



Certified Public Accountants, A.C.

MONONGALIA COUNTY COMMISSION
Compilation Report
For the Year Ended June 30, 2021

313 Second St.
Marietta, OH 45750
740 373 0056

1907 Grand Central Ave.
Vienna, WV 26105
304 422 2203

150 W. Main St., #A
St. Clairsville, OH 43950
740 695 1569

1310 Market St., #300
Wheeling, WV 26003
304 232 1358

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MONONGALIA COUNTY, WEST VIRGINIA

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MONONGALIA COUNTY, WEST VIRGINIA

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MONONGALIA COUNTY, WEST VIRGINIA
COUNTY OFFICIALS
For the Fiscal Year Ended June 30, 2021

OFFICE	NAME	TERM
<u>Elective</u>		
County Commission:	Tom Bloom	01-01-18 / 12-31-23
	Jeffery Arnett	01-01-21 / 12-31-26
	Sean Sikora	01-01-17 / 12-31-22
Clerk of the County Commission:	Carye Blaney	01-01-17 / 12-31-22
Clerk of the Circuit Court:	Jean Friend	01-01-17 / 12-31-22
Sheriff:	Perry Palmer	01-01-21/ 12-31-24
Prosecuting Attorney:	Perri DeChristopher	01-01-21 / 12-31-24
Assessor:	Mark Musick	01-01-21 / 12-31-24

INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

Monongalia County Commission
243 High Street Room 123
Morgantown, WV 26505

To the Board of Commissioners:

Management is responsible for the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Monongalia County**, West Virginia (the County), as of and for the year ended June 30, 2021, which collectively comprise the County's basic financial statements as listed in the table of contents, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Generally accepted accounting principles requires that Management's Discussion and Analysis, on pages 4-12, Schedules of the County's Proportionate Share of the Net Pension Liability, Schedules of County Pension Contributions, Schedule of the County's Proportionate Share of the Net OPEB Liability, and Schedule of County OPEB Contributions on pages 57-62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information has been compiled by us without audit or review and we do not express an opinion, a conclusion, nor provide any assurance on it.

The supplementary information contained in Budgetary Comparison Schedule – Assessor's Valuation Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

Accounting principles generally accepted in the United States of America require that discretely presented component units be presented in the financial statements of the primary government. Due to the discretely presented component unit information not being readily available, the County has not presented the discretely presented component units in the accompanying financial statements. Management has not determined the effect of this departure on the financial statements.



Perry and Associates
Certified Public Accountants, A.C.
Marietta, Ohio

September 30, 2021

Tax - Accounting - Audit - Review - Compilation - Agreed Upon Procedure - Consultation - Bookkeeping - Payroll - Litigation Support - Financial Investigations
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MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

The discussion and analysis of Monongalia County's (the "County") financial performance provides an overall review of the County's financial activities for the fiscal year ended June 30, 2021. The intent of this discussion and analysis is to look at the County's financial performance as a whole; readers are encouraged to consider the information presented here in conjunction with the additional information contained in the financial statements and the notes thereof.

Financial Highlights

Key financial highlights for 2021 are as follows:

The assets and deferred outflows of resources of Monongalia County were less than its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$125,179,732. Of this amount, \$35,230,226 is restricted in use.

Total assets and deferred outflows increased by \$16,792,120, which represents a 21 percent increase over 2020. The primary change that contributed to this increase was the increase in restricted cash related to TIF bonds.

Total liabilities and deferred inflows of resources increased by \$29,233,680, which represents an increase of 15 percent over 2020. The main factor contributing to this increase was the issuance of \$54,783,629 in bonds payable related to the University Town Centre project.

In total, net position decreased by \$12,441,560 during 2021. This represents an 11 percent decrease from 2020.

For 2021, the County's net pension liability increased by \$2,753,813 and the net OPEB liability decreased by \$1,175,882, for a total increase of \$1,577,931.

Using this Annual Financial Report

This discussion and analysis is intended to serve as an introduction to Monongalia County's basic financial statements. Monongalia County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-Wide Financial Statements – Reporting Monongalia County as a Whole

Statement of Net Position and the Statement of Activities

The statement of net position presents information on all Monongalia County's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the four reported as *net position*. Over time, increase or decrease in net position may serve as a useful indicator of whether the financial position of Monongalia County is improving or deteriorating. However, in evaluating the overall position of the County, nonfinancial factors such as the County's tax base, change in property and municipal income tax laws, and the condition of the capital assets should also be considered.

The statement of activities presents information showing how the County's net position changed during the recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned, but unused vacation leave).

MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

Both the statement of net position and the statement of activities use the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

In the statement of net position and the statement of activities, we report the County activities as follows:

Governmental activities: most of the County's basic services are reported here, including law enforcement for unincorporated areas of the County, health and social services, cultural and recreational programs, and other governmental services. Property and other taxes, state and county taxes, licenses, permits and charges for services finance most of these activities.

Fund Financial Statements - Reporting Monongalia County's Most Significant Funds

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. Monongalia County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Monongalia County are reported as governmental funds.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on the balance of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all *other financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Both the governmental fund balance sheet and the government fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental activities (reported in the statement of net position and the statement of activities) and governmental funds.

Information on the County's individual governmental funds is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances, for the general fund, coal severance tax fund, and the university town center debt service fund, all of which are considered to be major funds. The remaining funds are combined and presented within the column titled other nonmajor governmental funds.

Notes to the Financial Statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found after the basic financial statement of this report.

MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

Government-wide Financial Analysis - Monongalia County as a Whole

Table 1
Net Position

	Government Activities		Change
	2021	2020	
Assets			
Current and Other Assets	\$ 21,235,723	\$ 17,582,667	\$ 3,653,056
Capital Assets, Net	35,030,155	35,699,549	(669,394)
Restricted Assets	35,230,226	23,507,375	11,722,851
Total Assets	<u>91,496,104</u>	<u>76,789,591</u>	<u>14,706,513</u>
Deferred Outflows of Resources			
Pension	3,610,282	1,598,374	2,011,908
OPEB	269,010	195,311	73,699
Total Deferred Outflows	<u>3,879,292</u>	<u>1,793,685</u>	<u>2,085,607</u>
Liabilities			
Current and Other Liabilities	1,231,711	1,254,578	(22,867)
Long-Term Liabilities:			
Due Within One Year	4,741,298	2,865,551	1,875,747
Other Amounts Due in More than One Year	207,208,800	181,023,577	26,185,223
Net Pension Liability	4,889,966	2,136,153	2,753,813
Net OPEB Liability	445,400	1,621,282	(1,175,882)
Total Liabilities	<u>218,517,175</u>	<u>188,901,141</u>	<u>29,616,034</u>
Deferred Inflows of Resources			
Pension	465,236	1,344,246	(879,010)
OPEB	1,572,717	1,076,061	496,656
Total Deferred Inflows	<u>2,037,953</u>	<u>2,420,307</u>	<u>(382,354)</u>
Net Position			
Net Investment in Capital Assets	35,030,155	21,859,964	13,170,191
Restricted	35,230,226	23,507,375	11,722,851
Unrestricted (Deficit)	<u>(195,440,113)</u>	<u>(158,105,511)</u>	<u>(37,334,602)</u>
Total Net Position	<u>\$ (125,179,732)</u>	<u>\$ (112,738,172)</u>	<u>\$ (12,441,560)</u>

MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of West Virginia's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the County's proportionate share of each plan's collective:

1. Present value of estimated future pension benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the County is not responsible for certain key factors affecting the balance of these liabilities. In West Virginia, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In West Virginia, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

In accordance with GASB 68 and GASB 75, the County's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows. As a result, the County is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting.

A portion of the County's net position reflects its net investment in capital assets. Capital assets include construction in progress, land, land improvements, buildings and improvements, machinery and equipment, vehicles and infrastructure. The County uses those capital assets to provide services to its citizens; consequently, they are not available for future spending. Net investment in capital assets as of June 30, 2021, was \$35,030,155. Although the County's investment is reported net of related debt, it should be noted that resources to repay the debt must be provided from other sources since capital assets cannot be used to liquidate these liabilities.

An additional portion of the County's net position represents resources that have been restricted on how they may be used. The remaining balance of unrestricted net position of a negative \$195,440,113 may be used to meet the County's ongoing obligations to citizens and creditors.

Total net position of the County decreased \$12,441,560. The following factors were primarily responsible for this decrease:

- An increase in current and other assets of \$3,653,056.
- A decrease in capital assets, net of \$669,394.
- An increase in restricted assets of \$11,722,851.
- An increase in deferred outflows of resources – pension and OPEB of \$2,085,607.
- An increase in net pension liability of \$2,753,813.
- A decrease in net OPEB liability of \$1,175,882.
- A decrease in deferred inflows of resources – pension and OPEB of \$382,354.
- An increase in other long-term liabilities of \$28,060,970.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further detail regarding the results of activities for the current year in comparison to 2020.

MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

Table 2
Change in Net Position

	Governmental Activities		
	2021	2020	Change
Program Revenues:			
Charges for Services	\$ 4,697,405	\$ 4,464,110	\$ 233,295
Operating Grants and Contributions	2,956,629	731,209	2,225,420
Capital Grants and Contributions	5,938,972	4,575,622	1,363,350
Total Program Revenues	<u>13,593,006</u>	<u>9,770,941</u>	<u>3,822,065</u>
General Revenues:			
Property Taxes	28,893,000	27,931,487	961,513
Coal Severance & Other Taxes	4,562,870	4,741,965	(179,095)
Licenses and Permits	35,468	39,485	(4,017)
Fines and Forfeits	309,361	345,429	(36,068)
Investment Income	192,074	680,731	(488,657)
Refunds and Reimbursements	3,427,802	3,260,706	167,096
Sale of Assets	8,975	6,945	2,030
State OPEB Special Funding Revenue	77,954	95,159	(17,205)
Miscellaneous	858,001	849,513	8,488
Total General Revenues	<u>38,365,505</u>	<u>37,951,420</u>	<u>414,085</u>
Total Revenues	<u>51,958,511</u>	<u>47,722,361</u>	<u>4,236,150</u>
Program Expenses			
General Government	17,692,002	17,271,629	420,373
Public Safety	14,078,751	14,426,494	(347,743)
Health and Sanitation	1,016,660	799,614	217,046
Administrative and General	73,368	51,123	22,245
Culture and Recreation	2,426,508	2,258,339	168,169
Social Services	2,696,712	2,591,655	105,057
Capital Projects	15,914,787	31,061,101	(15,146,314)
Interest on Long-Term Debt	10,501,283	6,422,252	4,079,031
Total Program Expenses	<u>64,400,071</u>	<u>74,882,207</u>	<u>(10,482,136)</u>
Change in Net Position	(12,441,560)	(27,159,846)	14,718,286
Net Position, Beginning of Year	<u>(112,738,172)</u>	<u>(85,578,326)</u>	<u>(27,159,846)</u>
Net Position, End of Year	<u>\$ (125,179,732)</u>	<u>\$ (112,738,172)</u>	<u>\$ (12,441,560)</u>

MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

Governmental Activities

Several revenue sources fund our governmental activities with the property tax being the largest contributor. During 2021, the revenues generated from property tax collections amounted to \$28,893,000, which represents 75 percent of all County general revenues.

General government and public safety are the major activities of the County generating 49 percent of the governmental expenses. Public safety includes the cost of providing police and dispatch services for law enforcement, fire, and emergency medical services. Techniques such as defensive and emergency vehicle operations training, technical skills evaluation, practical drills, and on-line education help keep the men and women updated to perform their jobs most efficiently.

General government expense accounted for \$17,692,002, or 27 percent, of the governmental expenses. Expenses for this program increased \$420,373 compared to 2020. The increase in expense is due to a combined increase in wages and health care and workers compensation expenditures, and an increase in pension expense related to the net pension liability.

Capital projects expense accounted for \$15,914,787, or 25 percent, of the governmental expenses. Expenses for this program decreased \$15,146,314 compared to 2020 due to a decrease in expenditures related to the University Town Center project and related TIF and excise tax bond activity.

The County's Funds

Governmental Funds

Information about the County's major funds starts on the balance sheet. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$51,799,083, other financing sources of \$64,374,743, expenditures of \$68,277,493 and other financing uses of \$32,579,033. Overall fund balance increased \$15,317,300, or 40 percent during the year.

The net change in fund balance for the general fund was an increase in fund balance of 3,657,454 in 2021 which increases its fund balance to \$13,181,091.

The net change in fund balance in the university town center debt service fund was an increase of \$11,653,635 in 2021 which increases its fund balance to \$33,939,544. Restricted cash increase to \$35,230,226 as unspent TIF and excise tax bond proceeds remained on hand at the end of the year. The coal severance tax fund reflected a decrease of \$78,479, or 91 percent. Net change in fund balance for all other non-major funds was an increase of \$84,690, or 1 percent.

MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021

General Fund Budgeting Highlights

The County's budget is prepared according to West Virginia law and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the general fund. An annual appropriation budget is legally required to be prepared for all funds of the County other than agency funds. County Commissioners are provided with a detailed line item budget for all departments and after a discussion at a regularly held meeting, which is open to the public; the budget is adopted by the Commissioners. The Commissioners must approve any revisions in the budget that alter totals or the total appropriations for any department or fund. The finance department watches all the departmental budgets closely to monitor compliance with allocated budgets and provides monthly reports to the County Commissioners depicting monthly and year-to-date activity.

For the general fund, final budget basis revenue, excluding other financing sources was \$32,313,888, more than the original budget estimates of \$28,758,848. The County continues the conservative practice of estimating low in the tax, intergovernmental revenue and interest revenue areas. The final appropriations of \$41,904,713, excluding other financing uses, was sufficient to meet the expenditures for the year, which ended up at \$28,517,381. The final budget of expenditures, excluding other financing uses, increased \$1,283,256 from the original budget.

The County's ending unobligated budgetary fund balance was \$14,444,392 higher than the final budgeted amount.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2021, Monongalia County had \$35,030,155, invested in land, construction in progress, buildings and improvements, structures and improvements and machinery and equipment, net of accumulated depreciation.

Table 3 shows fiscal 2021 balances of capital assets as compared to the 2020 balances:

Table 3
Capital Assets at Decemer 31
(Net of Accumulated Depreciation)

	Governmental Activities		
	2021	2020*	Change
Construction in Progress	\$ 5,142,724	\$ 4,465,880	\$ 676,844
Land	984,200	984,200	-
Building and Improvements	35,854,328	35,854,328	-
Structures and Improvements	5,501,806	5,482,706	19,100
Machinery and Equipment	6,657,979	6,339,256	318,723
Less: Total Accumulated Depreciation	(19,110,882)	(17,426,821)	(1,684,061)
 Total Capital Assets	 \$ 35,030,155	 \$ 35,699,549	 \$ (669,394)

*\$19,100 reclassified from Machinery & Equipment to Structures and Improvements in prior year ending balances

The County has an aggressive stance on maintaining its assets, including infrastructure, in excellent condition. Vehicles such as trucks and plows are planned for well in advance by the respective department heads and a scheduled maintenance and replacement timetable is followed to provide peak performance for the maximum time frame. Vehicles no longer in service are either traded in or sold at an auction or online.

Additional information concerning the County's capital assets can be found in the Note III. C to the financial statements.

**MONONGALIA COUNTY, WEST VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
For the Fiscal Year Ended June 30, 2021**

Debt

At June 30, 2021, Monongalia County had \$217,285,464 in outstanding debt, net pension liability, net OPEB liability and compensated absences payable, of which \$210,997,068 was in bonds payable. Table 4 summarizes the outstanding obligations of the County.

**Table 4
Outstanding Long-Term Obligations at Year End**

	Governmental Activities		Change
	2021	2020	
Lease Revenue Bonds, Net of Premium and Discount	\$ 13,060,935	\$ 13,839,585	\$ (778,650)
TIF Bonds	44,317,999	43,900,296	417,703
Excise Tax Bonds, Net of Discount	153,618,134	125,198,696	28,419,438
Net Pension Liability	4,889,966	2,136,153	2,753,813
Net OPEB Liability	445,400	1,621,282	(1,175,882)
Compensated Absences	953,030	950,551	2,479
Total	\$ 217,285,464	\$ 187,646,563	\$ 29,638,901

Lease revenue bonds were issued for the design, acquisition, construction, and equipping of a Monongalia County Justice Center. The TIF bonds consist of projects related to the Morgantown Industrial Park, the Monongalia General Hospital, the Star City project, and the University Town Center project.

Other obligations include notes payable, the net pension liability, the net OPEB liability and accrued compensated absences. Additional information concerning the County's debt can be found in Note III. G to the financial statements.

Current Related Financial Activities

The fund balance in the General Fund decreased in 2021 as a result of the property and other taxes revenue decreases. Due to the stagnation in the national economy and increases in federal and state funding cutbacks in recent years, the Commissioners and the department heads have worked diligently in reducing expenses. The Commissioners are reviewing all "non-statutorily" mandated expenditure functions to determine what can be further reduced and/or eliminated, and they are stringently monitoring all expenses and are curtailing travel and equipment purchases unless absolutely needed.

The County's portion of federal and state-based revenue has also been affected by the economic conditions. The State of West Virginia has experienced revenue losses and, as a result, has instituted cutbacks to state agencies and in their allocations to county and other local governments. These reduced federal and state funding/reimbursements for various programs have, in some cases, resulted in additional pressure on the General Fund balance. However, additional funds were received from the American Recovery Plan Act during 2021 in response to the COVID-19 pandemic.

Inflationary trends for the County improved in 2021. Monongalia County's economy has been resilient in contrast to other counties in the State of West Virginia who are facing significant financial hardships and budget reductions. The key factor is the County's diversified commercial and industrial economic base. The County is fortunate to have a fairly large amount of undeveloped land in the portions of the County which can hopefully house future new development once the economy improves.

Contacting Monongalia County's Finance Department

This financial report is designed to provide our citizen's, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for all money it receives, spends, or invests. If you have any questions about this report or need additional financial information, contact County Administrator, Renetta McClure, Monongalia County, Morgantown, West Virginia 26505, telephone (304) 291-7293.

MONONGALIA COUNTY, WEST VIRGINIA
STATEMENT OF NET POSITION
June 30, 2021

		<u>Primary Government</u>
		<u>Governmental</u> <u>Activities</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$	19,283,613
Receivables:		
Taxes		1,841,384
Grants		110,726
Total current assets		<u>21,235,723</u>
Restricted assets:		
Restricted cash		35,230,226
Capital assets:		
Nondepreciable:		
Land		984,200
Construction in progress		5,142,724
Depreciable:		
Buildings		35,854,328
Structures and improvements		5,501,806
Machinery and equipment		6,657,979
Less: accumulated depreciation		<u>(19,110,882)</u>
Total noncurrent assets		<u>70,260,381</u>
Total assets		<u>91,496,104</u>
DEFERRED OUTFLOWS		
Pension		3,610,282
OPEB		<u>269,010</u>
Total deferred outflows of resources	\$	<u>3,879,292</u>

MONONGALIA COUNTY, WEST VIRGINIA
STATEMENT OF NET POSITION
June 30, 2021

		<u>Primary Government</u>
		<u>Governmental</u> <u>Activities</u>
LIABILITIES		
Current liabilities payable		
from current assets:		
Accounts payable	\$	698,763
Interest payable		532,948
Noncurrent liabilities:		
Bonds payable - due within one year		4,741,298
Bonds payable - due in more than one year		206,255,770
Compensated absences payable		953,030
Net pension liability		4,889,966
Net OPEB Liability		445,400
		<hr/>
Total liabilities		218,517,175
		<hr/>
DEFERRED INFLOWS		
Pension		465,236
OPEB		1,572,717
		<hr/>
Total deferred inflows of resources		2,037,953
		<hr/>
NET POSITION		
Net investment in capital assets		35,030,155
Restricted for:		
Debt service		35,230,226
Unrestricted		(195,440,113)
		<hr/>
Total net position	\$	<u><u>(125,179,732)</u></u>

MONONGALIA COUNTY, WEST VIRGINIA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

	Program Revenues				Net (Expense) Revenues and Changes in Net Position	
	Expenses	Charges for	Operating Grants and	Capital Grants and	Primary Government	
		Services	Contributions	Contributions	Governmental Activities	Total
Functions / Programs						
Primary government:						
Governmental activities:						
General government	\$ 17,692,002	\$ 4,697,405	\$ 2,956,629	\$ -	(10,037,968)	\$ (10,037,968)
Public safety	14,078,751	-	-	-	(14,078,751)	(14,078,751)
Health and sanitation	1,016,660	-	-	-	(1,016,660)	(1,016,660)
Administrative and general	73,368	-	-	-	(73,368)	(73,368)
Culture and recreation	2,426,508	-	-	-	(2,426,508)	(2,426,508)
Social services	2,696,712	-	-	-	(2,696,712)	(2,696,712)
Capital projects	15,914,787	-	-	5,938,972	(9,975,815)	(9,975,815)
Interest on long-term debt	10,501,283	-	-	-	(10,501,283)	(10,501,283)
Total governmental activities	<u>64,400,071</u>	<u>4,697,405</u>	<u>2,956,629</u>	<u>5,938,972</u>	<u>(50,807,065)</u>	<u>(50,807,065)</u>
Total primary government	<u>\$ 64,400,071</u>	<u>\$ 4,697,405</u>	<u>\$ 2,956,629</u>	<u>\$ 5,938,972</u>	<u>(50,807,065)</u>	<u>(50,807,065)</u>
General revenues:						
Ad valorem property taxes					28,893,000	28,893,000
Alcoholic beverages tax					389,065	389,065
Hotel occupancy tax					577,252	577,252
Gas and oil severance tax					464,474	464,474
Other taxes					3,026,446	3,026,446
Coal severance tax					105,633	105,633
Licenses and permits					35,468	35,468
Fines and Forfeits					309,361	309,361
Unrestricted investment earnings					192,074	192,074
Refunds					3,096,946	3,096,946
Reimbursement					330,856	330,856
Sale of capital assets					8,975	8,975
State Special Funding Revenue					77,954	77,954
Miscellaneous					858,001	858,001
Total general revenues					<u>38,365,505</u>	<u>38,056,144</u>
Change in net position					(12,441,560)	(12,441,560)
Net position - beginning					<u>(112,738,172)</u>	<u>(112,738,172)</u>
Net position - ending					<u>\$ (125,179,732)</u>	<u>\$ (125,179,732)</u>

MONONGALIA COUNTY, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2021

	<u>General</u>	<u>Coal Severance Tax</u>	<u>University Town Center Debt Service</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS AND DEFERRED OUTFLOWS					
Assets:					
Current:					
Cash and cash equivalents	\$ 13,553,030	\$ 20,175	\$ -	\$ 5,710,408	\$ 19,283,613
Receivables:					
Taxes	1,521,260	-	-	320,124	1,841,384
Grants	110,726	-	-	-	110,726
Restricted cash	-	-	34,397,541	832,685	35,230,226
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total assets and deferred outflows of resources	\$ <u>15,185,016</u>	\$ <u>20,175</u>	\$ <u>34,397,541</u>	\$ <u>6,863,217</u>	\$ <u>56,465,949</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 599,433	\$ 12,712	\$ -	86,618	\$ 698,763
Other accrued expenses	-	-	457,997	74,951	532,948
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	599,433	12,712	457,997	161,569	1,231,711
Deferred Inflows:					
Unavailable revenue - taxes	1,404,492	-	-	286,071	1,690,563
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total deferred inflows of resources	1,404,492	-	-	286,071	1,690,563
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	2,003,925	12,712	457,997	447,640	2,922,274
Fund balances:					
Restricted	-	-	33,939,544	6,415,577	40,355,121
Assigned	12,953,597	7,463	-	-	12,961,060
Unassigned	227,494	-	-	-	227,494
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances	13,181,091	7,463	33,939,544	6,415,577	53,543,675
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows and fund balances	\$ <u>15,185,016</u>	\$ <u>20,175</u>	\$ <u>34,397,541</u>	\$ <u>6,863,217</u>	\$ <u>56,465,949</u>

MONONGALIA COUNTY, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2021

Total fund balances on the governmental fund's balance sheet	\$ 53,543,675
 Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds. (Note III.C.)	35,030,155
Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds. (Note III.B.)	1,690,563
Deferred inflows and outflows related to pension activity are not required to be reported in the funds but are required to be reported at the government-wide level (Note V):	
Deferred outflow - Pension	3,610,282
Deferred outflow - OPEB	269,010
Deferred outflow (inflow) - Pension	(465,236)
Deferred outflow (inflow) - OPEB	(1,572,717)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. (Note III.F.)	<u>(217,285,464)</u>
Net position of governmental activities	<u>\$ (125,179,732)</u>

