

**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, 2021
RFP #21-029 (Harrison County)

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
MUNICIPAL OFFICIALS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Office	Name	Term
	Elective	
Mayor:	E. Ryan Kennedy	07/01/17 – 06/30/21
Vice Mayor:	James Marino	07/01/19 – 06/30/23
Council Members:	Gary Keith	07/01/19 – 06/30/23
	Frank Ferrari	07/01/17 – 06/30/21
	James Malfregeot	07/01/17 – 06/30/21
	Lillie Scott-Junkins	07/01/19 – 06/30/23
	Marshall Goff	07/01/17 – 06/30/21
	Appointed	
City Manager:	Harry Faulk	
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, 2021**

GOVERNMENTAL FUND TYPES

MAJOR FUNDS

General
Coal Severance Tax
Municipal Sales and Use Tax Fund

PROPRIETARY FUND TYPE

MAJOR FUNDS

Municipal Building Commission

NONMAJOR FUNDS

Special Revenue Funds

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

The Honorable Mayor and Council
Municipality of Clarksburg
Clarksburg, West Virginia

Report on the Financial Statements

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, 2021 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.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

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 unit, the blended component unit, each major fund, and the aggregate remaining fund information of the Municipality of Clarksburg, West Virginia, as of June 30, 2021, 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.

Emphasis of Matter

As described in Note 1 to the financial statements for the year ended June 30, 2021, the Municipality of Clarksburg, West Virginia adopted new accounting guidance, GASB 84 – *Fiduciary Activities* and GASB 90 – *Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61*. Our opinion is not modified with respect to this matter.

Other Matters

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, schedule of proportionate share of the net pension liability, schedule of Municipality contributions, notes to required supplementary information – net pension liability, schedule of changes in net pension liability and related ratios multiyear – Firemen's Pension and Relief Fund, schedule of the net pension liability multiyear – Firemen's Pension and Relief Fund, schedule of contributions multiyear – Firemen's Pension and Relief Fund, notes to schedule of contributions – Firemen's Pension and Relief Fund, schedule of changes in net pension liability and related ratios multiyear – Policemen's Pension and Relief Fund, schedule of the net pension liability multiyear – Policemen's Pension and Relief Fund, schedule of contributions multiyear – Policemen's Pension and Relief Fund, notes to schedule of contributions – Policemen's Pension and Relief Fund, schedule of proportionate share of the net OPEB liability, schedule of Municipality contributions – OPEB, notes to required supplementary information – net OPEB liability on pages 105 through 125 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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.

Other 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 basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 expenditures 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 28, 2022, 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 the Municipality of Clarksburg, West Virginia's internal control over financial reporting and compliance.

Julie A. Barthel, PLLC

Clarksburg, West Virginia
February 28, 2022

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION
JUNE 30, 2021

	<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>
Assets		<u>Activities</u>		<u>Board</u>	<u>Authority</u>
Cash	\$ 6,446,823	\$ 555,308	\$ 7,002,131	\$ 915,986	\$ 23,068
Receivables	4,852,220	-0-	4,852,220	1,096,434	-0-
Due to/from other activities	41,189	-0-	41,189	(41,189)	-0-
Inventory	-0-	-0-	-0-	318,010	-0-
Restricted assets	-0-	992,211	992,211	1,156,815	-0-
Capital assets, net	<u>18,007,677</u>	<u>27,319,269</u>	<u>45,326,946</u>	<u>20,467,316</u>	<u>6,005,136</u>
Total assets	<u>29,347,909</u>	<u>28,866,788</u>	<u>58,214,697</u>	<u>23,913,372</u>	<u>6,028,204</u>
Deferred Outflows of Resources					
Deferred outflows of resources – WVPERS	842,092	-0-	842,092	407,896	7,498
Deferred outflows of resources – Police and Fire Pension	831,058	-0-	831,058	-0-	-0-
Deferred outflows of resources – WVRHBT	<u>521,430</u>	<u>-0-</u>	<u>521,430</u>	<u>102,812</u>	<u>-0-</u>
Total deferred outflows of resources	<u>2,194,580</u>	<u>-0-</u>	<u>2,194,580</u>	<u>510,708</u>	<u>7,498</u>
Liabilities					
Accounts payable	247,096	-0-	247,096	63,588	3,042
Accrued payroll	-0-	-0-	-0-	-0-	482
Accrued interest payable	-0-	31,629	31,629	-0-	-0-
Long-term liabilities					
Due within one year	1,100,774	831,017	1,931,791	808,804	-0-
Due in more than one year	<u>33,763,786</u>	<u>15,260,164</u>	<u>49,023,950</u>	<u>13,628,512</u>	<u>9,643</u>
Total liabilities	<u>35,111,656</u>	<u>16,122,810</u>	<u>51,234,466</u>	<u>14,500,904</u>	<u>13,167</u>
Deferred Inflows of Resources					
Deferred inflows of resources – WVPERS	114,300	-0-	114,300	54,762	1,004
Deferred inflows of resources – Police and Fire Pension	11,777,393	-0-	11,777,393	-0-	-0-
Deferred inflows of resources – WVRHBT	<u>2,182,576</u>	<u>-0-</u>	<u>2,182,576</u>	<u>430,348</u>	<u>-0-</u>
Total deferred inflows of resources	<u>14,074,269</u>	<u>-0-</u>	<u>14,074,269</u>	<u>485,110</u>	<u>1,004</u>
Net Position					
Net investment in capital assets	16,868,104	11,228,088	28,096,192	7,354,102	6,005,136
Restricted	-0-	992,211	992,211	1,673,998	17,413
Unrestricted	<u>(34,511,540)</u>	<u>523,679</u>	<u>(33,987,861)</u>	<u>409,966</u>	<u>(1,018)</u>
Total net position	\$ <u>(17,643,436)</u>	\$ <u>12,743,978</u>	\$ <u>(4,899,458)</u>	\$ <u>9,438,066</u>	\$ <u>6,021,531</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<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	\$ 4,069,275	\$ 545,365	\$ 7,852	\$ -0-	\$ (3,516,058)	\$ -0-	\$ (3,516,058)	\$ -0-	\$ -0-
Public safety	5,003,351	1,348,667	2,181,025	-0-	(1,473,659)	-0-	(1,473,659)	-0-	-0-
Highways and streets	3,994,442	-0-	-0-	-0-	(3,994,442)	-0-	(3,994,442)	-0-	-0-
Health and sanitation	330,005	-0-	-0-	-0-	(330,005)	-0-	(330,005)	-0-	-0-
Culture and recreation	2,234,148	546,310	3,998	-0-	(1,683,840)	-0-	(1,683,840)	-0-	-0-
Benefit payments	<u>1,892,940</u>	<u>-0-</u>	<u>1,923,775</u>	<u>-0-</u>	<u>30,835</u>	<u>-0-</u>	<u>30,835</u>	<u>-0-</u>	<u>-0-</u>
Total governmental activities	<u>17,524,161</u>	<u>2,440,342</u>	<u>4,116,650</u>	<u>-0-</u>	<u>(10,967,169)</u>	<u>-0-</u>	<u>(10,967,169)</u>	<u>-0-</u>	<u>-0-</u>
Business-Type Activities									
Municipal Building Commission	<u>2,001,846</u>	<u>178,888</u>	<u>457,100</u>	<u>-0-</u>	<u>-0-</u>	<u>(1,365,858)</u>	<u>(1,365,858)</u>	<u>-0-</u>	<u>-0-</u>
Total business-type activities	<u>2,001,846</u>	<u>178,888</u>	<u>457,100</u>	<u>-0-</u>	<u>-0-</u>	<u>(1,365,858)</u>	<u>(1,365,858)</u>	<u>-0-</u>	<u>-0-</u>
Total primary government	\$ <u>19,526,007</u>	\$ <u>2,619,230</u>	\$ <u>4,573,750</u>	\$ <u>-0-</u>	<u>(10,967,169)</u>	<u>(1,365,858)</u>	<u>(12,333,027)</u>	<u>-0-</u>	<u>-0-</u>
Component Units									
Sanitary Board	\$ 4,809,956	\$ 4,817,857	\$ -0-	\$ -0-	-0-	-0-	-0-	7,901	-0-
Parking Authority	<u>255,089</u>	<u>141,423</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(113,666)</u>
Total component units	\$ <u>5,065,045</u>	\$ <u>4,959,280</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>7,901</u>	<u>(113,666)</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF ACTIVITIES (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

<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					\$ 4,433,110	\$ -0-	\$ 4,433,110	\$ -0-	\$ -0-
Excise utility					653,785	-0-	653,785	-0-	-0-
Business and occupation					7,121,995	-0-	7,121,995	-0-	-0-
Alcoholic beverage					137,974	-0-	137,974	-0-	-0-
Hotel occupancy					198,736	-0-	198,736	-0-	-0-
Animal control					4,868	-0-	4,868	-0-	-0-
Oil and gas					26,465	-0-	26,465	-0-	-0-
Municipal sales and use tax					4,629,841	-0-	4,629,841	-0-	-0-
Licenses and permits					536,700	-0-	536,700	-0-	-0-
Franchises fees					170,370	-0-	170,370	-0-	-0-
Interest and investment earnings					85,732	16,272	102,004	15,776	293
Intergovernmental – state					31,224	-0-	31,224	-0-	-0-
Video lottery and gaming income					118,407	-0-	118,407	-0-	-0-
Miscellaneous					<u>125,700</u>	<u>-0-</u>	<u>125,700</u>	<u>-0-</u>	<u>-0-</u>
Total general revenues					<u>18,274,907</u>	<u>16,272</u>	<u>18,291,179</u>	<u>15,776</u>	<u>293</u>
Change in net position before transfers					7,307,738	(1,349,586)	5,958,152	23,677	(113,373)
Operating transfers in (out)					<u>(1,370,568)</u>	<u>1,370,568</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Change in net position					5,937,170	20,982	5,958,152	23,677	(113,373)
Net position – beginning – restated					<u>(23,580,606)</u>	<u>12,722,996</u>	<u>(10,857,610)</u>	<u>9,414,389</u>	<u>6,134,904</u>
Net position – ending					<u>\$ (17,643,436)</u>	<u>\$ 12,743,978</u>	<u>\$ (4,899,458)</u>	<u>\$ 9,438,066</u>	<u>\$ 6,021,531</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
FUND BALANCE SHEETS -
GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>General Fund</u>	<u>Coal Severance Fund</u>	<u>Municipal Sales and Use Tax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash	\$ 2,327,552	\$ 9,931	\$ 1,559,010	\$ 2,550,330	\$ 6,446,823
Receivables, net of allowances:					
Accounts	989,670	-0-	-0-	-0-	989,670
Taxes	2,227,828	9,433	1,294,620	215,240	3,747,121
Grants	58,846	-0-	-0-	-0-	58,846
Other	38,860	-0-	-0-	-0-	38,860
Notes	-0-	-0-	-0-	17,723	17,723
Due to/(from) other activities	<u>128,823</u>	<u>-0-</u>	<u>-0-</u>	<u>(87,634)</u>	<u>41,189</u>
TOTAL ASSETS	\$ <u>5,771,579</u>	\$ <u>19,364</u>	\$ <u>2,853,630</u>	\$ <u>2,695,659</u>	\$ <u>11,340,232</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 225,265	\$ -0-	\$ -0-	\$ 21,831	\$ 247,096
Accrued payroll	<u>713,549</u>	<u>-0-</u>	<u>-0-</u>	<u>14,709</u>	<u>728,258</u>
Total liabilities	<u>938,814</u>	<u>-0-</u>	<u>-0-</u>	<u>36,540</u>	<u>975,354</u>
Deferred Inflows of Resources					
Deferred revenue – taxes	<u>357,844</u>	<u>-0-</u>	<u>-0-</u>	<u>182,200</u>	<u>540,044</u>
Total deferred inflows of resources	<u>357,844</u>	<u>-0-</u>	<u>-0-</u>	<u>182,200</u>	<u>540,044</u>
Fund Balances					
Committed	-0-	19,364	-0-	-0-	19,364
Assigned	-0-	-0-	2,853,630	2,480,407	5,334,037
Unassigned	<u>4,474,921</u>	<u>-0-</u>	<u>-0-</u>	<u>(3,488)</u>	<u>4,471,433</u>
Total fund balance	<u>4,474,921</u>	<u>19,364</u>	<u>2,853,630</u>	<u>2,476,919</u>	<u>9,824,834</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ <u>5,771,579</u>	\$ <u>19,364</u>	\$ <u>2,853,630</u>	\$ <u>2,695,659</u>	\$ <u>11,340,232</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, 2021**

Fund balance, fund level statement June 30, 2021 \$ 9,824,834

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	(476,688)
Obligation under capital lease	(1,139,573)
Net pension obligation payable	(31,495,073)
Notes payable	(374,346)
Other post-employment benefit obligation payable	(650,622)

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.

