	4,185,812	160,637	169,212	3,567,232	4,355,024
Deferred inflows of resources	951,236	1,503,894	9,656	58,770	960,892	1,562,664
Net position:						
Net investment in						
capital assets	9,359,644	9,527,074	731,891	796,518	10,091,535	10,323,592
Restricted	6,990,336	6,533,931	161,780	201,041	7,152,116	6,734,972
Unrestricted (deficit)	4,696,472	4,654,142	(137,201)	(267,964)	4,559,271	4,386,178
Total net position	\$ 21,046,452	\$ 20,715,147	\$ 756,470	\$ 729,595	\$ 21,802,922	\$ 21,444,742

Net position may serve over time as a useful indicator of a government's financial position. The City of Sugar Creek's assets and deferred outflows exceeded liabilities and deferred inflows by \$21,444,742 at the close of fiscal year ended September 30, 2023. Of this total, \$6,990,336 is restricted; \$3,278,744 for pension benefits, \$40,757 is for debt service, \$1,821,896 for capital improvements, \$269,204 for infrastructure projects, \$1,092,123 for public health, \$445,020 for parks and recreation and \$204,372 for community development.

Figure 3 - Statement of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	\$ 571,377	\$ 423,511	\$ 1,870,713	\$ 1,737,847	\$ 2,442,090	\$ 2,161,358
Operating grants and contributions	223,618	117,434	-	-	223,618	117,434
General revenues:						
Property taxes	811,483	792,738	-	-	811,483	792,738
Sales tax	1,247,321	1,087,678	-	-	1,247,321	1,087,678
Gross receipts tax	1,956,419	1,796,913	-	-	1,956,419	1,796,913
Franchise tax	1,750,891	1,659,868	-	-	1,750,891	1,659,868
Other taxes	13,483	13,723	-	-	13,483	13,723
Intergovernmental	709,993	164,824	-	-	709,993	164,824
Contractual agreements	26,366	139,924	-	-	26,366	139,924
Investment earnings (losses)	216,088	4,450	7,510	82	223,598	4,532
Miscellaneous	54,547	50,646	-	-	54,547	50,646
Total revenues	<u>7,581,586</u>	<u>6,251,709</u>	<u>1,878,223</u>	<u>1,737,929</u>	<u>9,459,809</u>	<u>7,989,638</u>
Expenses:						
General administration	1,465,543	1,684,137	-	-	1,465,543	1,684,137
Public safety	3,151,319	3,010,649	-	-	3,151,319	3,010,649
Streets and public works	1,561,871	1,547,778	-	-	1,561,871	1,547,778
Health and welfare	1,433	23,385	-	-	1,433	23,385
Parks and recreation	424,384	510,487	-	-	424,384	510,487
Interest on long-term debt	104,201	125,285	-	-	104,201	125,285
Water	-	-	478,581	336,051	478,581	336,051
Sanitary sewer	-	-	1,560,342	1,538,108	1,560,342	1,538,108
Sanitation	-	-	353,955	347,968	353,955	347,968
Total expenses	<u>6,708,751</u>	<u>6,901,721</u>	<u>2,392,878</u>	<u>2,222,127</u>	<u>9,101,629</u>	<u>9,123,848</u>
Change in net position before transfers	872,835	(650,012)	(514,655)	(484,198)	358,180	(1,134,210)
Transfers	(541,530)	-	541,530	-	-	-
Change in net position	<u>331,305</u>	<u>(650,012)</u>	<u>26,875</u>	<u>(484,198)</u>	<u>358,180</u>	<u>(1,134,210)</u>
Net position, beginning of year	<u>20,715,147</u>	<u>21,365,159</u>	<u>729,595</u>	<u>1,213,793</u>	<u>21,444,742</u>	<u>22,578,952</u>
Net position, end of year	<u>\$ 21,046,452</u>	<u>\$ 20,715,147</u>	<u>\$ 756,470</u>	<u>\$ 729,595</u>	<u>\$ 21,802,922</u>	<u>\$ 21,444,742</u>

The City's net position increased \$358,180 during the 2023 fiscal year. Of the total, governmental activities net position increased \$331,305 and business-type net position increased by \$26,875.

Total governmental revenues increased \$1,329,877 from the prior year. Decreases in operating charges for services, grants, property taxes, sales tax, gross receipts taxes, franchise taxes, contractual agreements, unrestricted investment losses, and gain on sale of capital assets and contractual agreements exceed increase in miscellaneous revenues. Business-type revenues

increased \$140,294 from 2022. Governmental activities expenses decreased \$192,970 from 2022 primarily from public safety, street and public works, and parks and recreation.

Business-type expenses increased \$170,751 from 2022 due to increases in personnel and contractual services.

The City’s Funds

Governmental funds reported combined ending fund balances of \$10,071,468, an increase of \$398,967. Total revenues increased \$1,125,556 from 2022 primarily related to decreases in taxes, intergovernmental, and contractual agreements revenues. Total expenditures in 2023, increased \$283,796 primarily from public safety, parks and recreation, and offset by decrease in debt service outlays.

Of the total governmental fund balances \$3,365,028 is unassigned and available for use within the City’s designation and policies. The restricted fund balance is classified as follows: restricted for capital projects \$1,821,896, debt service \$40,757, public safety \$633,276, public health \$1,092,123, parks and recreation \$445,020, community development \$204,372, and streets and public works \$269,204. The committed fund balance for economic development totaled \$978,719. The assigned fund balance category includes capital projects of \$179,675. The nonspendable classifications include prepaid items of \$227,953 and advances to other funds of \$813,445.

The general fund is the main operating fund of the City of Sugar Creek. At the end of the current year, unassigned fund balance of the general fund was \$3,365,028 while total fund balance is \$4,406,426. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 53.7 percent of total general fund expenditures, while total fund balance represents 76.4 percent of that same amount.

The fund balance of the general fund decreased during 2023 by \$319,802. All current expenditure categories contributed to the decrease in the general fund balance.

The Public Health Fund accounts for property tax levied for public health purposes including sanitary sewer maintenance. The fund balance of the public health fund increased during 2022 by \$107,583.

The Four Trails Landing Development fund balance did not change as the City continues to pursue development opportunities related to certain property held for development.

General Fund Budgetary Highlights

On a budgetary basis, the General Fund is the main operating fund of the City of Sugar Creek. The fund balance decreased \$319,802 from the prior year. The General Fund’s expenditures were less than budgeted amounts by \$233,238 primarily due to budget savings related to general administration, streets and public works, and parks and recreation.

Capital Asset and Debt Administration

Capital Assets

At the end of September 30, 2023, the City had \$11.6 million invested in capital assets including land, buildings, equipment, vehicles, infrastructure, and water and sewer lines net of accumulated depreciation. (See table below) This represents a net decrease of \$345,928 from last year. See Note 8 to basic financial statements for more information and detail on the City's capital assets.

	Capital assets, net of accumulated depreciation					
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 1,914,337	\$ 1,914,337	\$ -	\$ -	\$ 1,914,337	\$ 1,914,337
Buildings and improvements	3,136,797	3,188,048	-	-	3,136,797	3,188,048
Equipment and vehicles	1,165,231	1,212,458	166,219	194,424	1,331,450	1,406,882
Office equipment	57,949	54,621	-	-	57,949	54,621
Infrastructure	4,591,781	4,777,932	-	-	4,591,781	4,777,932
Sewer and water lines	-	-	565,672	602,094	565,672	602,094
Total	\$ 10,866,095	\$ 11,147,396	\$ 731,891	\$ 796,518	\$ 11,597,986	\$ 11,943,914

Significant governmental activities additions include repairs to City Hall, park improvements, equipment and vehicles totaling approximately \$360,000.

Long-term Obligations

See Note 9 to basic financial statements for more information and detail on the City's long-term obligations.

A summary of long-term obligations as of September 30, 2023 and 2022 is as follows:

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Compensated absences	\$ 140,184	\$ 168,725	\$ 338	\$ 12,376	\$ 140,522	\$ 181,101
Other post-employment benefits	31,936	19,954	1,236	610	33,172	20,564
Lease purchase agreement	1,460,000	1,575,000	-	-	1,460,000	1,575,000
Capital leases	47,607	94,058	-	-	47,607	94,058
Developer agreement - TIF	1,278,778	1,313,528	-	-	1,278,778	1,313,528
Total	<u>\$ 2,958,505</u>	<u>\$ 3,171,265</u>	<u>\$ 1,574</u>	<u>\$ 12,986</u>	<u>\$ 2,960,079</u>	<u>\$ 3,184,251</u>

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Office at 103 S. Sterling Sugar Creek, Missouri.

City of Sugar Creek, Missouri
Statement of Net Position
September 30, 2023

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Pooled cash and investments	\$ 7,177,752	\$ 202,779	\$ 7,380,531
Receivables:			
Taxes	902,160	-	902,160
Leases	858,804	-	858,804
Special assessments	-	4,195	4,195
Contractual agreements	-	88,333	88,333
Accounts and other	7,989	416,703	424,692
Accrued interest	14,845	429	15,274
Due from other governments	37,436	-	37,436
Internal balances	819,893	(819,893)	-
Prepays, deposits, and other assets	227,953	21,837	249,790
Restricted assets:			
Cash and investments	270,944	110,290	381,234
Property held for redevelopment	978,719	-	978,719
Net pension asset	2,590,955	144,817	2,735,772
Capital assets:			
Not being depreciated	1,914,337	-	1,914,337
Being depreciated, net of depreciation	8,951,758	731,891	9,683,649
Total assets	24,753,545	901,381	25,654,926
Deferred Outflows of Resources			
Pension related deferred outflows	603,479	22,916	626,395
OPEB related deferred outflows	47,259	2,466	49,725
Total deferred outflows of resources	650,738	25,382	676,120
Liabilities			
Accounts payable	151,245	20,554	171,799
Accrued payroll and benefits	98,295	1,514	99,809
Accrued interest	39,788	-	39,788
Payable from restricted assets:			
Police unclaimed money	1,035	-	1,035
Customer deposits	19,579	136,995	156,574
Municipal court bonds	15,519	-	15,519
Unearned revenue	122,629	-	122,629
Long term debt:			
Due within one year	342,791	338	343,129
Due in more than one year	2,615,714	1,236	2,616,950
Total liabilities	3,406,595	160,637	3,567,232
Deferred Inflows of Resources			
Leases	813,006	-	813,006
Pension related deferred inflows	77,470	5,953	83,423
OPEB related deferred inflows	60,760	3,703	64,463
Total deferred inflows of resources	951,236	9,656	960,892
Net Position			
Net investment in capital assets	9,359,644	731,891	10,091,535
Restricted :			
Pension benefits	3,116,964	161,780	3,278,744
Debt service	40,757	-	40,757
Capital projects	1,821,896	-	1,821,896
Infrastructure projects	269,204	-	269,204
Public health	1,092,123	-	1,092,123
Parks and recreation	445,020	-	445,020
Community development	204,372	-	204,372
Unrestricted (deficit)	4,696,472	(137,201)	4,559,271
Total net position	\$ 21,046,452	\$ 756,470	\$ 21,802,922

See accompanying notes to the basic financial statements

City of Sugar Creek, Missouri
Statement of Activities
Year Ended September 30, 2023