MONONGALIA COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	General	Coal Severance Tax	University Town Center Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes:					
Ad valorem property taxes	\$ 19,897,279	\$ -	\$ -	\$ 8,914,247	\$ 28,811,526
Alcoholic beverages tax	389,065	-	-	-	389,065
Hotel occupancy tax	577,252	-	-	-	577,252
Gas and oil severance tax	464,474	-	-	-	464,474
Other taxes	1,765,941	-	-	1,260,505	3,026,446
Coal severance tax	-	104,891	-	742	105,633
Licenses and permits	9,473	-	-	25,995	35,468
Intergovernmental:					
Federal	199,226	-	-	-	199,226
State	2,757,403	-	5,938,972	-	8,696,375
Charges for services	1,441,138	-	-	3,256,267	4,697,405
Fines and forfeits	-	-	-	309,361	309,361
Interest and investment earnings	126,823	676	4,116	60,459	192,074
Refunds	3,104,465	-	-	(7,519)	3,096,946
Reimbursements	-	-	-	330,856	330,856
Payments in lieu of taxes	603,848	-	-	121,236	725,084
Contributions and donations	5,508	-	-	-	5,508
Miscellaneous	113,003	-	-	23,381	136,384
Total revenues	<u>31,454,898</u>	<u>105,567</u>	<u>5,943,088</u>	<u>14,295,530</u>	<u>51,799,083</u>
EXPENDITURES					
Current:					
General government	13,149,570	15,115	-	2,124,706	15,289,391
Public safety	10,818,503	-	-	3,093,671	13,912,174
Health and sanitation	1,004,192	-	-	-	1,004,192
Administrative and general	-	-	35,061	38,307	73,368
Culture and recreation	883,340	2,149	-	1,494,718	2,380,207
Social services	184,592	164,315	-	2,347,772	2,696,679
Capital outlay	1,193,928	2,467	14,743,252	1,017,709	16,957,356
Debt service:					
Principal	-	-	1,597,000	2,253,875	3,850,875
Interest	-	-	7,984,226	2,403,401	10,387,627
Bond issuance costs	-	-	1,725,624	-	1,725,624
Total expenditures	<u>27,234,125</u>	<u>184,046</u>	<u>26,085,163</u>	<u>14,774,159</u>	<u>68,277,493</u>
Excess (deficiency) of revenues over expenditures	<u>4,220,773</u>	<u>(78,479)</u>	<u>(20,142,075)</u>	<u>(478,629)</u>	<u>(16,478,410)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	1,059,937	-	2,478,578	3,574,021	7,112,536
Transfers (out)	(1,623,256)	-	-	(5,489,280)	(7,112,536)
Currently Refunded TIF Bonds	-	-	(25,466,497)	-	(25,466,497)
Bonds Issued	-	-	54,783,629	2,478,578	57,262,207
Total other financing sources (uses)	<u>(563,319)</u>	<u>-</u>	<u>31,795,710</u>	<u>563,319</u>	<u>31,795,710</u>
Net change in fund balances	3,657,454	(78,479)	11,653,635	84,690	15,317,300
Fund balances - beginning (See note III.G.)	<u>9,523,637</u>	<u>85,942</u>	<u>22,285,909</u>	<u>6,330,887</u>	<u>38,226,375</u>
Fund balances - ending	<u>\$ 13,181,091</u>	<u>\$ 7,463</u>	<u>\$ 33,939,544</u>	<u>\$ 6,415,577</u>	<u>\$ 53,543,675</u>

MONONGALIA COUNTY, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

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

Net change in fund balances - total governmental funds	\$ 15,317,300
Capital outlays are reported as an expenditure in the governmental funds but are considered an asset at the government-wide level. This is the amount of capital assets that were purchased during the fiscal year. (Note III.C.)	1,042,569
Capital outlays are reported as an expenditure in the governmental funds. In the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of depreciation expense charged during the year. (Note III.C.)	(1,711,963)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between prior and current year unavailable/unearned revenues.	81,474
Prior year unavailable/unearned revenues: \$1,609,089	
Current year unavailable/unearned revenues: \$1,690,563	
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note III.G.)	(28,058,491)
Certain pension & OPEB expenses and revenues in the statement of activities are recognized on the accrual basis of accounting in accordance with GASB 68 and 75. (Note V)	
Amount of pension expenses recognized at government-wide level	137,105
Amount of OPEB expenses recognized at government-wide level	674,971
Amount of OPEB state special funding revenue recognized at government-wide level	77,954
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. (Note III.F.)	<u>(2,479)</u>
Change in net position of governmental activities	<u>\$ (12,441,560)</u>

MONONGALIA COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual	Adjustments	Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>Modified Accrual Basis</u>	<u>Budget Basis</u>	<u>Budget Basis</u>	Final Budget Positive (Negative)
REVENUES						
Taxes:						
Ad valorem property taxes	\$ 21,089,098	\$ 21,089,098	\$ 19,897,279	\$ -	\$ 19,897,279	\$ (1,191,819)
Alcoholic beverages tax	200,000	200,000	389,065	-	389,065	189,065
Hotel occupancy tax	700,000	910,000	577,252	-	577,252	(332,748)
Gas and oil severance tax	450,000	450,000	464,474	-	464,474	14,474
Other taxes	1,625,000	1,625,000	1,765,941	-	1,765,941	140,941
Licenses and permits	3,050	3,050	9,473	-	9,473	6,423
Intergovernmental:						
Federal	250,000	2,773,396	199,226	-	199,226	(2,574,170)
State	200,000	299,006	2,757,403	-	2,757,403	2,458,397
Local	13,000	13,000	-	-	-	(13,000)
Charges for services	1,325,200	1,325,200	1,441,138	-	1,441,138	115,938
Interest and investment earnings	75,000	75,000	126,823	-	126,823	51,823
Refunds	1,603,000	2,780,445	3,104,465	602,178	3,706,643	926,198
Payments in lieu of taxes	700,500	700,500	603,848	-	603,848	(96,652)
Contributions and donations	-	385	5,508	-	5,508	5,123
Miscellaneous	525,000	536,302	113,003	256,812	369,815	(166,487)
Total revenues	28,758,848	32,780,382	31,454,898	858,990	32,313,888	(466,494)
EXPENDITURES						
Current:						
General government	21,578,285	24,016,364	13,149,570	1,283,256	14,432,826	9,583,538
Public safety	11,844,162	12,477,110	10,818,503	-	10,818,503	1,658,607
Health and sanitation	1,484,201	1,542,348	1,004,192	-	1,004,192	538,156
Culture and recreation	1,267,200	1,478,200	883,340	-	883,340	594,860
Social services	185,500	188,000	184,592	-	184,592	3,408
Capital outlay	1,402,500	2,202,691	1,193,928	-	1,193,928	1,008,763
Total expenditures	37,761,848	41,904,713	27,234,125	1,283,256	28,517,381	13,387,332
Excess (deficiency) of revenues over expenditures	<u>(9,003,000)</u>	<u>(9,124,331)</u>	<u>4,220,773</u>	<u>(424,266)</u>	<u>3,796,507</u>	<u>12,920,838</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	3,000	3,000	1,059,937	(858,990)	200,947	197,947
Transfers (out)	-	-	(1,623,256)	1,283,256	(340,000)	(340,000)
Total other financing sources (uses)	3,000	3,000	(563,319)	424,266	(139,053)	(142,053)
Net change in fund balance	(9,000,000)	(9,121,331)	3,657,454	-	3,657,454	12,778,785
Fund balance - beginning	9,000,000	9,121,331	10,786,938	-	10,786,938	1,665,607
Fund balance - ending	\$ -	\$ -	\$ 14,444,392	\$ -	\$ 14,444,392	\$ 14,444,392

MONONGALIA COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - COAL SEVERANCE TAX FUND
For the Fiscal Year Ended June 30, 2021

	<u>Budgeted Amounts</u>		Actual	Adjustments	Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>	<u>Modified Accrual Basis</u>	<u>Budget Basis</u>	<u>Budget Basis</u>	<u>Positive (Negative)</u>
REVENUES						
Taxes:						
Coal severance tax	\$ 170,900	\$ 170,900	\$ 104,891	\$ -	\$ 104,891	\$ (66,009)
Interest and investment earnings	-	-	676	-	676	676
Total revenues	<u>170,900</u>	<u>170,900</u>	<u>105,567</u>	<u>-</u>	<u>105,567</u>	<u>(65,333)</u>
EXPENDITURES						
Current:						
General government	21,900	37,842	15,115	-	15,115	22,727
Culture and recreation	30,000	30,000	2,149	-	2,149	27,851
Social services	189,000	189,000	164,315	-	164,315	24,685
Capital outlay	-	-	2,467	-	2,467	(2,467)
Total expenditures	<u>240,900</u>	<u>256,842</u>	<u>184,046</u>	<u>-</u>	<u>184,046</u>	<u>72,796</u>
Net change in fund balance	(70,000)	(85,942)	(78,479)	-	(78,479)	7,463
Fund balance - beginning	<u>70,000</u>	<u>85,942</u>	<u>85,942</u>	<u>-</u>	<u>85,942</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,463</u>	<u>\$ -</u>	<u>\$ 7,463</u>	<u>\$ 7,463</u>

MONONGALIA COUNTY, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2021

	Agency <u>Funds</u>
ASSETS	
Non-pooled cash	\$ <u>613,875</u>
Receivables:	
Other	<u>6,392,349</u>
Total assets and deferred outflows of resources	\$ <u><u>7,006,224</u></u>
LIABILITIES	
Due to: other governments	<u>7,006,224</u>
Total liabilities and deferred inflows of resources	\$ <u><u>7,006,224</u></u>

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Monongalia County is one of fifty-five counties established under the Constitution and the Laws of the State of West Virginia. There are six offices elected county-wide, which are: County Commission, County Clerk, Circuit Clerk, Assessor, Sheriff, and Prosecuting Attorney.

The County Commission is the legislative body for the government, and as such budgets and provides all the funding used by the separate Constitutional Offices except for the offices of the Assessor and the Sheriff, which also have additional revenue sources. The County Clerk's office maintains the accounting system for the County's operations. The operations of the County as a whole, however, including all the Constitutional offices have been combined in these financial statements.

The services provided by the government and accounted for within these financial statements include law enforcement for unincorporated areas of the County, health and social services, cultural and recreational programs, and other governmental services.

The accompanying financial statements do not present all of the primary government's component units as required by generally accepted accounting principles. 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 forth 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 County.

Blended Component Unit

The entity below is legally separate from the County and meets GASB criteria for component units. This entity is blended with the primary government because it provides services entirely or almost entirely to the County.

The Monongalia County Building Commission serves Monongalia County, West Virginia, and is governed by a board comprised of five members appointed by the County Commission for a term of six years each. The Building Commission acquires property and debt on behalf of the County.

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

Jointly Governed Organizations

The County, in conjunction with the City of Morgantown, has created the Monongalia County Urban Mass Transit Authority. The authority is composed of seven members with three members appointed by the Monongalia County Commission, three members appointed by the City of Morgantown, and a seventh being an agreed upon appointee who is a representative of West Virginia University.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of 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 who 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. Interest on general long-term debt liabilities is considered an indirect expense and is reported in the Statement of Activities as a separate line.

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

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 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. 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.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The government reports the following major governmental funds:

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

The *Coal Severance Tax fund*, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia counties. The State Auditor's Office requires an annual budget be submitted for approval for this fund.

The *University Town Center Debt Service fund*, a debt service fund, accounts for the activity in the trustee bank accounts associated with bonds issued by the Monongalia County Commission for the University Series bonds.

Additionally, the government reports the following fund types:

The agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the full accrual basis of accounting. These funds are used to account for assets that Monongalia County, West Virginia holds for others in an agency capacity.

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.

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.

Use of Estimates – The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenditures during the period reported. These estimates may include the collectability or taxes receivable and the useful lives of impairment of both tangible and intangible assets. Any estimates or assumptions are periodically reviewed and any revisions are reflected in the financial statements in the period determined to be necessary. Actual results may differ from these estimates.

D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position

1. Deposits and Investments

Monongalia County, 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.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the County reports its investments at fair value, except for non-participating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, 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.

MONONGALIA COUNTY, WEST VIRGINIA
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State statutes authorize the government to enter into agreements with the State Treasurer for the investment of monies. Authority is provided for investment in the Investment Management Board, the West Virginia Board of Treasury or the Municipal Bond Commission, or to invest such funds in the following classes of securities: Any investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. §80a, the portfolio of which is limited: (i) To obligations issued by or guaranteed as to the payment of both principal and interest by the United States of America or its agencies or instrumentalities; and (ii) to repurchase agreements fully collateralized by obligations of the United States government or its agencies or instrumentalities: Provided, That the investment company or investment trust takes delivery of the collateral either directly or through an authorized custodian: Provided, however, That the investment company or investment trust is rated within one of the top two rating categories of any nationally recognized rating service such as Moody's or Standard & Poor's.

2. Receivables and Payables

Property Tax Receivable

The property tax receivable allowance is equal to 16 percent of the property taxes outstanding at June 30, 2021.

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 per annum is added from the date they become delinquent until the date they are paid. Taxes paid on or before the due date are allowed a two and one half percent discount. A tax lien is issued for all unpaid real estate taxes as of the date of the sheriff's sale and these liens are sold between October 14th and November 23rd of each year. Sixty days of estimated property tax collections are recorded in revenues at the end of each fiscal year.

