

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
A CLASS II MUNICIPALITY IN HARRISON COUNTY**

**INDEPENDENT AUDITOR'S REPORT AND
RELATED FINANCIAL STATEMENTS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2023
RFP #21-029 (Harrison County)

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
MUNICIPAL OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Office	Name	Term
	Elective	
Mayor:	James Marino	07/01/19 – 06/30/23
Vice Mayor:	Lillie Scott-Jenkins	07/01/19 – 06/30/23
Council Members:	Gary Keith	07/01/19 – 06/30/23
	Wayne Worth	07/01/21 – 06/30/25
	James Malfregeot	07/01/21 – 06/30/25
	Jerry Riffle	07/01/21 – 06/30/25
	Will Hyman	07/01/21 – 06/30/25
	Appointed	
City Manager:	Tiffany Fell	
Finance Director:	Kim Karakiozis	
City Clerk:	Annette Wright	

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF FUNDS INCLUDED IN REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

GOVERNMENTAL FUND TYPES

MAJOR FUNDS

General
Coal Severance Tax
Municipal Sales and Use Tax Fund
American Rescue Plan Act

PROPRIETARY FUND TYPE

MAJOR FUNDS

Municipal Building Commission

NONMAJOR FUNDS

Special Revenue Funds

Police Fund
Tax Increment Financing District Fund
Urban Renewal Authority
Park Board
Park Board Special Levy
Dental and Vision Benefit Fund
Capital Improvement Levy Fund
PEIA Fund
Police National Nightout Fund

Debt Service Fund

Urban Renewal Authority

FIDUCIARY FUND TYPES

Pension Trust

Policemen's Pension and Relief
Firemen's Pension and Relief

COMPONENT UNITS

Blended

Municipal Building Commission

Discretely Presented

Sanitary Board
Parking Authority



Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
Municipality of Clarksburg, West Virginia
Clarksburg, West Virginia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the blended component unit, each major fund, and the aggregate remaining fund information of the Municipality of Clarksburg, West Virginia, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Municipality of Clarksburg, West Virginia'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, the aggregate discretely presented component units, the blended component unit, each major fund, and the aggregate remaining fund information of the Municipality of Clarksburg, West Virginia, as of June 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 Municipality of Clarksburg, West Virginia 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 Municipality of Clarksburg, West Virginia'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 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 judgement 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 Municipality of Clarksburg, West Virginia'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 Municipality of Clarksburg, West Virginia'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

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of revenues, expenditures and changes in fund balance – budget and actual – General Fund – budgetary basis, schedule of revenues, expenditures and changes in fund balance – budget and actual – Coal Severance Fund – budgetary basis, net pension liability information and other post-employment benefit plan information, as listed in the table of contents, 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 consider 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 Municipality of Clarksburg, West Virginia's basis financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 nonmajor fund financial statements and the schedule of federal awards 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 February 23, 2024, on our consideration of the Municipality of Clarksburg, West Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Municipality of Clarksburg, West Virginia's 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 Municipality of Clarksburg, West Virginia's internal control over financial reporting and compliance.

Derrick A. Bartlett, PLLC

Clarksburg, West Virginia
February 23, 2024

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION
JUNE 30, 2023

	<u>Governmental</u>	<u>Business</u>		<u>Component Units</u>	
	<u>Activities</u>	<u>Type</u>	<u>Total</u>	<u>Sanitary</u>	<u>Parking</u>
		<u>Activities</u>		<u>Board</u>	<u>Authority</u>
Assets					
Cash	\$ 10,005,990	\$ 1,007,964	\$ 11,013,954	\$ 583,757	\$ 32,086
Receivables	4,952,350	-0-	4,952,350	1,216,837	-0-
Due to/from other activities	148,541	(2,037)	146,504	(146,503)	(1)
Inventory	-0-	-0-	-0-	405,441	-0-
Restricted assets	-0-	211,725	211,725	1,563,994	-0-
Capital assets, net	<u>18,200,148</u>	<u>25,844,760</u>	<u>44,044,908</u>	<u>24,219,252</u>	<u>5,794,941</u>
Total assets	<u>33,307,029</u>	<u>27,062,412</u>	<u>60,369,441</u>	<u>27,842,778</u>	<u>5,827,026</u>
Deferred Outflows of Resources					
Deferred outflows of resources – WVPERS	832,288	-0-	832,288	377,446	8,025
Deferred outflows of resources – Policemen's Pension	1,151,728	-0-	1,151,728	-0-	-0-
Deferred outflows of resources – Firemen's Pension	650,760	-0-	650,760	-0-	-0-
Deferred outflows of resources – WVRHBT	<u>181,385</u>	<u>-0-</u>	<u>181,385</u>	<u>30,835</u>	<u>-0-</u>
Total deferred outflows of resources	<u>2,816,161</u>	<u>-0-</u>	<u>2,816,161</u>	<u>408,281</u>	<u>8,025</u>
Liabilities					
Accounts payable	239,577	-0-	239,577	97,975	3,273
Accrued interest payable	-0-	32,260	32,260	-0-	-0-
Long-term liabilities					
Due within one year	1,233,069	758,259	1,991,328	852,102	247
Due in more than one year	<u>32,652,029</u>	<u>13,122,750</u>	<u>45,774,779</u>	<u>16,545,460</u>	<u>3,059</u>
Total liabilities	<u>34,124,675</u>	<u>13,913,269</u>	<u>48,037,944</u>	<u>17,495,537</u>	<u>6,579</u>
Deferred Inflows of Resources					
Deferred inflows of resources – WVPERS	8,725	-0-	8,725	3,961	84
Deferred inflows of resources – Policemen's Pension	2,153,394	-0-	2,153,394	-0-	-0-
Deferred inflows of resources – Firemen's Pension	1,521,495	-0-	1,521,495	-0-	-0-
Deferred inflows of resources – WVRHBT	<u>332,660</u>	<u>-0-</u>	<u>332,660</u>	<u>56,552</u>	<u>-0-</u>
Total deferred inflows of resources	<u>4,016,274</u>	<u>-0-</u>	<u>4,016,274</u>	<u>60,513</u>	<u>84</u>
Net Position					
Net investment in capital assets	16,095,795	11,963,751	28,059,546	7,073,379	5,794,941
Restricted	-0-	211,725	211,725	1,563,994	24,158
Unrestricted	<u>(18,113,554)</u>	<u>973,667</u>	<u>(17,139,887)</u>	<u>2,057,636</u>	<u>9,289</u>
Total net position	<u>\$ (2,017,759)</u>	<u>\$ 13,149,143</u>	<u>\$ 11,131,384</u>	<u>\$ 10,695,009</u>	<u>\$ 5,828,388</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>		<u>Total</u>	<u>Component Units</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>		<u>Sanitary Board</u>	<u>Parking Authority</u>
Governmental Activities									
General government	\$ 4,270,315	\$ 1,496,469	\$ -0-	\$ -0-	\$(2,773,846)	\$ -0-	\$(2,773,846)	\$ -0-	\$ -0-
Public safety	5,254,331	359,841	377,526	-0-	(4,516,964)	-0-	(4,516,964)	-0-	-0-
Highways and streets	3,984,773	-0-	-0-	-0-	(3,984,773)	-0-	(3,984,773)	-0-	-0-
Health and sanitation	422,935	-0-	-0-	-0-	(422,935)	-0-	(422,935)	-0-	-0-
Community development	200,000	-0-	-0-	-0-	(200,000)	-0-	(200,000)	-0-	-0-
Culture and recreation	2,882,298	1,089,202	-0-	-0-	(1,793,096)	-0-	(1,793,096)	-0-	-0-
Social services	31,000	-0-	-0-	-0-	(31,000)	-0-	(31,000)	-0-	-0-
Benefit payments	<u>2,114,768</u>	<u>-0-</u>	<u>2,251,520</u>	<u>-0-</u>	<u>136,752</u>	<u>-0-</u>	<u>136,752</u>	<u>-0-</u>	<u>-0-</u>
Total governmental activities	<u>19,160,420</u>	<u>2,945,512</u>	<u>2,629,046</u>	<u>-0-</u>	<u>(13,585,862)</u>	<u>-0-</u>	<u>(13,585,862)</u>	<u>-0-</u>	<u>-0-</u>
Business-Type Activities									
Municipal Building Commission	<u>2,497,830</u>	<u>1,201,301</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(1,296,529)</u>	<u>(1,296,529)</u>	<u>-0-</u>	<u>-0-</u>
Total business-type activities	<u>2,497,830</u>	<u>1,201,301</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(1,296,529)</u>	<u>(1,296,529)</u>	<u>-0-</u>	<u>-0-</u>
Total primary government	\$ <u>21,658,250</u>	\$ <u>4,146,813</u>	\$ <u>2,629,046</u>	\$ <u>-0-</u>	<u>(13,585,862)</u>	<u>(1,296,529)</u>	<u>(14,882,391)</u>	<u>-0-</u>	<u>-0-</u>
Component Units									
Sanitary Board	\$ 4,811,173	\$ 5,211,083	\$ -0-	\$ -0-	-0-	-0-	-0-	399,910	-0-
Parking Authority	<u>240,205</u>	<u>141,698</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(98,507)</u>
Total component units	\$ <u>5,051,378</u>	\$ <u>5,352,781</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>399,910</u>	<u>(98,507)</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF ACTIVITIES (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>		<u>Total</u>	<u>Component Units</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business Type Activities</u>		<u>Sanitary Board</u>	<u>Parking Authority</u>
General Revenues									
Taxes and special assessments:									
Ad valorem					\$ 4,551,736	\$ -0-	\$ 4,551,736	\$ -0-	\$ -0-
Excise utility					751,719	-0-	751,719	-0-	-0-
Business and occupation					7,814,516	-0-	7,814,516	-0-	-0-
Alcoholic beverage					143,506	-0-	143,506	-0-	-0-
Hotel occupancy					279,390	-0-	279,390	-0-	-0-
Animal control					4,446	-0-	4,446	-0-	-0-
Oil and gas					93,401	-0-	93,401	-0-	-0-
Municipal sales and use tax					5,120,639	-0-	5,120,639	-0-	-0-
Licenses and permits					341,516	-0-	341,516	-0-	-0-
Franchises fees					130,858	-0-	130,858	-0-	-0-
Reimbursement					547,886	-0-	547,886	-0-	-0-
Interest and investment earnings					5,630	12,178	17,808	545	16
Intergovernmental – state					44,999	-0-	44,999	-0-	-0-
Video lottery and gaming income					11,297	-0-	11,297	-0-	-0-
Miscellaneous					<u>142,914</u>	<u>-0-</u>	<u>142,914</u>	<u>360,000</u>	<u>-0-</u>
Total general revenues					<u>19,984,453</u>	<u>12,178</u>	<u>19,996,631</u>	<u>360,545</u>	<u>16</u>
Change in net position before transfers					6,398,591	(1,284,351)	5,114,240	760,455	(98,491)
Operating transfers in (out)					<u>(1,435,267)</u>	<u>1,435,267</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Change in net position					4,963,324	150,916	5,114,240	760,455	(98,491)
Net position – beginning					<u>(6,981,083)</u>	<u>12,998,227</u>	<u>6,017,144</u>	<u>9,934,554</u>	<u>5,926,879</u>
Net position – ending					<u>\$ (2,017,759)</u>	<u>\$ 13,149,143</u>	<u>\$ 11,131,384</u>	<u>\$ 10,695,009</u>	<u>\$ 5,828,388</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
FUND BALANCE SHEETS –
GOVERNMENTAL FUNDS
JUNE 30, 2023

	<u>General</u> <u>Fund</u>	<u>Coal</u> <u>Severance</u> <u>Fund</u>	<u>Municipal</u> <u>Sales and</u> <u>Use Tax</u> <u>Fund</u>	<u>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
ASSETS						
Cash	\$ 1,123,896	\$ 37,264	\$ 236,013	\$ 5,454,941	\$ 3,153,876	\$ 10,005,990
Receivables, net of allowances:						
Accounts	788,611	-0-	-0-	-0-	11,789	800,400
Taxes	2,422,653	18,584	1,340,140	-0-	242,262	4,023,639
Grants	57,468	-0-	-0-	-0-	-0-	57,468
Other	53,121	-0-	-0-	-0-	-0-	53,121
Notes	-0-	-0-	-0-	-0-	17,722	17,722
Due to/(from) other activities	<u>411,656</u>	<u>-0-</u>	<u>(250,000)</u>	<u>-0-</u>	<u>(13,115)</u>	<u>148,541</u>
TOTAL ASSETS	\$ <u>4,857,405</u>	\$ <u>55,848</u>	\$ <u>1,326,153</u>	\$ <u>5,454,941</u>	\$ <u>3,412,534</u>	\$ <u>15,106,881</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 198,000	\$ -0-	\$ -0-	\$ -0-	\$ 41,577	\$ 239,577
Accrued payroll	<u>749,396</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>15,445</u>	<u>764,841</u>
Total liabilities	<u>947,396</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>57,022</u>	<u>1,004,418</u>
Deferred Inflows of Resources						
Deferred revenue – taxes	<u>434,373</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>206,605</u>	<u>640,978</u>
Total deferred inflows of resources	<u>434,373</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>206,605</u>	<u>640,978</u>
Fund Balances						
Restricted	-0-	-0-	-0-	5,454,941	-0-	5,454,941
Committed	-0-	55,848	-0-	-0-	-0-	55,848
Assigned	-0-	-0-	1,326,153	-0-	3,151,045	4,477,198
Unassigned	<u>3,475,636</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(2,138)</u>	<u>3,473,498</u>
Total fund balance	<u>3,475,636</u>	<u>55,848</u>	<u>1,326,153</u>	<u>5,454,941</u>	<u>3,148,907</u>	<u>13,461,485</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ <u>4,857,405</u>	\$ <u>55,848</u>	\$ <u>1,326,153</u>	\$ <u>5,454,941</u>	\$ <u>3,412,534</u>	\$ <u>15,106,881</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
RECONCILIATION OF FUND BALANCE SHEETS -
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
JUNE 30, 2023**

Fund balance, fund level statement June 30, 2023	\$ 13,461,485
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The total fund balance of the Municipality of Clarksburg, West Virginia's governmental funds differ from the net position of the governmental activities reported on the Statement of Net Position as follows:

Some liabilities are not due and payable in the current period and therefore, are not reported in the fund level statements:

Accrued compensated absences	(389,726)
Notes payable	(2,104,353)
Net pension obligation payable	(30,426,736)
Other post-employment benefit obligation payable	(199,442)

Capital assets, that are used in governmental activities and are purchased or constructed, the costs of those assets are reported as expenditures in governmental funds. However, the Statement of Net Position includes those assets and their associated accumulated depreciation.	18,200,148
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Deferred inflows and outflows of resources related to pension and other post-employment benefit activity are not required to be reported in the funds but are required to be reported at the government-wide level:

Deferred outflows of resources – WVPERS	832,288
Deferred outflows of resources – Policemen's and Firemen's Pensions	1,802,488
Deferred outflows of resources – WVRHBT	181,385
Deferred inflows of resources – WVPERS	(8,725)
Deferred inflows of resources – Policemen's and Firemen's Pensions	(3,674,889)
Deferred inflows of resources – WVRHBT	(332,660)

Some revenues are reported as deferred in the governmental funds:

Deferred revenue	<u>640,978</u>
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Net position of governmental activities	\$ (<u>2,017,759</u>)
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See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>General</u> <u>Fund</u>	<u>Coal</u> <u>Severance</u> <u>Fund</u>	<u>Municipal</u> <u>Sales and</u> <u>Use Tax</u> <u>Fund</u>	<u>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Revenues						
Taxes and special assessments:						
Ad valorem	\$ 2,658,718	\$ 75,039	\$ -0-	\$ -0-	\$ 1,689,013	\$ 4,422,770
Excise utility	751,719	-0-	-0-	-0-	-0-	751,719
Business and occupation	7,869,345	-0-	-0-	-0-	-0-	7,869,345
Alcoholic beverage	143,506	-0-	-0-	-0-	-0-	143,506
Hotel occupancy	279,390	-0-	-0-	-0-	-0-	279,390
Animal control	4,446	-0-	-0-	-0-	-0-	4,446
Oil and gas	93,401	-0-	-0-	-0-	-0-	93,401
Municipal sales and use tax	-0-	-0-	5,120,639	-0-	-0-	5,120,639
Licenses and permits	341,516	-0-	-0-	-0-	-0-	341,516
Charges for services	1,496,469	-0-	-0-	-0-	1,089,202	2,585,671
Fines and forfeits	244,796	-0-	-0-	-0-	115,045	359,841
Franchise fees	130,858	-0-	-0-	-0-	-0-	130,858
Reimbursement	294,251	-0-	253,635	-0-	-0-	547,886
Interest	996	15	155	3,047	1,417	5,630
Donations	82,514	-0-	-0-	-0-	3,202	85,716
Intergovernmental:						
Federal	286,748	-0-	-0-	-0-	5,062	291,810
State	44,999	-0-	-0-	-0-	-0-	44,999
Contributions from employees	-0-	-0-	-0-	-0-	417,707	417,707
Contribution from employer	-0-	-0-	-0-	-0-	1,833,813	1,833,813
Video lottery and gaming income	11,297	-0-	-0-	-0-	-0-	11,297
Miscellaneous income	<u>161,365</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>501</u>	<u>161,866</u>
Total revenue	<u>14,896,334</u>	<u>75,054</u>	<u>5,374,429</u>	<u>3,047</u>	<u>5,154,962</u>	<u>25,503,826</u>
Expenditures						
General government	3,673,895	8,642	-0-	-0-	21,539	3,704,076
Public safety	9,562,351	23,727	321,674	-0-	193,821	9,779,899
Highways and streets	2,884,787	6,631	-0-	8,798	639,734	3,861,624
Health and sanitation	458,177	688	-0-	-0-	-0-	458,865
Community development	-0-	-0-	-0-	200,000	-0-	200,000
Culture and recreation	1,600,339	13,000	-0-	-0-	1,281,495	2,894,834
Social services	31,000	-0-	-0-	-0-	-0-	31,000
Benefit payments	-0-	-0-	-0-	-0-	2,114,768	2,114,768
Capital outlay	-0-	-0-	-0-	812,855	423,537	1,236,392
Debt service – principal	326,075	-0-	-0-	-0-	119,092	445,167
Debt service – interest	-0-	-0-	-0-	-0-	11,202	11,202
Total expenditures	<u>18,536,624</u>	<u>52,688</u>	<u>321,674</u>	<u>1,021,653</u>	<u>4,805,188</u>	<u>24,737,827</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,640,290)</u>	<u>22,366</u>	<u>5,052,755</u>	<u>(1,018,606)</u>	<u>349,774</u>	<u>765,999</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>General</u> <u>Fund</u>	<u>Coal</u> <u>Severance</u> <u>Fund</u>	<u>Municipal</u> <u>Sales and</u> <u>Use Tax</u> <u>Fund</u>	<u>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Other Financing Sources (Uses)						
Operating transfers in	\$ 4,427,502	\$ -0-	\$ -0-	\$ -0-	\$ 797,649	\$ 5,225,151
Operating transfers (out)	(771,789)	-0-	(5,009,590)	(75,000)	(804,039)	(6,660,418)
Total other financing sources (uses)	<u>3,655,713</u>	<u>-0-</u>	<u>(5,009,590)</u>	<u>(75,000)</u>	<u>(6,390)</u>	<u>(1,435,267)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	15,423	22,366	43,165	(1,093,606)	343,384	(669,268)
Fund balance at beginning of year	<u>3,460,213</u>	<u>33,482</u>	<u>1,282,988</u>	<u>6,548,547</u>	<u>2,805,523</u>	<u>14,130,753</u>
Fund balance at end of year	\$ <u>3,475,636</u>	\$ <u>55,848</u>	\$ <u>1,326,153</u>	\$ <u>5,454,941</u>	\$ <u>3,148,907</u>	\$ <u>13,461,485</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Net change in fund balances – total governmental funds \$ (669,268)

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which depreciation exceeded capital outlay in the current period. (598,633)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds:

Change in deferred revenue 74,137

Notes payable provide current financial resources to governmental funds, but incurring a notes payable increases long-term liabilities in the Statement of Net Assets. Repayment of notes payable is an expenditure of the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:

Proceeds from note payable (18,952)
Repayment of note payable 487,334

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.

Change in accrued compensated absences 236,551

Long-term pension liability is not due and payable in the current period and therefore is not reported in the fund statements. This is the change in long-term pension liability in the current year (120,294)

Long-term other post-employment benefit obligations is a long-term liability, not due and payable in the current period and therefore is not reported in the fund statements. This is the change in long-term other post-employment benefit obligations in the current year. (241,849)

Some assets do not provided current financial resources and are not reported as assets in the fund level statements.

This is the change in pension and other post-employment benefit plans deferred outflows of resources (331,631)

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Some liabilities are not due and payable in the current period and therefore, are not reported in the fund level statements.

This the change in pension and other post-employment benefit plans deferred inflows of resources.	\$ <u>6,145,929</u>
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Change in net position of governmental activities	\$ <u>4,963,324</u>
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See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION -
PROPRIETARY FUND
JUNE 30, 2023

	<u>Business-Type Activities</u> <u>Municipal Building</u> <u>Commission</u>
ASSETS	
Current Assets	
Cash	\$ 1,007,964
Due (to) from other activities	(2,037)
Total current assets	<u>1,005,927</u>
Noncurrent Assets	
Restricted assets	<u>211,725</u>
Total noncurrent assets	<u>211,725</u>
Capital Assets	
Buildings	32,942,754
Equipment	179,691
Less: Accumulated depreciation	(7,277,685)
Net capital assets	<u>25,844,760</u>
Total assets	\$ <u>27,062,412</u>
LIABILITIES AND NET POSITION	
Current Liabilities (payable from restricted assets)	
Revenue bonds payable	\$ 758,259
Accrued revenue bond interest payable	<u>32,260</u>
Total current liabilities (payable from restricted assets)	<u>790,519</u>
Long-Term Liabilities (net of current portion)	
Revenue bonds payable	<u>13,122,750</u>
Total long-term liabilities (net of current portion)	<u>13,122,750</u>
Total liabilities	<u>13,913,269</u>
Net Position	
Net investment in capital assets	11,963,751
Restricted for debt service	211,725
Unrestricted	<u>973,667</u>
Total net position	\$ <u>13,149,143</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION -
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Business-Type Activities</u> <u>Municipal Building</u> <u>Commission</u>
Operating Revenues	
Charges for services	\$ 1,195,956
Operating donations	<u>5,345</u>
Total operating revenues	<u>1,201,301</u>
Operating Expenses	
Maintenance	34,391
General and administrative	27,231
Theatre expense	1,258,546
Depreciation	<u>737,255</u>
Total operating expenses	<u>2,057,423</u>
Operating income (loss)	(<u>856,122</u>)
Nonoperating Revenues (Expenses)	
Interest	12,178
Interest and fiscal charges	(<u>440,407</u>)
Total nonoperating revenues (expenses)	(<u>428,229</u>)
Change in net position before operating transfers in (out)	(1,284,351)
Operating transfers in (out)	<u>1,435,267</u>
Change in net position	150,916
Total net position – beginning	<u>12,998,227</u>
Total net position – ending	\$ <u>13,149,143</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF CASH FLOWS –
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Business-Type Activities</u> <u>Municipal Building</u> <u>Commission</u>
Cash Flows from Operating Activities	
Receipts from customers	\$ 1,195,956
Receipts from other sources	5,345
Payments to suppliers	(1,318,131)
Net cash (used in) operating activities	(116,830)
Cash Flows from Noncapital Financing Activities	
Transfers from other activities	1,435,267
Net cash provided by noncapital financing activities	1,435,267
Cash Flows from Capital and Related Financing Activities	
Repayment of revenue bonds	(742,179)
(Increase) in restricted assets	(54,493)
Interest expense	(441,695)
Net cash (used in) capital and related financing activities	(1,238,367)
Cash Flows from Investing Activities	
Interest on investments	12,178
Net cash provided by investing activities	12,178
Net increase in cash	92,248
Cash at beginning of year	915,716
Cash at end of year	\$ 1,007,964
Reconciliation of operating income (loss) to net cash (used in) operating activities:	
Operating income (loss)	\$ (856,122)
Adjustments to reconcile operating income (loss) to net cash (used in) operating activities:	
Depreciation and amortization	737,255
(Increase) decrease in:	
Due (to)/from other activities	2,037
Net cash (used in) operating activities	\$ (116,830)

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
FIDUCIARY RESPONSIBILITIES
STATEMENT OF NET POSITION
JUNE 30, 2023

Pension
Trust Funds

Assets

Cash	\$ 1,022,752
Investments:	
Cash reserves	347,862
Mutual funds	21,745,937
U.S. Government obligations	800,775
Certificates of deposit	1,940,918
Corporate bonds	3,318,865
Corporate stocks	2,904,606
Receivables:	
Accrued interest	<u>41,960</u>
Total assets	<u>32,123,675</u>

Liabilities

Accounts payable	<u>-0-</u>
Total liabilities	<u>-0-</u>

Net Position

Held in trust for pension benefits	\$ <u>32,123,675</u>
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See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
FIDUCIARY RESPONSIBILITIES
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Pension
Trust Funds

Additions

Contributions:

Employer	\$ 2,686,272
Employee	427,991
Insurance premium tax allocation	<u>870,926</u>
Total contributions	<u>3,985,189</u>

Investment income:

Net appreciation in fair value of investments	1,329,033
Net gain (loss) on sale of investments	186,094
Interest and dividends	<u>675,010</u>
Total investment income	<u>2,190,137</u>

Miscellaneous income	<u>1,188</u>
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Total additions	<u>6,176,514</u>
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Deductions

General and administrative	192,668
Benefit payments	<u>3,154,928</u>
Total deductions	<u>3,347,596</u>

Net increase	2,828,918
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Net position – beginning of year	<u>29,294,757</u>
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Net position – end of year	\$ <u>32,123,675</u>
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See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

I. Summary of Significant Accounting Policies

The accounting policies of the Municipality of Clarksburg, West Virginia (the Municipality), conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of significant accounting policies:

(a) Reporting Entity

The Municipality of Clarksburg, West Virginia is a municipal corporation governed by an elected mayor, vice mayor and five member council. The accompanying financial statements present the government and its component units as required by generally accepted accounting principles.

