

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

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

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**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**  
*RFP #21-029 (Harrison County)*

## TABLE OF CONTENTS

	<b>Page</b>
Municipal Officials	1
Schedule of Funds Included in Report	2
Independent Auditor's Report	3-6
<b>Basic Financial Statements:</b>	
Statement of Net Position	7
Statement of Activities	8-9
<b>Fund Financial Statements:</b>	
Fund Balance Sheets – Governmental Funds	10
Reconciliation of Fund Balance Sheets – Governmental Funds to the Statement of Net Position	11
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	12-13
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	14-15
Statement of Net Position – Proprietary Funds	16
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	17
Statement of Cash Flows – Proprietary Funds	18
Fiduciary Responsibilities – Statement of Net Position	19
Fiduciary Responsibilities – Statement of Changes in Net Position	20
Notes to Financial Statements	21-113

## TABLE OF CONTENTS (CONT'D)

	<b>Page</b>
<b>Required Supplementary Information:</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund – Budgetary Basis	114-115
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Coal Severance Fund – Budgetary Basis	116
Schedule of Proportionate Share of the Net Pension Liability	117
Schedule of Municipality Contributions	118
Notes to Required Supplementary Information – Net Pension Liability	119
<i>Firemen's Pension and Relief Fund</i>	
Schedule of Changes in Net Pension Liability and Related Ratios Multiyear	120-121
Schedule of the Net Pension Liability Multiyear	122
Schedule of Contributions Multiyear	123
Notes to Schedule of Contributions	124-125
<i>Policemen's Pension and Relief Fund</i>	
Schedule of Changes in Net Pension Liability and Related Ratios Multiyear	126-127
Schedule of the Net Pension Liability Multiyear	128
Schedule of Contributions Multiyear	129
Notes to Schedule of Contributions	130-131
<i>Other Postemployment Benefit Plans</i>	
Schedule of Proportionate Share of the Net OPEB Liability	132
Schedule of Municipality Contributions – OPEB	133
Notes to Required Supplementary Information – Net OPEB Liability	134-135
<b>Supplementary Information:</b>	
<i>Combining and Individual Fund Statements:</i>	
Statement of Net Position – Component Units	136-137
Statement of Revenues, Expenses and Changes in Fund Net Position – Component Units	138
Statement of Cash Flows – Component Units	139-140
Combining Fund Balance Sheets – Nonmajor Governmental Funds	141
Combining Statements of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds	142-143

## TABLE OF CONTENTS (CONTD)

	<b>Page</b>
<b>Supplementary Information (Cont'd):</b>	
Combining Fund Balance Sheets – Nonmajor Special Revenue Funds	144-145
Combining Statements of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds	146-147
Combining Fund Balance Sheets – Nonmajor Debt Service Fund	148
Combining Statements of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Debt Service Fund	149
 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 <i>Government Auditing Standards</i>	 150-151
 Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	 152-154
 Schedule of Findings and Questioned Costs	 155-156
 Schedule of Expenditures of Federal Awards	 157-160
 Notes to Schedule of Expenditures of Federal Awards	 161-162
 Corrective Action Plan	 163
 Summary Schedule of Prior Audit Findings	 164

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
MUNICIPAL OFFICIALS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<b>Office</b>	<b>Name</b>	<b>Term</b>
	<b>Elective</b>	
Mayor:	James Marino	07/01/19 – 06/30/23
Vice Mayor:	Lillie Scott-Jenkins	07/01/19 – 06/30/23
Council Members:	Gary Keith	07/01/19 – 06/30/23
	Wayne Worth	07/01/21 – 06/30/25
	James Malfregeot	07/01/21 – 06/30/25
	Jerry Riffle	07/01/21 – 06/30/25
	Will Hyman	07/01/21 – 06/30/25
	<b>Appointed</b>	
Interim City Manager:	Mark Kiddy	
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, 2022

**GOVERNMENTAL FUND TYPES**

**MAJOR FUNDS**

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

**PROPRIETARY FUND TYPE**

**MAJOR FUNDS**

Municipal Building Commission

**NONMAJOR FUNDS**

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

*Debt Service Fund*  
Urban Renewal Authority

**FIDUCIARY FUND TYPES**

*Pension Trust*  
Policemen's Pension and Relief  
Firemen's Pension and Relief

**COMPONENT UNITS**

*Blended*  
Municipal Building Commission

*Discretely Presented*  
Sanitary Board  
Parking Authority



**Tetrick & Bartlett, PLLC**

**Certified Public Accountants  
Consultants**

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## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Audit of the Financial Statements**

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the blended component unit, each major fund, and the aggregate remaining fund information of the Municipality of Clarksburg, West Virginia, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Municipality of Clarksburg, West Virginia's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Municipality of Clarksburg, West Virginia, as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

***Emphasis of Matter***

As described in Note 1 to the financial statements for the year ended June 30, 2022, the Municipality of Clarksburg, West Virginia adopted new accounting guidance, GASB 87 – *Leases*. Our opinion is not modified with respect to this matter.

***Responsibilities of Management for the Financial Statements***

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

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality of Clarksburg, West Virginia's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Municipality of Clarksburg, West Virginia's ability to continue as a going concern for a reasonable period of time.

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

#### ***Required Supplementary Information***

Management has omitted the management discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of revenues, expenditures and changes in fund balance – budget and actual – General Fund – budgetary basis, schedule of revenues, expenditures and changes in fund balance – budget and actual – Coal Severance Fund – budgetary basis, net pension liability information and other post employment benefit plan information, as listed in the table of contents, on pages 114 thru 135 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Municipality of Clarksburg, West Virginia's basic financial statements. The accompanying combining and individual nonmajor fund financial statements, combining and individual component unit 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards*, and is also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, combining and individual 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 March 18, 2023, 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.

*J. Stuck + Barbara P. LLC*

Clarksburg, West Virginia  
March 18, 2023

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2022**

	<u>Governmental</u>	<u>Business</u>	<u>Total</u>	<u>Component Units</u>	
				<u>Activities</u>	<u>Type</u>
		<u>Activities</u>		<u>Board</u>	<u>Authority</u>
<b>Assets</b>					
Cash	\$ 10,506,926	\$ 915,716	\$ 11,422,642	\$ 194,837	\$ 26,853
Receivables	5,086,866	-0-	5,086,866	1,095,938	-0-
Due to/from other activities	41,688	-0-	41,688	( 41,688)	-0-
Inventory	-0-	-0-	-0-	301,491	-0-
Restricted assets	-0-	157,232	157,232	1,219,941	-0-
Capital assets, net	18,798,781	26,582,014	45,380,795	23,801,015	5,899,716
Net other post benefit obligation asset	-0-	-0-	-0-	8,331	-0-
Net pension obligation asset	-0-	-0-	-0-	892,233	16,778
Total assets	<u>34,434,261</u>	<u>27,654,962</u>	<u>62,089,223</u>	<u>27,472,098</u>	<u>5,943,347</u>
<b>Deferred Outflows of Resources</b>					
Deferred outflows of resources – WVPERS	891,727	-0-	891,727	442,674	8,330
Deferred outflows of resources – Police Pension	632,124	-0-	632,124	-0-	-0-
Deferred outflows of resources – Fire Pension	1,290,433	-0-	1,290,433	-0-	-0-
Deferred outflows of resources – WVRHBT	333,508	-0-	333,508	65,913	-0-
Total deferred outflows of resources	<u>3,147,792</u>	<u>-0-</u>	<u>3,147,792</u>	<u>508,587</u>	<u>8,330</u>
<b>Liabilities</b>					
Accounts payable	185,996	-0-	185,996	67,054	3,273
Accrued interest payable	-0-	33,547	33,547	-0-	-0-
Long-term liabilities					
Due within one year	1,234,741	741,657	1,976,398	946,360	128
Due in more than one year	<u>32,980,196</u>	<u>13,881,531</u>	<u>46,861,727</u>	<u>15,538,605</u>	<u>-0-</u>
Total liabilities	<u>34,400,933</u>	<u>14,656,735</u>	<u>49,057,668</u>	<u>16,552,019</u>	<u>3,401</u>
<b>Deferred Inflows of Resources</b>					
Deferred inflows of resources – WVPERS	2,349,767	-0-	2,349,767	1,166,567	21,397
Deferred inflows of resources – Police Pension	3,037,724	-0-	3,037,724	-0-	-0-
Deferred inflows of resources – Fire Pension	3,107,462	-0-	3,107,462	-0-	-0-
Deferred inflows of resources – WVRHBT	1,667,250	-0-	1,667,250	327,545	-0-
Total deferred inflows of resources	<u>10,162,203</u>	<u>-0-</u>	<u>10,162,203</u>	<u>1,494,112</u>	<u>21,397</u>
<b>Net Position</b>					
Net investment in capital assets	16,226,046	11,958,826	28,184,872	7,473,178	5,899,716
Restricted	-0-	157,232	157,232	1,219,941	21,781
Unrestricted	(23,207,129)	882,169	(22,324,960)	1,241,435	5,382
Total net position	<u>\$ ( 6,981,083)</u>	<u>\$ 12,998,227</u>	<u>\$ 6,017,144</u>	<u>\$ 9,934,554</u>	<u>\$ 5,926,879</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</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>Total</u>	<u>Sanitary Board</u>	<u>Parking Authority</u>
<b>Governmental Activities</b>									
General government	\$ 4,730,028	\$ 119,921	\$ -0-	\$ -0-	\$ ( 4,610,107)	\$ -0-	\$ ( 4,610,107)	\$ -0-	\$ -0-
Public safety	5,317,813	1,379,366	310,408	-0-	( 3,628,039)	-0-	( 3,628,039)	-0-	-0-
Highways and streets	4,316,779	-0-	-0-	-0-	( 4,316,779)	-0-	( 4,316,779)	-0-	-0-
Health and sanitation	319,797	-0-	-0-	-0-	( 319,797)	-0-	( 319,797)	-0-	-0-
Community development	1,152,759	-0-	-0-	6,730,023	5,577,264	-0-	5,577,264	-0-	-0-
Culture and recreation	2,104,088	1,445,819	135,542	-0-	( 522,727)	-0-	( 522,727)	-0-	-0-
Social services	29,991	-0-	-0-	-0-	( 29,991)	-0-	( 29,991)	-0-	-0-
Benefit payments	<u>2,084,118</u>	<u>-0-</u>	<u>2,089,792</u>	<u>-0-</u>	<u>5,674</u>	<u>-0-</u>	<u>5,674</u>	<u>-0-</u>	<u>-0-</u>
Total governmental activities	<u>20,055,373</u>	<u>2,945,106</u>	<u>2,535,742</u>	<u>6,730,023</u>	<u>( 7,844,502)</u>	<u>-0-</u>	<u>( 7,844,502)</u>	<u>-0-</u>	<u>-0-</u>
<b>Business-Type Activities</b>									
Municipal Building Commission	<u>2,787,452</u>	<u>1,362,925</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 1,424,527)</u>	<u>( 1,424,527)</u>	<u>-0-</u>	<u>-0-</u>
Total business-type activities	<u>2,787,452</u>	<u>1,362,925</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 1,424,527)</u>	<u>( 1,424,527)</u>	<u>-0-</u>	<u>-0-</u>
Total primary government	\$ <u>22,842,825</u>	\$ <u>4,308,031</u>	\$ <u>2,535,742</u>	\$ <u>6,730,023</u>	<u>( 7,844,502)</u>	<u>( 1,424,527)</u>	<u>( 9,269,029)</u>	<u>-0-</u>	<u>-0-</u>
<b>Component Units</b>									
Sanitary Board	\$ 4,602,661	\$ 4,744,974	\$ -0-	\$ -0-	-0-	-0-	-0-	142,313	-0-
Parking Authority	<u>239,931</u>	<u>145,265</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 94,666)</u>
Total component units	\$ <u>4,842,592</u>	\$ <u>4,890,239</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>142,313</u>	<u>( 94,666)</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
STATEMENT OF ACTIVITIES (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</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>Total</u>	<u>Sanitary Board</u>	<u>Parking Authority</u>
<b>General Revenues</b>									
Taxes and special assessments:									
Ad valorem					\$ 4,389,346	\$ -0-	\$ 4,389,346	\$ -0-	\$ -0-
Excise utility					820,065	-0-	820,065	-0-	-0-
Business and occupation					8,255,613	-0-	8,255,613	-0-	-0-
Alcoholic beverage					148,523	-0-	148,523	-0-	-0-
Hotel occupancy					223,028	-0-	223,028	-0-	-0-
Animal control					4,555	-0-	4,555	-0-	-0-
Oil and gas					29,632	-0-	29,632	-0-	-0-
Municipal sales and use tax					4,766,435	-0-	4,766,435	-0-	-0-
Licenses and permits					540,228	-0-	540,228	-0-	-0-
Franchises fees					164,586	-0-	164,586	-0-	-0-
Reimbursement					163,931	-0-	163,931	-0-	-0-
Interest and investment earnings					4,735	830	5,565	1,285	14
Intergovernmental – state					62,757	-0-	62,757	-0-	-0-
Video lottery and gaming income					124,271	-0-	124,271	-0-	-0-
Miscellaneous					365,609	-0-	365,609	352,890	-0-
Nonoperating contributions					-0-	121,487	121,487	-0-	-0-
Total general revenues					<u>20,063,314</u>	<u>122,317</u>	<u>20,185,631</u>	<u>354,175</u>	<u>14</u>
Change in net position before transfers					12,218,812	( 1,302,210)	10,916,602	496,488	( 94,652)
Operating transfers in (out)					( 1,556,459)	1,556,459	-0-	-0-	-0-
Change in net position					10,662,353	254,249	10,916,602	496,488	( 94,652)
Net position – beginning					(17,643,436)	12,743,978	( 4,899,458)	9,438,066	6,021,531
Net position – ending					\$ ( 6,981,083)	\$ 12,998,227	\$ 6,017,144	\$ 9,934,554	\$ 5,926,879

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA**  
**FUND BALANCE SHEETS –**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2022**

	<u>General</u> <u>Fund</u>	<u>Coal</u> <u>Severance</u> <u>Fund</u>	<u>Municipal</u> <u>Sales and</u> <u>Use Tax</u> <u>Fund</u>	<u>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>ASSETS</b>						
Cash	\$ 1,102,763	\$ 12,286	\$ 18,319	\$ 6,548,547	\$ 2,825,011	\$ 10,506,926
Receivables, net of allowances:						
Accounts	840,789	-0-	-0-	-0-	-0-	840,789
Taxes	2,544,757	21,196	1,264,669	-0-	253,209	4,083,831
Grants	98,005	-0-	-0-	-0-	-0-	98,005
Other	46,519	-0-	-0-	-0-	-0-	46,519
Notes	-0-	-0-	-0-	-0-	17,722	17,722
Due to/(from) other activities	<u>122,430</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 80,742)</u>	<u>41,688</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>4,755,263</u></b>	<b>\$ <u>33,482</u></b>	<b>\$ <u>1,282,988</u></b>	<b>\$ <u>6,548,547</u></b>	<b>\$ <u>3,015,200</u></b>	<b>\$ <u>15,635,480</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts payable	\$ 154,477	\$ -0-	\$ -0-	\$ -0-	\$ 31,519	\$ 185,996
Accrued payroll	<u>733,024</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>18,866</u>	<u>751,890</u>
Total liabilities	<u>887,501</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>50,385</u>	<u>937,886</u>
<b>Deferred Inflows of Resources</b>						
Deferred revenue – taxes	<u>407,549</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>159,292</u>	<u>566,841</u>
Total deferred inflows of resources	<u>407,549</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>159,292</u>	<u>566,841</u>
<b>Fund Balances</b>						
Restricted	-0-	-0-	-0-	6,548,547	-0-	6,548,547
Committed	-0-	33,482	-0-	-0-	-0-	33,482
Assigned	-0-	-0-	1,282,988	-0-	2,808,599	4,091,587
Unassigned	<u>3,460,213</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 3,076)</u>	<u>3,457,137</u>
Total fund balance	<u>3,460,213</u>	<u>33,482</u>	<u>1,282,988</u>	<u>6,548,547</u>	<u>2,805,523</u>	<u>14,130,753</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ <u>4,755,263</u></b>	<b>\$ <u>33,482</u></b>	<b>\$ <u>1,282,988</u></b>	<b>\$ <u>6,548,547</u></b>	<b>\$ <u>3,015,200</u></b>	<b>\$ <u>15,635,480</u></b>