All counties 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, fourteen and three-tenths cents (14.30 cents); On Class II property, twenty-eight and six-tenths cents (28.60 cents); On Class III property, fifty-seven and two-tenths cents (57.20 cents); On Class IV property, fifty-seven and two-tenths cents (57.20 cents). In addition, counties 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.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The rates levied by the County per \$100 of assessed valuation for each class of property for the fiscal year ended June 30 were as follows:

Class of Property	Assessed Valuation For Tax Purposes	Current Expense	Mass Transit Excess Levy	Parks and Recreation Excess Levy	Fire Protection Excess Levy	Public Libraries Excess Levy
Class I	\$ -	11.50 cents	1.10 cents	0.58 cents	0.36 cents	0.27 cents
Class II	2,721,367,142	23.00 cents	2.20 cents	1.16 cents	0.72 cents	0.54 cents
Class III	2,518,733,727	46.00 cents	4.40 cents	2.32 cents	1.44 cents	1.08 cents
Class IV	1,253,117,784	46.00 cents	4.40 cents	2.32 cents	1.44 cents	1.08 cents

Monongalia County, West Virginia held a special election on May 10, 2016. The County was authorized to lay an excess levy to provide approximately \$1,803,711 annually during the five fiscal years ended June 30, 2017 through June 30, 2021, for the purpose of contributing funds from such levy to the Monongalia County Urban Mass Transportation Authority (Mountain Line) for the acquisition of equipment and other capital improvements, and payment of a portion of its general operating, maintenance and other expenses.

Monongalia County, West Virginia held a special election on May 10, 2016. The County was authorized to lay an excess levy to provide approximately \$951,047 annually during the five fiscal years ended June 30, 2017 through June 30, 2021, for the purpose of providing funding and maintenance of the Parks, Trails, and Recreation programs. Those funding items include: Operation, Expenses, and other Capital Improvements for Camp Muffly Park, Chestnut Ridge Park, Mason-Dixon Historical Park, Mon River and Deckers Creek Rail-Trails, Westover Park Baseball Facilities, Cheat Lake and Laurel Point soccer fields, and the Morgantown Ice Arena.

Monongalia County, West Virginia held a special election on May 10, 2016. The County was authorized to lay an excess levy to provide approximately \$688,689 annually during the five fiscal years ended June 30, 2017 through June 30, 2021, for the Monongalia County Volunteer Fire Departments, the Monongalia Hazardous Incident Response Team, the Monongalia County Brush Fire Team, and the Monongalia County Volunteer Fire Companies Association Inc.

Monongalia County, West Virginia held a special election on May 10, 2016. The County was authorized to lay an excess levy to provide approximately \$442,730 annually during the five fiscal years ended June 30, 2017 through June 30, 2021, for the Morgantown Public Library System.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

3. Restricted Assets

Certain assets of the University Town Center Project Debt Service fund, the Star City Project Debt Service fund, the Morgantown Industrial Project Debt Service fund, the Mon General Project Debt Service fund, and the Justice Center Project Debt Service fund are classified as restricted assets because their use is restricted by bond agreements.

The "regular" account is used to segregate resources accumulated for debt service payments over the next twelve months.

The "reserve" account is used to report resources set aside to make up potential future deficiencies in the regular account.

The "reserve for construction account" is used to report those proceeds of revenue bonds that are restricted for use in construction.

4. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets, 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 or materially extend assets lives are not capitalized.

The government depreciates the capital assets using the straight-line method. Capital assets depreciation and capitalization policies are defined by the government as follows:

<u>Asset</u>	<u>Straight-line Years</u>	<u>Inventory Purposes</u>	<u>Capitalize/ Depreciate</u>
Land	not applicable	\$ 1	\$ Capitalize only
Land improvement	20 to 30 years	1	5,000
Building	40 years	1	5,000
Building improvements	20 to 25 years	1	5,000
Construction in progress	not applicable	1	Capitalize only
Equipment	5 to 10 years	1,000	5,000
Vehicles	5 to 10 years	1,000	5,500
Infrastructure	40 to 50 years	50,000	100,000

5. Compensated Absences

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 and fiduciary fund financial statements in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

6. Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities 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.

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, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

7. 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 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 for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

8. Fund Balances

In the governmental fund financial statements, fund balance is reported in five classifications.

Nonspendable fund balance	Inventories and prepaid amounts represent fund balance amounts that are not in spendable form.
Restricted	The restricted category is the portion of fund balance that is externally imposed by creditors, grantors, contributors or laws or regulations. It also is imposed by law through constitutional provisions or enabling legislation.
Committed	The committed category is the portion of fund balance whose use is constrained by limitations have been approved by an order (the highest level of formal action) of the County Commission, and that remain binding unless removed in the same manner. The approval does not automatically lapse at the end of the fiscal year. The government does not have any committed fund balance this fiscal year.
Assigned	The assigned category is the portion of fund balance that has been approved by formal action of the County Commission for any amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.
Unassigned	The unassigned category is the portion of fund balance that has not been reported in any other classification. Only the general fund can report a positive amount of unassigned fund balance. However, any governmental fund in a deficit position could report a negative amount of unassigned fund balance.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The County Commission is the government's highest level of decision-making authority. The Commission 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 County.

The County has not adopted a minimum fund balance policy that requires management to maintain a total spendable general fund balance.

9. 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 Monongalia County's Public Employee Retirement System (PERS) and Deputy Sheriffs' Retirement System (DSRS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the PERS and DSRS. 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.

10. Other Post-Employment Benefits (OPEB)

It is the Commission's policy to permit employees to accumulate earned but unused sick pay benefits. Sick benefits can be accumulated for unlimited days and carried forward to the subsequent fiscal year. When separated from employment, employees' sick leave benefits are considered ended and no reimbursement is provided. However, upon retirement, an employee's accumulated annual sick leave may be converted to a greater retirement benefit or payment of the retired employee's health insurance premiums. The cost of the increased retirement option is the liability of the West Virginia Consolidated Public Retirement Board. The payment of health insurance premiums must be absorbed by the last agency employing the retiree and is included as part of the OPEB liability.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by West Virginia Retiree Health Benefit Trust Fund (RHBT). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for certain pooled investments, money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at amortized cost. See Note W for further discussion.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

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. All annual appropriations lapse at fiscal year end.

Monongalia County, West Virginia prepares its budget on the cash less accounts payable basis of accounting. Therefore, a reconciliation has been performed on the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for both the General and Coal Severance Tax Funds.

Prior to March 2nd of each year, the various elected officials submit to the County Commission proposed requests for their respective offices for the fiscal year commencing July 1. Upon review and approval of these requests, the County Commission prepares proposed budgets on forms prescribed by the State Auditor and submits them to the State Auditor by March 28 for approval. The County Commission then reconvenes on the third Tuesday in April to hear objections from the public and to formally lay the levy.

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 the following material supplementary budgetary appropriations throughout the year.

<u>Description</u>	<u>General Fund</u> <u>Amount</u>	<u>Coal Severance</u> <u>Amount</u>
General government expenditure increase	\$ 2,438,079	\$ 15,942
Public safety expenditure increase	632,948	-
Health and sanitation expenditure increase	58,147	-
Culture and recreation expenditure (decrease)	211,000	-
Social services expenditure increase	2,500	-

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

At year-end, the government had no 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 comply with statutory provisions for depository bond coverage, which provides that no public money should be deposited until the banking institution designated executes a bond with good and sufficient sureties which may not be less than the maximum sum that is deposited in the depository at any one time.

At year end, the government's bank balances were lower than book balances. The bank balance was collateralized by federal depository insurance or with securities held by the pledging financial institution's trust department or agent in the government's name.

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

Cash and cash equivalents	\$	19,283,613
Cash and cash equivalents-restricted		35,230,226
Cash and cash equivalents-restricted (fiduciary)		<u>613,875</u>
Total	\$	<u><u>55,127,714</u></u>

B. Receivables

Receivables at year end for the government's individual major and aggregate nonmajor funds, and aggregate fiduciary funds, including applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Other Nonmajor Governmental</u>	<u>Total</u>	<u>Fiduciary</u>
Receivables:				
Taxes	\$ 1,811,024	\$ 381,101	\$ 2,192,125	\$ 6,392,349
Grants	<u>110,726</u>	<u>-</u>	<u>110,726</u>	<u>-</u>
Gross Receivables	<u>1,921,750</u>	<u>381,101</u>	<u>2,302,851</u>	<u>6,392,349</u>
Less: Allowance for Uncollectible	<u>(289,764)</u>	<u>(60,977)</u>	<u>(350,741)</u>	<u>-</u>
Net Total Receivables	<u>\$ 1,631,986</u>	<u>\$ 320,124</u>	<u>\$ 1,952,110</u>	<u>\$ 6,392,349</u>

MONONGALIA COUNTY, WEST VIRGINIA
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Governmental funds report unavailable/unearned 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 connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	Deferred Inflows - Unavailable
Delinquent property taxes receivable (General Fund)	\$ 1,404,492
Delinquent property taxes receivable (Other Nonmajor Governmental Funds)	286,071
Total unavailable/unearned revenue for governmental funds	\$ 1,690,563

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2021, was as follows:

	Primary Government			Ending Balance
	Beginning Balance (Restated)	Increases	Decreases	
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 984,200	\$ -	\$ -	\$ 984,200
Construction in progress	4,465,880	676,844	-	5,142,724
Total capital assets not being depreciated	5,450,080	676,844	-	6,126,924
Capital assets being depreciated:				
Buildings and improvements	35,854,328	-	-	35,854,328
Structures and improvements	5,482,706	19,100	-	5,501,806
Machinery and equipment	6,339,256	346,625	(27,902)	6,657,979
Less: Total accumulated depreciation	(17,426,821)	(1,711,963)	27,902	(19,110,882)
Total capital assets being depreciated, net	30,249,469	(1,346,238)	-	28,903,231
Governmental activities capital assets, net	\$ 35,699,549	\$ (669,394)	\$ -	\$ 35,030,155

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

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

Governmental activities:		
General government	\$	1,465,863
Public safety		186,716
Health and sanitation		11,708
Culture and recreation		47,643
Social services		33
		33
Total depreciation expense-governmental activities	\$	1,711,963

Construction in Progress

The government has active construction projects as of the fiscal year ended June 30, 2021. The projects include the extension office at Mylan Park. At year end the amounts for governmental activities spent-to-date are as follows:

<u>Project</u>	<u>Funded</u>	<u>Spent-to Date</u>
Extension office at Mylan Park	General Fund	\$ 5,142,724
		\$ 5,142,724

D. Interfund Receivables, Payables, and Transfers

The composition of interfund transfers as of the fiscal year ended June 30, 2021, is as follows:

Interfund Transfers:

<u>Transferred from:</u>	<u>Transferred to:</u>	<u>Purpose</u>	<u>Amount</u>
General County	Mason/Dixon Park	contribution	\$ 100,000
General County	Camp Muffly	contribution	240,000
General County	Justice Center DS	payments toward bonds	1,283,256
General School	General County	care for prisoners	256,812
Day Report Center	General County	reimbursement	674,905
Home Confinement	General County	regional jail bills	104,672
Federal Forfeiture	General County	reimbursement	15,000
Teen Court	General County	payroll reimbursement	8,548
Recreation Levy	Chestnut Ridge Park	Contribution	100,000
Mon General TIF	Mon General Project DS	payments toward bonds	706,259
Morgantown Industrial TIF	Morgantown Industrial DS	payments toward bonds	825,386
Star City TIF	Star City Project DS	payments toward bonds	319,120
University Town Center TIF	University Town Center Project DS	payments toward bonds	2,478,578
			\$ 7,112,536

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

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 Fund</u>	<u>University Town Center Debt Service</u>	<u>Non-major Funds</u>	<u>Total</u>
Restricted:					
General government	\$ -	\$ -	\$ -	\$ 958,168	\$ 958,168
Public safety	-	-	-	2,304,170	2,304,170
Culture and recreation	-	-	-	2,203,760	2,203,760
Social services	-	-	-	28,429	28,429
Debt service	-	-	33,939,544	820,335	34,759,879
Committed:					
Other		-	-	100,715	100,715
Assigned:					
Budget carryover	12,953,597	7,463	-	-	12,961,060
Unassigned	<u>227,494</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>227,494</u>
 Total fund balances	 <u>\$ 13,181,091</u>	 <u>\$ 7,463</u>	 <u>\$ 33,939,544</u>	 <u>\$ 6,415,577</u>	 <u>\$ 53,543,675</u>

F. Long-term Debt

Revenue Bonds

The county issues bonds where the government pledges income derived either from acquired or constructed assets to pay debt service. Revenue bonds currently outstanding are as follows:

<u>Governmental Activities</u>					
<u>Purpose</u>	<u>Maturity Date</u>	<u>Interest Rates</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2021</u>
Building Commission Series 2014A	2/1/2034	3.00%	\$ <u>18,070,000</u>	\$ <u>5,055,000</u>	\$ <u>13,015,000</u>
 Total			 <u>\$ 18,070,000</u>	 <u>\$ 5,055,000</u>	 <u>\$ 13,015,000</u>

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Monongalia County Building Commission Taxable Lease Revenue bonds, Series 2014A (Monongalia County Justice Center)

In 2014, the Monongalia County Building Commission, a blended component unit of Monongalia County, West Virginia, issued \$18,070,000 of Monongalia County Building Commission Lease Revenue Bonds, Series 2014 A (Monongalia County Justice Center) bearing interest at 3%. The Series 2014 A Bonds contain a bond premium of \$245,380, and a bond discount of \$172,380. The proceeds of these bonds are being used to finance the design, acquisition, construction, and equipping of a Monongalia County Justice Center. The bonds are secured by the Justice Center and an irrevocable pledge of lease payments, which are required to be in sufficient amount to pay principal and interest on the bonds when due. The total principal and interest remaining to be paid on the bonds is \$16,683,478. Lease revenue bond debt service requirements to maturity are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2022	\$ 805,000	\$ 476,815
2023	840,000	444,615
2024	875,000	411,015
2025	900,000	384,765
2026	925,000	357,765
2027 - 2031	5,110,000	1,304,903
2032 - 2036	<u>3,560,000</u>	<u>288,600</u>
Total	<u>\$ 13,015,000</u>	<u>\$ 3,668,478</u>

Pledged Revenues - Lease Revenue Bonds

The Monongalia County Building Commission, a blended component unit of Monongalia County, West Virginia, has pledged future lease rentals to be paid by the Monongalia County Commission to repay \$18,070,000 in lease revenue bonds issued in 2014. Proceeds from the bonds provided financing for the B1018. The bonds are payable solely from lease revenues paid by the County Commission through 2036. Annual principal and interest payments on the bonds are expected to require 100 percent of net revenues. The total principal and interest remaining to be paid on the bonds outstanding is \$16,683,478. Principal and interest paid for the current year and total customer net revenues were \$1,282,815 and \$1,283,256, respectively.

