



# ANNUAL REPORT

FY 2023

[www.clarenceannonwater.org](http://www.clarenceannonwater.org)

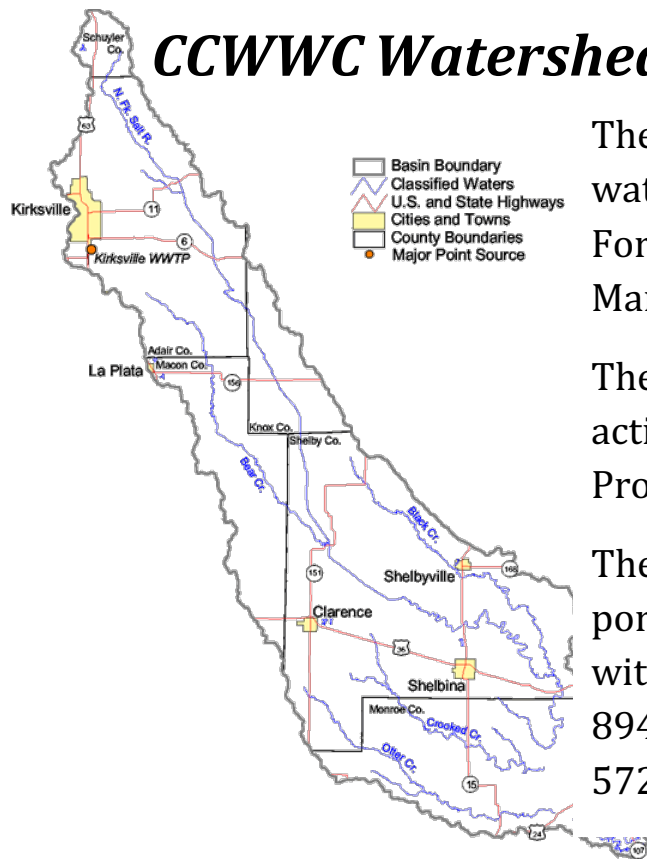


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# Mission Statement

The Clarence Cannon Wholesale Water Commission (CCWWC) is a wholesale supplier of high quality potable water to the region through its Member communities and public water supply districts. The CCWWC will produce and distribute drinking water to its Members that meets or exceeds state and federal water quality standards. This service will be provided at a reasonable cost consistent with sound business practices to maximize efficiency and productivity. The CCWWC is a leader in the development of regional water systems and will support the growth of such systems as a means of solving water supply problems. The CCWWC is committed to providing training, service and support to its Members and employees. Preservation and wise use of natural resources, particularly water resources, and public awareness of the issues facing the water profession are major concerns of the CCWWC that shall be cultivated as we pursue our mission.



The Commission draws water from the North Fork of the Salt River in Mark Twain Lake.

The Commission has and active Source Water Protection Program.

The Watershed includes portions of 6 counties with a drainage area of 894 mi<sup>2</sup>, approximately 572,160 acres.

# *Authority and Organization*

The Clarence Cannon Wholesale Water Commission (CCWWC, or Commission) is a Joint Municipal Utility Commission organized under §393.700 to §393.770 of the Revised Statutes of the State of Missouri. The Commission is a political subdivision of the State of Missouri. The CCWWC was officially established on October 3, 1983. In Fiscal Year 2023 there were fourteen cities and nine rural water districts making up the 23 Member systems that own the Commission.

The first phase of the CCWWC system was constructed in 1991-92 and was financed with revenue bonds in the amount of \$21.8 million along with state and federal grant funds in the amount of \$2.84 million. There were thirteen Member systems at that time. The production and sale of water to Members began on June 16, 1992. Since the original construction phase, the CCWWC has had four transmission system expansion projects. These projects have resulted in the addition of eleven purchasing Members which was reduced by one when Armstrong was absorbed by Thomas Hill PWS. The Commission also more than doubled its treatment capacity in 2007 by completing a plant expansion.

The production and distribution facilities include a 10 million gallons per day (MGD) surface water treatment plant located on Mark Twain Lake near Florida, Missouri, 310.5 miles of transmission mains, 6 booster pumping stations, and 8 storage tanks that have a storage capacity totaling 7.48 million gallons. Fiscal Year 2023 water sold averaged 4.05 MGD and was distributed to 14 counties in Northeast Missouri.

A Board of Directors governs CCWWC. Each contracting municipality or public water supply district governing body appoints a director and alternate director to sit on the board. The board has the responsibility for the management, administration and regulation of the business affairs of the CCWWC. They set rates for the sale of wholesale water to contracting parties. Rates are typically reviewed and modified (if necessary) yearly in October to coincide with the beginning of the fiscal year.

Heath Hall is the General Manager of the Commission with the responsibility for the planning, operations, budgeting, and administration of the organization. He holds a Bachelor of Science in Civil Engineering from the Missouri University of S&T. He has 22 years of experience managing public drinking water systems and began working for the Commission in 2020. He holds the following certifications with the State of Missouri: Drinking Water Treatment A, Wastewater Treatment A, and Water Distribution III. Assisting the Commission as the Administrative Assistant is Todd Keller. Todd holds a Missouri Class D Drinking Water Treatment license, DS III distribution license, and has been with the Commission since 1996. Todd runs the office efficiently, providing administrative support, billing to the Members, administers payroll, processes bills, and is the Custodian of Records for the Board. The Distribution Supervisor, Bill Arnett, retired in May of 2023 after more than 25 years of service to the Commission. The now Lead Distribution Operator is Howard Smothers, and he is assisted by two new employees, Allen DeOrnellas and Alan Crow. They properly maintain the Commission's 310.5 miles of transmission mains, points-of-connections with member systems, SCADA system, booster pump stations, storage tanks, and other associated water distribution equipment. Howard holds a Missouri DS III distribution license and started with the Commission in 2010. Alan DeOrnellas obtained his DS II distribution certification during the year, while Alan Crow upgraded his certification to a DS III.

The operation and maintenance of the Water Treatment Plant was under contract operations from 1992 until June of 2023 by a variety of company names, but mostly the same local people. In June of 2023, the seven contract operators became CCWWC employees as the contract operations agreement expired and was not renewed. These seven highly qualified personnel provide 24/7 staffing of the Water Treatment Plant and operate the State Certified Laboratory. Scott Allen serves as Chief Operator at the facility and holds a Missouri Class A Drinking Water Treatment license, Class A Wastewater Treatment license, and Distribution III certification. He has been a contract employee with the Commission since 1990. The remaining Operators and Maintenance staff are listed below with their certifications.

Joe Smith – Drinking Water Treatment A; Darin Clithero – Drinking Water Treatment B; Kurtis Arnett – Drinking Water Treatment A; Rick McAfee – Drinking Water Treatment C, Wastewater Treatment C, Distribution I; Nick Ward – Drinking Water Treatment D; Taylor Ragland - Drinking Water Treatment D

# General Manager's Letter

September 30, 2023

Clarence Cannon Wholesale Water Commission Board of Directors:

We end the Commission's fiscal year in good financial. Our plant and distribution system continue to provide high quality drinking water at competitive costs to our Members, who in turn, serve a large part of fourteen counties in northeast Missouri.

FY 2023 had some challenges. The retirement of a 25 year employee in Bill Arnett, and the transfer of the 7 contracted water treatment plant operators from contract employees to in house employees were two of the most significant. Fortunately, we were able to find two Distribution Operators to replace Bill and plan for future retirements that are on the horizon. And the transitioning of contracted employees to in house has gone well, mostly due to the quality and cooperation of people involved.

For the second year in a row, chemical costs continued to rise rapidly. Compared to the previous year, chemical costs rose \$300,000 and 34%. We have fully adjusted to the inconsistencies in delivery and availability by stocking more chemicals on site and adding an additional ferric chloride storage tank.

Seasonal was approved and available to members. Two members, Cannon WSD and Pike County used some seasonal water during the dry summer months.

Cannon WSD added 20,000 gpd to their allotted shares of water for the third consecutive year in July 2023 bringing their total to 450,000 gpd. Pike County also added contracted water with 60,000 gpd added in July of 2023, bringing their total contracted water to 525,000 gpd. Unfortunately, after these two additions of contracted water, there is currently no more water available to contract for within the Perry Booster Pump Station discharge area. The Long Term Planning Committee continues to discuss our options moving forward for this and other areas of need.