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, 2022**

Fund balance, fund level statement June 30, 2021 \$ 14,130,753

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	( 626,277)
Notes payable	( 2,572,735)
Net pension obligation payable	(30,306,442)
Other post-employment benefit obligation payable (asset)	42,407

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. 18,798,781

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	891,727
Deferred outflows of resources – Police and Fire Pension	1,922,557
Deferred outflows of resources – WVRHBT	333,508
Deferred inflows of resources – WVPERS	( 2,349,767)
Deferred inflows of resources – Police and Fire Pension	( 6,145,186)
Deferred inflows of resources – WVRHBT	( 1,667,250)

Some revenues are reported as deferred in the governmental funds:

Deferred revenue	<u>566,841</u>
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Net position of governmental activities \$ ( 6,981,083)

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, 2022**

	<u>General</u> <u>Fund</u>	<u>Coal</u> <u>Severance</u> <u>Fund</u>	<u>Municipal</u> <u>Sales and</u> <u>Use Tax</u> <u>Fund</u>	<u>American</u> <u>Rescue</u> <u>Plan</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
<b>Revenues</b>						
Taxes and special assessments:						
Ad valorem	\$ 2,559,325	\$ -0-	\$ -0-	\$ -0-	\$ 1,858,651	\$ 4,417,976
Excise utility	820,065	-0-	-0-	-0-	-0-	820,065
Business and occupation	8,177,279	-0-	-0-	-0-	-0-	8,177,279
Alcoholic beverage	148,523	-0-	-0-	-0-	-0-	148,523
Hotel occupancy	223,028	-0-	-0-	-0-	-0-	223,028
Animal control	4,555	-0-	-0-	-0-	-0-	4,555
Oil and gas	29,632	-0-	-0-	-0-	-0-	29,632
Municipal sales and use tax	-0-	-0-	4,766,435	-0-	-0-	4,766,435
Licenses and permits	540,228	-0-	-0-	-0-	-0-	540,228
Charges for services	1,088,023	-0-	-0-	-0-	1,445,819	2,533,842
Fines and forfeits	272,350	-0-	-0-	-0-	135,542	407,892
Franchise fees	164,586	-0-	-0-	-0-	-0-	164,586
Reimbursement	-0-	-0-	163,931	-0-	-0-	163,931
Interest	1,031	6	748	1,524	1,426	4,735
Donations	200	-0-	-0-	-0-	9,928	10,128
Intergovernmental:						
Federal	300,280	-0-	-0-	6,730,023	138,914	7,169,217
State	-0-	62,757	-0-	-0-	-0-	62,757
Contributions from employees	-0-	-0-	-0-	-0-	418,076	418,076
Contribution from employer	-0-	-0-	-0-	-0-	1,671,716	1,671,716
Video lottery and gaming income	124,271	-0-	-0-	-0-	-0-	124,271
Miscellaneous income	364,799	-0-	-0-	-0-	810	365,609
Total revenue	<u>14,818,175</u>	<u>62,763</u>	<u>4,931,114</u>	<u>6,731,547</u>	<u>5,680,882</u>	<u>32,224,481</u>
<b>Expenditures</b>						
General government	4,244,029	10,018	-0-	-0-	9,340	4,263,387
Public safety	9,667,370	17,929	1,000,000	-0-	236,752	10,922,051
Highways and streets	2,905,673	7,698	743,865	-0-	721,680	4,378,916
Health and sanitation	360,498	-0-	-0-	-0-	-0-	360,498
Community development	-0-	-0-	-0-	-0-	1,152,759	1,152,759
Culture and recreation	1,650,278	13,000	-0-	50,000	376,532	2,089,810
Social services	29,991	-0-	-0-	-0-	-0-	29,991
Benefit payments	-0-	-0-	-0-	-0-	2,084,118	2,084,118
Capital outlay	7,161	-0-	-0-	133,000	414,004	554,165
Debt service – principal	238,435	-0-	-0-	-0-	207,532	445,967
Debt service – interest	43,939	-0-	-0-	-0-	36,502	80,441
Total expenditures	<u>19,147,374</u>	<u>48,645</u>	<u>1,743,865</u>	<u>183,000</u>	<u>5,239,219</u>	<u>26,362,103</u>
Excess (deficiency) of revenues over (under) expenditures	<u>( 4,329,199)</u>	<u>14,118</u>	<u>3,187,249</u>	<u>6,548,547</u>	<u>441,663</u>	<u>5,862,378</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, 2022**

	<u>General Fund</u>	<u>Coal Severance Fund</u>	<u>Municipal Sales and Use Tax Fund</u>	<u>American Rescue Plan Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	\$ 4,155,147	\$ -0-	\$ -0-	\$ -0-	\$ 753,804	\$ 4,908,951
Operating transfers (out)	( 840,656)	-0-	(4,757,891)	-0-	( 866,863)	( 6,465,410)
Total other financing sources (uses)	<u>3,314,491</u>	<u>-0-</u>	<u>(4,757,891)</u>	<u>-0-</u>	<u>( 113,059)</u>	<u>( 1,556,459)</u>
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)</b>	( 1,014,708)	14,118	(1,570,642)	6,548,547	328,604	4,305,919
<b>Fund balance at beginning of year</b>	<u>4,474,921</u>	<u>19,364</u>	<u>2,853,630</u>	<u>-0-</u>	<u>2,476,919</u>	<u>9,824,834</u>
<b>Fund balance at end of year</b>	<u>\$ 3,460,213</u>	<u>\$ 33,482</u>	<u>\$ 1,282,988</u>	<u>\$ 6,548,547</u>	<u>\$ 2,805,523</u>	<u>\$ 14,130,753</u>

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, 2022**

Net change in fund balances – total governmental funds \$ 4,305,919

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 capital outlays exceeded depreciation in the current period. 791,104

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 49,705

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:

Proceeds from note payable ( 1,410,500)  
Repayment of note payable 351,684

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 ( 124,862)

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 1,188,631

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. 693,029

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 905,577

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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.

\$ 3,912,066

Change in net position of governmental activities

\$ 10,662,353

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA**  
**STATEMENT OF NET POSITION -**  
**PROPRIETARY FUND**  
**JUNE 30, 2022**

	<u>Business-Type Activities</u> <u>Municipal Building</u> <u>Commission</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash	\$ <u>915,716</u>
Total current assets	<u>915,716</u>
<b>Noncurrent Assets</b>	
Restricted assets	<u>157,232</u>
Total noncurrent assets	<u>157,232</u>
<b>Capital Assets</b>	
Buildings	32,942,754
Equipment	179,691
Less: Accumulated depreciation	( 6,540,431)
Net capital assets	<u>26,582,014</u>
Total assets	\$ <u>27,654,962</u>
<b>LIABILITIES AND NET POSITION</b>	
<b>Current Liabilities (payable from restricted assets)</b>	
Revenue bonds payable	\$ 741,657
Accrued revenue bond interest payable	<u>33,547</u>
Total current liabilities (payable from restricted assets)	<u>775,204</u>
<b>Long-Term Liabilities (net of current portion)</b>	
Revenue bonds payable	<u>13,881,531</u>
Total long-term liabilities (net of current portion)	<u>13,881,531</u>
Total liabilities	<u>14,656,735</u>
<b>Net Position</b>	
Net investment in capital assets	11,958,826
Restricted for debt service	157,232
Unrestricted	<u>882,169</u>
Total net position	\$ <u>12,998,227</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, 2022**

	<u>Business-Type Activities</u> <u>Municipal Building</u> <u>Commission</u>
<b>Operating Revenues</b>	
Charges for services	\$ 544,422
Operating grants	714,811
Operating donations	<u>103,692</u>
Total operating revenues	<u>1,362,925</u>
<b>Operating Expenses</b>	
Maintenance	46,075
General and administrative	97,000
Theatre expense	1,292,531
Depreciation	<u>737,255</u>
Total operating expenses	<u>2,172,861</u>
Operating income (loss)	( <u>809,936</u> )
<b>Nonoperating Revenues (Expenses)</b>	
Interest	830
Contributions	121,487
Interest and fiscal charges	( <u>614,591</u> )
Total nonoperating revenues (expenses)	( <u>492,274</u> )
Change in net position before operating transfers in (out)	( 1,302,210 )
Operating transfers in (out)	<u>1,556,459</u>
Change in net position	254,249
Total net position – beginning	<u>12,743,978</u>
Total net position – ending	\$ <u>12,998,227</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
STATEMENT OF CASH FLOWS –  
PROPRIETARY FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Business-Type Activities</u> <u>Municipal Building</u> <u>Commission</u>
<b>Cash Flows from Operating Activities</b>	
Receipts from customers	\$ 544,422
Receipts from other sources	818,503
Payments to suppliers	(1,435,606)
Net cash (used in) operating activities	<u>( 72,681)</u>
<b>Cash Flows from Noncapital Financing Activities</b>	
Nonoperating contributions	121,487
Transfers from other activities	<u>1,556,459</u>
Net cash provided by noncapital financing activities	<u>1,677,946</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Repayment of revenue bonds	(4,637,238)
Proceeds from revenue bonds	3,169,245
Decrease in restricted assets	834,979
Interest expense	( 612,673)
Net cash (used in) capital and related financing activities	<u>(1,245,687)</u>
<b>Cash Flows from Investing Activities</b>	
Interest on investments	<u>830</u>
Net cash provided by investing activities	<u>830</u>
Net increase in cash	360,408
Cash at beginning of year	<u>555,308</u>
Cash at end of year	\$ <u>915,716</u>
<b>Reconciliation of operating income (loss) to net cash (used in) operating activities:</b>	
Operating income (loss)	\$ ( 809,936)
Adjustments to reconcile operating income (loss) to net cash (used in) by operating activities:	
Depreciation and amortization	<u>737,255</u>
Net cash (used in) operating activities	\$ <u>( 72,681)</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 FIDUCIARY RESPONSIBILITIES  
 STATEMENT OF NET POSITION  
 JUNE 30, 2022

	<u>Pension Trust Funds</u>
<b>Assets</b>	
Cash	\$ 700,237
Investments:	
Cash reserves	2,827,122
Mutual funds	18,027,458
U.S. Government obligations	836,450
Certificates of deposit	711,157
Corporate bonds	3,653,064
Corporate stocks	2,518,566
Receivables:	
Accrued interest	<u>20,703</u>
Total assets	<u>29,294,757</u>
 <b>Liabilities</b>	
Accounts payable	<u>-0-</u>
Total liabilities	<u>-0-</u>
 <b>Net Position</b>	
Held in trust for pension benefits	\$ <u>29,294,757</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, 2022**

	<u>Pension Trust Funds</u>
<b>Additions</b>	
Contributions:	
Employer	\$ 3,906,636
Employee	427,445
Insurance premium tax allocation	<u>938,127</u>
Total contributions	<u>5,272,208</u>
Investment income:	
Net appreciation in fair value of investments	( 4,650,734)
Net gain (loss) on sale of investments	803,610
Interest and dividends	<u>502,435</u>
Total investment income	<u>( 3,344,689)</u>
Miscellaneous	<u>60</u>
Total additions	<u>1,927,579</u>
<b>Deductions</b>	
General and administrative	251,878
Benefit payments	<u>3,072,619</u>
Total deductions	<u>3,324,497</u>
Net (decrease)	( 1,396,918)
Net position – beginning of year	<u>30,691,675</u>
Net position – end of year	\$ <u>29,294,757</u>

See accompanying notes and independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2022**

**I. Summary of Significant Accounting Policies**

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

**(a) Reporting Entity**

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

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

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Blended Component Units***

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

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

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

***Discretely Presented Component Units***

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Combining financial statements for the nonmajor governmental funds are included as supplementary information.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**(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, 2022**

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 (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

The government reports the following major governmental funds:

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

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

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

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

The government reports the following major proprietary funds:

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

Additionally, the government reports the following fund types:

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

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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, 2022**

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.

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

The rates levied by the Municipality per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2022, 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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**8. Change in Accounting Principle**

During the year ended June 30, 2022, the Municipality adopted following GASB statements:

**GASB 87 – Leases** – This Statement's objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of government's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the rights to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about a government's leasing activities. This statement was adopted during the current fiscal year and had an effect on the current financial statements.

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

**GASB 98 – The Annual Comprehensive Financial Report** – This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement’s introduction of the new term is founded on a commitment to promoting inclusiveness. This Statement is effective for fiscal years beginning after December 15, 2021.

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, 2022:

**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.

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***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.

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

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument.
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives.
- Clarification of provisions in Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, related to the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability.
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt.
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP).
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.
- Clarification of provisions in Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended, related to the focus of the government-wide financial statements.
- Terminology updates related to certain provisions of Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.
- Terminology used in Statement 53 to refer to resource flow statements.

The Requirements of this Statement are effective as follows:

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

**9. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section of deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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 \$543,322.

**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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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>
\$ 1,538,492	General Government expenditures increase
( 574,401)	Public Safety expenditures (decrease)
( 380,457)	Streets and Transportation expenditures (decrease)
253,237	Health and Sanitation expenditures increase
231,462	Culture and Recreation expenditures increase

**Coal Severance Fund**

<u>Amount</u>	<u>Description</u>
\$ 8,337	General Government expenditures increase
( 3,053)	Public Safety expenditures (decrease)
1,400	Streets and Transportation expenditures increase
1,850	Health and Sanitation expenditures increase

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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>
<b>Policemen's Pension and Relief</b>			
Fidelity government cash reserves	\$ 1,751,050	\$ 1,751,050	\$ -0-
Mutual Funds	<u>12,720,874</u>	<u>9,553,212</u>	<u>3,167,662</u>
	<u>\$ 14,471,924</u>	<u>\$ 11,304,262</u>	<u>\$ 3,167,662</u>

	<u>Fair Value</u>	<u>Credit Risk Rating</u>	
		<u>Standard &amp; Poor's and Fitch</u>	<u>Moody's Investment Services</u>
<b>Policemen's Pension and Relief</b>			
Fidelity government cash reserves	\$ 1,751,050	AAA	Aaa-AA2
Mutual funds	<u>12,720,874</u>	N/A	N/A
	<u>\$ 14,471,924</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>
<b>Policemen's Pension and Relief</b>					
Fidelity government cash reserves	\$ 1,751,050	\$ -0-	\$ -0-	\$ -0-	\$ 1,751,050
Mutual funds	<u>12,720,874</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>12,720,874</u>
	<u>\$ 14,471,924</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 14,471,924</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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>
TD Ameritrade Money Market	\$ 1,751,050	12.10%
Barclays Bank PLC Ipath Etn	1,499,810	10.36%
Select Sector Spdr Trust SBI Healthcare ETF	887,421	6.13%
Vanguard MCAP VL	1,485,724	10.27%
Fidelity Investments Advisor Strategic Income Z	1,474,786	10.19%
Fidelity Investments Adv Floating Rate High Inc	752,450	5.20%
Fidelity Investments Total Bond Z	1,136,256	7.85%
Fidelity Investments Real Estate Income Z	1,131,120	7.82%
Fidelity Investments SM Cap Value Inst	1,443,739	9.98%
VanGuard Div Growth Investor	1,989,949	13.75%

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>
<b>Firemen's Pension and Relief</b>			
Fidelity government cash reserves	\$ 1,076,072	\$ 1,076,072	\$ -0-
Mutual funds	5,306,584	3,168,360	2,138,224
U.S. Government obligations	836,450	1,000,000	( 163,550)
Certificates of deposit	711,157	746,855	( 35,698)
Corporate bonds	3,653,064	3,987,010	( 333,946)
Corporate stocks	<u>2,518,566</u>	<u>1,709,108</u>	<u>809,458</u>
	<b>\$ 14,101,893</b>	<b>\$ 11,687,405</b>	<b>\$ 2,414,488</b>

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Fair Value</u>	<u>Credit Risk Rating</u>	
		<u>Standard &amp; Poor's and Fitch</u>	<u>Moody's Investment Services</u>
<b>Firemen's Pension and Relief</b>			
Fidelity government cash reserves	\$ 1,076,072	AAA	Aaa - AA2
Mutual funds	5,306,584	N/A	N/A
U.S. Government obligations	836,450	N/A	N/A
Certificates of deposit	711,157	A- - AAA	Aaa - AA2
Corporate bonds	3,653,064	A- - AAA	Aaa - AA2
Corporate stocks	<u>2,518,566</u>	N/A	N/A
	<b>\$ <u>14,101,893</u></b>		