MONONGALIA COUNTY, WEST VIRGINIA
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For the Fiscal Year Ended June 30, 2021

Tax Increment Financing (TIF) Revenue Bonds

The county issues bonds where the government pledges income derived from tax increment financing revenue to pay debt service. Tax increment financing (TIF) revenue bonds currently outstanding are as follows:

Governmental Activities					
Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance June 30, 2021
TIF Morgantown Industrial Park	6/1/2033	5.15%	\$ 6,865,700	\$ 2,501,362	\$ 4,364,338
TIF Monongalia General Hospital	6/1/2038	5.00%	5,153,000	2,057,909	3,095,091
TIF University Town Centre	6/1/2037	4.75	43,767,000	582,000	36,735,000
TIF Star City Project	6/1/2027	4.95%	1,870,000	1,746,430	123,570
Total TIF revenue bonds			\$ 51,205,700	\$ 6,787,701	\$ 44,417,999

Tax Increment Financing (TIF) Revenue & Refunding Bonds (Morgantown Industrial Park) Series 2017A

In 2009, the Monongalia County Commission issued Tax Increment Financing (TIF) revenue bonds to provide funds to finance the cost for the design, acquisition, construction, and equipping of certain infrastructure improvements in Monongalia County, West Virginia, consisting generally of all or some of the following: acquisition and construction of certain infrastructure improvements in the Development District, which improvements include upgrade of roads, sanitary sewer and water lines, including the installation of a required surge tank to handle the gray water and sanitary discharge anticipated with business expansion, installation of necessary storm water management systems to accommodate the additional runoff from the expanded road system and provide for the necessary expansion of natural gas and electric lines to facilitate future business expansion and other related infrastructure and utilities improvements and all necessary appurtenances. The Series 2009 Bonds were currently refunded and re-issued in November of 2017 in the aggregate principal amount of \$5,284,721 of which \$4,364,338 is the amount outstanding. The bonds do not constitute a general obligation, or pledge of the full faith and credit of the County of Monongalia. The principal and interest on the tax increment revenue bonds are to be paid solely by the property taxes generated in association with the increased assessed values of property within the TIF district area. Estimated annual debt service requirements to maturity for the tax increment financing bonds that are not available as the project is not complete and the loan is still being drawn down.

Pledged Revenues - Tax Increment Financing (TIF) Revenue Bonds

The County has pledged future tax increment revenue to repay \$5,284,721 in tax increment financing revenue bonds issued in 2017 of which \$6,865,700 has been advanced, \$2,501,362 has been repaid and \$4,364,338 is outstanding. Proceeds from the bonds provided financing for the design, acquisition and construction of certain infrastructure improvements in Monongalia County, West Virginia, consisting generally of all or some of the following: acquisition and construction of certain infrastructure improvements in the Development District, which improvements include upgrade of roads, sanitary sewer and water lines, including the installation of a required surge tank to handle the gray water and sanitary discharge anticipated with business expansion, installation of necessary storm water management systems to accommodate the additional runoff from the expanded road system and provide for the necessary expansion of natural gas and electric lines to facilitate future business expansion and other related infrastructure and utilities improvements and all necessary appurtenances. The bonds are payable solely from the tax increment property taxes assessed and are collected in the district area and are payable through 2033. Annual principal and interest payments on the bonds are expected to require less than 100 percent of net revenues. The total estimated principal and interest remaining to be paid on the bonds are not yet available as the loan is still being drawn down. Principal and interest paid for the current year and total customer net revenues were \$692,362 (principal) and \$1,684,406 (interest) and \$823,885, respectively.

Tax Increment Financing (TIF) Revenue & Refunding Bonds (Monongalia General Hospital Maple Drive Improvement Project) Series 2016 C

In 2011, the Monongalia County Commission issued Tax Increment Financing (TIF) revenue bonds to provide funds to finance the cost for the design, acquisition, construction, and equipping of certain infrastructure improvements in Monongalia County, West Virginia, consisting generally of all or some of the following: acquisition and construction of a new access road to Monongalia General Hospital and Mon Emergency Services from WV Route 705, with appropriate intersection improvements, curbing, grading, drainage, signage and all necessary appurtenances. The Series 2011 A Bonds were issued in the aggregate principal amount of \$3,015,000 and were refunded in October of 2016. The series 2016 C bonds were issued in the amount of \$5,153,000 of which \$4,378,604 was advanced, \$1,363,513 was repaid and \$3,095,091 remains outstanding. The bonds do not constitute a general obligation, or pledge of the full faith and credit of the County of Monongalia. The principal and interest on the tax increment revenue bonds are to be paid solely by the property taxes generated in association with the increased assessed values of property within the TIF district area. Estimated annual debt service requirements to maturity for the tax increment financing bonds that are not available as the loan is still being drawn down.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Pledged Revenues - Tax Increment Financing (TIF) Revenue Bonds

The County has pledged future tax increment revenue to repay \$5,153,000 in tax increment financing revenue bonds issued in 2016 of which \$4,378,604 has been advanced, \$1,363,513 has been repaid and \$3,095,091 is outstanding. Proceeds from the bonds provided financing for the design, acquisition, construction, and equipping of certain infrastructure improvements in Monongalia County, West Virginia, consisting generally of all or some of the following: acquisition and construction of a new access road to Monongalia General Hospital and Mon Emergency Medical Services from WV Route 705, with appropriate intersection improvements, curbing, grading, drainage, signage and all necessary appurtenances. The bonds are payable solely from the tax increment property taxes assessed and are collected in the district area and are payable through 2031. Annual principal and interest payments on the bonds are expected to require less than 100 percent of net revenues. The total principal and interest remaining to be paid on the bonds advanced and outstanding is not available as the loan is still being drawn down. Principal and interest paid for the current year and total customer net revenues were \$700,775 and \$706,259, respectively.

Tax Increment Financing (TIF) Revenue Bonds (Star City Project No 1) Series 2012 A

In 2012, the Monongalia County Commission issued Tax Increment Financing (TIF) revenue bonds to provide funds to finance the cost for the design, acquisition, construction, and equipping of certain infrastructure improvements in Monongalia County, West Virginia. The Series 2012 Bonds were issued in the aggregate principal amount of \$1,870,000, all of which has been advanced, \$1,746,430 has been repaid and \$123,570 is the amount outstanding. The bonds do not constitute a general obligation, or pledge of the full faith and credit of the County of Monongalia. The principal and interest on the tax increment revenue bonds are to be paid solely by the property taxes generated in association with the increased assessed values of property within the TIF district area. Estimated annual debt service requirements to maturity for the tax increment financing bonds that are outstanding are as follows:

Fiscal Year Ended	Governmental Activities	
	Principal	Interest
2022	\$ 123,570	\$ 7,107
Totals	\$ 123,570	\$ 7,107

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Pledged Revenues - Tax Increment Financing (TIF) Revenue Bonds

The County has pledged future tax increment revenue to repay \$1,870,000 in tax increment financing revenue bonds issued in 2012 of which \$1,870,000 has been advanced, \$1,746,430 has been repaid and \$123,570 is outstanding. Proceeds from the bonds provided financing for the design, acquisition, construction, and equipping of certain infrastructure improvements in Monongalia County, West Virginia, consisting generally of all or some of the following: acquisition and construction of public improvements in the TIF District: road and intersection improvements (including utility relocation, pedestrian ways, lighting, land and right of way acquisition, and related infrastructure), water lines, storm water culverts and facilities, sewer line, demolition and site preparation necessary for and incidental to the construction and installation of public infrastructure improvements, and other related public infrastructure. The bonds are payable solely from the tax increment property taxes assessed and are collected in the district area and are payable through 2038. Annual principal and interest payments on the bonds are expected to require less than 100 percent of net revenues. The total estimated principal and interest remaining to be paid on the bonds is \$130,677. Principal and interest paid for the current year and total customer net revenues were \$277,000 (principal) \$19,938 (interest) and \$319,120, respectively.

Tax Increment Financing (TIF) Revenue Bonds (University Town Centre) Series 2020 A and B Taxable

The Monongalia County Commission issued Taxable Tax Increment Financing (TIF) revenue bonds in 2020 to provide funds to finance the costs of the design, acquisition, construction, and equipping of the TIF Project and paying costs of issuance of the bonds. Of the aggregate principal amount issued in the Series 2020 A and B Bonds, \$37,317,000 was advanced and outstanding. The bonds do not constitute a general obligation, or pledge of the full faith and credit of the County of Monongalia. The principal and interest on the tax increment revenue bonds are to be paid solely by the property taxes generated in association with the increased assessed values of property within the TIF district area. Estimated annual debt service requirements to maturity for the tax increment financing bonds that are outstanding are as follows:

Fiscal Year Ended	Governmental Activities	
	Principal	Interest
2022	\$ 566,000	\$ 1,755,933
2023	951,000	1,729,048
2024	1,097,000	1,683,875
2025	1,149,000	1,631,768
2026	1,203,000	1,577,190
2027 - 2031	6,929,000	6,972,527
2031 - 2036	8,740,000	5,162,776
2037 - 2041	11,023,000	2,880,212
2042	5,077,000	252,178
Totals	\$ 36,735,000	\$ 23,645,507

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Pledged Revenues - Tax Increment Financing (TIF) Revenue Bonds

The County has pledged future tax increment revenue to repay \$37,317,000 in tax increment financing revenue bonds issued in 2020 of which \$37,317,000 has been advanced, \$582,000 has been repaid and \$36,735,000 is outstanding. Proceeds from the bonds provided financing for the design, acquisition, construction, and equipping of certain infrastructure improvements in Monongalia County, West Virginia, consisting generally of all or some of the following: acquisition and construction of public improvements in the TIF District: road and intersection improvements (including utility relocation, pedestrian ways, lighting, land and right of way acquisition, and related infrastructure), water lines, storm water culverts and facilities, sewer line, demolition and site preparation necessary for and incidental to the construction and installation of public infrastructure improvements, and other related public infrastructure. The bonds are payable solely from the tax increment property taxes assessed and are collected in the district area and are payable through 2037. Annual principal and interest payments on the bonds are expected to require less than 100 percent of net revenues. The total estimated principal and interest remaining to be paid on the bonds is \$60,380,500. Principal and interest paid for the current year and total customer net revenues were \$582,000 (principal) \$1,794,768 (interest) and \$2,478,578, respectively.