The cities of Laddonia and Monroe City have both committed to joining the Commission to provide all their drinking water needs. With the assistance of Bartlett & West, CCWWC was able to secure grants and low interest loans for both projects through the Missouri Department of Natural Resources State Revolving Fund Loan Program. The project cost details are shown below. Engineering work is underway, and both connection projects should be completed by 2026.

	Total Project Estimate	Grant	SRF Loan	Engineering Contract
Laddonia	\$2,060,000	\$1,545,500	\$515,000	\$400,000
Monroe City	\$8,240,000	\$3,000,000	\$5,240,000	\$1,650,000

We continue to set money aside for Capital Improvements to replace and upgrade some of the original 1992 equipment and facilities. Planning for the future, both financially and operationally, is constantly on my mind. We will also continue to look for new opportunities to sell more water if it makes sense hydraulically and for the existing Members. Thank you to the Board of Directors for the opportunity to serve its Members.

Sincerely,

Heath N. Hall  
[hhall@clarencannonwater.org](mailto:hhall@clarencannonwater.org)  
General Manager

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# CLARENCE CANNON WHOLESALE WATER COMMISSION

## *Board of Directors*

SEPTEMBER 30, 2022

Bowling Green, City of	Director Verlon Persinger	Alt Director LaDon Atkinson
Cannon WD #1	Director Rhonda J. Elliott	Alt Director John Kendrick
Curryville, City of	Director Walter Haddock	Alt Director Sherri Noel
Edina, City of	Director Rick Yoakum	Alt Director Mike Wriedt
Farber, City of	Director Mike Atkinson	Alt Director Barbara Straube
Huntsville, City of	Director Connie Kissell	Alt Director Brian Kissell
Knox County PWSD #1	Director Gary Mallett	Alt Director Shirley Henderson
La Belle, City of	Director Wayne Rudd	Alt Director Keith Strange
Lewis County PWSD #1	Director Roger Goings	Alt Director Amy Klocke
Lewistown, City of	Director Wes Sharpe	Alt Director Eric Corrick
Macon County PWSD #1	Vice-Chairman David G. Waller	Alt Director Brian Bender
Madison, City of	Director Kevin Thomas	Alt Director Shannon Breid
Marion County PWSD #1	Secretary Herman Yoder	Alt Director Tanner Tuley
Monroe County PWSD #2	Director Adam Turner	Alt Director Hilary Crum
New London, City of	Director Mary Jane White	Alt Director Keith Miller
Paris, City of	Director Darrin DeOrnellas	Alt Director Barb McCall
Perry, City of	Director Don Huff	Alt Director Sonya Johnston
Pike County PWSD #1	Director Mike Kurz	Alt Director Janice Luebrecht
Shelby County PWSD #1	Chairman Tony Stiefel	Alt Director Philip Magruder
Shelbyville, City of	Director Randy Shores	Alt Director Mike VanSlike
Thomas Hill PWSD #1	Treasurer Merl Lee Riley	Alt Director Travis Ginter
Vandalia, City of	Director Dave Sanders	Alt Director Darren Berry
Wellsville, City of	Director Dena P. Saak	Alt Director Jake Sewel

# *System Performance*

**Table 1: Ten Year Overall System Statistics**

Fiscal Year	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total Raw Water Pumped (MG)	1,702.57	1,620.25	1,622.30	1,587.68	1,678.00	1,596.03	1,572.14	1,568.45	1,572.61	1,606.25
Total Finished Water Pumped (MG)	1,637.61	1,550.24	1,553.46	1,516.47	1,604.86	1,520.71	1,505.77	1,490.33	1,515.04	1,526.68
Total Water Sold (MG)	1,579.70	1,501.26	1,506.00	1,469.11	1,529.17	1,443.62	1,451.53	1,447.92	1,460.58	1,474.32
Unaccounted for Water (%)	3.54	3.16	3.06	2.96	3.59	3.67	3.60	2.85	3.59	3.43
Average Daily Water Usage (MGD)	4.29	4.11	4.12	4.04	4.20	3.97	3.93	3.97	4.00	4.05
Total Contracted Water (MGD)	5.995	5.995	5.995	5.995	5.995	6.010	6.010	6.030	6.050	6.130
% of Contracted Water Used										
High	94	97	98	89	89	86	88	91	88	90
Low	51	47	45	45	45	24	23	22	24	24
Average	72	69	69	67	67	66	66	66	66	66
Cost of water to Members / KGAL										
High	\$5.64	\$5.69	\$5.51	\$5.80	\$5.52	\$9.88	\$10.23	\$10.70	\$10.13	\$10.42
Low	\$3.58	\$3.71	\$3.72	\$3.70	\$3.70	\$3.45	\$2.74	\$2.43	\$2.39	\$2.55
Average	\$4.03	\$4.01	\$3.98	\$3.93	\$3.93	\$3.93	\$3.44	\$2.91	\$3.00	\$3.26

Average cost to Members decreased as long term debts were paid off in 2020 and 2021.

Cannon WSD#1 added 20,000 gpd of contracted water in July 2021, July 2022, and July 2023.

Pike County PWSD#1 added 60,000 gpd of contracted water in July 2023.

# Continuing Disclosure Reporting

**Table 2: Average Daily Use (GPD) by Member vs. Water Supply Contract**

Participating Member	FY2019	FY2020	FY2021	FY2022	FY2023	Water Supply Contract (GPD)	% of Total Contracts	Service Connections	Population
Thomas Hill PWSD #1 (1)	890,571	864,290	847,210	833,180	798,720	1,275,000	20.80	4,184	10,315
Monroe Co. PWSD #2	383,651	400,730	432,250	422,750	419,920	720,000	11.75	2,841	6,677
Pike Co. PWSD #1 (1)	380,060	379,860	378,790	396,910	403,680	525,000	8.56	2,842	6,655
Cannon PWSD #1 (1)	322,541	339,440	336,990	357,340	395,670	450,000	7.34	2,890	6,482
Knox Co. PWSD #1	303,811	297,970	280,040	307,750	316,920	370,000	6.04	1,731	4,298
Marion Co. PWSD #1 (1)	282,100	312,720	312,210	312,540	314,570	355,000	5.79	2,020	4,900
Macon County PWSD #1 (1)	279,765	264,370	302,650	288,630	298,870	332,000	5.42	4,824	11,606
Shelby Co. PWSD #1	201,519	198,200	201,360	199,010	206,410	303,000	4.94	1,282	3,120
City of Bowling Green (2)	139,558	69,120	66,180	72,650	72,330	300,000	4.89	1,492	5,334
City of Vandalia (2)	112,797	124,710	88,770	79,260	77,260	250,000	4.08	1,242	2,529
City of Huntsville	98,841	95,890	95,740	99,360	104,730	200,000	3.26	667	1,563
City of Paris	89,445	95,650	101,740	96,540	88,330	150,000	2.45	613	1,250
Lewis Co. PWSD #1	80,264	87,450	87,510	85,730	92,720	135,000	2.20	710	1,688
City of Wellsville	72,228	67,200	78,560	95,320	112,120	135,000	2.20	424	1,270
City of New London	70,582	53,300	60,490	69,280	58,040	120,000	1.96	494	975
City of Edina	80,260	80,180	92,760	75,360	82,220	120,000	1.96	596	1,153
City of Perry	41,412	40,400	41,680	40,780	39,690	80,000	1.31	408	694
City of Lewistown	39,448	35,460	35,400	39,320	39,480	75,000	1.22	293	580
City of LaBelle	37,945	42,670	42,670	46,040	45,730	70,000	1.14	308	660
City of Madison	30,643	31,250	30,390	30,940	28,650	65,000	1.06	293	554
City of Shelbyville	30,066	30,060	29,940	28,330	30,130	55,000	0.90	256	552
City of Farber	17,393	13,360	14,130	15,360	14,260	30,000	0.49	136	450
City of Curryville	9,255	9,420	9,480	9,200	9,890	15,000	0.24	84	255
<b>Totals</b>	<b>3,994,156</b>	<b>3,933,700</b>	<b>3,966,940</b>	<b>4,001,580</b>	<b>4,050,340</b>	<b>6,130,000</b>	<b>100.00</b>	<b>30,630</b>	<b>73,560</b>

(1) Purchase water from other sources in addition to water purchased from CCWVC

(2) Operate a water treatment plant for some of their water  
Population and Service Connection data from 2020 Census

# *Continuing Disclosure Reporting*

**Table 3: Historic System Debt Service Coverage from Base Charges**

Note: Base Charge Revenues are used to pay debt.