<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>
<b>Firemen's Pension and Relief</b>					
Fidelity government cash reserves	\$ 1,076,072	\$ -0-	\$ -0-	\$ -0-	\$ 1,076,072
Mutual funds	5,306,584	-0-	-0-	-0-	5,306,584
U.S. Government obligations	-0-	-0-	-0-	836,450	836,450
Certificates of deposit	348,463	227,323	135,371	-0-	711,157
Corporate bonds	<u>299,499</u>	<u>2,798,721</u>	<u>549,837</u>	<u>5,007</u>	<u>3,653,064</u>
	<b>\$ <u>7,030,618</u></b>	<b>\$ <u>3,026,044</u></b>	<b>\$ <u>685,208</u></b>	<b>\$ <u>841,457</u></b>	<b>\$ <u>11,583,327</u></b>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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	\$ 1,076,072	7.09%
Ishares Russell Mid-Cap Value ETF	971,517	6.40%
Ishares Russell 2000 Value ETF	798,111	5.26%
Ishares S & P Midcap 400 Index Fund	778,910	5.13%

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

	<u>Fair Value</u>	<u>Credit Risk Rating</u>	
		<u>Standard &amp; Poor's and Fitch</u>	<u>Moody's Investment Services</u>
<b>Sanitary Sewer Board</b>			
WV Municipal Bond Commission	\$ 510,213	Not Rated	Not Rated
Money market	<u>192,271</u>	Not Rated	Not Rated
	<u>\$ 702,484</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>
<b>Sanitary Sewer Board</b>					
WV Municipal Bond Commission	\$ 510,213	\$ -0-	\$ -0-	\$ -0-	\$ 510,213
Money market	<u>192,271</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>192,271</u>
	<u>\$ 702,484</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 702,484</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

	<u>Fair Value</u>	<u>Credit Risk Rating</u>			
		<u>Standard &amp; Poor's and Fitch</u>	<u>Moody's Investment Services</u>		
<b>Municipal Building Commission</b>					
Money Market	\$ <u>157,232</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 10 Years</u>	<u>Total</u>
Money Market	\$ <u>157,232</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>157,232</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 \$12,862,026, which were collateralized with a depository bond.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 \$29,950,990. 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	\$ 12,862,026
Investments – collateralized and secured	<u>29,950,990</u>
Total	\$ <u>42,813,016</u>
Cash and cash equivalents	\$ 12,862,026
Cash and investments – restricted	1,377,173
Investments	<u>28,573,817</u>
Total	\$ <u>42,813,016</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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 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	\$ 840,789	\$ -0-	\$ -0-	\$ -0-	\$ 840,789	\$ -0-	\$ 1,095,938
Taxes	2,544,757	21,196	1,264,669	253,209	4,083,831	-0-	-0-
Grants	98,005	-0-	-0-	-0-	98,005	-0-	-0-
Other	46,519	-0-	-0-	-0-	46,519	-0-	-0-
Notes	-0-	-0-	-0-	17,722	17,722	-0-	-0-
Interest	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	20,703	<u>-0-</u>
Total	\$ <u>3,530,070</u>	\$ <u>21,196</u>	\$ <u>1,264,669</u>	\$ <u>270,931</u>	\$ <u>5,086,866</u>	\$ <u>20,703</u>	\$ <u>1,095,938</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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-	\$ 38,201
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>38,201</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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>566,841</u>
Total deferred revenue for governmental funds	\$ <u>566,841</u>

**C. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
<b>Nondepreciable assets:</b>				
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>
<b>Depreciable assets:</b>				
Structures and improvements	14,728,208	-0-	-0-	14,728,208
Infrastructure	17,864,949	-0-	-0-	17,864,949
Machinery and equipment	<u>10,175,563</u>	<u>1,798,663</u>	<u>-0-</u>	<u>11,974,226</u>
Totals at historical cost	42,768,720	1,798,663	-0-	44,567,383
Less: Accumulated depreciation	<u>25,471,570</u>	<u>1,007,559</u>	<u>-0-</u>	<u>26,479,129</u>
Total depreciable assets – net	<u>17,297,150</u>	<u>791,104</u>	<u>-0-</u>	<u>18,088,254</u>
Governmental activities capital assets – net	\$ <u>18,007,677</u>	\$ <u>791,104</u>	\$ <u>-0-</u>	\$ <u>18,798,781</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Depreciation expense was charged to governmental activities as follows:

General government	\$	150,670
Public safety		235,323
Highways and streets		391,685
Health and sanitation		22,267
Culture and recreation		<u>207,614</u>
	\$	<u>1,007,559</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Business-Type Activities</b>				
<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>5,803,176</u>	<u>737,255</u>	<u>-0-</u>	<u>6,540,431</u>
Total depreciable assets	<u>27,319,269</u>	<u>(737,255)</u>	<u>-0-</u>	<u>26,582,014</u>
Business-type activities capital assets – net	\$ <u>27,319,269</u>	\$ <u>(737,255)</u>	\$ <u>-0-</u>	\$ <u>26,582,014</u>

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Business-Type Activities – Component Unit</b>				
<i>Sanitary Fund</i>				
Nondepreciable Assets:				
Land	\$ 84,065	\$ -0-	\$ -0-	\$ 84,065
Construction in process	<u>3,096,840</u>	<u>4,018,068</u>	<u>-0-</u>	<u>7,114,908</u>
Total nondepreciable assets	<u>3,180,905</u>	<u>4,018,068</u>	<u>-0-</u>	<u>7,198,973</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>28,831,475</u>	<u>11,545</u>	<u>-0-</u>	<u>28,843,020</u>
Total at historical cost	38,259,206	11,545	-0-	38,270,751
Less: Accumulated depreciation	<u>20,972,795</u>	<u>695,914</u>	<u>-0-</u>	<u>21,668,709</u>
Total depreciable assets – net	<u>17,286,411</u>	<u>( 684,369)</u>	<u>-0-</u>	<u>16,602,042</u>
Business-type activities capital assets – net	\$ <u>20,467,316</u>	\$ <u>3,333,699</u>	\$ <u>-0-</u>	\$ <u>23,801,015</u>

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
<b>Business-Type Activities – Component Unit</b>				
<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>4,994,359</u>	<u>105,420</u>	<u>-0-</u>	<u>5,099,779</u>
Total depreciable assets – net	<u>3,461,235</u>	<u>(105,420)</u>	<u>-0-</u>	<u>3,355,815</u>
Business-type activities capital assets – net	\$ <u>6,005,136</u>	\$ <u>(105,420)</u>	\$ <u>-0-</u>	\$ <u>5,899,716</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2022, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Police Fine Escrow Fund	General Fund	\$ 8,256
Park Board	Park Board Special Levy Fund	\$ 42,876
Park Board Special Levy Fund	Capital Improvement Levy Fund	\$ 34,193
Financial Stabilization Fund	Capital Improvement Levy Fund	\$ 272,100
Capital Improvement Levy Fund	General Fund	\$ 196,102
General Fund	Dental and Vision Benefit Fund	\$ 13,000
General Fund	Sanitary Board	\$ 41,688
Financial Stabilization Fund	General Fund	\$ 3,497,672

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Interfund Transfers:

	<u>Park Board Special Levy Fund</u>	<u>Urban Renewal Authority</u>	<u>Municipal Building Commission</u>	<u>Urban Renewal Debt Service</u>	<u>Police Fund</u>	<u>General Fund</u>	<u>Capital Improvement Levy Fund</u>	<u>Police National Night Out Fund</u>	<u>Park Board</u>	<u>Total</u>
<u>Transfers Out:</u>										
Park Board Special Levy Fund	\$ -0-	\$ -0-	\$ 124,149	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 124,149
Municipal Sales and Use Tax Fund	-0-	-0-	821,392	-0-	-0-	3,936,499	-0-	-0-	-0-	4,757,891
Urban Renewal Debt Service	-0-	-0-	-0-	-0-	-0-	218,648	-0-	-0-	-0-	218,648
Urban Renewal Authority	-0-	-0-	-0-	121	-0-	-0-	-0-	-0-	-0-	121
Police Fund	-0-	-0-	-0-	-0-	-0-	-0-	-0-	6,564	-0-	6,564
Capital Improvement Levy Fund	517,502	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	517,502
General Fund	<u>-0-</u>	<u>183,296</u>	<u>610,918</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>46,442</u>	<u>840,656</u>
<b>Total</b>	<b>\$ <u>517,502</u></b>	<b>\$ <u>183,296</u></b>	<b>\$ <u>1,556,459</u></b>	<b>\$ <u>121</u></b>	<b>\$ <u>-0-</u></b>	<b>\$ <u>4,155,147</u></b>	<b>\$ <u>-0-</u></b>	<b>\$ <u>6,564</u></b>	<b>\$ <u>46,442</u></b>	<b>\$ <u>6,465,531</u></b>

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**E. Fund Balance Detail**

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

	<u>General Fund</u>	<u>Coal Severance</u>	<u>Municipal Sales and Tax Fund</u>	<u>American Rescue Plan Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
<b>Committed:</b>						
Streets and transportation	\$ <u>-0-</u>	\$ <u>33,482</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>33,482</u>
<b>Restricted:</b>						
Capital improvements	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>6,548,547</u>	<u>-0-</u>	<u>6,548,547</u>
<b>Assigned:</b>						
Public safety	-0-	-0-	-0-	-0-	310,579	310,579
Capital improvements	-0-	-0-	-0-	-0-	402,647	402,647
General government	-0-	-0-	1,282,988	-0-	26,673	1,309,661
Culture and recreation	-0-	-0-	-0-	-0-	713,536	713,536
Community development	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>1,355,164</u>	<u>1,355,164</u>
Total assigned:	<u>-0-</u>	<u>-0-</u>	<u>1,282,988</u>	<u>-0-</u>	<u>2,808,599</u>	<u>4,091,587</u>
<b>Unassigned</b>	<u>3,460,213</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 3,076)</u>	<u>3,457,137</u>
<b>Total fund balance</b>	<u>\$ 3,460,213</u>	<u>\$ 33,482</u>	<u>\$ 1,282,988</u>	<u>\$ 6,548,547</u>	<u>\$ 2,805,523</u>	<u>\$ 14,130,753</u>

It was determined during this examination that the Dental and Vision Benefit Fund had a deficit fund balance of \$3,076. 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 \$6,981,083 at June 30, 2022. The elimination of this deficit is dependent on the increase of revenues and decrease of expenditures in future periods.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**F. Long-Term Debt**

Long-term liability activity for Governmental Activities for the year ended June 30, 2022 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>
<b>Governmental Activities</b>						
Notes payable	\$ 1,513,919	\$ 1,410,500	\$ 351,684	\$ 2,572,735	\$ 482,851	\$ 2,089,884
Accrued compensated absences	1,204,946	173,221	-0-	1,378,167	751,890	626,277
Accrued other post employment benefit obligation	650,622	-0-	693,029	( 42,407)	-0-	( 42,407)
Net pension obligation	<u>31,495,073</u>	<u>-0-</u>	<u>1,188,631</u>	<u>30,306,442</u>	<u>-0-</u>	<u>30,306,442</u>
Governmental activities long-term liabilities	<u>\$ 34,864,560</u>	<u>\$ 1,583,721</u>	<u>\$ 2,233,344</u>	<u>\$ 34,214,937</u>	<u>\$ 1,234,741</u>	<u>\$ 32,980,196</u>

Long-term liability activity for the year ended June 30, 2022 was as follows:

**Note Payable – Community Bank**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 95,428	\$ 4,892	\$ 100,320
2024	100,160	160	100,320
2025	<u>8,021</u>	<u>33</u>	<u>8,054</u>
Total	<u>\$ 203,609</u>	<u>\$ 5,085</u>	<u>\$ 208,694</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Note Payable – Community Bank**

On October 9, 2014 the General Fund of the Municipality of Clarksburg, West Virginia entered into an agreement for the acquisition of a dump truck. This agreement originally qualified as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the minimum lease payments as of the date of inception of the acquisition. In accordance with the implementation of GASB 87 – *Leases*, this acquisition has been reclassified from a capital lease to a note payable as of June 30, 2022. This note was paid off in the current fiscal year ended June 30, 2022.

**Note Payable – Truist Governmental Finance**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 10,988	\$ 1,306	\$ 12,294
2024	11,298	996	12,294
2025	11,617	677	12,294
2026	11,946	348	12,294
2027	<u>5,970</u>	<u>45</u>	<u>6,015</u>
Total	\$ <u>51,819</u>	\$ <u>3,372</u>	\$ <u>55,191</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Note Payable – Truist Governmental Finance**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 42,723	\$ 10,895	\$ 53,618
2024	44,128	9,490	53,618
2025	45,579	8,039	53,618
2026	47,078	6,540	53,618
2027	48,626	4,992	53,618
2028	50,226	3,392	53,618
2029	51,877	1,741	53,618
2030	<u>25,497</u>	<u>235</u>	<u>25,732</u>
Total	\$ <u>355,734</u>	\$ <u>45,324</u>	\$ <u>401,058</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Note Payable – Truist Governmental Finance**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 16,071	\$ 1,483	\$ 17,554
2024	16,641	913	17,554
2025	<u>17,080</u>	<u>321</u>	<u>17,401</u>
Total	\$ <u>49,792</u>	\$ <u>2,717</u>	\$ <u>52,509</u>

**Note Payable – West Union Bank**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 11,184	\$ 949	\$ 12,133
2024	11,696	437	12,133
2025	<u>2,359</u>	<u>27</u>	<u>2,386</u>
Total	\$ <u>25,239</u>	\$ <u>1,413</u>	\$ <u>26,652</u>

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Note Payable – West Union Bank**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 24,574	\$ 8,448	\$ 33,022
2024	25,622	7,400	33,022
2025	26,716	6,306	33,022
2026	27,856	5,166	33,022
2027	29,044	3,978	33,022
2028	30,283	2,739	33,022
2029	31,575	1,447	33,022
2030	<u>14,612</u>	<u>222</u>	<u>14,834</u>
Total	\$ <u>210,282</u>	\$ <u>35,706</u>	\$ <u>245,988</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Note Payable – John Deere Financing**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 15,283	\$ -0-	\$ 15,283
2024	15,283	-0-	15,283
2025	<u>12,736</u>	<u>-0-</u>	<u>12,736</u>
Total	\$ <u>43,302</u>	\$ <u>-0-</u>	\$ <u>43,302</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Note Payable – Freedom Bank**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 131,502	\$ 22,366	\$ 153,868
2024	133,785	20,083	153,868
2025	136,108	17,760	153,868
2026	138,471	15,397	153,868
2027	140,875	12,993	153,868
2028	143,321	10,547	153,868
2029	145,809	8,059	153,868
2030	148,341	5,527	153,868
2031	150,917	2,951	153,868
2032	<u>76,596</u>	<u>498</u>	<u>77,094</u>
Total	\$ <u>1,345,725</u>	\$ <u>116,181</u>	\$ <u>1,461,906</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**West Union Bank**

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

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 15,890	\$ 2,701	\$ 18,591
2024	16,486	2,105	18,591
2025	17,104	1,487	18,591
2026	17,746	845	18,591
2027	<u>11,683</u>	<u>196</u>	<u>11,879</u>
Total	\$ <u>78,909</u>	\$ <u>7,334</u>	\$ <u>86,243</u>

**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>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ <u>34,556</u>	\$ <u>311</u>	\$ <u>34,867</u>
Total	\$ <u>34,556</u>	\$ <u>311</u>	\$ <u>34,867</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**MVB Bank, Inc.**

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

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 84,652	\$ 7,784	\$ 92,436
2024	<u>89,116</u>	<u>2,785</u>	<u>91,901</u>
Total	\$ <u>173,768</u>	\$ <u>10,569</u>	\$ <u>184,337</u>