Special District Excise Tax Revenue Bonds

The county issues bonds where the government pledges income derived from special district excise tax revenue to pay debt service. Excise Tax revenue bonds currently outstanding are as follows:

Governmental Activities					Balance	
Purpose	Maturity Dates	Interest Rates	Issued	Retired	June 30, 2021	
University Series 2017 A Taxable	6/1/2043	variable	\$ 76,360,000	\$ 2,065,000	\$ 74,295,000	
University Series 2020 A Taxable	6/1/2037	7.50%	27,265,000	-	27,265,000	
University Series 2020 B Taxable	6/1/2032	9.75%	25,466,497	25,466,497	-	
University Series 2021 A Tax-Exempt	8/14/2036	4.13%	32,750,000	-	32,750,000	
University Series 2021 B Tax-Exempt	9/25/2033	4.88%	16,445,000	-	16,445,000	
University Series 2021 C Taxable	6/1/2032	6.35%	47,180,000	-	47,180,000	
Total Excise Tax revenue bonds			\$ 225,466,497	\$ 27,531,497	\$ 197,935,000	

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Special District Excise Tax Revenue Refunding and Improvement Bonds (University Town Centre Economic Opportunity Development District) Series 2017 A

In 2017, the Monongalia County Commission issued special district excise tax revenue bonds to provide funds to finance the development and financing of certain public infrastructure improvements within the excise tax district including, but not limited to, the following: water lines, sanitary sewer lines, storm water drainage, new road construction, and road improvements, including without limitation a new interstate highway interchange and related improvements, intersection improvements, curbing, traffic control, lighting and other related infrastructure and utilities improvements, and the costs of planning, acquiring, constructing and equipping certain intercollegiate and other athletic facilities, including without limitation, a baseball park and other facilities, fields, parks and/or stadiums, and appurtenances and amenities relating thereto, all within or benefitting the Excise Tax District. The Series 2017 A Bonds were issued in the aggregate principal amount of \$76,360,000 with a bond discount of \$1,362,790. The aggregate principal amount was fully advanced, \$2,065,000 is refunded, and \$74,295,000 is outstanding. According to the Bond Indenture the 2017 Excise Tax Bonds shall evidence indebtedness only to the extent that such principal has been advanced and is outstanding as reflected on such Record of Advances. The principal and interest on the Series 2017 A Bonds are to be paid from and secured by a pledge of 50% of the net excise tax revenues generated in the Excise Tax District with additional rent to be payable from time to time by West Virginia University pursuant to the lease purchase agreement. Estimated annual debt service requirements to maturity for the bonds that are outstanding are as follows:

Year Ended	Special District Excise 2017 A	
	Principal	Interest
2022	\$ 1,160,000	\$ 4,076,788
2023	1,320,000	4,024,588
2024	1,485,000	3,965,188
2025	1,660,000	3,898,363
2026	1,845,000	3,898,363
2027 - 2031	12,225,000	17,546,188
2032 - 2036	16,475,000	13,727,313
2037 - 2041	21,605,000	8,604,425
2042 - 2046	<u>16,520,000</u>	<u>1,607,125</u>
Totals	\$ <u>74,295,000</u>	\$ <u>61,348,341</u>

Special District Excise Tax Revenue Refunding and Improvement Bonds (University Town Centre Economic Opportunity Development District) Series 2020 A and 2020 B

In 2020, the Monongalia County Commission issued special district excise tax revenue bonds to provide funds to finance the development and financing of certain public infrastructure improvements within the excise tax district including, but not limited to, the following: water lines, sanitary sewer lines, storm water drainage, new road construction, and road improvements, including without limitation a new interstate highway interchange and related improvements, intersection improvements, curbing, traffic control, lighting and other related infrastructure and utilities improvements, and the costs of planning, acquiring, constructing and equipping certain intercollegiate and other athletic facilities, including without limitation, a baseball park and other facilities, fields, parks and/or stadiums, and appurtenances and amenities relating thereto, all within or benefitting the Excise Tax District. The Series 2020 A Bond was issued in the aggregate principal amount of \$27,265,000 with a bond discount of \$1,427,595. The aggregate principal amount has been fully drawn and is outstanding. The aggregate amount issued in the Series 2020 B Bond was \$80,000,000, of which \$25,466,497 has been drawn and refunded in June 2021. According to the Bond Indenture the 2020 Excise Tax Bonds shall evidence indebtedness only to the extent that such principal has been advanced and is outstanding as reflected on such Record of Advances. The principal and interest on the Series 2020 A Bond is to be paid from and secured by a pledge of 50% of the net excise tax revenues generated in the Excise Tax District with additional rent to be payable from time to time by West Virginia University pursuant to the lease purchase agreement. Estimated annual debt service requirements to maturity for the bond that is outstanding are as follows.

Year	Special District Excise 2020 A	
	Principal	Interest
2025	275,000	2,028,750
2026	345,000	2,008,125
2027 - 2031	3,285,000	9,526,500
2032 - 2036	7,300,000	7,663,875
2037 - 2041	10,475,000	4,484,625
2042 - 2046	<u>5,370,000</u>	<u>611,250</u>
Totals	\$ <u>27,265,000</u>	\$ <u>32,457,750</u>

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Tax-Exempt Senior Lien Special District Excise Tax Revenue Bonds (University Town Centre Economic Opportunity Development District) Series 2021 A

In 2021, the Monongalia County Commission issued a special district excise tax revenue bond to provide funds to finance the development and financing of certain public infrastructure improvements within the excise tax district including, but not limited to, the following: water lines, sanitary sewer lines, storm water drainage, new road construction, and road improvements, including without limitation a new interstate highway interchange and related improvements, intersection improvements, curbing, traffic control, lighting and other related infrastructure and utilities improvements, and the costs of planning, acquiring, constructing and equipping certain intercollegiate and other athletic facilities, including without limitation, a baseball park and other facilities, fields, parks and/or stadiums, and appurtenances and amenities relating thereto, all within or benefitting the Excise Tax District. The Series 2021 A Bond was issued in the aggregate principal amount of \$32,750,000, all of which was advanced and is outstanding. According to the Bond Indenture the 2021 Excise Tax Bond shall evidence indebtedness only to the extent that such principal has been advanced and is outstanding as reflected on such Record of Advances. The principal and interest on the Series 2021 A Bond is to be paid from and secured by a pledge of 50% of the net excise tax revenues generated in the Excise Tax District with additional rent to be payable from time to time by West Virginia University pursuant to the lease purchase agreement. Estimated annual debt service requirements to maturity for the bond that is outstanding are as follows:

Year Ended	Special District Excise 2021 A	
	Principal	Interest
2022	-	1,320,917
2023	1,710,000	1,350,938
2024	375,000	1,280,400
2025	460,000	1,264,931
2026	510,000	1,245,956
2027 - 2031	3,475,000	5,865,133
2032 - 2036	9,630,000	4,924,632
2037 - 2041	13,535,000	3,131,701
2042 - 2046	3,055,000	126,015
Totals	<u>\$ 32,750,000</u>	<u>\$ 20,510,623</u>

Tax-Exempt Subordinate Lien Special District Excise Tax Revenue Bonds (University Town Centre Economic Opportunity Development District) Series 2021 B

In 2021, the Monongalia County Commission issued a special district excise tax revenue bonds to provide funds to finance the development and financing of certain public infrastructure improvements within the excise tax district including, but not limited to, the following: water lines, sanitary sewer lines, storm water drainage, new road construction, and road improvements, including without limitation a new interstate highway interchange and related improvements, intersection improvements, curbing, traffic control, lighting and other related infrastructure and utilities improvements, and the costs of planning, acquiring, constructing and equipping certain intercollegiate and other athletic facilities, including without limitation, a baseball park and other facilities, fields, parks and/or stadiums, and appurtenances and amenities relating thereto, all within or benefitting the Excise Tax District. The Series 2021 A Bonds were issued in the aggregate principal amount of \$16,445,000, all of which was advanced and is outstanding. According to the Bond Indenture the 2021 Excise Tax Bonds shall evidence indebtedness only to the extent that such principal has been advanced and is outstanding as reflected on such Record of Advances. The principal and interest on the Series 2021 B Bonds are to be paid from and secured by a pledge of 50% of the net excise tax revenues generated in the Excise Tax District with additional rent to be payable from time to time by West Virginia University pursuant to the lease purchase agreement. Estimated annual debt service requirements to maturity for the bonds that is outstanding are as follows:

Year Ended	Special District Excise 2021 B	
	Principal	Interest
2022	-	783,878
2023	-	801,694
2024	440,000	801,694
2025	660,000	780,244
2026	720,000	748,069
2027 - 2031	4,645,000	3,147,788
2032 - 2036	5,375,000	1,860,056
2037 - 2041	3,140,000	827,044
2042 - 2046	1,465,000	107,980
Totals	<u>\$ 16,445,000</u>	<u>\$ 9,858,447</u>

Taxable Junior Subordinate Lien Special District Excise Tax Revenue Refunding and Improvement Bonds (University Town Centre Economic Opportunity Development District) Series 2021 C

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

In 2021, the Monongalia County Commission issued a special district excise tax revenue bond to provide funds to finance the development and financing of certain public infrastructure improvements within the excise tax district including, but not limited to, the following: water lines, sanitary sewer lines, storm water drainage, new road construction, and road improvements, including without limitation a new interstate highway interchange and related improvements, intersection improvements, curbing, traffic control, lighting and other related infrastructure and utilities improvements, and the costs of planning, acquiring, constructing and equipping certain intercollegiate and other athletic facilities, including without limitation, a baseball park and other facilities, fields, parks and/or stadiums, and appurtenances and amenities relating thereto, all within or benefitting the Excise Tax District. The aggregate amount issued in the Series 2021 C Bond was \$47,180,000, of which \$5,588,629 has been drawn and is outstanding. According to the Bond Indenture the 2021 Excise Tax Bond shall evidence indebtedness only to the extent that such principal has been advanced and is outstanding as reflected on such Record of Advances. The principal and interest on the Series 2021 C Bond is to be paid from and secured by a pledge of 50% of the net excise tax revenues generated in the Excise Tax District with additional rent to be payable from time to time by West Virginia University pursuant to the lease purchase agreement. Estimated annual debt service requirements to maturity for the bond is not yet available because the bond has not been fully drawn.

	Governmental Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease revenue					
bonds payable	\$ 13,790,000	\$ -	\$ (775,000)	\$ 13,015,000	\$ 805,000
Plus: unamortized					
bond premium	166,660	-	(12,269)	154,391	-
Less: unamortized					
bond discount	(117,075)	-	8,619	(108,456)	-
	13,839,585	-	(778,650)	13,060,935	805,000
Net lease revenue bonds payable					
TIF bonds payable	43,900,296	17,863,578	(1,960,875)	59,802,999	1,933,883
Excise tax bonds payable	128,041,497	54,783,629	(26,481,497)	156,343,629	2,645,416
Less: Discount on Bond Issuance	(2,842,801)	-	117,306	(2,725,495)	-
	182,938,577	72,647,207	(29,103,716)	226,482,068	5,384,299
Total bonds payable					
Net pension obligation	2,136,153	2,753,813	-	4,889,966	-
Net OPEB obligation	1,621,282	-	(1,175,882)	445,400	-
Compensated absences	950,551	2,479	-	953,030	-
	4,708,086	2,756,292	(1,175,882)	7,338,596	-
Governmental activities					
Long-term liabilities	\$ 187,646,563	\$ 75,403,499	\$ (30,279,598)	\$ 232,770,464	\$ 5,384,299

Conduit Debt Obligations

The Monongalia County Building Commission has issued Series 2008A Variable Rate Hospital Refunding and Improvement Revenue Bonds to provide financial assistance to Monongalia General Hospital for projects deemed to be in the public interest. The notes are secured by Monongalia General Hospital and are payable solely from charges for services. Neither the Building Commission, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the notes. Accordingly, the notes are not reported as liabilities in the accompanying financial statements.

The Monongalia County Building Commission has issued Series 2015 Refunding and Improvement Revenue Bonds to provide financial assistance to Monongalia Health Obligated Group for projects deemed to be in the public interest. The notes are secured by Monongalia Health Obligated Group and are payable solely from charges for services. Neither the Building Commission, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the notes. Accordingly, the notes are not reported as liabilities in the accompanying financial statements.

In 2021, the Monongalia County Building Commission issued a Tax-Exempt Variable Rate Hospital Refunding Revenue Bond to provide funds to finance the current refunding and redemption of the outstanding Series 2011 Bonds on behalf of the Monongalia Health System Obligated Group ("the Obligated Group"), comprised of Monongalia County General Hospital, Mon Elder Services, Inc., and Monongalia Health System, Inc., for the purpose of paying project costs, and pay costs of issuance and related costs. The bonds do not constitute a general obligation, or pledge the full faith and credit of the County of Monongalia. The principal and interest on the refunding revenue bonds are to be paid by revenues and a mortgage pledge from the Obligated Group. Neither the Building Commission, the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the notes. Accordingly, the notes are not reported as liabilities in the accompanying financial statements.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

G. Prior Period Fund Balance Adjustment

Fund Balance required restatement at the beginning of the year as follows:

		University Town Center <u>Debt Service</u>	Monongalia General <u>Debt Service</u>
Fund Balance, as previously stated	\$	19,501,669	2,784,514
Add:			
Adjustment restricted cash		2,800,651	(2,800,651)
Deduct:			
Adjustment to interest payable		<u>(16,411)</u>	<u>16,411</u>
Fund Balance, restated	\$	<u><u>22,285,909</u></u>	<u><u>274</u></u>

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

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 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 West Virginia Communities Risk Pool.

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

B. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

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.

C. Deferred Compensation Plan

The government offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

D. COVID-19

Management is currently evaluating the impact of the COVID-19 pandemic on the industry and has concluded that while it is reasonably possible that the virus could have a negative effect on the County's financial position and/or the results of its operations, the specific impact is not readily determinable as of the date of these financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

E. Subsequent Events

The Commission evaluated subsequent events and transactions that occurred after the date of the statement of net position up to the date that the financial statements were issued. No events have occurred subsequent to the date of the financial statements through the report date that would require adjustment or disclosure in the financial statements.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

V. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

General Information about the Pension Plans

Monongalia County, West Virginia participates in state-wide, cost-sharing, multiple-employer defined benefit plans on behalf of county 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.