Fiscal Year Ended Sept. 30	Base Charge Revenues	Reserve Fund Balance (Cash + Investments)	Total	Annual Debt Service	Coverage
2013	\$3,617,375	\$1,523,857	\$5,159,275	\$3,416,622	151%
2014	\$3,628,332	\$1,889,669	\$5,533,609	\$3,156,653	175%
2015	\$3,220,340	\$1,617,064	\$4,860,513	\$3,130,803	155%
2016	\$3,245,206	\$1,653,674	\$4,933,100	\$3,106,830	159%
2017	\$3,025,868	\$1,550,836	\$4,600,837	\$3,021,988	152%
2018	\$3,015,654	\$1,446,232	\$4,465,182	\$2,807,540	159%
2019	\$3,016,907	\$2,274,007	\$5,290,914	\$2,897,469	183%
2020	\$2,338,717	\$3,030,958	\$5,369,675	\$2,675,000	201%
2021	\$1,199,776	\$3,160,354	\$4,360,130	\$1,262,500	345%
2022	\$1,157,873	\$2,488,867	\$3,646,740	\$971,800	375%
2023	\$1,222,174	\$3,575,331	\$4,797,505	\$1,011,991	474%

**Table 4: System Water Rates and Revenues**

Note: Water Rate Revenues are used for operations and maintenance expenses.

Year Ending Sept 30th	Water Rate Revenues	Water Rate
2013	\$2,830,457	\$1.85/1000 gallons
2014	\$2,875,049	\$1.82/1000 gallons
2015	\$2,717,273	\$1.81/1000 gallons
2016	\$2,725,862	\$1.81/1000 gallons
2017	\$2,659,089	\$1.81/1000 gallons
2018	\$2,767,801	\$1.81/1000 gallons
2019	\$2,780,737	\$1.90/1000 gallons
2020	\$2,932,090	\$2.02/1000 gallons
2021	\$3,151,973	\$2.03/1000 gallons
2022	\$3,237,771	\$2.18/1000 gallons
2023	\$3,523,866	\$2.38/1000 gallons

Note: There was an additional Capital Improvements Fund charge of \$0.20/1,000 gallons in FY 2023.

# Continuing Disclosure Reporting

**Table 5: Largest Retail Water Customers**

Member	Retail Customer	Type of Business	Annual Usage (gals)
1	PWSD #1 Thomas Hill	Moberly Prison	75,565,000
2	City of Vandalia	Vandalia Women's Prison	28,124,000
3	Macon County PWSD#1	City of Clarence	16,595,000
4	PWSD #1 Thomas Hill	Chariton Pork LLC	15,803,429
5	PWSD #1 Shelby County	CNS International Ministries	11,750,000
6	WSD #1 Cannon	Great Escapes	10,311,700
7	PWSD #1 Thomas Hill	City of Higbee	9,447,900
8	PWSD#1 Pike County	City of Frankford	7,019,000
9	WSD #1 Cannon	USACE	6,766,300
10	PWSD #1 Marion	BASF	6,583,100
11	PWSD #1 Marion County	CF Industries	4,386,620
12	WSD #1 Cannon	Loves Truck Stop	3,232,400
13	PWSD #1 Shelby County	City of Hunnewell	3,146,000
14	City of Wellsville	Gamma Road Lodge	2,933,500
<b>Total</b>			<b>201,663,949</b>



Contractor cleaning out south sludge lagoon



CLARENCE CANNON WHOLESALE WATER COMMISSION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Clarence Cannon Wholesale Water Commission  
Stoutsville, Missouri

### Opinions

We have audited the accompanying financial statements of the business-type activities of the Clarence Cannon Wholesale Water Commission as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clarence Cannon Wholesale Water Commission'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 business-type activities of the Clarence Cannon Wholesale Water Commission, 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. 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 Clarence Cannon Wholesale Water Commission 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 Clarence Cannon Wholesale Water Commission'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 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, 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 Clarence Cannon Wholesale Water Commission'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 Clarence Cannon Wholesale Water Commission'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, Schedule of Changes in Net Pension Liability and Related Ratios and Schedule of Contributions on pages 4-9, 27-28 and 29 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

*John W. Gillum CPA, LLC*

John W. Gillum, CPA, LLC  
Certified Public Accountant  
Unionville, Missouri  
February 14, 2024



# Clarence Cannon Wholesale Water Commission



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## CLARENCE CANNON WHOLESALE WATER COMMISSION MANAGEMENT'S DISCUSSION AND ANALYSIS—UNAUDITED FOR THE YEAR ENDED SEPTEMBER 30, 2023

The Clarence Cannon Wholesale Water Commission (CCWWC) is a Joint Municipal Utility Commission organized under Chapter 393, Section 393.700 of the Revised Statutes of Missouri (RS Mo). This discussion and analysis of the financial performance of the CCWWC provides an overview of financial activities for the fiscal year ended September 30, 2022. This analysis should be read in conjunction with the financial statements and notes thereto.

The Clarence Cannon Wholesale Water Commission is a wholesale provider of potable water to municipalities and rural water districts in northeast Missouri. The CCWWC has 23 member systems that in turn serves approximately 73,000 people in 14 counties in northeast Missouri.

### FINANCIAL HIGHLIGHTS

As a part of the fiscal year 2023 budget approved by the Board of Directors on September 14, 2022, the Water Rate charged to member systems increased from \$2.18 per 1,000 gallons of metered usage to \$2.38 per 1,000 gallons. Water Rate revenues pay for all operations and maintenance of both the treatment plant and distribution system. Significant items within the operations and maintenance expenses are chemicals, utilities, labor, and storage for raw water. On top of the Water Rate, an additional Capital Improvements Rate is charged in the amount of \$0.20 per 1,000 gallons of metered usage. The Capital Improvements Rate helps fund capital projects and purchases. This fee was increased from \$0.15 to \$0.20 for FY 2022, continuing the strategic plan to incrementally increase this rate by \$0.05 per fiscal year. The chart below shows the progression of the Water Rate and Capital Improvements Rate in the last five fiscal years and the approved fees for the fiscal year to come.

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>Water Rate</b>	\$2.00	\$2.02	\$2.03	\$2.18	\$2.38	\$2.55
<b>Capital Imp. Rate</b>	\$0.10	\$0.10	\$0.10	\$0.15	\$0.20	\$0.25

All charges are per 1,000 gallons of metered usage and billed monthly.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS—UNAUDITED  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**FINANCIAL STATEMENTS**

This report contains three basic financial statements and related notes. The Statement of Net Position presents the CCWWC's financial condition, assets and liabilities, with the difference between the two reported as net position. The Statement of Revenues, Expenses, and Change in Net Position present CCWWC's results of operations for the year that ended September 30, 2023. The Statement of Cash Flows presents the CCWWC's sources and uses of cash for the year that ended September 30, 2023. The Notes to the Financial Statements are an integral part of the financial statements and contain information on accounting principles and other matters necessary for a more complete understanding of CCWWC's financial status.