18,007,677

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	842,092
Deferred outflows of resources – Police and Fire Pension	831,058
Deferred outflows of resources – WVRHBT	521,430
Deferred inflows of resources – WVPERS	(114,300)
Deferred inflows of resources – Police and Fire Pension	(11,777,393)
Deferred inflows of resources – WVRHBT	(2,182,576)

Some revenues are reported as deferred in the governmental funds:

Deferred revenue	<u>540,044</u>
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Net position of governmental activities \$ (17,643,436)

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, 2021

	<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>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Revenues					
Taxes and special assessments:					
Ad valorem	\$ 2,527,725	\$ -0-	\$ -0-	\$ 1,835,031	\$ 4,362,756
Excise utility	653,785	-0-	-0-	-0-	653,785
Business and occupation	7,121,995	-0-	-0-	-0-	7,121,995
Alcoholic beverage	137,974	-0-	-0-	-0-	137,974
Hotel occupancy	198,736	-0-	-0-	-0-	198,736
Animal control	4,868	-0-	-0-	-0-	4,868
Oil and gas	26,465	-0-	-0-	-0-	26,465
Municipal sales and use tax	-0-	-0-	4,629,841	-0-	4,629,841
Licenses and permits	536,700	-0-	-0-	-0-	536,700
Charges for services	1,500,235	-0-	-0-	622,773	2,123,008
Fines and forfeits	290,303	-0-	-0-	27,031	317,334
Franchise fees	170,370	-0-	-0-	-0-	170,370
Interest	43,901	291	17,890	23,650	85,732
Donations	7,852	-0-	-0-	3,998	11,850
Intergovernmental:					
Federal	2,170,049	-0-	-0-	10,976	2,181,025
State	-0-	31,224	-0-	-0-	31,224
Contributions from employees	-0-	-0-	-0-	384,128	384,128
Contribution from employer	-0-	-0-	-0-	1,539,647	1,539,647
Video lottery and gaming income	118,407	-0-	-0-	-0-	118,407
Miscellaneous income	121,738	-0-	-0-	3,962	125,700
Total revenue	<u>15,631,103</u>	<u>31,515</u>	<u>4,647,731</u>	<u>4,451,196</u>	<u>24,761,545</u>
Expenditures					
General government	3,793,622	6,367	-0-	8,620	3,808,609
Public safety	9,319,059	15,082	1,000,000	301,278	10,635,419
Highways and streets	2,784,762	8,889	528,000	540,960	3,862,611
Health and sanitation	374,547	7,724	-0-	-0-	382,271
Culture and recreation	1,545,111	13,000	-0-	649,435	2,207,546
Benefit payments	-0-	-0-	-0-	1,892,940	1,892,940
Capital outlay	-0-	-0-	-0-	170,465	170,465
Debt service – principal	185,193	-0-	-0-	199,890	385,083
Debt service – interest	60,251	-0-	-0-	25,310	85,561
Total expenditures	<u>18,062,545</u>	<u>51,062</u>	<u>1,528,000</u>	<u>3,788,898</u>	<u>23,430,505</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,431,442)</u>	<u>(19,547)</u>	<u>3,119,731</u>	<u>662,298</u>	<u>1,331,040</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>General Fund</u>	<u>Coal Severance Fund</u>	<u>Municipal Sales and Use Tax Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Other Financing Sources (Uses)					
Operating transfers in	\$ 2,000,000	\$ -0-	\$ -0-	\$ 871,978	\$ 2,871,978
Operating transfers (out)	(615,721)	-0-	(2,937,167)	(689,658)	(4,242,546)
Total other financing sources (uses)	<u>1,384,279</u>	<u>-0-</u>	<u>(2,937,167)</u>	<u>182,320</u>	<u>(1,370,568)</u>
Net change in fund balance	(1,047,163)	(19,547)	182,564	844,618	(39,528)
Fund balance at beginning of year	<u>5,522,084</u>	<u>38,911</u>	<u>2,671,066</u>	<u>1,632,301</u>	<u>9,864,362</u>
Fund balance at end of year	\$ <u>4,474,921</u>	\$ <u>19,364</u>	\$ <u>2,853,630</u>	\$ <u>2,476,919</u>	\$ <u>9,824,834</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, 2021**

Net change in fund balances – total governmental funds \$(39,528)

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. (819,574)

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 70,354

Capital leases provide current financial resources to governmental funds, but entering into capital leases increases long-term liabilities in the Statement of Net Assets. Repayment of capital lease obligations is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets:

Repayment of obligation under capital lease 224,863

Notes payable provide current financial resources to governmental funds, but entering into 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.

Repayment of notes payable 160,220

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 257,322

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

14,103,495

**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, 2021**

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. \$ 1,961,048

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 (423,932)

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. (9,557,098)

Change in net position of governmental activities \$ 5,937,170

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION -
PROPRIETARY FUND
JUNE 30, 2021

Business-Type Activities
Municipal Building
Commission

ASSETS

Current Assets

Cash	\$ 555,308
Total current assets	<u>555,308</u>

Noncurrent Assets

Restricted assets	<u>992,211</u>
Total noncurrent assets	<u>992,211</u>

Capital Assets

Buildings	32,942,754
Equipment	179,691
Less: Accumulated depreciation	<u>(5,803,176)</u>
Net capital assets	<u>27,319,269</u>

Total assets	\$ <u>28,866,788</u>
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LIABILITIES AND NET POSITION

Current Liabilities (payable from restricted assets)

Revenue bonds payable	\$ 831,017
Accrued revenue bond interest payable	<u>31,629</u>
Total current liabilities (payable from restricted assets)	<u>862,646</u>

Long-Term Liabilities (net of current portion)

Revenue bonds payable	<u>15,260,164</u>
Total long-term liabilities (net of current portion)	<u>15,260,164</u>

Total liabilities	<u>16,122,810</u>
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Net Position

Net investment in capital assets	11,228,088
Restricted for debt service	992,211
Unrestricted	<u>523,679</u>
Total net position	\$ <u>12,743,978</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, 2021**

Business-Type Activities
Municipal Building
Commission

Operating Revenues

Charges for services	\$ 178,888
Operating donations	<u>457,100</u>
Total operating revenues	<u>635,988</u>

Operating Expenses

Maintenance	55,251
General and administrative	126,078
Theatre expense	440,015
Depreciation	<u>737,256</u>
Total operating expenses	<u>1,358,600</u>

Operating income (loss)	(<u>722,612</u>)
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Nonoperating Revenues (Expenses)

Interest	16,272
Contributions	-0-
Interest and fiscal charges	(<u>643,246</u>)
Total nonoperating revenues (expenses)	(<u>626,974</u>)

Change in net position before operating transfers in (out)	(1,349,586)
Operating transfers in (out)	<u>1,370,568</u>

Change in net position	20,982
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Total net position – beginning – restated	<u>12,722,996</u>
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Total net position – ending	\$ <u>12,743,978</u>
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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, 2021

Business-Type Activities
Municipal Building
Commission

Cash Flows from Operating Activities

Receipts from customers	\$ 14,644
Net cash (used in) operating activities	<u>14,644</u>

Cash Flows from Noncapital Financing Activities

Transfers from other activities	1,370,568
Net cash provided by noncapital financing activities	<u>1,370,568</u>

Cash Flows from Capital and Related Financing Activities

Repayment of revenue bonds	(804,282)
(Increase) in restricted assets	(116,827)
Interest expense	(618,891)
Net cash (used in) capital and related financing activities	<u>(1,540,000)</u>

Cash Flows from Investing Activities

Interest on investments	16,272
Net cash provided by investing activities	<u>16,272</u>

Net (decrease) in cash	(138,516)
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Cash at beginning of year	<u>693,824</u>
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Cash at end of year	\$ <u>555,308</u>
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Reconciliation of operating income (loss) to net cash provided by operating activities:

Operating income (loss)	\$ (722,612)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	737,256
Net cash provided by operating activities	\$ <u>14,644</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
FIDUCIARY RESPONSIBILITIES
STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Pension</u> <u>Trust Funds</u>
Assets	
Cash	\$ 313,880
Investments:	
Cash reserves	2,981,801
Mutual funds	20,622,489
Certificates of deposit	508,122
Corporate bonds	3,711,760
Corporate stocks	2,540,656
Receivables:	
Accrued interest	<u>12,967</u>
Total assets	<u>30,691,675</u>
Liabilities	
Accounts payable	<u>-0-</u>
Total liabilities	<u>-0-</u>
Net Position	
Held in trust for pension benefits	\$ <u>30,691,675</u>

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, 2021**

Pension
Trust Funds

Additions

Contributions:

Employer	\$ 3,716,482
Employee	403,710
Insurance premium tax allocation	<u>955,576</u>
Total contributions	<u>5,075,768</u>

Investment income:

Net appreciation in fair value of investments	5,197,346
Net gain (loss) on sale of investments	445,256
Interest and dividends	<u>369,024</u>
Total investment income	<u>6,011,626</u>

Total additions	<u>11,087,394</u>
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Deductions

General and administrative	176,972
Benefit payments	<u>2,933,315</u>
Total deductions	<u>3,110,287</u>

Net increase	7,977,107
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Net position – beginning of year	<u>22,714,568</u>
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Net position – end of year	\$ <u>30,691,675</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, 2021**

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 (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

(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, 2021**

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, 2021**

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.

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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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, 2021, 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	\$ 211,410,692	25.00 cents	12.50 cents
Class IV	\$ 426,320,430	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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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, 2021, the Municipality adopted the following GASB statements:

GASB 84 – *Fiduciary Activities* – The primary objective of this Statement was to enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. This statement had no effect on the accompanying financial statements.

GASB 90 – *Majority Equity Interests an amendment of GASB Statements No. 14 and No. 61* – The primary objective of this Statement was to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement required that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. This statement 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).

The following are recent GASB Pronouncements for which the Municipality has not adopted as of June 30, 2021:

GASB 89 – *Accounting for Interest Cost Incurred Before the End of a Construction Period* – This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

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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.

GASB 92 – *Omnibus 2020* – The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions regarding the effective date of GASB Statement 87, *Leases* and Implementation Guide No. 2019-3, *Leases*, for interim financial reports; Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other post-employment benefit (OPEB) plan; The applicability of GASB Statement 73, *Accounting and Financial Reporting for Pensions and Related Assets That are Not within the Scope of GASB Statement 68*; the applicability of certain requirements of GASB Statement 84, *Fiduciary Activities*; measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature and terminology used to refer to derivative instruments. The effective dates of this Statement are as follows, the requirements related to GASB Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance; the requirements related to intra-entity transfers of assets and those related to the applicability of GASB Statement 73, GASB Statement 74, GASB Statement 84 are effective for fiscal years beginning after June 15, 2021

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GASB 93 – Replacement of Interbank Offered Rates – Some government's have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) – most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This Statement is effective for reporting periods ending after June 15, 2021.

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.

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.

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GASB 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other post-employment benefit (OPEB) plans, and employee benefit plans other than pension or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits through those plans. This Statement is effective for fiscal years beginning after June 15, 2021.

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 \$343,096.

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>
\$ 1,263,356	General Government expenditures increase
(12,208)	Public Safety expenditures (decrease)
(75,499)	Streets and Transportation expenditures (decrease)
(74,023)	Health and Sanitation expenditures (decrease)
(1,000)	Culture and Recreation expenditures (decrease)

Coal Severance Fund

<u>Amount</u>	<u>Description</u>
\$ (726)	General Government expenditures (decrease)
(7,100)	Public Safety expenditures (decrease)
(5,000)	Streets and Transportation expenditures (decrease)
(500)	Health and Sanitation expenditures (decrease)

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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			
TD Ameritrade Cash	\$ 995,558	\$ 995,558	\$ -0-
Mutual Funds	<u>14,187,359</u>	<u>10,654,523</u>	<u>3,532,836</u>
	<u>\$ 15,182,917</u>	<u>\$ 11,650,081</u>	<u>\$ 3,532,836</u>

	<u>Fair Value</u>	<u>Credit Risk Rating Standard & Poor's and Fitch</u>	<u>Moody's Investment Services</u>
Policemen's Pension and Relief			
TD Ameritrade cash	\$ 995,558	AAA	AAA
Mutual funds	<u>14,187,359</u>	N/A	N/A
	<u>\$ 15,182,917</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>
TD Ameritrade cash	\$ 995,558	\$ -0-	\$ -0-	\$ -0-	\$ 995,558
Mutual funds	<u>14,187,359</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>14,187,359</u>
	<u>\$ 15,182,917</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 15,182,917</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>
Fidelity Government Cash Reserves	\$ 995,558	6.56%
Ishares Trust ETF	1,417,175	9.33%
Fidelity Investments Advisor Strategic Income Z	1,097,139	7.23%
Fidelity Investments Total Bond Z	2,244,338	14.78%
Morgan Stanley Institutional Funds Growth I	3,258,558	21.46%
Parnassus Investments Mid Cap Inst	1,559,364	10.27%
Vanguard Div Growth Investor	2,459,883	16.20%
Wasatch Funds Ultra Growth Inst	1,586,609	10.45%

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	\$ 1,986,243	\$ 1,986,243	\$ -0-
Mutual funds	6,435,130	2,966,861	3,468,269
Certificates of deposit	508,122	505,879	2,243
Corporate bonds	3,711,760	3,736,152	(24,392)
Corporate stocks	<u>2,540,656</u>	<u>1,317,070</u>	<u>1,223,586</u>
	<u>\$ 15,181,911</u>	<u>\$ 10,512,205</u>	<u>\$ 4,669,706</u>

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		Credit Risk Rating	
		Standard & Poor's and Fitch	Moody's Investment Services
	Fair Value		
Firemen's Pension and Relief			
Fidelity government cash reserves	\$ 1,986,243	AAA	AAA
Mutual funds	6,435,130	N/A	N/A
Certificates of deposit	508,122	N/A	N/A
Corporate bonds	3,711,760	BBB+-AAA	A1-AAA
Corporate stocks	<u>2,540,656</u>	N/A	N/A
	\$ <u>15,181,911</u>		

<u>Interest Rate Risk</u>	<u>Less Than</u> <u>1 Year</u>	<u>1 – 5 Years</u>	<u>6 – 10 Years</u>	<u>Over</u> <u>10 Years</u>	<u>Total</u>
Firemen's Pension and Relief					
Fidelity government cash reserves	\$ 1,986,243	\$ -0-	\$ -0-	\$ -0-	\$ 1,986,243
Mutual funds	6,435,130	-0-	-0-	-0-	6,435,130
Certificates of deposit	-0-	401,650	106,472	-0-	508,122
Corporate bonds	978,100	1,062,366	1,569,190	102,104	3,711,760
Corporate stocks	<u>2,540,656</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>2,540,656</u>
	\$ <u>11,940,129</u>	\$ <u>1,464,016</u>	\$ <u>1,675,662</u>	\$ <u>102,104</u>	\$ <u>15,181,911</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 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>
Fidelity Government Cash Reserves	\$ 1,986,243	13.08%
Ishares Russell Midcap Value ETF	1,062,185	7.00%
Ishares Russell 2000 Value ETF	1,007,716	6.64%
Ishares Tr Rus MD CP Gr ETF	973,520	6.41%
Ishares S & P Midcap 400 Index Fund	959,366	6.32%
Spdr S & P 500 ETF Trust Unit	706,299	4.65%

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

Sanitary Sewer Board

	<u>Fair Value</u>	<u>Credit Risk Rating</u>	
		<u>Standard & Poor's and Fitch</u>	<u>Moody's Investment Services</u>
WV Municipal Bond Commission	\$ 374,373	Not Rated	Not Rated
Money market	<u>782,442</u>	Not Rated	Not Rated
	<u>\$ 1,156,815</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>
WV Municipal Bond Commission	\$ 374,373	\$ -0-	\$ -0-	\$ -0-	\$ 374,373
Money market	<u>782,442</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>782,442</u>
	<u>\$ 1,156,815</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 1,156,815</u>

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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>992,211</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>992,211</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>992,211</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 \$8,255,065, which were collateralized with a depository bond.