All of the County's cost-sharing multiple-employer plans are administered by the Consolidated Public Retirement Board (CPRB), which acts as a common investment and administrative agent for all of the participating employers. CPRB issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CPRB website at www.wvretirement.com. The following is a summary of eligibility factors, contribution methods, and benefit provisions:

Public Employees Retirement System

Eligibility to participate	All county full-time employees, except those covered by other pension plans
Authority establishing contribution obligations and benefit provisions	West Virginia State Code §5-10d discusses the Consolidated Public Retirement Board, which administers all public retirement plans in the state of West Virginia.
Tier 1 Plan member's contribution rate hired before 7/1/2015	4.50%
County's contribution rate hired before 7/1/2015	10.00%
Tier 2 Plan member's contribution rate hired after 7/1/2015	6.00%
County's contribution rate hired after 7/1/2015	10.00%
Period required to vest	Five Years
Benefits and eligibility for distribution	<p><u>Tier 1</u></p> <p>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.</p> <p><u>Tier 2</u></p> <p>Qualification for normal retirement is age 62 with 10 years of services or at least age 55 with and service equal to 80 or greater. The average salary is the average of the five consecutive highest annual earnings out of the last fifteen years of earnings) times the years of service times 2% equals the retirement benefit.</p>
Deferred retirement portion	No
Provisions for:	
Cost of living	No
Death benefits	Yes

**MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

West Virginia Deputy Sheriff Retirement System (WVDSRS)

Eligibility to participate	West Virginia deputy sheriffs first employed after the effective date and any deputy sheriffs hired prior to the effective date who elect to become members.
Authority establishing contribution obligations and benefit provisions	West Virginia State Code §5-10d discusses the Consolidated Public Retirement Board, which administers all public retirement plans in the state of West Virginia. The WVDSRS is also discussed in West Virginia State Code §7-14d.
Funding policy and contributions	Certain fees for reports generated by sheriff's offices are paid to this plan in accordance with West Virginia State Code. WVDSRS members are required to contribute 8.5% of their annual covered salary and the county is required to contribute 12.0%. The contribution requirements of WVDSRS members are established and may be amended only by the State of West Virginia Legislature.
Period required to vest	Five years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 or more years of contributing service or age 50 and if the sum of his/her age plus years of credited service is equal to or greater than 70. The final average salary (three highest consecutive years in the last ten years) times the years of service times 2.25% equals the annual retirement benefit.
Deferred retirement option	No deferred retirement option is available.
Provisions for cost of living adjustments or death benefits	This plan has no provisions for cost of living adjustments. There are provisions for death benefits.

Trend Information

<u>Fiscal Year</u>	<u>Public Employees Retirement System (PERS)</u>		<u>West Virginia Deputy Sheriff Retirement System (WVDSRS)</u>	
	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>
	2021	\$ 1,044,904	100%	\$ 461,125
2020	\$ 1,533,909	100%	\$ 463,634	100%
2019	\$ 1,396,829	100%	\$ 435,967	100%

PERS and WVDSRS issue 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 Avenue, SE, Charleston, WV 25304.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

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

At fiscal year-end, the government reported the following liabilities for its proportionate share of the net pension liabilities. The net pension liabilities were measured as of June 30, 2020, and the total pension liability used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The government's proportion of the net pension liabilities was based on a projection of the government's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2021, the government's reported the following proportions and increase/decreases from its proportion measured as of June 30, 2020:

	<u>PERS</u>	<u>WVDSRS</u>
Amount for proportionate share of net pension liability	\$ 3,476,007	\$ 1,413,959
Percentage for proportionate share of net pension liability	0.657499%	3.943768%
Increase/decrease % from prior proportion measured	0.019567%	0.139447%

For this fiscal year, the government recognized the following pension expenses.

	<u>PERS</u>	<u>WVDSRS</u>
Pension expense	\$ 928,545	\$ 248,367

The government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Public Employees Retirement System

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between government contributions and proportionate share of contributions	\$ 75,737	\$ -
Net difference between projected and actual investment earnings on pension plan investments	1,101,718	-
Difference between expected and actual experience	511,528	(71,661)
Deferred difference in assumptions	-	(153,158)
Government contributions subsequent to the measurement date	1,044,904	-
	<u>\$ 2,733,887</u>	<u>(224,819)</u>

The amount reported as deferred outflows of resources related to pensions resulting from government 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:

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Year Ended June 30:

2022	\$	(98,109)
2023		526,519
2024		639,198
2025		<u>396,556</u>
	\$	<u><u>1,464,164</u></u>

West Virginia Deputy Sheriff Retirement System

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between government contributions and proportionate share of contributions	\$ 67,485	\$ (18,985)
Net difference between projected and actual investment earnings on pension plan investments	224,006	-
Difference between expected and actual experience	348,353	(201,408)
Deferred difference in assumptions	-	(53,399)
Government contributions subsequent to the measurement date	<u>269,927</u>	<u>-</u>
	<u><u>909,771</u></u>	<u><u>(273,792)</u></u>

The amount reported as deferred outflows of resources related to pensions resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2022	\$	(36,880)
2023		78,938
2024		93,623
2025		138,893
2026		60,943
Thereafter		<u>30,535</u>
Total	\$	<u><u>366,052</u></u>

**MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

Summary of Deferred Outflow/Inflow Balances

	Total	PERS	DSRS
Difference between expected and actual experience	\$ 586,812	\$ 439,867	\$ 146,945
Changes of assumptions	(206,557)	(153,158)	(53,399)
Net difference between projected and actual earnings on pension plan investments	1,325,724	1,101,718	224,006
Changes in proportion and differences between government contributions and proportionate share of contributions	124,237	75,737	48,500
Government contributions subsequent to the measurement date	1,314,831	1,044,904	269,927

Actuarial assumptions. The total pension liability was determined by an actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

Public Employees Retirement System

Actuarial assumptions

Inflation rate	3.00%
Salary increases	3.35% - 6.5%
Investment Rate of Return	7.50%

Mortality Rates

Active-100% of Pub-2010 General Employees table, below-median, headcount weighted, projected with scale MP-2018; Retired healthy males-108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected with scale MP-2018; Retired healthy females-122% of Pub-2010 Annuitant, Scale AA fully generational General Retiree Female table, below-median, headcount weighted, projected with scale MP-2018; Disabled males-118% of Pub-2010 General/Teachers Disabled Male table, below-median headcount weighted, projected with scale MP-2018; Disabled females-118% of Pub-2010 General/Teachers Disabled Female table, below-median, headcount weighted projected with scale MP-2018

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

**MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

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:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Government's proportionate share of PERS's net pension liability (asset)	\$ 8,856,419	\$ 3,476,007	\$ (1,073,229)
Government's proportionate share of WVDSRS's net pension liability (asset)	\$ 2,911,802	\$ 1,413,959	\$ 178,495

VI. OTHER POST-EMPLOYMENT BENEFIT PLAN

West Virginia Retiree Health Benefit Trust Fund (RHBT)

Plan description:

The Commission participates in the West Virginia Other Postemployment Benefit Plan (the Plan) 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 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 the 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 the Chairman of the Board. Four members represent labor, education, public employees and public retirees. Four remaining members represent the public-at-large.

RHBT issues publicly available reports that include a full description of the other post-employment benefit plan regarding benefit provisions, assumptions and membership information that can be obtained by contacting Public Employees Insurance Agency, 601 57th Street SE, Suite 2, Charleston, West Virginia 25304-2345, by calling (888) 680-7342 or can be found on the PEIA website at www.peia.wv.gov.

Benefits Provided:

The Commission's employees who retire are eligible for PEIA health and life benefits, provided they meet the minimum eligibility requirements of the PERS. The RHBT Medicare-eligible retired employees and their Medicare-eligible dependents receive medical and drug coverage from a Medicare Advantage Plan. Eligible participants hired after June 30, 2010, will be required to fully fund premium contributions upon retirement. The Plan is a closed plan to new entrants.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Contribution Requirements:

Employer contributions consist of pay as you go premiums, commonly referred to as paygo, and retiree leave conversion billings. Employees are not required to contribute to the OPEB plan.

Paygo premiums are established by the Finance Board annually. All participating employers are required by statute to contribute to the RHBT this premium at the established rate for every active policyholder per month. The paygo rates for fiscal year 2021 was \$160.

The Commission's contributions to the West Virginia Retiree Health Benefit Trust Fund for the year ended June 30, 2021 was \$183,096. No amount was payable at year-end.

The State of West Virginia (the State) is a nonemployer contributing entity that provides funding through Senate Bill 419, effective July 1, 2012 and amended by West Virginia Code §11-21-96. For fiscal years beginning on and after July 1, 2016, this Senate Bill and corresponding State Code section requires that an annual amount of \$30 million from the State shall be dedicated for payment of the unfunded liability of the RHBT fund. The \$30 million annual contribution is to continue through July 1, 2037, or until the unfunded liability has been eliminated, whichever comes first.

The State is a nonemployer contributing entity that provides funding through West Virginia State Code §11B-2-32. The Financial Stability Fund is a plan to transfer an annual amount of \$5 Million to the RHBT from special revenue funds to be used to lower retiree premiums, to help reduce benefit cuts, to help reduce premium increases or any combination thereof. The \$5 million transferred pursuant to this Code shall be transferred annually into the RHBT through June 30, 2021.

The State is a nonemployer contributing entity that provides funding through Senate Bill 469 which was passed February 10, 2012, granting OPEB liability relief to the 55 County Boards of Education effective July 1, 2012. This special funding under the school aid formula subsidizes employer contributions of the county boards of education and contributes to the overall unfunded OPEB liability.

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

At fiscal year-end, the Commission reported the following liability for its proportionate share of the net OPEB liability. The net pension liability was measured as of June 30, 2020 for the Commission's fiscal year ended June 30, 2020, using the actuarial assumptions and methods described in the appropriate section of this note. The government's proportion of the net pension liability was based on a projection of the government's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2021, the Commission reported the following proportions and increase/decreases from its proportion as of June 30, 2020:

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

	2021
Amount of proportionate share of net OPEB liability	\$ 445,400
Percentage of proportionate share of the net OPEB liability	0.100839587%
Increase/(decrease) in % from prior proportion measured	0.003120927%
	2021
Commission's proportionate share of the net OPEB liability	\$ 445,400
State's proportional share of the net OPEB liability associated with the Commission	92,515
Total portion of the net OPEB liability associated with the Commission	\$ 537,915

For the year ended June 30, 2021, the Commission recognized the following OPEB expense and support provided by the State:

	2021
OPEB expense Commission	\$ (569,829)
OPEB expense State support	77,954
Total OPEB expense	\$ (491,875)
State support revenue	\$ 77,954

The Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources for the year ended June 30, 2021:

2021	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual investment earnings	\$ 33,808	\$ -
Differences between expected and actual experience	-	(288,789)
Changes in assumptions	-	(1,005,361)
Changes in proportion and differences between contributions and proportionate share of contributions	52,106	(278,567)
Contributions subsequent to the measurement date	183,096	
	\$ 269,010	\$ (1,572,717)
Total		

The amount reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability on June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Fiscal Year Ending June 30:	Amount
2022	(673,672)
2023	(489,522)
2024	(320,063)
2025	(3,546)
Total	(1,486,803)

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019 and rolled forward to June 30, 2020 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

OPEB	June 30, 2020
Actuarial Cost Method	Entry age normal cost method
Asset Valuation Method	Fair value
Amortization Method	Level percentage of payroll, closed
Amortization Period	20 years closed as of June 30, 2017
Actuarial Assumptions:	
Investment Rate of Return	6.65%, net of OPEB plan investment expense, including inflation
Projected Salary Increases	Dependent upon pension system. Ranging from 2.75% to 5.18% including inflation
Inflation Rate	2.25%
Discount Rate	6.65%
Healthcare Cost Trends	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 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.
Mortality Rates	Post-Retirement: 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; Pre-Retirement: Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2019
Date Range in Most Recent Experience Study	July 1, 2015 to June 30, 2020

The long term expected rate of return of 6.65% on the 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 the WVIMB. The strategic asset allocation consists of 55% equity, 15% fixed income, 10% private equity, 10% hedge fund and 10% real estate invested. Short-term assets used to pay current year benefits and expenses are invested with the WVBTL.

MONONGALIA COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The long-term expected rate of return on OPEB plan investments were determined using a building-block method in which estimates of expected future real rates of returns (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 and by adding expected inflation. The best estimates of geometric rates of return for each asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Rate of Return</u>	<u>Target Asset Allocation</u>
Global Equity	6.8%	55.0%
Core Plus Fixed Income	4.1%	15.0%
Core Real Estate	6.1%	10.0%
Hedge Fund	4.4%	10.0%
Private Equity	8.8%	10.0%
		<u>100.0%</u>

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 to 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 projections 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. The discount rate used to measure the total OPEB liability changed to 6.65% for the June 30, 2020 valuation from 7.15% for the June 30, 2019 valuation.