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary government:							
Governmental activities							
General administration	\$ 1,465,543	\$ 173,402	\$ 223,618	\$ -	\$ (1,068,523)	\$ -	\$ (1,068,523)
Public safety	3,151,319	364,902	-	-	(2,786,417)	-	(2,786,417)
Streets and public works	1,561,871	700	-	-	(1,561,171)	-	(1,561,171)
Health and welfare	1,433	-	-	-	(1,433)	-	(1,433)
Parks and recreation	424,384	32,373	-	-	(392,011)	-	(392,011)
Interest on long-term debt	104,201	-	-	-	(104,201)	-	(104,201)
Total governmental activities	6,708,751	571,377	223,618	-	(5,913,756)	-	(5,913,756)
Business-type activities							
Water	478,581	369,070	-	-	-	(109,511)	(109,511)
Sanitary sewer	1,560,342	1,107,556	-	-	-	(452,786)	(452,786)
Sanitation	353,955	394,087	-	-	-	40,132	40,132
Total business-type activities	2,392,878	1,870,713	-	-	-	(522,165)	(522,165)
Total primary government	\$ 9,101,629	\$ 2,442,090	\$ 223,618	\$ -	(5,913,756)	(522,165)	(6,435,921)

General revenues:

Taxes:			
Property taxes, levied for general purpose	811,483	-	811,483
Sales taxes	1,247,321	-	1,247,321
Gross receipts taxes	1,956,419	-	1,956,419
Franchise taxes	1,750,891	-	1,750,891
Other taxes	13,483	-	13,483
Grants and contributions not restricted to specific programs	709,993	-	709,993
Contractual agreements	26,366	-	26,366
Unrestricted investment income (loss)	216,088	7,510	223,598
Miscellaneous	54,547	-	54,547
Transfers	(541,530)	541,530	-
Total general revenues	6,245,061	549,040	6,794,101
Change in net position	331,305	26,875	358,180
Net position, beginning of year	20,715,147	729,595	21,444,742
Net position, end of year	\$ 21,046,452	\$ 756,470	\$ 21,802,922

CITY OF SUGAR CREEK, MISSOURI
Balance Sheet - Governmental Funds
September 30, 2023

	General	Public Health	Four Trails Landing Development	Other Governmental Funds	Total Governmental Funds
Assets					
Pooled cash and investments	\$ 2,943,158	\$ 1,103,816	\$ -	\$ 3,130,778	\$ 7,177,752
Receivables:					
Taxes	762,006	4,640	-	135,514	902,160
Leases	858,804	-	-	-	858,804
Accrued interest	7,259	1,321	-	6,265	14,845
Accounts and other	7,989	-	-	-	7,989
Due from other governments	-	-	-	37,436	37,436
Due from other funds	813,445	-	-	50,933	864,378
Prepays, deposits and other assets	227,953	-	-	-	227,953
Restricted assets:					
Cash and investments	26,169	-	-	244,775	270,944
Property held for redevelopment	-	-	978,719	-	978,719
Total Assets	\$ 5,646,783	\$ 1,109,777	\$ 978,719	\$ 3,605,701	\$ 11,340,980
Liabilities					
Accounts payable	\$ 151,245	\$ -	\$ -	\$ -	\$ 151,245
Accrued payroll and benefits	98,295	-	-	-	98,295
Payable from restricted assets:					
Police unclaimed money	1,035	-	-	-	1,035
Customer deposits	19,579	-	-	-	19,579
Municipal court bonds	15,519	-	-	-	15,519
Unearned revenue	122,629	-	-	-	122,629
Due to other funds	19,049	17,654	-	7,782	44,485
Total Liabilities	427,351	17,654	-	7,782	452,787
Deferred inflows of resources					
Leases	813,006	-	-	-	813,006
Unavailable revenues	-	-	-	3,719	3,719
Total deferred inflows of resources	813,006	-	-	3,719	816,725
Fund balances:					
Nonspendable:					
Prepaid items	227,953	-	-	-	227,953
Advances to other funds	813,445	-	-	-	813,445
Restricted:					
Capital projects	-	-	-	1,821,896	1,821,896
Debt service	-	-	-	40,757	40,757
Public safety	-	-	-	633,276	633,276
Public health	-	1,092,123	-	-	1,092,123
Parks and recreation	-	-	-	445,020	445,020
Community development	-	-	-	204,372	204,372
Streets and public works	-	-	-	269,204	269,204
Committed:					
Economic development	-	-	978,719	-	978,719
Assigned:					
Capital projects	-	-	-	179,675	179,675
Unassigned	3,365,028	-	-	-	3,365,028
Total fund balance	4,406,426	1,092,123	978,719	3,594,200	10,071,468
Total liabilities, deferred inflows of resources and fund balances	\$ 5,646,783	\$ 1,109,777	\$ 978,719	\$ 3,605,701	\$ 11,340,980

See accompanying notes to the basic financial statements

**CITY OF SUGAR CREEK, MISSOURI
Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position
September 30, 2023**

Fund balances of governmental funds	\$ 10,071,468
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund statements.	10,866,095
Net pension assets are not due and available to be used as current period resources and therefore are not reported in the governmental fund statements.	2,590,955
Deferred outflows and inflows related to pension and OPEB activity are not required to be reported in the governmental funds but are required to be reported in the Statement of Net Position	512,508
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:	
Long-term liabilities	(2,958,505)
Certain revenues are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the governmental funds.	3,719
Liabilities for interest on long-term debt are recognized only when due in the governmental fund statements but are accrued in the government-wide statements.	(39,788)
Net position of governmental activities	\$ 21,046,452

See accompanying notes to the basic financial statements

CITY OF SUGAR CREEK, MISSOURI
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
Year Ended September 30, 2023

	General	Public Health	Four Trails Landing Development	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 4,879,602	\$ 88,157	\$ -	\$ 811,839	\$ 5,779,598
Intergovernmental	765,149	-	-	168,462	933,611
Charges for services	64,885	-	-	-	64,885
Rentals	63,097	-	-	-	63,097
Fines and forfeitures	321,969	-	-	-	321,969
Contractual agreements	26,366	-	-	-	26,366
Licenses and permits	121,426	-	-	-	121,426
Investment income (loss)	142,444	7,784	-	65,858	216,086
Other	54,548	-	-	-	54,548
Total Revenues	6,439,486	95,941	-	1,046,159	7,581,586
Expenditures:					
Current:					
General administration	1,602,131	-	-	801	1,602,932
Public safety	2,931,003	-	-	-	2,931,003
Streets and public works	1,273,683	-	-	113,385	1,387,068
Health and welfare	-	1,433	-	-	1,433
Parks and recreation	415,928	-	-	-	415,928
Debt service:					
Principal	46,451	-	-	149,750	196,201
Interest and fiscal charges	2,342	-	-	104,182	106,524
Total Expenditures	6,271,538	1,433	-	368,118	6,641,089
Excess of Revenues Over (Under) Expenditures	167,948	94,508	-	678,041	940,497
Other financing sources (uses):					
Transfers in	66,855	13,075	-	148,691	228,621
Transfers out	(554,605)	-	-	(215,546)	(770,151)
Total Other Financing Sources (Uses)	(487,750)	13,075	-	(66,855)	(541,530)
Net change in fund balances	(319,802)	107,583	-	611,186	398,967
Fund balances, beginning of year	4,726,228	984,540	978,719	2,983,014	9,672,501
Fund balances, end of year	\$ 4,406,426	\$ 1,092,123	\$ 978,719	\$ 3,594,200	\$ 10,071,468

See accompanying notes to the basic financial statements

**CITY OF SUGAR CREEK, MISSOURI
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds to the Statement of Activities
Year Ended September 30, 2023**

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	398,967
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay costs in excess of capitalization threshold		421,600
Depreciation		(702,901)
<p>The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position.</p>		
Changes in long-term debt, net		196,201
Changes in accrued interest		2,323
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Change in compensated absences and other post employment benefits payable and related deferred outflows and inflows		27,363
Changes in net pension obligations and related deferred outflows and inflows		(12,248)
Change in net position of governmental activities	\$	<u><u>331,305</u></u>

See accompanying notes to the basic financial statements

CITY OF SUGAR CREEK, MISSOURI
Statement of Net Position
Proprietary Funds
September 30, 2023

	Water	Sewer	Sanitation	Total
Assets				
Current assets:				
Pooled cash and investments	\$ 55,810	\$ 3,016	\$ 143,953	\$ 202,779
Receivables, net:				
Accounts and other	124,629	189,495	102,579	416,703
Contractual agreements	-	88,333	-	88,333
Special assessments	-	4,195	-	4,195
Accrued interest	260	11	158	429
Due from other funds	-	-	50	50
Prepaid expenses	8,620	10,318	2,899	21,837
Restricted cash and investments	86,324	23,966	-	110,290
Total current assets	275,643	319,334	249,639	844,616
Noncurrent assets:				
Capital assets:				
Being depreciated, net of depreciation	209,452	513,101	9,338	731,891
Net pension asset	92,181	35,496	17,140	144,817
Total noncurrent assets	301,633	548,597	26,478	876,708
Total assets	577,276	867,931	276,117	1,721,324
Deferred Outflows of Resources				
Pension related deferred outflows	14,587	5,617	2,712	22,916
OPEB related deferred outflows	1,576	602	288	2,466
Total Deferred Outflows of Resources	16,163	6,219	3,000	25,382
Liabilities				
Current liabilities:				
Accounts payable	12,254	8,130	170	20,554
Accrued payroll and benefits	836	479	199	1,514
Due in one year	212	86	40	338
Due to other funds	326,731	493,212	-	819,943
Current liabilities (payable from restricted assets):				
Customer deposits	115,964	21,031	-	136,995
Total current liabilities:	455,997	522,938	409	979,344
Long-term liabilities:				
Due in more than one year	422	211	603	1,236
Total long-term liabilities:	422	211	603	1,236
Total liabilities	456,419	523,149	1,012	980,580
Deferred Inflows of Resources				
OPEB related deferred inflows	1,805	1,022	876	3,703
Pension related deferred inflows	3,789	1,459	705	5,953
Total Deferred Inflows of Resources	5,594	2,481	1,581	9,656
Net position				
Net investment in capital assets	209,452	513,101	9,338	731,891
Restricted pension benefits	102,979	39,654	19,147	161,780
Unrestricted (deficit)	(181,005)	(204,235)	248,039	(137,201)
Total net position	\$ 131,426	\$ 348,520	\$ 276,524	\$ 756,470

See accompanying notes to the basic financial statements

CITY OF SUGAR CREEK, MISSOURI
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
Year Ended September 30, 2023

	Water	Sewer	Sanitation	Total
Operating revenues:				
Charges for services	\$ 369,070	\$ 1,107,556	\$ 394,087	\$ 1,870,713
Total operating revenues	<u>369,070</u>	<u>1,107,556</u>	<u>394,087</u>	<u>1,870,713</u>
Operating expenses:				
Personal services	147,995	70,221	40,291	258,507
Contractual services	106,935	1,454,270	303,963	1,865,168
Materials and supplies	68,740	7,232	3,476	79,448
Cost of water purchased	118,601	-	-	118,601
Depreciation	36,093	28,619	6,225	70,937
Other	217	-	-	217
Total operating expenses	<u>478,581</u>	<u>1,560,342</u>	<u>353,955</u>	<u>2,392,878</u>
Operating income (loss)	<u>(109,511)</u>	<u>(452,786)</u>	<u>40,132</u>	<u>(522,165)</u>
Nonoperating revenues (expenses):				
Interest income	4,568	274	2,668	7,510
Total nonoperating revenues (expenses)	<u>4,568</u>	<u>274</u>	<u>2,668</u>	<u>7,510</u>
Income (loss) before transfers and capital contributions	(104,943)	(452,512)	42,800	(514,655)
Transfers in	-	541,530	-	541,530
Change in net position	<u>(104,943)</u>	<u>89,018</u>	<u>42,800</u>	<u>26,875</u>
Total net position, beginning of year	236,369	259,502	233,724	729,595
Total net position, end of year	<u>\$ 131,426</u>	<u>\$ 348,520</u>	<u>\$ 276,524</u>	<u>\$ 756,470</u>