A condensed Statement of Net Position follows:

	September 30,		
	2023	2022	2021
Current and other assets	\$ 4,467,699	\$ 3,271,307	\$ 3,944,186
Net capital assets	33,462,125	34,259,018	34,659,089
Deferred outflows	6,877	13,176	26,263
Total	<u>\$ 37,936,701</u>	<u>\$ 37,543,501</u>	<u>\$ 38,629,538</u>
Less: Liabilities			
Long-term debt	\$ 6,176,009	\$ 5,991,000	\$ 6,962,800
Other liabilities	596,996	642,504	682,749
Total	<u>\$ 6,773,005</u>	<u>\$ 6,633,504</u>	<u>\$ 7,645,549</u>
Net position	<u>\$ 31,163,696</u>	<u>\$ 30,909,997</u>	<u>\$ 30,983,989</u>

**Operating Results**

During summer and winter, weather patterns, and the associated customer usage can have a significant impact on operating costs and revenues. Revenues from water sales are relatively consistent year to year, increasing as the Water Rate increases. Chemicals continued to increase at higher than normal levels. Also, Salaries and Benefits increased more than typical due to transitioning from contract operations to in-house operations in June of 2023 and increasing staff from 4 to 12. In order to maintain a solid operating system, future operating revenues need to rise in similar amounts to operating expenses. Expectations for the future are that the Water Rate should increase incrementally year to year to keep up with rising operations costs. As chemicals and other operating costs become more stable, rates should as well.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
MANAGEMENT’S DISCUSSION AND ANALYSIS—UNAUDITED  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

OPERATING REVENUES

	September 30,		
	2023	2022	2021
<b>Operating Revenues</b>			
Water sales and service revenues	\$ 5,043,049	\$ 4,627,453	\$ 4,504,021

OPERATING EXPENSES

Salaries, benefits, employee costs	\$ 427,388	\$ 381,311	\$ 284,201
Administrative costs	272,132	286,963	224,796
System maintenance	169,869	116,700	213,891
Treatment	1,140,608	910,633	719,767
Water purchase	256,997	323,490	323,574
Utilities	628,262	589,591	583,922
Contract labor	547,147	685,042	666,792
Depreciation	1,296,487	1,262,351	1,240,758
Other	8,937	3,025	1,503
<b>Total</b>	<b>\$ 4,747,827</b>	<b>\$ 4,559,106</b>	<b>\$ 4,259,204</b>

**Key Projects**

PLC’s for WTP Alarm and Control System: This \$200,000 project is to replace the outdated and no longer supported alarm and control system for the filtration system on both water treatment plants. Micro Comm will perform the installation of the new equipment. The equipment was ordered in late 2022, but due to longer than normal lead times, it will not be installed until FY 2024. Therefore, no expenses have been incurred as of yet. I anticipate this project being completed by February of 2024.

Sludge Processing/Lagoon cleanouts: This multi-year project began in FY 2023 but will likely not be completed until FY 2025. The purpose is to clean the sludge out of the lagoons used for backwash and clarifier solids. We have continued to land apply sludge from these lagoons yearly from April to November as weather and available personnel allows. The WTP produces more sludge than we land apply each year. Therefore, the lagoons are getting full. In FY 2023 the smaller lagoons were cleaned out by a local contractor, Wide Open Excavating for \$25,550. The plan is to bring the same company or a similar one back in FY 2024 and FY 2025 to complete the sludge removal on the three larger lagoons. All solids were land applied and worked into the soil on CCWWC property adjacent to the lagoon area. This process removed a lot more sludge than in-house personnel were doing, and the price was reasonable.

South WTP Transfer Pump and Valve: This was not a planned project as one of the South WTP Transfer pumps failed without notice. A new 50 Hp pump was purchased and installed by Flynn Drilling Company for \$39,569. A new replacement check valve was purchased for \$5,994.95 and installed by in-house personnel. There are a total of three South Transfer Pumps. So, during the downtime, the other two pumps continued operating. We do plan to replace the other two check valves as they are leaking.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS—UNAUDITED  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**Key Projects (Continued)**

Ferric Bulk Tank: This project consisted of installing a third bulk Ferric Chloride tank for chemical storage. Due to chemical lead times and inconsistent deliveries, we decided to obtain more on site storage. The new tank was purchased for \$18,023.40 and installed by in-house maintenance personnel. The tank has been in service for several months now and all is working as planned.

**Change in Net Position**

The results of operations are impacted by many external factors outside the CCWWC's control. Weather and other factors affect demand for water. Elevation of source water effecting pumping power required, turbidity and algae blooms in source water effect treatment expenses. Nevertheless, our financial position remains stable and strong.

CCWWC maintains strong credit ratings, demonstrating our strong financial position. Net position increased by .8% from 2022, decreased by 0.2% from 2021, and increased by 0.5% over 2020.

A condensed Statement of Revenues, Expenses, and Change in Net Position follows:

	September 30,		
	2023	2022	2021
Operating revenues	\$ 5,043,049	\$ 4,627,453	\$ 4,504,021
Less: Operating expenses	(4,747,827)	(4,559,106)	(4,259,204)
Total operating income	295,222	68,347	244,817
Non-operating revenues (expenses)			
Interest/other income	\$ 118,975	\$ 93,731	\$ 144,233
Gain on sale of capital assets	37,150	-	7,336
Interest expense	(138,939)	(199,364)	(207,505)
Other items (net)	(58,709)	(36,706)	(42,587)
Total other income (expenses)	\$ (41,523)	\$ (142,339)	\$ (94,523)
Change in Net Position	253,699	(73,992)	150,294
Net position, beginning as restated	\$ 30,909,997	\$ 30,983,989	\$ 30,833,695
Net position, ending	\$ 31,163,696	\$ 30,909,997	\$ 30,983,989

CLARENCE CANNON WHOLESALE WATER COMMISSION  
MANAGEMENT’S DISCUSSION AND ANALYSIS—UNAUDITED  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**Capital Assets**

CCWWC’s investment in capital assets as of September 30, 2023, amounts to \$33,462,125 (net of accumulated depreciation). This investment in capital assets includes land and easements, plant buildings and lagoons, distribution system, and machinery and equipment consisting of tools, lab equipment, office equipment, and vehicles. Total capital assets decreased by \$796,893 from 2022 and 2022 decreased by \$400,071 from 2021.

A condensed statement of net capital assets as of September 30 follows:

	September 30,		
	2023	2022	2021
Construction in progress	\$ 261,470	\$ 26,470	\$ 107,345
Land	1,203,082	1,202,575	615,518
Plant buildings and lagoons	22,563,000	22,413,132	22,087,496
Distribution system	35,708,939	35,699,165	35,690,429
Machinery and equipment	649,808	572,849	551,123
Less: Accumulated depreciation	<u>(26,924,174)</u>	<u>(25,655,173)</u>	<u>(24,392,822)</u>
Total	<u>\$ 33,462,125</u>	<u>\$ 34,259,018</u>	<u>\$ 34,659,089</u>

**Debt Administration**

At September 30, 2023, the Commission had a total of \$6,176,009 of long-term debt outstanding obligations. This was an increase of \$185,009 or 3.1% from the previous year. CCWWC continues to pay down bonded debt as two bonds (series 2005C and series 2006A) are scheduled to be paid in full in 2026, and two (series 2009 and 2010) more in 2030. The Commission did incur a new bond in FY 2023 to assist with paying for engineering on two connection projects for the Cities of Laddonia and Monroe City for \$1,200,000. This bond should be paid in full before incurring any interest payments when the MoDNR loan closes for each project.

**Known Facts, Decisions or Conditions that are Expected to have a Significant Effect on Net Position**

Laddonia and Monroe City have recently decided to join CCWWC. The connection projects may take 3 years or longer to be completed. Engineering costs began in FY 2023. The funding for the connection projects will be through the Missouri Department of Natural Resources State Revolving Fund department and will consist of grants and low interest loans. The Laddonia project is estimated at \$2,000,000, while the Monroe City connection project is estimated at \$8,000,000. Both of these projects will add to the long-term debt of CCWWC as the Commission will own and maintain the assets used to connect both cities. As laid out in the CCWWC governing documents, all project costs (loan payments) will be paid by each joining city for their connection project. Also, the aforementioned \$1,200,000 bond was incurred in FY 2023 to assist with engineering costs prior to the MoDNR loan closing.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS—UNAUDITED  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Aging infrastructure indicates that failures in the treatment plant and distribution system equipment and leaks in the distribution system are more likely as the system ages and highlight the need for the increase in the Capital Improvements Fund in the years to come for these eventualities. This shows in the upward trend of maintenance costs the last few years.

Management is not aware of any decisions or other conditions that are likely to have a significant effect on financial position or results of operations.

**Requests for Information**

This financial report is designed to provide the reader a general overview of the Commission's finances. Questions or requests for more information concerning any of the information provided in this report should be directed to the General Manager, Clarence Cannon Wholesale Water Commission, (573) 672-3221, 34146 Route U, Stoutsville, Missouri 65283-2117.