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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 \$32,513,854. 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	\$ 8,255,065
Investments – collateralized and secured	<u>32,513,854</u>
Total	\$ <u>40,768,919</u>
Cash and cash equivalents	\$ 8,255,065
Cash and investments – restricted	2,149,026
Investments	<u>30,364,828</u>
Total	\$ <u>40,768,919</u>

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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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	\$ 989,670	\$ -0-	\$ -0-	\$ -0-	\$ 989,670	\$ -0-	\$ 1,096,434
Taxes	2,227,828	9,433	1,294,620	215,240	3,747,121	-0-	-0-
Grants	58,846	-0-	-0-	-0-	58,846	-0-	-0-
Other	38,860	-0-	-0-	-0-	38,860	-0-	-0-
Notes	-0-	-0-	-0-	17,723	17,723	-0-	-0-
Interest	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>12,967</u>	<u>-0-</u>
Total	\$ <u>3,315,204</u>	\$ <u>9,433</u>	\$ <u>1,294,620</u>	\$ <u>232,963</u>	\$ <u>4,852,220</u>	\$ <u>12,967</u>	\$ <u>1,096,434</u>

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

	<u>General Fund</u>	<u>Coal Severance Fund</u>	<u>Municipal Sales and Use Tax Fund</u>	<u>Other Nonmajor Funds</u>	<u>Total Primary Government</u>	<u>Fiduciary Funds</u>	<u>Component Unit Sanitary Board Fund</u>
Receivables:							
Accounts	\$ 1,684	\$ -0-	\$ -0-	\$ -0-	\$ 1,684	\$ -0-	\$ 37,658
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>37,658</u>

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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>540,044</u>
Total deferred revenue for governmental funds	\$ <u>540,044</u>

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021, 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	-0-	-0-	14,728,208
Infrastructure	17,864,949	-0-	-0-	17,864,949
Machinery and equipment	<u>10,005,098</u>	<u>170,465</u>	<u>-0-</u>	<u>10,175,563</u>
Totals at historical cost	42,598,255	170,465	-0-	42,768,720
Less: Accumulated depreciation	<u>24,481,531</u>	<u>990,039</u>	<u>-0-</u>	<u>25,471,570</u>
Total depreciable assets – net	<u>18,116,724</u>	<u>(819,574)</u>	<u>-0-</u>	<u>17,297,150</u>
Governmental activities capital assets – net	\$ <u>18,827,251</u>	\$ <u>(819,574)</u>	\$ <u>-0-</u>	\$ <u>18,007,677</u>

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Depreciation expense was charged to governmental activities as follows:

General government	\$ 148,050
Public safety	231,231
Highways and streets	384,874
Health and sanitation	21,880
Culture and recreation	<u>204,004</u>
	<u>\$ 990,039</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>5,065,920</u>	<u>737,256</u>	<u>-0-</u>	<u>5,803,176</u>
Total depreciable assets	<u>28,056,525</u>	<u>(737,256)</u>	<u>-0-</u>	<u>27,319,269</u>
Business-type activities capital assets – net	\$ <u>28,056,525</u>	\$ <u>(737,256)</u>	\$ <u>-0-</u>	\$ <u>27,319,269</u>

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	<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>390,800</u>	<u>2,706,040</u>	<u>-0-</u>	<u>3,096,840</u>
Total nondepreciable assets	<u>474,865</u>	<u>2,706,040</u>	<u>-0-</u>	<u>3,180,905</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>28,798,060</u>	<u>33,415</u>	<u>-0-</u>	<u>28,831,475</u>
Total at historical cost	38,225,791	33,415	-0-	38,259,206
Less: Accumulated depreciation	<u>20,258,265</u>	<u>714,530</u>	<u>-0-</u>	<u>20,972,795</u>
Total depreciable assets – net	<u>17,967,526</u>	<u>(681,115)</u>	<u>-0-</u>	<u>17,286,411</u>
Business-type activities capital assets – net	\$ <u>18,442,391</u>	\$ <u>2,024,925</u>	\$ <u>-0-</u>	\$ <u>20,467,316</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>4,888,939</u>	<u>105,420</u>	<u>-0-</u>	<u>4,994,359</u>
Total depreciable assets – net	<u>3,566,655</u>	<u>(105,420)</u>	<u>-0-</u>	<u>3,461,235</u>
Business-type activities capital assets – net	\$ <u>6,110,556</u>	\$ <u>(105,420)</u>	\$ <u>-0-</u>	\$ <u>6,005,136</u>

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D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Police Fine Escrow Fund	General Fund	\$ 10,823
Park Board	Park Board Special Levy	\$ 42,876
General Fund	American Rescue Plan Fund	\$ 100
Capital Improvement Levy Fund	General Fund	\$ 196,095
Park Board Special Levy	Capital Improvement Levy Fund	\$ 34,193
Financial Stabilization Fund	Capital Improvement Levy Fund	\$ 272,100
General Fund	Dental and Vision Benefit Fund	\$ 17,834
General Fund	PEIA Fund	\$ 4,518
General Fund	Sanitary Board	\$ 41,189
Financial Stabilization Fund	General Fund	\$ 3,497,672

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Interfund Transfers:

	<u>Park Board Special Levy Fund</u>	<u>Municipal Building Commission</u>	<u>Urban Renewal Authority</u>	<u>Police Fund</u>	<u>General Fund</u>	<u>Capital Improvement Levy Fund</u>	<u>Park Board</u>	<u>Total</u>
<u>Transfers Out:</u>								
Park Board Special Levy Fund	\$ -0-	\$ 146,008	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 146,008
Municipal Sales and Use Tax Fund	-0-	937,167	-0-	-0-	2,000,000	-0-	-0-	2,937,167
Capital Improvement Levy Fund	543,650	-0-	-0-	-0-	-0-	-0-	-0-	543,650
General Fund	<u>-0-</u>	<u>287,393</u>	<u>183,296</u>	<u>98,590</u>	<u>-0-</u>	<u>-0-</u>	<u>46,442</u>	<u>615,721</u>
Total	\$ <u>543,650</u>	\$ <u>1,370,568</u>	\$ <u>183,296</u>	\$ <u>98,590</u>	\$ <u>2,000,000</u>	\$ <u>-0-</u>	\$ <u>46,442</u>	\$ <u>4,242,546</u>

Interfund transfers provide appropriations to subsidize the funds to support the programs and activities of the government.

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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>Nonmajor Funds</u>	<u>Total</u>
Committed:					
Streets and transportation	\$ <u>-0-</u>	\$ <u>19,364</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>19,364</u>
Assigned:					
Public safety	-0-	-0-	-0-	340,710	340,710
Capital improvements	-0-	-0-	-0-	652,146	652,146
General government	-0-	-0-	2,853,630	21,379	2,875,009
Culture and recreation	-0-	-0-	-0-	615,596	615,596
Community development	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>850,576</u>	<u>850,576</u>
Total assigned	<u>-0-</u>	<u>-0-</u>	<u>2,853,630</u>	<u>2,480,407</u>	<u>5,334,037</u>
Unassigned	<u>4,474,921</u>	<u>-0-</u>	<u>-0-</u>	<u>(3,488)</u>	<u>4,471,433</u>
Total fund balance	\$ <u>4,474,921</u>	\$ <u>19,364</u>	\$ <u>2,853,630</u>	\$ <u>2,476,919</u>	\$ <u>9,824,834</u>

It was determined during this examination that the Dental and Vision Benefit Fund had a deficit fund balance of \$3,488. 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 \$17,643,436 at June 30, 2021. The elimination of this deficit is dependent on the increase of revenues and decrease of expenditures in future periods.

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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F. Long-Term Debt

Long-term liability activity for Governmental Activities for the year ended June 30, 2021 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						
Obligation under capital lease	\$ 1,364,436	\$ -0-	\$ 224,863	\$ 1,139,573	\$ 205,824	\$ 933,749
Accrued compensated absences	1,445,902	-0-	240,956	1,204,946	728,258	476,688
Accrued other post-employment benefit obligation	2,611,670	-0-	1,961,048	650,622	-0-	650,622
Net pension obligation	45,598,568	-0-	14,103,495	31,495,073	-0-	31,495,073
General obligation notes payable	<u>534,566</u>	<u>-0-</u>	<u>160,220</u>	<u>374,346</u>	<u>166,692</u>	<u>207,654</u>
Governmental activities long-term liabilities	\$ <u>51,555,142</u>	\$ <u>-0-</u>	\$ <u>16,690,582</u>	\$ <u>34,864,560</u>	\$ <u>1,100,774</u>	\$ <u>33,763,786</u>

Long-term liability activity for the year ended June 30, 2021 was as follows:

The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on December 10, 2009 to finance the lease of energy conversation project (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 lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payment as of the date of inception. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments at June 30, 2021:

For the Year Ended June 30,

2022	\$ 102,100
2023	103,400
2024	101,038
2025	<u>21,190</u>
	327,728
Less: Amount representing interest	(<u>40,459</u>)
Present value of future minimum lease payments	287,269
Less: Current portion	(<u>79,008</u>)
Non-current portion	\$ <u>208,261</u>

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The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on October 9, 2014 to finance the lease of a dump truck. This lease qualifies 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. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments at June 30, 2021:

For the Year Ended June 30,

2022	\$ 7,342
Less: Amount representing interest	(60)
Present value of future minimum lease payments	7,282
Less: Current portion	(7,282)
Non-current portion	\$ <u>-0-</u>

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The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on October 9, 2014 to finance the lease of a street flusher. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payment as of the date of inception. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments at June 30, 2021:

For the Year Ended June 30,

2022	\$ 12,293
2023	12,293
2024	12,293
2025	12,293
2026	12,293
2027	<u>6,147</u>
	67,612
Less: Amount representing interest	(<u>5,131</u>)
Present value of future minimum lease payments	62,481
Less: Current portion	(<u>11,024</u>)
Non-current portion	\$ <u>51,457</u>

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The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on October 9, 2014 to finance the lease of a fire truck and bull dozer. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payment as of the date of inception. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments at June 30, 2021:

For the Year Ended June 30,

2022	\$ 53,618
2023	53,618
2024	53,618
2025	53,618
2026	53,618
2027	53,618
2028	53,618
2029	53,618
2030	<u>26,809</u>
	455,753
Less: Amount representing interest	(<u>58,765</u>)
Present value of future minimum lease payments	396,988
Less: Current portion	(<u>43,091</u>)
Non-current portion	\$ <u>353,897</u>

The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on March 18, 2017 to finance a track loader. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payment as of the date of inception. This lease was paid in full in the current fiscal year.

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The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on June 22, 2018 to finance the lease of a yard waste collection truck. This lease qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payment as of the date of inception. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments at June 30, 2021:

For the Year Ended June 30,

2022	\$ 17,554
2023	17,554
2024	17,554
2025	<u>17,554</u>
	70,216
Less: Amount representing interest	<u>(4,947)</u>
Present value of future minimum lease payments	65,269
Less: Current portion	<u>(15,523)</u>
Non-current portion	\$ <u>49,746</u>

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The Park Board of the Municipality of Clarksburg, West Virginia entered into a lease agreement on October 1, 2019 to finance the lease of a bobcat excavator. This lease qualifies 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. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments as of June 30, 2021:

For the Year Ended June 30,

2022	\$ 12,133
2023	12,133
2024	12,133
2025	<u>5,909</u>
	42,308
Less: Amount representing interest	(<u>6,390</u>)
Present value of future minimum lease payments	35,918
Less: Current portion	(<u>10,695</u>)
Non-current portion	\$ <u>25,223</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
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The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on July 17, 2019 to finance the lease of waterpark equipment. This lease qualifies 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. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments as of June 30, 2021:

For the Year Ended June 30,

2022	\$ 33,022
2023	33,022
2024	33,022
2025	33,022
2026	33,022
2027	33,022
2028	33,022
2029	33,022
2030	<u>6,868</u>
	271,044
Less: Amount representing interest	(<u>45,263</u>)
Present value of future minimum lease payments	225,781
Less: Current portion	(<u>23,913</u>)
Non-current portion	\$ <u>201,868</u>

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

The General Fund of the Municipality of Clarksburg, West Virginia entered into a lease agreement on April 24, 2020 to finance the lease of equipment. This lease qualifies 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. The following is a schedule of future minimum lease payments required under this capital lease and the present value of the net minimum lease payments as of June 30, 2021:

For the Year Ended June 30,

2022	\$ 15,288
2023	15,288
2024	15,288
2025	<u>12,721</u>
	58,585
Less: Amount representing interest	<u>-0-</u>
Present value of future minimum lease payments	58,585
Less: Current portion	<u>(15,288)</u>
Non-current portion	\$ <u>43,297</u>

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

The following is a schedule of the total future minimum lease payments required under all of the capital leases and the present value of the net minimum lease payments at June 30, 2021:

For the Year Ended June 30,

2022	\$ 253,350
2023	247,308
2024	244,946
2025	156,307
2026	98,933
2027	92,787
2028	86,640
2029	86,640
2030	<u>33,677</u>
	1,300,588
Less: Amount representing interest	(<u>161,015</u>)
Present value of future minimum lease payments	1,139,573
Less: Current portion	(<u>205,824</u>)
Non-current portion	\$ <u>933,749</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>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 18,591	\$ 15,289	\$ 3,302
2023	18,591	15,862	2,729
2024	18,591	16,457	2,134
2025	18,591	17,075	1,516
2026	18,591	17,715	876
2027	<u>12,727</u>	<u>12,537</u>	<u>190</u>
	\$ <u>105,682</u>	\$ <u>94,935</u>	\$ <u>10,747</u>

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 90,860	\$ 86,739	\$ 4,121
2023	<u>34,637</u>	<u>34,249</u>	<u>388</u>
	\$ <u>125,497</u>	\$ <u>120,988</u>	\$ <u>4,509</u>

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>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 92,436	\$ 79,953	\$ 12,483
2023	92,436	84,673	7,763
2024	<u>91,463</u>	<u>88,732</u>	<u>2,731</u>
	\$ <u>276,335</u>	\$ <u>253,358</u>	\$ <u>22,977</u>

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MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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Long-term liability activity for Business-Type Activities Unit for the year ended June 30, 2021 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>Balance</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>	<u>Amounts</u> <u>Due After</u> <u>One Year</u>
Business-Type Activities – Municipal Building Commission						
Bonds and notes payable:						
United States Department of Agriculture	\$ 1,233,983	\$ -0-	\$ 215,585	\$ 1,018,398	\$ 204,162	\$ 814,236
United States Department of Agriculture	36,457	-0-	13,935	22,522	14,475	8,047
United States Department of Agriculture	483,662	-0-	23,199	460,463	22,932	437,531
United States Department of Agriculture	64,682	-0-	3,056	61,626	3,016	58,610
Lease Revenue Bonds – Series 2012	1,781,432	-0-	62,848	1,718,584	70,967	1,647,617
Lease Revenue Bonds – Series 2013	606,370	-0-	34,094	572,276	35,051	537,225
Lease Revenue Bond – MVB	228,139	-0-	27,860	200,279	28,711	171,568
Lease Revenue Bond – Series 2016A	33,495	-0-	33,495	-0-	-0-	-0-
Sales Tax Revenue Bonds, Series 2016A	1,483,833	-0-	35,883	1,447,950	33,434	1,414,516
Sales Tax Revenue Refunding Bonds – Series 2019A	8,406,241	-0-	152,069	8,254,172	129,499	8,124,673
Sales Tax Revenue Bonds – Series 2019B	<u>2,537,169</u>	<u>-0-</u>	<u>202,258</u>	<u>2,334,911</u>	<u>288,770</u>	<u>2,046,141</u>
Total bonds and notes payable	\$ <u>16,895,463</u>	\$ <u>-0-</u>	\$ <u>804,282</u>	\$ <u>16,091,181</u>	\$ <u>831,017</u>	\$ <u>15,260,164</u>

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 City 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.