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 (5.65%)</u>	<u>Current Discount Rate (6.65%)</u>	<u>1% Increase (7.65%)</u>
Proportionate share of net OPEB liability	\$ 635,200	\$ 445,400	\$ 286,513

Healthcare Cost Trend Rate

The following table presents the Commission's proportionate share of its net OPEB liability calculated using the healthcare cost trend rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	<u>1% decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Proportionate share of net OPEB liability	\$ 268,001	\$ 445,400	\$ 659,662

MONONGALIA COUNTY, WEST VIRGINIA
SCHEDULES OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Public Employees Retirement System
 Last 8 Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
County's proportion of the net pension liability (asset)	0.657499	0.637932	0.637672	0.615423	0.602609	0.580496	0.560897	0.518484
County's proportionate share of the net pension liability (asset)	\$ 3,476,007	\$ 1,371,637	\$ 1,646,799	\$ 2,656,443	\$ 5,538,692	\$ 3,241,513	\$ 2,070,075	\$ 4,726,656
County's covered-employee payroll	\$ 10,217,147	\$ 9,365,641	\$ 8,812,858	\$ 8,463,408	\$ 8,282,748	\$ 10,379,714	\$ 9,841,538	\$ 9,174,064
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	34.02%	14.65%	18.69%	31.39%	66.87%	31.23%	21.03%	51.52%
Plan fiduciary net position as a percentage of the total pension liability	92.89%	96.99%	96.33%	93.67%	86.11%	91.29%	93.98%	84.58%

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

MONONGALIA COUNTY, WEST VIRGINIA
SCHEDULES OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

West Virginia Deputy Sheriff Retirement System
 Last 8 Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
County's proportion of the net pension liability (asset) (percentage)	3.943768	3.804321	3.937168	3.913477	3.798734	3.477091	3.628928	4.040833
County's proportionate share of the net pension liability (asset)	\$ 1,413,959	764,516	\$ (211,347)	\$ 146,638	\$ 1,209,365	\$ 713,221	\$ 618,768	\$ 1,353,841
County's covered-employee payroll	\$ 2,261,630	2,126,671	\$ 2,045,630	\$ 1,958,258	\$ 1,827,317	\$ 2,676,800	\$ 2,780,215	\$ 2,780,215
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	62.52%	35.95%	-10.33%	7.49%	66.18%	26.64%	22.26%	48.70%
Plan fiduciary net position as a percentage of the total pension liability	87.01%	92.08%	102.50%	98.17%	84.48%	89.31%	90.52%	80.20%

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

MONONGALIA COUNTY, WEST VIRGINIA
SCHEDULE OF COUNTY PENSION CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2021

Public Employees Retirement System
Last 10 Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 1,044,904	\$ 1,021,716	\$ 936,564	\$ 969,414	\$ 1,015,609	\$ 1,118,171	\$ 1,453,160	\$ 1,427,023	\$ 1,284,369	\$ 1,056,069
Contributions in relation to the contractually required contribution	<u>(1,044,904)</u>	<u>(1,021,716)</u>	<u>(936,564)</u>	<u>(969,414)</u>	<u>(1,015,609)</u>	<u>(1,118,171)</u>	<u>(1,453,160)</u>	<u>(1,427,023)</u>	<u>(1,284,369)</u>	<u>(1,056,069)</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's covered-employee payroll	\$ 10,449,036	\$ 10,217,147	\$ 9,365,641	\$ 8,812,858	\$ 8,463,408	\$ 8,282,748	\$ 10,379,714	\$ 9,841,538	\$ 9,174,064	\$ 7,283,234
Plan fiduciary net position as a percentage of the total pension liability	10.00%	10.00%	10.00%	11.00%	12.00%	13.50%	14.00%	14.50%	14.00%	14.50%

MONONGALIA COUNTY, WEST VIRGINIA
SCHEDULE OF COUNTY PENSION CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2021

West Virginia Deputy Sheriff Retirement System
 Last 10 Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 269,927	\$ 271,396	\$ 255,200	\$ 245,476	\$ 234,991	\$ 219,278	\$ 347,984	\$ 361,428	\$ 382,065	\$ 371,439
Contributions in relation to the contractually required contribution	<u>(269,927)</u>	<u>(271,396)</u>	<u>(255,200)</u>	<u>(245,476)</u>	<u>(234,991)</u>	<u>(219,278)</u>	<u>(347,984)</u>	<u>(361,428)</u>	<u>(382,065)</u>	<u>(371,439)</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's covered-employee payroll	\$ 2,249,391	\$ 2,261,630	\$ 2,126,671	\$ 2,045,630	\$ 1,958,258	\$ 1,827,317	\$ 2,676,800	\$ 2,780,215	\$ 2,938,962	\$ 2,857,223
Plan fiduciary net position as a percentage of the total pension liability	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	13.00%	13.00%	13.00%	13.00%

MONONGALIA COUNTY, WEST VIRGINIA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
For the Fiscal Year Ended June 30, 2020

Retiree Health Benefit Trust
Last 5 Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
County's proportion of the net OPEB liability (asset)	0.100839587	0.09771866	0.10379722	0.10836747	0.14364055
County's proportionate share of the net OPEB liability (asset)	\$ 445,400	\$ 1,621,282	\$ 2,226,903	\$ 2,664,744	\$ 3,567,062
State's proportionate share of the net OPEB liability (asset) associated with the County	<u>92,515</u>	<u>321,211</u>	<u>460,241</u>	<u>806,845</u>	<u>-</u>
Total	<u><u>537,915</u></u>	<u><u>1,942,493</u></u>	<u><u>2,687,144</u></u>	<u><u>3,471,589</u></u>	<u><u>3,567,062</u></u>
County's covered-employee payroll	\$ 12,478,777	\$ 11,492,312	\$ 10,858,488	\$ 10,421,666	\$ 10,110,065
County's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	3.57%	14.11%	20.51%	25.57%	35.28%
Plan fiduciary net position as a percentage of the total OPEB liability	73.49%	39.69%	30.98%	25.10%	21.64%

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

MONONGALIA COUNTY, WEST VIRGINIA
SCHEDULE OF COUNTY OPEB CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2021

Retiree Health Benefit Trust
Last 6 Fiscal Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 183,096	\$ 194,911	\$ 201,328	\$ 212,109	\$ 222,585	\$ 245,721
Contributions in relation to the contractually required contribution	<u>(183,096)</u>	<u>(194,911)</u>	<u>(201,328)</u>	<u>(212,109)</u>	<u>(222,585)</u>	<u>(245,721)</u>
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
County's covered-employee payroll	\$ 12,698,427	\$ 12,478,777	\$ 11,492,312	\$ 10,858,488	\$ 10,421,666	\$ 10,110,065
Plan fiduciary net position as a percentage of the total OPEB liability	1.44%	1.56%	1.75%	1.95%	2.14%	2.43%

MONONGALIA COUNTY COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

Note 1 - Changes in Assumptions PERS

There were no changes in the assumptions between the 2020 and 2019 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

Changes in the assumptions between the 2019 and 2018 valuations:

Projected salary increases went from 3-6% in 2018 to 3.1-6.5% in 2019; the inflation rate remained at 3% in 2019 from 2018; mortality rates changed due to changing from the RP-2000 model to the Pub-2010 model; withdrawal rates went from 1.75-35.88% in 2018 to 2.28-35.88% in 2019; disability rates went from 0-.675% in 2018 to 0-.54% in 2019. The range of the experience study was 2004-2009 in 2018 and 2013-2018 in 2019. These changes in assumptions lead to deferred inflows of \$55,650,000 in 2019.

Changes in the assumptions between the 2015 and 2014 valuations:

Projected salary increases went from 4.25-6% in 2014 to 3-6% in 2015; the inflation rate went from 2.2% in 2015 to 1.9% in 2015; mortality rates changed due to from the Gam model to RP-2000 model; withdrawal rates went from 1-31.2% in 2014 to 1.75-35.8% in 2015; disability rates went from 0-.8% in 2014 to 0-.675% in 2015; The range of the experience study was 2004-2009 in 2014 and 2009-2014 in 2015. These changes in assumptions lead to deferred inflows of \$89,556,000 in 2015.

Note 2 – Changes in Assumptions OPEB

Changes in the assumptions between the 2020 and 2019 valuations:

Certain assumptions have been changed since the prior actuarial valuation as of June 30, 2018 and a measurement date of June 30, 2020. The net effect of the assumption changes was approximately \$1,147 million. Certain other assumption changes were noted but did not materially impact the Net OPEB Liability.

Changes in the assumptions between the 2019 and 2018 valuations:

Certain assumptions have been changed since the prior measurement date. The assumption changes that most significantly impacted the Net OPEB Liability are as follows: the per capita claims costs for Pre-Medicare and Medicare decreased the liability by approximately \$12 million and a capped subsidy costs implemented in December 2019 decreased the liability by approximately \$224 million. Certain other assumption changes were noted but did not materially impact the Net OPEB Liability.

Changes in the assumptions between the 2018 and 2017 valuations:

Certain assumptions have been changed since the prior measurement date. The assumption changes that most significantly impacted the Net OPEB Liability are as follows: the inclusion of waived annuitants increased the liability by approximately \$17 million; a 15% reduction in the retirement rate assumption decreased the liability by approximately \$68 million; a change in certain healthcare-related assumptions decreased the liability by approximately \$232 million; and an update to the mortality tables increased the liability by approximately \$25 million. Certain other assumption changes were noted but did not materially impact the Net OPEB Liability.

MONONGALIA COUNTY COMMISSION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

Note 2 – Changes in Assumptions OPEB (Continued)

Changes in the assumptions between the 2016 and 2015 valuations

Certain economic and behavioral assumptions are unique to healthcare benefits. These assumptions include the healthcare trend, per capita claims costs, the likelihood that a member selects healthcare coverage and the likelihood that a retiree selects one-person, two person or family coverage. These assumptions were updated based on a recent experience study performed by the RHBT actuaries using five-year experience data through June 30, 2015. The updated per capita claims costs were also based on recent claims, enrollment and premium information as of the valuation date.

For the June 30, 2016 valuation, the retiree healthcare participation assumption for each retirement plan is slightly higher than the previous assumption used in the June 30, 2015 OPEB valuation. More members who were covered as actives will be assumed to participate as retirees.

The 2016 and 2015 valuations include consideration of the \$30 million annual appropriations under Senate Bill 419, through July 1, 2037, or if earlier, the year the benefit obligation is fully funded. Additionally, the presentation of covered payroll was changed for the June 30, 2015, actuarial valuation. Participating employees hired before July 1, 2010, pay retiree premiums that are subsidized based on years of service at retirement. Participating employees hired on or after July 1, 2010, are required to fully fund premium contributions upon retirement. Consequently, beginning June 30, 2015, actuarial valuation covered payroll represents only the payroll for those OPEB eligible participating employees that were hired before July 1, 2010, allowing a better representation of the UAAL as a percentage of covered payroll, whereas, for the prior years, covered payroll is in total for all participating employees.

MONONGALIA COUNTY, WEST VIRGINIA
 BUDGETARY COMPARISON SCHEDULE -
 ASSESSOR'S VALUATION FUND
 For the Fiscal Year Ended June 30, 2021

	Budgeted Amounts		Actual	Adjustments	Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	Modified <u>Accrual Basis</u>	Budget <u>Basis</u>	Budget <u>Basis</u>	Final Budget <u>Positive (Negative)</u>
REVENUES:						
Other taxes	\$ 1,167,520	\$ 1,167,520	\$ 1,234,592	\$ -	\$ 1,234,592	\$ 67,072
Charges for services	32,200	32,200	43,324	-	43,324	11,124
Interest	200	200	4,872	-	4,872	4,672
	<u>1,199,920</u>	<u>1,199,920</u>	<u>1,282,788</u>	<u>-</u>	<u>1,282,788</u>	<u>82,868</u>
Total revenues						
EXPENDITURES:						
Current:						
General government	1,474,920	1,647,128	1,419,674	-	1,419,674	227,454
Capital outlay	75,000	90,000	57,062	-	57,062	32,938
	<u>1,549,920</u>	<u>1,737,128</u>	<u>1,476,736</u>	<u>-</u>	<u>1,476,736</u>	<u>260,392</u>
Total expenditures						
Net change in fund balance	<u>(350,000)</u>	<u>(537,208)</u>	<u>(193,948)</u>	<u>-</u>	<u>(193,948)</u>	<u>343,260</u>
Fund balance at beginning of year	<u>350,000</u>	<u>537,208</u>	<u>600,227</u>	<u>-</u>	<u>600,227</u>	<u>63,019</u>
Fund balance at end of year	\$ <u>-</u>	\$ <u>-</u>	\$ <u>406,279</u>	\$ <u>-</u>	\$ <u>406,279</u>	\$ <u>406,279</u>