See accompanying notes to the basic financial statements

CITY OF SUGAR CREEK, MISSOURI
Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2023

	Water	Sewer	Sanitation	Total
Cash flows from operating activities:				
Receipts from customers and others	\$ 287,789	\$ 1,080,759	\$ 376,893	\$ 1,745,441
Payments to suppliers	(292,129)	(1,460,366)	(308,404)	(2,060,899)
Payments to employees	(151,436)	(56,536)	(23,672)	(231,644)
Net cash provided by (used in) operating activities	(155,776)	(436,143)	44,817	(547,102)
Cash flows from noncapital financing activities:				
Transfers in (out)	183,769	541,530	-	725,299
Interfund advances	-	(101,083)	2	(101,081)
Net cash provided by (used in) noncapital financing activities	183,769	440,447	2	624,218
Cash flows from investing activities:				
Interest received	4,342	265	2,523	7,130
Net cash provided by (used in) investing activities	4,342	265	2,523	7,130
Cash flows from capital and related financing activities:				
Purchases of capital assets	(6,310)	-	-	(6,310)
Net cash provided by (used in) capital and related financing activities	(6,310)	-	-	(6,310)
Net change in cash and equivalents	26,025	4,569	47,342	77,936
Cash and equivalents, beginning of year	116,109	22,413	96,611	235,133
Cash and equivalents, end of year	\$ 142,134	\$ 26,982	\$ 143,953	\$ 313,069
Total cash and investments reported on the Statement of Net Position	\$ 142,134	\$ 26,982	\$ 143,953	\$ 313,069
Cash and investments reported on the Statement of Net Position				
Pooled cash and investments	\$ 55,810	\$ 3,016	\$ 143,953	\$ 202,779
Restricted cash and investments	86,324	23,966	-	110,290
Total cash and investments	\$ 142,134	\$ 26,982	\$ 143,953	\$ 313,069
Reconciliation of operating income to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (109,511)	\$ (452,786)	\$ 40,132	\$ (522,165)
Adjustments to reconcile operating loss to net cash used by operations:				
Depreciation	36,093	28,619	6,225	70,937
Change in compensated absences and OPEB	(6,013)	(3,290)	(2,109)	(11,412)
Changes in net pension asset/liability	30,913	30,295	26,544	87,752
Changes in deferred outflows of resources	(2,498)	1,056	1,794	352
Changes in deferred inflows of resources	(25,387)	(14,108)	(9,619)	(49,114)
Changes in:				
Receivables	(71,351)	(26,797)	(17,194)	(115,342)
Prepaid expenses and deposits	(4,835)	(5,148)	(964)	(10,947)
Accounts payable	7,199	6,284	(1)	13,482
Accrued liabilities	(456)	(268)	9	(715)
Customer deposits	(9,930)	-	-	(9,930)
Net cash provided by (used in) operating activities	\$ (155,776)	\$ (436,143)	\$ 44,817	\$ (547,102)

See accompanying notes to the basic financial statements

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

(1) Summary of Significant Accounting Policies

The City of Sugar Creek, Missouri (the City) was incorporated on November 15, 1920 under an order of the Jackson County Circuit Court. The City is a fourth-class city and operates under a Mayor-Board of Aldermen form of government. The City Administrator is the chief administrative officer of the City. The City provides services to nearly 3,200 residents in many areas, including law enforcement and fire protection, water, sewer and sanitation services, community enrichment and development, and various social services.

The accounting and reporting policies of the City conform to generally accepted accounting principles (GAAP) in the United States of America applicable to local governments. The following represent the more significant accounting and reporting policies and practices of the City.

A. Financial Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are separate legal entities which are included in the primary government's financial report. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not only, criterion for including a potential component unit within the reporting entity is the City's financial accountability for the potential component unit. An entity is considered a component unit if City officials appoint a voting majority of the component unit's governing body and the City is able to impose its will upon the component unit. Additionally, if the entity provides specific financial benefits to or imposes specific financial burdens on the City, it may be considered a component unit. Management has determined that there are no component units to include in the reporting entity.

B. Basis of Presentation

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds).

Government-wide financial statements

The statement of net position and the statement of activities display information about the City, the primary government, as a whole. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Expenses are specifically associated with a service, program, or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs, grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program is self-financing or draws from the general revenues of the City.

Fund financial statements

Fund financial statements report detailed information about the City. The focus of governmental and proprietary fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

GOVERNMENTAL FUNDS

Governmental Funds are those through which most governmental functions of the City are financed. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (other than those in Proprietary Funds) are accounted for through Governmental Funds. The measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination.

The following are the City's major governmental funds:

The General Fund – the general operating fund of the City and accounts for all financial transactions not accounted for in other funds. The general operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are financed through revenues received by the General Fund.

The Public Health Fund – used to account for property tax levied for public health purposes including sanitary sewer maintenance.

Four Trails Landing Development Fund (formally known as the Sugarland Development Fund and the Heritage Ridge Development Fund) – to account for the activities related to the Four Trails Landing redevelopment project.

PROPRIETARY FUNDS

Proprietary Funds are used to account for the City's ongoing activities, which are similar to those found in the private sector. The measurement focus is upon determination of net income, financial position, and changes in financial position.

The following are the City's major proprietary funds:

The Water Utility Fund – accounts for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The Sewer Utility Fund – accounts for the provision of sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

The Sanitation Fund – accounts for the provision of sanitation services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service, and billing and collection.

C. Basis of Accounting

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned or when all eligibility requirements have been satisfied and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, sales tax, and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. This is a similar approach to that used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

Governmental Fund Financial Statements

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, certain revenue sources are deemed both measurable and available (collectible within the current year or within two months of year-end and available to pay obligations of the current period). This includes property taxes, investment earnings and state-levied locally shared taxes (including motor vehicle fees). The City records property tax receivables at the time the lien attaches to the property. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Other revenues, including licenses and permits, certain charges for services, and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on general long-term debt, which have not matured are recognized when due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Proprietary Fund Financial Statements

The economic resources measurement focus and the accrual basis of accounting are utilized by the proprietary funds. Under this basis of accounting, revenues are recognized when earned and expenses are recorded when liabilities are incurred. All assets and liabilities (whether current or noncurrent) associated with a proprietary fund's activities are included on its statement of net position and statement of activities. Operating revenues and expenses for proprietary funds are those that result from providing services and producing and delivering goods and/or services. All other revenues and expenses are considered nonoperating.

D. Deposits and Investments

Missouri State Statutes authorize the City, with certain restrictions, to deposit funds in open accounts, time deposits, investment pools and certificates of deposit. Statutes also require that collateral pledged must have a fair value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the City or an independent third party and must be of the kind prescribed by State Statutes and approved by the State.

The City maintains and controls a cash pool in which a majority of the City's funds share. Each fund's portion of the pool is displayed on their respective balance sheet or statement of net position as "pooled cash and investments." The City's cash and investments are primarily considered to be cash on hand, amounts in demand deposits, U.S. government agencies, and certificates of deposits. Interest earned on demand deposits is recorded in the General Fund. Interest income earned on certificates of deposit is allocated to the various funds on the basis of average month-end balances.

For purposes of the statement of cash flows, short-term investments and certificates of deposit with a maturity date within three months of the date acquired by the City, if any, are considered cash equivalents.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

E. Accounts Receivable

Accounts receivable result primarily from miscellaneous services provided to citizens accounted for in the Governmental Funds, and from water, sewer, and sanitation services accounted for in their respective Proprietary Fund net of an allowance for doubtful accounts.

F. Prepaid Items

Certain payments to vendors reflecting costs applicable to future accounting periods have been recorded as prepaid items in both the government-wide and fund financial statements using the consumption method.

G. Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (i.e. roads, streetlights, storm sewers, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are charged to expenditures as purchased in the governmental fund statements and capitalized in the proprietary fund statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated acquisition fair value as of the date of the donation.

Capital assets are defined by the City as assets with an initial, individual cost of \$1,000 or more and an estimated useful life of greater than one year. Additions or improvements and other capital outlays that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred. Fully depreciated capital assets are included in their respective accounts until their disposal.

Depreciation on exhaustible assets is recorded as an allocated expense in the statement of activities with accumulated depreciation reflected in the statement of net position and is provided on the straight-line basis over the following estimated useful lives:

Buildings	30 – 40 years
Machinery and equipment	5 – 10 years
Vehicles	5 – 15 years
Infrastructure	50 years
Sewer and water lines	30 – 70 years

H. Compensated Absences

Under terms of the City's personnel policy, City employees are granted vacation and sick leave in varying amounts. Vacation days are required to be taken within the current or following calendar year in which earned. In the event of retirement or termination, an employee is paid for unused vacation days.

City employees are eligible to receive payment for accumulated sick leave only upon retirement. In the event of retirement, an employee is paid for unused sick days up to a maximum of 30 days. The amount of sick leave, which will be utilized or paid in future years, does not vest until retirement.

Vested or accumulated vacation and sick time is accounted for as follows:

Governmental Funds - The accumulated liabilities for employee vacation and sick time is recorded in the governmental activities column of the government-wide financial statements.

Proprietary Funds - The costs of vacation and sick pay are accrued in the respective funds as earned by City employees and recorded in the proprietary fund financial statements and the business-type activities column of the government-wide financial statements.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

I. Deferred Outflows/inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that qualify for reporting in this category. The first item results from actuarial assumption changes, the difference between actual and projected earnings in calculating the net pension asset, changes between actual and projected experience in calculating the net pension asset and pension contributions made by the City subsequent to the pension valuation date. The contribution amount will be applied during the next fiscal year while the changes in actual versus projected amounts will be amortized over five to seven years. The second item relates to the change in assumptions and the actual and projected experience in calculating the Other Post-retirement benefits (OPEB) liability.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The first arises under the modified accrual basis of accounting. The governmental funds report unavailable revenues related to taxes, fees, and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The second item results from differences in experience, and the difference between actual and projected earnings in calculating the pension liability. These amounts will be amortized over five to seven years. The third item results from assumption changes, and the difference in experience in calculating the OPEB obligation. The fourth item results from leases receivable which will be recognized as revenue over the term of the leases.

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by each plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

J. Interfund Activity

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (i.e., due from other funds) in lender funds and interfund payables (i.e. due to other funds) in borrower funds.

Services provided and used – sales and purchases of goods and services between funds for a price approximating their fair value. Interfund services provided and used are reported as revenues in funds providing the good or service and expenditures or expenses in the fund purchasing the good or service. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or statement of net position.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

K. Fund Balances

In the fund financial statements, governmental funds report the following fund balance classifications:

Non-Spendable – This consists of amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – This consists of amounts where constraints are placed on the use of those resources which are either externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

Committed – This consists of amounts which can only be used for specific purposes determined by a formal action of passing an ordinance by the Board of Aldermen, the City's highest level of decision-making authority. Any changes or removal of specific purpose requires the same action by the Board of Aldermen.

Assigned – This consists of amounts which are constrained by City management's intent to be used for a specific purpose but do not meet the criteria to be classified as committed. In accordance with the approved City policy only the Board of Alderman has the authority to assign amounts for a specific purpose in this category.