\$ 1,018,398

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 250,440	\$ 204,162	\$ 46,278
2023	250,440	214,607	35,833
2024	250,440	225,587	24,853
2025	250,440	237,128	13,312
2026	<u>139,017</u>	<u>136,814</u>	<u>2,203</u>
	\$ <u>1,140,777</u>	\$ <u>1,018,298</u>	\$ <u>122,479</u>

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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\$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. \$ 22,522

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 15,192	\$ 14,475	\$ 717
2023	<u>8,159</u>	<u>8,047</u>	<u>112</u>
	\$ <u>23,351</u>	\$ <u>22,522</u>	\$ <u>829</u>

\$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. \$ 460,463

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 41,496	\$ 22,932	\$ 18,564
2023	41,496	23,896	17,600
2024	41,496	24,901	16,595
2025	41,496	25,948	15,548
2026	41,496	27,038	14,458
2027 – 2031	207,480	153,229	54,251
2032 – 2036	<u>201,743</u>	<u>182,519</u>	<u>19,224</u>
	\$ <u>616,703</u>	\$ <u>460,463</u>	\$ <u>156,240</u>

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\$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. \$ 61,626

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 5,652	\$ 3,016	\$ 2,636
2023	5,652	3,150	2,502
2024	5,652	3,291	2,361
2025	5,652	3,438	2,214
2026	5,652	3,592	2,060
2027 – 2031	28,260	20,510	7,750
2032 – 2036	<u>27,375</u>	<u>24,629</u>	<u>2,746</u>
	\$ <u>83,895</u>	\$ <u>61,626</u>	\$ <u>22,269</u>

Lease Revenue Bonds Series 2012

This \$2,200,000 issue was authorized on February 21, 2012 for the purpose of financing costs of the design, acquisition, construction and equipping of a new family aquatics center at the existing site of the Municipality of Clarksburg Municipal Swimming Pool facility located at the Veteran's Memorial Park, Municipality of Clarksburg, West Virginia, together with all necessary appurtenances and the payment of costs of issuance of such bonds. The bonds are issued as draw-down bonds with MVB Bank, Inc. advancing a portion of the purchase price and authorized principal amount thereof as necessary to pay costs of issuance of the bonds and costs of the project as incurred. \$ 1,718,584

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
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Future debt maturities based on current financing arrangements are as follows:

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 146,008	\$ 70,967	\$ 75,041
2023	146,008	74,190	71,818
2024	146,008	77,560	68,448
2025	146,008	81,082	64,926
2026	146,008	84,765	61,243
2027 – 2031	730,040	485,191	244,849
2032 – 2036	730,040	605,851	124,189
2037 – 2038	<u>248,572</u>	<u>238,978</u>	<u>9,594</u>
	\$ <u>2,438,692</u>	\$ <u>1,718,584</u>	\$ <u>720,108</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.

\$ 572,276

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 52,852	\$ 35,051	\$ 17,801
2023	52,852	36,189	16,663
2024	52,852	37,364	15,488
2025	52,852	38,577	14,275
2026	52,852	39,830	13,022
2027 – 2031	264,260	219,413	44,847
2032 – 2035	<u>175,011</u>	<u>165,852</u>	<u>9,159</u>
	\$ <u>703,531</u>	\$ <u>572,276</u>	\$ <u>131,255</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.

\$ 200,279

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 34,702	\$ 28,711	\$ 5,991
2023	34,702	29,644	5,058
2024	34,702	30,606	4,096
2024	34,702	31,600	3,102
2026	34,702	32,627	2,075
2027 – 2028	<u>48,202</u>	<u>47,091</u>	<u>1,111</u>
	\$ <u>221,712</u>	\$ <u>200,279</u>	\$ <u>21,433</u>

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Lease Revenue Bonds Series 2016A

This \$220,000 issue was authorized on February 5, 2016 for the purpose of financing costs of the acquisition of the Harrison County YMCA Lowndes Hill facility and costs of issuance of the Series 2016A Bonds. The bond was purchased by the Harrison County Economic Alliance Corporation and bear interest of 3.00%. The bonds are secured by a deed of trust on real estate and improvements of the acquired financed property.

\$ -0-

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.

\$ 1,447,950

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 74,824	\$ 33,434	\$ 41,390
2023	74,824	34,402	40,422
2024	74,824	35,398	39,426
2025	74,824	36,423	38,401
2026	74,824	37,478	37,346
2027 – 2031	374,120	204,311	169,809
2032 – 2036	374,120	235,656	138,464
2037 – 2041	374,120	271,808	102,312
2042 – 2046	374,120	313,508	60,612
2047 – 2050	<u>259,761</u>	<u>245,532</u>	<u>14,229</u>
	\$ <u>2,130,361</u>	\$ <u>1,447,950</u>	\$ <u>682,411</u>

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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. \$ 8,254,172

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 396,716	\$ 129,499	\$ 267,217
2023	396,716	133,742	262,974
2024	396,716	138,124	258,592
2025	396,716	142,649	254,067
2026	396,716	147,323	249,393
2027 – 2031	1,983,580	812,261	1,171,319
2032 – 2036	1,983,580	954,337	1,029,243
2037 – 2041	1,983,580	1,121,261	862,319
2042 – 2046	1,983,580	1,317,385	666,195
2047 – 2051	1,983,580	1,547,812	435,768
2052 – 2056	<u>1,974,814</u>	<u>1,809,779</u>	<u>165,035</u>
	\$ <u>13,876,294</u>	\$ <u>8,254,172</u>	\$ <u>5,622,122</u>

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Sales Tax Revenue Bonds Series 2019B

This \$2,750,000 issue was authorized on June 14, 2019 for the purpose of financing costs of repairs of road embankment failures through the City, together with all site work and appurtenances related thereto and the payment of engineering costs and fees and other costs for consulting or professional services that may be necessary in connection therewith. The bond was purchased by MVB Bank, Inc. and bears interest of 5.50%. 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 any funds pledged under the third supplemental indenture for the payment of the Series 2019B bonds. The principal amount of the Series 2019B bonds plus interest on the unpaid principal balance shall be due and payable each June 1 and December 1 in equal amortizing semi-annual installment amounts commencing December 1, 2019 and concluding on December 1, 2029.

\$ 2,334,911

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 361,195	\$ 288,770	\$ 72,425
2023	361,195	298,084	63,111
2024	361,195	307,699	53,496
2025	361,195	317,624	43,571
2026	361,195	327,870	33,325
2027 – 2028	<u>831,159</u>	<u>794,864</u>	<u>36,295</u>
	\$ <u>2,637,134</u>	\$ <u>2,334,911</u>	\$ <u>302,223</u>

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 1,379,077	\$ 831,017	\$ 548,060
2023	1,372,044	855,951	516,093
2024	1,363,885	880,530	483,355
2025	1,363,885	914,469	449,416
2026	1,252,462	837,337	415,125
2027 – 2031	4,467,101	2,736,870	1,730,231
2032 – 2036	3,491,869	2,168,844	1,323,025
2037 – 2041	2,606,272	1,632,047	974,225
2042 – 2046	2,357,700	1,630,893	726,807
2047 – 2051	2,243,341	1,793,344	449,997
2052 – 2056	<u>1,974,814</u>	<u>1,809,779</u>	<u>165,035</u>
	\$ <u>23,872,450</u>	\$ <u>16,091,081</u>	\$ <u>7,781,369</u>

Long-term liability activity for Business-Type Activities – Component Unit for the year ended June 30, 2021 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	\$ 500,000	\$ -0-	\$ 50,000	\$ 450,000	\$ 50,000	\$ 400,000
2014A Sewer Revenue Bonds	10,217,788	-0-	380,623	9,837,165	382,531	9,454,634
2020A Sewer Revenue Bonds	-0-	3,276,049	-0-	3,276,049	156,711	3,119,338
MVB Bank	<u>389,457</u>	<u>-0-</u>	<u>389,457</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total bonds and notes payable	<u>11,107,245</u>	<u>3,276,049</u>	<u>820,080</u>	<u>13,563,214</u>	<u>589,242</u>	<u>12,973,972</u>
Other long-term debt						
Accrued compensated absences	103,055	116,507	-0-	219,562	219,562	-0-
Net pension obligation	237,871	288,383	-0-	526,254	-0-	526,254
Net other post-employment benefit obligation	<u>499,166</u>	<u>-0-</u>	<u>370,880</u>	<u>128,286</u>	<u>-0-</u>	<u>128,286</u>
Total other long-term debt	<u>840,092</u>	<u>404,890</u>	<u>370,880</u>	<u>874,102</u>	<u>219,562</u>	<u>654,540</u>
Total long-term debt	\$ <u>11,947,337</u>	\$ <u>3,680,939</u>	\$ <u>1,190,960</u>	\$ <u>14,437,316</u>	\$ <u>808,804</u>	\$ <u>13,628,512</u>

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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.

\$ 450,000

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 50,000	\$ 50,000	\$ -0-
2023	50,000	50,000	-0-
2024	50,000	50,000	-0-
2025	50,000	50,000	-0-
2026	50,000	50,000	-0-
2027 – 2030	<u>200,000</u>	<u>200,000</u>	<u>-0-</u>
	\$ <u>450,000</u>	\$ <u>450,000</u>	\$ <u>-0-</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, 2021 was \$62,568.

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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.

\$ 9,837,165

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 431,000	\$ 382,531	\$ 48,469
2023	431,000	384,447	46,553
2024	431,000	386,373	44,627
2025	431,000	388,308	42,692
2026	431,000	390,253	40,747
2027 – 2031	2,155,000	1,980,788	174,212
2032 – 2036	2,155,000	2,030,900	124,100
2037 – 2041	2,155,000	2,082,279	72,721
2042 – 2046	<u>1,831,730</u>	<u>1,811,286</u>	<u>20,444</u>
	\$ <u>10,451,730</u>	\$ <u>9,837,165</u>	\$ <u>614,565</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, 2021 was \$311,805.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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. \$ 3,276,049

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

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 218,038	\$ 156,711	\$ 61,327
2023	529,160	320,210	208,950
2024	529,160	328,829	200,331
2025	529,160	337,966	191,194
2026	529,160	347,355	181,805
2027 – 2031	2,645,800	1,887,025	758,775
2032 – 2036	2,645,800	2,164,156	481,644
2037 – 2040	<u>2,116,640</u>	<u>1,957,748</u>	<u>158,892</u>
	\$ <u>9,742,918</u>	\$ <u>7,500,000</u>	\$ <u>2,242,918</u>

As of June 30, 2021, the City of Clarksburg had drawn down \$3,276,049 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, 2021 was \$-0-.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
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The future bond debt maturity based on current financing arrangements for all bonds is as follows:

<u>For the Year Ended June 30,</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 699,038	\$ 589,242	\$ 109,796
2023	1,010,160	754,657	255,503
2024	1,010,160	765,202	244,958
2025	1,010,160	776,274	233,886
2026	1,010,160	787,608	222,552
2027 – 2031	4,898,753	3,965,766	932,987
2032 – 2036	2,155,000	2,030,900	124,100
2037 – 2041	2,155,000	2,082,279	72,721
2042 – 2046	<u>1,831,730</u>	<u>1,811,286</u>	<u>20,444</u>
	\$ <u>15,780,161</u>	\$ <u>13,563,214</u>	\$ <u>2,216,947</u>

G. Restricted Assets

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

	<u>Business-Type Activities</u>
Construction and maintenance account	\$ 1,299,625
Revenue bond account	<u>374,373</u>
Total restricted assets	\$ <u>1,673,998</u>

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

Revenue Bond account	\$ <u>992,211</u>
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See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

H. Benefits Funded by the State of West Virginia

For the year ended June 30, 2021, 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	\$ 460,990
Firemen's Pension and Relief Fund	<u>494,586</u>
Total	\$ <u>955,576</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, 2021**

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, 2021 the Municipality's ad valorem tax revenues were decreased by \$137,195.

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, 2021.

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, 2021.