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 482,851	\$ 61,135	\$ 543,986
2024	464,215	44,369	508,584
2025	277,320	34,650	311,970
2026	243,097	28,296	271,393
2027	236,198	22,204	258,402
2028	223,830	16,678	240,508
2029	229,261	11,247	240,508
2030	188,450	5,984	194,434
2031	150,917	2,951	153,868
2032	<u>76,596</u>	<u>498</u>	<u>77,094</u>
Total	\$ <u>2,572,735</u>	\$ <u>228,012</u>	\$ <u>2,800,747</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Long-term liability activity for Business-Type Activities Unit for the year ended June 30, 2022 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>
<b>Business-Type Activities – Municipal Building Commission</b>						
Bonds and notes payable:						
United States Department of Agriculture	\$ 1,018,398	\$ -0-	\$ 185,103	\$ 833,295	\$ 213,627	\$ 619,668
United States Department of Agriculture	22,522	-0-	14,474	8,048	8,048	-0-
United States Department of Agriculture	460,463	-0-	22,514	437,949	23,879	414,070
United States Department of Agriculture	61,626	-0-	2,957	58,669	3,148	55,521
Lease Revenue Bonds – Series 2012	1,718,584	-0-	1,718,584	-0-	-0-	-0-
Lease Revenue Bonds – Series 2013	572,276	-0-	38,073	534,203	36,287	497,916
Lease Revenue Bond – MVB	200,279	-0-	31,155	169,124	29,723	139,401
Sales Tax Revenue Bonds, Series 2016A	1,447,950	-0-	33,780	1,414,170	34,412	1,379,758
Sales Tax Revenue Refunding Bonds – Series 2019A	8,254,172	-0-	130,113	8,124,059	133,655	7,990,404
Sales Tax Revenue Bonds – Series 2019B	2,334,911	-0-	2,334,911	-0-	-0-	-0-
Lease Revenue Bonds – Series 2022	-0-	1,765,605	40,317	1,725,288	93,052	1,632,236
Sales Tax Revenue Refunding Bonds Series 2022A	<u>-0-</u>	<u>1,403,640</u>	<u>85,257</u>	<u>1,318,383</u>	<u>165,826</u>	<u>1,152,557</u>
<b>Total bonds and notes payable</b>	<b>\$ <u>16,091,181</u></b>	<b>\$ <u>3,169,245</u></b>	<b>\$ <u>4,637,238</u></b>	<b>\$ <u>14,623,188</u></b>	<b>\$ <u>741,657</u></b>	<b>\$ <u>13,881,531</u></b>

**United States Department of Agriculture**

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

\$ 833,295

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 213,627	\$ 36,813	\$ 250,440
2024	224,556	25,884	250,440
2025	236,045	14,395	250,440
2026	<u>159,067</u>	<u>2,860</u>	<u>161,927</u>
Total	\$ <u>833,295</u>	\$ <u>79,952</u>	\$ <u>913,247</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

\$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. \$ 8,048

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ <u>8,048</u>	\$ <u>111</u>	\$ <u>8,159</u>
	\$ <u>8,048</u>	\$ <u>111</u>	\$ <u>8,159</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. \$ 437,949

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 23,879	\$ 17,617	\$ 41,496
2024	24,883	16,613	41,496
2025	25,929	15,567	41,496
2026	27,019	14,477	41,496
2027	28,154	13,342	41,496
2028 – 2032	159,553	47,927	207,480
2033 – 2036	<u>148,532</u>	<u>12,453</u>	<u>160,985</u>
Total	\$ <u>437,949</u>	\$ <u>137,996</u>	\$ <u>575,945</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

\$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. \$ 58,669

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 3,148	\$ 2,504	\$ 5,652
2024	3,288	2,364	5,652
2025	3,435	2,217	5,652
2026	3,588	2,064	5,652
2027	3,749	1,903	5,652
2028 – 2032	21,408	6,852	28,260
2033 – 2036	<u>20,053</u>	<u>1,778</u>	<u>21,831</u>
	\$ <u>58,669</u>	\$ <u>19,682</u>	\$ <u>78,351</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. This bond was refinanced on January 21, 2022 by the issuance of Lease Refunding Revenue Bonds Series 2022.

\$ -0-

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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.

\$ 534,203

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 36,287	\$ 16,565	\$ 52,852
2024	37,465	15,387	52,852
2025	38,682	14,170	52,852
2026	39,938	12,914	52,852
2027	41,235	11,617	52,852
2028 – 2032	227,153	37,107	264,260
2033 – 2035	<u>113,443</u>	<u>4,236</u>	<u>117,679</u>
	\$ <u>534,203</u>	\$ <u>111,996</u>	\$ <u>646,199</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.

\$ 169,124

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 29,723	\$ 4,979	\$ 34,702
2024	30,688	4,014	34,702
2025	31,685	3,017	34,702
2026	32,714	1,988	34,702
2027	33,776	926	34,702
2028	<u>10,538</u>	<u>59</u>	<u>10,597</u>
	<b>\$ <u>169,124</u></b>	<b>\$ <u>14,983</u></b>	<b>\$ <u>184,107</u></b>

**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.

\$ 1,414,170

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 34,412	\$ 40,412	\$ 74,824
2024	35,409	39,415	74,824
2025	36,434	38,390	74,824
2026	37,489	37,335	74,824
2027	38,575	36,249	74,824
2028 – 2032	210,288	163,832	374,120
2033 – 2037	242,550	131,570	374,120
2038 – 2042	279,761	94,359	374,120
2043 – 2047	322,679	51,441	374,120
2048 – 2050	<u>176,573</u>	<u>7,606</u>	<u>184,179</u>
	<b>\$ <u>1,414,170</u></b>	<b>\$ <u>640,609</u></b>	<b>\$ <u>2,054,779</u></b>

**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.

**\$ 8,124,059**

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 133,655	\$ 262,955	\$ 396,610
2024	138,034	258,576	396,610
2025	142,557	254,053	396,610
2026	147,228	249,382	396,610
2027	152,051	244,559	396,610
2028 – 2032	838,331	1,144,719	1,983,050
2033 – 2037	984,965	998,085	1,983,050
2038 – 2042	1,157,247	825,803	1,983,050
2043 – 2047	1,359,665	623,385	1,983,050
2048 – 2052	1,597,488	385,562	1,983,050
2053 – 2056	<u>1,472,838</u>	<u>109,498</u>	<u>1,582,336</u>
	<b>\$ <u>8,124,059</u></b>	<b>\$ <u>5,356,577</u></b>	<b>\$ <u>13,480,636</u></b>

**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. This bond was refinanced on January 21, 2022 by the issuance of Sales Tax Revenue Refunding Bond Series 2022A.

\$ -0-

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Lease Revenue Bonds – Series 2022**

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

\$1,725,288

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 93,052	\$ 37,526	\$ 130,578
2024	95,148	35,430	130,578
2025	97,292	33,286	130,578
2026	99,484	31,094	130,578
2027	101,725	28,853	130,578
2028 – 2032	544,052	108,838	652,890
2033 – 2037	608,163	44,727	652,890
2038	<u>86,372</u>	<u>725</u>	<u>87,097</u>
	\$ <u>1,725,288</u>	\$ <u>320,479</u>	\$ <u>2,045,767</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**Sales Tax Revenue Refunding Bonds Series 2022A**

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

\$1,318,383

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 165,826	\$ 22,733	\$ 188,559
2024	168,791	19,768	188,559
2025	171,809	16,750	188,559
2026	174,881	13,678	188,559
2027	178,008	10,551	188,559
2028 – 2029	<u>459,068</u>	<u>12,329</u>	<u>471,397</u>
	<u>\$ 1,318,383</u>	<u>\$ 95,809</u>	<u>\$ 1,414,192</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 741,657	\$ 442,215	\$ 1,183,872
2024	758,262	417,451	1,175,713
2025	783,868	391,845	1,175,713
2026	721,408	365,792	1,087,200
2027	577,273	348,000	925,273
2028 – 2032	2,470,391	1,184,963	3,655,354
2033 – 2037	2,117,706	1,192,849	3,310,555
2038 – 2042	1,523,380	920,887	2,444,267
2043 – 2047	1,682,344	674,826	2,357,170
2048 – 2052	1,774,061	393,168	2,167,229
2053 – 2056	<u>1,472,838</u>	<u>109,498</u>	<u>1,582,336</u>
	<b>\$ <u>14,623,188</u></b>	<b>\$ <u>6,441,494</u></b>	<b>\$ <u>21,064,682</u></b>

Long-term liability activity for Business-Type Activities – Component Unit for the year ended June 30, 2022 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>
<b>Business-Type Activities – Component Units</b>						
<b>Bonds and notes payable:</b>						
2009A Sewer Revenue Bonds	\$ 450,000	\$ -0-	\$ 50,000	\$ 400,000	\$ 50,000	\$ 350,000
2014A Sewer Revenue Bonds	9,837,165	-0-	382,530	9,454,635	384,447	9,070,188
2020A Sewer Revenue Bonds	<u>3,276,049</u>	<u>3,353,864</u>	<u>156,711</u>	<u>6,473,202</u>	<u>354,785</u>	<u>6,118,417</u>
Total bonds and notes payable	<u>13,563,214</u>	<u>3,353,864</u>	<u>589,241</u>	<u>16,327,837</u>	<u>789,232</u>	<u>15,538,605</u>
<b>Other long-term debt</b>						
Accrued compensated absences	219,562	-0-	62,434	157,128	157,128	-0-
Net pension obligation (asset)	526,254	-0-	1,418,477	( 892,223)	-0-	( 892,223)
Net other post-employment benefit obligation (asset)	<u>128,286</u>	<u>-0-</u>	<u>136,617</u>	<u>( 8,331)</u>	<u>-0-</u>	<u>( 8,331)</u>
Total other long-term debt	<u>874,102</u>	<u>-0-</u>	<u>1,617,528</u>	<u>( 743,426)</u>	<u>157,128</u>	<u>( 900,554)</u>
Total long-term debt	<b>\$ <u>14,437,316</u></b>	<b>\$ <u>3,353,864</u></b>	<b>\$ <u>2,206,769</u></b>	<b>\$ <u>15,584,411</u></b>	<b>\$ <u>946,360</u></b>	<b>\$ <u>14,638,051</u></b>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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.

\$ 400,000

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 50,000	\$ -0-	\$ 50,000
2024	50,000	-0-	50,000
2025	50,000	-0-	50,000
2026	50,000	-0-	50,000
2027	50,000	-0-	50,000
2028 – 2030	<u>150,000</u>	<u>-0-</u>	<u>150,000</u>
	<u>\$ 400,000</u>	<u>\$ -0-</u>	<u>\$ 400,000</u>

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

As required by the 2009A Series Bond Ordinance, a sinking fund has been established with the West Virginia Municipal Bond Commission. Moneys in the sinking fund are to be used only for the purposes of paying principal on the bonds. Payments are required to be made into the sinking fund to pay principal which will become due on the next payment date. The balance in the sinking fund account with the Municipal Bond Commission at June 30, 2022 was \$62,636.

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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.

\$ 9,454,635

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 384,447	\$ 46,553	\$ 431,000
2024	386,373	44,627	431,000
2025	388,308	42,692	431,000
2026	390,253	40,747	431,000
2027	392,208	38,792	431,000
2028 – 2032	1,990,710	164,290	2,155,000
2033 – 2037	2,041,073	113,927	2,155,000
2038 – 2042	2,092,711	62,289	2,155,000
2043 – 2046	<u>1,388,552</u>	<u>12,179</u>	<u>1,400,731</u>
	\$ <u>9,454,635</u>	\$ <u>566,096</u>	\$ <u>10,020,731</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, 2022 was \$355,301.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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. \$ 6,473,202

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

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 354,785	\$ 174,375	\$ 529,160
2024	364,642	164,518	529,160
2025	374,774	154,386	529,160
2026	385,187	143,973	529,160
2027	395,889	133,271	529,160
2028 – 2032	2,150,684	495,116	2,645,800
2033 –2037	<u>2,447,241</u>	<u>178,489</u>	<u>2,625,730</u>
	\$ <u>6,473,202</u>	\$ <u>1,444,128</u>	\$ <u>7,917,330</u>

As of June 30, 2022, the Municipality of Clarksburg had drawn down \$6,629,913 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, 2022 was \$92,275.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

<u>For the Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 789,232	\$ 220,928	\$ 1,010,160
2024	801,015	209,145	1,010,160
2025	813,082	197,078	1,010,160
2026	825,440	184,720	1,010,160
2027	838,097	172,063	1,010,160
2028 – 2032	4,291,394	659,406	4,950,800
2033 – 2037	4,488,314	292,416	4,780,730
2038 – 2042	2,092,711	62,289	2,155,000
2043 – 2046	<u>1,388,552</u>	<u>12,179</u>	<u>1,400,731</u>
	<b>\$ <u>16,327,837</u></b>	<b>\$ <u>2,010,224</u></b>	<b>\$ <u>18,338,061</u></b>

**G. Restricted Assets**

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

	<u>Business-Type Activities</u>
Renewal and replacement account	\$ 709,728
Revenue bond account	<u>510,213</u>
Total restricted assets	<b>\$ <u>1,219,941</u></b>

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

Revenue Bond account	<b>\$ <u>157,232</u></b>
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See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**H. Benefits Funded by the State of West Virginia**

For the year ended June 30, 2022, 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	\$ 464,032
Firemen's Pension and Relief Fund	<u>474,095</u>
<b>Total</b>	<b>\$ <u>938,127</u></b>

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, 2022**

**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, 2022 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, 2022.

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, 2022.

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Memberships of the plans are as follows:

<u>Group</u>	<u>PPRF</u>	<u>FPRF</u>	<u>Totals</u>
Active employees	39	40	79
Retirees and beneficiaries currently receiving benefits	51	55	106
Former members due refunds	<u>9</u>	<u>1</u>	<u>10</u>
	<u>99</u>	<u>96</u>	<u>195</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	<p>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.</p>	
Plan Members	7% of covered payroll	7% of covered payroll
Period required to vest	<p>No vesting occurs. If separation from employment occurs the member is entitled to a refund of his/her contributions only.</p>	
Post-Retirement benefit increases	<p>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.</p>	

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<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, 2021 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, 2020, through June 30, 2021. Additional actuarial assumptions are disclosed in the Required Supplementary Information.

	<u>Policemen's Pension &amp; Relief Fund</u>	<u>Firemen's Pension &amp; 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%	6.00%

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

***Net Pension Liability, Reserves and Discount Rate***

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

***Reserves***

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Net Pension Liability***

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

	<u>PPRF</u>	<u>FPRF</u>
Total pension liability	\$ 27,244,065	\$ 34,138,745
Plan fiduciary net position	<u>14,822,596</u>	<u>14,456,589</u>
Net pension liability	\$ <u>12,421,469</u>	\$ <u>19,682,156</u>
Plan fiduciary net position as a percentage of the total pension liability	54.41%	42.35%

***Discount Rate***

The discount rate used to measure the total pension liability was 6.00% for the PPRF and 6.00% for the FPRF, and the municipal bond rate of 3.69% for both plans. The projection of cash flows used to determine these discount rates assumed that the plans sponsor would make the statutory required contribution in accordance with alternative funding method which is 107% of the prior year's contribution as allowed by West Virginia State Code. Based on those assumptions, the pension plans' fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liability.