## BASIC FINANCIAL STATEMENTS

CLARENCE CANNON WHOLESALE WATER COMMISSION  
STATEMENT OF NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**ASSETS**

Current Assets:	
Cash	\$ 3,080,942
Investments – certificates of deposit	494,389
Accounts Receivable	418,544
Inventory	<u>190,076</u>
Total Current Assets	4,183,951
Restricted Assets:	
Cash accounts – debt service	283,748
Noncurrent Assets:	
Capital assets, net of accumulated depreciation	<u>33,462,125</u>
Total Assets	37,929,824

**DEFERRED OUTFLOWS OF RESOURCES**

6,877

TOTAL ASSETS AND DEFERRED OUTFLOWS \$ 37,936,701

**LIABILITIES**

Current Liabilities:	
Payable from current assets-	
Accounts Payable	\$ 374,783
Payroll liabilities	33,237
Payable from restricted assets-	
Accrued interest payable	37,236
Revenue bonds due within one year	<u>1,027,000</u>
Total Current Liabilities	1,472,256
Noncurrent Liabilities:	
Net pension liability	94,582
Revenue bonds due after one year	5,149,009
Discounts/premiums on bonds	<u>35,388</u>
Total Noncurrent Liabilities	<u>5,278,979</u>
Total Liabilities	6,751,235

**DEFERRED INFLOWS OF RESOURCES**

21,770

**NET POSITION**

Net investment in capital assets	27,250,728
Restricted for debt service	283,748
Unrestricted, undesignated	<u>3,629,220</u>
Total Net Position	<u>31,163,696</u>

TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION \$ 37,936,701

See Accompanying Notes to the Financial Statements

CLARENCE CANNON WHOLESALE WATER COMMISSION  
STATEMENT OF REVENUE, EXPENSES AND CHANGE IN NET POSITION  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Operating Revenues:	
Water sales	\$ 5,033,700
Services revenues	<u>9,349</u>
Total Operating Revenues	5,043,049
Operating Expenses:	
Salaries, benefits, employer costs	427,388
Administrative costs	272,132
Water and distribution system maintenance	169,869
Treatment	1,140,608
Water purchase	256,997
Utilities	628,262
Contract labor	547,147
Depreciation	1,296,487
Other	<u>8,937</u>
Total Operating Expenses	4,747,827
Operating Income	295,222
Nonoperating Revenues (Expenses):	
Gain on sale of capital assets	37,150
Interest and investment earnings	118,975
Interest expense on bonds	(138,939)
Trustee fees	<u>(58,709)</u>
Total Nonoperating Revenues (Expenses)	(41,523)
Change in Net Position	253,699
Net Position—Beginning	<u>30,909,997</u>
Net Position—Ending	<u>\$ 31,163,696</u>

See Accompanying Notes to the Financial Statements

CLARENCE CANNON WHOLESALE WATER COMMISSION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Operating Activities:	
Received from customers for water sales	\$ 4,993,170
Service revenues	9,349
Payments to vendors and suppliers for materials and services	(3,077,976)
Payments to or on behalf of employees	<u>(498,656)</u>
Net cash provided by operating activities	1,425,887
Capital and related financing activities:	
Sale of capital assets	42,000
Additions to capital assets	(504,444)
Advances on long-term debt	1,200,000
Principal paid on long-term debt	(1,014,991)
Interest paid on long-term debt	(114,075)
Fees paid on long-term debt	<u>(58,709)</u>
Net cash (used) by capital and related financing activities	(450,219)
Investing Activities:	
(Increase) in investments	(21,881)
(Increase) in restricted cash	(8,179)
Interest earnings	<u>118,975</u>
Net cash provided by investing activities	<u>88,915</u>
Change in cash	1,064,583
Cash, beginning	<u>2,016,359</u>
Cash, ending	<u>\$ 3,080,942</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income	\$ 295,222
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,296,487
Changes in assets and liabilities:	
(Increase) decrease in accounts receivable	(40,530)
(Increase) decrease in inventory	(61,219)
(Increase) decrease in deferred outflows	6,299
Increase (decrease) in deferred inflows	(9,475)
Increase (decrease) in net pension liability	(68,092)
Increase (decrease) in accounts payable	(16,458)
Increase (decrease) in payroll taxes liability	<u>23,653</u>
Net cash provided by operating activities	<u>\$ 1,425,887</u>

See Accompanying Notes to the Financial Statements

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**

**A. Organization and Operations of the Reporting Entity**

The Clarence Cannon Wholesale Water Commission (the "Commission") located in Monroe County, Missouri is subject to Chapter 351, RSMo and is a Joint Municipal Utility Commission organized under Sections 393.700 to 393.770 of the Revised Statutes of the State of Missouri. The Commission is a separate governmental entity with residual ownership rights remaining with its members. The Commission is responsible only for its own operations, which is primarily the treatment and transmission of water to its contracting members.

The Commission has a board of directors consisting of 23 members (14 cities and 9 Public Water Supply Districts) with one from each contracting member entity. Each governing body of each member system, that is, the City Council, or PWSB board, appoints the Commission's director and alternate director. The Commission receives an ordinance or resolution, or minutes of the meeting where the designations are made to list them as a director or alternate director. The Board has an appointed executive committee consisting of seven members. The committee consists of a Chairman, Vice-Chairman, Secretary, Treasurer and three at-large members. The Commission's governing body selects management staff, sets user charges, establishes budgets, and has oversight and control responsibility over all aspects of the general operations of the Commission. The Commission is exempt from federal and state income taxes as a governmental entity of the State of Missouri.

The financial reporting entity is composed of the Clarence Cannon Wholesale Water Commission. The Commission from time to time may receive funding from various county, state, and federal government sources and must comply with the requirements of these various funding sources. The Commission is not included in any other governmental reporting entity as defined by GAAP pronouncements and has decision-making authority to adjust water rates, the power to designate management, the ability to significantly influence operations, and the primary accountability for its fiscal matters. The Commission does not include any other reporting entity in its financial statements.

**B. Basis of Accounting and Measurement Focus**

The Commission reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the Commission is that costs of providing water to its customers on a continuing basis be financed or recovered primarily through user charges (water sales). Revenues and expenses are recognized on the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and expenses are recognized in the period incurred, regardless of when the related cash flows take place.

Revenues, expenses, assets, and liabilities from exchange and exchange-like transactions are recognized when the exchange takes place. The Statement of Revenues, Expenses, and Change in Net Position distinguishes between operating and nonoperating revenues and expenses. Operating revenues and expenses include exchange transactions associated with providing water services. Nonexchange revenues, including interest, received for purposes other than capital asset acquisition are reported as nonoperating revenues.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)**

**B. Basis of Accounting and Measurement Focus (Continued)**

The financial statements have been prepared in conformity with the pronouncements of the Governmental Accounting Standards Board (GASB). The commission has elected to apply all Financial Accounting Standards Board (FASB) Statements and Interpretations except for those that conflict with GASB pronouncements in accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*.

**C. Financial Reporting**

The Commission's basic financial statements are presented in conformance with the provision of Governmental Accounting Standards Board (GASB) Statement No. 63, (issued in June 2011) *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. The statement requires that the difference between assets and liabilities be reported as net position. In addition, the impact of any deferred outflow of resources or deferred inflows of resources must be explained. The statement of cash flows is prepared using the direct method. Under the direct method, unrestricted net assets are available. Under GASB, enterprise funds, such as the Commission, have the option to consistently following or not following pronouncements issued by the Financial Accounting Standards Board (FASB) subsequent to November 30, 1989. The Commission has elected not to follow FASB standards issued after that date, unless such standards are specifically adopted by GASB.

In FY 2015, the Commission adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statements No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*. These statements established standards for measuring and recognizing liabilities, deferred outflows and inflows of resources and expenses for pensions that are provided to the employees of state and local government employers through pension plans administered through trusts.