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 (CONTD)
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Memberships of the plans are as follows:

<u>Group</u>	<u>PPRF</u>	<u>FPRF</u>	<u>Totals</u>
Active employees	40	42	82
Retirees and beneficiaries currently receiving benefits	51	52	103
Former members due refunds	<u>8</u>	<u>1</u>	<u>9</u>
	<u>99</u>	<u>95</u>	<u>194</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
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	<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, 2020 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, 2019, through June 30, 2020. 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	6.00%	5.50%

Mortality rates were based on the RP – 2014 Blue Collar Mortality tables with generational projection using Scale MP-2014, 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)
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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	\$ 26,487,262	\$ 34,592,764
Plan fiduciary net position	<u>16,026,380</u>	<u>15,192,901</u>
Net pension liability	\$ <u>10,460,882</u>	\$ <u>19,399,863</u>
Plan fiduciary net position as a percentage of the total pension liability	58.48%	43.92%

Discount Rate

The discount rate used to measure the total pension liability was 6.00% for the PPRF and 5.50% for the FPRF, and the municipal bond rate of 1.92% 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>Current Discount Rate</u>	<u>1% Increase</u>
PPRF's net pension liability	\$ 14,668,954	\$ 10,996,779	\$ 8,024,175
FPRF's net pension liability	\$ 24,228,294	\$ 19,399,863	\$ 15,469,640

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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For the year ended June 30, 2021, the Municipality's Policemen's Pension and Relief and Firemen's Pension and Relief reported deferred outflows of resources and deferred inflows of resources related to these pension plans from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual investment earnings on pension plan investments	\$ -0-	\$ 3,796,101
Differences between expected and actual experience	831,058	634,431
Changes in assumptions	<u>-0-</u>	<u>7,346,861</u>
	\$ <u>831,058</u>	\$ <u>11,777,393</u>

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

For the Year Ended June 30,

2022	\$(3,807,826)
2023	(3,774,157)
2024	(2,442,687)
2025	<u>(921,665)</u>
	\$(<u>10,946,335</u>)

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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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	\$ 305,724	\$ 8,156	\$ 313,880
Investments:			
Cash reserves	995,558	1,986,243	2,981,801
Mutual funds	14,187,359	6,435,130	20,622,489
Certificates of deposit	-0-	508,122	508,122
Corporate bonds	-0-	3,711,760	3,711,760
Corporate stocks	-0-	2,540,656	2,540,656
Receivables:			
Accrued interest	<u>-0-</u>	<u>12,967</u>	<u>12,967</u>
Total assets	<u>15,488,641</u>	<u>15,203,034</u>	<u>30,691,675</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>15,488,641</u>	\$ <u>15,203,034</u>	\$ <u>30,691,675</u>

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Policemen's Pension and Relief Fund</u>	<u>Firemen's Pension and Relief Fund</u>	<u>Total (Memorandum Only)</u>
Additions			
Contributions:			
Employer	\$ 1,852,686	\$ 1,863,796	\$ 3,716,482
Employee	218,223	185,487	403,710
Insurance premium tax allocation	<u>460,990</u>	<u>494,586</u>	<u>955,576</u>
Total contributions	<u>2,531,899</u>	<u>2,543,869</u>	<u>5,075,768</u>
Investment income:			
Net appreciation in fair value of investments	2,662,070	2,535,276	5,197,346
Net gain (loss) on sale of investments	442,915	2,341	445,256
Interest and dividends	<u>163,377</u>	<u>205,647</u>	<u>369,024</u>
Total investment income	<u>3,268,362</u>	<u>2,743,264</u>	<u>6,011,626</u>
Total additions	<u>5,800,261</u>	<u>5,287,133</u>	<u>11,087,394</u>
Deductions			
General and administrative	136,658	40,314	176,972
Benefit payments	<u>1,541,624</u>	<u>1,391,691</u>	<u>2,933,315</u>
Total deductions	<u>1,678,282</u>	<u>1,432,005</u>	<u>3,110,287</u>
Net increase	4,121,979	3,855,128	7,977,107
Net position – beginning of year	<u>11,366,662</u>	<u>11,347,906</u>	<u>22,714,568</u>
Net position – end of year	\$ <u>15,488,641</u>	\$ <u>15,203,034</u>	\$ <u>30,691,675</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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	10.00%
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 (CONTD)
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V.B.2 Trend Information

Public Employees Retirement System (PERS)

<u>Fiscal Year</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>
2021	\$ 478,627	100%
2020	\$ 492,779	100%
2019	\$ 483,178	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 plan is a defined benefit plan and provides pensions for all participating employees of the Municipality. The PERS plan is a statewide, cost-sharing, multiple-employer, defined benefit retirement plan for public employees established on July 1, 1961. All employees of the State of West Virginia and any political subdivision whose governing body elects to participate are required (with certain exceptions) to become members. The PERS Plan is managed by a Board of Trustees, which consists of the Governor, State Auditor, State Treasurer, and Secretary of the Department of Administration together with the following gubernatorial appointments that are subject to the advice and consent of the State Senate: for residents of the State who are not participants in the retirement plans, one State and one non-state employee participant in PERS, and one participant each from TRS, SPDDRS, SPRS, DSRS, EMSRS, MPFRS, and TDCRS.

Participants in the PERS Plan who retire at age 60 with at least five years of credited service or at least age 55 with their age plus service equal to 80 or greater are entitled to a retirement benefit, payable monthly for life, equal to 2% of average salary multiplied by years of service. Average salary is the average of the three consecutive highest annual earnings out of the last fifteen years of earnings. Terminated members with at least five years of contributory service who do not withdraw their accumulated contributions may elect to receive their benefits at age 62. The PERS Plan also provides death and disability benefits.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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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, 2020, 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, 2021, 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.

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

At June 30, 2021 the Municipality reported a liability of \$1,634,328 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 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, 2021, the Municipality reported the following proportions and increases/decreases from its proportion measured as of June 30, 2020:

Amount for proportionate share of net pension liability	\$ 1,634,328
Percentage for proportionate share of net pension liability	0.309139%
Increase (decrease) % from prior proportion measured	(7.90%)

See independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

For the year ended June 30, 2021, the Municipality recognized pension expense of \$511,007 on its government wide financial statements. At June 30, 2021, 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>
Net difference between projected and actual investment earnings on pension plan investments	\$ 517,999	\$ -0-
Differences between expected and actual experience	240,507	33,693
Changes in proportion and differences between employer contributions and proportionate share of contributions	20,353	64,362
Change in assumptions	-0-	72,011
Employer contributions subsequent to measurement period	<u>478,627</u>	<u>-0-</u>
	\$ <u>1,257,486</u>	\$ <u>170,066</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, 2021. 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,

2022	\$ 152,199
2023	152,198
2024	152,198
2025	<u>152,198</u>
	\$ <u>608,793</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Actuarial Information. The total pension liabilities for financial reporting purposes were determined by actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 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 2029
Actuarial assumptions:	
Investment rate of return	7.50%
Projected salary increases:	
State	3.10 – 5.30%
Nonstate	3.35 – 6.50%
Inflation rate	3.00%
Discount rate	7.50%
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> <p><i>Disabled Females</i> – 117% of Pub-2010 General/Teachers Disabled Female Table, headcount-weighted, projected generationally with Scale MP-2018</p>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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Withdrawal rates:

State	2.275% – 45.630%
Non-state	2.500% – 35.880%

Disability rates	0.005% – 0.540%
Retirement rates	12% – 100%

Dated range in most recent experience study	2013 – 2018
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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

Investment Objectives

The investment objectives are as follows:

- Exceed the actuarial interest rate assumption of 7.5 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	60.0%	55.0%
Private Equity	0.0%	10.0%
Fixed Income	40.0%	15.0%
Opportunistic Income	0.0%	0.0%
Hedge Fund	0.0%	10.0%
Real Estate	0.0%	10.0%

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Financial Highlights (in \$000s)

Progression of Plan Balance

June 30, 2019	\$ 6,895,386
Contributions	162,838
Withdrawals	<u>(374,450)</u>
Net	<u>(211,612)</u>
Investment Income	310
Net appreciation	<u>215,045</u>
June 30, 2020	<u><u>\$ 6,899,129</u></u>

<u>Asset Allocation</u>	<u>Fair Value</u>	<u>Percentage of Securities</u>
Domestic Equity	\$ 1,736,978	25.19%
International Qualified	441,466	6.40%
International Equity	1,269,763	18.40%
Short-Term Fixed Income	22,498	0.33%
Total Return Fixed Income	561,216	8.13%
Core Fixed Income	252,421	3.65%
Private Markets	1,932,867	28.02%
Hedge Fund	<u>681,920</u>	<u>9.88%</u>
Total	<u><u>\$ 6,899,129</u></u>	<u><u>100.00%</u></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	3.2%	7.5%
Three-year	6.3%	7.5%
Five-year	6.8%	7.5%
Ten-year	8.9%	7.5%
Twenty-year	6.6%	7.5%

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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Discount Rate. The discount rate used to measure the total pension liability was 7.50%. 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.

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 7.50 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 (6.50 percent) or 1 percentage point higher (8.50 percent) than the current rate.

	<u>1% Decrease</u> <u>(6.50%)</u>	<u>Current Discount</u> <u>Rate (7.50%)</u>	<u>1% Increase</u> <u>(8.50%)</u>
Municipality's proportionate share of the net pension asset (liability)	\$(7,612,826)	\$(1,634,328)	\$ 3,423,110

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.

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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 \$142 million for both fiscal years ending June 30, 2020 and June 30, 2019. Contributions to the OPEB plan from the Municipality were \$340,857 for the current fiscal year.

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 \$650,622 for its proportionate share of the net OPEB liability. The net OPEB liability, deferred inflows and outflows of resources and OEPB expense were determined by an actuarial valuation date as of June 30, 2019, rolled forward to June 30, 2020, 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, 2020, the government's proportion was .176347%, which was a increase of 12.06% from its proportion measured as of June 30, 2020.

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
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For this fiscal year, the Municipality recognized OPEB expense of \$1,705,339. 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>
Net difference between projected and actual investment earnings on OPEB plan investments	\$ 85,488	\$ 26,364
Differences between expected and actual experience	-0-	505,030
Changes in proportion and differences between employer contributions and proportionate share of contributions	197,895	273,151
Reallocation of opt-out employer change in proportionate share	-0-	50,221
Change in assumptions	-0-	1,758,158
Employer contributions subsequent to the measurement period	<u>340,859</u>	<u>-0-</u>
	\$ <u>624,242</u>	\$ <u>2,612,924</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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, 2022. 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,

2022	\$ (582,386)
2023	(582,385)
2024	(582,385)
2025	<u>(582,385)</u>
Total	\$ <u>(2,329,541)</u>

Actuarial Assumptions. The net OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following actuarial assumptions:

Inflation	2.25%
Salary increases	Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation
Investment rate of return	6.65%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	The trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2022, 6.50% for plan year end 2023, decreasing 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 31.11% for plan year end 2022. 9.15% for plan year end 2023, 8.40% for plan year end 2024, decreasing gradually each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.
Actuarial cost method	Entry Age Normal Cost Method

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2020 actuarial 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 Post Retirement	<p>TRS: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 100% for males and 108% for females.</p> <p>PERS: Pub-2010 Below-Median Income General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 106% for males and 113% for females.</p> <p>Troopers A and B: Pub-2010 Public Safety Healthy Retiree Mortality Tables projected with scale MP-2019 and scaling factors of 100% for males and females.</p>
Mortality Pre-Retirement	<p>TRS: Pub-2010 General Employee Mortality Tables projected with MP-2019.</p> <p>PERS: Pub-2010 Below-Median Income General Employee Mortality Tables projected with scale MP-2019.</p> <p>Troopers A and B: Pub-2010 Public Safety Employee Mortality Tables projected with scale MP-2019.</p>

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
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The actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2015 – June 30, 2020.

Certain assumptions have been changed since the prior actuarial valuation as of June 30, 2018 and a measurement date of June 30, 2020 as reflected in the footnote *Reconciliation of the Total OPEB Liability between Valuation Dates*. The net effect of assumption changes was approximately \$1,147 million.

- General/Price Inflation – Decrease price inflation rate from 2.75% to 2.25%.
- Discount Rate – Decrease discount rate from 7.15% to 6.65%.
- Wage inflation – Decrease wage inflation rate from 4.00% to 2.75% for PERS and TRS, and 3.25% for Troopers.
- OPEB Retirement – Develop explicit retirement rates for members who are eligible to retire with healthcare benefits and elect healthcare coverage.
- Waived Annuitant Termination – Develop explicit waived termination rates for members who are eligible to retire with healthcare benefits but waive healthcare coverage.
- SAL Conversion – Develop explicit SAL conversion rates for members who are eligible to convert sick and annual leave (SAL) balances to retirement and convert SAL balances into OPEB benefits.
- Lapse/Re-entry – Develop net lapse/re-entry rates for members who either lapse coverage after electing healthcare coverage or elect healthcare coverage after waiving coverage.
- Other demographic assumptions – develop termination, disability, and mortality rates based on experience specific to OPEB covered group.
- Salary increase – develop salary increase assumptions based on experience specific to the OPEB covered group.

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 WVBTL.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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.

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	6.8%
Core Plus Fixed Income	4.1%
Core Real Estate	6.1%
Hedge Fund	4.4%
Private equity	8.8%

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% and a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date of the extent benefits are effectively financed on a pay-as-you-go basis. The long-term municipal bond rate used to develop the single discount rate was 3.13% as of the beginning of the year and 2.45% as of the end of the year. 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. Future pre-funding assumptions include a \$30 million annual contribution from the State through 2037. Based on those assumptions, and that the Plan is expected to be fully funded by fiscal year ended June 30, 2025, 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.

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Sensitivity of the Municipality's proportionate share of the net OPEB liability to changes in the discount rate. The following chart presents the Municipality's proportionate share of the net OPEB liability, as well as what the proportionate share of the net OPEB 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 liability	\$ 1,110,794	\$ 778,908	\$ 50,044

Sensitivity of the Municipality's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates. The following chart presents the Municipality's proportionate share of the net OPEB liability, as well as what the proportionate share of the net OPEB 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</u> <u>Trend Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 468,660	\$ 778,908	\$ 1,153,571

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.

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**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

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, 2021:

Operating revenues	\$ 4,817,857
Operating expenses	<u>4,705,493</u>
Total operating income	112,364
 Add: Depreciation expense	 714,530
Add: Interest income	<u>15,776</u>
 Amount available for debt service and capital expenditures	 \$ <u>842,670</u>
 Maximum annual debt service	 \$ <u>481,000</u>
 Calculated debt service coverage factor	 1.75
 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, 2021.

VIII. Restatement of Fund Balance/Net Position

The beginning net position of the Government Activities required restatement as follows:

Net position as previously stated	\$ (23,249,256)
Restatement: Understatement of notes payable	(<u>331,350</u>)
Net position, beginning as restated	\$ (<u>23,580,606</u>)

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

IX. 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.

X. Subsequent Events

The Municipality has considered all subsequent events through February 28, 2022, the date the financial statements were made available.