The services provided by the government and accounted for within these financial statements include law enforcement for the Municipality, health and sanitation services, cultural and recreational programs, and other governmental services.

The accompanying financial statements present the government as required by the accounting principles generally accepted in the United States. In determining whether to include a governmental department, agency, commission or organization as a component unit, the government must evaluate each entity as to whether they are legally separate and financially accountable based on the criteria set for by the Governmental Accounting Standards Board (GASB). Legal separateness is evaluated on the basis of: (1) its corporate name, (2) the right to sue and be sued and (3) the right to buy, sell or lease and mortgage property. Financial accountability is based on: (1) the appointment of the governing authority, and (2) the ability to impose will, or (3) the providing of specific financial benefit or imposition of specific financial burden. Another factor to consider in this evaluation is whether an entity is fiscally dependent on the Municipality.

The Municipality complies with GASB Statement No. 61, "*The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*". This statement established standards for defining and reporting component units in the financial statements of the reporting entity. It defines component units as legally separate organizations for which the component unit not only has a fiscal dependency on the reporting entity but also a financial benefit or burden relationship must be present between the reporting entity and the entity that is to be included as a component unit. In addition, an entity may be included as a component unit in the financial statements of the reporting entity, if the reporting entity's management determines that it would be misleading to exclude them.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Blended Component Units

The entities below are legally separate from the Municipality and meet GAAP criteria for component units. These entities are blended with the primary government because they provide services entirely or almost entirely to the Municipality.

The *Clarksburg Building Commission* serves Municipality of Clarksburg, West Virginia, and is governed by a board comprised of five-members appointed by the Municipality for a term of five years each. The Building Commission acquires property and debt on behalf of the Municipality. The Municipality of Clarksburg Building Commission is reported as an enterprise fund.

The *Clarksburg Urban Renewal Authority* serves Municipality of Clarksburg, West Virginia, and is governed by a board comprised of five-members appointed by the Municipality for a term of five years each. The Clarksburg Urban Renewal Authority develops property and demolishes condemned structures on behalf of the Municipality and is reported as a special revenue fund.

Discretely Presented Component Units

Discretely presented component units are entities which are legally separate from the Municipality, but are financially accountable to the Municipality, or whose relationship with the Municipality is such that exclusion would cause the Municipality's financial statements to be misleading or incomplete. Because of the nature of services they provide and the Municipality's ability to impose its will on them or a financial benefit/burden relationship exists, the following component units are discretely presented in accordance with GASB Statement No. 14 (as amended by GASB Statement No. 39). The discretely presented component units are presented on the government-wide statements.

The *Clarksburg Sanitary Board* services all the citizens of the Municipality of Clarksburg, West Virginia and is governed by a three member board comprised of the City Manager and two members appointed by council. The rates for user charges and bond issuance authorizations are approved by the government's elected council.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The *Clarksburg Parking Authority* serves Municipality of Clarksburg, West Virginia, and is governed by a board comprised of five-members appointed by the Municipality for a term of three years each. The Clarksburg Parking Authority provides parking areas within the Municipality.

Complete financial statements for each of the individual component units can be obtained at the entity's administrative offices.

(b) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants whose purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the governmental-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Combining financial statements for the nonmajor governmental funds are included as supplementary information.

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

(c) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and collectible. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collectible within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Also, certain taxpayer-assessed revenues such as business and occupation and utility taxes are accrued as revenue at year end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types". Governmental funds are used to account for governmental activities, where the focus of attention is on the providing of services to the public as opposed to proprietary funds where the focus of attention is on recovering the cost of providing services to the public through service charges or user fees. Fiduciary funds are used to account for assets held by the Municipality in a trustee or agency capacity. The fund types used by the Municipality of Clarksburg, West Virginia are described as follows:

Governmental Fund Types

General Fund: The General Fund is the general operating fund of the municipality. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds: Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for capital purposes.

Debt Service Funds: The Debt Service Funds are used to account for proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for debt retirement.

Capital Project Funds: Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities which are not financed by Proprietary Funds.

Proprietary Fund Types

Enterprise Funds: Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The government reports the following major governmental funds:

The *General fund* is the government's primary operating fund. It accounts for all financial sources of the general government, except those required to be accounted for in another fund.

The *Coal Severance Tax fund*, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia municipalities.

The *Municipal Sales and Use Tax fund*, a special revenue fund, accounts for the collection of the municipal sales and use tax of the Municipality.

American Rescue Plan Act Fund is a special revenue fund used to receive and disburse federal funds received as a result of the American Rescue Plan Act.

The government reports the following major proprietary funds:

The *Municipal Building Commission fund* serves the Municipality by providing facilities that provide facilities to the public. The legally separate entity leases these facilities to the primary government in accordance to lease agreements. The Board promulgates rules and regulations governing the usage and maintenance of the facilities.

Additionally, the government reports the following fund types:

The *Pension Trust funds* account for the activities of the Public Safety Employees Retirement System, which accumulates resources for pension benefit payments to qualified public safety employees. These funds are accounted for in essentially the same manner as the proprietary funds, using the same measurement focus and basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. Expenses for the enterprise fund include the administrative expense, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

(d) Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

The accounts of the Municipality are organized into funds, each of which is considered to be a separate accounting entity. The major fund categories and account groups for the fund financial statements are:

1. Deposits and Investments

The Municipality of Clarksburg, West Virginia's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of less than three months from the date of acquisition. For purposes of the Statement of Cash Flows, restricted assets may be considered cash equivalents based on liquidity.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the Municipality reports its investments at fair value, except for non-participating investment contracts (certificates of deposits and repurchase agreements) which are reported at costs, which approximates fair value. All investment income, including changes in fair value of investments, are recognized as revenue in the operating statement. Fair value is determined by quoted market prices.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds related to the retirement systems not listed on an established market are reported at estimated fair value as determined by the respective fund managers based on quoted sales prices of underlying securities. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

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State statutes authorize the government to invest in the State Investment Pool or the Municipal Bond Commission or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit (which mature in less than one year), general and direct obligations of the State of West Virginia; obligations of the federal mortgage association; indebtedness or guaranteed by the federal government; pooled mortgage trusts (subject to limitations); indebtedness of any private corporation that is properly graded in the top three ratings, at the time of acquisition; interest earning deposits which are fully insured or collateralized; and mutual funds registered with the S.E.C. which have fund assets over three hundred million dollars.

State statute §8-13-22c places limitations on the aforementioned investments include the following: at no time can investment portfolios consist of more than seventy-five percent of the indebtedness of any private corporation nor can the portfolio have over twenty-five percent of its portfolio consisting of the indebtedness of a private corporation's debt which matures in less than one year; at no time may more than nine percent of the portfolio be invested in securities issued by a single private corporation or association; and at no time can more than sixty percent of the portfolio be invested in equity mutual funds.

Municipal Pension Funds are governed as to type of investments by *West Virginia Code* §8-22-22. Pension funds are permitted to invest in all of the above mentioned types of investments with the exceptions of: (1) Direct and general obligations of the State and (2) Pooled mortgage trusts. Additionally, pension funds are permitted to invest funds in the following categories of investments: (1) Repurchase agreements and (2) Common stock, securities convertible into common stocks, or warrants and rights to purchase such securities. Pension funds have different rules concerning the purchase of marketable debt securities.

The following restrictions apply only to pension portfolios and are separate and distinct from the limitations mentioned above: (1) fixed income securities which are issued by one issuer (with the exception of the United States government) are not to exceed five percent of the total pension fund assets; and (2) at no time can the non-real estate equity portion of the portfolio exceed seventy-five percent of the total portfolio.

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2. Receivables and Payables

Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables or payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balance outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

Trade Receivables

All trade receivables are shown at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Property Tax Receivable

All current taxes assessed on real and personal property may be paid in two installments; the first installment is payable on September first of the year for which the assessment is made, and becomes delinquent on October first; the second installment is payable on the first day the following March and becomes delinquent on April first. Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If the taxes are not paid on or before the date in which they become delinquent, including both first and second installments, interest at the rate of nine percent annum is added for the date they become delinquent until the date they are paid.

All municipalities within the State are authorized to levy taxes not in excess of the following maximum levies per \$100 of assessed valuation: On Class I property, twelve and five-tenths cents (12.5 cents); On Class II property, twenty-five cents (25 cents) ; On Class IV property, fifty cents (50 cents). In addition, municipalities may provide for an election to lay an excess levy; the rates not to exceed statutory limitations, provided at least sixty percent of the voters cast ballots in favor of the excess levy.

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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The rates levied by the Municipality per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2023, were as follows:

<u>Class of Property</u>	<u>Assessed Valuation for Tax Purposes</u>	<u>Current Expense</u>	<u>Excess Levy</u>
Class II	\$ 215,350,432	25.00 cents	12.50 cents
Class IV	\$ 437,744,288	50.00 cents	25.00 cents

3. Restricted Assets

Certain proceeds of the enterprise fund revenue bonds, as well as certain proceeds set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

4. Capital Assets and Depreciation

Capital assets, which include property, plant, and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$5,000 or more and estimated to have a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets are materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is not reflected in the capitalized value of the asset constructed, net of interest earned on the invest proceeds during the same period.

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40 – 50
Structure and improvements	5 – 50
Infrastructure	40 – 50
Machinery and equipment	5 – 40

5. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Employees accrue 1.25 sick days per month to a maximum of 40 days. Employees meeting certain criteria can convert sick leave into cash. Vacation is accrued up to certain limits based on years of service.

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*.

When a permanent full time employee retires, the employee may elect to have any accrued sick leave converted to insurance benefits based on the formula of two days sick leave for one month single coverage insurance premium or three days sick leave for one month family coverage insurance premium.

6. Long-Term Obligations

In the government-wide financial statements, the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are recognized as an expense in the period incurred.

7. Fund Balances

Equity Classification

Effective July 1, 2010, the Municipality adopted GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions," which establishes new standards for accounting and financial reporting that are intended to improve the clarity and consistency of the fund balance information provided to financial report users. The classifications are based primarily on the extent to which the Municipality is bound to honor constraints on the specific purposes for which the amounts in those funds can be spent. Fund balances are reported in the following categories:

Net Position Classifications:

GASB 63 – Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position – divided net position for Government-wide net position into three components:

- a. Net investment in capital assets – consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- b. Restricted net position – consists of net position that is restricted by the Municipality's creditors (for example through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.
- c. Unrestricted – all other net position is reported in this category

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GASB Statement No. 54 – *"Fund Balance Reporting and Governmental Fund Type Definitions"* – divided fund balance for fund level into five components:

- a. Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact.
- b. Restricted – Amounts that can be spent only for specific purposes because of the Municipality's code, state or federal laws, or externally imposed conditions by grantors or creditors.
- c. Committed – Amounts that can be used only for specific purposes determined by a formal action by the Municipality's council.
- d. Assigned – Amounts that are designed by the Municipality's council for a particular purpose but are not spendable until there is a majority vote approval by the Municipality's council.
- e. Unassigned – All amounts not included in other spendable classifications.

The Municipality Council is the government's highest level of decision-making authority. The Council would take formal action to establish, and modify or rescind, a fund balance commitment or to assign fund balance amounts to a specific purpose. The government has adopted a revenue spending policy that provides guidance for programs with multiple revenue sources. 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. The government has the authority to deviate from this policy if it is in the best interest of the Municipality.

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8. Change in Accounting Principle

During the year ended June 30, 2023, the Municipality adopted following GASB statements:

GASB 91 – Conduit Debt Obligations – This Statement's objectives are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement is effective for reporting periods beginning after December 15, 2021. This statement was adopted in the current fiscal year and had no effect on the accompanying financial statements.

GASB 94 – Public – Private and Public – Public Partnerships and Availability Payment Arrangements – The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). This Statement is effective for fiscal years beginning after June 15, 2022. This statement was adopted during the current fiscal year and had no impact on the accompanying financial statements.

GASB 96 – Subscription-Based Information Technology Arrangements – This Statement provides guidance on the accounting and financial reporting for subscription-based technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. This Statement is effective for fiscal years beginning after June 15, 2022. This statement was adopted during the current fiscal year and had no impact on the accompanying financial statements.

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GASB 99 – Omnibus 2022 – The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.

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- Clarification of provisions in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.
- Terminology used in Statement 53 to refer to resource flow statements.

The Requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 24, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

This statement was adopted during the current fiscal year and had no effect on the accompanying financial statements.

These and other changes are reflected in the accompanying financial statements (including the notes to the financial statements).

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The following are recent GASB Pronouncements for which the Municipality has not adopted as of June 30, 2023:

GASB 100 – *Accounting Changes and Error Corrections* – The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions of assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

GASB 101 – *Compensated Absences* – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

9. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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.

In addition to liabilities, the statement of financial position will sometimes report a separate section of 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.

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10. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of the resources related to pensions, and pension expense, information about the fiduciary net position of Municipality of Clarksburg, West Virginia's Retirement System (PERS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the PERS. 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.

11. Other Postemployment Benefits

For purposes of measuring the net other postemployment benefits liability and deferred outflows/inflows of the resources related to other postemployment benefits, information about the fiduciary net position of Municipality of Clarksburg, West Virginia OPEB Plan and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the West Virginia Retiree Health Benefit Trust Fund. 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.

12. Use of Estimates

The preparation of 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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13. Stabilization Arrangements

The government has created a stabilization arrangement in accordance with West Virginia Code §8-37-3. The government may appropriate a sum to the arrangement from any surplus in the general fund at the end of each fiscal year or from other money available. The amount of money committed to the arrangement may not exceed thirty percent of the government's most recent general fund budget. The money may be used for any unforeseen shortfalls. The stabilization balance at fiscal year-end was \$1,015,794.

14. Inventories

The Municipality considers inventories of materials and supplies utilized in governmental fund types operations as expended at the time of purchase therefore, they do not appear in the municipality's financial statements. Inventories of materials and supplies utilized in the proprietary fund type operation are considered expended at the time of consumption; therefore, balances on hand at year end, valued at cost (first-in, first-out) are presented in the Municipality's financial statements.

II. Stewardship, Compliance and Accountability

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the Coal Severance Tax Special Revenue Fund, except that the amounts held for stabilization are not included for budgeting purposes. All annual appropriations lapse at fiscal year end.

The governing body of the Municipality is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain the financial condition of the Municipality and to prepare the levy estimate (budget) for the fiscal year commencing July 1. The budget is then forthwith submitted to the State Auditor for approval. The governing body then reconvenes on the third Tuesday in April to hear objections from the public and formally lay the levy.

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The appropriated budget is prepared by fund, function and department. Transfers of appropriations between departments and revenue related revisions to the budget require approval from the governing council and then submission to the State Auditor for approval. Revisions become effective when approved by the State Auditor and budgeted amounts in the financial statements reflect only such approved amounts. The governing body made no material supplementary budgetary appropriations throughout the year:

General Fund

<u>Amount</u>	<u>Description</u>
\$ 174,135	General Government expenditures increase
(630,609)	Public Safety expenditures (decrease)
(37,225)	Streets and Transportation expenditures (decrease)
78,533	Health and Sanitation expenditures increase
99,173	Culture and Recreation expenditures increase

Coal Severance Fund

<u>Amount</u>	<u>Description</u>
\$ 12,735	General Government expenditures increase
20,000	Public Safety expenditures increase
6,850	Streets and Transportation expenditures increase

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

III. Detailed Notes on All Funds

A. Deposits and Investments

At year end, the Policemen's Pension and Relief Fund had the following investments:

	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>
Policemen's Pension and Relief			
Fidelity government cash reserves	\$ 35,204	\$ 35,204	\$ -0-
Mutual Funds	<u>15,520,421</u>	<u>11,662,647</u>	<u>3,857,774</u>
	<u>\$ 15,555,625</u>	<u>\$ 11,697,851</u>	<u>\$ 3,857,774</u>

	<u>Fair Value</u>	<u>Credit Risk Rating</u> <u>Standard & Poor's and Fitch</u>	<u>Moody's Investment Services</u>
Policemen's Pension and Relief			
Fidelity government cash reserves	\$ 35,204	N/A	N/A
Mutual funds	<u>15,520,421</u>	AAA	Aaa - AA2
	<u>\$ 15,555,625</u>		

<u>Interest Rate Risk</u>	<u>Less Than 1 Year</u>	<u>1 – 5 Years</u>	<u>6 – 10 Years</u>	<u>Over 10 Years</u>	<u>Total</u>
Policemen's Pension and Relief					
Fidelity government cash reserves	\$ 35,204	\$ -0-	\$ -0-	\$ -0-	\$ 35,204
Mutual funds	<u>15,520,421</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>15,520,421</u>
	<u>\$ 15,555,625</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 15,555,625</u>

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Concentration of Credit Risk:

The government's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government's total investment. In accordance with GASB Statement No. 40, Deposit and Investment Risk Disclosures, it requires disclosure when the investment in any one issuer equals or exceeds 5% of the total amount of investments. At year end, the policemen's pension fund had the following investments that equaled or exceeded 5% of the total investments:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent</u>
Vanguard VNG RUS 1000 Index ETF	\$ 2,962,932	19.05%
Fidelity Investments US Bond Index Retail	4,063,498	26.12%
VanGuard Div Growth Investor	1,453,614	9.34%

At year end, the Firemen's Pension and Relief Fund had the following investments:

	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Gain (Loss)</u>
Firemen's Pension and Relief			
Fidelity government cash reserves	\$ 312,658	\$ 312,658	\$ -0-
Mutual funds	6,225,516	3,355,141	2,870,375
U.S. Government obligations	800,775	1,000,000	(199,225)
Certificates of deposit	1,940,918	1,997,589	(56,671)
Corporate bonds	3,318,865	3,687,557	(368,692)
Corporate stocks	<u>2,904,606</u>	<u>1,828,941</u>	<u>1,075,665</u>
	<u>\$ 15,503,338</u>	<u>\$ 12,181,886</u>	<u>\$ 3,321,452</u>

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

		<u>Credit Risk Rating</u>	
		<u>Standard & Poor's and Fitch</u>	<u>Moody's Investment Services</u>
	<u>Fair Value</u>		
Firemen's Pension and Relief			
Fidelity government cash reserves	\$ 312,658	N/A	N/A
Mutual funds	6,225,516	AAA	Aaa - AA2
U.S. Government obligations	800,775	AAA	Aaa - AA2
Certificates of deposit	1,940,918	A- - AAA	Aaa - AA2
Corporate bonds	3,318,865	A- - AAA	Aaa - AA2
Corporate stocks	<u>2,904,606</u>	N/A	N/A
	\$ <u>15,503,338</u>		

<u>Interest Rate Risk</u>	<u>Less Than 1 Year</u>	<u>1 - 5 Years</u>	<u>6 - 10 Years</u>	<u>Over 10 Years</u>	<u>Total</u>
Firemen's Pension and Relief					
Fidelity government cash reserves	\$ 312,658	\$ -0-	\$ -0-	\$ -0-	\$ 312,658
Mutual funds	6,225,516	-0-	-0-	-0-	6,225,516
U.S. Government obligations	-0-	-0-	800,775	-0-	800,775
Certificates of deposit	1,634,476	306,442	-0-	-0-	1,940,918
Corporate bonds	<u>1,350,735</u>	<u>1,445,588</u>	<u>518,316</u>	<u>4,226</u>	<u>3,318,865</u>
	\$ <u>9,523,385</u>	\$ <u>1,752,030</u>	\$ <u>1,319,091</u>	\$ <u>4,226</u>	\$ <u>12,598,732</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Concentration of Credit Risk:

The government's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government's total investment. In accordance with GASB Statement No. 40, Deposit and Investment Risk Disclosures, it requires disclosure when the investment in any one issuer equals or exceeds 5% of the total amount of investments. At year end, the firemen's pension fund had the following investments that comprised 5% or more of the total investments:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percent</u>
Ishares Russelll Mid-Cap Value ETF	\$ 1,089,723	7.03%
Ishares Tr Rus Md Cap	844,450	5.45%
Ishares Core S & P Mid Cap	929,561	6.00%
Ishares Russell 2000 Value	851,981	5.50%

At year end, the government had the following investments in Proprietary Fund Component Units:

	<u>Fair Value</u>	<u>Credit Risk Rating</u>	
		<u>Standard & Poor's and Fitch</u>	<u>Moody's Investment Services</u>
Sanitary Sewer Board			
WV Municipal Bond Commission	\$ <u>645,263</u>	Not Rated	Not Rated
	\$ <u>645,263</u>		

<u>Interest Rate Risk</u>	<u>0 – 3 Years</u>	<u>4 – 7 Years</u>	<u>8 – 10 Years</u>	<u>Over 10 Years</u>	<u>Total</u>
Sanitary Sewer Board					
WV Municipal Bond Commission	\$ <u>645,263</u>	\$ -0-	\$ -0-	\$ -0-	\$ <u>645,263</u>
	\$ <u>645,263</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>645,263</u>

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

At year end, the government had the following investments in Proprietary Funds:

		<u>Credit Risk Rating</u>			
		<u>Fair</u>	<u>Standard &</u>	<u>Moody's</u>	
		<u>Value</u>	<u>Poor's and</u>	<u>Investment</u>	
			<u>Fitch</u>	<u>Services</u>	
Municipal Building Commission					
Money Market		\$ <u>211,725</u>	Not Rated	Not Rated	
<u>Interest Rate Risk</u>	<u>0 – 3 Years</u>	<u>4 – 7 Years</u>	<u>8 – 10 Years</u>	<u>Over</u> <u>10 Years</u>	<u>Total</u>
Money Market	\$ <u>211,725</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>211,725</u>

Credit Risk

State law limit investments as described in Note I.D.1. It is the government's policy to limit its investments as stated in the West Virginia Code. The government does not have a policy for credit risk in addition to governing statutes.