Unassigned – This consists of the residual fund balance that does not meet the requirements for the non-spendable, restricted, committed, or assigned classifications. A positive unassigned fund balance is only possible in the general fund.

The City has a fund balance policy that provides guidance for programs with multiple revenue sources. The policy is to use restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

L. Net Position Classifications

In the government-wide statements, equity is shown as net position and classified into three components:

- (1) Net investment in capital assets – consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgage notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- (2) Restricted net position – consisting of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities.
- (3) Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

M. Use of Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

N. Stewardship, Compliance and Accountability

Excess of Expenditures over Appropriations – Actual expenditures and transfers out exceeded budgeted appropriations in the Public Health Fund and TIF Fund by \$2 and \$5,242, respectively and was financed through prior year fund surplus.

(2) Deposits and Investments

A summary of the City’s significant policies relating to cash and investments can be found in Note 1. A reconciliation of cash and investments with the Government-wide Statement of Net Position is as follows:

Cash on hand	\$	1,150
Demand deposits		5,642,261
Investments		2,118,354
		<u>7,761,765</u>
		<u>\$ 7,761,765</u>
		Government-wide statement of net position
Pooled cash and investments	\$	7,380,531
Restricted cash and investments		381,234
		<u>7,761,765</u>
		<u>\$ 7,761,765</u>

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is that, in the event of the failure of a counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City’s policy is to collateralize deposits with securities held by the financial institution’s agent and in the City’s name.

As of September 30, 2023, all the City’s deposits were insured with Federal depository insurance, with the remaining uninsured balance collateralized by securities held in the City’s name by their financial institution’s agent. Accordingly, management has determined that none of the City’s deposits were exposed to custodial credit risk as of September 30, 2023.

The carrying amount and maturity segment for the City’s investments at September 30, 2023 are as follows:

	Investment Maturity		
	Total	Under 1 year	One to five years
<u>Investments</u>			
U.S. Treasury Notes	\$ 2,118,354	\$ 1,652,979	\$ 465,375
	<u>\$ 2,118,354</u>	<u>\$ 1,652,979</u>	<u>\$ 465,375</u>

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will be unable to fulfill its obligations. It is the City's policy to minimize credit risk by limiting its investments to Certificates of deposit, bonds, or other obligations of the United States, and other debt securities given the highest available rating by a nationally recognized statistical rating organization. All securities listed above are either a U.S. Government obligation, or implicitly guaranteed by the U.S. Government. Federal Home Loan Bank and Federal Farm Credit Bank are implicitly guaranteed by the U.S. Government and are rated AA+ by Standard & Poor's as of September 30, 2023.

Interest Rate Risk

The City's investment policy limits investment maturities to five years as a means of managing its exposure to fair value losses arising from changes in interest rates. To minimize the risk of loss, the City matches investments to anticipated cash flows and diversifies the investment types to the extent practicable. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

The U.S. Government and agency obligations above have maturity dates ranging from April 30, 2024 to January 13, 2026.

Concentration of Credit Risk

The City's investment policy does not limit the amount that can be invested with any one issuer. Investments that represent more than 5% of the City's investments consist of U.S. Government agency securities and are included above.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by general accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted in active markets for identical assets; Level 2 inputs are significant other observable inputs such as third-party pricing services for identical assets; Level 3 inputs are significant unobservable inputs. All the City's investments are considered Level 1 as of September 30, 2023.

(3) Tax Revenues and Taxes Receivable

The City's property taxes are levied and recorded each November 1 on the assessed value as of the prior January 1 for all property located in the City and are delinquent on January 1 (the lien date) following the levy date. The assessed value of local property at January 1, 2022 was \$69,528,671.

The City is permitted by the Missouri State Constitution to levy (without a vote of two-thirds of the voting electorate) taxes up to \$1.00 per \$100 of assessed valuation for general governmental services other than the payment of principal and interest on long-term debt. The City's property tax levies per \$100 of assessed valuation for the year in which the revenues were earned were as follows:

<u>Fund</u>	<u>Levy</u>
General	\$ 0.8584
Public Health	0.1116
	<u>\$ 0.9700</u>

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

Tax revenues for the year ended September 30, 2023 consisted of the following:

	General Fund	Public Health Fund	Other Governmental Funds	Total
Franchise taxes	\$ 1,748,224	\$ -	\$ 2,667	\$ 1,750,891
Gross receipts taxes	1,956,419	-	-	1,956,419
Property taxes	673,236	88,157	50,090	811,483
Sales and use taxes	488,240	-	759,082	1,247,322
Other taxes	13,483	-	-	13,483
	\$ 4,879,602	\$ 88,157	\$ 811,839	\$ 5,779,598

Taxes receivable represent property, sales, gross receipts, and franchise taxes, including interest and penalties, reduced by an appropriate allowance for uncollectible taxes. Taxes receivable consisted of the following at September 30, 2023:

	General Fund	Public Health Fund	Other Governmental Funds	Total
Franchise taxes	\$ 173,808	\$ -	\$ -	\$ 173,808
Gross receipts taxes	460,832	-	-	460,832
Property taxes	37,031	4,640	-	41,671
Sales and use taxes	90,335	-	135,514	225,849
	\$ 762,006	\$ 4,640	\$ 135,514	\$ 902,160

(4) Intergovernmental Revenues/Receivables

Intergovernmental revenues during the year ended September 30, 2023 consisted of the following:

	General Fund	Other Governmental Funds	Total
Grants - Federal, State and Local State:	\$ 765,149	\$ -	\$ 765,149
Motor vehicle taxes	-	168,462	168,462
Total Intergovernmental Revenue	\$ 765,149	\$ 168,462	\$ 933,611

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

Amounts due from other governments at September 30, 2023 were as follows:

	Other Governmental Funds	Total
State:		
Motor vehicle taxes	\$ 29,709	\$ 29,709
Local:		
Tax increment financing revenues	7,727	7,727
Total due from other governments	\$ 37,436	\$ 37,436

(5) Lease Arrangements

The City has implemented Government Accounting Standards Board No. 87, Leases (GASB 87). Under GASB 87, a lessor is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that related to future periods. Additional information for each lease receivable is as follows:

The City entered into a five-year lease agreement for the right to place a communications tower on land owned by the City. Under the lease, the City currently receives approximately \$31,500 annually. The leases contain options to extend the original lease for five (5) additional five (5) year renewal terms through September 30, 2032 by sending written notice of renewal to the City no later than 60 days prior to the expiration of each lease term. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 5.5%, which is the increment borrowing rate at the inception of the lease. At September 30, 2023, the leases receivable balance was \$220,873.

The City entered into a five-year lease agreement for the right to place a communications tower on land owned by the City. Under the lease, the City receives \$21,780 annually. The leases contain options to extend the original lease for five (5) additional five (5) year renewal terms through August 31, 2060. The lease receivable is measured as the present value of the future rent payments expected to be received during the lease term at a discount rate of 3.25%, which is the increment borrowing rate at the inception of the lease. At September 30, 2023 the leases receivable balance was \$637,931.

For the year ended September 30, 2023, the City recognized \$42,187 of lease revenue and \$33,463 of interest revenue under these leases. The City's leases receivable activity for the year ended September 30, 2023, is as follows:

Lease Description	Balance October 1, 2022	Additions	Retirements	Balance September 30, 2023
Land Leases	\$ 878,609	\$ -	\$ 19,805	\$ 858,804
Total	\$ 878,609	\$ -	\$ 19,805	\$ 858,804

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

The future minimum lease payments due under the lease arrangements for the years ending September 30 are as follows:

Years Ending September 30,	Leases Receivable		
	Principal	Interest	Total
2024	\$ 20,898	\$ 32,370	\$ 53,268
2025	22,052	31,216	53,268
2026	25,000	29,972	54,972
2027	31,180	28,508	59,688
2028	32,869	26,819	59,688
Thereafter	726,806	445,414	1,172,220
Total	\$ 858,804	\$ 594,300	\$ 1,453,104

(6) Property Held for Redevelopment

During 2007 and 2008, the City acquired various properties associated with the implementation of the Four Trails Landing Development (formally known as Sugarland Development and Heritage Ridge Development) totaling approximately \$5.6 million. In accordance with the redevelopment agreement, the majority of the properties acquired were conveyed to the Developer. The agreement provided that in the event the Developer fails to perform its obligations under the redevelopment plan and/or the City and Developer agree to abandon the project, the City shall have an unconditional right to repurchase the properties at an amount equal to the amount that the Developer paid (approximately \$479,000) the City plus any reasonable costs incurred by the Developer related to work actually performed on the properties. The Developer had pledged certain property as collateral for certain developer bridge loans.

In 2011, the City and the Developer entered into a Settlement Agreement to terminate the relationship created by the redevelopment agreement. In connection with the Settlement Agreement, the City authorized the formation of the Industrial Development Authority of the City of Sugar Creek (IDA). The IDA was created to enter into a \$2,287,585 loan agreement with the Bank of Kansas City (the Bank), as contemplated by the Settlement Agreement. In connection with the IDA promissory note with the Bank, the IDA and the City entered into a Lease Purchase Agreement (the Lease Agreement). The Lease Agreement was assigned to the Bank in connection with the promissory note.

In the fiscal year September 30, 2015, the City, IDA and the Bank entered into an agreement that released the IDA and City from all liability under the 2011 note agreement. In exchange, the City acquired certain land and land improvements that were held as collateral on the promissory note for \$350,000.

A summary of the changes in property held for redevelopment for the year ended September 30, 2023 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Property held for redevelopment	\$ 978,719	\$ -	\$ -	\$ 978,719

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

(7) Interfund Activity

Transfers between funds for the year ended September 30, 2023 were as follows:

	<u>Other Governmental Funds</u>
Transfers In:	
Governmental activities:	
General Fund	\$ 66,855
Public Health Fund	13,075
Other Governmental Funds	<u>148,691</u>
Total governmental activities	<u>\$ 228,621</u>
Business-type activities:	
Sanitary Sewer Fund	<u>\$ 541,530</u>
Total business-type activities	<u>541,530</u>
Total	<u>\$ 770,151</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Any transfers within the governmental funds or within the proprietary funds have been eliminated in the government-wide statement of activities.