In July 2020, the Municipality of Clarksburg was awarded a grant from the Office of Abandoned Mine Lands and Reclamation in the amount of \$900,000 to repair a landslide.

On July 31, 2020, the Municipality of Clarksburg issued Sewer Revenue Bonds, Series 2020A in the amount of \$7,900,000. These bonds were issued to provide for the acquisition and construction of certain extension, additions, betterments, and improvements of the existing sewerage system.

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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, 2021**

	<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	\$ 2,378,580	\$ 2,378,580	\$ 2,527,725	\$ (38,166)	\$ 2,489,559	\$ 149,145
Excise utility	750,000	750,000	653,785	-0-	653,785	(96,215)
Business and occupation	8,502,300	8,502,300	7,121,995	-0-	7,121,995	(1,380,305)
Alcoholic beverage	111,000	111,000	137,974	-0-	137,974	26,974
Hotel occupancy	275,000	275,000	198,736	1,788,600	1,987,336	(76,264)
Animal control	4,800	4,800	4,888	-0-	4,888	88
Oil and gas	39,000	39,000	26,465	-0-	26,465	(12,535)
Licenses and permits	594,900	594,900	536,700	-0-	536,700	(58,200)
Charges for services	1,738,350	1,678,350	1,500,235	-0-	1,500,235	(178,115)
Fines and forfeitures	325,400	325,400	290,303	-0-	290,303	(35,097)
Franchise fees	145,000	145,000	170,370	-0-	170,370	25,370
Interest	4,500	4,500	37,342	(33,600)	3,742	32,842
Donations	-0-	-0-	7,852	-0-	7,852	7,852
Intergovernmental:						
Federal	36,000	36,000	2,170,049	-0-	2,170,049	2,134,049
State	114,075	114,075	-0-	-0-	-0-	(114,075)
Other	2,000	2,000	-0-	-0-	-0-	(2,000)
Video lottery and gaming income	117,500	117,500	118,407	-0-	118,407	907
Miscellaneous	100,100	100,100	121,738	-0-	121,738	21,638
Total revenues	<u>15,238,505</u>	<u>15,178,505</u>	<u>15,624,564</u>	<u>1,716,834</u>	<u>17,341,398</u>	<u>446,059</u>
Expenditures						
General government	3,206,681	4,470,037	4,319,154	113,763	4,432,917	150,883
Public safety	9,745,111	9,732,903	9,319,059	(2,922,904)	6,396,155	413,844
Highways and streets	2,903,113	2,827,614	2,784,762	417,176	3,201,938	42,852
Health and sanitation	455,134	381,111	374,547	(115,431)	259,116	6,564
Culture and recreation	1,488,466	1,487,466	1,485,111	282,260	1,767,371	2,355
Social services	30,000	30,000	-0-	-0-	-0-	30,000
Total expenditures	<u>17,828,505</u>	<u>18,929,131</u>	<u>18,282,633</u>	<u>(2,225,136)</u>	<u>16,057,497</u>	<u>646,498</u>
(Deficiency) excess of revenues						
(under) over expenditures	<u>(2,590,000)</u>	<u>(3,750,626)</u>	<u>(2,658,069)</u>	<u>3,941,970</u>	<u>1,283,901</u>	<u>1,092,557</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND – BUDGETARY BASIS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<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	\$ 2,615,000	\$ 2,615,000	\$ 1,234,279	\$ 765,721	\$ 2,000,000	\$ (1,380,721)
Operating transfers (out)	(150,000)	(150,000)	-0-	-0-	-0-	150,000
Total other financing sources (uses)	<u>2,465,000</u>	<u>2,465,000</u>	<u>1,234,279</u>	<u>765,721</u>	<u>2,000,000</u>	<u>(1,230,721)</u>
Net change in fund balance	(125,000)	(1,285,626)	(1,423,790)	4,707,691	3,283,901	(138,164)
Fund balance at beginning of year	<u>125,000</u>	<u>1,285,626</u>	<u>(3,543,115)</u>	<u>(28,192,084)</u>	<u>(31,735,199)</u>	<u>(4,828,741)</u>
Fund balance at end of year	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>(4,966,905)</u>	\$ <u>(23,484,393)</u>	\$ <u>(28,451,298)</u>	\$ <u>(4,966,905)</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, 2021**

	<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	\$ 400	\$ 400	\$ 291	\$ -0-	\$ 291	\$ (109)
Intergovernmental:						
State	<u>45,000</u>	<u>45,000</u>	<u>31,224</u>	<u>-0-</u>	<u>31,224</u>	<u>(13,776)</u>
Total revenues	<u>45,400</u>	<u>45,400</u>	<u>31,515</u>	<u>-0-</u>	<u>31,515</u>	<u>(13,885)</u>
Expenditures						
General government	24,700	23,974	6,367	-0-	6,367	17,607
Public safety	34,600	27,500	15,082	-0-	15,082	12,418
Highways and streets	15,000	10,000	8,889	-0-	8,889	1,111
Health and sanitation	3,100	2,600	7,724	-0-	7,724	(5,124)
Culture and recreation	<u>13,000</u>	<u>13,000</u>	<u>13,000</u>	<u>-0-</u>	<u>13,000</u>	<u>-0-</u>
Total expenditures	<u>90,400</u>	<u>77,074</u>	<u>51,062</u>	<u>-0-</u>	<u>51,062</u>	<u>26,012</u>
Net change in fund balance	(45,000)	(31,674)	(19,547)	-0-	(19,547)	12,127
Fund balance at beginning of year	<u>45,000</u>	<u>31,674</u>	<u>38,911</u>	<u>-0-</u>	<u>38,911</u>	<u>7,237</u>
Fund balance at end of year	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>19,364</u>	\$ <u>-0-</u>	\$ <u>19,364</u>	\$ <u>19,364</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, 2021**

	<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>	<u>Fiscal Year Ended June 30, 2014</u>
Municipality's proportion of the net pension liability (asset)	0.31%	0.33%	0.33%	0.32%	0.31%	0.31%	0.31%
Municipality's proportionate share of the net pension liability (asset)	\$ 1,634,328	\$ 721,695	\$ 855,770	\$ 1,384,985	\$ 2,875,093	\$ 1,735,341	\$ 1,148,488
Municipality's covered - employee payroll	\$ 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	34.15%	14.65%	17.72%	28.50%	65.08%	40.26%	27.22%
Plan fiduciary net position as a percentage of the total pension liability	96.99%	93.90%	96.33%	93.67%	86.11%	91.29%	93.98%

The information presented in the schedule of the proportionate share of the net pension liability is the only years available as of June 30, 2021. 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, 2021

	<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	\$ 478,627	\$ 492,779	\$ 483,178	\$ 534,591	\$ 471,409	\$ 581,122	\$ 590,023
Contributions in relation to the contractually required contribution	<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>
Municipality's covered – employee payroll	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	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, 2021. 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, 2021**

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, 2020, are as follows (in thousands):

Total Pension Liability	\$ (7,431,924)
Fiduciary Net Position	<u>6,903,253</u>
Net Pension Asset (Liability)	\$ (<u>528,671</u>)
Fiduciary Net Position as a percent of Total Pension Liability	92.89%

Change in benefit terms – Under HB 3095, a minimum monthly benefit of \$750 was established for current pensioners as of June 3, 2019 who had completed at least 25 years of service. A corresponding minimum of \$375 was set for beneficiaries in pay status under the 50% joint-and-survivor annuity options where the original member had completed at least 25 years of services.

Change in assumptions – Mortality, withdrawal rates, disability rates, retirement rates, salary scales, and non-contributory service loads were changed to reflect the most recent experience study for July 1, 2013 through June 30, 2018.

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, 2021

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

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 944,371	\$ 948,245	\$ 906,710	\$ 911,837	\$ 1,041,846	\$ 739,794	\$ 735,159	\$ 729,815
Interest	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	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Differences between expected and actual experience	(198,743)	1,107,034	660,159	(1,021,000)	(1,006,489)	(511,633)	(837,150)	-0-
Changes of assumptions	(4,692,144)	-0-	-0-	-0-	(2,433,972)	4,020,701	-0-	-0-
Benefit payments, including refunds of member contributions	<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	(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>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>34,592,764</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)	2,399,993	2,298,344	2,034,183	2,029,582	1,790,929	1,361,271	1,288,742	1,210,474
Contributions - member	185,487	176,172	167,038	155,596	148,321	145,720	140,550	135,019
Net investment income	2,712,034	133,379	517,666	561,109	586,180	315,511	185,060	465,521
Benefit payments, including refunds of member contributions	<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>
Administrative expense	<u>(7,500)</u>	<u>(7,500)</u>	<u>-0-</u>	<u>(7,500)</u>	<u>(7,500)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>
Other	<u>-0-</u>	<u>-0-</u>	<u>(7,500)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Net change in plan fiduciary net position	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>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>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>\$ 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 (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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

	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary net position as a percentage of the total pension liability	43.92%	29.67%	28.02%	25.29%	20.88%	15.99%	16.46%	15.36%
Covered payroll	\$ 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	943.31%	1296.53%	1302.43%	1311.00%	1370.98%	1588.79%	1409.56%	1433.15%
Expected average remaining service years of all participants	3.00	4.00	4.00	3.78	3.96	4.01	3.85	-0-

Notes to Schedule:

Benefit changes There were no changes for FY2021.

Changes of assumptions: The discount rate changed from 5.00% to 5.50%. Changes were made to salary scale assumptions, pay spiking assumptions, inflation, cost-of-living increases, mortality rates, retirement rates, termination rates, disability rates, marital status, and non-spouse beneficiary loads.

**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, 2021**

<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	1,433.15%
2015	\$ 30,822,844	\$ 5,072,427	\$ 25,750,417	16.46%	\$ 1,826,835	1,409.56%
2016	\$ 35,335,487	\$ 5,649,637	\$ 29,685,850	15.99%	\$ 1,868,455	1,588.79%
2017	\$ 33,254,592	\$ 6,944,559	\$ 26,310,033	20.88%	\$ 1,919,071	1,370.98%
2018	\$ 33,550,617	\$ 8,484,043	\$ 25,066,574	25.29%	\$ 1,912,017	1,311.00%
2019	\$ 35,522,255	\$ 9,953,711	\$ 25,568,544	28.02%	\$ 1,963,141	1,302.43%
2020	\$ 38,062,631	\$ 11,294,578	\$ 26,768,053	29.67%	\$ 2,064,594	1,296.53%
2021	\$ 34,592,764	\$ 15,192,901	\$ 19,399,863	43.92%	\$ 2,056,574	943.31%

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, 2021**

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 2,453,333	\$ 2,340,972	\$ 2,327,809	\$ 2,026,406	\$ 2,031,009	\$ 2,124,224	\$ 1,697,409	\$ 1,676,866	\$ 1,603,979
Contributions in relation to the actuarially determined contribution:									
Employer provided	1,863,796	1,861,120	1,581,814	1,592,742	1,345,298	936,850	867,454	803,198	743,702
State provided	<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>	<u>473,392</u>
Contribution deficiency (excess)	<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>	<u>\$ 386,885</u>
Covered payroll	\$ 2,056,574	\$ 2,064,594	\$ 1,963,141	\$ 1,912,017	\$ 1,919,071	\$ 1,868,455	\$ 1,826,835	\$ 1,812,838	\$ 1,712,139
Contributions as a percentage of covered employee payroll	116.70%	111.32%	103.62%	106.15%	93.32%	72.86%	70.55%	66.77%	71.09%

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. Actuarial valuations are performed every year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	30.5 years
Asset valuation method	Market Value
Inflation	2.75 percent
Salary increases	Rates vary by years of service
Investment rate of return	5.00%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by age
Mortality	RP-2014 Blue Collar Mortality Table with generational projection using Scale MP-2014

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, 2021**

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, 2021, measurement date based on actuarial liabilities as of July 1, 2020
<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>	5.50% per year
<i>GASB 67/68 Discount Rate</i>	5.50% per year at June 30, 2021
<i>Projected Salary Increases</i>	Rates vary by years of service
<i>Cost of Living Increases</i>	2.75% 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, 2021**

Single Discount Rate

A GASB Statement Nos. 67 and 68 single discount rate of 5.50% was used to measure the total pension liability as of June 30, 2021. This single discount rate was based on the expected rate of return on pension plan investments of 5.50%, and the municipal bond rate of 1.92%. 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 5.50% 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 5.50%, 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>4.50%</u>	<u>Current Single Discount</u> <u>Rate Assumption</u> <u>5.50%</u>	<u>1% Increase</u> <u>6.50%</u>
Net pension (liability)	\$(24,228,294)	\$(19,399,863)	\$(15,469,640)

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, 2021**

**Change in the Employers Net Pension Liability and Related Ratios
Last 10 Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 885,593	\$ 826,002	\$ 979,662	\$ 964,909	\$ 940,194	\$ 678,319	\$ 618,071	\$ 666,702
Interest	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	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Differences between expected and actual experience	(210,847)	(180,582)	281,256	(630,123)	(1,132,945)	(192,337)	(345,859)	-0-
Changes of assumptions	(3,914,799)	(2,137,778)	-0-	-0-	-0-	3,317,951	-0-	-0-
Benefit payments, including refunds of member contributions	(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	(3,191,728)	(1,492,083)	1,301,273	504,423	19,167	3,966,258	400,622	848,259
Total pension liability - beginning	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)	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)	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	218,223	200,742	192,160	176,039	168,474	157,241	154,449	151,027
Net investment income	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	(1,541,624)	(1,520,272)	(1,417,693)	(1,259,755)	(1,192,439)	(1,208,416)	(1,210,149)	(1,150,677)
Administrative expense	(10,138)	(8,300)	(7,500)	(7,500)	(7,500)	(7,750)	(7,500)	(7,500)
Other	-0-	543	(30)	-0-	-0-	-0-	-0-	206
Net change in plan fiduciary net position	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	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)	15,490,483	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)	\$ 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 (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

**Change in the Employers Net Pension Liability and Related Ratios
Last 10 Fiscal Years**

	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary net position as a percentage of the total pension liability	58.48%	38.17%	30.07%	27.73%	23.46%	18.71%	20.64%	19.64%
Covered payroll	\$ 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	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	5.00	5.00	5.41	5.34	5.30	4.75	-0-

Notes to Schedule:

Benefit changes: There were no changes for FY2021
Changes in assumptions: The discount rate changed from 5.50 to 6.00%. Changes were made to salary scale assumptions, pay spiking assumptions, inflation, cost-of-living increases, mortality rates, retirement rates, termination rates, disability rates, marital status, and non-spouse beneficiary loads.