Concentration of Credit Risk

The government's investment policy does not allow for an investment in any one issuer that is in excess of five percent of the government's total investment. In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires disclosure when the investment in any one issuer equals or exceeds 5% of the total amount of investments.

Custodial Credit Risk

For deposits, the government could be exposed to risk in the event of a bank failure where the government's deposits may not be returned. The government's policy for custodial credit risk is to require a depository bond as collateral for all investments. At year end, the primary government's, component units' and fiduciary funds' bank balances were \$13,571,280, which were collateralized with a depository bond.

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

For Investments, the government could be exposed to risk in the event of the failure of the counterparty where the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The government has adopted State Code requirements as its policy for custodial credit risk. At year end, the investment balances were \$31,915,951. The entire balance is considered secured.

A reconciliation of cash and investments as shown on the Statement of Net Position of the government and Statement of Net Position of the Fiduciary Funds is as follows:

Cash and cash equivalents	\$ 13,571,280
Investments – collateralized and secured	<u>31,915,951</u>
Total	<u>\$ 45,487,231</u>
Cash and cash equivalents	\$ 13,571,280
Investments – restricted	856,988
Investments	<u>31,058,963</u>
Total	<u>\$ 45,487,231</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

B. Receivables

Receivables at year end for the government's individual major and nonmajor funds, and fiduciary funds in the aggregate are as follows:

	<u>General</u> <u>Fund</u>	<u>Coal</u> <u>Severance</u> <u>Fund</u>	<u>Municipal</u> <u>Sales and</u> <u>Use Tax</u> <u>Fund</u>	<u>Other</u> <u>Nonmajor</u> <u>Funds</u>	<u>Total</u> <u>Primary</u> <u>Government</u>	<u>Fiduciary</u> <u>Funds</u>	<u>Component</u> <u>Unit</u> <u>Sanitary</u> <u>Board</u> <u>Fund</u>
Receivables:							
Accounts	\$ 788,611	\$ -0-	\$ -0-	\$ 11,789	\$ 800,400	\$ -0-	\$ 1,216,837
Taxes	2,422,653	18,584	1,340,140	242,262	4,023,639	-0-	-0-
Grants	57,468	-0-	-0-	-0-	57,468	-0-	-0-
Other	53,121	-0-	-0-	-0-	53,121	-0-	-0-
Notes	-0-	-0-	-0-	17,722	17,722	-0-	-0-
Interest	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>41,960</u>	<u>-0-</u>
Total	\$ <u>3,321,853</u>	\$ <u>18,584</u>	\$ <u>1,340,140</u>	\$ <u>271,773</u>	\$ <u>4,952,350</u>	\$ <u>41,960</u>	\$ <u>1,216,837</u>

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The above receivables are shown net of allowance for doubtful accounts as follows:

	<u>General</u> <u>Fund</u>	<u>Coal</u> <u>Severance</u> <u>Fund</u>	<u>Municipal</u> <u>Sales and</u> <u>Use Tax</u> <u>Fund</u>	<u>Other</u> <u>Nonmajor</u> <u>Funds</u>	<u>Total</u> <u>Primary</u> <u>Government</u>	<u>Fiduciary</u> <u>Funds</u>	<u>Component</u> <u>Unit</u> <u>Sanitary</u> <u>Board</u> <u>Fund</u>
Receivables:							
Accounts	\$ 1,684	\$ -0-	\$ -0-	\$ -0-	\$ 1,684	\$ -0-	\$ 40,626
Notes	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>7,000</u>	<u>7,000</u>	<u>-0-</u>	<u>-0-</u>
Total	\$ <u>1,684</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>7,000</u>	\$ <u>8,684</u>	\$ <u>-0-</u>	\$ <u>40,626</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connections with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

Property taxes receivable	\$ <u>640,978</u>
Total deferred revenue for governmental funds	\$ <u>640,978</u>

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2023, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities				
Nondepreciable assets:				
Land	\$ <u>710,527</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>710,527</u>
Total nondepreciable assets	<u>710,527</u>	<u>-0-</u>	<u>-0-</u>	<u>710,527</u>
Depreciable assets:				
Structures and improvements	14,728,208	181,852	-0-	14,910,060
Infrastructure	17,864,949	-0-	-0-	17,864,949
Machinery and equipment	<u>11,974,226</u>	<u>242,122</u>	<u>-0-</u>	<u>12,216,348</u>
Totals at historical cost	44,567,383	423,974	-0-	44,991,357
Less: Accumulated depreciation	<u>26,479,129</u>	<u>1,022,607</u>	<u>-0-</u>	<u>27,501,736</u>
Total depreciable assets – net	<u>18,088,254</u>	(<u>598,633</u>)	<u>-0-</u>	<u>17,489,621</u>
Governmental activities capital assets – net	\$ <u>18,798,781</u>	\$ (<u>598,633</u>)	\$ <u>-0-</u>	\$ <u>18,200,148</u>

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Depreciation expense was charged to governmental activities as follows:

General government	\$ 152,921
Public safety	238,837
Highways and streets	397,534
Health and sanitation	22,600
Culture and recreation	<u>210,715</u>
	<u>\$ 1,022,607</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-Type Activities				
<i>Municipal Building Commission</i>				
Depreciable Assets:				
Buildings	\$ 32,942,754	\$ -0-	\$ -0-	\$ 32,942,754
Equipment	<u>179,691</u>	<u>-0-</u>	<u>-0-</u>	<u>179,691</u>
Total at historical cost	33,122,445	-0-	-0-	33,122,445
Less: Accumulated depreciation	<u>6,540,431</u>	<u>737,255</u>	<u>-0-</u>	<u>7,277,686</u>
Total depreciable assets	<u>26,582,014</u>	<u>(737,255)</u>	<u>-0-</u>	<u>25,844,759</u>
Business-type activities capital assets – net	\$ <u>26,582,014</u>	\$ <u>(737,255)</u>	\$ <u>-0-</u>	\$ <u>25,844,759</u>

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-Type Activities – Component Unit				
<i>Sanitary Fund</i>				
Nondepreciable Assets:				
Land	\$ 84,065	\$ -0-	\$ -0-	\$ 84,065
Construction in process	<u>7,114,908</u>	<u>1,079,877</u>	<u>-0-</u>	<u>8,194,785</u>
Total nondepreciable assets	<u>7,198,973</u>	<u>1,079,877</u>	<u>-0-</u>	<u>8,278,850</u>
Depreciable Assets:				
Buildings	1,532,698	-0-	-0-	1,532,698
Structures and improvements	7,895,033	-0-	-0-	7,895,033
Transmission and distribution	<u>28,843,020</u>	<u>-0-</u>	<u>-0-</u>	<u>28,843,020</u>
Total at historical cost	38,270,751	-0-	-0-	38,270,751
Less: Accumulated depreciation	<u>21,668,709</u>	<u>661,640</u>	<u>-0-</u>	<u>22,330,349</u>
Total depreciable assets – net	<u>16,602,042</u>	<u>(661,640)</u>	<u>-0-</u>	<u>15,940,402</u>
Business-type activities capital assets – net	\$ <u>23,801,015</u>	\$ <u>418,237</u>	\$ <u>-0-</u>	\$ <u>24,219,252</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Business-Type Activities – Component Unit				
<i>Parking Authority</i>				
Nondepreciable Assets:				
Land	\$ <u>2,543,901</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>2,543,901</u>
Total nondepreciable assets	<u>2,543,901</u>	<u>-0-</u>	<u>-0-</u>	<u>2,543,901</u>
Depreciable Assets:				
Buildings	7,663,710	-0-	-0-	7,663,710
Structures and improvements	453,583	-0-	-0-	453,583
Machinery and equipment	<u>338,301</u>	<u>-0-</u>	<u>-0-</u>	<u>338,301</u>
Total at historical cost	8,455,594	-0-	-0-	8,455,594
Less: Accumulated depreciation	<u>5,099,779</u>	<u>104,775</u>	<u>-0-</u>	<u>5,204,554</u>
Total depreciable assets – net	<u>3,355,815</u>	<u>(104,775)</u>	<u>-0-</u>	<u>3,251,040</u>
Business-type activities capital assets – net	\$ <u>5,899,716</u>	\$ <u>(104,775)</u>	\$ <u>-0-</u>	\$ <u>5,794,941</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2023, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Municipal Sales and Use Tax Fund	\$ 250,000
Payroll Fund	Sanitary Board	\$ 20,969
Payroll Fund	General Fund	\$ 106,677
Payroll Fund	Parking Authority	\$ 1
Payroll Fund	Park Board Special Levy Fund	\$ 115
Payroll Fund	Robinson Grand PAC Fund	\$ 2,037
General Fund	Dental and Vision Fund	\$ 13,000
Financial Stabilization Fund	General Fund	\$ 3,497,672
General Fund	Sanitary Board	\$ 125,534
Park Board	Park Board Special Levy Fund	\$ 42,761

Interfund Transfers:

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Park Board</u>	<u>General Fund</u>	<u>Total</u>
	<u>Park Board Special Levy Fund</u>	<u>Urban Renewal Authority</u>	<u>Municipal Building Commission</u>			
American Rescue Plan Act	\$ -0-	\$ -0-	\$ -0-	\$ 75,000	\$ -0-	\$ 75,000
Park Board Special Levy Fund	-0-	-0-	130,624	-0-	-0-	130,624
Municipal Sales and Use Tax Fund	-0-	-0-	709,590	-0-	4,300,000	5,009,590
Urban Renewal Debt Service	-0-	-0-	-0-	-0-	125,358	125,358
Police Fund	-0-	-0-	-0-	-0-	2,144	2,144
Capital Improvement Levy Fund	545,913	-0-	-0-	-0-	-0-	545,913
General Fund	-0-	130,294	595,053	46,442	-0-	771,789
Total	\$ 545,913	\$ 130,294	\$ 1,435,267	\$ 121,442	\$ 4,427,502	\$ 6,660,418

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

E. Fund Balance Detail

At year-end, the detail of the government's fund balances is as follows:

	<u>General Fund</u>	<u>Coal Severance</u>	<u>Municipal Sales and Tax Fund</u>	<u>American Rescue Plan Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Committed:						
Streets and transportation	\$ <u>-0-</u>	\$ <u>55,848</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>55,848</u>
Restricted:						
Capital improvements	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>5,454,941</u>	<u>-0-</u>	<u>5,454,941</u>
Assigned:						
Public safety	-0-	-0-	-0-	-0-	296,597	296,597
Capital improvements	-0-	-0-	-0-	-0-	435,244	435,244
General government	-0-	-0-	1,326,153	-0-	162,504	1,488,657
Culture and recreation	-0-	-0-	-0-	-0-	739,708	739,708
Community development	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,516,992</u>	<u>1,516,992</u>
Total assigned:	<u>-0-</u>	<u>-0-</u>	<u>1,326,153</u>	<u>-0-</u>	<u>3,151,045</u>	<u>4,477,198</u>
Unassigned	<u>3,475,636</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(2,138)</u>	<u>3,473,498</u>
Total fund balance	\$ <u>3,475,636</u>	\$ <u>55,848</u>	\$ <u>1,326,153</u>	\$ <u>5,454,941</u>	\$ <u>3,148,907</u>	\$ <u>13,461,485</u>

It was determined during this examination that the Dental and Vision Benefit Fund had a deficit fund balance of \$2,138. The elimination of this deficit fund balance is dependent on the increase of revenues and decreases of expenditures in future periods.

It was determined during this examination that the Governmental Activities had a deficit net position of \$2,144,149 at June 30, 2023. The elimination of this deficit is dependent on the increase of revenues and decrease of expenditures in future periods.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

F. Long-Term Debt

Long-term liability activity for Governmental Activities for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due After One Year</u>
Governmental Activities						
Notes payable	\$ 2,572,735	\$ 18,952	\$ 487,334	\$ 2,104,353	\$ 468,228	\$ 1,636,125
Accrued compensated absences	1,378,167	-0-	223,600	1,154,567	764,841	389,726
Accrued other post employment benefit obligation	(42,407)	241,849	-0-	199,442	-0-	199,442
Net pension obligation	<u>30,306,442</u>	<u>120,294</u>	<u>-0-</u>	<u>30,426,736</u>	<u>-0-</u>	<u>30,426,736</u>
Governmental activities long-term liabilities	\$ <u>34,214,937</u>	\$ <u>381,095</u>	\$ <u>710,934</u>	\$ <u>33,885,098</u>	\$ <u>1,233,069</u>	\$ <u>32,652,029</u>

Long-term liability activity for the year ended June 30, 2023 was as follows:

Note Payable – Community Bank

On December 10, 2009 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of energy conservation equipment (city hall lighting upgrade and boiler upgrade, parking garage lighting upgrade, Pike Street parking garage lighting upgrade, city wide traffic signals upgrade and street lighting). This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Monthly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 4.85%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 100,160	\$ 160	\$ 100,320
2025	<u>7,787</u>	<u>33</u>	<u>7,820</u>
Total	\$ <u>107,947</u>	\$ <u>193</u>	\$ <u>108,140</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note Payable – Truist Governmental Finance

On December 10, 2009 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of a street flusher. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Monthly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 2.79%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 11,297	\$ 997	\$ 12,294
2025	11,617	677	12,294
2026	11,945	349	12,294
2027	<u>5,999</u>	<u>46</u>	<u>6,045</u>
Total	\$ <u>40,858</u>	\$ <u>2,069</u>	\$ <u>42,927</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note Payable – Truist Governmental Finance

On December 10, 2009 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of a fire truck and bulldozer. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Monthly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 3.24%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 45,222	\$ 9,478	\$ 54,700
2025	46,709	7,991	54,700
2026	48,245	6,455	54,700
2027	49,832	4,868	54,700
2028	51,471	3,229	54,700
2029	53,163	1,537	54,700
2030	<u>18,486</u>	<u>126</u>	<u>18,612</u>
Total	\$ <u>313,128</u>	\$ <u>33,684</u>	\$ <u>346,812</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note Payable – Truist Governmental Finance

On June 22, 2018 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of a yard waste collection truck. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Monthly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 3.49%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 16,639	\$ 915	\$ 17,554
2025	<u>17,137</u>	<u>320</u>	<u>17,457</u>
Total	\$ <u>33,776</u>	\$ <u>1,235</u>	\$ <u>35,011</u>

Note Payable – West Union Bank

On October 1, 2019 the Park Board of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of a bobcat excavator. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Monthly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 4.50%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 11,698	\$ 435	\$ 12,133
2025	<u>2,303</u>	<u>26</u>	<u>2,329</u>
Total	\$ <u>14,001</u>	\$ <u>461</u>	\$ <u>14,462</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Note Payable – West Union Bank

On July 17, 2019 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of waterpark equipment. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Monthly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 4.20%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 25,621	\$ 7,401	\$ 33,022
2025	26,715	6,307	33,022
2026	27,854	5,168	33,022
2027	29,043	3,979	33,022
2028	30,282	2,740	33,022
2029	31,574	1,448	33,022
2030	<u>14,643</u>	<u>223</u>	<u>14,866</u>
Total	\$ <u>185,732</u>	\$ <u>27,266</u>	\$ <u>212,998</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Note Payable – John Deere Financing

On April 14, 2020 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of equipment. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Monthly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 0.00%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 15,283	\$ -0-	\$ 15,283
2025	<u>12,744</u>	<u>-0-</u>	<u>12,744</u>
Total	\$ <u>28,027</u>	\$ <u>-0-</u>	\$ <u>28,027</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Note Payable – Freedom Bank

On October 15, 2021 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of an aerial fire truck. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. Quarterly payments are required and the obligation is secured by equipment. The note bears interest at a rate of 1.725%.

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 133,807	\$ 20,061	\$ 153,868
2025	136,130	17,738	153,868
2026	138,493	15,375	153,868
2027	140,898	12,970	153,868
2028	143,344	10,524	153,868
2029	145,833	8,035	153,868
2030	148,365	5,503	153,868
2031	150,941	2,927	153,868
2032	<u>75,152</u>	<u>323</u>	<u>75,475</u>
Total	\$ <u>1,212,963</u>	\$ <u>93,456</u>	\$ <u>1,306,419</u>

West Union Bank

\$154,000 loan obligation from West Union Bank. Interest rate is 3.70%. Quarterly installments of \$4,648. Matures 1/5/2027. Secured by an HVAC System.

Future maturities of debt retirement based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 16,484	\$ 2,106	\$ 18,590
2025	17,103	1,487	18,590
2026	17,744	846	18,590
2027	<u>11,731</u>	<u>176</u>	<u>11,907</u>
Total	\$ <u>63,062</u>	\$ <u>4,615</u>	\$ <u>67,677</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

MVB Bank, Inc.

\$400,000 loan obligation from MVB Bank, Inc. Interest rate is 5.05%. Monthly installments of \$7,572. Matures 10/22/2023. Secured by real estate. This obligation was paid off in the current fiscal year.

MVB Bank, Inc.

\$400,000 loan obligation from MVB Bank, Inc. Interest rate is 5.75%. Monthly installments of \$7,703. Matures 6/12/2024. Secured by real estate.

Future maturities of debt retirement based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ <u>89,232</u>	\$ <u>2,669</u>	\$ <u>91,901</u>
Total	\$ <u>89,232</u>	\$ <u>2,669</u>	\$ <u>91,901</u>

MVB Bank, Inc.

\$18,952 loan obligation from MVB Bank, Inc. Interest rate is 4.01%. Monthly installments of \$279.98 secured by Frank Loria field improvements.

Future maturities of debt retirement based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 2,785	\$ 575	\$ 3,360
2025	2,899	461	3,360
2026	3,017	343	3,360
2027	3,140	220	3,360
2028	3,268	92	3,360
2029	<u>518</u>	<u>2</u>	<u>520</u>
Total	\$ <u>15,627</u>	\$ <u>1,693</u>	\$ <u>17,320</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 468,228	\$ 44,797	\$ 513,025
2025	281,144	35,040	316,184
2026	247,298	28,536	275,834
2027	240,643	22,259	262,902
2028	228,365	16,585	244,950
2029	231,088	11,022	242,110
2030	181,494	5,852	187,346
2031	150,941	2,927	153,868
2032	<u>75,152</u>	<u>323</u>	<u>75,475</u>
Total	\$ <u>2,104,353</u>	\$ <u>167,341</u>	\$ <u>2,271,694</u>

Long-term liability activity for Business-Type Activities Unit for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due After One Year</u>
Business-Type Activities – Municipal Building Commission						
Bonds and notes payable:						
United States Department of Agriculture	\$ 833,295	\$ -0-	\$ 214,329	\$ 618,966	\$ 224,592	\$ 394,374
United States Department of Agriculture	8,048	-0-	8,048	-0-	-0-	-0-
United States Department of Agriculture	437,949	-0-	23,877	414,072	24,882	389,190
United States Department of Agriculture	58,669	-0-	3,147	55,522	3,288	52,234
Lease Revenue Bonds – Series 2013	534,203	-0-	36,187	498,016	37,462	460,554
Lease Revenue Bond – MVB	169,124	-0-	29,690	139,434	30,687	108,747
Sales Tax Revenue Bonds, Series 2016A	1,414,170	-0-	34,410	1,379,760	35,409	1,344,351
Sales Tax Revenue Refunding Bonds – Series 2019A	8,124,059	-0-	133,611	7,990,448	138,033	7,852,415
Lease Revenue Bonds – Series 2022	1,725,288	-0-	93,053	1,632,235	95,148	1,537,087
Sales Tax Revenue Refunding Bonds Series 2022A	<u>1,318,383</u>	<u>-0-</u>	<u>165,827</u>	<u>1,152,556</u>	<u>168,758</u>	<u>983,798</u>
Total bonds and notes payable	\$ <u>14,623,188</u>	\$ <u>-0-</u>	\$ <u>742,179</u>	\$ <u>13,881,009</u>	\$ <u>758,259</u>	\$ <u>13,122,750</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

United States Department of Agriculture

\$3,767,000 bond obligation from Rural Economic and Community Development. Monthly payments of \$20,870. Matures 2/6/2026. Interest rate of 5%. Secured by revenues from a lease agreement between the Municipality of Clarksburg, West Virginia and the Municipality of Clarksburg, West Virginia Municipal Building Commission and a deed of trust on real estate. Interest payments only for the first two years.

\$ 618,966

Future maturities of debt retirement based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 224,592	\$ 25,848	\$ 250,440
2025	236,083	14,357	250,440
2026	<u>158,291</u>	<u>2,836</u>	<u>161,127</u>
Total	\$ <u>618,966</u>	\$ <u>43,041</u>	\$ <u>662,007</u>

\$200,000 bond obligation from Rural Economic and Community Development. Monthly payments of \$1,266. Matures April 2023. Interest rate is 4.50%. Secured by deed of trust on real estate. This bond issue was paid off in the current fiscal year.

\$ -0-

\$700,000 bond obligation from Rural Economic and Community Development. Monthly payments of \$3,458. Matures May 2036. Interest rate is 4.125%. Secured by deed of trust on real estate.

\$ 414,072

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Future maturities of debt retirement based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 24,882	\$ 16,614	\$ 41,496
2025	25,929	15,567	41,496
2026	27,019	14,477	41,496
2027	28,154	13,342	41,496
2028	29,338	12,158	41,496
2029	30,571	10,925	41,496
2030	31,856	9,640	41,496
2031	33,196	8,300	41,496
2032	34,591	6,905	41,496
2033	36,045	5,451	41,496
2034	37,561	3,935	41,496
2035	39,140	2,356	41,496
2036	<u>35,790</u>	<u>709</u>	<u>36,499</u>
Total	\$ <u>414,072</u>	\$ <u>120,379</u>	\$ <u>534,451</u>

\$92,600 bond obligation from Rural Economic and Community Development. Monthly payments of \$471. Matures May 2036. Interest rate is 4.375%. Secured by deed of trust on real estate.

\$ 55,522

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Future maturities of debt retirement based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 3,288	\$ 2,364	\$ 5,652
2025	3,435	2,217	5,652
2026	3,588	2,064	5,652
2027	3,749	1,903	5,652
2028	3,916	1,736	5,652
2029	4,091	1,561	5,652
2030	4,273	1,379	5,652
2031	4,464	1,188	5,652
2032	4,663	989	5,652
2033	4,872	780	5,652
2034	5,089	563	5,652
2035	5,316	336	5,652
2036	<u>4,778</u>	<u>98</u>	<u>4,876</u>
	\$ <u>55,522</u>	\$ <u>17,178</u>	\$ <u>72,700</u>

Lease Revenue Bonds Series 2013

This \$780,000 issue was authorized on May 30, 2013 for the purpose of financing costs of acquisition of property, purchase of equipment and for improvements to the Municipality's Municipal Building, Public Works Center and Jackson Square Parking Facility. The bonds were issued as draw-down bonds with MVB Bank, Inc. and bear interest of 3.25%. The bonds are secured by deed of trust on real estate and improvement, assignment of all rents and leases with respect to financed property and a security interest in the equipment to be purchased.