**D. Assets, Liabilities, and Net Position**

1. Cash and Cash Equivalents

For the purpose of financial reporting "cash" includes the monies held in the public now checking accounts. The Commission has four interest-bearing public now checking accounts at one banking facility. The Commission has entered into contractual agreements with three member systems having rights to eighty percent of the storage space in the City of Curryville tower with the Commission retaining twenty percent in exchange for an unconstrained point-of-connection and eighty percent payment of the initial purchase cost and eighty percent maintenance costs of the tower. The Curryville Maintenance Fund account is refunded when depleted by the Commission and the contracted members reflecting their storage rights at the rate of \$7,000 annually with a maximum of \$90,775 in the account.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)**

**D. Assets, Liabilities, and Net Position (Continued)**

2. Investments and Investment Policy

State statutes authorize the Commission to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds, repurchase agreements and the State Treasurer’s Investment Pool. The Commission has invested monies in non-negotiable certificates of deposits exceeding 90 days in maturity with various banks. The Commission’s policy has been to invest in obligations according to state statutes.

3. Accounts Receivable

Accounts receivable consists of amounts due from contracting members of the Commission for water usage and other fees. The Commission does not maintain an allowance for uncollectible because management anticipates that all accounts eventually will be collected.

4. Inventory

Inventory consists of purchased operating water maintenance and distribution system supplies on hand of \$34,524 and various chemicals for water treatment of \$155,552 and is carried in the accounts at cost using the first-in, first-out inventory method and is subsequently charged to operations as utilized.

5. Capital Assets

Capital assets are reported on the basis of historical cost, net of allowances for depreciation. Major acquisitions are financed from bond proceeds. Other acquisitions are financed from internally generated cash flows. Capital asset costs are recovered through depreciation over the estimated useful life of the individual items. The Commission has established a capitalization threshold of \$2,500 to report capital assets. Depreciation expense is calculated using the straight-line method of depreciation with estimated lives ranging from 5-50 years as follows:

Distribution System	10-50 years	Lab equipment	5-10 years	Tools	5-10 years
Plant building	5-50 years	Equipment	5-10 years		
Lagoons	10-50 years	Vehicles	5-20 years		

6. Accounts Payable

Accounts payable consists of monthly operating expenses due to and payable at September 30, 2023, of \$102,839 along with the estimated amount for raw water processed under contract with the U.S. Army Corps of Engineers due as of September 30, 2023, for \$271,944.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)**

**D. Assets, Liabilities, and Net Position (Continued)**

7. Pensions

For purposes of measuring the net pension liability, 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 LAGERS. 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.

8. Deferred Inflows and Outflows of Resources

A deferred inflow of resources is an acquisition of net position by the Commission that is applicable to a future reporting period and a deferred outflow of resources is a consumption of net position by the Commission that is applicable to a future reporting period. Both deferred inflows and outflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

9. Net Position

Net Position is categorized as follows:

Net investment in capital assets – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted – Consists of those items that have constraints placed on the use either by external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets. The Commission's policy is to first apply restricted resources to any obligations followed by the utilization of unrestricted resources.

Unrestricted-Net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position that is not designated.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 1: REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES (CONTINUED)**

**E. Use of Estimates**

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

**F. Budgetary Policy**

State statutes require the Commission to prepare an annual operating budget showing estimated revenues and expenses for approval by the Commission. The budget conforms to the method of accounting used for financial reporting. Requests for expenses exceeding the original amount authorized must be submitted to the Commission for approval.

**NOTE 2: CASH AND INVESTMENTS**

Cash includes monies held in four interest-bearing checking accounts designated as general operating account, miscellaneous operating account, capital improvements fund and the Curryville maintenance fund. The Commission's funds are also maintained in non-negotiable certificates of deposit in three banks. These funds are available for the general operations of the Commission except as required by state law or by the various bond covenants. The Commission also has various banking accounts held on behalf of a separate banking institution for the various bond debt service and rebate accounts.

The Curryville Tower Maintenance Fund is used for the upkeep and maintenance of the City of Curryville water tower. The Commission owns 20% of the storage space in the tower while other member systems own the remaining 80% and monies are paid into this fund by the Commission and member systems monthly up to a maximum of \$90,775 over a 10-year period. At September 30, 2023, this fund had a balance of \$36,159.

**A. CUSTODIAL CREDIT RISK**

Deposits

At September 30, 2023, the carrying value of the Commission's bank deposits and undeposited funds was \$3,080,942 and the bank balances were \$3,106,581. Custodial credit risk is the risk that, in the event of the failure of the counterparty, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Commission has adopted an investment policy to disclose risk.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 2: CASH AND INVESTMENTS (CONTINUED)**

**A. CUSTODIAL CREDIT RISK**

Deposits (Continued)

In accordance with state law, all uninsured deposits of Commission funds in financial institutions must be secured with acceptable collateral. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State or political subdivision debt obligations, surety bonds, or certain letters of credit. The Commission complies with various restrictions on deposits and investments, which are imposed by state law. The bank balances and certificates of deposit at September 30, 2023, were entirely covered by Federal Depository Insurance Corporation (FDIC) and with collateral held by the independent custodial banks in the Commission's name.

Investments-Certificates of Deposit

The Commission may purchase any investments allowed by the State Treasurer. These include (1) obligations of the United States government or any agency or instrumentality thereof, or (2) repurchase agreements maturing and becoming payable within ninety days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law. At September 30, 2023, the Commission had certificates of deposit totaling \$494,389 whose original maturity term exceeded three months.

**B. INTEREST RATE RISK**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The Commission minimizes the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash flow and liquidity needed for operations.

**C. CONCENTRATION OF INVESTMENT CREDIT RISK**

The Commission has adopted an investment policy to minimize the risk of loss resulting from over concentration of assets by diversification of specific maturity, specific issuer, and the specific class of securities.

**NOTE 3: RESTRICTED AND DESIGNATED RESERVES**

Restricted assets consist of the following, restricted by bond covenants:

Debt Service	\$ <u>283,748</u>
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CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 4: ACCOUNTS RECEIVABLE**

The Commission's accounts receivable consists of amounts due from contracted members of the Commission for water usage paid in the subsequent year for water availability in September of the current year and other amounts due from customers. Management anticipates that all accounts will be collected, thus there is no provision for doubtful accounts.

**NOTE 5: REVENUES**

Revenue is recognized as services are rendered and include an estimate for water delivered but unbilled at the end of each reporting period. Operating revenues include revenues from the provision and delivery of water to wholesale customers. Operating revenues reported in the statement of revenues, expenses, and changes in net position are shown net of discounts.

**NOTE 6: CAPITAL ASSETS**

Changes in capital assets for the year were as follows:

	Beginning Balance <u>10/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	Ending Balance <u>9/30/2023</u>
<u>Non-Depreciable Assets</u>				
Construction in progress	\$ 26,470	\$ 235,000	\$ -	\$ 261,470
Land and easements	<u>1,202,575</u>	<u>507</u>	<u>-</u>	<u>1,203,082</u>
Total non-depreciable assets	1,229,045	235,507	-	1,464,552
<u>Depreciable Assets</u>				
Distribution system	35,699,165	9,774	-	35,708,939
Plant building	21,761,340	124,318	-	21,885,658
Lagoons	651,792	25,550	-	677,342
Vehicles	432,395	104,119	(32,336)	504,178
Tools	69,422	4,054	-	73,476
Lab equipment	43,132	1,122	-	44,254
Equipment	<u>27,900</u>	<u>-</u>	<u>-</u>	<u>27,900</u>
Total depreciable assets	58,685,146	268,937	(32,336)	58,921,747
Less: Accumulated Depreciation	<u>(25,655,173)</u>	<u>(1,296,487)</u>	<u>27,486</u>	<u>(26,924,174)</u>
Total Depreciable Assets, Net	<u>33,029,973</u>	<u>(1,027,550)</u>	<u>(4,850)</u>	<u>31,997,573</u>
Total Capital Assets, Net	<u>\$ 34,259,018</u>	<u>\$ (792,043)</u>	<u>\$ (104,353)</u>	<u>\$ 33,462,125</u>

Depreciation expense for the year ended September 30, 2023 was \$1,296,487.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 7: LONG-TERM DEBT**

	<u>AMOUNT OUTSTANDING</u>
Revenue Bonds as of September 30, 2023, are as follows:	
2005C Water Revenue Bonds, totaling \$9,700,000 dated November 30, 2005, due through July 1, 2026, bearing interest at 3.25-5.25%	\$ 1,776,250
2006A Water Revenue Bonds, totaling \$590,000 dated April 27, 2006, due July 1, 2026, bearing interest at 4.25-5.625%	104,059
2009 Water Revenue Bonds, totaling \$2,390,000 dated November 1, 2009, due July 1, 2030, bearing interest at 1.5%	964,700
2010 Water Revenue Bonds, totaling \$5,285,000 dated August 1, 2010, due August 1, 2030, bearing interest at 1.5%	2,131,000
2023A Water Revenue Bonds, totaling \$1,200,000 dated February 14, 2023, due February 15, 2043, bearing interest at 4.74%	<u>1,200,000</u>
Total Bonds Payable	<u>\$ 6,176,009</u>

The revenue bonds are to have principal paid annually and the interest paid semi-annually; however, the Commission pays the required principal and interest monthly.