Amount due to/due from other funds as of September 30, 2023 were as follows:

	<u>Due To/From:</u>			
	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Sanitation Fund</u>	<u>Total</u>
Due from:				
Governmental activities:				
Other Governmental Funds	\$ -	\$ 44,435	\$ 50	\$ 44,485
Business-type activities:				
Water Fund	326,731	-	-	326,731
Sewer Fund	486,714	6,499	-	493,213
Total business-type activities	<u>813,445</u>	<u>6,499</u>	<u>-</u>	<u>819,944</u>
Total	<u>\$ 813,445</u>	<u>\$ 50,934</u>	<u>\$ 50</u>	<u>\$ 864,429</u>

Interfund balances of the Sewer Fund were used to pay for certain maintenance projects in the current year and capital assets acquisitions in prior years. Amounts due from the water and sewer funds represent advances for short-term cash flow needs.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

(8) Capital Assets

A summary of the changes in capital assets for the year ended September 30, 2023 is as follows:

	September 30, 2022	Additions	Retirements	September 30, 2023
Governmental activities:				
Capital assets, not being depreciated				
Land and improvements	\$ 1,914,337	\$ -	\$ -	\$ 1,914,337
Total capital assets, not being depreciated	<u>1,914,337</u>	<u>-</u>	<u>-</u>	<u>1,914,337</u>
Capital assets, being depreciated				
Buildings	6,758,511	167,622	-	6,926,133
Equipment and vehicles	4,489,144	223,167	-	4,712,311
Office equipment	566,598	30,811	-	597,409
Infrastructure	9,307,547	-	-	9,307,547
Total capital assets being depreciated	<u>21,121,800</u>	<u>421,600</u>	<u>-</u>	<u>21,543,400</u>
Less accumulated depreciation for:				
Buildings	3,570,463	218,873	-	3,789,336
Equipment and vehicles	3,276,686	270,394	-	3,547,080
Office equipment	511,977	27,483	-	539,460
Infrastructure	4,529,615	186,151	-	4,715,766
Total accumulated depreciation	<u>11,888,741</u>	<u>702,901</u>	<u>-</u>	<u>12,591,642</u>
Total capital assets being depreciated, net	<u>9,233,059</u>			<u>8,951,758</u>
Governmental activities capital assets, net	<u>\$ 11,147,396</u>			<u>\$ 10,866,095</u>

	September 30, 2022	Additions	Retirements	September 30, 2023
Business-type activities:				
Capital assets, being depreciated				
Equipment and vehicles	\$ 538,030	\$ 6,310	\$ -	\$ 544,340
Sewer and water lines	2,595,308	-	-	2,595,308
Total capital assets being depreciated	<u>3,133,338</u>	<u>6,310</u>	<u>-</u>	<u>3,139,648</u>
Less accumulated depreciation for:				
Equipment and vehicles	343,606	34,515	-	378,121
Sewer and water lines	1,993,214	36,422	-	2,029,636
Total accumulated depreciation	<u>2,336,820</u>	<u>70,937</u>	<u>-</u>	<u>2,407,757</u>
Total capital assets being depreciated, net	<u>796,518</u>			<u>731,891</u>
Business-type activates capital assets, net	<u>\$ 796,518</u>			<u>\$ 731,891</u>

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

Depreciation expense was charged to functions and programs of the primary government as follows:

Governmental activities	
General administration	\$ 41,753
Public safety	302,311
Streets and public works	278,567
Parks and recreation	80,270
Total depreciation expense for governmental activities	\$ 702,901
Business-type activities	
Water	\$ 36,093
Sewer	28,619
Sanitation	6,225
Total depreciation expense for business-type activities	\$ 70,937

(9) Long Term Debt

A summary of the changes in long term debt for the year ended September 30, 2023 is as follows:

	Beginning of Year	Adjustments/ Additions	Adjustments/ Retirements	End of Year	Due Within One Year
Governmental Activities:					
Lease purchase agreement	\$ 1,575,000	\$ -	\$ 115,000	\$ 1,460,000	\$ 120,000
Police radio equipment lease	94,058	-	46,451	47,607	47,607
Developer agreement - TIF	1,313,528	-	34,750	1,278,778	35,000
* Compensated absences	168,725	146,305	174,846	140,184	140,184
* Other post employment benefits	19,954	11,982	-	31,936	-
Total	\$ 3,171,265	\$ 158,287	\$ 371,047	\$ 2,958,505	\$ 342,791
Business-type Activates:					
Compensated absences	\$ 12,376	\$ 22,420	\$ 34,458	\$ 338	\$ 338
Other post employment benefits	610	626	-	1,236	-
Total	\$ 12,986	\$ 23,046	\$ 34,458	\$ 1,574	\$ 338

* Primarily liquidated by the General Fund in prior years.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

A. Lease Purchase Agreement

During the year ended September 30, 2021 the City issued \$1,830,000 Lease Purchase Agreement Series 2021 to refund the Certificates of Participation for costs related to the City's public safety facility. Principal and interest payments are due semi-annually beginning February 1, 2022 through February 1, 2034 ranging from \$105,000 through \$335,000, and interest rates ranging from 3.00% to 4.25%.

B. Developer Agreement – Eagle Materials TIF (Formally LaFarge TIF)

During fiscal year 2003, the City entered into a tax increment financing (TIF) agreement to redevelop several structures, including the conversion of an elementary school into an office building, the improvement of an existing ready-mix concrete plant, the addition of sub-surface mining operations, and the construction of related infrastructure necessary to adequately serve the redevelopment area. The City's obligation to repay the related costs of this agreement will be repaid over a period of 23 years, with interest accruing at the rate of 5.9%. This obligation is a special limited obligation of the City, payable only to the extent of available tax increment financing revenues subject to annual appropriations. In 2012, Eagle Materials acquired LaFarge North America.

At September 30, 2023, the total obligation under this agreement was \$1,278,778. The obligation is payable to the extent incremental taxes are available for a period not to exceed 23 years. For the current year, principal and interest payments related to the developer agreement totaled \$148,705. Incremental revenues from the City were \$103,054 in sales taxes, property taxes, and franchise taxes.

C. Future Debt Service Requirements

The estimated annual payments required to retire the City's debt obligations excluding the developer agreement are as follows:

Year ending September 30:	Lease	
	Purchase Agreement	
	Principal	Interest
2024	\$ 120,000	\$ 31,178
2025	120,000	28,432
2026	125,000	25,713
2027	125,000	22,937
2028	130,000	20,158
2029-2034	695,000	55,314
2035	145,000	1,623
Totals	\$ 1,460,000	\$ 185,355

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

D. Finance Lease Obligations

The City has entered into finance leasing agreements for equipment. The cumulative amount of assets acquired under the lease is \$329,123 with related accumulated depreciation of \$329,123 as of September 30, 2023.

The future minimum lease obligation and the net present value of these minimum lease payments as of September 30, 2023 were as follows:

Year ending September 30:	
2024	\$ 48,793
	<u>48,793</u>
Less imputed interest	(1,186)
	<u>\$ 47,607</u>

(10) Cooperative Agreement – Wastewater Treatment System

The City participates with the City of Independence, Missouri and other political subdivisions through a Cooperative Agreement for Reciprocal Sewer Services for the operation of the Rock Creek Wastewater Treatment Plant. Each participating political subdivision pays its share of operating, maintenance, and certain replacement costs as prescribed in the agreement. For the year ended September 30, 2023, the City's portion of the shared costs was \$898,464.

(11) Employees Retirement System

A. Plan Description

The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS' issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

B. Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the employer, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for police and fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for police and fire) and receive a reduced allowance.

	<u>2023 Valuation</u>
Benefit Multiplier:	1.75% for life
Final Average Salary:	3 Years
Member Contribution Rate:	0%

Benefit terms provide for annual post-retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4% per year.

C. Employees Covered by Benefit Terms

The following employees were covered by the benefit terms:

	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Inactive employees or beneficiaries currently receiving benefits	36	17	7	60
Inactive employees entitled to but no yet receiving benefits	18	20	6	44
Active employees	31	16	6	53
	<u>85</u>	<u>53</u>	<u>19</u>	<u>157</u>

D. Contributions

The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the employer do not contribute to the pension plan. Employer contribution rates are 9.1% (General), 5.7% (Police) and 5.9% (Fire) of annual covered payroll.

E. Net Pension Liability/(Asset)

The City's net pension liability/(asset) was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of February 28, 2023.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

F. Actuarial Assumptions

The total pension liability in the February 28, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increase	2.75% to 6.75% including wage inflation (General) 2.75% to 6.55% including wage inflation (Police) 2.75% to 7.15% including wage inflation (Fire)
Investment rate of return	7.00%, net of investment and administrative expenses

The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash	10.00%	0.00%
Leverage	-35.00%	-0.29%

G. Discount Rate

The discount rate used to measure the total pension liability is 7.00%. The projection of cash flows used to determine the discount rate assumes that employer and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for employers. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

H. Changes in the Net Pension Liability/(Asset)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
Balances at beginning of year	\$ 14,403,763	\$ 17,945,038	\$ (3,541,275)
Changes for the year:			
Service Cost	252,331	-	252,331
Interest	988,686	-	988,686
Difference between expected and actual experience	336,907	-	336,907
Changes of assumptions	-	-	-
Contributions - employer	-	153,116	(153,116)
Contributions - employee	-	-	-
Net investment income	-	640,475	(640,475)
Benefit payments, including refunds	(821,326)	(821,326)	-
Administrative expense	-	(19,634)	19,634
Other changes (net transfer)	-	(1,536)	1,536
Net changes	756,598	(48,905)	805,503
Balances at end of year	\$ 15,160,361	\$ 17,896,133	\$ (2,735,772)

I. Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate

The following presents the Net Pension Liability/(Asset) (as of the employer, calculated using the discount rate of 7.0% for general, police and fire, as well as what the employer's Net Pension Liability/(Asset) would be using a discount rate that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate.

	Current Single Discount Rate		
	1% Decrease 6.00%	Assumption 7.00%	1% Increase 8.00%
Total Pension Liability (TPL)	\$ 17,314,915	\$ 15,160,361	\$ 13,408,562
Plan Fiduciary Net Position	17,896,133	17,896,133	17,896,133
Net Pension Liability (Asset)	\$ (581,218)	\$ (2,735,772)	\$ (4,487,571)

J. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2023, the City recognized LAGERS pension expense of \$107,231, (\$112,758 (General), \$25,087 (Police) and (\$30,614) (Fire)). The City reported deferred outflows (inflows) related to LAGERS pension from the following sources:

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
Deferred Outflows of Resources:				
Difference in experience	\$ 117,964	\$ 240,907	\$ 50,650	\$ 409,521
Difference in projected and actual earnings on plan investments.	75,922	94,120	11,747	181,789
Contributions subsequent to the measurement date *	19,683	12,121	3,281	35,085
Total	<u>\$ 213,569</u>	<u>\$ 347,148</u>	<u>\$ 65,678</u>	<u>\$ 626,395</u>

Deferred Inflows of Resources:				
Assumption changes	\$ (55,480)	\$ (18,666)	\$ (5,213)	\$ (79,359)
Difference in experience	-	(2,694)	(1,370)	(4,064)
Total	<u>\$ (55,480)</u>	<u>\$ (21,360)</u>	<u>\$ (6,583)</u>	<u>\$ (83,423)</u>

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the Net Pension Liability/(Asset) for the year ending September 30, 2023.

Net amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	<u>General</u>	<u>Police</u>	<u>Fire</u>	<u>Total</u>
2024	\$ (22,172)	\$ 87,881	\$ 4,352	\$ 70,061
2025	(109,171)	5,044	(18,601)	(122,728)
2026	204,857	176,434	49,584	430,875
2027	64,892	44,308	19,159	128,359
2028	-	-	1,320	1,320
Total	<u>\$ 138,406</u>	<u>\$ 313,667</u>	<u>\$ 55,814</u>	<u>\$ 507,887</u>

K. Payable to the Pension Plan

At September 30, 2023, the City had no outstanding amount of contributions payable to the LAGERS pension plan.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

L. Summary of financial reporting of the City's pension plan:

	General	Police	Fire	Total
Governmental activities:				
Net Pension Asset	\$ 1,204,825	\$ 1,070,930	\$ 315,200	\$ 2,590,955
Business-type activities:				
Net Pension Asset	144,817	-	-	144,817
Net Pension Asset	<u>\$ 1,349,642</u>	<u>\$ 1,070,930</u>	<u>\$ 315,200</u>	<u>\$ 2,735,772</u>
Governmental activities:				
Pension related deferred outflow	\$ 190,653	\$ 347,148	\$ 65,678	\$ 603,479
Pension related deferred inflow	(49,527)	(21,360)	(6,583)	(77,470)
Business-type activities:				
Pension related deferred outflow	22,916	-	-	22,916
Pension related deferred inflow	(5,953)	-	-	(5,953)
Total	<u>\$ 158,089</u>	<u>\$ 325,788</u>	<u>\$ 59,095</u>	<u>\$ 542,972</u>

(12) Other Post-Employment Benefits

A. Plan Description

The City provides for a continuation of medical, prescription drug, hearing and vision insurance benefits to employees that retire from City employment. The City provides retiree healthcare benefits through Midwest Public Risk (MPR), which is a risk pool comprised of approximately 115 entity members. It has been determined that MPR functions as an agent multiple-employer plan. The plan does not issue separate financial statements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75 (GASB Statement 75).