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

	<u>1% Decrease</u> <u>5.00%</u>	<u>Current</u> <u>Discount Rate</u> <u>6.00%</u>	<u>1% Increase</u> <u>7.00%</u>
PPRF's net pension liability	\$ 16,164,085	\$ 12,421,469	\$ 9,387,327
FPRF's net pension liability	\$ 24,221,987	\$ 19,682,156	\$ 15,968,920

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

For the year ended June 30, 2022, the Municipality's Policemen's Pension and Relief Plan reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 116,482	\$ 225,215
Change in assumptions	-0-	2,812,509
Net difference between projected and actual earnings on pension plan investments	<u>515,642</u>	<u>-0-</u>
	<b>\$ <u>632,124</u></b>	<b>\$ <u>3,037,724</u></b>

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,

2023	\$ (1,493,875)
2024	(1,529,874)
2025	70,043
2026	<u>548,106</u>
	<b>\$ <u>(2,405,600)</u></b>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

For the year ended June 30, 2022, the Municipality's Firemen's Pension and Relief Plan reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 276,757	\$ 108,309
Change in assumptions	-0-	2,999,153
Net difference between projected and actual earnings on pension plan investments	<u>1,013,676</u>	<u>-0-</u>
	<u>\$ 1,290,433</u>	<u>\$ 3,107,462</u>

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

For the Year Ended June 30,

2023	\$ (1,915,585)
2024	( 548,115)
2025	111,572
2026	<u>535,099</u>
	<u>\$ (1,817,029)</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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>
<b>Assets</b>			
Cash	\$ 348,786	\$ 351,451	\$ 700,237
Investments:			
Cash reserves	1,751,050	1,076,072	2,827,122
Mutual funds	12,720,874	5,306,584	18,027,458
U.S. Government obligations	-0-	836,450	836,450
Certificates of deposit	-0-	711,157	711,157
Corporate bonds	-0-	3,653,064	3,653,064
Corporate stocks	-0-	2,518,566	2,518,566
Receivables:			
Accrued interest	<u>-0-</u>	<u>20,703</u>	<u>20,703</u>
Total assets	<u>14,820,710</u>	<u>14,474,047</u>	<u>29,294,757</u>
<b>Liabilities</b>			
Accounts payable	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
<b>Net Position</b>			
Held in trust for pension benefits	\$ <u>14,820,710</u>	\$ <u>14,474,047</u>	\$ <u>29,294,757</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Policemen's Pension and Relief Fund</u>	<u>Firemen's Pension and Relief Fund</u>	<u>Total (Memorandum Only)</u>
<b>Additions</b>			
Contributions:			
Employer	\$ 1,947,374	\$ 1,959,262	\$ 3,906,636
Employee	223,860	203,585	427,445
Insurance premium tax allocation	<u>464,032</u>	<u>474,095</u>	<u>938,127</u>
Total contributions	<u>2,635,266</u>	<u>2,636,942</u>	<u>5,272,208</u>
Investment income:			
Net appreciation in fair value of investments	( 2,672,969)	( 1,977,765)	( 4,650,734)
Net gain (loss) on sale of investments	801,955	1,655	803,610
Interest and dividends	<u>275,169</u>	<u>227,266</u>	<u>502,435</u>
Total investment income	<u>( 1,595,845)</u>	<u>( 1,748,844)</u>	<u>( 3,344,689)</u>
Miscellaneous income	<u>-0-</u>	<u>60</u>	<u>60</u>
Total additions	<u>1,039,421</u>	<u>888,158</u>	<u>1,927,579</u>
<b>Deductions</b>			
General and administrative	189,720	62,158	251,878
Benefit payments	<u>1,517,632</u>	<u>1,554,987</u>	<u>3,072,619</u>
Total deductions	<u>1,707,352</u>	<u>1,617,145</u>	<u>3,324,497</u>
Net increase	( 667,931)	( 728,987)	( 1,396,918)
Net position – beginning of year	<u>15,488,641</u>	<u>15,203,034</u>	<u>30,691,675</u>
Net position – end of year	\$ <u>14,820,710</u>	\$ <u>14,474,047</u>	\$ <u>29,294,757</u>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*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 (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

*V.B.2 Trend Information*

Public Employees Retirement System (PERS)

<u>Fiscal Year</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>
2022	\$ 516,809	100%
2021	\$ 478,627	100%
2020	\$ 492,779	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  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Employees covered by benefit terms are all active employees.

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

***Public Employees Retirement System Tier II***

The Public Employees Retirement System (PERS) was established on July 1, 1961 for the purpose of providing retirement benefits for employees of the State and other political subdivisions. PERS Tier II benefits were created effective July 1, 2015 for those members first hired with a PERS participating public employer on or after July 1, 2015. PERS has approximately 11,036 members as of July 1, 2018. PERS is funded by employee and employer contributions. An active member hired for the first time by a participating public employer who first became a member on or after July 1, 2015 contributes 6% of his or her gross monthly salary to the plan. As of fiscal year 2021, the employer will contribute 10% of the member's gross monthly salary for a total combined contribution equal to 16%. All payroll deducted employee contributions currently remitted are tax deferred. Contributions for members are established by statute and are subject to legislative limitations. The employer contributions are annually reviewed by the Board to assure that they result in actuarially sound funding for the plan.

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

***Retirement Benefits***

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

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

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

***Retirement Benefit Estimate***

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

***Effective Date of Retirement***

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

See independent auditor's report.



MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022

*Retirement Benefit Formula*

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

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

*3 Annuity Options Upon Retirement*

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

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Benefit Payments***

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

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

***Required Minimum Distributions***

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

***Disability Retirement***

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

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

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Changing a Beneficiary Prior to Retirement***

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

***Beneficiary options Prior to Retirement***

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

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

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

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

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

- (A) The member may elect to name a beneficiary(ies) to receive a lump sum payment of his or her employee contributions plus 4% interest.
- (B) The member may elect to have a 100% Joint and Survivor annuity, calculated as if the member had retired the day proceeding the date of his or her death, paid to a child who is financially dependent upon the member by virtue of a permanent mental or physical disability.  
  
\*Evident of the dependent child's disability must be provided and the disabled child must be named sole beneficiary.
- (C) The member may elect not to name a beneficiary and have his or her per-retirement death benefit paid as a monthly annuity, calculated as though the member had retired as of the date of his or her death and elected a Straight Life annuity, to a minor child or children until the minor child or children attains age 21 or sooner marries or becomes emancipated. In no event shall any child or children receive more than \$250.00 per month under this option.

***Dependent Scholarship***

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

***Employment after Retirement***

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Termination of Employment***

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

***Reinstatement of Previously Withdrawn Service***

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

***Military Service***

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

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

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

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

***Out of State Service***

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

***Appointments***

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

***Questions***

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

***Note***

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

Employees covered by benefit terms are all active employees.

Contribution rates for the PERS Plan are subject to Chapter 5, Article 10 of the West Virginia State Code. For the year ended June 30, 2021, active members contributed 4.5 and 6.0 percent of their salary, and employers contributed 10.00 percent of the member's compensation into the plan. For the year ended June 30, 2022, active members contributed 4.5 and 6.0 percent of their salary, and employers contributed 10.00 percent of the member's compensation into the plan.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

At June 30, 2022 the Municipality reported an asset of \$2,706,194 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2021 and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2020 and rolled forward to June 30, 2021 using the actuarial assumption and methods described in the appropriate section of the notes. The Municipality's portion of the net pension asset 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, 2022, the Municipality reported the following proportions and increases/decreases from its proportion measured as of June 30, 2021:

Amount for proportionate share of net pension asset	\$ 2,706,194
Percentage for proportionate share of net pension asset	0.308245%
Increase (decrease) % from prior proportion measured	.29%

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

For the year ended June 30, 2022, the Municipality recognized pension expense of \$(1,215,406) on its government wide financial statements. At June 30, 2022, the Municipality reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 308,846	\$ 10,258
Change in assumptions	514,896	21,935
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,180	39,883
Net difference between projected and actual investment earnings on pension plan investments	-0-	3,465,655
Employer contributions subsequent to measurement period	<u>516,809</u>	<u>-0-</u>
	<b>\$ <u>1,342,731</u></b>	<b>\$ <u>3,537,731</u></b>

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

For the Year Ended June 30,

2023	\$ ( 677,953)
2024	( 677,952)
2025	( 677,952)
2026	<u>( 677,952)</u>
	<b>\$ <u>(2,711,809)</u></b>

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONTD)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

***Actuarial Information***

The total pension liabilities for financial reporting purposes were determined by actuarial valuation as of July 1, 2020 and rolled forward to June 30, 2021 using the actuarial assumptions and methods described, as follows:

Actuarial cost method	Individual entry age normal cost with level percentage of payroll
Asset valuation method	Fair Value
Amortization method	Level dollar, fixed period
Amortization period	Through Fiscal Year 2035
Actuarial assumptions:	
Investment rate of return	7.25% net of investment expense
Projected salary increases:	
State	2.75 – 5.55%
Nonstate	3.60 – 6.75%
Inflation rate	2.75%
Discount rate	7.25%
Mortality rates	<i>Active</i> – Pub-2010 General Employee Tables, below-median, headcount-weighted, projected generationally with Scale MP-2018 <i>Health Male Retirees</i> – 108% of Pub-2010 General Retiree Male Table, below-median, headcount-weighted, projected generationally with Scale MP-2018 <i>Health Female Retirees</i> – 122% of Pub-210 General Retiree Female Table, below-median, headcount-weighted, projected generationally with Scale MP-2018 <i>Disabled Males</i> – 118% of Pub-2010 General/Teachers Disabled Male Table, headcount-weighted, projected generationally with Scale MP-2018 <i>Disabled Females</i> – 117% of Pub-2010 General/Teachers Disabled Female Table, headcount-weighted, projected generationally with Scale MP-2018

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED JUNE 30, 2022**

<b>Withdrawal rates:</b>	
State	2.28% – 45.63%
Non-state	2.50% – 35.88%
Disability rates	0.005% – 0.540%
Retirement rates	12% – 100%
Dated range in most recent experience study	2015 – 2020 – Economic assumptions; 2013 – 2018 – All other assumptions

**West Virginia Consolidated Public Retirement Board**

*Investment Section*

*Investment Pool Objectives, Financial Highlights, and Performance*

**Public Employees' Retirement System**

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

*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 (including Portable Alpha)	60.0%	50.00%
Fixed Income	40.0%	15.00%
Private Markets:		
Private Credit and Income	0.0%	5.00%
Private Equity	0.0%	10.00%
Real Estate	0.0%	10.00%
Hedge Fund	0.0%	10.00%

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE YEAR ENDED JUNE 30, 2022**

*Financial Highlights (in \$000s)*

<b>Progression of Plan Balance</b>	
June 30, 2020	\$ 6,899,129
Contributions	114,676
Withdrawals	<u>( 377,003)</u>
Net	<u>( 262,327)</u>
Investment Income	4
Net appreciation	<u>2,170,289</u>
June 30, 2021	\$ <u>8,807,095</u>

<u>Asset Allocation</u>	<u>Fair Value</u>	<u>Percentage of Securities</u>
Domestic Equity	\$ 2,014,704	22.8%
Non-Large Cap Domestic	341,413	3.9%
International Qualified	621,044	7.1%
International Equity	1,437,612	16.3%
Short-Term Fixed Income	15,975	0.2%
Total Return Fixed Income	860,124	9.8%
Core Fixed Income	369,817	4.2%
Private Markets	2,341,876	26.6%
Hedge Fund	<u>804,530</u>	<u>9.1%</u>
Total	\$ <u>8,807,095</u>	<u>100.0%</u>

*Investment Performance*

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

<u>Period</u>	<u>Actual</u>	<u>Target</u>
One-year	32.1%	7.5%
Three-year	13.1%	7.5%
Five-year	12.9%	7.5%
Ten-year	9.9%	7.5%
Twenty-year	8.1%	7.5%

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

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

	<u>1% Decrease</u> <u>(6.25%)</u>	<u>Current Discount</u> <u>Rate (7.25%)</u>	<u>1% Increase</u> <u>(8.25%)</u>
Municipality's proportionate share of the net pension asset (liability)	\$ (30,963)	\$ 2,706,194	\$ 5,016,481

**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](http://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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2022**

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, 2021 and June 30, 2020. Contributions to the OPEB plan from the Municipality were \$311,168 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 an asset of \$50,738 for its proportionate share of the net OPEB asset. The net OPEB asset, deferred inflows and outflows of resources and OPEB expense were determined by an actuarial valuation date as of June 30, 2020, rolled forward to June 30, 2021, which is the measurement date. The Municipality's proportion of the net OPEB asset 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, 2022, the government's proportion was .17064%, which was an increase of 3.24% from its proportion measured as of June 30, 2021.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

For this fiscal year, the Municipality recognized OPEB expense of \$(52,457). The government reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between employer contributions and proportionate share of contributions	\$ 88,253	\$ 201,093
Differences between expected and actual non-investment experience	-0-	349,509
Change in assumptions	-0-	1,073,639
Net difference between projected and actual investment earnings	-0-	350,157
Reallocation of opt-out employer change in proportionate share	-0-	20,397
Employer contributions subsequent to the measurement period	<u>311,168</u>	<u>-0-</u>
	<b>\$ <u>399,421</u></b>	<b>\$ <u>1,994,795</u></b>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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, 2023. 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,

2023	\$ ( 476,636)
2024	( 476,636)
2025	( 476,635)
2026	<u>( 476,635)</u>
Total	\$ <u>(1,906,542)</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

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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>

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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 WVBTI.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

	<u>1% Decrease</u> (6.15%)	<u>Discount Rate</u> (7.15%)	<u>1% Increase</u> (8.15%)
Net OPEB asset (liability)	\$ (272,266)	\$ 50,738	\$ 318,923

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

	<u>1% Decrease</u>	<u>Healthcare Cost</u> <u>Trend Rate</u>	<u>1% Increase</u>
Net OPEB asset (liability)	\$ 374,622	\$ 50,738	\$ (343,790)

***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](http://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.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2022:

Operating revenues	\$ 4,744,974
Operating expenses	<u>4,460,470</u>
Total operating income	284,504
Add: Depreciation expense	695,914
Add: Interest income	<u>1,285</u>
Amount available for debt service and capital expenditures	\$ <u>981,703</u>
Maximum annual debt service	\$ <u>481,000</u>
Calculated debt service coverage factor	2.04
Required debt service coverage factor	1.10

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

**VIII. COVID-19 Pandemic**

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

**IX. Subsequent Events**

The Municipality has considered all subsequent events through March 18, 2023, the date the financial statements were made available.

See independent auditor's report.

***REQUIRED SUPPLEMENTARY INFORMATION***

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL –  
GENERAL FUND – BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<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>Basis)</u>	<u>GAAP</u> <u>Difference</u>	<u>Amounts</u> <u>GAAP Basis</u>	<u>With Final</u> <u>Budget</u> <u>Favorable</u> <u>(Unfavorable)</u>
<b>Revenues</b>						
Taxes (including interest and penalties):						
Ad valorem	\$ 2,693,757	\$ 2,693,757	\$ 2,462,751	\$ 67,944	\$ 2,530,695	\$ ( 231,006)
Excise utility	652,000	755,000	818,894	1,171	820,065	63,894
Business and occupation	7,601,000	7,916,000	7,971,173	284,441	8,255,614	55,173
Alcoholic beverage	110,000	157,400	157,671	( 9,148)	148,523	271
Hotel occupancy	144,000	242,050	232,578	( 9,550)	223,028	( 9,472)
Animal control	4,800	4,800	4,555	-0-	4,555	( 245)
Oil and gas	25,000	29,600	29,632	-0-	29,632	32
Licenses and permits	450,150	518,645	299,103	321,818	620,921	( 219,542)
Charges for services	1,560,000	1,305,350	1,366,734	( 50,706)	1,316,028	61,384
Fines and forfeitures	252,500	258,500	267,546	4,804	272,350	9,046
Franchise fees	145,000	170,000	167,850	( 3,265)	164,585	( 2,150)
Interest	1,000	1,000	719	( 322)	397	( 281)
Donations	-0-	-0-	200	-0-	200	200
Intergovernmental:						
Federal	-0-	9,700	290,471	13,303	303,774	280,771
State	330,000	352,600	-0-	-0-	-0-	( 352,600)
Other	2,000	200	-0-	-0-	-0-	( 200)
Video lottery and gaming income	106,500	104,294	124,931	( 660)	124,271	20,637
Miscellaneous	<u>108,410</u>	<u>244,311</u>	<u>571,765</u>	<u>( 520,897)</u>	<u>50,868</u>	<u>327,454</u>
Total revenues	<u>14,186,117</u>	<u>14,763,207</u>	<u>14,766,573</u>	<u>98,933</u>	<u>14,865,506</u>	<u>3,366</u>
<b>Expenditures</b>						
General government	4,664,523	6,203,015	5,314,645	( 831,786)	4,482,859	888,370
Public safety	10,530,319	9,955,918	9,895,183	( 5,509,894)	4,385,289	60,735
Highways and streets	3,433,647	3,053,190	2,924,104	152,464	3,076,568	129,086
Health and sanitation	113,554	366,791	366,145	( 61,825)	304,320	646
Culture and recreation	1,537,074	1,768,536	1,710,747	( 59,301)	1,651,446	57,789
Social services	<u>48,000</u>	<u>48,000</u>	<u>36,250</u>	<u>( 6,250)</u>	<u>30,000</u>	<u>11,750</u>
Total expenditures	<u>20,327,117</u>	<u>21,395,450</u>	<u>20,247,074</u>	<u>( 6,316,592)</u>	<u>13,930,482</u>	<u>1,148,376</u>
(Deficiency) excess of revenues (under) over expenditures	( 6,141,000)	( 6,632,243)	( 5,480,501)	6,415,525	935,024	1,151,742