**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, 2021**

<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	1,025.10%
2015	\$ 25,379,952	\$ 5,238,465	\$ 20,141,487	20.64%	\$ 1,808,232	1,113.88%
2016	\$ 29,346,210	\$ 5,491,795	\$ 23,854,415	18.71%	\$ 1,989,442	1,199.05%
2017	\$ 29,365,377	\$ 6,888,363	\$ 22,477,014	23.46%	\$ 2,085,929	1,077.55%
2018	\$ 29,869,800	\$ 8,282,821	\$ 21,586,979	27.73%	\$ 2,118,610	1,018.92%
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%

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, 2021**

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

	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 1,862,522	\$ 2,134,042	\$ 2,139,078	\$ 1,878,699	\$ 1,864,693	\$ 1,802,392	\$ 1,392,630	\$ 1,419,464	\$ 1,517,921
Contributions in relation to the actuarially determined contribution:									
Employer provided	1,852,686	1,850,032	1,573,002	1,583,840	1,337,055	929,217	860,386	796,654	737,643
State provided	<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>	<u>525,982</u>
Contribution deficiency (excess)	<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>	<u>\$ 254,296</u>
Covered payroll	\$ 2,221,226	\$ 1,852,849	\$ 2,250,404	\$ 2,118,610	\$ 2,085,929	\$ 1,989,442	\$ 1,808,232	\$ 1,958,068	\$ 2,017,329
Contributions as a percentage of covered employee payroll	105.92%	122.45%	89.97%	95.14%	84.30%	67.03%	69.74%	60.72%	62.64%

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. Actuarial valuations are performed every year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	30.5 years
Asset valuation method	Market Value
Inflation	2.75 percent
Salary increases	Rates vary by years of service
Investment rate of return	5.50%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by age
Mortality	RP-2014 Blue Collar Mortality Table with generational projection using Scale MP-2014

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, 2021**

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, 2021, measurement date based on actuarial liabilities as of July 1, 2020
<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>	6.00% per year
<i>GASB 67/68 Discount Rate</i>	6.00% per year at June 30, 2021
<i>Projected Salary Increases</i>	Rates vary by years of service
<i>Cost of Living Increases</i>	2.75% 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, 2021**

Single Discount Rate

A GASB Statement Nos. 67 and 68 single discount rate of 6.00% was used to measure the total pension liability as of June 30, 2021. 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 1.92%. 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 6.00% 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 5.00%, 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>5.00%</u>	<u>Current Single Discount</u> <u>Rate Assumption</u> <u>6.00%</u>	<u>1% Increase</u> <u>7.00%</u>
Net pension (liability)	\$(14,668,954)	\$(10,996,779)	\$(8,024,175)

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, 2021**

**Public Employees Insurance Agency
Five Fiscal Years***

	2021	2020	2019	2018	2017
Municipality's proportion of the net OPEB liability	0.176347%	0.1573615%	0.1811420%	0.1661998%	0.1895212%
Municipality's proportionate share of the net OPEB liability	\$ 778,908	\$ 3,110,836	\$ 3,886,279	\$ 4,106,461	\$ 4,706,425
Municipality's covered-employee payroll	\$ 4,206,395	\$ 4,759,574	\$ 4,568,011	\$ 4,826,817	\$ 4,828,711
Municipality's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	18.52%	65.43%	85.08%	85.08%	108.73%
Plan fiduciary net position as a percentage of the total OPEB liability	73.49%	39.69%	30.98%	25.10%	21.64%

* - Applicable information was available for five years for this schedule.

This schedule presents the only years available at June 30, 2021. 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, 2021

Public Employees Insurance Agency
Five Fiscal Years*

	2021	2020	2019	2018	2017
Contractually required contribution	\$ 340,859	\$ 385,685	\$ 370,162	\$ 343,011	\$ 324,207
Contributions in relation to the contractually required contribution	<u>(340,859)</u>	<u>(385,685)</u>	<u>(370,162)</u>	<u>(343,011)</u>	<u>(324,207)</u>
Contribution deficiency (excess)	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
Municipality's covered-employee payroll	\$ 4,206,395	\$ 4,759,574	\$ 4,568,011	\$ 4,826,817	\$ 4,828,711
Contributions as a percentage of covered-employee payroll	8.11%	8.10%	8.11%	7.93%	6.72%

* - Applicable information was available for five years for this schedule.

This schedule presents the only years available at June 30, 2021. 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, 2021

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	\$ 629,911,183	\$ 441,691,746	\$ 284,127,314

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	\$ 265,769,754	\$ 441,691,746	\$ 654,169,712

Reconciliation of Total OPEB Liability Between Valuation Dates

The preparation of dual actuarial OPEB valuations, both measured at June 30, 2020 created a variance from the total OPEB liability disclosed in RHBT's June 30, 2020 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.

SUPPLEMENTARY INFORMATION

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION –
COMPONENT UNITS
JUNE 30, 2021

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash	\$ 915,986	\$ 23,068
Receivables, net of allowances:		
Accounts	1,096,434	-0-
Due to/from other activities	(41,189)	-0-
Inventory	<u>318,010</u>	<u>-0-</u>
Total current assets	<u>2,289,241</u>	<u>23,068</u>
Noncurrent Assets		
Restricted assets	<u>1,156,815</u>	<u>-0-</u>
Capital Assets		
Land	84,065	2,543,901
Construction in process	3,096,840	-0-
Buildings	1,532,698	7,663,710
Structures and improvements	7,895,033	453,583
Machinery and equipment	-0-	338,301
Transmission and distribution	28,831,475	-0-
Less: Accumulated depreciation	<u>(20,972,795)</u>	<u>(4,994,359)</u>
Net capital assets	<u>20,467,316</u>	<u>6,005,136</u>
Total assets	<u>23,913,372</u>	<u>6,028,204</u>
Deferred Outflows of Resources		
Deferred outflows of resources – WVPERS	407,896	7,498
Deferred outflows of resources – WVRHBT	<u>102,812</u>	<u>-0-</u>
Total deferred outflows of resources	<u>510,708</u>	<u>7,498</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF NET POSITION –
COMPONENT UNITS (CONTD)
JUNE 30, 2021

	<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	\$ 63,588	\$ 3,042
Accrued compensated absences	<u>219,562</u>	<u>482</u>
Total current liabilities (payable from current assets)	<u>283,150</u>	<u>3,524</u>
Current Liabilities (payable from restricted assets)		
Revenue bonds payable	<u>589,242</u>	<u>-0-</u>
Total current liabilities (payable from restricted assets)	<u>589,242</u>	<u>-0-</u>
Long-Term Liabilities (net of current portion)		
Revenue bonds payable	12,973,972	-0-
Other post-employment benefits payable	128,286	-0-
Net pension obligation	<u>526,254</u>	<u>9,643</u>
Total long-term liabilities (net of current portion)	<u>13,628,512</u>	<u>9,643</u>
Total liabilities	<u>14,500,904</u>	<u>13,167</u>
Deferred Inflows of Resources		
Deferred inflows of resources – WVPERS	54,762	1,004
Deferred inflows of resources – WVRHBT	<u>430,348</u>	<u>-0-</u>
Total deferred inflows of resources	<u>485,110</u>	<u>1,004</u>
Net Position		
Net investment in capital assets	6,904,102	6,005,136
Restricted for debt service	374,373	-0-
Restricted for renewal and replacement	1,299,625	17,413
Unrestricted	<u>859,966</u>	<u>(1,018)</u>
Total net position	\$ <u>9,438,066</u>	\$ <u>6,021,531</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, 2021

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
Operating Revenues		
Charges for services	\$ <u>4,817,857</u>	\$ <u>141,423</u>
Total operating revenues	<u>4,817,857</u>	<u>141,423</u>
Operating Expenses		
Personal services	2,171,742	71,374
Contractual services	410,320	10,000
Administrative and general	513,286	10,753
Fuel and oil	68,471	-0-
Liability insurance	192,995	4,743
Materials and supplies	231,041	4,725
Utilities	224,985	37,574
Depreciation	714,530	105,420
Maintenance	<u>178,123</u>	<u>10,500</u>
Total operating expenses	<u>4,705,493</u>	<u>255,089</u>
Operating income (loss)	<u>112,364</u>	(<u>113,666</u>)
Nonoperating Revenues (Expenses)		
Interest	15,776	293
Interest and fiscal charges	(<u>104,463</u>)	<u>-0-</u>
Total nonoperating revenues (expenses)	(<u>88,687</u>)	<u>293</u>
Change in net position	23,677	(113,373)
Total net position – beginning – restated	<u>9,414,389</u>	<u>6,134,904</u>
Total net position – ending	\$ <u>9,438,066</u>	\$ <u>6,021,531</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, 2021

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
Cash Flows from Operating Activities		
Receipts from customers	\$ 4,832,337	\$ 141,423
Payments to suppliers	(2,277,983)	(84,078)
Payments to employees	(1,760,059)	(63,386)
Net cash provided by (used in) operating activities	<u>794,295</u>	<u>(6,041)</u>
Cash Flows from Capital and Related Financing Activities		
(Increase) decrease in restricted assets	(255,091)	-0-
Repayment of revenue bonds	(430,623)	-0-
Proceeds from bonds payable	3,276,049	-0-
Acquisition of capital assets	(2,739,455)	-0-
Repayment of notes payable	(389,457)	-0-
Interest expense	(104,463)	-0-
Net cash (used in) capital and related financing activities	<u>(643,040)</u>	<u>-0-</u>
Cash Flows from Investing Activities		
Interest on investments	<u>15,776</u>	<u>293</u>
Net cash provided by investing activities	<u>15,776</u>	<u>293</u>
Net increase (decrease) in cash	167,031	(5,748)
Cash at beginning of year	<u>748,955</u>	<u>28,816</u>
Cash at end of year	\$ <u>915,986</u>	\$ <u>23,068</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
STATEMENT OF CASH FLOWS -
COMPONENT UNITS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<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 (used in) operating activities		
Operating income (loss)	\$ 112,364	\$ (113,666)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	714,530	105,420
(Increase) decrease in:		
Accounts receivable	14,480	-0-
Due to/from other funds	50,001	-0-
Inventory	(76,350)	-0-
Deferred outflows of resources – WVPERS	(224,481)	(7,498)
Deferred outflows of resources – WVRHBT	10,962	780
Increase (decrease) in:		
Accounts payable	37,806	2,799
Accrued compensated absences	116,497	378
Accrued post-employment benefits payable	(370,880)	(3,425)
Net pension obligation – WVPERS	288,383	9,643
Deferred inflows of resources – WVPERS	(95,660)	1,004
Deferred inflows of resources – WVRHBT	<u>216,643</u>	<u>(1,476)</u>
Net cash provided by (used in) operating activities	\$ <u>794,295</u>	\$ <u>(6,041)</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total Memorandum Only)</u>
ASSETS			
Cash	\$ 2,465,084	\$ 85,246	\$ 2,550,330
Receivables (net of allowances for uncollectibles of \$7,000):			
Taxes	215,240	-0-	215,240
Notes	17,723	-0-	17,723
Due from/(to) other activities	(87,634)	-0-	(87,634)
TOTAL ASSETS	\$ <u>2,610,413</u>	\$ <u>85,246</u>	\$ <u>2,695,659</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 21,831	\$ -0-	\$ 21,831
Accrued payroll	<u>14,709</u>	<u>-0-</u>	<u>14,709</u>
Total liabilities	<u>36,540</u>	<u>-0-</u>	<u>36,540</u>
Deferred Inflows of Resources			
Deferred taxes	<u>182,200</u>	<u>-0-</u>	<u>182,200</u>
Total liabilities and deferred inflows of resources	<u>218,740</u>	<u>-0-</u>	<u>218,740</u>
Fund Balances			
Assigned	2,395,161	85,246	2,480,407
Unassigned	(3,488)	-0-	(3,488)
Total fund balances	<u>2,391,673</u>	<u>85,246</u>	<u>2,476,919</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ <u>2,610,413</u>	\$ <u>85,246</u>	\$ <u>2,695,659</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total (Memorandum Only)</u>
Revenues			
Taxes – Ad valorem	\$ 1,835,031	\$ -0-	\$ 1,835,031
Charges for services	546,310	76,463	622,773
Fines and forfeits	27,031	-0-	27,031
Interest	23,280	370	23,650
Donations	3,998	-0-	3,998
Intergovernmental:			
Federal	10,976	-0-	10,976
Contributions from employees	384,128	-0-	384,128
Contributions from employer	1,539,647	-0-	1,539,647
Miscellaneous income	<u>3,962</u>	<u>-0-</u>	<u>3,962</u>
Total revenues	<u>4,374,363</u>	<u>76,833</u>	<u>4,451,196</u>
Expenditures			
General government	8,620	-0-	8,620
Public safety	301,278	-0-	301,278
Highways and streets	540,960	-0-	540,960
Culture and recreation	649,435	-0-	649,435
Benefit payments	1,892,940	-0-	1,892,940
Capital outlay	170,465	-0-	170,465
Debt service – principle	199,890	-0-	199,890
Debt service – interest	<u>25,310</u>	<u>-0-</u>	<u>25,310</u>
Total expenditures	<u>3,788,898</u>	<u>-0-</u>	<u>3,788,898</u>
Excess (deficiency) of revenues over (under) expenditures	<u>585,465</u>	<u>76,833</u>	<u>662,298</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total (Memorandum Only)</u>
Other Financing Sources (Uses)			
Operating transfers in	\$ 871,978	\$ -0-	\$ 871,978
Operating transfers (out)	(689,658)	-0-	(689,658)
Total other financing sources (uses)	<u>182,320</u>	<u>-0-</u>	<u>182,320</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	767,785	76,833	844,618
Fund balance beginning of year	<u>1,623,888</u>	<u>8,413</u>	<u>1,632,301</u>
Fund balance end of year	\$ <u>2,391,673</u>	\$ <u>85,246</u>	\$ <u>2,476,919</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEETS -
NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2021**