B. Benefits Provided

The City requires the retirees to pay 145% of the premiums charged to active employees. The rates being paid by retirees for benefits are typically lower than those for individual health insurance policies. (The retiree insurance is guaranteed issue; no medical questionnaire is required.) The difference between these amounts is the implicit rate subsidy, which is considered other post-employment benefits (OPEB) under GASB Statement 75.

Retirees and spouses have the same benefits as active employees. However, all retiree coverage terminates upon Medicare entitlement or payment is not received on a timely basis. When the retiree attains Medicare eligibility age, it may be a COBRA qualifying event for the spouse.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

C. Employees Covered by Benefit Terms

As of the July 1, 2021 actuarial valuation, the following employees were covered by the benefit terms:

Inactive members or beneficiaries currently receiving benefit payments	-
Active employees	53
	<u>53</u>

D. Total OPEB Liability

The City's total OPEB liability of \$33,172 was measured as of September 30, 2023 and was determined by an actuarial valuation as of July 1, 2021.

E. Actuarial Assumptions

The total OPEB liability in the July 1, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Salary increase	6.0% (general), 6.0% (fire) and 6.0% (police)
Discount rate	4.75% (2023) 4.59% (2022)
Healthcare cost trend rates	6.5% for 2022, 6.25% for 2023 then decreasing by 0.25% per year to an ultimate rate of 4.5% for 2030 and later years
Retirees' share of benefit-related costs	145% of plan premiums

The discount rate was based on the S&P Municipal Bond 20 year High Grade and the Fidelity GO AA-20 Years indexes. Mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Headcount-Weighted General and Public Safety Mortality Tables using Scale MP-2020 Full Generational Improvement.

The actuarial assumptions used in the July 1, 2021 valuation were based on an experience analysis of the plan's past experience, the actuary's experience with plans of similar size, plan design, retiree and spouse contribution level and assumptions used in the City's participation in the corresponding pension plan through LAGERS, as applicable.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

F. Change in the Total OPEB Liability

	Total OPEB Liability
Balance at beginning of year	\$ 20,564
Changes for the year:	
Service cost	1,987
Interest	1,035
Changes in benefit terms	-
Differences between expected and actual results	(411)
Changes in assumptions and other inputs	9,997
Benefit payments, net of contributions	-
Net changes	<u>12,608</u>
Balance at end of year	<u>\$ 33,172</u>

G. Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the OPEB Liability, calculated using the discount rate of 4.75%, as well as what the City's OPEB Liability would be using a discount rate that is 1 percentage point lower (3.75%) or one percentage point higher (5.75%) than the current rate.

	1% Decrease 3.75%	Discount Rate 4.75%	1% Increase 5.75%
Total OPEB liability	<u>\$ 37,382</u>	<u>\$ 33,172</u>	<u>\$ 29,446</u>

H. Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the OPEB Liability, calculated using the healthcare cost trend rate of 6.5%, as well as what the City's OPEB Liability would be using a discount rate that is 1 percentage point lower (5.5% decreasing to 3.5%) or one percentage point higher (7.5% decreasing to 5.5%) than the current rate.

	1% Decrease (5.5% decreasing to 3.5%)	Discount Rate (6.5% decreasing to 4.5%)	1% Increase (7.5% decreasing to 5.5%)
Total OPEB liability	<u>\$ 27,689</u>	<u>\$ 33,172</u>	<u>\$ 40,098</u>

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

I. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2023, the City recognized OPEB expense of \$1,533. The City reported deferred outflows and inflows related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Assumption Changes	\$ 12,458	\$ 52,152
Differences between expected and actual experience	37,267	12,311
Total	\$ 49,725	\$ 64,463

Amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending September 30:	Total
2024	\$ (1,489)
2025	(1,489)
2026	(1,489)
2027	(1,489)
2028	(1,489)
Thereafter	(7,293)
Total	\$ (14,738)

(13) Commitments and Contingencies

A. Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City is a member of the Midwest Public Risk (MPR), formerly Mid-America Regional Council Insurance Trust, a not-for-profit corporation consisting of local governments and political subdivisions. MPR was formed as a public entity risk retention pool to cover health and dental, workers' compensation, and property and casualty claims for its members. MPR has been established as assessable pools and accounting records are maintained for each line of coverage on a policy-year basis. The City pays annual premiums to MPR for all coverage. The agreement with MPR provides that MPR will be self-sustaining through member premiums. MPR has the authority to assess members for any deficiencies of revenues under expenses for any single plan year. Likewise, MPR has the authority to declare refunds to members for the excess of revenues over expenses relating to any single plan year. The City continues to carry commercial insurance for employee life insurance and short-term disability. The amount of settlements has not exceeded the City's insurance coverage in any of the past three fiscal years.

CITY OF SUGAR CREEK, MISSOURI

Notes to the Basic Financial Statements

September 30, 2023

B. Federal and State Grants

The City has received financial assistance from various federal, state, and local agencies in the form of grants and entitlements. These programs are subject to audit by agents of the granting authority. Management does not believe that liabilities for reimbursements, if any, will have a materially adverse effect upon the financial condition of the City.

C. Litigation

The City is involved in legal proceedings arising from the ordinary course of City activities. While these proceedings may have future financial effect, management believes that their ultimate outcome will not be material to the basic financial statements.

D. Conduit Debt

In a prior year, the City issued Taxable Industrial Development Revenue Bonds (bonds) for the purpose of providing funds to purchase, construct, install, and equip a cement manufacturing facility, a subordinate limestone mining facility, and certain transportation and distribution improvements (the Project). In 2003, the City issued \$150,000,000 Taxable Industrial Revenue Bonds to refund the previous bonds. Along with the issuance of the refunding bonds, the City amended the existing development and lease agreement with LaFarge Corporation to develop and lease the project. The amended project lease payments are equal to the principal and interest on the bonds plus an additional lease payment of \$50,000 per year beginning in 2004 plus certain payments in lieu of taxes. The bonds and the interest are limited obligations of the City payable solely out of the payments, revenues, and receipts derived by the City from the lease agreement. As the City is only contingently liable for repayment, the bond and the related lease are not recorded on the City's books.

As of September 30, 2023, the aggregate principal amount payable on the bonds was \$103,000,000. During November 2012, Eagle Material purchased the Lafarge Sugar Creek assets and the Mayor and Board of Aldermen approved transferring the Agreement and bonds to Eagle Materials. \$47,000,000 of the tax exempt Bonds were paid in full by Lafarge at closing.

(14) Tax Abatements

Tax abatements may be granted under the Urban Redevelopment program described under Chapter 353 of the RSMo, the Industrial Development program described under Chapter 100 of RSMo, and the Enhanced Enterprise Zone program described under Sections 135.950 to 135.973 of RSMo. For each of these programs, property taxes are abated by reducing the assessed valuation of the associated properties. For the fiscal year ended September 30, 2023, management has determined that any tax abatements are not significant or material to the City's financial position.

(15) Subsequent Events

The City has evaluated subsequent events through September 30, 2024, the date the financial statements were available to be issued. There were no subsequent events that require recognition or disclosure in the financial statements.

CITY OF SUGAR CREEK, MISSOURI

Required Supplementary Information
September 30, 2023

Required supplementary information includes financial information and disclosures that are required by GASB but are not considered a part of the basic financial statements.

Such information includes:

- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
- Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Public Health Fund
- Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios
- Schedule of Employer Contributions
- Schedule of Changes in Net OPEB Liability and Related Ratios

Budgetary Process

The City prepares an annual operating budget for all Governmental Fund Types using the modified accrual basis of accounting and does not utilize encumbrance accounting. The reported budgetary data represent the final approved budget after amendments as adopted by the Board of Aldermen. The Board of Aldermen utilizes the following procedures in establishing the budgetary data reflected in the general purpose financial statements:

- (1) Prior to September 1, the City Administrator submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Prior to October 1, the budget is legally enacted through passage of an ordinance.
- (4) The legal level of control for the budget is at the fund level, and City management cannot amend the budget without the approval of the Board of Aldermen. However, the City Finance Director has the authority to transfer budgeted amounts between departments within any fund. The Board of Aldermen must approve any revision that alters the total budgeted expenditures of any fund. Unexpended appropriations lapse at year-end.

CITY OF SUGAR CREEK, MISSOURI
Required Supplementary Information
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
General Fund
Year Ended September 30, 2023

	2023			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 4,871,312	\$ 4,895,312	\$ 4,879,602	\$ (15,710)
Intergovernmental	162,750	222,250	765,149	542,899
Rentals	90,815	90,815	63,097	(27,718)
Fines and forfeitures	295,248	265,374	321,969	56,595
Payment in lieu of taxes	35,000	-	-	-
Contractual agreements	99,000	99,000	26,366	(72,634)
Licenses, permits, and fees	154,443	147,143	121,426	(25,717)
Interest	13,093	13,093	142,444	129,351
Charges for services	31,775	31,775	64,885	33,110
Other	13,989	46,472	54,548	8,076
Total Revenues	5,767,425	5,811,234	6,439,486	628,252
Expenditures:				
Current:				
General administration	1,683,813	1,622,724	1,602,131	20,593
Public safety	3,056,237	2,980,237	2,931,003	49,234
Streets and public works	1,510,327	1,550,827	1,273,683	277,144
Parks and recreation	328,288	350,988	415,928	(64,940)
Debt Service:				
Principal	-	-	46,451	(46,451)
Interest and fiscal charges	-	-	2,342	(2,342)
Total Expenditures	6,578,665	6,504,776	6,271,538	233,238
Excess of Revenues Over (Under) Expenditures	(811,240)	(693,542)	167,948	861,490
Other Financing Sources (Uses):				
Transfers in	55,000	487,000	66,855	(420,145)
Sale of capital assets	5,000	5,000	-	(5,000)
Total Other Financing Sources (Uses)	60,000	492,000	(487,750)	(979,750)
Change in fund balance	\$ (751,240)	\$ (201,542)	(319,802)	\$ (118,260)
Fund Balances, Beginning of Year			4,726,228	
Fund Balances, End of Year			\$ 4,406,426	

CITY OF SUGAR CREEK, MISSOURI
Required Supplementary Information
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
Public Health Fund
Year Ended September 30, 2023

	2023			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 95,974	\$ 95,974	\$ 88,157	\$ (7,817)
Interest	1,855	1,855	7,784	5,929
Total Revenues	<u>97,829</u>	<u>97,829</u>	<u>95,941</u>	<u>(1,888)</u>
Expenditures:				
Health and welfare	41,431	1,431	1,433	(2)
Total Expenditures	<u>41,431</u>	<u>1,431</u>	<u>1,433</u>	<u>(2)</u>
Excess of Revenues Over (Under) Expenditures	<u>56,398</u>	<u>96,398</u>	<u>94,508</u>	<u>(1,890)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	13,075	13,075
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>13,075</u>	<u>13,075</u>
Change in fund balance	<u>\$ 56,398</u>	<u>\$ 96,398</u>	107,583	<u>\$ 11,185</u>
Fund Balances, Beginning of Year			<u>984,540</u>	
Fund Balances, End of Year			<u>\$ 1,092,123</u>	