\$ 498,016

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 37,462	\$ 15,390	\$ 52,852
2025	38,679	14,173	52,852
2026	39,935	12,917	52,852
2027	41,232	11,620	52,852
2028	42,571	10,281	52,852
2029 – 2033	234,509	29,751	264,260
2034	<u>63,628</u>	<u>1,338</u>	<u>64,966</u>
	\$ <u>498,016</u>	\$ <u>95,470</u>	\$ <u>593,486</u>

Lease Revenue Bonds – MVB

This \$361,000 issue was authorized on March 20, 2014 for the purpose of financing costs of acquisition of property, purchase of equipment and for improvements to the Municipality's Municipal Building, Public Works Center and Jackson Square Parking Facility. The bonds were issued as draw-down bonds with MVB Bank, Inc. and bear interest of 3.20%. The bonds are secured by deed of trust on real estate and improvement, assignment of all rents and leases with respect to financed property and a security interest in the equipment to be purchased.

\$ 139,434

Future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 30,687	\$ 4,015	\$ 34,702
2025	31,684	3,018	34,702
2026	32,713	1,989	34,702
2027	33,775	927	34,702
2028	<u>10,575</u>	<u>62</u>	<u>10,637</u>
	\$ <u>139,434</u>	\$ <u>10,011</u>	\$ <u>149,445</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sales Tax Revenue Bonds Series 2016A

This \$1,616,033 issue was authorized on April 21, 2016 for the purpose of (i) to finance costs of the design, acquisition, construction and equipping of road and bridge improvements within the Municipality, including but limited to improvements to Second Street and Van Buren Street and the replacement of the Sycamore Street Bridge together with all necessary appurtenances and (ii) to pay the costs of issuance of such obligations and related costs. The bond was purchased by the United States of America, acting through the Rural Housing Service, United States Department of Agriculture and bearing interest of 2.875%. The bond is secured solely by a pledge of the Municipality's municipal sales tax revenues after first deducting therefrom an amount not to exceed \$1,000,000 in each bond year which may be transferred by the Municipality to the pension fund. The bonds are payable each June 1 and December 1 in equal semi-annual installment payments consisting of principal and interest in the amount of \$37,412 commencing on December 1, 2019 and concluding on June 1, 2051. \$ 1,379,759

Future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 35,409	\$ 39,415	\$ 74,824
2025	36,434	38,390	74,824
2026	37,489	37,335	74,824
2027	38,574	36,250	74,824
2028	39,691	35,133	74,824
2029 – 2033	216,377	157,743	374,120
2034 – 2038	249,573	124,547	374,120
2039 – 2043	287,861	86,259	374,120
2044 – 2048	332,023	42,097	374,120
2049 – 2050	<u>106,329</u>	<u>3,030</u>	<u>109,359</u>
	\$ <u>1,379,760</u>	\$ <u>600,199</u>	\$ <u>1,979,959</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sales Tax Revenue Refunding Bonds Series 2019A

This \$8,500,000 issue was authorized on May 24, 2019 for the purpose of refunding and redeeming in full the Series 2017A bond anticipation notes. This bond was purchased by the United States Department of Agriculture, Rural Housing Services and bears interest of 3.25%. The bond is secured solely by a pledge of the Municipality's municipal sales tax revenues after first deducting therefrom an amount not to exceed \$1,000,000 in each bond year which may be transferred by the Municipality to the pension fund and other funds and accounts that constitute the trust estate under the second supplemental indenture. The principal amount of the Series 2019A bonds plus interest on the unpaid principal balance shall be repaid as follows: (i) interest on the principal amount of the Series 2019A bonds shall accrue from the date of issue and the initial payment of all accrued interest on the Series 2019A bonds shall be due and payable on November 24, 2019; (ii) thereafter, the principal amount of the Series 2019A bonds, together with all interest which shall accrue thereon shall be due and payable each May 24 and November 24 in equal amortizing semi-annual installment payments consisting of principal and interest in the approximate amount of \$198,358 commencing November 24, 2019 and concluding on May 24, 2056. \$ 7,990,448

Future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 138,033	\$ 258,577	\$ 396,610
2025	142,555	254,055	396,610
2026	147,226	249,384	396,610
2027	152,050	244,560	396,610
2028	157,032	239,578	396,610
2029 – 2033	865,789	1,117,261	1,983,050
2034 – 2038	1,017,225	965,825	1,983,050
2039 – 2043	1,195,152	787,898	1,983,050
2044 – 2048	1,404,199	578,851	1,983,050
2049 – 2053	1,649,810	333,240	1,983,050
2054 – 2058	<u>1,121,377</u>	<u>65,869</u>	<u>1,187,246</u>
	\$ <u>7,990,448</u>	\$ <u>5,095,098</u>	\$ <u>13,085,546</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Lease Revenue Bonds – Series 2022

This \$1,765,605 issue was authorized on January 6, 2022 for the purpose of refunding the Municipal Building Commission Lease Revenue Bonds Series 2012 (Family Aquatic Center Project). The bond was purchased by Community Bank and bears interest of 2.23%. The bond is secured solely by a credit line deed of trust, fixture filing and security agreement on the facility, including any additions, improvements, renovations, furnishings and equipment therewith. The bonds shall be payable solely from the proceeds of revenues from the City of Clarksburg paid to the City of Clarksburg Municipal Building Commission.

\$1,632,235

Future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 95,148	\$ 35,431	\$ 130,579
2025	97,292	33,287	130,579
2026	99,484	31,095	130,579
2027	101,725	28,854	130,579
2028	104,017	26,562	130,579
2029 – 2033	556,310	96,585	652,895
2034 – 2038	<u>578,259</u>	<u>31,149</u>	<u>609,408</u>
	\$ <u>1,632,235</u>	\$ <u>282,963</u>	\$ <u>1,915,198</u>

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sales Tax Revenue Refunding Bonds Series 2022A

This \$1,403,640 issue was authorized on January 6, 2022 for the purpose of refunding the Sales Tax Revenue Bonds Series 2019B (Road Embankment Repair Project). The bond was purchased by Ohio Valley Bank Company and bears interest of 1.783%. The bond is secured solely by the pledge of the Municipality's municipal sales tax revenues after first deducting therefrom an amount not to exceed \$1,000,000 in each bond year which may be transferred by the Municipality to the pension fund. The principal of the bonds is payable semi-annually, on June 1 and December 1 of each year, commencing June 1, 2022, and ending on the maturity date..

\$1,152,556

Future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 168,758	\$ 19,801	\$ 188,559
2025	171,780	16,779	188,559
2026	174,857	13,702	188,559
2027	177,988	10,571	188,559
2028	181,176	7,383	188,559
2029 – 2030	<u>277,997</u>	<u>4,973</u>	<u>282,970</u>
	<u>\$ 1,152,556</u>	<u>\$ 73,209</u>	<u>\$ 1,225,765</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Total future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 758,259	\$ 417,455	\$ 1,175,714
2025	783,871	391,843	1,175,714
2026	720,602	365,799	1,086,401
2027	577,247	348,027	925,274
2028	568,316	332,893	901,209
2029 – 2033	2,329,604	1,453,431	3,783,035
2034 – 2038	2,036,359	1,130,856	3,167,215
2039 – 2043	1,483,013	874,157	2,357,170
2044 – 2048	1,746,222	620,948	2,367,170
2049 – 2053	1,756,139	336,270	2,092,409
2054 – 2058	<u>1,121,377</u>	<u>65,869</u>	<u>1,187,246</u>
	<u>\$ 13,881,009</u>	<u>\$ 6,337,548</u>	<u>\$ 20,218,557</u>

Long-term liability activity for Business-Type Activities – Component Unit for the year ended June 30, 2023 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due After One Year</u>
Business-Type Activities – Component Units						
Bonds and notes payable:						
2009A Sewer Revenue Bonds	\$ 400,000	\$ -0-	\$ 50,000	\$ 350,000	\$ 50,000	\$ 300,000
2014A Sewer Revenue Bonds	9,454,635	-0-	384,446	9,070,189	368,372	8,701,817
2020A Sewer Revenue Bonds	6,473,202	870,087	319,940	7,023,349	328,829	6,694,520
2022A Sewer Revenue Bonds	-0-	<u>725,000</u>	<u>22,665</u>	<u>702,335</u>	<u>30,790</u>	<u>671,545</u>
Total bonds and notes payable	<u>16,327,837</u>	<u>1,595,087</u>	<u>777,051</u>	<u>17,145,873</u>	<u>777,991</u>	<u>16,367,882</u>
Other long-term debt						
Accrued compensated absences	157,128	-0-	83,017	74,111	74,111	-0-
Net pension obligation (asset)	(892,223)	1,035,896	-0-	143,673	-0-	143,673
Net other post-employment benefit obligation (asset)	(8,331)	<u>42,236</u>	-0-	<u>33,905</u>	-0-	<u>33,905</u>
Total other long-term debt	<u>(743,426)</u>	<u>1,078,132</u>	<u>83,017</u>	<u>251,689</u>	<u>74,111</u>	<u>177,578</u>
Total long-term debt	<u>\$ 15,584,411</u>	<u>\$ 2,673,219</u>	<u>\$ 860,068</u>	<u>\$ 17,397,562</u>	<u>\$ 852,102</u>	<u>\$ 16,545,460</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sewer Revenue Bond – Series 2009A

This issue was authorized to pay a portion of the costs of acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system of the Municipality. The bond was issued in a denomination of \$1,000,000 bearing interest of 0.00% payable quarterly on the first day of September, December, March and June beginning on September 1, 2010.

\$ 350,000

Future debt maturity based on current financing arrangements is as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 50,000	\$ -0-	\$ 50,000
2025	50,000	-0-	50,000
2026	50,000	-0-	50,000
2027	50,000	-0-	50,000
2028	50,000	-0-	50,000
2029 – 2030	<u>100,000</u>	<u>-0-</u>	<u>100,000</u>
	\$ <u>350,000</u>	\$ <u>-0-</u>	\$ <u>350,000</u>

The 2009A bond issue is secured with a lien and pledge on the net revenues derived from the system.

As required by the 2009A Series Bond Ordinance, a sinking fund has been established with the West Virginia Municipal Bond Commission. Moneys in the sinking fund are to be used only for the purposes of paying principal on the bonds. Payments are required to be made into the sinking fund to pay principal which will become due on the next payment date. The balance in the sinking fund account with the Municipal Bond Commission at June 30, 2023 was \$64,926.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sewer Revenue Bonds, Series 2014A

This issue was authorized to pay for the acquisition and construction of certain extensions, additions, betterments and improvements for the existing public sewerage system, consisting of upgrades to the waste water treatment plant and all necessary appurtenances, which constitutes properties for the collection, treatment, purification or disposal of liquid or solid wastes, sewerage or industrial wastes. The bond is issued in the amount of \$12,000,000 bearing interest of .5% payable quarterly on the first day of March, June, September and December beginning on December 1, 2015.

\$ 9,070,189

Future debt maturity based on current financing arrangements is as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 368,372	\$ 62,628	\$ 431,000
2025	388,307	42,693	431,000
2026	390,252	40,748	431,000
2027	392,208	38,792	431,000
2028	394,173	36,827	431,000
2029 – 2033	2,000,679	154,321	2,155,000
2034 – 2038	2,050,592	104,408	2,155,000
2039 – 2043	2,103,190	51,810	2,155,000
2044 – 2046	<u>982,416</u>	<u>57,084</u>	<u>1,039,500</u>
	\$ <u>9,070,189</u>	\$ <u>589,311</u>	\$ <u>9,659,500</u>

The 2014A bond issue is secured with a lien and pledge on the net revenues derived from the system.

As required by the 2014A Series Bond Ordinance, a sinking fund has been established with the West Virginia Municipal Bond Commission. Moneys in the sinking fund are to be used only for the purposes of paying principal on the bonds. Payments are required to be made into the sinking fund to pay principal which will become due on the next payment date. The balance in the sinking fund account with the Municipal Bond Commission at June 30, 2023 was \$412,653.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sewer Revenue Bonds Series 2020A

This issue was authorized to pay for the acquisition and construction of certain additions, betterments and improvements to the existing public sewerage system, consisting of improvements at the wastewater treatment plant, improvements to the existing sanitary sewer collection system to relieve sanitary sewers of storm water flows, abandonment of an old ash lagoon located at the wastewater treatment plant, together with all appurtenant facilities. The bond is issued in the amount of \$7,900,000 bearing interest at 2.75% payable quarterly on the first day of March, June September and December beginning March 1, 2022. \$ 7,023,349

Future debt maturity based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 328,829	\$ 200,331	\$ 529,160
2025	337,966	191,194	529,160
2026	347,355	181,805	529,160
2027	357,007	172,153	529,160
2028	366,927	162,233	529,160
2029 – 2033	1,993,343	652,457	2,645,800
2034 – 2038	2,286,689	359,111	2,645,800
2039 – 2040	<u>1,005,233</u>	<u>31,367</u>	<u>1,036,600</u>
	\$ <u>7,023,349</u>	\$ <u>1,950,651</u>	\$ <u>8,974,000</u>

As of June 30, 2023, the Municipality of Clarksburg had drawn down \$7,500,000 on this bond issue.

The 2020A bond issue is secured with a lien and pledge on the net revenues derived from the system.

As required by the 2020A Series Bond Ordinance, a sinking fund has been established with the West Virginia Municipal Bond Commission. Moneys in the sinking fund are to be used only for the purpose of paying principal on the bonds. Payments are required to be made into the sinking fund to pay principal which will become due on the next payment date. The balance in the sinking fund account with the Municipal Bond Commission at June 30, 2023 was \$154,891.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sewer Revenue Bonds Series 2022A

This issue was authorized to pay a portion of the costs of acquisition and construction of certain extensions, additions, betterments and improvements to the existing public sewerage system of the Municipality. The bond was issued in a denomination of \$725,000 and bears interest of 2.14% payable quarterly beginning December 1, 2022.

\$ 702,335

Future debt maturity based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 30,790	\$ 14,784	\$ 45,574
2025	31,451	14,123	45,574
2026	32,131	13,443	45,574
2027	32,825	12,749	45,574
2028	33,532	12,042	45,574
2029 – 2033	178,833	49,037	227,870
2034 – 2038	198,971	28,899	227,870
2039 – 2043	<u>163,802</u>	<u>7,100</u>	<u>170,902</u>
	\$ <u>702,335</u>	\$ <u>152,177</u>	\$ <u>854,512</u>

The 2022A bond issue is secured with a lien and pledge on the net revenue derived from the system.

As required by the 2022A Series Bond Ordinance, a sinking fund has been established with the West Virginia Municipal Bond Commission. Moneys in the sinking fund are to be used only for the purpose of paying principal on the bonds. Payments are required to be made into the sinking fund to pay principal which will become due on the next payment date. The balance in the sinking fund account with the Municipal Bond Commission on June 30, 2023 was \$12,793.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Total future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 777,991	\$ 277,743	\$ 1,055,734
2025	807,724	248,010	1,055,734
2026	819,738	235,996	1,055,734
2027	832,040	223,694	1,055,734
2028	844,632	211,102	1,055,734
2029 – 2033	4,272,855	855,815	5,128,670
2034 – 2038	4,536,252	492,418	5,028,670
2039 – 2043	3,272,225	90,277	3,362,502
2044 – 2048	982,416	57,084	1,039,500
2049 – 2053	-0-	-0-	-0-
2054	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	\$ <u>17,145,873</u>	\$ <u>2,692,139</u>	\$ <u>19,838,012</u>

G. Restricted Assets

The balances of the restricted asset accounts for the component unit are as follows:

	<u>Business-Type Activities</u>
Renewal and replacement account	\$ 918,731
Revenue bond account	<u>645,263</u>
Total restricted assets	\$ <u>1,563,994</u>

The balances of the restricted asset accounts for the Proprietary Fund Types are as follows:

Revenue Bond account	\$ <u>211,725</u>
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See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

H. Benefits Funded by the State of West Virginia

For the year ended June 30, 2023, the State of West Virginia contributed estimated payments on behalf of the governments public safety employees as follows:

<u>Plan</u>	<u>Amount</u>
Policemen's Pension and Relief Fund	\$ 432,614
Firemen's Pension and Relief Fund	<u>438,312</u>
Total	\$ <u>870,926</u>

State contributions are funded by allocations of the State's insurance premium tax.

IV. Other Information

A. Risk Management

The government is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries insurance with Commercial Insurance Company for umbrella (general liability) insurance for these various risks.

Workers' Compensation Fund (WCF): Private insurance companies could begin to offer workers compensation coverage to government employers beginning July 1, 2010. Workers compensation coverage is provided for this entity by Brickstreet Insurance.

Liabilities are reported when it is probable a loss has occurred and the amount of the loss can be reasonably estimated.

B. Contingent Liabilities

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of these matters will not have a material effect on the financial condition of the government.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

C. Tax Abatements

Pursuant to the provisions of the West Virginia Code 8-1-5a, "The Home Rule Statute" and the Municipality of Clarksburg, West Virginia's participation in Home Rule, the Municipality enacted an Ordinance to permit certain incentives for new and expanding business and to provide for business expansion in certain districts within the Municipality. For the fiscal year ended June 30, 2023 the Municipality's ad valorem tax revenues were decreased by \$129,378.

V. Employee Retirement System and Plans

Plan Descriptions, Contribution Information, and Funding Policies

The Municipality of Clarksburg, West Virginia participates in two single employer, public employee retirement systems. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans, as follows:

The Policemen's Pension and Relief Fund (PPRF) provides retirement benefits for substantially all full-time police employees. The PPRF's Board consists of a chairman which is the city manager and four members from the municipal police department. The Municipality is authorized in accordance with State Code §8-22 to establish and maintain this plan. Unless otherwise indicated, PPRF information in this Note is provided as of the latest actuarial valuation, June 30, 2023.

The Firemen's Pension and Relief Fund (FPRF) provides retirement benefits for substantially all full-time fire employees. The FPRF's Board consists of a chairman which is the city manager and four members from the municipal fire department. The Municipality is authorized in accordance with State Code §8-22 to establish and maintain this plan. Unless otherwise indicated, FPRF information in this Note is provided as of the latest actuarial valuation, June 30, 2023.

Actuarial valuations are required to be performed once every three years per state statute. However, the actuarial valuations can be performed in shorter intervals at the discretion of the PPRF and FPRF's Board.

The investment policies of the PPRF and the FPRF are restricted by State Code and may be restricted further as determined by the Boards. There were not significant changes in the investment policies for the current year.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Memberships of the plans are as follows:

<u>Group</u>	<u>PPRF</u>	<u>FPRF</u>	<u>Totals</u>
Active employees	42	45	87
Retirees and beneficiaries currently receiving benefits	52	56	108
Former members due refunds	<u>5</u>	<u>1</u>	<u>6</u>
	<u>99</u>	<u>102</u>	<u>201</u>

These plans are defined benefit plans. The following is a summary of funding policies, contribution methods and benefit provisions.

	<u>PPRF</u>	<u>FPRF</u>
Determination of contribution requirements	Actuarially determined	Actuarially determined
Employer	Contributes annually an amount which, together with contributions from the members and the allocable portion of the State premium tax fund, will be sufficient to meet the normal cost of the fund and amortize any actuarial deficiency over a period of not more than forty years in accordance with West Virginia State code §8-022-10. However, municipalities may utilize an alternative contribution method which allows the Municipality to contribute no less than 107% of the prior year contribution provided the actuary certifies in writing that the fund will be solvent over the next 15 years under this method as authorized by West Virginia State Code §8-22-20c(1). In no event can the employer contribution be less than the normal cost as determined by the actuary. The Municipality contributes 107% of the prior year's contributions for both police and fire pension plans.	
Plan Members	7% of covered payroll	7% of covered payroll
Period required to vest	No vesting occurs. If separation from employment occurs the member is entitled to a refund of his/her contributions only.	
Post-Retirement benefit increases	Cost of living adjustment after two years of retirement. Adjustment calculated on the first \$15,000 of the total annual benefit in the first year and then the cumulative index for the preceding year. The supplementary pension benefit shall not exceed four percent.	

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>PPRF</u>	<u>FPRF</u>
Eligibility for distribution	20 years of credited service or age 65; whichever comes first. Must be at least 50.	
Provisions for:	<u>PPRF</u>	<u>FPRF</u>
Disability benefits	Yes	Yes
Death benefits	Yes	Yes

Actuarial Assumptions and Rate of Return

The total pension liability was determined by an actuarial valuation as of June 30, 2022 for both plans, using the following actuarial assumptions, applied to all periods included in the measurement. The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period July 1, 2021, through June 30, 2022. Additional actuarial assumptions are disclosed in the Required Supplementary Information.

	<u>Policemen's Pension & Relief Fund</u>	<u>Firemen's Pension & Relief Fund</u>
Actuarial assumptions:		
Inflation rate	2.50%	2.50%
Salary increases	Rates vary by years of service	Rates vary by years of service
Investment rate of return	6.25%	6.25%

Mortality rates were based on the SOA Pub S 2010(B) Mortality Tables with generational projection using Scale MP-2019, as appropriate, with adjustments for mortality improvements based upon the status of members.

Net Pension Liability, Reserves and Discount Rate

Current year net pension liability for the PPRF and FPRF are shown below. The annual required contributions were made in accordance with State Code by both the PPRF and FPRF.

Reserves

There are no assets legally reserved for purposes other than the payment of plan members benefits for either plan.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Net Pension Liability

The Municipality's net pension liability for the Policemen's and Firemen's Pension and Relief funds are as follows:

	<u>PPRF</u>	<u>FPRF</u>
Total pension liability	\$ 27,853,298	\$ 34,344,045
Plan fiduciary net position	<u>15,771,150</u>	<u>16,316,188</u>
Net pension liability	\$ <u>12,082,148</u>	\$ <u>18,027,857</u>
Plan fiduciary net position as a percentage of the total pension liability	56.62%	47.51%

Discount Rate

The discount rate used to measure the total pension liability was 6.25% for the PPFR and 6.25% for the FPRF, and the municipal bond rate of 3.86% for both plans. The projection of cash flows used to determine these discount rates assumed that the plans sponsor would make the statutory required contribution in accordance with alternative funding method which is 107% of the prior year's contribution as allowed by West Virginia State Code. Based on those assumptions, the pension plans' fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

The following chart presents the sensitivity of the net pension liability to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<u>1% Decrease</u> <u>5.25%</u>	<u>Current</u> <u>Discount Rate</u> <u>6.25%</u>	<u>1% Increase</u> <u>7.25%</u>
PPRF's net pension liability	\$ 15,893,165	\$ 12,082,148	\$ 8,988,797
FPRF's net pension liability	\$ 22,542,544	\$ 18,027,857	\$ 14,327,911

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

For the year ended June 30, 2023, the Municipality's Policemen's Pension and Relief Plan reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 560,130	\$ 88,829
Change in assumptions	-0-	2,064,565
Net difference between projected and actual earnings on pension plan investments	<u>591,598</u>	<u>-0-</u>
	\$ <u>1,151,728</u>	\$ <u>2,153,394</u>

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

For the Year Ended June 30,

2024	\$ (1,563,886)
2025	36,031
2026	514,092
2027	<u>12,097</u>
	\$ <u>(1,001,666)</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

For the year ended June 30, 2023, the Municipality's Firemen's Pension and Relief Plan reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Difference between expected and actual experience	\$ 31,525	\$ 21,031
Change in assumptions	-0-	1,500,464
Net difference between projected and actual earnings on pension plan investments	<u>619,235</u>	<u>-0-</u>
	\$ <u>650,760</u>	\$ <u>1,521,495</u>

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

For the Year Ended June 30,

2024	\$ (853,054)
2025	(193,367)
2026	230,162
2027	(54,476)
	\$ <u>(870,735)</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Pension Trust Funds Financial Statements

	<u>Policemen's Pension and Relief Fund</u>	<u>Firemen's Pension and Relief Fund</u>	<u>Total (Memorandum Only)</u>
Assets			
Cash	\$ 213,104	\$ 809,648	\$ 1,022,752
Investments:			
Cash reserves	35,204	312,658	347,862
Mutual funds	15,520,421	6,225,516	21,745,937
U.S. Government obligations	-0-	800,775	800,775
Certificates of deposit	-0-	1,940,918	1,940,918
Corporate bonds	-0-	3,318,865	3,318,865
Corporate stocks	-0-	2,904,606	2,904,606
Receivables:			
Accrued interest	<u>-0-</u>	<u>41,960</u>	<u>41,960</u>
Total assets	<u>15,768,729</u>	<u>16,354,946</u>	<u>32,123,675</u>
Liabilities			
Accounts payable	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net Position			
Held in trust for pension benefits	\$ <u>15,768,729</u>	\$ <u>16,354,946</u>	\$ <u>32,123,675</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Policemen's Pension and Relief Fund</u>	<u>Firemen's Pension and Relief Fund</u>	<u>Total (Memorandum Only)</u>
Additions			
Contributions:			
Employer	\$ 1,011,913	\$ 1,674,359	\$ 2,686,272
Employee	213,222	214,769	427,991
Insurance premium tax allocation	<u>432,614</u>	<u>438,312</u>	<u>870,926</u>
Total contributions	<u>1,657,749</u>	<u>2,327,440</u>	<u>3,985,189</u>
Investment income:			
Net appreciation in fair value of investments	420,784	908,249	1,329,033
Net gain (loss) on sale of investments	185,571	523	186,094
Interest and dividends	<u>351,555</u>	<u>323,455</u>	<u>675,010</u>
Total investment income	<u>957,910</u>	<u>1,232,227</u>	<u>2,190,137</u>
Miscellaneous income	<u>993</u>	<u>195</u>	<u>1,188</u>
Total additions	<u>2,616,652</u>	<u>3,559,862</u>	<u>6,176,514</u>
Deductions			
General and administrative	134,787	57,881	192,668
Benefit payments	<u>1,533,846</u>	<u>1,621,082</u>	<u>3,154,928</u>
Total deductions	<u>1,668,633</u>	<u>1,678,963</u>	<u>3,347,596</u>
Net increase	948,019	1,880,899	2,828,918
Net position – beginning of year	<u>14,820,710</u>	<u>14,474,047</u>	<u>29,294,757</u>
Net position – end of year	\$ <u>15,768,729</u>	\$ <u>16,354,946</u>	\$ <u>32,123,675</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

V.B.1 Plan Descriptions Contribution Information and Funding Policies

Public Employees Retirement System (PERS)

The Municipality of Clarksburg, West Virginia participates in a state-wide, cost sharing, multiply-employer defined benefit plan on behalf of general Municipality employees. The system is administered by agencies of the State of West Virginia and funded by contributions from participants, employers, and State appropriations, as necessary.