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -  
GENERAL FUND - BUDGETARY BASIS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<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>
<b>Other Financing Sources (Uses)</b>						
Operating transfers in	\$ 4,641,000	\$ 4,661,000	\$ 4,155,147	\$ -0-	\$ 4,155,147	\$ ( 505,853)
Operating transfers (out)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Total other financing sources (uses)	<u>4,641,000</u>	<u>4,661,000</u>	<u>4,155,147</u>	<u>-0-</u>	<u>4,155,147</u>	<u>( 505,853)</u>
Net change in fund balance	( 1,500,000)	( 1,971,243)	( 1,325,354)	6,415,525	5,090,171	645,889
Fund balance at beginning of year	<u>1,500,000</u>	<u>1,971,243</u>	<u>( 4,966,905)</u>	<u>(23,484,393)</u>	<u>(28,451,298)</u>	<u>(6,938,148)</u>
Fund balance at end of year	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>( 6,292,259)</u>	\$ <u>(17,068,868)</u>	\$ <u>(23,361,127)</u>	\$ <u>(6,292,259)</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, 2022**

	<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>
<b>Revenues</b>						
Interest	\$ 100	\$ 10	\$ 6	\$ -0-	\$ -0-	\$ ( 4)
Intergovernmental:						
State	<u>42,000</u>	<u>50,994</u>	<u>62,757</u>	<u>-0-</u>	<u>62,757</u>	<u>11,763</u>
Total revenues	<u>42,100</u>	<u>51,004</u>	<u>62,763</u>	<u>-0-</u>	<u>62,757</u>	<u>11,759</u>
<b>Expenditures</b>						
General government	10,726	19,063	10,018	-0-	10,018	9,045
Public safety	22,524	19,471	17,929	-0-	17,929	1,542
Highways and streets	8,000	9,400	7,698	-0-	7,698	1,702
Health and sanitation	1,850	-0-	-0-	-0-	-0-	-0-
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>56,100</u>	<u>60,934</u>	<u>48,645</u>	<u>-0-</u>	<u>48,645</u>	<u>12,289</u>
Net change in fund balance	(14,000)	( 9,930)	14,118	-0-	14,112	24,048
Fund balance at beginning of year	<u>14,000</u>	<u>9,930</u>	<u>19,364</u>	<u>-0-</u>	<u>19,364</u>	<u>9,434</u>
Fund balance at end of year	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>33,482</u>	\$ <u>-0-</u>	\$ <u>33,476</u>	\$ <u>33,482</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, 2022**

	<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>	<u>Fiscal Year Ended June 30, 2014</u>
Municipality's proportion of the net pension liability (asset)	(.29%)	0.31%	0.33%	0.33%	0.32%	0.31%	0.31%	0.31%
Municipality's proportionate share of the net pension liability (asset)	\$ (2,706,194)	\$ 1,634,328	\$ 721,695	\$ 855,770	\$ 1,384,985	\$ 2,875,093	\$ 1,735,341	\$ 1,148,488
Municipality's covered - employee payroll	\$ 5,168,090	\$ 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	(52.36%)	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	(111.07%)	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, 2022. 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, 2022**

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

The information presented in the schedule of Municipality's contributions is the only years available as of June 30, 2022. 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, 2022**

**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, 2021, are as follows (in thousands):

Total Pension Liability	\$ (7,927,948)
Fiduciary Net Position	<u>8,805,884</u>
Net Pension Asset (Liability)	\$ <u>877,936</u>
Fiduciary Net Position as a percent of Total Pension Liability	111.07%

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, 2022**

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

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

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS MULTIYEAR  
 FIREMEN'S PENSION AND RELIEF FUND (CONT'D)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary net position as a percentage of the total pension liability	42.35%	43.92%	29.67%	28.02%	25.29%	20.88%	15.99%	16.46%	15.36%
Covered payroll	\$ 1,830,115	\$ 2,056,574	\$ 2,064,594	\$ 1,963,141	\$ 1,912,017	\$ 1,919,071	\$ 1,868,455	\$ 1,826,835	\$ 1,812,838
Employer's net pension liability as a percentage of covered payroll	1075.46%	943.31%	1296.53%	1302.43%	1311.00%	1370.98%	1588.79%	1409.56%	1433.15%
Expected average remaining service years of all participants	3.00	3.00	4.00	4.00	3.78	3.96	4.01	3.85	-0-

**Notes to Schedule:**

**Benefit changes**                      The Plan adopted an open Deferred Retirement Option Program (DROP).

**Changes of assumptions:**        The discount rate changed from 5.50% to 6.00%.

*\*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, 2022**

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

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, 2022**

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 2,034,507	\$ 2,453,333	\$ 2,340,972	\$ 2,327,809	\$ 2,026,406	\$ 2,031,009	\$ 2,124,224	\$ 1,697,409	\$ 1,676,866	\$ 1,603,979
Contributions in relation to the actuarially determined contribution:										
Employer provided	1,959,262	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>474,095</u>	<u>536,197</u>	<u>437,224</u>	<u>452,369</u>	<u>436,840</u>	<u>445,631</u>	<u>424,421</u>	<u>421,288</u>	<u>407,276</u>	<u>473,392</u>
Contribution deficiency (excess)	\$ <u>(398,850)</u>	\$ <u>53,340</u>	\$ <u>42,628</u>	\$ <u>293,626</u>	\$ <u>(3,176)</u>	\$ <u>240,080</u>	\$ <u>762,953</u>	\$ <u>408,667</u>	\$ <u>466,392</u>	\$ <u>386,885</u>
Covered payroll	\$ 1,830,115	\$ 2,056,574	\$ 2,064,594	\$ 1,963,141	\$ 1,912,017	\$ 1,919,071	\$ 1,868,455	\$ 1,826,835	\$ 1,812,838	\$ 1,712,139
Contributions as a percentage of covered employee payroll	132.96%	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. The assumption shown below are those used in the 7/1/2020 actuarial valuation to calculate the FY2022 ADC. Assumptions used to determine all contributions in the past would not have been the same.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	15 to 28.5 years
Asset valuation method	4-year smoothed market
Inflation	2.50 percent
Salary increases	Rates vary by years of service
Investment rate of return	5.50%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by age
Mortality	SOA PubS-2010(B) with generational projection using Scale MP-2019

See accompanying notes and independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO SCHEDULE OF CONTRIBUTIONS  
FIREMEN'S PENSION AND RELIEF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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:

<b><i>Measurement Date</i></b>	June 30, 2022, measurement date based on actuarial liabilities as of July 1, 2021
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<b><i>Actuarial Cost Method</i></b>	Entry Age Normal, Level-Percentage-of-Pay
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<b><i>Actuarial Value of Assets</i></b>	Market value used for GASB Statement Nos. 67 and 68 reporting
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<b><i>Contribution Policy and Amortization Method</i></b>	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.
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***Actuarial Assumptions:***

<b><i>Investment Rate of Return</i></b>	6.00% per year
<b><i>GASB 67/68 Discount Rate</i></b>	5.50% per year at June 30, 2022
<b><i>Projected Salary Increases</i></b>	Rates vary by years of service
<b><i>Cost of Living Increases</i></b>	2.50% on first \$15,000 of Annual Benefit and on the accumulated supplemental pension amounts for prior years. Assumed to be payable to all members receiving payments.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO SCHEDULE OF CONTRIBUTIONS (CONTD)  
FIREMEN'S PENSION AND RELIEF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2022. This single discount rate was based on the expected rate of return on pension plan investments of 6.00%, and the municipal bond rate of 3.69%. 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 6.00%, 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)	\$(24,221,987)	\$(19,682,156)	\$(15,968,290)

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, 2022**

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total Pension Liability</b>									
Service cost	\$ 650,421	\$ 885,593	\$ 826,002	\$ 979,662	\$ 964,909	\$ 940,194	\$ 678,319	\$ 618,071	\$ 666,702
Interest	1,543,707	1,589,949	1,520,547	1,458,048	1,429,392	1,404,357	1,370,741	1,338,559	1,332,234
Changes of benefit terms	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Differences between expected and actual experience	80,307	(210,847)	(180,582)	281,256	(630,123)	(1,132,945)	(192,337)	(345,859)	-0-
Changes of assumptions	-0-	(3,914,799)	(2,137,778)	-0-	-0-	-0-	3,317,951	-0-	-0-
Benefit payments, including refunds of member contributions	<u>(1,517,632)</u>	<u>(1,541,624)</u>	<u>(1,520,272)</u>	<u>(1,417,693)</u>	<u>(1,259,755)</u>	<u>(1,192,439)</u>	<u>(1,208,416)</u>	<u>(1,210,149)</u>	<u>(1,150,677)</u>
Net change in total pension liability	756,803	(3,191,728)	(1,492,083)	1,301,273	504,423	19,167	3,966,258	400,622	848,259
Total pension liability - beginning	<u>26,487,262</u>	<u>29,678,990</u>	<u>31,171,073</u>	<u>29,869,800</u>	<u>29,365,377</u>	<u>29,346,210</u>	<u>25,379,952</u>	<u>24,979,330</u>	<u>24,131,071</u>
Total pension liability - ending (a)	<u>27,244,065</u>	<u>26,487,262</u>	<u>29,678,990</u>	<u>31,171,073</u>	<u>29,869,800</u>	<u>29,365,377</u>	<u>29,346,210</u>	<u>25,379,952</u>	<u>24,979,330</u>
<b>Plan Fiduciary Net Position</b>									
Contributions - employer (including Premium Tax Allocation)	2,411,406	2,352,621	2,268,729	2,024,660	2,015,709	1,758,504	1,333,490	1,261,009	1,189,034
Contributions - member	223,860	218,223	200,742	192,160	176,039	168,474	157,241	154,449	151,027
Net investment income	(1,777,796)	3,141,843	1,016,297	297,401	469,963	669,529	(21,235)	133,494	632,587
Benefit payments, including refunds of member contributions	(1,517,632)	(1,541,624)	(1,520,272)	(1,417,693)	(1,259,755)	(1,192,439)	(1,208,416)	(1,210,149)	(1,150,677)
Administrative expense	(7,725)	(10,138)	(8,300)	(7,500)	(7,500)	(7,500)	(7,750)	(7,500)	(7,500)
Other	-0-	-0-	543	(30)	-0-	-0-	-0-	-0-	206
Net change in plan fiduciary net position	(667,887)	4,160,925	1,957,739	1,088,998	1,394,456	1,396,568	253,330	331,303	814,677
Plan fiduciary net position - beginning	<u>15,490,483</u>	<u>11,329,558</u>	<u>9,371,819</u>	<u>8,282,821</u>	<u>6,888,363</u>	<u>5,491,795</u>	<u>5,238,465</u>	<u>4,907,162</u>	<u>4,092,485</u>
Plan fiduciary net position - ending (b)	<u>14,822,596</u>	<u>15,490,483</u>	<u>11,329,558</u>	<u>9,371,819</u>	<u>8,282,821</u>	<u>6,888,363</u>	<u>5,491,795</u>	<u>5,238,465</u>	<u>4,907,162</u>
Employer's net pension liability - ending (a) - (b)	<u>\$ 12,421,469</u>	<u>\$ 10,996,779</u>	<u>\$ 18,349,432</u>	<u>\$ 21,799,254</u>	<u>\$ 21,586,979</u>	<u>\$ 22,477,014</u>	<u>\$ 23,854,415</u>	<u>\$ 20,141,487</u>	<u>\$ 20,072,168</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
AND RELATED RATIOS MULTIYEAR  
POLICEMEN'S PENSION AND RELIEF FUND (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan fiduciary net position as a percentage of the total pension liability	54.41%	58.48%	38.17%	30.07%	27.73%	23.46%	18.71%	20.64%	19.64%
Covered payroll	\$ 2,190,551	\$ 2,221,226	\$ 1,852,849	\$ 2,250,404	\$ 2,118,610	\$ 2,085,929	\$ 1,989,442	\$ 1,808,232	\$ 1,958,068
Employer's net pension liability as a percentage of covered payroll	567.05%	495.08%	990.34%	968.68%	1018.92%	1077.55%	1199.05%	1113.88%	1025.10%
Expected average remaining service years of all participants	4.00	4.00	5.00	5.00	5.41	5.34	5.30	4.75	-0-

**Notes to Schedule:**

Benefit changes:                   There were no changes for FY2022

Changes in assumptions:       There were no changes for FY2022

*\*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, 2022**

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

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
SCHEDULE OF CONTRIBUTIONS MULTYEAR  
POLICEMEN'S PENSION AND RELIEF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Actuarially determined contribution	\$ 1,407,656	\$ 1,862,522	\$ 2,134,042	\$ 2,139,078	\$ 1,878,699	\$ 1,864,693	\$ 1,802,392	\$ 1,392,630	\$ 1,419,464	\$ 1,517,921
Contributions in relation to the actuarially determined contribution:										
Employer provided	1,947,374	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	464,032	499,935	418,697	451,658	431,869	421,449	404,273	400,623	392,380	525,982
Contribution deficiency (excess)	<u>\$ (1,003,750)</u>	<u>\$ (490,099)</u>	<u>\$ (134,687)</u>	<u>\$ 114,418</u>	<u>\$ (137,010)</u>	<u>\$ 106,189</u>	<u>\$ 468,902</u>	<u>\$ 131,621</u>	<u>\$ 230,430</u>	<u>\$ 254,296</u>
Covered payroll	\$ 2,190,551	\$ 2,221,226	\$ 1,852,849	\$ 2,250,404	\$ 2,118,610	\$ 2,085,929	\$ 1,989,442	\$ 1,808,232	\$ 1,958,068	\$ 2,017,329
Contributions as a percentage of covered employee payroll	110.08%	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. The assumption shown below are those used in the 7/1/2020 actuarial valuation to calculate the FY2022 ADC. Assumptions used to determine all contributions in the past would not have been the same.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Remaining amortization period	15 to 28.5 years
Asset valuation method	4-year smoothed market
Inflation	2.50 percent
Salary increases	Rates vary by years of service
Investment rate of return	6.00%, net of pension plan investment expense, including inflation
Retirement age	Rates vary by age
Mortality	SOA PubS-2010(B) with generational projection using Scale MP-2019

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO SCHEDULE OF CONTRIBUTIONS  
POLICEMEN'S PENSION AND RELIEF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

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:

<b><i>Measurement Date</i></b>	June 30, 2022, measurement date based on actuarial liabilities as of July 1, 2021
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<b><i>Actuarial Cost Method</i></b>	Entry Age Normal, Level-Percentage-of-Pay
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<b><i>Actuarial Value of Assets</i></b>	Market value used for GASB Nos. 67 and 68 reporting
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<b><i>Contribution Policy and Amortization Method</i></b>	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.
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***Actuarial Assumptions:***

<b><i>Investment Rate of Return</i></b>	6.00% per year
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<b><i>GASB 67/68 Discount Rate</i></b>	6.00% per year at June 30, 2022
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<b><i>Projected Salary Increases</i></b>	Rates vary by years of service
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<b><i>Cost of Living Increases</i></b>	2.50% on first \$15,000 of Annual Benefit and on the accumulated supplemental pension amounts for prior years. Assumed to be payable to all members receiving payments.
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See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
NOTES TO SCHEDULE OF CONTRIBUTIONS (CONT'D)  
POLICEMEN'S PENSION AND RELIEF FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

**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, 2022. This single discount rate was based on the expected rate of return on pension plan investments of 6.00%, and the municipal bond rate of 3.69%. 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 6.00%, 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)	\$(16,164,085)	\$(12,421,469)	\$(9,387,327)

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, 2022**

**Public Employees Insurance Agency  
Six Fiscal Years\***

	2022	2021	2020	2019	2018	2017
Municipality's proportion of the net OPEB liability (asset)	(0.17064%)	0.176347%	0.1573615%	0.1811420%	0.1661998%	0.1895212%
Municipality's proportionate share of the net OPEB liability (asset)	\$ (50,738)	\$ 778,908	\$ 3,110,836	\$ 3,886,279	\$ 4,106,461	\$ 4,706,425
Municipality's covered-employee payroll	\$ 3,836,843	\$ 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	(1.32%)	18.52%	65.43%	85.08%	85.08%	108.73%
Plan fiduciary net position as a percentage of the total OPEB liability (asset)	(101.81%)	73.49%	39.69%	30.98%	25.10%	21.64%

\* - Applicable information was available for six years for this schedule.