Changes in Long-Term Debt Principal for the year ended September 30, 2023 are as follows:

<u>Original Issue</u>	<u>Balance 10/1/22</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 9/30/23</u>	<u>Amount Due Within One Year</u>
Series 2005C	\$ 2,343,750	\$ -	\$ (567,500)	\$ 1,776,250	\$ 575,000
Series 2006A	140,000	-	(35,941)	104,059	35,000
Series 2009	1,092,750	-	(128,050)	964,700	130,000
Series 2010	2,414,500	-	(283,500)	2,131,000	287,000
Series 2023A	<u>-</u>	<u>1,200,000</u>	<u>-</u>	<u>1,200,000</u>	<u>-</u>
Total	<u>\$ 5,991,000</u>	<u>\$ 1,200,000</u>	<u>\$ (971,800)</u>	<u>\$ 6,176,009</u>	<u>\$ 1,027,000</u>

CLARENCE CANNON WHOLESALE WATER COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 7: LONG-TERM DEBT (CONTINUED)**

The total annual payments required to amortize the revenue bonds outstanding at September 30, 2023, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 1,027,000	\$ 189,459	\$ 1,216,459
2025	1,094,301	153,192	1,247,493
2026	1,125,381	114,999	1,240,380
2027	491,042	77,089	568,131
2028	502,114	68,116	570,230
2029-2033	1,212,911	224,357	1,437,268
2034-2038	364,441	129,825	494,266
2039-2043	<u>358,819</u>	<u>35,000</u>	<u>393,819</u>
Total	<u>\$ 6,176,009</u>	<u>\$ 992,037</u>	<u>\$ 7,168,046</u>

**NOTE 8. EMPLOYEE RETIREMENT PLAN**

**Plan Description**

The Commission participates in the Missouri Local Area Government Employees Retirement System (LAGERS), an agent multi-employer, statewide public employee retirement plan that acts as a common investment and administrative agent for local government entities in Missouri. LAGERS is a defined benefit pension plan which provides retirement, disability and death benefits to plan members and beneficiaries.

LAGERS is a defined benefit pension plan which provides retirement, disability, and death benefits to plan members and beneficiaries. LAGERS was created and is governed by statute, Section RSMo 70.600 – 70.755. As such, it is the system’s 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 401a and it is tax exempt.

The Missouri Local Area Government Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at [www.molagers.org](http://www.molagers.org) or from Missouri Local Area Government Employee Retirement System LAGERS, P.O. Box 1665, Jefferson City, MO 65102.

**Benefits Provided**

LAGERS provides retirement, death and disability benefits to employees of participating political subdivisions. All benefits vests after 5 years of credited service. Employees who retire on or after age 60 with 5 or more years of service are entitled to an allowance for life based upon the benefit program then in effect for their political subdivision. Employees may retire with an early retirement benefit with a minimum of 5 years of credit service and after attaining age 55 and receive a reduced allowance. The LAGERS Board of Trustees establishes the benefit plans and provisions that are available for adoption. The political subdivision’s governing body adopts all benefits of the plan.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 8. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Benefits Provided (Continued)**

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. If an employee leaves covered employment or dies before attaining 5 years of credited service, accumulated employee contributions are refunded to the employee or designated beneficiary. Each participating employer is required by statute to contribute the remaining amounts necessary to finance the coverage of its own employees. Benefit and contribution provisions are fixed by state statute and may be amended only by action of the state legislature.

**Funding**

Clarence Cannon Wholesale Water Commission is required to contribute to the employees' pension plan at an actuarially determined rate; the current rate is 15.9% (general) of annual covered payroll. The contribution provisions of the Commission are established by state statute.

The annual required contribution was determined as part of the February 28, 2023 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.00 percent investment rate of return and (b) projected salary increase ranging from 2.75 to 6.75 percent per year (c) pre-retirement mortality based on 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and (3) post-retirement mortality based on 115% of the PubG-2010 Retiree Mortality Table for males and females. Both (a) and (b) include an inflation component of 2.75 percent. The actuarial value of assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2023 was 15 years.

**Pooled Funds Allocation**

As previously mentioned, LAGERS is an agent multi-employer plan. However, for purposes of certain benefit payments, LAGERS functions similar to a cost-sharing plan with pooled funds. These pooled funds are the Casualty Reserve Fund (CRF) and the Benefit Reserve Fund (BRF). The CRF is the fund in which the employer contributions and interest credits are accumulated and from which transfers are made to pay for members retired as a result of disability or duty-related death. The BRF is the fund from which all retirement, disability and survivor benefits are paid. For GASB 68 purposes, these pooled funds are allocated to participating employers using factors and formulas of actuarially computed amounts which include the present value of future benefits and the accrued liabilities for both current members and retirees. The annual change in each participating employer's proportionate share of these funds is represented as either an addition or (deduction) on the Schedule of Changes in Fiduciary Net Position by Employer. This amount will net to zero as the changes in proportionate share are fully allocated among all participating employers.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 8. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At September 30, 2023, the Commission recorded a liability of \$94,582 for its proportionate share of the net pension liability. The net pension liability for the plan in total was measured as of June 30, 2023 and determined by an actuarial valuation as of that date. For the year ended September 30, 2023, the Commission recognized a pension expense of \$(13,723), its proportionate share of the total pension expense.

<b>Total Pension Liability</b>	
Service Cost	\$ 25,907
Interest on Total Pension Liability	71,930
Difference between expected and actual experience of the Total Pension Liability	(12,983)
Benefit payments, including refunds of employee contributions	<u>(23,692)</u>
Net change in total pension liability	61,162
Total pension liability—beginning	<u>1,026,482</u>
Total pension liability—ending	<u>\$1,087,644</u>
<b>Plan Fiduciary Net Position</b>	
Contributions—employer	\$ 57,545
Net investment income	44,575
Benefit payments, including refunds of employee contributions	(23,692)
Pension Plan Administrative Expense	(1,370)
Other (Net Transfer)	<u>52,196</u>
Net change in fiduciary net position	129,254
Plan fiduciary net position—beginning	<u>863,808</u>
Plan fiduciary net position—ending	<u>\$ 993,062</u>
<b>Net pension liability/(asset)</b>	<u>\$ 94,582</u>
<b>Membership</b>	
Number of	
• Retirees and Beneficiaries	2
• Inactive Non-retired Members	0
• Active Members	4
• Total	6
Covered Payroll	\$ 257,903
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.30%
Net Pension Liability as a Percentage of Covered Payroll	36.67%
<b>Total Pension Expense</b>	<b>\$ (13,723)</b>

CLARENCE CANNON WHOLESALE WATER COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 8. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

At September 30, 2023, the Commission reported deferred outflows of resources and deferred inflows of resources from the following sources related to LAGERS pension benefits:

	<b>General</b>	
<b>Balance of Deferred Outflows and Inflows Due to:</b>	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>
Difference between expected and actual experience	\$ 89	\$ (15,099)
Changes in assumptions	-	(6,671)
Net Difference between projected and actual earnings on pension plan investments	<u>6,788</u>	<u>-</u>
<b>Total</b>	<b><u>\$ 6,877</u></b>	<b><u>\$ (21,770)</u></b>

Amounts reported as collective deferred (inflows)/outflows of resources to be recognized in pension expense:

2024	\$ (10,366)
2025	(17,735)
2026	10,346
2027	2,862
2028	-
Thereafter	<u>-</u>
	<b><u>\$ (14,893)</u></b>

**Actuarial Assumptions**

Actuarial valuations of LAGERS involves estimates of the reported amount and assumptions about probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and future salary increases. Amounts determined regarding the net pension liability are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Significant actuarial assumptions and other inputs used to measure the total pension liability:

- 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.
- Actuarial Cost Method Entry Age Normal and Modified Terminal Funding
- Amortization Method Level Percentage of Payroll Amortization Method
- Remaining Amortization Multiple Bases from 7 to 18 years
- Asset Valuation method 5-Year smoothed market; 20% corridor
- Inflation 2.75% wage inflation; 2.25% price inflation
- Investment Rate of Return 7.00%, net of investment expenses

CLARENCE CANNON WHOLESALE WATER COMMISSION  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 8. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Actuarial Assumptions (Continued)**

- Retirement Age Experience-based table of rates that are specific to the type of eligibility condition.
- Salary Increases 2.75% to 6.75% including wage inflation.
- 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 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.