The following is a summary of eligibility factors, contribution methods, and benefit provisions:

Public Employees' Retirement System (PERS)

Eligibility to participate	All Municipal full-time employees, except those covered by other pension plans
Authority establishing contribution obligations and benefit provisions	State Statute
Plan member's contribution rate	4.50% hired prior to 7/1/15 and 6.00% for employees hired on or after 7/1/15
City's contribution rate	9.00%
Period required to vest	Five Years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 15) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion	No
Provisions for:	
Cost of living	No
Death benefits	Yes

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

V.B.2 Trend Information

Public Employees Retirement System (PERS)

<u>Fiscal Year</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>
2023	\$ 455,466	100%
2022	\$ 516,809	100%
2021	\$ 478,627	100%

PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees Retirement System, 4101 MacCorkle Ave S.E., Charleston, WV 25304.

The Municipality of Clarksburg, West Virginia elected to become a participating employer under the West Virginia Employees Retirement System (PERS plan).

General Information about the Plan

The Public Employees Retirement System (PERS) was established on July 1, 1961 for the purpose of providing retirement benefits for employees of the State and other political subdivisions. PERS has approximately 58,865 active members and approximately 27,568 retirees receiving annuity benefits. PERS is funded by employee and employer contributions. An active member hired for the first time prior to July 1, 2015 contributes 4.5% of his or her gross monthly salary to the plan. Effective July 1, 2022, the employer will contribute 9.0% of the members gross monthly salary for a total combined contribution equal to 13.5%. All employee contributions currently remitted are tax deferred. Contributions for members, as a percentage of payroll, are established by statute, and are subject to legislative limitations. The employee and employer contributions are annually reviewed to assure that they result in actuarially sound funding for the plan.

Employees covered by benefit terms are all active employees.

Contribution rates for the PERS Plan are subject to Chapter 5, Article 10 of the West Virginia State Code. For the year ended June 30, 2022, active members contributed 4.5 and 6.0 percent of their salary, and employers contributed 10.0 percent of the member's compensation into the plan. For the year ended June 30, 2023, active members contributed 4.5 and 6.0 percent of their salary, and employers contributed 9.0 percent of the member's compensation into the plan.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Public Employees Retirement System Tier II (PERS-TIER II)

The Public Employees Retirement System (PERS) was established on July 1, 1961 for the purpose of providing retirement benefits for employees of the State and other political subdivisions. PERS Tier II benefits were created effective July 1, 2015 for those members first hired with a PERS participating public employer on or after July 1, 2015. PERS Tier II has approximately 11,036 members as of July 1, 2018. PERS is funded by employee and employer contributions. An active member hired for the first time by a participating public employer who first became a member on or after July 1, 2015 contributes 6% of his or her gross monthly salary to the plan. Effective July 1, 2022, the employer will contribute 9% of the member's gross monthly salary for a total combined contribution equal to 15%. All payroll deducted employee contributions currently remitted are tax deferred. Contributions for members are established by statute and are subject to legislative limitations. The employer contributions are annually reviewed by the Board to assure that they result in actuarially sound funding for the plan.

"Board", when used in the following sections refers to the West Virginia Consolidated Public Retirement Board.

Retirement Benefits

In order to qualify for retirement benefits, a Tier II member of PERS must meet certain eligibility requirements.

A PERS Tier II member who has not separated from employment with a participating PERS agency may:

- Retire with full benefits at age 62 if he or she has 10 or more years of contributing service, excluding no-USERRA purchased military service.
- Retire between the age of 60 and 62 with reduced benefits if he or she has 10 or more years of contributing service, excluding no-USERRA purchased military service.
- Retire between the age of 57 and 62 with reduced benefits if he or she has 20 or more years of service, excluding non-USERRA purchased military service.
- Retire between the age 55 and 62 with reduced benefits if he or she has 30 or more years of contributing service, excluding non-USERRA purchased military service.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

A PERS Tier II member who has separated from employment with a participating PERS agency prior to retirement and has not withdrawn his or her contributions may:

- Retire at age 64 with full benefits if he or she has 10 or more years of contributory service, excluding non-USERRA purchased military service.
- Retire at age 63 with full benefits if he or she has 20 or more years of service, excluding no-USERRA purchased military service.

Retirement Benefit Estimate

Approximately 6 to 12 months prior to retirement eligibility, members should contact the Board to request an estimate of benefits for all three retirement annuity options. An estimate is required prior to receiving a retirement packet.

Effective Date of Retirement

- Effective date of retirement is dependent upon termination of employment, meeting retirement eligibility and the Board's receipt of the retirement application. The Date the Board receives of the retirement application can impact the effective date of retirement. If the member is less than age 62 upon termination of employment, and all retirement criteria are met, the effective date of retirement will be the first day of the month following receipt of the retirement application.
- Retirement benefits are not automatic. Prospective retirees must make application to the Board in order to commence retirement benefits.

Retirement Benefit Formula

- Regular retirement benefits are paid in equal monthly installments in an amount equal to 2% multiplied by the member's years of credited service multiplied by the member's Final Average Salary (FAS).
- Final Average Salary means the average annual salary from the highest 60 consecutive months within the last 15 years of employment. Any lump sum payment that is not guaranteed to be paid annually is not considered compensation and is, therefore, not used in FAS. Annual increment pay received by State employees is considered compensation and is, therefore, used in FAS.

$$2\% \times \text{Years of Service} \times \text{FAS} = \text{Annual Straight Life Retirement Benefit}$$

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

3 Annuity Options Upon Retirement

- **Straight Life:** A lifetime annuity payable monthly to the retiree determined under the full benefit formula without adjustment. There are no beneficiary benefits payable under this option.
- **Option A – 100% Joint and Survivor:** A reduced annuity payable monthly to the retiree for his or her lifetime. Upon the death of the retiree, the named beneficiary will receive the same amount for his or her lifetime.
- **Option B – 50% Joint and Survivor:** A reduced annuity payable monthly to the retiree for his or her lifetime. Upon the death of the retiree, the named beneficiary will receive one-half of the monthly payment for his or her lifetime.

The named beneficiary in both Option A and Option B must have an insurable interest in the life of the retiree such as a spouse, child, parent, or other dependent. Under all options, any unpaid employee contributions, plus 4% interest, remaining at the retiree's or beneficiary's death, will be paid to the named beneficiary or the estate.

The benefit option you elect is extremely important. Once you receive any benefits under the option you select, you will NOT be allowed to change your benefit option unless you qualify under the provisions of WV Code §5-10-24.

Benefit Payments

The first benefit payment due a retiree or beneficiary will be mailed directly to the recipient's home address. Following the first payment, barring any unforeseen circumstances, benefit payments are credited by direct deposit to retiree accounts on the 25th of each month, except in the month of December when retiree accounts are credited on the 18th. If the 25th (or December 18th) falls on a weekend or holiday, direct deposits are processed on the prior full business day. Direct deposit is mandatory.

Social Security income, private sector income, or private sector retirement benefits do not affect PERS regular retirement benefits. (Some stipulations apply to disability retirees.)

Required Minimum Distributions

Distributions (whether eligible for lump sum refund or monthly annuity) must start by April 1 of the year following the later of: (A) the date you reach age 72 if you were born after June 30, 1949; B) the date you reach age 70½ if you were born before July 1, 1949; or C) the date upon which you terminate employment.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Disability Retirement

Less than 10 years of service – A member who has less than 10 years of credited service may apply for disability retirement benefits only if the incapacitation occurred as a result of a work related injury and if the member became incapacitated within 12 months of last being employed with a participating public employer. The member must be receiving (or have received) Workers' Compensation benefits on account of such disability.

10 or more years of service – A member who has 10 or more years of credited service may apply for disability retirement benefits if still employed or if the member became incapacitated within 12 months of last being employed with a participating public employer.

Disability benefits shall not be less than 50% of a member's FAS. At age 65, the disability benefit is calculated on actual years of service and may be reduced, but the straight life benefit or equivalent may not be less than 20% of the FAS.

Disability retirees are required to submit medical recertifications and copies of his or her annual statement of earnings for specified periods of time following receipt of disability benefits.

Changing a Beneficiary Prior to Retirement

If a member wishes to change a beneficiary(ies), he or she must complete a new beneficiary form and return it to the Board. The member should keep a copy of this form for his or her records. If a member's family situation changes (birth, death, divorce, marriage,) his or her beneficiary designation should be reevaluated.

Beneficiary options Prior to Retirement

PERS members may select beneficiary options based only upon the specific category that describes his or her particular circumstances at the time a beneficiary form is completed (i.e. date of hire, years of service and marital status).

Category 1: Less than 10 years of credited service regardless of original date of hire or marital status:

A member who falls under this category may elect to name a beneficiary(ies) to receive a lump sum payment of his or her employee contributions, plus 4% interest, if he or she had more than 2 years of contributory service.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Category 2: Has 10 or more years of credited service, and is married at the time of death:

Upon the death of a member who falls under this category, a 100% Joint and Survivor annuity will be paid to the deceased member's surviving spouse, calculated as if the member had retired the day preceding the date of his or her death, unless the "Spouse's Waiver of Survivorship Annuity" section on the beneficiary form is completed. If the "Spouse's Waiver of Survivorship Annuity" section is completed, the member may:

- (A) Elect to name a beneficiary(ies) to receive a lump sum payment of his or her employee contributions, plus 4% interest; or
- (B) Elect to name a child who is financially dependent by virtue of a permanent mental or physical disability to receive the 100% Joint and Survivor Annuity. *Evidence of the dependent child's disability must be provided and the disabled child must be named sole beneficiary.

Category 3: Has 10 or more years of credited service and is NOT married at the time of death:

A member who falls under this category may elect one of the following options:

- (A) The member may elect to name a beneficiary(ies) to receive a lump sum payment of his or her employee contributions plus 4% interest.
- (B) The member may elect to have a 100% Joint and Survivor annuity, calculated as if the member had retired the day preceding the date of his or her death, paid to a child who is financially dependent upon the member by virtue of a permanent mental or physical disability.

*Evident of the dependent child's disability must be provided and the disabled child must be named sole beneficiary.

- (C) The member may elect not to name a beneficiary and have his or her per-retirement death benefit paid as a monthly annuity, calculated as though the member had retired as of the date of his or her death and elected a Straight Life annuity, to a minor child or children until the minor child or children attains age 21 or sooner marries or becomes emancipated. In no event shall any child or children receive more than \$250.00 per month under this option.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Dependent Scholarship

Any person who qualifies as a surviving dependent child of a law enforcement officer who dies in the performance of duty is entitled to receive a scholarship to be applied to the career development education of that dependent.

Employment after Retirement

- If a retiree becomes regularly employed by a participating PERS employer, payment of his or her annuity shall be suspended during his or her re-employment, and he or she shall again become a contributing member of the retirement system.
- A retiree may accept temporary employment or permanent part-time (less than 1,040 hours per calendar year) employment from a participating employer so long as he or she does not receive compensation in excess of \$20,000 during any calendar year.
- It is the retiree's responsibility to contact the Board to report re-employment and to determine future retirement options.
- Disability retirees may not earn more than the Social Security substantial gainful activity amount.

Termination of Employment

If a member terminates employment prior to the time he or she qualifies for retirement benefits and has accrued at least 10 years of contributing service, contributions may be left on deposit until he or she qualified for retirement benefits, or the member may choose to withdraw his or her employee contributions (plus 4% interest if he or she has two or more years of contributing service) from the plan after termination of employment. Employer contributions are not eligible to be withdrawn even if you are vested. Once the member withdraws employee contributions from the system, all future retirement and disability benefits are forfeited.

Reinstatement of Previously Withdrawn Service

Any member who has been re-employed for one full year by a participating public employer may purchase previously withdrawn service, provided that he or she redeposits the withdrawn funds plus interest. Members must be re-employed for one year and the first reinstatement payment must be made between the first and second year of re-employment. If the first reinstatement payment is not made before the end of the member's second year of re-employment, the member is not eligible to reinstate previously withdrawn service. The full reinstatement amount must be repaid (in a lump sum or payments) before the end of the fifth year of the member's return to employment. Members should contact the Board at the end of his or her first year of return to employment to obtain the cost to reinstate withdrawn PERS service.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Military Service

Up to 5 years of active duty military service and/or National Guard service may be purchased by PERS Tier II members in accordance with the WV Code §§5-10-15 and 5-10-15c.

A Tier II member interested in purchasing active duty military service and/or National Guard service must notify PERS in writing that he or she request to purchase military service during the first 12 months of employment. After completion of 12 months of retirement contributions, PERS will calculate the actuarial reserve purchase amount and notify the member. Said military service purchased will not count as contributing service for vesting or retirement eligibility.

Employees who continue concurrently in active service of the WV National Guard after the time to purchase the employees prior National Guard service nay purchase military service credit earned after the prior service period in every even calendar year following, up to the 5 year total.

Members who have a break in employment as a result of being called to active military service may be eligible to purchase additional military service credit as provided by federal law USERRA.

Out of State Service

A member of PERS may purchase up to five years of service credit for public employment performed in another state. However, the member cannot be vested in the other state's retirement system or be in receipt of an annuity from such plan. Purchased out-of-state service may not be used to establish eligibility for a PERS retirement benefit.

Appointments

Most retirement related matters can be handled from the convenience of your home via mail and telephone. However, members who wish to visit the Board to discuss retirement related matters with a PERS staff member are required to make an appointment.

Questions

Should you have any questions regarding PERS, Tier II, please feel free to contact us in writing, by phone, or e-mail, Monday through Friday, 8:00 a.m. to 5:00 p.m. For additional information, you may also want to visit our website.

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Note

Information contained in this brochure illustrates the CPRB's understanding of the current provisions of the PERS. These provisions are contained in the current plan statutes, and are subject to modification by the West Virginia Legislature each year. This brochure is for general guidance purposes only. In the event there is a discrepancy between information contained in this brochure and the WV State Code and Rules, the language in the Code and Rules shall prevail.

Employees covered by benefit terms are all active employees.

Contribution rates for the PERS Plan are subject to Chapter 5, Article 10 of the West Virginia State Code. For the year ended June 30, 2022, active members contributed 4.5 and 6.0 percent of their salary, and employers contributed 10.00 percent of the member's compensation into the plan. For the year ended June 30, 2023, active members contributed 4.5 and 6.0 percent of their salary, and employers contributed 9.00 percent of the member's compensation into the plan.

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

At June 30, 2023 the Municipality reported a liability of \$463,463 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021 and rolled forward to June 30, 2022 using the actuarial assumption and methods described in the appropriate section of the notes. The Municipality's portion of the net pension liability was based on a projection of the Municipality's long-term share of contributions to the pension plan relative to the projected contributions of all participating public employers actuarially determined.

At June 30, 2023, the Municipality reported the following proportions and increases/decreases from its proportion measured as of June 30, 2022:

Amount for proportionate share of net pension liability	\$ 463,463
Percentage for proportionate share of net pension liability	0.3112182%
Increase (decrease) % from prior proportion measured	.29%

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023

For the year ended June 30, 2023, the Municipality recognized pension expense of \$(2,113,914) on its government wide financial statements. At June 30, 2023, the Municipality reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Difference between expected and actual experience	\$ 177,789	\$ -0-
Changes in assumptions	305,040	-0-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-0-	12,770
Net difference between projected and actual investment earnings on pension plan investments	279,464	-0-
Employer contributions subsequent to measurement period	<u>455,466</u>	<u>-0-</u>
	\$ <u>1,217,759</u>	\$ <u>12,770</u>

The amount reported as deferred outflows of resources related to pensions resulting from governmental contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

For the Year Ended June 30,

2024	\$ 187,381
2025	187,381
2026	187,381
2027	<u>187,380</u>
	\$ <u>749,523</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Actuarial Information

The total pension liabilities for financial reporting purposes were determined by actuarial valuation as of July 1, 2021 and rolled forward to June 30, 2022 using the actuarial assumptions and methods described, as follows:

Actuarial cost method	Individual entry age normal cost with level percentage of payroll
Asset valuation method	Fair Value
Amortization method	Level dollar, fixed period
Amortization period	Through Fiscal Year 2035
Actuarial assumptions:	
Investment rate of return	7.25% net of investment expense
Projected salary increases:	
State	2.75 – 5.55%
Nonstate	3.60 – 6.75%
Inflation rate	2.75%
Discount rate	7.25%
Mortality rates	<p><i>Active</i> – Pub-2010 General Employee Tables, below-median, headcount-weighted, projected generationally with Scale MP-2018</p> <p><i>Health Male Retirees</i> – 108% of Pub-2010 General Retiree Male Table, below-median, headcount-weighted, projected generationally with Scale MP-2018</p> <p><i>Health Female Retirees</i> – 122% of Pub-210 General Retiree Female Table, below-median, headcount-weighted, projected generationally with Scale MP-2018</p> <p><i>Disabled Males</i> – 118% of Pub-2010 General/Teachers Disabled Male Table, headcount-weighted, projected generationally with Scale MP-2018</p>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2023**

Disabled Females – 117% of Pub-2010 General/
Teachers Disabled Female Table, headcount-
weighted, projected generationally with Scale
MP-2018

Beneficiary Males – 112% of Pub-2010 Contingent
Survivor Male Table, below-median, headcount
weighted, projected generationally with Scale
MP-2018

Beneficiary Females – 115% of Pub-2010 Contingent
Survivor Female Table, below-median, headcount
weighted, projected generationally with Scale
MP-2018

Withdrawal rates:

State 2.28% – 45.63%

Non-state 2.50% – 35.88%

Disability rates 0.005% – 0.540%

Retirement rates 12% – 100%

Dated range in most recent
experience study

2015 – 2020 – Economic assumptions;
2013 – 2018 – All other assumptions

West Virginia Consolidated Public Retirement Board

Investment Section

Investment Pool Objectives, Financial Highlights, and Performance

Public Employees' Retirement System

The Public Employees' Retirement System (PERS) was created in 1961

Liquidity Needs

PERS is expected to have modest liquidity needs of approximately 1.0 percent to 2.0 percent per year for the foreseeable future.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2023**

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.25 percent per annum, net of fees.
- Reduce the unfunded liability while maintaining adequate liquidity to satisfy benefit payments and not subjecting PERS to an undue level of risk.

Asset Allocation

Based upon a determination of the appropriate risk tolerance, the Board adopted the following broad asset allocation guidelines for the assets managed for PERS. Base and Strategic Allocations are established on a market value basis.

<u>Asset Class</u>	<u>Base Allocation</u>	<u>Strategic Allocations</u>
Equity (including Portable Alpa)	60.0%	50.00%
Fixed Income	40.0%	15.00%
Private Markets:		
Private Credit and Income	0.0%	5.00%
Private Equity	0.0%	10.00%
Real Estate	0.0%	10.00%
Hedge Fund	0.0%	10.00%

Progression of Plan Balance

June 30, 2021	\$ 8,807,095
Contributions	148,190
Withdrawals	<u>(407,950)</u>
Net	<u>(259,760)</u>
Investment Income	28
Net appreciation	<u>(542,528)</u>
June 30, 2022	<u>\$ 8,004,835</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>Asset Allocation</u>	<u>Fair Value</u>	<u>Percentage of Securities</u>
Portable Alpha	\$ 1,871,060	23.5%
Non-Large Cap Domestic	314,951	3.9%
International Qualified	506,449	6.3%
International Equity	1,029,958	12.9%
Short-Term Fixed Income	10,009	0.1%
Total Return Fixed Income	762,545	9.5%
Core Fixed Income	329,794	4.1%
Private Markets	2,395,882	29.9%
Hedge Fund	784,187	9.8%
Total	<u>\$ 8,004,835</u>	<u>100.0%</u>

Investment Performance

The IMB calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

<u>Period</u>	<u>Actual</u>	<u>Target</u>
One-year	-6.4%	7.25%
Three-year	8.5%	7.25%
Five-year	8.2%	7.25%
Ten-year	9.1%	7.25%
Twenty-year	7.9%	7.25%

Discount Rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assuming that employer contributions will continue to follow the current funding policies. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sensitivity of the Municipality's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the Municipality's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent as well as what the Municipality's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate.

	<u>1% Decrease</u> <u>(6.25%)</u>	<u>Current Discount</u> <u>Rate (7.25%)</u>	<u>1% Increase</u> <u>(8.25%)</u>
Municipality's proportionate share of the net pension asset (liability)	\$ (3,279,368)	\$ (463,463)	\$ 1,946,555

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report available at the Consolidated Public Retirement Board's website at www.wvretirement.com. That information can also be obtained by writing to the West Virginia Consolidated Public Retirement Board, 4101 MacCorkle Avenue SE, Charleston, WV 25304.

VI. Postemployment Benefits Other Than Pensions (OPEB)

General Information about the OPEB Plan

Plan Description. The West Virginia Other Post-Employment Benefit Plan (the Plan), is a cost-sharing, multiple employer, defined benefit other post-employment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code Section 5-16D-2 (the Code). The financial activities of the Plan are accounted for in the West Virginia Retiree Health Benefit Trust Fund (RHBT), a fiduciary fund of the State of West Virginia. The Plan is administered by a combination of the West Virginia Public Employees Insurance Agency (PEIA) and the RHBT staff. Plan benefits are established and revised by PEIA and RHBT management with approval of the Finance Board. The Finance Board is comprised of nine members. Finance Board members are appointed by the Governor, serve a term of four years and are eligible for reappointment. The State Department of Administration cabinet secretary serves as Chairman of the Board. Four members represent labor, education, public employees and public retirees. Four remaining members represent that public-at-large.