CITY OF SUGAR CREEK, MISSOURI
Required Supplementary Information
Schedule of Changes in Net Pension Liability (Assets) and Related Ratios
Year Ended September 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability									
Service costs	\$ 252,331	\$ 235,172	\$ 230,047	\$ 230,008	\$ 211,513	\$ 211,611	\$ 216,816	\$ 163,872	\$ 164,061
Interest on total pension liability	988,686	942,705	965,694	913,835	858,149	798,105	779,055	640,481	632,399
Changes in benefit terms	-	-	-	-	-	-	-	1,560,096	-
Difference between expected and actual experience of the total pension liability	336,907	244,011	53,055	372,160	504,016	559,311	(213,315)	(367,269)	(332,242)
Changes of assumptions	(821,326)	(727,183)	(330,414)	(783,916)	(844,358)	(640,780)	(57,639)	326,407	-
Benefit payments and refunds	756,598	694,705	(818,149)	732,087	729,320	928,247	(410,129)	(339,917)	(364,938)
Net change in total pension liability	14,403,763	13,709,058	100,233	12,876,738	12,147,418	11,219,171	314,788	1,983,670	99,280
Total pension liability - beginning of year			13,608,825				10,904,383	8,920,713	8,821,433
Total pension liability - end of year (a)	\$ 15,160,361	\$ 14,403,763	\$ 13,709,058	\$ 13,608,825	\$ 12,876,738	\$ 12,147,418	\$ 11,219,171	\$ 10,904,383	\$ 8,920,713

Plan Fiduciary Net Position

Contributions - employer	\$ 153,116	\$ 138,537	\$ 103,146	\$ 90,081	\$ 104,922	\$ 132,911	\$ 144,144	\$ 106,226	\$ 97,371
Net investment income	640,475	15,973	4,145,757	196,546	1,002,568	1,652,258	1,426,924	(23,782)	244,577
Benefit payments and refunds	(821,326)	(727,183)	(818,149)	(783,916)	(844,358)	(640,780)	(410,129)	(339,917)	(364,938)
Administrative expenses	(19,634)	(13,920)	(12,631)	(16,938)	(14,970)	(9,902)	(9,187)	(9,001)	(9,692)
Other (net transfer)	(1,536)	(167,763)	270,648	393,015	113,104	726,969	25,222	(343,117)	132,221
Net change in plan fiduciary net position	(48,905)	(754,356)	3,688,771	(121,212)	361,266	1,861,456	1,176,974	(609,591)	99,539
Plan fiduciary net position - beginning of year	17,945,038	18,699,394	15,010,623	15,131,835	14,770,569	12,909,113	11,732,139	12,341,730	12,242,191
Plan fiduciary net position - end of year (b)	\$ 17,896,133	\$ 17,945,038	\$ 18,699,394	\$ 15,010,623	\$ 15,131,835	\$ 14,770,569	\$ 12,909,113	\$ 11,732,139	\$ 12,341,730
Net pension liability/(asset) (a) - (b)	\$ (2,735,772)	\$ (3,541,275)	\$ (4,990,336)	\$ (1,401,798)	\$ (2,255,097)	\$ (2,623,151)	\$ (1,689,942)	\$ (827,756)	\$ (3,421,017)

Plan net position as a percentage of the total pension liability

	118.05%	124.59%	136.40%	110.30%	117.51%	121.59%	115.06%	107.59%	138.35%
Covered payroll	\$ 2,475,421	\$ 2,223,043	\$ 2,173,532	\$ 2,232,855	\$ 2,255,772	\$ 2,005,474	\$ 2,116,052	\$ 2,095,185	\$ 2,034,865
Net pension liability/(asset) as a percentage of covered payroll	-110.52%	-159.30%	-229.60%	-62.78%	-99.97%	-130.80%	-79.86%	-39.51%	-168.12%

GASB 68 requires presentation of ten years. As of September 30, 2023, only nine years of information is available.

City of Sugar Creek, Missouri
Required Supplementary Information
Schedule of Employer Contributions
Year Ended September 30, 2023

LAGERS (General, Police and Fire)

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation	Contribution Deficiency	Covered Payroll	Contribution as Percentage
2014	\$ 114,077	\$ 114,077	\$ -	\$ 2,161,899	5.28%
2015	94,123	94,123	-	2,078,524	4.53%
2016	128,248	128,248	-	2,230,685	5.75%
2017	141,180	141,180	-	2,145,353	6.58%
2018	119,105	119,105	-	2,124,666	5.61%
2019	106,892	97,550	9,342	2,207,179	4.42%
2020	87,480	87,480	-	2,220,634	3.94%
2021	152,089	110,547	41,542	2,271,919	4.87%
2022	170,865	140,023	30,842	2,403,774	5.83%
2023	179,676	156,114	23,863	2,581,109	6.05%

City of Sugar Creek, Missouri
Required Supplementary Information
Notes to Schedule of Contributions
Year Ended September 30, 2023

Lagers

Valuation Date February 28, 2023

Notes: The roll-forward of total pension liability from February 28, 2023 to June 30, 2023 reflects expected service cost and interest reduced by actual benefit payments.

Methods and assumptions used to determine contributions rates:

Actuarial cost method Entry Age Normal and Modified Terminal Funding

Amortization method A level percentage of payroll amortization method is used to amortize the UAAL over a closer period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.

Remaining amortization period Multiple bases from 13 to 15 years

Asset valuation method 5-year smoothed market; 20% corridor

Inflation assumption 2.75% wage inflation; 2.25% price inflation

Salary increases 2.75% to 6.75% including wage inflation (General)
2.75% to 6.55% including wage inflation (Police)
2.75% to 7.15% including wage inflation (Fire)

Investment rate of return 7.00%, net of investment and administrative expenses

Retirement age Experienced-based table of rates that are specific to the type of eligibility condition

Mortality The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups.

Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

Other information None

City of Sugar Creek, Missouri
Required Supplementary Information
Schedule of Changes in Net OPEB Liability
and Related Ratios*

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service costs	\$ 1,987	\$ 4,404	\$ 2,320	\$ 3,480	\$ 2,658	\$ 6,832
Interest on total OPEB liability	1,035	1,162	610	1,678	1,441	3,124
Changes in benefit terms	-	-	-	-	(27,399)	(25,696)
Difference between expected and actual results	(411)	(5,093)	16,331	(10,455)	37,329	-
Changes of assumptions	9,997	(25,810)	2,074	(19,767)	2,120	(27,035)
Benefit payments and refunds	-	-	-	-	(5,000)	(6,000)
Net change in total pension liability	12,608	(25,337)	21,335	(25,064)	11,149	(48,775)
Total OPEB liability - beginning of year	20,564	45,901	24,566	49,630	38,481	87,256
Total OPEB liability - end of year	\$ 33,172	\$ 20,564	\$ 45,901	\$ 24,566	\$ 49,630	\$ 38,481
Covered employee payroll**	\$ 2,308,043	\$ 2,308,043	\$ 2,200,167	\$ 2,200,167	\$ 2,076,690	\$ 2,076,690
OPEB liability as a percentage of covered payroll	1.44%	0.89%	2.09%	1.12%	2.39%	1.85%

* GASB 75 requires presentation of ten years. As of September 30, 2023, only six years were available.

** Covered payroll is measured as of the valuation date of July 1, 2021 for 2023 and 2022, July 1, 2019 for 2021 and 2020, and July 1, 2017 for 2019 and 2018.

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

CITY OF SUGAR CREEK, MISSOURI
Combining Balance Sheet - Non-major Governmental Funds
September 30, 2023

	Combined Special Revenue Funds	Capital Projects Funds		Debt Service Funds		Totals
		Capital Improvement	Revolving Improvement	Certificates of Participation	TIF Fund	
Assets						
Pooled cash and investments	\$ 2,928,792	\$ 56,456	\$ 123,167	\$ -	\$ 22,363	\$ 3,130,778
Receivables:						
Taxes	135,514	-	-	-	-	135,514
Accrued interest	6,102	-	52	111	-	6,265
Due from other governments	29,709	-	-	-	7,727	37,436
Due from other funds	37,428	-	-	-	13,505	50,933
Restricted assets - cash and cash investments	244,005	-	-	770	-	244,775
Total Assets	<u>\$ 3,381,550</u>	<u>\$ 56,456</u>	<u>\$ 123,219</u>	<u>\$ 881</u>	<u>\$ 43,595</u>	<u>\$ 3,605,701</u>
Liabilities and Fund Balances						
Liabilities:						
Due to other funds	\$ 7,782	\$ -	\$ -	\$ -	\$ -	\$ 7,782
Total Liabilities	<u>7,782</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,782</u>
Deferred inflows of resources						
Unavailable revenues - other	-	-	-	-	3,719	3,719
Fund balances						
Restricted:						
Capital projects	1,821,896	-	-	-	-	1,821,896
Debt service	-	-	-	881	39,876	40,757
Public safety	633,276	-	-	-	-	633,276
Parks and recreation	445,020	-	-	-	-	445,020
Community development	204,372	-	-	-	-	204,372
Streets and public works	269,204	-	-	-	-	269,204
Assigned:						
Capital projects	-	56,456	123,219	-	-	179,675
Total fund balances	<u>3,373,768</u>	<u>56,456</u>	<u>123,219</u>	<u>881</u>	<u>39,876</u>	<u>3,594,200</u>
Total liabilities and fund balances	<u>\$ 3,381,550</u>	<u>\$ 56,456</u>	<u>\$ 123,219</u>	<u>\$ 881</u>	<u>\$ 43,595</u>	<u>\$ 3,605,701</u>

CITY OF SUGAR CREEK, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
September 30, 2023

	Combined Special Revenue Funds	Capital Projects Funds		Debt Service Funds		Totals
		Capital Improvement	Revolving Improvement	Certificates of Participation	TIF Fund	
Revenues:						
Taxes	\$ 708,785	\$ -	\$ -	\$ -	\$ 103,054	\$ 811,839
Intergovernmental	168,462	-	-	-	-	168,462
Investment income (loss)	64,259	-	1,557	-	42	65,858
	<u>941,506</u>	<u>-</u>	<u>1,557</u>	<u>-</u>	<u>103,096</u>	<u>1,046,159</u>
Expenditures:						
Current:						
General administration	-	-	-	-	801	801
Streets and public works	113,385	-	-	-	-	113,385
Debt service:						
Principal	-	-	-	115,000	34,750	149,750
Interest and fiscal charges	-	-	-	33,691	70,491	104,182
	<u>113,385</u>	<u>-</u>	<u>-</u>	<u>148,691</u>	<u>106,042</u>	<u>368,118</u>
Excess of Revenues Over (Under) Expenditures	828,121	-	1,557	(148,691)	(2,946)	678,041
Other financing sources (uses):						
Transfers in	-	-	-	148,691	-	148,691
Transfers out	(215,546)	-	-	-	-	(215,546)
Total Other Financing Sources (Uses)	<u>(215,546)</u>	<u>-</u>	<u>-</u>	<u>148,691</u>	<u>-</u>	<u>(66,855)</u>
Change in fund balance	612,575	-	1,557	-	(2,946)	611,186
Fund Balances, Beginning of Year	<u>2,761,193</u>	<u>56,456</u>	<u>121,662</u>	<u>881</u>	<u>42,822</u>	<u>2,983,014</u>
Fund Balances, End of Year	<u>\$ 3,373,768</u>	<u>\$ 56,456</u>	<u>\$ 123,219</u>	<u>\$ 881</u>	<u>\$ 39,876</u>	<u>\$ 3,594,200</u>