	<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>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</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>
ASSETS											
Cash	\$ 329,399	\$ 850,576	\$ 120	\$ 394,373	\$ 210,354	\$ 100	\$ 639,431	\$ 14,346	\$ 25,897	\$ 488	\$ 2,465,084
Receivables (net of allowances for uncollectibles of \$7,000)											
Taxes	-0-	-0-	-0-	-0-	86,096	-0-	129,144	-0-	-0-	-0-	215,240
Notes	-0-	-0-	17,723	-0-	-0-	-0-	-0-	-0-	-0-	-0-	17,723
Due from/(to) other activities	<u>10,823</u>	<u>-0-</u>	<u>-0-</u>	<u>42,876</u>	<u>(8,683)</u>	<u>(100)</u>	<u>(110,198)</u>	<u>(17,834)</u>	<u>(4,518)</u>	<u>-0-</u>	<u>(87,634)</u>
TOTAL ASSETS	\$ <u>340,222</u>	\$ <u>850,576</u>	\$ <u>17,843</u>	\$ <u>437,249</u>	\$ <u>287,767</u>	\$ <u>-0-</u>	\$ <u>658,377</u>	\$ <u>(3,488)</u>	\$ <u>21,379</u>	\$ <u>488</u>	\$ <u>2,610,413</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEETS -
NONMAJOR SPECIAL REVENUE FUNDS (CONTD)
JUNE 30, 2021

	<u>Police</u> <u>Fund</u>	<u>Tax</u> <u>Increment</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>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</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>
LIABILITIES AND FUND BALANCES											
Liabilities											
Accounts payable	\$ -0-	\$ -0-	\$ -0-	\$ 21,831	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 21,831
Accrued payroll	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>14,709</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>14,709</u>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>36,540</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>36,540</u>
Deferred Inflows											
Deferred taxes	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>72,880</u>	<u>-0-</u>	<u>109,320</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>182,200</u>
Fund Balances											
Assigned	340,222	850,576	17,843	400,709	214,887	-0-	549,057	-0-	21,379	488	2,395,161
Unassigned	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(3,488)</u>	<u>-0-</u>	<u>-0-</u>	<u>(3,488)</u>
Total fund balances	<u>340,222</u>	<u>850,576</u>	<u>17,843</u>	<u>400,709</u>	<u>214,887</u>	<u>-0-</u>	<u>549,057</u>	<u>(3,488)</u>	<u>21,379</u>	<u>488</u>	<u>2,391,673</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ <u>340,222</u>	\$ <u>850,576</u>	\$ <u>17,843</u>	\$ <u>437,249</u>	\$ <u>287,767</u>	\$ <u>-0-</u>	\$ <u>658,377</u>	\$ <u>(3,488)</u>	\$ <u>21,379</u>	\$ <u>488</u>	\$ <u>2,610,413</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Police</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>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</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-	\$ 473,318	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 1,361,713	\$ -0-	\$ -0-	\$ -0-	\$ 1,835,031
Charges for services	-0-	-0-	-0-	546,310	-0-	-0-	-0-	-0-	-0-	-0-	546,310
Fines and forfeits	27,031	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	27,031
Interest	4,136	7,589	1	2,556	2,070	-0-	6,318	128	476	6	23,280
Donations	-0-	-0-	-0-	3,998	-0-	-0-	-0-	-0-	-0-	-0-	3,998
Intergovernmental:											
Federal	4,608	-0-	-0-	6,368	-0-	-0-	-0-	-0-	-0-	-0-	10,976
Contributions from employees	-0-	-0-	-0-	-0-	-0-	-0-	-0-	93,828	290,300	-0-	384,128
Contributions from employer	-0-	-0-	-0-	-0-	-0-	-0-	-0-	71,967	1,467,680	-0-	1,539,647
Miscellaneous income	-0-	-0-	-0-	-0-	-0-	-0-	3,962	-0-	-0-	-0-	3,962
Total revenues	<u>35,775</u>	<u>480,907</u>	<u>1</u>	<u>559,232</u>	<u>2,070</u>	<u>-0-</u>	<u>1,371,993</u>	<u>165,923</u>	<u>1,758,456</u>	<u>6</u>	<u>4,374,363</u>
Expenditures											
General government	-0-	-0-	-0-	-0-	-0-	-0-	8,620	-0-	-0-	-0-	8,620
Public safety	165,093	-0-	-0-	-0-	-0-	-0-	136,185	-0-	-0-	-0-	301,278
Highways and streets	-0-	84,240	-0-	-0-	-0-	-0-	456,720	-0-	-0-	-0-	540,960
Culture and recreation	-0-	-0-	-0-	414,560	234,875	-0-	-0-	-0-	-0-	-0-	649,435
Benefit payments	-0-	-0-	-0-	-0-	-0-	-0-	-0-	159,602	1,733,338	-0-	1,892,940
Capital outlay	-0-	-0-	-0-	-0-	-0-	-0-	170,465	-0-	-0-	-0-	170,465
Debt service – principle	-0-	-0-	160,270	-0-	39,620	-0-	-0-	-0-	-0-	-0-	199,890
Debt service – interest	-0-	-0-	23,026	-0-	2,284	-0-	-0-	-0-	-0-	-0-	25,310
Total expenditures	<u>165,093</u>	<u>84,240</u>	<u>183,296</u>	<u>414,560</u>	<u>276,779</u>	<u>-0-</u>	<u>771,990</u>	<u>159,602</u>	<u>1,733,338</u>	<u>-0-</u>	<u>3,788,898</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(129,318)</u>	<u>396,667</u>	<u>(183,295)</u>	<u>144,672</u>	<u>(274,709)</u>	<u>-0-</u>	<u>600,003</u>	<u>6,321</u>	<u>25,118</u>	<u>6</u>	<u>585,465</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES –
NONMAJOR SPECIAL REVENUE FUNDS (CONTD)
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<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>American Rescue Plan Fund</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>
Other Financing Sources (Uses)											
Operating transfers in	\$ 98,590	\$ -0-	\$ 183,296	\$ 46,442	\$ 543,650	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 871,978
Operating transfers (out)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(146,008)</u>	<u>-0-</u>	<u>(543,650)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>(689,658)</u>
Total other financing sources (uses)	<u>98,590</u>	<u>-0-</u>	<u>183,296</u>	<u>46,442</u>	<u>397,642</u>	<u>-0-</u>	<u>(543,650)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>182,320</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	 (30,728)	 396,667	 1	 191,114	 122,933	 -0-	 56,353	 6,321	 25,118	 6	 767,785
 Fund balance beginning of year	 <u>370,950</u>	 <u>453,909</u>	 <u>17,842</u>	 <u>209,595</u>	 <u>91,954</u>	 <u>-0-</u>	 <u>492,704</u>	 <u>(9,809)</u>	 <u>(3,739)</u>	 <u>482</u>	 <u>1,623,888</u>
 Fund balance end of year	 <u>\$ 340,222</u>	 <u>\$ 850,576</u>	 <u>\$ 17,843</u>	 <u>\$ 400,709</u>	 <u>\$ 214,887</u>	 <u>\$ -0-</u>	 <u>\$ 549,057</u>	 <u>\$ (3,488)</u>	 <u>\$ 21,379</u>	 <u>\$ 488</u>	 <u>\$ 2,391,673</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING FUND BALANCE SHEET -
NONMAJOR DEBT SERVICE FUND
JUNE 30, 2021**

Urban
Renewal
Authority

ASSETS

Cash	\$ <u>85,246</u>
TOTAL ASSETS	\$ <u>85,246</u>

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	\$ <u>-0-</u>
Total liabilities	<u>-0-</u>
 Fund Balances	
Assigned	<u>85,246</u>
Total fund balances	<u>85,246</u>
 TOTAL LIABILITIES AND FUND BALANCES	 \$ <u>85,246</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – NONMAJOR DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Urban Renewal Authority</u>
Revenues	
Charges for services	\$ 76,463
Interest	<u>370</u>
Total revenues	<u>76,833</u>
Excess of revenues over expenditures	76,833
Other Financing Sources (Uses)	
Operating transfers (out)	<u>-0-</u>
Excess of revenues and other financing sources over expenditures and other financing uses	76,833
Fund balance beginning of year	<u>8,413</u>
Fund balance end of year	\$ <u>85,246</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 units, 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, 2021, and the related notes to the financial statements, which collectively comprise the Municipality of Clarksburg, West Virginia's basic financial statements and have issued our report thereon dated February 28, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the Municipality of Clarksburg, West Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 may exist that have not been identified.

Compliance and Other Matters

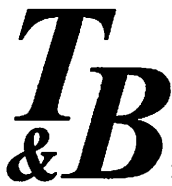
As part of obtaining reasonable assurance about whether the Municipality of Clarksburg, West Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which 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.

 T. L. Beck, Ph.D.

Clarksburg, West Virginia
February 28, 2022



Tetrick & Bartlett, PLLC

**Certified Public Accountants
Consultants**

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

The Honorable Mayor and Council
Municipality of Clarksburg
Clarksburg, West Virginia

Report on Compliance for Each Major Federal Program

We have audited the Municipality of Clarksburg, West Virginia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Municipality of Clarksburg, West Virginia's major federal programs for the year ended June 30, 2021. 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.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Municipality of Clarksburg, West Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. 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). Those standards and the Uniform

Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Municipality of Clarksburg, West Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Municipality of Clarksburg, West Virginia's compliance.

Opinion on Each Major Federal Program

In our opinion, the 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, 2021.

Report on Internal Control over Compliance

Management of the Municipality of Clarksburg, West Virginia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Municipality of Clarksburg, West Virginia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Municipality of Clarksburg, West Virginia's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Julie A. Bartlett, PCA

Clarksburg, West Virginia
February 28, 2022

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2021**

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:	

Coronavirus Relief Fund

	<u>Federal Assistance Listing Number (AL)</u>
COVID 19 – United States Department of the Treasury – Coronavirus Relief Fund	AL #21.019
Dollar threshold used to distinguish between Type A and Type B programs	<u>\$750,000</u>
Auditee qualified as low-risk auditee	___ yes <u>X</u> no

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2021**

B. Findings – Financial Statement Audit

No Findings

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

United States Department of the Treasury – Coronavirus Relief Fund – AL Number 21.019 – Fiscal Year Ended June 30, 2021.

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 YEAR ENDED JUNE 30, 2021**

<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>
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	F20-HS-05-DOHWZ	\$ 7,000	\$ 492	\$ 492
Highway Planning and Construction	20.205	F21-HS-05-DOHWZ	10,000	367	367
Total United States Department of Transportation – AL 20.205				<u>859</u>	<u>859</u>
Total Highway Planning and Construction Cluster				<u>859</u>	<u>859</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	F20-HS-05-402	152,800	\$ 30,078	\$ 30,078
<u>West Virginia Department of Transportation</u>					
<u>West Virginia Division of Motor Vehicles</u>					
State and Community Highway Safety	20.600	F21-HS-05-402	192,700	<u>110,175</u>	<u>110,175</u>
Total United States Department of Transportation – AL 20.600				<u>140,253</u>	<u>140,253</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021**

<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>
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	F20-HS-05-405B	\$ 25,000	\$ 2,971	\$ 2,971
National Priority Safety Programs	20.616	F20-HS-05-405C	80,000	79,920	79,920
National Priority Safety Programs	20.616	F20-HS-05-405D	100,000	21,949	21,949
National Priority Safety Programs	20.616	F21-HS-05-405B	47,000	15,625	15,625
National Priority Safety Programs	20.616	F21-HS-05-405C	80,000	79,380	79,380
National Priority Safety Programs	20.616	F21-HS-05-405D	101,000	38,415	38,415
Total United States Department of Transportation – AL 20.616				<u>238,260</u>	<u>238,260</u>
Total United States Department of Transportation – Highway Safety Cluster				<u>378,513</u>	<u>378,513</u>
Total United States Department of Transportation				<u>379,372</u>	<u>379,372</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	G20AP0001A	\$ 36,000	\$ 9,391	\$ 9,391
<u>Passed thru City of Bridgeport, West Virginia</u>					
High Intensity Drug Trafficking Areas Program	95.001		25,000	<u>25,000</u>	<u>25,000</u>
Total Executive Office of the President – AL 95.001				<u>34,391</u>	<u>34,391</u>
Total Executive Office of the President				<u>34,391</u>	<u>34,391</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTD)
FOR THE YEAR ENDED JUNE 30, 2021**

<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>
United States Department of Homeland Security					
Federal Emergency Management Agency					
<u>Passed thru West Virginia Department of Military Affairs and Public Safety Division of Homeland Security and Emergency Management</u>					
Fire Management Assistance Grant	97.046	FEMA	\$ 100,000	\$ <u>12,308</u>	\$ <u>12,308</u>
Total United States Department of Homeland Security – AL 97.046				<u>12,308</u>	<u>12,308</u>
Total United States Department of Homeland Security				<u>12,308</u>	<u>12,308</u>
United States Department of the Treasury					
<u>Passed thru State of West Virginia Coronavirus Relief Fund</u>					
COVID 19 – Coronavirus Relief Fund	21.019	CVFR 2020/17-1878	1,737,287	<u>1,737,287</u>	<u>1,737,287</u>
Total United States Department of the Treasury – AL 21.019				<u>1,737,287</u>	<u>1,737,287</u>
Total United States Department of the Treasury				<u>1,737,287</u>	<u>1,737,287</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONT'D)
FOR THE YEAR ENDED JUNE 30, 2021**

<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>
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>360</u>	\$ <u>360</u>
Total United States Department of Justice – AL 16.588				<u>360</u>	<u>360</u>
Bureau of Justice Assistance					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0290	4,937	4,608	4,608
United States Department of Justice					
Bureau of Justice Assistance					
<u>Passed thru State of West Virginia Division of Justice and Community Services</u>					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	20-JAG-10	12,699	<u>12,699</u>	<u>12,699</u>
Total United States Department of Justice – AL 16.738				<u>17,307</u>	<u>17,307</u>
Total United States Department of Justice				<u>17,667</u>	<u>17,667</u>
Total Expenditures of Federal Awards				\$ <u>2,181,025</u>	\$ <u>2,181,025</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, 2021**

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, 2021. 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.

Note F – Loan Balances

The United States Department of Agriculture – Community Facilities Loans and Grants Program – CFDA Number 10.766 represented in 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, 2021 was \$8,254,172.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2021**

**United States Department of the Treasury – Coronavirus Relief Fund – AL Number
21.019 – Fiscal Year Ended June 30, 2021**

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, 2021**

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Reference Number:

There were no Findings and Questioned Costs for the prior audit period of July 1, 2019 to June 30, 2020 that are required to be reported.