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Active employees who retire are eligible for PEIA health and life benefits, provided they meet the minimum eligibility requirements of the applicable State retirement system and if their last employer immediately prior to retirement, is a participating employer under the Consolidated Public Retirement Board (CPRB) and, as of July 1, 2008 forward, is a participating employer with the Public Employees Insurance Agency (PEIA). Active employees who, as of July 1, 2008, have ten years or more of credited service in the CPRB and whose employer at the time of their retirement does participate with CPRB, but does not participate with PEIA will be eligible for PEIA retiree coverage provided: they otherwise meet all criteria under this heading and their employer agrees, in writing, upon a form prescribed by PEIA, that the employer will pay to PEIA the non-participating retiree premium on behalf of the retiree or retirees, or that the retiree agrees to pay the entire unsubsidized premium themselves. Active employees who are members of the Teacher's Defined Contribution Retirement plan must be either: 55 years of age and have 12 or more years of credited service; or be at least 60 years of age with five years of service; and their last employer immediately prior to retirement must be a participating employer under that, or the CPRB system to qualify to continue PEIA insurance benefits upon retirement. Employees who participate in non-State retirement systems but that are CPRB system affiliated, contracted, or approved (such as TIAA-CREF and similar plans), or are approved, in writing, by the PEIA Director must, in the case of education employees, meet the minimum eligibility requirements of the State Teacher's Retirement System, and in all other cases meet the minimum eligibility requirements of the Public Employees Retirement System to be eligible for PEIA benefits as a retiree.

Benefits provided. The Plan provides medical and prescription drug insurance and life insurance. The medical and prescription drug insurance is provided through two options: 1) Self-Insured Preferred Provider Benefit Plan (primarily for non-Medicare-eligible retirees and spouses) and 2) External Managed Care Organizations (primarily for Medicare-eligible retirees and spouses).

Contributions. Paygo premiums are established by the Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The active premiums subsidized the retirees' health care by approximately \$75 million for fiscal year ending June 30, 2022. Contributions to the OPEB plan from the Municipality were \$147,876 for the current fiscal year.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At fiscal year-end, the Municipality reported a liability of \$233,347 for its proportionate share of the net OPEB liability. The net OPEB liability, deferred inflows and outflows of resources and OPEB expense were determined by an actuarial valuation date as of June 30, 2021, rolled forward to June 30, 2022, which is the measurement date. The Municipality's proportion of the net OPEB liability was based on a projection of the government's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2023, the government's proportion was .14746%, which was an increase of 13.58% from its proportion measured as of June 30, 2022.

For this fiscal year, the Municipality recognized OPEB expense of \$(93,973). The government reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ -0-	\$ 119,299
Differences between expected and actual non-investment experience	-0-	135,833
Change in assumptions	64,344	130,189
Net difference between projected and actual investment earnings	-0-	3,891
Employer contributions subsequent to the measurement period	<u>147,876</u>	<u>-0-</u>
	\$ <u>212,220</u>	\$ <u>389,212</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The amount reported as deferred outflows of resources related to OPEB resulting from Municipality contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended June 30,

2024	\$ (81,217)
2025	(81,217)
2026	(81,217)
2027	(81,217)
Total	\$ (324,868)

Actuarial Assumptions. The net OPEB liability was determined by an actuarial valuation as of June 30, 2022, using the following actuarial assumptions:

Inflation	2.25%
Salary increases	Rates based on 2015-2020 OPEB Experience Study and dependent on pension plan participation and attained age, and range from 2.75% to 5.18%, including inflation. Rates were first applied to the 2020 valuation.
Investment rate of return	6.65%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2023, decreasing by 0.50% for two years then by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032. Trend rate for Medicare per capita costs of 8.83% for plan year end 2023, decreasing ratably each year thereafter, until ultimate trend rate of 4.25% is reach in plan year end 2032.
Actuarial cost method	Entry Age Normal Cost Method

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Amortization method	Level percentage of payroll over a 20 year closed period beginning June 30, 2017
Asset valuation method	Market value
Wage inflation	2.75% for PERS and TRS, and 3.25% for Troopers
Retirement age	Rates based on 2015-2020 OPEB experience study and vary by pension plan participation and age/service at retirement. Rates first applied to the 2020 valuation.
Aging factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of the annual expense.
Mortality	Postretirement: Pub-2010 General Healthy Retiree Mortality Tables (100% males, 108% females) projected with MP-2021 for TRS. Pub-2010 General Below Median Healthy Retiree Tables (106% males, 113% females) projected with MP-2021 for PERS. Pub-2010 Public Safety Healthy Retiree Mortality Tables (100% males, 100% females) projected with Scale MP-2021 for Troopers A and B. Pre-Retirement: Pub-2010 General Employee Mortality Tables (100% males, 100% females) projected with Scale MP-2021 for TRS. Pub-2010 Below-Median Income General Employee Mortality Tables projected with Scale MP-2021 for PERS. Pub-2010 Public Safety Employee Mortality Tables projected with Scale MP-2021 for Troopers A & B. ^a

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

The actuarial valuation as of June 30, 2021 reflects updates to the following assumptions which are reviewed at each measurement date.

- Projected capped subsidies;
- Per capita claim costs;
- Healthcare trend rates;
- Coverage and continuance;
- Percentage eligible for tobacco-free premium discounts; and
- Retired employee assistance program participation

The long-term expected rate of return of 6.65% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.00% for long-term assets invested with the WV Investment Management Board and an expected short-term rate of return of 2.50% for assets invested with the West Virginia Board of Treasury Investments.

Long-term pre-funding assets are invested with the WVIMB. The strategic asset allocation consists of 55% equity, 15% fixed income, 10% private equity, 10% hedge fund and 10% real estate invested. Short-term assets used to pay current year benefits and expenses are invested with the WVBTI.

The long-term rates of return on OPEB plan investments was determined using a building block method in which estimates of expected future real rates of return (expected returns, net of OPEB plan investment expense 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. Target asset allocations, capital market assumptions ("CMA"), and forecast returns were provided by the Plan's investment advisors, including West Virginia Investment Management Board ("WV-IMB"). The projected return for the Money Market Pool held with the West Virginia Board of Treasury Investments ("WV-BTI") was estimated based on WV-IMB assumed inflation of 2.0% plus a 25 basis point spread.

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The target allocation and estimates of annualized long-term expected real returns assuming a 10-year horizon are summarized below:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Global equity	4.8%
Core Plus Fixed Income	2.1%
Core Real Estate	4.1%
Hedge Fund	2.4%
Private equity	6.8%

Single discount rate

A single discount rate of 6.65% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 6.65%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Discount rates are subject to change between measurement dates.

Sensitivity of the Municipality's proportionate share of the net OPEB asset (liability) to changes in the discount rate. The following chart presents the Municipality's proportionate share of the net OPEB asset (liability), as well as what the proportionate share of the net OPEB asset (liability) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	<u>1% Decrease</u> <u>(6.15%)</u>	<u>Discount Rate</u> <u>(7.15%)</u>	<u>1% Increase</u> <u>(8.15%)</u>
Net OPEB asset (liability)	\$ (599,771)	\$ (233,347)	\$ 81,001

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Sensitivity of the Municipality's proportionate share of the net OPEB asset (liability) to changes in the healthcare cost trend rates. The following chart presents the Municipality's proportionate share of the net OPEB asset (liability), as well as what the proportionate share of the net OPEB asset (liability) would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower 1-percentage point higher than the current healthcare cost trend rates described in the actuarial assumptions:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
Net OPEB asset (liability)	\$ 132,645	\$ (233,347)	\$ (666,416)

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report available at the West Virginia Public Employee Insurance Agency's website at peia.wv.gov. That information can also be obtained by writing to the West Virginia Public Employee Insurance Agency, 601 57th. Street, Suite 2, Charleston, WV 25304.

VII. Debt Service Coverage

The debt service coverage factor for the Sanitary Board Fund has been calculated as follows for the year ended June 30, 2023:

Operating revenues	\$ 5,211,083
Operating expenses	<u>4,525,743</u>
Total operating income	685,340
 Add: Depreciation expense	 660,640
Add: Interest income	<u>545</u>
 Amount available for debt service and capital expenditures	 \$ <u>1,346,525</u>
 Maximum annual debt service	 \$ <u>1,010,160</u>
 Calculated debt service coverage factor	 1.33
 Required debt service coverage factor	 1.10

Based on this calculation, it appears that the Sanitary Board Fund was in compliance with the provisions set forth in its bond ordinance as of June 30, 2022.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

VIII. COVID-19 Pandemic

During 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak a public health emergency. There have been mandates from international, federal, state, and local authorities requiring forced closures of various schools, businesses, and other facilities and organizations. In response to this, the U.S. Government has allocated and spent trillions of dollars in economic aid. Should these trends continue, the impact could have a material adverse effect on the Municipality's financial position, results of operations, and cash flows.

IX. Subsequent Events

The Municipality has considered all subsequent events through February 23, 2024, the date the financial statements were made available.

See independent auditor's report.

REQUIRED SUPPLEMENTARY INFORMATION

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND – BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Budget to</u>	<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary</u>	<u>GAAP</u>	<u>Amounts</u>	<u>With Final</u>
			<u>Basis)</u>	<u>Difference</u>	<u>GAAP Basis</u>	<u>Budget</u>
						<u>Favorable</u>
						<u>(Unfavorable)</u>
Revenues						
Taxes (including interest and penalties):						
Ad valorem	\$ 2,783,808	\$ 2,790,808	\$ 2,658,718	\$ 81,653	\$ 2,740,371	\$ (132,090)
Excise utility	731,200	741,500	751,719	-0-	751,719	10,219
Business and occupation	7,818,554	8,001,000	7,869,345	(54,829)	7,814,516	(131,655)
Alcoholic beverage	140,000	150,000	143,506	-0-	143,506	(6,494)
Hotel occupancy	250,000	291,000	279,390	-0-	279,390	(11,610)
Animal control	4,800	4,800	4,446	-0-	4,446	(354)
Oil and gas	40,000	93,400	93,401	-0-	93,401	1
Licenses and permits	509,100	582,200	341,516	-0-	341,516	(240,684)
Charges for services	1,623,500	1,486,600	1,496,469	-0-	1,496,469	9,869
Fines and forfeitures	255,600	327,900	244,796	-0-	244,796	(83,104)
Franchise fees	200,000	170,000	130,858	-0-	130,858	(39,142)
Interest	1,000	1,000	529	-0-	529	(471)
Donations	30,000	60,000	82,514	-0-	82,514	22,514
Reimbursements	17,000	22,000	294,251	-0-	294,251	272,251
Intergovernmental:						
Federal	-0-	-0-	286,748	-0-	286,748	286,748
State	349,200	374,200	44,999	-0-	44,999	(329,201)
Video lottery and gaming income	110,300	120,300	11,297	-0-	11,297	(109,003)
Miscellaneous	136,020	284,220	161,365	-0-	161,365	(122,855)
Total revenues	<u>15,000,082</u>	<u>15,500,928</u>	<u>14,895,867</u>	<u>26,824</u>	<u>14,922,691</u>	<u>(605,061)</u>
Expenditures						
General government	4,096,735	4,270,870	4,000,141	(771,935)	3,228,206	270,729
Public safety	10,569,051	9,938,442	9,562,351	(4,658,330)	4,904,021	376,091
Highways and streets	3,082,214	3,044,989	2,884,787	69,580	2,954,367	160,202
Health and sanitation	378,480	457,013	458,177	(61,167)	397,010	(1,164)
Culture and recreation	1,668,791	1,767,964	1,600,339	(14,909)	1,585,430	167,625
Social services	31,500	31,500	31,000	-0-	31,000	500
Total expenditures	<u>19,826,771</u>	<u>19,510,778</u>	<u>18,536,795</u>	<u>(5,436,761)</u>	<u>13,100,034</u>	<u>973,983</u>
(Deficiency) excess of revenues						
(under) over expenditures	<u>(4,826,689)</u>	<u>(4,009,850)</u>	<u>(3,640,928)</u>	<u>5,463,585</u>	<u>1,822,657</u>	<u>368,922</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND – BUDGETARY BASIS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Budget to</u>	<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary</u>	<u>GAAP</u>	<u>Amounts</u>	<u>With Final</u>
			<u>Basis)</u>	<u>Difference</u>	<u>GAAP Basis</u>	<u>Budget</u>
						<u>Favorable</u>
						<u>(Unfavorable)</u>
Other Financing Sources (Uses)						
Operating transfers in	\$ 4,276,689	\$ 4,315,000	\$ 4,300,000	\$ -0-	\$ 4,300,000	\$(15,000)
Operating transfers (out)	(850,000)	(850,000)	(844,287)	-0-	(844,287)	5,713
Total other financing sources (uses)	<u>3,426,689</u>	<u>3,465,000</u>	<u>3,455,713</u>	<u>-0-</u>	<u>3,455,713</u>	<u>(9,287)</u>
Net change in fund balance	(1,400,000)	(544,850)	(185,215)	5,463,585	5,278,370	359,635
Fund balance at beginning of year	<u>1,400,000</u>	<u>544,850</u>	<u>(6,292,259)</u>	<u>(17,068,868)</u>	<u>(23,361,127)</u>	<u>(6,837,109)</u>
Fund balance at end of year	\$ <u>-0-</u>	\$ <u>-0-</u>	<u>\$(6,477,474)</u>	<u>\$(11,605,283)</u>	<u>\$(18,082,757)</u>	<u>\$(6,477,474)</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
COAL SEVERANCE FUND – BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Budget to</u>	<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary</u>	<u>GAAP</u>	<u>Amounts</u>	<u>With Final</u>
			<u>Basis)</u>	<u>Difference</u>	<u>GAAP Basis</u>	<u>Budget</u>
						<u>Favorable</u>
						<u>(Unfavorable)</u>
Revenues						
Interest	\$ 50	\$ 50	\$ 15	\$ -0-	\$ 15	\$ (35)
Intergovernmental:						
State	<u>45,000</u>	<u>77,650</u>	<u>75,039</u>	<u>-0-</u>	<u>75,039</u>	<u>(2,611)</u>
Total revenues	<u>45,050</u>	<u>77,700</u>	<u>75,054</u>	<u>-0-</u>	<u>75,054</u>	<u>(2,646)</u>
Expenditures						
General government	3,900	16,635	8,642	-0-	8,642	7,993
Public safety	26,500	46,500	23,727	-0-	23,727	22,773
Highways and streets	5,000	11,850	6,631	-0-	6,631	5,219
Health and sanitation	-0-	-0-	688	-0-	688	(688)
Culture and recreation	<u>15,000</u>	<u>15,000</u>	<u>13,000</u>	<u>-0-</u>	<u>13,000</u>	<u>2,000</u>
Total expenditures	<u>50,400</u>	<u>89,985</u>	<u>52,688</u>	<u>-0-</u>	<u>52,688</u>	<u>37,297</u>
Net change in fund balance	(5,350)	(12,285)	22,366	<u>-0-</u>	22,366	34,651
Fund balance at beginning of year	<u>5,350</u>	<u>12,285</u>	<u>33,482</u>	<u>-0-</u>	<u>33,482</u>	<u>21,197</u>
Fund balance at end of year	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>55,848</u>	\$ <u>-0-</u>	\$ <u>55,848</u>	\$ <u>55,848</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
FISCAL YEAR ENDED JUNE 30, 2023

	<u>Fiscal Year Ended June 30, 2022</u>	<u>Fiscal Year Ended June 30, 2021</u>	<u>Fiscal Year Ended June 30, 2020</u>	<u>Fiscal Year Ended June 30, 2019</u>	<u>Fiscal Year Ended June 30, 2018</u>	<u>Fiscal Year Ended June 30, 2017</u>	<u>Fiscal Year Ended June 30, 2016</u>	<u>Fiscal Year Ended June 30, 2015</u>
Municipality's proportion of the net pension liability (asset)	.31%	(.29%)	0.31%	0.33%	0.33%	0.32%	0.31%	0.31%
Municipality's proportionate share of the net pension liability (asset)	\$ 463,463	\$ (2,706,194)	\$ 1,634,328	\$ 721,695	\$ 855,770	\$ 1,384,985	\$ 2,875,093	\$ 1,735,341
Municipality's covered - employee payroll	\$ 5,168,000	\$ 4,786,270	\$ 4,927,779	\$ 4,831,790	\$ 4,859,918	\$ 3,928,408	\$ 4,310,474	\$ 4,218,741
Municipality's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	8.97%	(50.28%)	33.17%	14.94%	17.61%	35.26%	66.70%	41.14%
Plan fiduciary net position as a percentage of the total pension liability	98.17%	(111.07%)	96.99%	93.90%	96.33%	93.67%	86.11%	91.29%

The information presented in the schedule of the proportionate share of the net pension liability is the only years available as of June 30, 2023. The Municipality will be adding additional years to the accompanying schedule as information is available.

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF MUNICIPALITY CONTRIBUTIONS
FISCAL YEAR ENDED JUNE 30, 2023

	<u>Fiscal Year Ended June 30, 2023</u>	<u>Fiscal Year Ended June 30, 2022</u>	<u>Fiscal Year Ended June 30, 2021</u>	<u>Fiscal Year Ended June 30, 2020</u>	<u>Fiscal Year Ended June 30, 2019</u>	<u>Fiscal Year Ended June 30, 2018</u>	<u>Fiscal Year Ended June 30, 2017</u>	<u>Fiscal Year Ended June 30, 2016</u>	<u>Fiscal Year Ended June 30, 2015</u>
Contractually required contribution	\$ 455,466	\$ 516,809	\$ 478,627	\$ 492,779	\$ 483,178	\$ 534,591	\$ 471,409	\$ 581,122	\$ 590,023
Contributions in relation to the contractually required contribution	<u>455,466</u>	<u>516,809</u>	<u>478,627</u>	<u>492,779</u>	<u>483,178</u>	<u>534,591</u>	<u>471,409</u>	<u>581,122</u>	<u>590,023</u>
Contribution deficiency (excess)	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Municipality's covered – employee payroll	5,060,733	5,168,090	4,786,270	4,927,779	4,831,790	4,859,918	3,928,408	4,310,474	4,218,741
Contributions as a percentage of covered – employee payroll	9.00%	10.00%	10.00%	10.00%	10.00%	11.00%	12.00%	13.50%	14.00%

The information presented in the schedule of Municipality's contributions is the only years available as of June 30, 2023. The Municipality will be adding additional years to the accompanying schedules as information is available.

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
NET PENSION LIABILITY
JUNE 30, 2023

West Virginia Public Employees' Retirement System

**Notes to Schedules of Employer Allocations and
Pension Amounts by Employer**

The net pension liability (NPL) is the portion of the actuarial present value of projected benefit payments related to past periods. The NPL for the employers is based on the allocation percentages from the Schedule of Employer Allocations.

The components of the net pension liability as of June 30, 2022, are as follows (in thousands):

Total Pension Liability	\$ (8,150,369)
Fiduciary Net Position	8,007,329
Adjustment for contributions corrected in FY 2022	<u>(5,879)</u>
Net Pension Asset (Liability) restated	\$ <u>(148,919)</u>
Fiduciary Net Position as a percent of Total Pension Liability	98.17%

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MULTIYEAR
FIREMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Changes in the Employer's Net Pension Liability and Related Ratios
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 828,539	\$ 792,231	\$ 944,371	\$ 948,245	\$ 906,710	\$ 911,837	\$ 1,041,846	\$ 739,794	\$ 735,159	\$ 729,815
Interest	1,999,693	1,859,840	1,868,340	1,744,625	1,646,488	1,604,493	1,540,729	1,503,073	1,480,035	1,492,730
Changes of benefit terms	-	664,648	-	-	-	-	-	-	-	-
Differences between expected and actual experience	42,033	(63,093)	(198,743)	1,107,034	660,159	(1,021,000)	(1,006,489)	(511,633)	(837,150)	-
Changes of assumptions	(1,043,883)	(2,152,658)	(4,692,144)	-	-	-	(2,433,972)	4,020,701	-	-
Benefit payments, including refunds of member contributions	<u>(1,621,082)</u>	<u>(1,554,987)</u>	<u>(1,391,691)</u>	<u>(1,259,528)</u>	<u>(1,241,719)</u>	<u>(1,199,305)</u>	<u>(1,223,009)</u>	<u>(1,239,292)</u>	<u>(1,250,939)</u>	<u>(1,303,181)</u>
Net change in total pension liability	205,300	(454,019)	(3,469,867)	2,540,376	1,971,638	296,025	(2,080,895)	4,512,643	127,105	919,364
Total pension liability - beginning	<u>34,138,745</u>	<u>34,592,764</u>	<u>38,062,631</u>	<u>35,522,255</u>	<u>33,550,617</u>	<u>33,254,592</u>	<u>35,335,487</u>	<u>30,822,844</u>	<u>30,695,739</u>	<u>29,776,375</u>
Total pension liability - ending (a)	<u>34,344,045</u>	<u>34,138,745</u>	<u>34,592,764</u>	<u>38,062,631</u>	<u>35,522,255</u>	<u>33,550,617</u>	<u>33,254,592</u>	<u>35,335,487</u>	<u>30,822,844</u>	<u>30,695,739</u>
Plan Fiduciary Net Position										
Contributions - employer (including Premium Tax Allocation)	2,112,671	2,433,357	2,399,993	2,298,344	2,034,183	2,029,582	1,790,929	1,361,271	1,288,742	1,210,474
Contributions - member	214,769	203,585	185,487	176,172	167,038	155,596	148,321	145,720	140,550	135,019
Net investment income	1,160,741	(1,810,353)	2,712,034	133,379	517,666	561,109	586,180	315,511	185,060	465,521
Benefit payments, including refunds of member contributions	(1,621,082)	(1,554,987)	(1,391,691)	(1,259,528)	(1,241,719)	(1,199,305)	(1,223,009)	(1,239,292)	(1,250,939)	(1,303,181)
Administrative expense	(7,500)	(7,914)	(7,500)	(7,500)	-0-	(7,500)	(7,500)	(6,000)	(6,000)	(6,000)
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in plan fiduciary net position	1,859,599	(736,312)	3,898,323	1,340,867	1,469,668	1,539,482	1,294,921	577,210	357,413	501,833
Plan fiduciary net position - beginning	<u>14,456,589</u>	<u>15,192,901</u>	<u>11,294,578</u>	<u>9,953,711</u>	<u>8,484,043</u>	<u>6,944,559</u>	<u>5,649,638</u>	<u>5,072,427</u>	<u>4,715,014</u>	<u>4,213,181</u>
Plan fiduciary net position - ending (b)	<u>16,316,188</u>	<u>14,456,589</u>	<u>15,192,901</u>	<u>11,294,578</u>	<u>9,953,711</u>	<u>8,484,043</u>	<u>6,944,559</u>	<u>5,649,637</u>	<u>5,072,427</u>	<u>4,715,014</u>
Employer's net pension liability - ending (a) - (b)	<u>\$ 18,027,857</u>	<u>\$ 19,682,156</u>	<u>\$ 19,399,863</u>	<u>\$ 26,768,053</u>	<u>\$ 25,568,544</u>	<u>\$ 25,066,574</u>	<u>\$ 26,310,033</u>	<u>\$ 29,685,850</u>	<u>\$ 25,750,417</u>	<u>\$ 25,980,725</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MULTIYEAR
FIREMEN'S PENSION AND RELIEF FUND (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Changes in the Employer's Net Pension Liability and Related Ratios
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary net position as a percentage of the total pension liability	47.51%	42.35%	43.92%	29.67%	28.02%	25.29%	20.88%	15.99%	16.46%	15.36%
Covered payroll	\$ 2,345,856	\$ 1,830,115	\$ 2,056,574	\$ 2,064,594	\$ 1,963,141	\$ 1,912,017	\$ 1,919,071	\$ 1,868,455	\$ 1,826,835	\$ 1,812,838
Employer's net pension liability as a percentage of covered payroll	768.50%	1075.46%	943.31%	1296.53%	1302.43%	1311.00%	1370.98%	1588.79%	1409.56%	1433.15%
Expected average remaining service years of all participants	4.00	3.00	3.00	4.00	4.00	3.78	3.96	4.01	3.85	N/A

Notes to Schedule:

Benefit changes There were no changes for FY2023.