CITY OF SUGAR CREEK, MISSOURI
Combining Balance Sheet - Non-major Special Revenue Funds
September 30, 2023

	Reuse Agreement	Capital Improvement Sales Tax	Parks and Recreation Sales Tax	Stormwater Sales Tax	Sales Tax Fire Department	State Gasoline Tax	Totals
Assets							
Pooled cash and investments	\$ -	\$ 562,107	\$ 423,053	\$ 1,154,665	\$ 589,105	\$ 199,862	\$ 2,928,792
Receivables:							
Taxes	-	45,168	22,584	22,584	45,178	-	135,514
Accrued interest	-	433	680	3,402	1,587	-	6,102
Due from other governments	-	-	-	-	-	29,709	29,709
Due from other funds	-	-	-	37,428	-	-	37,428
Restricted assets - cash and cash investments	204,372	-	-	-	-	39,633	244,005
Total Assets	<u>\$ 204,372</u>	<u>\$ 607,708</u>	<u>\$ 446,317</u>	<u>\$ 1,218,079</u>	<u>\$ 635,870</u>	<u>\$ 269,204</u>	<u>\$ 3,381,550</u>
Liabilities							
Due to other funds	\$ -	\$ 2,594	\$ 1,297	\$ 1,297	\$ 2,594	\$ -	\$ 7,782
Total Liabilities	<u>-</u>	<u>2,594</u>	<u>1,297</u>	<u>1,297</u>	<u>2,594</u>	<u>-</u>	<u>7,782</u>
Fund balances							
Restricted:							
Capital projects	-	605,114	-	1,216,782	-	-	1,821,896
Public safety	-	-	-	-	633,276	-	633,276
Parks and recreation	-	-	445,020	-	-	-	445,020
Community development	204,372	-	-	-	-	-	204,372
Streets and public works	-	-	-	-	-	269,204	269,204
Total fund balances	<u>204,372</u>	<u>605,114</u>	<u>445,020</u>	<u>1,216,782</u>	<u>633,276</u>	<u>269,204</u>	<u>3,373,768</u>
Total liabilities and fund balances	<u>\$ 204,372</u>	<u>\$ 607,708</u>	<u>\$ 446,317</u>	<u>\$ 1,218,079</u>	<u>\$ 635,870</u>	<u>\$ 269,204</u>	<u>\$ 3,381,550</u>

CITY OF SUGAR CREEK, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Special Revenue Funds
September 30, 2023

	Reuse Agreement	Capital Improvement Sales Tax	Parks and Recreation Sales Tax	Stormwater Sales Tax	Sales Tax Department	State Gasoline Tax	Totals
Revenues:							
Taxes	\$ -	\$ 236,506	\$ 118,252	\$ 118,252	\$ 235,775	\$ -	\$ 708,785
Intergovernmental	-	-	-	-	-	168,462	168,462
Investment income (loss)	-	3,491	5,482	42,502	12,784	-	64,259
	<u>-</u>	<u>239,997</u>	<u>123,734</u>	<u>160,754</u>	<u>248,559</u>	<u>168,462</u>	<u>941,506</u>
Expenditures:							
Current:							
Streets and public works	-	30	-	-	-	113,355	113,385
	<u>-</u>	<u>30</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,355</u>	<u>113,385</u>
Excess of Revenues Over (Under) Expenditures	-	239,967	123,734	160,754	248,559	55,107	828,121
Other financing sources (uses):							
Transfers out	-	(148,691)	-	(66,855)	-	-	(215,546)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(148,691)</u>	<u>-</u>	<u>(66,855)</u>	<u>-</u>	<u>-</u>	<u>(215,546)</u>
Change in fund balance	-	91,276	123,734	93,899	248,559	55,107	612,575
Fund Balances, Beginning of Year	<u>204,372</u>	<u>513,838</u>	<u>321,286</u>	<u>1,122,883</u>	<u>384,717</u>	<u>214,097</u>	<u>2,761,193</u>
Fund Balances, End of Year	<u>\$ 204,372</u>	<u>\$ 605,114</u>	<u>\$ 445,020</u>	<u>\$ 1,216,782</u>	<u>\$ 633,276</u>	<u>\$ 269,204</u>	<u>\$ 3,373,768</u>

CITY OF SUGAR CREEK, MISSOURI
Capital Improvement Sales Tax Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes	\$ 214,750	\$ 214,750	\$ 236,506	\$ 21,756
Investment income (loss)	-	-	3,491	3,491
Total Revenues	<u>214,750</u>	<u>214,750</u>	<u>239,997</u>	<u>25,247</u>
Expenditures:				
Streets and public works	200	200	30	170
Total Expenditures	<u>200</u>	<u>200</u>	<u>30</u>	<u>170</u>
Excess of Revenues Over Expenditures	<u>214,550</u>	<u>214,550</u>	<u>239,967</u>	<u>25,417</u>
Other Financing (Uses):				
Transfers Out	(153,561)	(153,561)	(148,691)	4,870
Total Other Financing (Uses)	<u>(153,561)</u>	<u>(153,561)</u>	<u>(148,691)</u>	<u>4,870</u>
Change in fund balance	<u>\$ 60,989</u>	<u>\$ 60,989</u>	91,276	<u>\$ 30,287</u>
Fund Balance, Beginning of Year			<u>513,838</u>	
Fund Balance, End of Year			<u>\$ 605,114</u>	

CITY OF SUGAR CREEK, MISSOURI
Parks and Recreation Sales Tax
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 107,375	\$ 107,375	\$ 118,252	\$ 10,877
Investment income (loss)+B163	-	-	5,482	5,482
Total Revenues	<u>107,375</u>	<u>107,375</u>	<u>123,734</u>	<u>16,359</u>
Expenditures:				
Parks and recreation	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>107,375</u>	<u>107,375</u>	<u>123,734</u>	<u>16,359</u>
Other Financing Sources:				
Transfers out	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources	<u>(40,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in Fund Balance	<u>\$ 67,375</u>	<u>\$ 107,375</u>	123,734	<u>\$ 16,359</u>
Fund Balance, Beginning of Year			<u>321,286</u>	
Fund Balance, End of Year			<u>\$ 445,020</u>	

CITY OF SUGAR CREEK, MISSOURI
Stormwater Sales Tax
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes	\$ 128,625	\$ 128,625	\$ 118,252	\$ (10,373)
Investment income (loss)	2,000	2,000	42,502	40,502
Total Revenues	<u>130,625</u>	<u>130,625</u>	<u>160,754</u>	<u>30,129</u>
Expenditures:				
Streets and public works	25,000	-	-	-
Total Expenditures	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>105,625</u>	<u>130,625</u>	<u>160,754</u>	<u>30,129</u>
Other Financing Sources (Uses):				
Transfers out	(5,000)	(5,000)	(66,855)	(61,855)
Total Other Financing Sources (Uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>(66,855)</u>	<u>(61,855)</u>
Excess of Revenues Over Expenditures	<u>\$ 100,625</u>	<u>\$ 125,625</u>	93,899	<u>\$ (31,726)</u>
Fund Balance, Beginning of Year			<u>1,122,883</u>	
Fund Balance, End of Year			<u>\$ 1,216,782</u>	

CITY OF SUGAR CREEK, MISSOURI
Sales Tax Fire Department
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Taxes	\$ 222,500	\$ 222,500	\$ 235,775	\$ 13,275
Interest	-	-	12,784	12,784
Total Revenues	<u>222,500</u>	<u>222,500</u>	<u>248,559</u>	<u>26,059</u>
Expenditures:				
Public safety	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>\$ 222,500</u>	<u>\$ 222,500</u>	248,559	<u>\$ 26,059</u>
Fund Balance, Beginning of Year			<u>384,717</u>	
Fund Balance, End of Year			<u>\$ 633,276</u>	

CITY OF SUGAR CREEK, MISSOURI
State Gasoline Tax Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Revenues:				
Intergovernmental	\$ 117,879	\$ 137,879	\$ 168,462	\$ 30,583
Total Revenues	<u>117,879</u>	<u>137,879</u>	<u>168,462</u>	<u>30,583</u>
Expenditures:				
Street and public works	118,000	118,000	113,355	4,645
Total Expenditures	<u>118,000</u>	<u>118,000</u>	<u>113,355</u>	<u>4,645</u>
Excess of Revenues Over Expenditures	<u>(121)</u>	<u>19,879</u>	<u>55,107</u>	<u>35,228</u>
Change in Fund Balance	<u>\$ (121)</u>	<u>\$ 19,879</u>	55,107	<u>\$ 35,228</u>
Fund Balance, Beginning of Year			<u>214,097</u>	
Fund Balance, End of Year			<u>\$ 269,204</u>	

CITY OF SUGAR CREEK, MISSOURI
Revolving Improvement Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023		Actual	Variance with Final Budget (Negative)
	Budget	Budget		
Revenues:				
Investment income (loss)	\$ 500	\$ 500	\$ 1,557	\$ 1,057
Total Revenues	<u>500</u>	<u>500</u>	<u>1,557</u>	<u>1,057</u>
Expenditures:				
General administration	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>\$ 500</u>	<u>\$ 500</u>	1,557	<u>\$ 1,057</u>
Fund Balance, Beginning of Year			<u>121,662</u>	
Fund Balance, End of Year			<u>\$ 123,219</u>	

CITY OF SUGAR CREEK, MISSOURI
Certificates of Participation Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Intvestment income (loss)	\$ 500	\$ 500	\$ -	\$ (500)
Total Revenues	<u>500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
Expenditures:				
Debt service	148,705	148,705	148,691	14
Total Expenditures	<u>148,705</u>	<u>148,705</u>	<u>148,691</u>	<u>14</u>
Excess of Revenues (Under) Expenditures	(148,205)	(148,205)	(148,691)	(486)
Other Financing Sources:				
Transfers in	148,705	148,705	148,691	(14)
Total Other Financing Sources	<u>148,705</u>	<u>148,705</u>	<u>148,691</u>	<u>(14)</u>
Change in Fund Balance	<u>\$ 500</u>	<u>\$ 500</u>	-	<u>\$ (500)</u>
Fund Balance, Beginning of Year			<u>881</u>	
Fund Balance, End of Year			<u>\$ 881</u>	

CITY OF SUGAR CREEK, MISSOURI
TIF Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual
Year Ended September 30, 2023

	2023			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 91,552	\$ 91,552	\$ 103,054	\$ 11,502
Intergovernmental	16,421	12,421	-	(12,421)
Investment income (loss)	250	250	42	(208)
Total Revenues	<u>108,223</u>	<u>104,223</u>	<u>103,096</u>	<u>(1,127)</u>
Expenditures:				
General government	800	800	801	(1)
Debt service	100,000	100,000	105,241	(5,241)
Total Expenditures	<u>100,800</u>	<u>100,800</u>	<u>106,042</u>	<u>(5,242)</u>
Excess of Revenues Over (Under) Expenditures	7,423	3,423	(2,946)	(6,369)
Other Financing Sources:				
Transfers in	18,809	18,809	-	(18,809)
Total Other Financing Sources	<u>18,809</u>	<u>18,809</u>	<u>-</u>	<u>(18,809)</u>
Change in Fund Balance	<u>\$ 26,232</u>	<u>\$ 22,232</u>	(2,946)	<u>\$ (25,178)</u>
Fund Balance, Beginning of Year			<u>42,822</u>	
Fund Balance, End of Year			<u>\$ 39,876</u>	