**Single Discount Rate**

GASB State No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position in future years can then be determine and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required.

The *single discount rate (SDR)* is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.69%; and the resulting discount rate is 7.00% for General.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED SEPTEMBER 30, 2023

**NOTE 8. EMPLOYEE RETIREMENT PLAN (CONTINUED)**

**Discount Rate Sensitivity**

The sensitivity of the Commission's net pension liability to changes in the discount rate is presented below. The Commission's net pension liability is calculated using the discount rate of 7.00% is presented as well as the net pension liability using a discount rate that is 1.0% lower (6.00%) or 1.0% higher (8.00%) than the current rate.

Discount Rate	1% Decrease ( <u>6.00%</u> )	Current Rate ( <u>7.00%</u> )	1% Increase ( <u>8.00%</u> )
Total Pension Liability	\$ 1,206,614	\$ 1,087,644	\$ 982,527
Plan Fiduciary Net Position	<u>993,062</u>	<u>993,062</u>	<u>993,062</u>
Net Pension Liability/Asset (NPL)	\$ <u>213,552</u>	\$ <u>94,582</u>	\$ <u>(10,535)</u>

**NOTE 9. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through February 14, 2024, the date on which the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

CLARENCE CANNON WHOLESALe WATER COMMISSION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MULTITYEAR

Fiscal Year Ending June 30,	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Total Pension Liability</b>						
Service Cost	\$ 22,005	\$ 23,621	\$ 23,053	\$ 23,336	\$ 26,427	\$ 28,682
Interest on Total Pension Liability	37,206	42,011	45,240	48,548	52,507	60,047
Difference between expected and actual	(7,976)	(12,971)	(13,869)	(8,519)	52,437	(6,429)
Change of assumptions	39,318	(15,528)	-	-	-	(14,939)
Benefit payments, including refunds	(8,581)	(8,692)	(8,820)	(9,046)	(11,567)	(45,970)
<b>Net change in total pension liability</b>	<u>81,972</u>	<u>28,441</u>	<u>45,604</u>	<u>54,319</u>	<u>119,804</u>	<u>21,391</u>
<b>Total pension liability—beginning</b>	<u>506,594</u>	<u>588,566</u>	<u>617,007</u>	<u>662,611</u>	<u>716,930</u>	<u>836,734</u>
<b>Total pension liability—ending (a)</b>	<u>\$ 588,566</u>	<u>\$ 617,007</u>	<u>\$ 662,611</u>	<u>\$ 716,930</u>	<u>\$ 836,734</u>	<u>\$ 858,125</u>
<b>Plan Fiduciary Net Position</b>						
Contributions—employer	\$ 35,388	\$ 35,637	\$ 37,605	\$ 38,382	\$ 41,385	\$ 40,333
Net investment income	(1,314)	47,936	58,399	36,761	10,151	176,006
Benefit payments, including refunds	(8,581)	(8,692)	(8,820)	(9,046)	(11,567)	(45,970)
Pension Plan Administrative Expense	(421)	(422)	(427)	(604)	(807)	(617)
Other (Net Transfer)	(762)	341	(757)	(520)	9,869	(289)
<b>Net change in fiduciary net position</b>	<u>24,310</u>	<u>74,800</u>	<u>86,000</u>	<u>64,973</u>	<u>49,031</u>	<u>169,463</u>
<b>Plan fiduciary net position—beginning</b>	<u>372,726</u>	<u>397,036</u>	<u>471,836</u>	<u>557,836</u>	<u>622,809</u>	<u>671,840</u>
<b>Plan fiduciary net position—ending (b)</b>	<u>\$ 397,036</u>	<u>\$ 471,836</u>	<u>\$ 557,836</u>	<u>\$ 622,809</u>	<u>\$ 671,840</u>	<u>\$ 841,303</u>
<b>Net pension liability/(asset)—ending (a)-(b)</b>	<u>\$ 191,530</u>	<u>\$ 145,171</u>	<u>\$ 104,775</u>	<u>\$ 94,121</u>	<u>\$ 164,894</u>	<u>\$ 16,822</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	67.46%	76.47%	84.19%	86.87%	80.29%	98.04%
<b>Covered employee payroll</b>	\$ 212,155	\$ 216,092	\$ 219,776	\$ 225,760	\$ 327,104	\$ 251,340
<b>Net pension liability as a percentage of covered employee payroll</b>	90.28%	67.18%	47.67%	41.69%	50.41%	6.69%

NOTE: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

CLARENCE CANNON WHOLESALE WATER COMMISSION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MULTIYEAR

Fiscal Year Ending June 30,	<u>2022</u>	<u>2023</u>
<b>Total Pension Liability</b>		
Service Cost	\$ 22,407	\$ 25,907
Interest on Total Pension Liability	60,177	71,930
Change of Benefit Terms	109,003	-
Difference between expected and actual	(3,970)	(12,983)
Benefit payments, including refunds	<u>(19,260)</u>	<u>(23,692)</u>
<b>Net change in total pension liability</b>	168,357	61,162
<b>Total pension liability—beginning</b>	<u>858,125</u>	<u>1,026,482</u>
<b>Total pension liability—ending (a)</b>	<u>\$ 1,026,482</u>	<u>\$ 1,087,644</u>
<b>Plan Fiduciary Net Position</b>		
Contributions—employer	\$ 43,145	\$ 57,545
Net investment income	518	44,575
Benefit payments, including refunds	(19,260)	(23,692)
Pension Plan Administrative Expense	(663)	(1,370)
Other (Net Transfer)	<u>(1,235)</u>	<u>52,196</u>
<b>Net change in fiduciary net position</b>	22,505	129,254
<b>Plan fiduciary net position—beginning</b>	<u>841,303</u>	<u>863,808</u>
<b>Plan fiduciary net position—ending (b)</b>	<u>\$ 863,808</u>	<u>\$ 993,062</u>
<b>Net pension liability/(asset)—ending (a)-(b)</b>	<u>\$ 162,674</u>	<u>\$ 94,582</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	84.15%	91.30%
<b>Covered employee payroll</b>	\$ 254,043	\$ 257,903
<b>Net pension liability as a percentage of covered employee payroll</b>	64.03%	36.67%

NOTE: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

CLARENCE CANNON WHOLESale WATER COMMISSION  
SCHEDULE OF CONTRIBUTIONS MULTYEAR

Fiscal Year	Actuarially Determined Contribution	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 32,559	\$ 32,559	\$ -	\$ 203,495	16.00%
2015	\$ 33,202	\$ 33,202	\$ -	\$ 210,136	15.80%
2016	\$ 37,622	\$ 36,117	\$ 1,505	\$ 214,982	16.80%
2017	\$ 35,477	\$ 35,477	\$ -	\$ 217,648	16.30%
2018	\$ 38,314	\$ 38,314	\$ -	\$ 222,758	17.20%
2019	\$ 38,405	\$ 38,405	\$ -	\$ 229,967	16.70%
2020	\$ 41,823	\$ 41,823	\$ -	\$ 259,768	16.10%
2021	\$ 40,393	\$ 40,393	\$ -	\$ 254,043	15.90%
2022	\$ 45,304	\$ 45,304	\$ -	\$ 254,043	17.83%
2023	\$ 63,280	\$ 63,280	\$ -	\$ 313,267	20.20%