Changes of assumptions: The discount rate changed from 6.00% to 6.25%.

**Totals may not add due to rounding*

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF THE NET PENSION LIABILITY MULTIYEAR
LAST 10 FISCAL YEARS (WHICH MAY BE BUILT PROSPECTIVELY)
FIREMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>FY Ending June 30,</u>	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Net Position as a % of Total Pension Liability</u>	<u>Covered Payroll</u>	<u>Net Pension Liability as a % of Covered Payroll</u>
2014	\$ 30,695,739	\$ 4,715,014	\$ 25,980,725	15.36%	\$ 1,812,838	1433.15%
2015	\$ 30,822,844	\$ 5,072,427	\$ 25,750,417	16.46%	\$ 1,826,835	1409.56%
2016	\$ 35,335,487	\$ 5,649,637	\$ 29,685,850	15.99%	\$ 1,868,455	1588.79%
2017	\$ 33,254,592	\$ 6,944,559	\$ 26,310,033	20.88%	\$ 1,919,071	1370.98%
2018	\$ 33,550,617	\$ 8,484,043	\$ 25,066,574	25.29%	\$ 1,912,017	1311.00%
2019	\$ 35,522,255	\$ 9,953,711	\$ 25,568,544	28.02%	\$ 1,963,141	1302.43%
2020	\$ 38,062,631	\$ 11,294,578	\$ 26,768,053	29.67%	\$ 2,064,594	1296.53%
2021	\$ 34,592,764	\$ 15,192,901	\$ 19,399,863	43.92%	\$ 2,056,574	943.31%
2022	\$ 34,138,745	\$ 14,456,589	\$ 19,682,156	42.35%	\$ 1,830,115	1075.46%
2023	\$ 34,344,045	\$ 16,316,188	\$ 18,027,857	47.51%	\$ 2,345,856	768.50%

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF CONTRIBUTIONS MULTIYEAR
FIREMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Schedule of Employer Contributions
Last 10 Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,881,247	\$ 2,034,507	\$ 2,453,333	\$ 2,340,972	\$ 2,327,809	\$ 2,026,406	\$ 2,031,009	\$ 2,124,224	\$ 1,697,409	\$ 1,676,866
Contributions in relation to the actuarially determined contribution:										
Employer provided	1,674,359	1,959,262	1,863,796	1,861,120	1,581,814	1,592,742	1,345,298	936,850	867,454	803,198
State provided	<u>438,312</u>	<u>474,095</u>	<u>536,197</u>	<u>437,224</u>	<u>452,369</u>	<u>436,840</u>	<u>445,631</u>	<u>424,421</u>	<u>421,288</u>	<u>407,276</u>
Contribution deficiency (excess)	<u>\$ (231,424)</u>	<u>\$ (398,850)</u>	<u>\$ 53,340</u>	<u>\$ 42,628</u>	<u>\$ 293,626</u>	<u>\$ (3,176)</u>	<u>\$ 240,080</u>	<u>\$ 762,953</u>	<u>\$ 408,667</u>	<u>\$ 466,392</u>
Covered payroll	\$ 2,345,856	\$ 1,830,115	\$ 2,056,574	\$ 2,064,594	\$ 1,963,141	\$ 1,912,017	\$ 1,919,071	\$ 1,868,455	\$ 1,826,835	\$ 1,812,838
Contributions as a percentage of covered employee payroll	90.06%	132.96%	116.70%	111.32%	103.62%	106.15%	93.32%	72.86%	70.55%	66.77%

Notes to Schedule:

Valuation date:
Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year. The assumption shown below are those used in the 7/1/2021 actuarial valuation to calculate the FY2023 ADC. Assumptions used to determine all contributions in the past would not have been the same.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	15 to 27.5 years
Asset valuation method	4-year smoothed market
Inflation	2.50 percent
Salary increases	Rates vary by years of service
Investment rate of return	6.00%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by age
Mortality	SOA PubS-2010(B) with generational projection using Scale MP-2019

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO SCHEDULE OF CONTRIBUTIONS
FIREMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

The information requested in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

<i>Measurement Date</i>	June 30, 2023, measurement date based on actuarial liabilities as of July 1, 2022
<i>Actuarial Cost Method</i>	Entry Age Normal, Level-Percentage-of-Pay
<i>Actuarial Value of Assets</i>	Market value used for GASB Statement Nos. 67 and 68 reporting
<i>Contribution Policy and Amortization Method</i>	The sponsor finances benefits using the Alternative funding policy as defined in state statute. Sponsor contributions are equal to 107 percent of the prior year contribution. The plan also receives state contributions based on an allocation of premium tax that depends on the number of active and retired members. This funding policy does not directly amortize the unfunded actuarial liability. However, projected sponsor, state and member contributions along with projected investment earnings are expected to fully fund the projected actuarial liability for current plan members by 2042.
<i>Actuarial Assumptions:</i>	
<i>Investment Rate of Return</i>	6.00% per year
<i>GASB 67/68 Discount Rate</i>	6.25% per year at June 30, 2023
<i>Projected Salary Increases</i>	Rates vary by years of service
<i>Cost of Living Increases</i>	2.50% on first \$15,000 of Annual Benefit and on the accumulated supplemental pension amounts for prior years. Assumed to be payable to all members receiving payments.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO SCHEDULE OF CONTRIBUTIONS (CONT'D)
FIREMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Single Discount Rate

A GASB Statement Nos. 67 and 68 single discount rate of 6.25% was used to measure the total pension liability as of June 30, 2023. This single discount rate was based on the expected rate of return on pension plan investments of 6.00%, and the municipal bond rate of 3.86%. The projection of cash flows used to determine this single discount rate assumed that the Plan sponsor would make the statutory required contribution as defined by the funding policy. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments, on behalf of current plan members for all future plan years. Therefore, the single discount rate of 6.25% was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	<u>1% Decrease</u> <u>5.25%</u>	<u>Current Single Discount</u> <u>Rate Assumption</u> <u>6.25%</u>	<u>1% Increase</u> <u>7.25%</u>
Net pension (liability)	\$(22,542,544)	\$(18,027,857)	\$(14,327,911)

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS MULTIYEAR
POLICEMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Changes in the Employer's Net Pension Liability and Related Ratios
Last 10 Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service cost	\$ 738,895	\$ 650,421	\$ 885,593	\$ 826,002	\$ 979,662	\$ 964,909	\$ 940,194	\$ 678,319	\$ 618,071	\$ 666,702
Interest	1,588,629	1,543,707	1,589,949	1,520,547	1,458,048	1,429,392	1,404,357	1,370,741	1,338,559	1,332,234
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	693,303	80,307	(210,847)	(180,582)	281,256	(630,123)	(1,132,945)	(192,337)	(345,859)	-
Changes of assumptions	(877,749)	-	(3,914,799)	(2,137,778)	-	-	-	3,317,951	-	-
Benefit payments, including refunds of member contributions	(1,533,845)	(1,517,632)	(1,541,624)	(1,520,272)	(1,417,693)	(1,259,755)	(1,192,439)	(1,208,416)	(1,210,149)	(1,150,677)
Net change in total pension liability	609,233	756,803	(3,191,728)	(1,492,083)	1,301,273	504,423	19,167	3,966,258	400,622	848,259
Total pension liability - beginning	27,244,065	26,487,262	29,678,990	31,171,073	29,869,800	29,365,377	29,346,210	25,379,952	24,979,330	24,131,071
Total pension liability - ending (a)	27,853,298	27,244,065	26,487,262	29,678,990	31,171,073	29,869,800	29,365,377	29,346,210	25,379,952	24,979,330
Plan Fiduciary Net Position										
Contributions - employer (including Premium Tax Allocation)	1,444,527	2,411,406	2,352,621	2,268,729	2,024,660	2,015,709	1,758,504	1,333,490	1,261,009	1,189,034
Contributions - member	213,222	223,860	218,223	200,742	192,160	176,039	168,474	157,241	154,449	151,027
Net investment income	832,350	(1,777,796)	3,141,843	1,016,297	297,401	469,963	669,529	(21,235)	133,494	632,587
Benefit payments, including refunds of member contributions	(1,533,845)	(1,517,632)	(1,541,624)	(1,520,272)	(1,417,693)	(1,259,755)	(1,192,439)	(1,208,416)	(1,210,149)	(1,150,677)
Administrative expense	(7,700)	(7,725)	(10,138)	(8,300)	(7,500)	(7,500)	(7,500)	(7,750)	(7,500)	(7,500)
Other	-	-	-	543	(30)	-	-	-	-	206
Net change in plan fiduciary net position	948,554	(667,887)	4,160,925	1,957,739	1,088,998	1,394,456	1,396,568	253,330	331,303	814,677
Plan fiduciary net position - beginning	14,822,596	15,490,483	11,329,558	9,371,819	8,282,821	6,888,363	5,491,795	5,238,465	4,907,162	4,092,485
Plan fiduciary net position - ending (b)	15,771,150	14,822,596	15,490,483	11,329,558	9,371,819	8,282,821	6,888,363	5,491,795	5,238,465	4,907,162
Employer's net pension liability - ending (a) - (b)	\$ 12,082,148	\$ 12,421,469	\$ 10,996,779	\$ 18,349,432	\$ 21,799,254	\$ 21,586,979	\$ 22,477,014	\$ 23,854,415	\$ 20,141,487	\$ 20,072,168

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS MULTIYEAR
POLICEMEN'S PENSION AND RELIEF FUND (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Changes in the Employer's Net Pension Liability and Related Ratios
Last 10 Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary net position as a percentage of the total pension liability	56.62%	54.41%	58.48%	38.17%	30.07%	27.73%	23.46%	18.71%	20.64%	19.64%
Covered payroll	\$ 2,536,133	\$ 2,190,551	\$ 2,221,226	\$ 1,852,849	\$ 2,250,404	\$ 2,118,610	\$ 2,085,929	\$ 1,989,442	\$ 1,808,232	\$ 1,958,068
Employer's net pension liability as a percentage of covered payroll	476.40%	567.05%	495.08%	990.34%	968.68%	1018.92%	1077.55%	1199.05%	1113.88%	1025.10%
Expected average remaining service years of all participants	4.00	4.00	4.00	5.00	5.00	5.41	5.34	5.30	4.75	N/A

Notes to Schedule:

Benefit changes: There were no changes for FY2023

Changes in assumptions: The discount rate changed from 6.00% to 6.25%

**Totals may not add due to rounding*

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF THE NET PENSION LIABILITY MULTIYEAR
LAST 10 FISCAL YEARS (WHICH MAY BE BUILT PROSPECTIVELY)
POLICEMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

<u>FY Ending June 30,</u>	<u>Total Pension Liability</u>	<u>Plan Net Position</u>	<u>Net Pension Liability</u>	<u>Plan Net Position as a % of Total Pension Liability</u>	<u>Covered Payroll</u>	<u>Net Pension Liability as a % of Covered Payroll</u>
2014	\$ 24,979,330	\$ 4,907,162	\$ 20,072,168	19.64%	\$ 1,958,068	1025.10%
2015	\$ 25,379,952	\$ 5,238,465	\$ 20,141,487	20.64%	\$ 1,808,232	1113.88%
2016	\$ 29,346,210	\$ 5,491,795	\$ 23,854,415	18.71%	\$ 1,989,442	1199.05%
2017	\$ 29,365,377	\$ 6,888,363	\$ 22,477,014	23.46%	\$ 2,085,929	1077.55%
2018	\$ 29,869,800	\$ 8,282,821	\$ 21,586,979	27.73%	\$ 2,118,610	1018.92%
2019	\$ 31,171,073	\$ 9,371,819	\$ 21,799,254	30.07%	\$ 2,250,404	968.69%
2020	\$ 29,678,990	\$ 11,329,558	\$ 18,349,432	38.17%	\$ 1,852,849	990.34%
2021	\$ 26,487,262	\$ 15,490,483	\$ 10,996,779	58.48%	\$ 2,221,226	495.08%
2022	\$ 27,244,065	\$ 14,822,596	\$ 12,421,469	54.41%	\$ 2,190,551	567.05%
2023	\$ 27,853,298	\$ 15,771,150	\$ 12,082,148	56.62%	\$ 2,536,133	476.40%

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF CONTRIBUTIONS MULTIYEAR
POLICEMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Schedule of Employer Contributions
Last 10 Fiscal Years**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,345,504	\$ 1,407,656	\$ 1,862,522	\$ 2,134,042	\$ 2,139,078	\$ 1,878,699	\$ 1,864,693	\$ 1,802,392	\$ 1,392,630	\$ 1,419,464
Contributions in relation to the actuarially determined contribution:										
Employer provided	1,011,913	1,947,374	1,852,686	1,850,032	1,573,002	1,583,840	1,337,055	929,217	860,386	796,654
State provided	<u>432,614</u>	<u>464,032</u>	<u>499,935</u>	<u>418,697</u>	<u>451,658</u>	<u>431,869</u>	<u>421,449</u>	<u>404,273</u>	<u>400,623</u>	<u>392,380</u>
Contribution deficiency (excess)	<u>\$ (99,023)</u>	<u>\$ (1,003,750)</u>	<u>\$ (490,099)</u>	<u>\$ (134,687)</u>	<u>\$ 114,418</u>	<u>\$ (137,010)</u>	<u>\$ 106,189</u>	<u>\$ 468,902</u>	<u>\$ 131,621</u>	<u>\$ 230,430</u>
Covered payroll	\$ 2,536,133	\$ 2,190,551	\$ 2,221,226	\$ 1,852,849	\$ 2,250,404	\$ 2,118,610	\$ 2,085,929	\$ 1,989,442	\$ 1,808,232	\$ 1,958,068
Contributions as a percentage of covered employee payroll	56.96%	110.08%	105.92%	122.45%	89.97%	95.14%	84.30%	67.03%	69.74%	60.72%

Notes to Schedule

Valuation date:

Actuarially determined contribution amounts are calculated as of the beginning of the fiscal year (July 1) for the year immediately following the fiscal year. The assumption shown below are those used in the 7/1/2021 actuarial valuation to calculate the FY2023 ADC. Assumptions used to determine all contributions in the past would not have been the same.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	15 to 27.5 years
Asset valuation method	4-year smoothed market
Inflation	2.50 percent
Salary increases	Rates vary by years of service
Investment rate of return	6.00%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by age
Mortality	SOA PubS-2010(B) with generational projection using Scale MP-2019

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO SCHEDULE OF CONTRIBUTIONS
POLICEMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

The information requested in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

<i>Measurement Date</i>	June 30, 2023, measurement date based on actuarial liabilities as of July 1, 2022
<i>Actuarial Cost Method</i>	Entry Age Normal, Level-Percentage-of-Pay
<i>Actuarial Value of Assets</i>	Market value used for GASB Nos. 67 and 68 reporting
<i>Contribution Policy and Amortization Method</i>	The sponsor finances benefits using the Alternative funding policy as defined in state statute. Sponsor contributions are equal to 107 percent of the prior year contribution. The plan also receives state contributions based on an allocation of premium tax that depends on the number of active and retired members. This funding policy does not directly amortize the unfunded actuarial liability. However, projected sponsor, state and member contributions along with projected investment earnings are expected to fully fund the projected actuarial liability for current plan members by 2042.
<i>Actuarial Assumptions:</i>	
<i>Investment Rate of Return</i>	6.25% per year
<i>GASB 67/68 Discount Rate</i>	6.25% per year at June 30, 2022
<i>Projected Salary Increases</i>	Rates vary by years of service
<i>Cost of Living Increases</i>	2.50% on first \$15,000 of Annual Benefit and on the accumulated supplemental pension amounts for prior years. Assumed to be payable to all members receiving payments.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO SCHEDULE OF CONTRIBUTIONS (CONTD)
POLICEMEN'S PENSION AND RELIEF FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Single Discount Rate

A GASB Statement Nos. 67 and 68 single discount rate of 6.25% was used to measure the total pension liability as of June 30, 2023. This single discount rate was based on the expected rate of return on pension plan investments of 6.25%, and the municipal bond rate of 3.86%. The projection of cash flows used to determine this single discount rate assumed that the Plan sponsor would make the statutory required contribution as defined by the funding policy. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments, on behalf of current plan members for all future plan years. Therefore, the single discount rate of 6.25% was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of Net Pension Liability to the Single Discount Rate Assumption

Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

	<u>1% Decrease</u>	<u>Current Single Discount</u>	<u>1% Increase</u>
	<u>5.25%</u>	<u>Rate Assumption</u>	<u>7.25%</u>
		<u>6.25%</u>	
Net pension (liability)	\$(15,893,165)	\$(12,082,148)	\$(8,988,797)

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Public Employees Insurance Agency

	2022	2021	2020	2019	2018	2017
Municipality's proportion of the net OPEB liability (asset)	0.14746%	(0.17064%)	0.176347%	0.1573615%	0.1811420%	0.1661998%
Municipality's proportionate share of the net OPEB liability (asset)	\$ 233,347	\$ (50,738)	\$ 778,908	\$ 3,110,836	\$ 3,886,279	\$ 4,106,461
Municipality's covered-employee payroll	\$ 3,836,843	\$ 4,206,395	\$ 4,759,574	\$ 4,586,011	\$ 4,826,817	\$ 4,828,711
Municipality's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	6.09%	(1.21%)	16.37%	68.10%	80.52%	85.05%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	109.66%	(101.81%)	73.49%	39.69%	30.98%	25.10%

This schedule presents the only years available at June 30, 2023. Additional years will be presented as they become available.

See accompanying notes to required supplementary information and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF MUNICIPALITY CONTRIBUTIONS – OPEB
JUNE 30, 2023

Public Employees Insurance Agency

	2023	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 147,876	\$ 311,168	\$ 340,859	\$ 385,685	\$ 370,162	\$ 343,011	\$ 324,207
Contributions in relation to the contractually required contribution	<u>(147,876)</u>	<u>(311,168)</u>	<u>(340,859)</u>	<u>(385,685)</u>	<u>(370,162)</u>	<u>(343,011)</u>	<u>(324,207)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Municipality's covered-employee payroll	\$ 3,646,757	\$ 3,836,843	\$ 4,206,395	\$ 4,759,574	\$ 4,568,011	\$ 4,826,817	\$ 4,828,711
Contributions as a percentage of covered-employee payroll	4.06%	8.11%	8.11%	8.10%	8.11%	7.93%	6.72%

This schedule presents the only years available at June 30, 2023. Additional years will be presented as they become available.

See accompanying notes to required supplementary information and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
NET OPEB LIABILITY
JUNE 30, 2023

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the net OPEB liability of the Plan, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.65%) or 1-percentage-point higher (7.65%) than the current discount rate:

	<u>1% Decrease</u> <u>(5.65%)</u>	<u>Discount Rate</u> <u>(6.65%)</u>	<u>1% Increase</u> <u>(7.65%)</u>
Net OPEB liability	\$ 286,080,495	\$ 111,298,764	\$ (34,643,981)

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the net OPEB liability of the Plan, as well as what the Plan's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower:

	<u>1% Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rates</u>	<u>1% Increase</u>
Net OPEB liability	\$ (63,275,842)	\$ 111,298,764	\$ 317,866,319

Reconciliation of Total OPEB Liability Between Valuation Dates

The preparation of dual actuarial OPEB valuations, both measured at June 30, 2022 created a variance from the total OPEB liability disclosed in RHBT's June 30, 2022 financial statements in comparison to the total OPEB liability in the GASB Statement No. 75 allocation schedules because of the differences in the actuarial valuation dates.

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –
NET OPEB LIABILITY (CONTD)
JUNE 30, 2023

Reconciliation of net OPEB liability (asset) of the Plan

The reconciliation of the net OPEB (asset) of the RHBT as June 30, 2020, measured at June 30, 2021 to the net OPEB liability at June 30, 2021, measured at June 30, 2022 is as follows:

Net OPEB liability as of June 30, 2020, measured at June 30, 2021 ^a	\$ (29,734,708)
OPEB Expense	(444,507,806)
Employer Contributions	(117,572,000)
Change in liability experience outflows/(inflows) recognized in current liabilities	62,844,069
Change in assumption changes experience outflows/(inflows) recognized in current liabilities	417,785,807
Change in investment experience outflows/(inflows) recognized in current assets	<u>222,483,402</u>
Net OPEB (asset) as of June 30, 2021, measured at June 30, 2022 ^b	\$ <u>111,298,764</u>

^a Based on actuarial valuation as of June 30, 2020, with a measurement date of June 30, 2021.

^b Based on an actuarial valuation of June 30, 2021, with a measurement date of June 30, 2022.

See independent auditor's report.