This schedule presents the only years available at June 30, 2022. 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  
Six Fiscal Years\***

	2022	2021	2020	2019	2018	2017
Contractually required contribution	\$ 311,168	\$ 340,859	\$ 385,685	\$ 370,162	\$ 343,011	\$ 324,207
Contributions in relation to the contractually required contribution	<u>(311,168)</u>	<u>(340,859)</u>	<u>(385,685)</u>	<u>(370,162)</u>	<u>(343,011)</u>	<u>(324,207)</u>
Contribution deficiency (excess)	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>	\$ <u>-0-</u>
Municipality's covered-employee payroll	\$ 3,836,843	\$ 4,206,395	\$ 4,759,574	\$ 4,568,011	\$ 4,826,817	\$ 4,828,711
Contributions as a percentage of covered-employee payroll	8.11%	8.11%	8.10%	8.11%	7.93%	6.72%

\* - Applicable information was available for six years for this schedule.

This schedule presents the only years available at June 30, 2022. 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, 2022**

***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> (5.65%)	<u>Discount Rate</u> (6.65%)	<u>1% Increase</u> (7.65%)
Net OPEB liability (asset)	\$ 159,559,746	\$ (29,734,708)	\$ (186,903,110)

***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 (asset)	\$ (219,545,277)	\$ (29,734,708)	\$ 201,746,232

***Reconciliation of Total OPEB Liability Between Valuation Dates***

The preparation of dual actuarial OPEB valuations, both measured at June 30, 2021 created a variance from the total OPEB liability disclosed in RHBT's June 30, 2021 financial statements in comparison to the total OPEB liability in the GASB Statement No. 75 allocation schedules because of the differences in the actuarial valuation dates.

See independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION –**  
**NET OPEB LIABILITY (CONT'D)**  
**JUNE 30, 2022**

***Reconciliation of net OPEB liability (asset) of the Plan***

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

Net OPEB liability as of June 30, 2020, measured at June 30, 2020 <sup>a</sup>	\$ 441,691,746
OPEB Expense	(499,896,871)
Employer Contributions	(182,142,000)
Change in liability experience outflows/(inflows) recognized in current liabilities	81,557,184
Change in assumption changes experience outflows/(inflows) recognized in current liabilities	367,790,037
Change in investment experience outflows/(inflows) recognized in current assets	<u>(238,734,804)</u>
Net OPEB (asset) as of June 30, 2020, measured at June 30, 2021 <sup>b</sup>	\$ <u>( 29,734,708)</u>

<sup>a</sup> Based on actuarial valuation as of June 30, 2020, with a measurement date of June 30, 2020.

<sup>b</sup> Based on an actuarial valuation of June 30, 2020, with a measurement date of June 30, 2021.

See independent auditor's report.

*SUPPLEMENTARY INFORMATION*

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
STATEMENT OF NET POSITION -  
COMPONENT UNITS  
JUNE 30, 2022

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>Current Assets</b>		
Cash	\$ 194,837	\$ 26,853
Receivables, net of allowances:		
Accounts	1,095,938	-0-
Due to/from other activities	( 41,688)	-0-
Inventory	<u>301,491</u>	<u>-0-</u>
Total current assets	<u>1,550,578</u>	<u>26,853</u>
<b>Noncurrent Assets</b>		
Restricted assets	1,219,941	-0-
Net other post benefit obligations asset	8,331	-0-
Net pension asset	<u>892,233</u>	<u>16,778</u>
Total noncurrent assets	<u>2,120,505</u>	<u>16,778</u>
<b>Capital Assets</b>		
Land	84,065	2,543,901
Construction in process	7,114,908	-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	28,843,020	-0-
Less: Accumulated depreciation	<u>(21,668,709)</u>	<u>(5,099,779)</u>
Net capital assets	<u>23,801,015</u>	<u>5,899,716</u>
<b>Total assets</b>	<u>27,472,098</u>	<u>5,943,347</u>
<b>Deferred Outflows of Resources</b>		
Deferred outflows of resources – WVPERS	442,674	8,330
Deferred outflows of resources – WVRHBT	<u>65,913</u>	<u>-0-</u>
Total deferred outflows of resources	<u>508,587</u>	<u>8,330</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA**  
**STATEMENT OF NET POSITION –**  
**COMPONENT UNITS (CONT'D)**  
**JUNE 30, 2022**

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>		
<b>Current Liabilities (payable from current assets)</b>		
Accounts payable	\$ 67,054	\$ 3,273
Accrued compensated absences	<u>157,128</u>	<u>128</u>
Total current liabilities (payable from current assets)	<u>224,182</u>	<u>3,401</u>
<b>Current Liabilities (payable from restricted assets)</b>		
Revenue bonds payable	<u>789,232</u>	<u>-0-</u>
Total current liabilities (payable from restricted assets)	<u>789,232</u>	<u>-0-</u>
<b>Long-Term Liabilities (net of current portion)</b>		
Revenue bonds payable	<u>15,538,605</u>	<u>-0-</u>
Total long-term liabilities (net of current portion)	<u>15,538,605</u>	<u>-0-</u>
<b>Total liabilities</b>	<u>16,552,019</u>	<u>3,401</u>
<b>Deferred Inflows of Resources</b>		
Deferred inflows of resources – WVPERS	1,166,567	21,397
Deferred inflows of resources – WVRHBT	<u>327,545</u>	<u>-0-</u>
Total deferred inflows of resources	<u>1,494,112</u>	<u>21,397</u>
<b>Net Position</b>		
Net investment in capital assets	7,473,178	5,899,716
Restricted for debt service	510,213	-0-
Restricted for renewal and replacement	709,728	21,781
Unrestricted	<u>1,241,435</u>	<u>5,382</u>
Total net position	\$ <u>9,934,554</u>	\$ <u>5,926,879</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, 2022**

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
<b>Operating Revenues</b>		
Charges for services	\$ 4,744,974	\$ 145,265
Total operating revenues	<u>4,744,974</u>	<u>145,265</u>
<b>Operating Expenses</b>		
Personal services	1,893,445	74,010
Contractual services	403,777	-0-
Administrative and general	137,026	9,737
Fuel and oil	101,283	-0-
Liability insurance	61,155	4,071
Materials and supplies	513,933	5,961
Utilities	226,033	32,640
Depreciation	695,914	105,420
Maintenance	<u>427,904</u>	<u>8,092</u>
Total operating expenses	<u>4,460,470</u>	<u>239,931</u>
Operating income (loss)	<u>284,504</u>	<u>( 94,666)</u>
<b>Nonoperating Revenues (Expenses)</b>		
Interest	1,285	14
Miscellaneous income	352,890	-0-
Interest and fiscal charges	<u>( 142,191)</u>	<u>-0-</u>
Total nonoperating revenues (expenses)	<u>211,984</u>	<u>14</u>
Change in net position	496,488	( 94,652)
Total net position – beginning – restated	<u>9,438,066</u>	<u>6,021,531</u>
Total net position – ending	\$ <u>9,934,554</u>	\$ <u>5,926,879</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, 2022**

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	\$ 4,745,470	\$ 145,265
Payments to suppliers	(2,692,649)	( 70,917)
Payments to employees	(1,657,838)	( 70,577)
Net cash provided by operating activities	<u>394,983</u>	<u>3,771</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
(Increase) decrease in restricted assets	( 63,126)	-0-
Repayment of revenue bonds	( 589,241)	-0-
Proceeds from bonds payable	3,353,864	-0-
Acquisition of capital assets	(4,029,613)	-0-
Nonoperation miscellaneous income	352,890	-0-
Interest expense	( 142,191)	-0-
Net cash (used in) capital and related financing activities	<u>(1,117,417)</u>	<u>-0-</u>
<b>Cash Flows from Investing Activities</b>		
Interest on investments	<u>1,285</u>	<u>14</u>
Net cash provided by investing activities	<u>1,285</u>	<u>14</u>
Net increase (decrease) in cash	( 721,149)	3,785
Cash at beginning of year	<u>915,986</u>	<u>23,068</u>
Cash at end of year	\$ <u>194,837</u>	\$ <u>26,853</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
STATEMENT OF CASH FLOWS –  
COMPONENT UNITS (CONT'D)  
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Sanitary Board Fund</u>	<u>Parking Authority Fund</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities		
Operating income (loss)	\$ 284,504	\$ ( 94,666)
Adjustments to reconcile operating income (loss) to net cash cash provided by operating activities:		
Depreciation and amortization	695,914	105,420
(Increase) decrease in:		
Accounts receivable	496	-0-
Due to/from other funds	499	-0-
Inventory	16,519	-0-
Net other post-employment benefits asset	( 8,331)	-0-
Net pension obligation asset	( 892,233)	( 16,778)
Deferred outflows of resources – WVPERS	( 34,778)	( 832)
Deferred outflows of resources – WVRHBT	36,899	-0-
Increase (decrease) in:		
Accounts payable	3,466	231
Accrued compensated absences	( 62,434)	( 354)
Accrued post-employment benefits payable	( 128,286)	-0-
Net pension obligation – WVPERS	( 526,254)	( 9,643)
Deferred inflows of resources – WVPERS	1,111,805	20,393
Deferred inflows of resources – WVRHBT	( 102,803)	-0-
Net cash provided by operating activities	\$ <u>394,983</u>	\$ <u>3,771</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
COMBINING FUND BALANCE SHEETS -  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2022**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total Memorandum Only</u>
<b>ASSETS</b>			
Cash	\$ 2,824,646	\$ 365	\$ 2,825,011
Receivables (net of allowances for uncollectibles of \$7,000):			
Taxes	253,209	-0-	253,209
Notes	17,722	-0-	17,722
Due from/(to) other activities	( 80,742)	-0-	( 80,742)
<b>TOTAL ASSETS</b>	<b>\$ <u>3,014,835</u></b>	<b>\$ <u>365</u></b>	<b>\$ <u>3,015,200</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 31,519	\$ -0-	\$ 31,519
Accrued payroll	<u>18,866</u>	<u>-0-</u>	<u>18,866</u>
Total liabilities	<u>50,385</u>	<u>-0-</u>	<u>50,385</u>
<b>Deferred Inflows of Resources</b>			
Deferred taxes	<u>159,292</u>	<u>-0-</u>	<u>159,292</u>
Total liabilities and deferred inflows of resources	<u>209,677</u>	<u>-0-</u>	<u>209,677</u>
<b>Fund Balances</b>			
Assigned	2,808,234	365	2,808,599
Unassigned	( 3,076)	<u>-0-</u>	( 3,076)
Total fund balances	<u>2,805,158</u>	<u>365</u>	<u>2,805,523</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ <u>3,014,835</u></b>	<b>\$ <u>365</u></b>	<b>\$ <u>3,015,200</u></b>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES –  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total (Memorandum Only)</u>
<b>Revenues</b>			
Taxes – Ad valorem	\$ 1,858,651	\$ -0-	\$ 1,858,651
Charges for services	1,312,237	133,582	1,445,819
Fines and forfeits	135,542	-0-	135,542
Interest	1,362	64	1,426
Donations	9,928	-0-	9,928
Intergovernmental:			
Federal	138,914	-0-	138,914
Contributions from employees	418,076	-0-	418,076
Contributions from employer	1,671,716	-0-	1,671,716
Miscellaneous income	810	-0-	810
Total revenues	<u>5,547,236</u>	<u>133,646</u>	<u>5,680,882</u>
<b>Expenditures</b>			
General government	9,340	-0-	9,340
Public safety	236,752	-0-	236,752
Highways and streets	721,680	-0-	721,680
Community development	1,152,759	-0-	1,152,759
Culture and recreation	376,532	-0-	376,532
Benefit payments	2,084,118	-0-	2,084,118
Capital outlay	414,004	-0-	414,004
Debt service – principal	207,532	-0-	207,532
Debt service – interest	36,502	-0-	36,502
Total expenditures	<u>5,239,219</u>	<u>-0-</u>	<u>5,239,219</u>
Excess (deficiency) of revenues over (under) expenditures	<u>308,017</u>	<u>133,646</u>	<u>441,663</u>

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES -  
 NONMAJOR GOVERNMENTAL FUNDS (CONT'D)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022

	<u>Nonmajor Special Revenue Funds</u>	<u>Nonmajor Debt Service Funds</u>	<u>Total (Memorandum Only)</u>
<b>Other Financing Sources (Uses)</b>			
Operating transfers in	\$ 753,804	\$ -0-	\$ 753,804
Operating transfers (out)	( 648,336)	(218,527)	( 866,863)
Total other financing sources (uses)	<u>105,468</u>	<u>(218,527)</u>	<u>( 113,059)</u>
 Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)	 413,485	 ( 84,881)	 328,604
 Fund balance beginning of year	 <u>2,391,673</u>	 <u>85,246</u>	 <u>2,476,919</u>
 Fund balance end of year	 \$ <u>2,805,158</u>	 \$ <u>365</u>	 \$ <u>2,805,523</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 COMBINING FUND BALANCE SHEETS -  
 NONMAJOR SPECIAL REVENUE FUNDS  
 JUNE 30, 2022**

	<u>Police</u> <u>Fund</u>	<u>Tax</u> <u>Increment</u> <u>Financing</u> <u>District</u> <u>Fund</u>	<u>Urban</u> <u>Renewal</u> <u>Authority</u>	<u>Park</u> <u>Board</u>	<u>Park Board</u> <u>Special</u> <u>Levy</u>	<u>Capital</u> <u>Improvement</u> <u>Levy Fund</u>	<u>Dental and</u> <u>Vision Benefit</u> <u>Fund</u>	<u>PEIA</u> <u>Fund</u>	<u>Police</u> <u>National</u> <u>Night Out</u> <u>Fund</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
<b>ASSETS</b>										
Cash	\$ 291,171	\$ 1,355,164	\$ -0-	\$ 585,353	\$ 106,808	\$ 438,401	\$ 9,924	\$ 26,673	\$ 11,152	\$ 2,824,646
Receivables (net of allowances for uncollectibles of \$7,000)										
Taxes	-0-	-0-	-0-	-0-	101,284	151,925	-0-	-0-	-0-	253,209
Notes	-0-	-0-	17,722	-0-	-0-	-0-	-0-	-0-	-0-	17,722
Due from/(to) other activities	<u>8,256</u>	<u>-0-</u>	<u>-0-</u>	<u>42,876</u>	<u>( 8,683)</u>	<u>(110,191)</u>	<u>(13,000)</u>	<u>-0-</u>	<u>-0-</u>	<u>( 80,742)</u>
<b>TOTAL ASSETS</b>	<u>\$ 299,427</u>	<u>\$ 1,355,164</u>	<u>\$ 17,722</u>	<u>\$ 628,229</u>	<u>\$ 199,409</u>	<u>\$ 480,135</u>	<u>\$ ( 3,076)</u>	<u>\$ 26,673</u>	<u>\$ 11,152</u>	<u>\$ 3,014,835</u>

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
COMBINING FUND BALANCE SHEETS -  
NONMAJOR SPECIAL REVENUE FUNDS (CONT'D)  
JUNE 30, 2022**