SUPPLEMENTARY INFORMATION

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION –
COMPONENT UNITS
JUNE 30, 2023

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash	\$ 583,757	\$ 32,086
Receivables, net of allowances:		
Accounts	1,216,837	-0-
Due to/from other activities	(146,503)	(1)
Inventory	<u>405,441</u>	<u>-0-</u>
Total current assets	<u>2,059,532</u>	<u>32,085</u>
Noncurrent Assets		
Restricted assets	<u>1,563,994</u>	<u>-0-</u>
Total noncurrent assets	<u>1,563,994</u>	<u>-0-</u>
Capital Assets		
Land	84,065	2,543,901
Construction in process	8,194,785	-0-
Buildings	1,532,698	7,663,710
Structures and improvements	7,895,033	453,583
Transmission and distribution	28,843,020	-0-
Machinery and equipment	-0-	338,301
Less: Accumulated depreciation	<u>(22,330,349)</u>	<u>(5,204,554)</u>
Net capital assets	<u>24,219,252</u>	<u>5,794,941</u>
Total assets	<u>27,842,778</u>	<u>5,827,026</u>
Deferred Outflows of Resources		
Deferred outflows of resources – WVPERS	377,446	8,025
Deferred outflows of resources – WVRHBT	<u>30,835</u>	<u>-0-</u>
Total deferred outflows of resources	<u>408,281</u>	<u>8,025</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION –
COMPONENT UNITS (CONTD)
JUNE 30, 2023

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities (payable from current assets)		
Accounts payable	\$ 97,975	\$ 3,273
Accrued compensated absences	<u>74,111</u>	<u>247</u>
Total current liabilities (payable from current assets)	<u>172,086</u>	<u>3,520</u>
Current Liabilities (payable from restricted assets)		
Revenue bonds payable	<u>777,991</u>	<u>-0-</u>
Total current liabilities (payable from restricted assets)	<u>777,991</u>	<u>-0-</u>
Long-Term Liabilities (net of current portion)		
Revenue bonds payable	16,367,882	-0-
Other post employment benefits payable	33,905	-0-
Net pension obligation	<u>143,673</u>	<u>3,059</u>
Total long-term liabilities (net of current portion)	<u>16,545,460</u>	<u>3,059</u>
Total liabilities	<u>17,495,537</u>	<u>6,579</u>
Deferred Inflows of Resources		
Deferred inflows of resources – WVPERS	3,961	84
Deferred inflows of resources – WVRHBT	<u>56,552</u>	<u>-0-</u>
Total deferred inflows of resources	<u>60,513</u>	<u>84</u>
Net Position		
Net investment in capital assets	7,073,379	5,794,941
Restricted for debt service	645,263	-0-
Restricted for renewal and replacement	918,731	24,158
Unrestricted	<u>2,057,636</u>	<u>9,289</u>
Total net position	\$ <u>10,695,009</u>	\$ <u>5,828,388</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION -
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Sanitary</u> <u>Board</u> <u>Fund</u>	<u>Parking</u> <u>Authority</u> <u>Fund</u>
Operating Revenues		
Charges for services	\$ <u>5,211,083</u>	\$ <u>141,698</u>
Total operating revenues	<u>5,211,083</u>	<u>141,698</u>
Operating Expenses		
Personal services	1,845,568	76,874
Contractual services	419,159	-0-
Administrative and general	258,296	11,110
Fuel and oil	102,085	-0-
Liability insurance	38,379	1,880
Materials and supplies	333,977	4,162
Utilities	236,715	33,050
Depreciation	660,640	104,775
Maintenance	<u>630,924</u>	<u>8,354</u>
Total operating expenses	<u>4,525,743</u>	<u>240,205</u>
Operating income (loss)	<u>685,340</u>	(<u>98,507</u>)
Nonoperating Revenues (Expenses)		
Interest	545	16
Miscellaneous income	360,000	-0-
Interest and fiscal charges	(<u>285,430</u>)	<u>-0-</u>
Total nonoperating revenues (expenses)	<u>75,115</u>	<u>16</u>
Change in net position	760,455	(98,491)
Total net position – beginning	<u>9,934,554</u>	<u>5,926,879</u>
Total net position – ending	\$ <u>10,695,009</u>	\$ <u>5,828,388</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF CASH FLOWS -
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
Cash Flows from Operating Activities		
Receipts from customers	\$ 5,090,184	\$ 141,698
Payments to suppliers	(2,320,170)	(67,570)
Payments to employees	(1,490,315)	(68,911)
Net cash provided by operating activities	<u>1,279,699</u>	<u>5,217</u>
Cash Flows from Capital and Related Financing Activities		
(Increase) decrease in restricted assets	(344,053)	-0-
Repayment of revenue bonds	(777,051)	-0-
Proceeds from bonds payable	1,595,087	-0-
Acquisition of capital assets	(1,079,877)	-0-
Interest expense	(285,430)	-0-
Net cash (used in) capital and related financing activities	<u>(891,324)</u>	<u>-0-</u>
Cash Flows from Investing Activities		
Interest on investments	<u>545</u>	<u>16</u>
Net cash provided by investing activities	<u>545</u>	<u>16</u>
Net increase (decrease) in cash	388,920	5,233
Cash at beginning of year	<u>194,837</u>	<u>26,853</u>
Cash at end of year	\$ <u>583,757</u>	\$ <u>32,086</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF CASH FLOWS –
COMPONENT UNITS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Sanitary</u> <u>Board</u> <u>Fund</u>	<u>Parking</u> <u>Authority</u> <u>Fund</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:		
Operating income (loss)	\$ 685,340	\$ (98,507)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation and amortization	661,640	104,775
Miscellaneous income	360,000	-0-
(Increase) decrease in:		
Accounts receivable	(120,899)	-0-
Due to/from other funds	104,815	1
Inventory	(103,950)	-0-
Deferred outflows of resources – WVPERS	65,228	305
Deferred outflows of resources – WVRHBT	35,078	-0-
Increase (decrease) in:		
Accounts payable	30,921	-0-
Accrued compensated absences	(83,017)	119
Accrued post employment benefits payable	42,236	-0-
Net pension obligation	1,035,906	19,837
Deferred inflows of resources – WVPERS	(1,162,606)	(21,313)
Deferred inflows of resources – WVRHBT	(270,993)	-0-
Net cash provided by operating activities	\$ <u>1,279,699</u>	\$ <u>5,217</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEETS -
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2023**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total Memorandum Only)</u>
ASSETS			
Cash	\$ 3,149,735	\$ 4,141	\$ 3,153,876
Receivables (net of allowances for uncollectibles of \$7,000):			
Accounts	11,789	-0-	11,789
Taxes	242,262	-0-	242,262
Notes	17,722	-0-	17,722
Due from/(to) other activities	(13,115)	-0-	(13,115)
TOTAL ASSETS	\$ <u>3,408,393</u>	\$ <u>4,141</u>	\$ <u>3,412,534</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 41,577	\$ -0-	\$ 41,577
Accrued payroll	<u>15,445</u>	<u>-0-</u>	<u>15,445</u>
Total liabilities	<u>57,022</u>	<u>-0-</u>	<u>57,022</u>
Deferred Inflows of Resources			
Deferred taxes	<u>206,605</u>	<u>-0-</u>	<u>206,605</u>
Total liabilities and deferred inflows of resources	<u>263,627</u>	<u>-0-</u>	<u>263,627</u>
Fund Balances			
Assigned	3,146,904	4,141	3,151,045
Unassigned	(2,138)	<u>-0-</u>	(2,138)
Total fund balances	<u>3,144,766</u>	<u>4,141</u>	<u>3,148,907</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ <u>3,408,393</u>	\$ <u>4,141</u>	\$ <u>3,412,534</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total (Memorandum Only)</u>
Revenues			
Taxes – Ad valorem	\$ 1,689,013	\$ -0-	\$ 1,689,013
Charges for services	960,014	129,188	1,089,202
Fines and forfeits	115,045	-0-	115,045
Interest	1,412	5	1,417
Donations	3,202	-0-	3,202
Intergovernmental:			
Federal	5,062	-0-	5,062
Contributions from employees	417,707	-0-	417,707
Contributions from employer	1,833,813	-0-	1,833,813
Miscellaneous income	501	-0-	501
Total revenues	<u>5,025,769</u>	<u>129,193</u>	<u>5,154,962</u>
Expenditures			
General government	21,480	59	21,539
Public safety	193,821	-0-	193,821
Highways and streets	639,734	-0-	639,734
Culture and recreation	1,281,495	-0-	1,281,495
Benefit payments	2,114,768	-0-	2,114,768
Capital outlay	423,537	-0-	423,537
Debt service – principal	119,092	-0-	119,092
Debt service – interest	11,202	-0-	11,202
Total expenditures	<u>4,805,129</u>	<u>59</u>	<u>4,805,188</u>
Excess (deficiency) of revenues over (under) expenditures	<u>220,640</u>	<u>129,134</u>	<u>349,774</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES –
NONMAJOR GOVERNMENTAL FUNDS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total (Memorandum Only)</u>
Other Financing Sources (Uses)			
Operating transfers in	\$ 797,649	\$ -0-	\$ 797,649
Operating transfers (out)	(678,681)	(125,358)	(804,039)
Total other financing sources (uses)	<u>118,968</u>	<u>(125,358)</u>	<u>(6,390)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	339,608	3,776	343,384
Fund balance beginning of year	<u>2,805,158</u>	<u>365</u>	<u>2,805,523</u>
Fund balance end of year	\$ <u>3,144,766</u>	\$ <u>4,141</u>	\$ <u>3,148,907</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEETS –
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2023**

	<u>Police Fund</u>	<u>Tax Increment Financing District Fund</u>	<u>Urban Renewal Authority</u>	<u>Park Board</u>	<u>Park Board Special Levy</u>	<u>Capital Improvement Levy Fund</u>	<u>Dental and Vision Benefit Fund</u>	<u>PEIA Fund</u>	<u>Police National Night Out Fund</u>	<u>Total (Memorandum Only)</u>
ASSETS										
Cash	\$ 280,862	\$ 1,5216,992	\$ -0-	\$ 506,884	\$ 275,698	\$ 391,987	\$ 10,862	\$ 162,504	\$ 3,946	\$ 3,149,735
Receivables (net of allowances for uncollectibles of \$7,000)										
Accounts	11,789	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	11,789
Taxes	-0-	-0-	-0-	-0-	96,905	145,357	-0-	-0-	-0-	242,262
Notes	-0-	-0-	17,722	-0-	-0-	-0-	-0-	-0-	-0-	17,722
Due from/(to) other activities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>42,761</u>	<u>(42,876)</u>	<u>-0-</u>	<u>(13,000)</u>	<u>-0-</u>	<u>-0-</u>	<u>(13,115)</u>
TOTAL ASSETS	\$ <u>292,651</u>	\$ <u>1,516,992</u>	\$ <u>17,722</u>	\$ <u>549,645</u>	\$ <u>329,727</u>	\$ <u>537,344</u>	\$ <u>(2,138)</u>	\$ <u>162,504</u>	\$ <u>3,946</u>	\$ <u>3,408,393</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEETS -
NONMAJOR SPECIAL REVENUE FUNDS (CONT'D)
JUNE 30, 2023**

	<u>Police Fund</u>	<u>Tax Increment Financing District Fund</u>	<u>Urban Renewal Authority</u>	<u>Park Board</u>	<u>Park Board Special Levy</u>	<u>Capital Improvement Levy Fund</u>	<u>Dental and Vision Benefit Fund</u>	<u>PEIA Fund</u>	<u>Police National Night Out Fund</u>	<u>Total (Memorandum Only)</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES										
Liabilities										
Accounts payable	\$ -0-	\$ -0-	\$ -0-	\$ 32,953	\$ 8,624	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 41,577
Accrued payroll	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>15,445</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>15,445</u>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>48,398</u>	<u>8,624</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>57,022</u>
Deferred Inflows of Resources										
Deferred taxes	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>82,642</u>	<u>123,963</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>206,605</u>
Fund Balances										
Assigned	292,651	1,516,992	17,722	501,247	238,461	413,381	-0-	162,504	3,946	3,146,904
Unassigned	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(2,138)</u>	<u>-0-</u>	<u>-0-</u>	<u>(2,138)</u>
Total fund balances	<u>292,651</u>	<u>1,516,992</u>	<u>17,722</u>	<u>501,247</u>	<u>238,461</u>	<u>413,381</u>	<u>(2,138)</u>	<u>162,504</u>	<u>3,946</u>	<u>3,144,766</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ <u>292,651</u>	\$ <u>1,516,992</u>	\$ <u>17,722</u>	\$ <u>549,645</u>	\$ <u>329,727</u>	\$ <u>537,344</u>	\$ <u>(2,138)</u>	\$ <u>162,504</u>	\$ <u>3,946</u>	\$ <u>3,408,393</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	<u>Police</u> <u>Fund</u>	<u>Tax</u> <u>Increment</u> <u>Financing</u> <u>District</u> <u>Fund</u>	<u>Urban</u> <u>Renewal</u> <u>Authority</u>	<u>Park</u> <u>Board</u>	<u>Park Board</u> <u>Special</u> <u>Levy</u>	<u>Capital</u> <u>Improvement</u> <u>Levy Fund</u>	<u>Dental and</u> <u>Vision Benefit</u> <u>Fund</u>	<u>PEIA</u> <u>Fund</u>	<u>Police</u> <u>National</u> <u>Night Out</u> <u>Fund</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
Revenues										
Taxes – Ad Valorem	\$ -0-	\$ 324,237	\$ -0-	\$ -0-	\$ -0-	\$ 1,364,776	\$ -0-	\$ -0-	\$ -0-	\$ 1,689,013
Charges for services	-0-	-0-	-0-	960,014	-0-	-0-	-0-	-0-	-0-	960,014
Fines and forfeits	115,045	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	115,045
Interest	135	707	-0-	255	127	168	5	12	3	1,412
Donations	1,752	-0-	-0-	-0-	-0-	-0-	-0-	-0-	1,450	3,202
Intergovernmental:										
Federal	5,062	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	5,062
Contributions from employees	-0-	-0-	-0-	-0-	-0-	-0-	105,061	312,646	-0-	417,707
Contributions from employer	-0-	-0-	-0-	-0-	-0-	-0-	68,399	1,765,414	-0-	1,833,813
Miscellaneous income	501	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	501
Total revenues	<u>122,495</u>	<u>324,944</u>	<u>-0-</u>	<u>960,269</u>	<u>127</u>	<u>1,364,944</u>	<u>173,465</u>	<u>2,078,072</u>	<u>1,453</u>	<u>5,025,769</u>
Expenditures										
General government	-0-	-0-	-0-	-0-	-0-	12,821	-0-	-0-	8,659	21,480
Public safety	96,645	-0-	-0-	-0-	-0-	97,176	-0-	-0-	-0-	193,821
Highways and streets	-0-	163,116	-0-	-0-	-0-	476,618	-0-	-0-	-0-	639,734
Culture and recreation	-0-	-0-	-0-	1,021,866	259,629	-0-	-0-	-0-	-0-	1,281,495
Benefit payments	-0-	-0-	-0-	-0-	-0-	-0-	172,527	1,942,241	-0-	2,114,768
Capital outlay	30,482	-0-	-0-	136,442	53,018	203,595	-0-	-0-	-0-	423,537
Debt service – principal	-0-	-0-	119,092	-0-	-0-	-0-	-0-	-0-	-0-	119,092
Debt service – interest	-0-	-0-	11,202	-0-	-0-	-0-	-0-	-0-	-0-	11,202
Total expenditures	<u>127,127</u>	<u>163,116</u>	<u>130,294</u>	<u>1,158,308</u>	<u>312,647</u>	<u>790,210</u>	<u>172,527</u>	<u>1,942,241</u>	<u>8,659</u>	<u>4,805,129</u>
Excess (deficiency) of revenues over (under) expenditures	(4,632)	161,828	(130,294)	(198,093)	(312,520)	574,734	938	135,831	(7,206)	220,640

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Police Fund	Tax Increment Financing District Fund	Urban Renewal Authority	Park Board	Park Special Levy	Capital Improvement Levy Fund	Dental and Vision Benefit Fund	PEIA Fund	Police National Night Out Fund	Total (Memorandum Only)
Other Financing Sources (Uses)										
Operating transfers in	\$ -0-	\$ -0-	\$ 130,294	\$ 121,442	\$ 545,913	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 797,649
Operating transfers (out)	(2,144)	-0-	-0-	-0-	(130,624)	(545,913)	-0-	-0-	-0-	(678,681)
Total other financing sources (uses)	(2,144)	-0-	130,294	121,442	415,289	(545,913)	-0-	-0-	-0-	118,968
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	(6,776)	161,828	-0-	(76,597)	102,769	28,821	938	135,831	(7,206)	339,608
Fund balance beginning of year	299,427	1,355,164	17,722	577,844	135,692	384,560	(3,076)	26,673	11,152	2,805,158
Fund balance end of year	\$ 292,651	\$ 1,516,992	\$ 17,722	\$ 501,247	\$ 238,461	\$ 413,381	\$ (2,138)	\$ 162,504	\$ 3,946	\$ 3,144,766

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEETS -
NONMAJOR DEBT SERVICE FUND
JUNE 30, 2023**

Urban
Renewal
Authority

ASSETS

Cash	\$ <u>4,141</u>
TOTAL ASSETS	\$ <u>4,141</u>

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	\$ <u>-0-</u>
Total liabilities	<u>-0-</u>
 Fund Balances	
Assigned	<u>4,141</u>
Total fund balances	<u>4,141</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>4,141</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	<u>Urban Renewal Authority</u>
Revenues	
Charges for services	\$ 129,188
Interest	<u>5</u>
Total revenues	<u>129,193</u>
Expenditures	
General government	<u>59</u>
Total expenditures	<u>59</u>
Excess of revenues over expenditures	129,134
Other Financing Sources (Uses)	
Operating transfers (out)	(125,358)
Excess of revenues and other financing sources over expenditures and other financing uses	3,776
Fund balance beginning of year	<u>365</u>
Fund balance end of year	\$ <u><u>4,141</u></u>

See accompanying notes and independent auditor's report.



Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
*GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and Council
Municipality of Clarksburg
Clarksburg, West Virginia

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the blended component unit, each major fund, and the aggregate remaining fund information of Municipality of Clarksburg, West Virginia, as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise Municipality of Clarksburg, West Virginia's basic financial statements, and have issued our report thereon dated February 23, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Municipality of Clarksburg, West Virginia's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Municipality of Clarksburg, West Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of Municipality of Clarksburg, West Virginia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Municipality of Clarksburg, West Virginia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Julie A. Barclay, CPA

Clarksburg, West Virginia
February 23, 2024



Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Mayor and Council
Municipality of Clarksburg
Clarksburg, West Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Municipality of Clarksburg, West Virginia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Municipality of Clarksburg, West Virginia's major federal programs for the year ended June 30, 2023. Municipality of Clarksburg, West Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Municipality of Clarksburg, West Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Municipality of Clarksburg, West Virginia and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Municipality of Clarksburg, West Virginia's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Municipality of Clarksburg, West Virginia's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Municipality of Clarksburg, West Virginia's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Municipality of Clarksburg, West Virginia's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Municipality of Clarksburg, West Virginia's compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances.
- Obtain an understanding of Municipality of Clarksburg, West Virginia's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Municipality of Clarksburg, West Virginia's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Julius A. Burchett, PCA

Clarksburg, West Virginia
February 23, 2024

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023**

A. Summary of Audit Results

Financial Statements

Type of auditor's report issued:	<u>Unmodified Opinion</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Deficiency(s) identified not considered to be material weaknesses?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	<u>No</u>
Deficiency(s) identified that are not considered to be material weaknesses?	<u>None reported</u>
Type of auditor's report issued on compliance for major programs:	<u>Unmodified Opinion</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	<u>No</u>
Identification of major programs:	
United States Department of the Treasury – Departmental Offices Coronavirus State and Local Fiscal Recovery Funds	AL #21.027
Dollar threshold used to distinguish between Type A and Type B programs	<u>\$750,000</u>
Auditee qualified as low-risk auditee	<u>X</u> yes <u> </u> no

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2023**

B. Findings – Financial Statement Audit

No Findings

C. Findings and Questioned Costs - Major Federal Award Program Audit

**United States Department of the Treasury – Departmental Offices – Coronavirus State
and Local Recovery Funds – AL 21.027 – Fiscal Year Ended June 30, 2023**

There were no findings and questioned costs identified in the major federal award program audit.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/Expenditures</u>	<u>Loan Balance</u>
United States Department of the Treasury						
Departmental Offices						
Coronavirus State and Local Fiscal Recovery Funds	21.027	CVRF-2020	\$ 6.730,023	\$ <u>-0-</u>	\$ <u>1,096,653</u>	
Total United States Department of the Treasury – AL 21.027				<u>-0-</u>	<u>1,096,653</u>	
Total United States Department of the Treasury				<u>-0-</u>	<u>1,096,653</u>	
Highway Planning and Construction Cluster						
United States Department of Transportation						
<u>West Virginia Department of Transportation</u>						
<u>West Virginia Division of Motor Vehicles</u>						
Highway Planning and Construction	20.205	F23-HS-05-DOHWZ	20,000	\$ <u>18,170</u>	\$ <u>18,170</u>	
Total United States Department of Transportation – AL 20.205				<u>18,170</u>	<u>18,170</u>	
Total Highway Planning and Construction Cluster				<u>18,170</u>	<u>18,170</u>	

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>	<u>Loan Balance</u>
Highway Safety Cluster						
United States Department of Transportation National Highway Safety Administration						
<u>West Virginia Department of Transportation</u>						
<u>West Virginia Division of Motor Vehicles</u>						
State and Community Highway Safety	20.600	F22-HS-05-402	192,700	\$ 12,111	\$ 12,111	
State and Community Highway Safety	20.600	F23-HS-05-402	192,700	<u>125,256</u>	<u>125,256</u>	
Total United States Department of Transportation – AL 20.600				<u>137,367</u>	<u>137,367</u>	
Highway Safety Cluster						
United States Department of Transportation National Highway Safety Administration						
<u>West Virginia Department of Transportation</u>						
<u>West Virginia Division of Motor Vehicles</u>						
National Priority Safety Programs	20.616	F22-HS-05-405D	\$ 100,000	\$ 23,320	\$ 23,320	
National Priority Safety Programs	20.616	F23-HS-05-405B	47,000	10,100	10,100	
National Priority Safety Programs	20.616	F23-HS-05-405C	80,000	12,183	12,183	
National Priority Safety Programs	20.616	F23-HS-05-405D	101,000	<u>43,171</u>	<u>43,171</u>	
Total United States Department of Transportation – AL 20.616				<u>88,774</u>	<u>88,774</u>	
Total United States Department of Transportation – Highway Safety Cluster				<u>226,141</u>	<u>226,141</u>	
Total United States Department of Transportation				<u>244,311</u>	<u>244,311</u>	

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/Expenditures</u>	<u>Loan Balance</u>
Executive Office of the President						
Financial Commission for Appalachia High Intensity Drug Trafficking Area						
<u>Passed thru Laurel County Fiscal Court</u>						
High Intensity Drug Trafficking Areas Program	95.001	G22AP0001A	19,000	\$ 16,673	\$ 16,673	
High Intensity Drug Trafficking Areas Program	95.001	G23AP0001A	26,000	<u>25,167</u>	<u>25,167</u>	
Total Executive Office of the President – AL 95.001				<u>41,840</u>	<u>41,840</u>	
Total Executive Office of the President				<u>41,840</u>	<u>41,840</u>	
United States Department of Justice						
Violence Against Women Office						
<u>Passed Thru West Virginia Division of Justice and Community Services</u>						
<u>Passed Thru Task Force on Domestic Violence</u>						
Violence Against Women Formula Grants	16.588	18-VAW-017	\$ 10,000	\$ <u>597</u>	\$ <u>597</u>	
Total United States Department of Justice AL 16.588				<u>597</u>	<u>597</u>	
United States Department of Justice						
Bureau of Justice Assistance						
Edward Bryne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0290	\$ 5,062	\$ <u>5,062</u>	\$ <u>5,062</u>	
Total United States Department of Justice – AL 16.738				<u>5,062</u>	<u>5,062</u>	
Total United States Department of Justice				<u>5,659</u>	<u>5,659</u>	

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/Expenditures</u>	<u>Loan Balance</u>
United States Department of the Agriculture						
<u>Passed thru the West Virginia Department of Environmental Protection Agency</u>						
Water and Waste Disposal Systems for Rural Communities	10.760	2020A	\$ 7,900,000	\$ <u>295,654</u>	\$ <u>295,654</u>	\$ 7,023,349
Total United States Department of Agriculture – AL 10.760				<u>295,654</u>	<u>295,654</u>	
Total United States Department of Agriculture				<u>295,654</u>	<u>295,654</u>	
Total Expenditures of Federal Awards				\$ <u>587,464</u>	\$ <u>1,684,117</u>	

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Municipality of Clarksburg, West Virginia under programs of the federal government for the fiscal year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Municipality of Clarksburg, West Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of Municipality of Clarksburg, West Virginia.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note C – Indirect Cost Rate

Municipality of Clarksburg, West Virginia has elected not to use the 10 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

Note D – Pass-through to Subrecipients

There were no awards passed through to subrecipients.

Note E – Assistance Listing (Catalog of Federal Domestic Assistance (CFDA))

Assistance Listing (AL) has replaced the Catalog of Federal Domestic Assistance (CFDA) for identifying federal programs.

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2023

Note F – Loan Balances

The United States Department of Agriculture – Community Facilities Loans and Grant Program – AL Number 10.766 represented a refinancing of a bond anticipation note purchased by the United States Department of Agriculture on May 24, 2019 in the amount of \$8,500,000. The outstanding balance of the bonds at June 30, 2023 was \$7,990,448.

The United States Department of Agriculture – Water and Waste Disposal Systems for Rural Communities – AL Number 10.760 represents a loan through the West Virginia Department of Environmental Protection Clean Water State Revolving Loan Program. The total loan balance outstanding at June 30, 2023 was \$7,023,349 of which \$2,051,856 was considered federal funding.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2023**

**United States Department of the Treasury – Departmental Office – Coronavirus State
and Local Recovery Funds – AL Number 21.067 – Fiscal Year Ended June 30, 2023**

Since there were no findings a corrective action plan is not required.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Reference Number:

There were no Findings and Questioned Costs for the prior audit period of July 1, 2021 to June 30, 2022 that are required to be reported.