	<u>Police Fund</u>	<u>Tax Increment Financing District Fund</u>	<u>Urban Renewal Authority</u>	<u>Park Board</u>	<u>Park Board Special Levy</u>	<u>Capital Improvement Levy Fund</u>	<u>Dental and Vision Benefit Fund</u>	<u>PEIA Fund</u>	<u>Police National Night Out Fund</u>	<u>Total (Memorandum Only)</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>										
<b>Liabilities</b>										
Accounts payable	\$ -0-	\$ -0-	\$ -0-	\$ 31,519	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ 31,519
Accrued payroll	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>18,866</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>18,866</u>
Total liabilities	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>50,385</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>50,385</u>
<b>Deferred Inflows of Resources</b>										
Deferred taxes	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>63,717</u>	<u>95,575</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>159,292</u>
<b>Fund Balances</b>										
Assigned	299,427	1,355,164	17,722	577,844	135,692	384,560	-0-	26,673	11,152	2,808,234
Unassigned	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>( 3,076)</u>	<u>-0-</u>	<u>-0-</u>	<u>( 3,076)</u>
Total fund balances	<u>299,427</u>	<u>1,355,164</u>	<u>17,722</u>	<u>577,844</u>	<u>135,692</u>	<u>384,560</u>	<u>( 3,076)</u>	<u>26,673</u>	<u>11,152</u>	<u>2,805,158</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>										
	\$ <u>299,427</u>	\$ <u>1,355,164</u>	\$ <u>17,722</u>	\$ <u>628,229</u>	\$ <u>199,409</u>	\$ <u>480,135</u>	\$ <u>(3,076)</u>	\$ <u>26,673</u>	\$ <u>11,152</u>	\$ <u>3,014,835</u>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES –  
 NONMAJOR SPECIAL REVENUE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Police</u> <u>Fund</u>	<u>Tax</u> <u>Increment</u> <u>Financing</u> <u>District</u> <u>Fund</u>	<u>Urban</u> <u>Renewal</u> <u>Authority</u>	<u>Park</u> <u>Board</u>	<u>Park Board</u> <u>Special</u> <u>Levy</u>	<u>Capital</u> <u>Improvement</u> <u>Levy Fund</u>	<u>Dental and</u> <u>Vision Benefit</u> <u>Fund</u>	<u>PEIA</u> <u>Fund</u>	<u>Police</u> <u>National</u> <u>Night Out</u> <u>Fund</u>	<u>Total</u> <u>(Memorandum</u> <u>Only)</u>
<b>Revenues</b>										
Taxes – Ad Valorem	\$ -0-	\$ 504,011	\$ -0-	\$ -0-	\$ 24,351	\$ 1,330,289	\$ -0-	\$ -0-	\$ -0-	\$ 1,858,651
Charges for services	-0-	-0-	-0-	1,312,237	-0-	-0-	-0-	-0-	-0-	1,312,237
Fines and forfeits	135,542	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	135,542
Interest	153	577	-0-	259	103	238	7	25	-0-	1,362
Donations	5,828	-0-	-0-	-0-	-0-	-0-	-0-	-0-	4,100	9,928
Intergovernmental:										
Federal	1,956	-0-	-0-	136,958	-0-	-0-	-0-	-0-	-0-	138,914
Contributions from employees	-0-	-0-	-0-	-0-	-0-	-0-	103,774	314,302	-0-	418,076
Contributions from employer	-0-	-0-	-0-	-0-	-0-	-0-	71,716	1,600,000	-0-	1,671,716
Miscellaneous income	810	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-	810
Total revenues	<u>144,289</u>	<u>504,588</u>	<u>-0-</u>	<u>1,449,454</u>	<u>24,454</u>	<u>1,330,527</u>	<u>175,497</u>	<u>1,914,327</u>	<u>4,100</u>	<u>5,547,236</u>
<b>Expenditures</b>										
General government	-0-	-0-	-0-	-0-	-0-	9,340	-0-	-0-	-0-	9,340
Public safety	163,125	-0-	-0-	-0-	-0-	73,627	-0-	-0-	-0-	236,752
Highways and streets	-0-	-0-	-0-	-0-	-0-	721,680	-0-	-0-	-0-	721,680
Community development	-0-	-0-	-0-	1,152,759	-0-	-0-	-0-	-0-	-0-	1,152,759
Culture and recreation	-0-	-0-	-0-	-0-	376,532	-0-	-0-	-0-	-0-	376,532
Benefit payments	-0-	-0-	-0-	-0-	-0-	-0-	175,085	1,909,033	-0-	2,084,118
Capital outlay	15,395	-0-	-0-	166,002	59,732	172,875	-0-	-0-	-0-	414,004
Debt service – principle	-0-	-0-	166,073	-0-	41,459	-0-	-0-	-0-	-0-	207,532
Debt service – interest	-0-	-0-	17,223	-0-	19,279	-0-	-0-	-0-	-0-	36,502
Total expenditures	<u>178,520</u>	<u>-0-</u>	<u>183,296</u>	<u>1,318,761</u>	<u>497,002</u>	<u>977,522</u>	<u>175,085</u>	<u>1,909,033</u>	<u>-0-</u>	<u>5,239,219</u>
Excess (deficiency) of revenues over (under) expenditures	( 34,231)	504,588	(183,296)	130,693	(472,548)	353,005	412	5,294	4,100	308,017



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES -  
 NONMAJOR SPECIAL REVENUE FUNDS (CONT'D)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Police Fund</u>	<u>Tax Increment Financing District Fund</u>	<u>Urban Renewal Authority</u>	<u>Park Board</u>	<u>Park Board Special Levy</u>	<u>Capital Improvement Levy Fund</u>	<u>Dental and Vision Benefit Fund</u>	<u>PEIA Fund</u>	<u>Police National Night Out Fund</u>	<u>Total (Memorandum Only)</u>
<b>Other Financing Sources (Uses)</b>										
Operating transfers in	\$ -0-	\$ -0-	\$ 183,296	\$ 46,442	\$ 517,502	\$ -0-	\$ -0-	\$ -0-	\$ 6,564	\$ 753,804
Operating transfers (out)	( 6,564)	-0-	( 121)	-0-	(124,149)	( 517,502)	-0-	-0-	-0-	( 648,336)
Total other financing sources (uses)	( 6,564)	-0-	183,175	46,442	393,353	( 517,502)	-0-	-0-	6,564	105,468
<b>Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing (uses)</b>	( 40,795)	504,588	( 121)	177,135	( 79,195)	( 164,497)	412	5,294	10,664	413,485
<b>Fund balance beginning of year</b>	<u>340,222</u>	<u>850,576</u>	<u>17,843</u>	<u>400,709</u>	<u>214,887</u>	<u>549,057</u>	( 3,488)	<u>21,379</u>	<u>488</u>	<u>2,391,673</u>
<b>Fund balance end of year</b>	\$ <u>299,427</u>	\$ <u>1,355,164</u>	\$ <u>17,722</u>	\$ <u>577,844</u>	\$ <u>135,692</u>	\$ <u>384,560</u>	\$( 3,076)	\$ <u>26,673</u>	\$ <u>11,152</u>	\$ <u>2,805,158</u>

See accompanying notes and independent auditor's report.

MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 COMBINING FUND BALANCE SHEETS -  
 NONMAJOR DEBT SERVICE FUND  
 JUNE 30, 2022

	<u>Urban Renewal Authority</u>
<b>ASSETS</b>	
Cash	\$ <u>365</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>365</u></b>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities</b>	
Accounts payable	\$ <u>-0-</u>
Total liabilities	<u>-0-</u>
<b>Fund Balances</b>	
Assigned	<u>365</u>
Total fund balances	<u>365</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ <u>365</u></b>

See accompanying notes and independent auditor's report.

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
 COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - NONMAJOR DEBT SERVICE FUND  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

	<u>Urban Renewal Authority</u>
<b>Revenues</b>	
Charges for services	\$ 133,582
Interest	<u>64</u>
Total revenues	<u>133,646</u>
Excess of revenues over expenditures	133,646
<b>Other Financing Sources (Uses)</b>	
Operating transfers (out)	<u>(218,527)</u>
(Deficiency) of revenues and other financing sources (under) expenditures and other financing uses	( 84,881)
Fund balance beginning of year	<u>85,246</u>
Fund balance end of year	\$ <u><u>365</u></u>

See accompanying notes and independent auditor's report.



***Tetrick & Bartlett, PLLC***

**Certified Public Accountants  
Consultants**

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the blended component unit, each major fund, and the aggregate remaining fund information of Municipality of Clarksburg, West Virginia, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise Municipality of Clarksburg, West Virginia's basic financial statements, and have issued our report thereon dated March 18, 2023.

**Report on Internal Control over Financial Reporting**

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

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

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

### **Report on Compliance and Other Matters**

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

### **Purpose of This Report**

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

*Patrick J. Bennett, CPA*

Clarksburg, West Virginia  
March 18, 2023



***Tetrick & Bartlett, PLLC***

**Certified Public Accountants  
Consultants**

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE 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**

***Opinion on Each Major Federal Program***

We have audited Municipality of Clarksburg, West Virginia's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Municipality of Clarksburg, West Virginia's major federal programs for the year ended June 30, 2022. Municipality of Clarksburg, West Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Municipality of Clarksburg, West Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

***Basis for Opinion on Each Major Federal Program***

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

We are required to be independent of Municipality of Clarksburg, West Virginia and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Municipality of Clarksburg, West Virginia's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

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

### ***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

## Report on Internal Control over Compliance

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

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

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

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

*J. Stuck, P. Baugh, PLLC*

Clarksburg, West Virginia  
March 18, 2023



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2022**

**A. Summary of Audit Results**

***Financial Statements***

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

***Federal Awards***

Internal control over major programs:	
Material weakness(es) identified?	<u>    No</u>
Deficiency(s) identified that are not considered to be material weaknesses?	<u>    None reported</u>
Type of auditor's report issued on compliance for major programs:	<u>Unmodified Opinion</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?	<u>    No</u>
Identification of major programs:	
United States Small Business Administration COVID-19 – Shuttered Venue Operators Grant Program	AL #59.075
United States Department of Agriculture Water and Waste Disposal Systems for Rural Communities	AL #10.760
Dollar threshold used to distinguish between Type A and Type B programs	<u>    \$750,000</u>
Auditee qualified as low-risk auditee	<u>  X  </u> yes <u>    </u> no

**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)  
FOR THE YEAR ENDED JUNE 30, 2022**

**B. Findings – Financial Statement Audit**

No Findings

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

**United States Small Business Administration – COVID-19 – Shuttered Venue  
Operators Grant Program – AL 59.079 – Fiscal Year Ended June 30, 2022**

**United States Department of Agriculture – Water and Waste Disposal Systems for  
Rural Communities – AL 10.760 – Fiscal Year Ended June 30, 2022**

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, 2022**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>	<u>Loan Balance</u>
<b>Highway Planning and Construction Cluster</b>						
<b>United States Department of Transportation</b>						
<u>West Virginia Department of Transportation</u>						
<u>West Virginia Division of Motor Vehicles</u>						
Highway Planning and Construction	20.205	F22-HS-05-DOHWZ	\$ 15,000	\$ <u>14,252</u>	\$ <u>14,252</u>	
Total United States Department of Transportation – AL 20.205				<u>14,252</u>	<u>14,252</u>	
Total Highway Planning and Construction Cluster				<u>14,252</u>	<u>14,252</u>	
<b>Highway Safety Cluster</b>						
<b>United States Department of Transportation</b>						
<b>National Highway Safety Administration</b>						
<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	\$ 33,942	\$ 33,942	
State and Community Highway Safety	20.600	F22-HS-05-402	192,700	<u>91,907</u>	<u>91,907</u>	
Total United States Department of Transportation – AL 20.600				<u>125,849</u>	<u>125,849</u>	

See accompanying notes and independent auditor's report.

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

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>	<u>Loan Balance</u>
<b>Highway Safety Cluster</b>						
<b>United States Department of Transportation National Highway Safety Administration</b>						
<u>West Virginia Department of Transportation</u> <u>West Virginia Division of Motor Vehicles</u>						
National Priority Safety Programs	20.616	F22-HS-05-405B	\$ 25,000	\$ 9,794	\$ 9,794	
National Priority Safety Programs	20.616	F22-HS-05-405C	47,000	39,927	39,927	
National Priority Safety Programs	20.616	F22-HS-05-405D	100,000	24,484	24,484	
National Priority Safety Programs	20.616	F21-HS-05-405B	47,000	3,940	3,940	
National Priority Safety Programs	20.616	F21-HS-05-405C	80,000	12,287	12,287	
National Priority Safety Programs	20.616	F21-HS-05-405D	101,000	<u>17,350</u>	<u>37,350</u>	
Total United States Department of Transportation – AL 20.616				<u>107,782</u>	<u>127,782</u>	
Total United States Department of Transportation – Highway Safety Cluster				<u>233,631</u>	<u>253,631</u>	
Total United States Department of Transportation				<u>247,883</u>	<u>267,883</u>	
<b>Executive Office of the President</b>						
<b>Financial Commission for Appalachia High Intensity Drug Trafficking Area</b>						
<u>Passed thru Laurel County Fiscal Court</u>						
High Intensity Drug Trafficking Areas Program	95.001	GP21AP0001A	36,000	\$ 5,539	\$ 5,539	
High Intensity Drug Trafficking Areas Program	95.001	G22AP0001A	19,000	<u>11,084</u>	<u>11,084</u>	
Total Executive Office of the President – AL 95.001				<u>16,623</u>	<u>16,623</u>	
Total Executive Office of the President				<u>16,623</u>	<u>16,623</u>	

See accompanying notes and independent auditor's report.

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

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/ Expenditures</u>	<u>Loan Balance</u>
<b>United States Department of Justice</b>						
<b>Violence Against Women Office</b>						
<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>2,775</u>	\$ <u>2,775</u>	
Total United States Department of Justice AL 16.588				<u>2,775</u>	<u>2,775</u>	
<b>United States Department of Justice</b>						
<b>Bureau of Justice Assistance</b>						
Edward Bryne Memorial Justice Assistance Grant Program	16.738	2018-DJ-BX-0290	\$ 4,937	\$ <u>1,956</u>	\$ <u>1,956</u>	
Total United States Department of Justice – AL 16.738				<u>1,956</u>	<u>1,956</u>	
Total United States Department of Justice				<u>4,731</u>	<u>4,731</u>	
<b>United States Department of the Treasury</b>						
<u>Passed thru State of West Virginia Coronavirus Relief Fund</u>						
COVID-19 – Coronavirus Relief Fund	21.019	CVRF-2020	\$ 6,730,023	\$ <u>6,730,023</u>	\$ <u>183,000</u>	
Total United States Department of the Treasury – AL 20.109				<u>6,730,023</u>	<u>183,000</u>	
Total United States Department of the Treasury				<u>6,730,023</u>	<u>183,000</u>	

See accompanying notes and independent auditor's report.

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

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number (AL)</u>	<u>Grant Number</u>	<u>Program or Award Amount</u>	<u>Receipts or Revenues Recognized</u>	<u>Federal Disbursements/Expenditures</u>	<u>Loan Balance</u>
<b>United States Small Business Administration</b>						
COVID-19 – Shuttered Venue Operators Grant Program	59.075	SBAHQ21SV016361.3	\$ 136,958	\$ 136,958	\$ 136,958	
COVID-19 – Shuttered Venue Operators Grant Program	59.075	SBAHQ21SV007146.2	714,811	<u>714,811</u>	<u>714,811</u>	
Total United States Small Business Administration – AL 59.075				<u>851,769</u>	<u>851,769</u>	
Total United States Small Business Administration				<u>851,769</u>	<u>851,769</u>	
<b>United States Department of Agriculture</b>						
<u>Passed thru the West Virginia Department of Environmental Protection Agency</u>						
Water and Waste Disposal Systems for Rural Communities	10.760	2020A	\$ 7,900,000	\$ <u>1,756,002</u>	\$ <u>1,756,002</u>	\$ 6,473,202
Total United States Department of Agriculture – AL 10.760				<u>1,756,002</u>	<u>1,756,002</u>	
Total United States Department of Agriculture				<u>1,756,002</u>	<u>1,756,002</u>	
Total Expenditures of Federal Awards				\$ <u>9,607,031</u>	\$ <u>3,080,008</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, 2022**

**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, 2022. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Municipality of Clarksburg, West Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of Municipality of Clarksburg, West Virginia.

**Note B – Summary of Significant Accounting Policies**

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

**Note C – Indirect Cost Rate**

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

**Note D – Pass-through to Subrecipients**

There were no awards passed through to subrecipients.

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

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

See independent auditor's report.

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

**Note F – Loan Balances**

The United States Department of Agriculture – Community Facilities Loans and Grant Program – AL Number 10.766 represented a refinancing of a bond anticipation note purchased by the United States Department of Agriculture on May 24, 2019 in the amount of \$8,500,000. The outstanding balance of the bonds at June 30, 2022 was \$8,124,059.

The United States Department of Agriculture – Water and Waste Disposal Systems for Rural Communities – AL Number 10.760 represents a loan through the West Virginia Department of Environmental Protection Clean Water State Revolving Loan Program. The total loan balance outstanding at June 30, 2022 was \$6,473,202 of which \$1,756,202 was considered federal funding.

See independent auditor's report.



**MUNICIPALITY OF CLARKSBURG, WEST VIRGINIA  
CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED JUNE 30, 2022**

**United States Small Business Administration – COVID-19 – Shuttered Venue Operators Grant Program – AL Number 59.075 – Fiscal Year Ended June 30, 2021 and United States Department of Agriculture – Water and Waste Disposal Systems for Rural Communities – AL Number 10.760 – Fiscal Year Ended June 30, 2022**

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, 2022**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**Reference Number:**

There were no Findings and Questioned Costs for the prior audit period of July 1, 2020 to June 30, 2021 that are required to be reported.