



PERRY

& Associates CPAs

PASSION *Beyond the Numbers*

**Wood County, West Virginia
Single Audit
For the Year Ended June 30, 2022**

RFP #22-470

WOOD COUNTY, WEST VIRGINIA

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WOOD COUNTY, WEST VIRGINIA
COUNTY OFFICIALS
For the Fiscal Year Ended June 30, 2022

OFFICE	NAME	TERM
<u>Elective</u>		
County Commission:	James E. Colombo	01-01-17 / 12-31-22
	David Blair Couch	01-01-19 / 12-31-24
	Robert K. Tebay	01-01-21 / 12-31-26
Clerk of the County Commission:	Joe Gonzales	01-01-23 / 12-31-28
Clerk of the Circuit Court:	Celeste Ridgway	01-15-20 / 12-31-22
Sheriff:	Rick Woodyard	01-01-21 / 12-31-24
Prosecuting Attorney:	Patrick Lefebure	01-01-21 / 12-31-24
Assessor:	David C. Nohe	01-01-21 / 12-31-24

INDEPENDENT AUDITOR'S REPORT

Wood County Commission
1 Court Square / PO Box 1474
Parkersburg, WV 26102

To the Board of Commissioners:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Wood County, West Virginia (the County), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Wood County, West Virginia, as of June 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require budgetary comparison schedules for the General and Coal Severance Funds and the schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The budgetary comparison schedule for the Assessor's Valuation Fund, Schedule of State Grant Receipts and Expenditures, and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Wood County Commission
Independent Auditor's Report
Page 4

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2023, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



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

May 11, 2023

WOOD COUNTY, WEST VIRGINIA
STATEMENT OF NET POSITION
June 30, 2022

	Primary Government		Component Units	
	Governmental Activities	Parks and Recreation	Development Authority	
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 30,512,795	\$ 633,851	\$ 155,662	
Investments	20,607	-	-	
Receivables:				
Taxes	1,114,796	-	-	
Accounts	-	80,356	-	
Other assets:	-	7,024	-	
Net pension asset	3,776,854	53,651	-	
Net OPEB asset	48,003	260	-	
Total current assets	<u>35,473,055</u>	<u>775,142</u>	<u>155,662</u>	
Capital assets:				
Nondepreciable:				
Land	3,046,227	606,089	1,315,210	
Depreciable:				
Buildings	7,945,846	11,386,021	-	
Structures and improvements	9,995,372	-	-	
Machinery and equipment	7,622,495	752,543	-	
Less: accumulated depreciation	(13,822,135)	(10,931,787)	-	
Total noncurrent assets	<u>14,787,805</u>	<u>1,812,866</u>	<u>1,315,210</u>	
Total assets	<u>50,260,860</u>	<u>2,588,008</u>	<u>1,470,872</u>	
DEFERRED OUTFLOWS				
Pension	2,791,405	16,511	-	
OPEB	<u>620,869</u>	<u>1,183</u>	<u>-</u>	
Total deferred outflows of resources	<u>3,412,274</u>	<u>17,694</u>	<u>-</u>	
LIABILITIES				
Current liabilities payable from current assets:				
Accounts payable	314,352	5,396	-	
Accrued interest payable	1,011,516	-	-	
Bonds payable - due within one year	230,000	-	-	
Bonds payable - due in more than one year	8,685,104	-	-	
Notes payable - due within one year	192,876	9,743	-	
Notes payable - due in more than one year	-	-	200,000	
Net OPEB liability	1,094,843	-	-	
Compensated absences payable	<u>401,087</u>	<u>-</u>	<u>-</u>	
Total liabilities	<u>11,929,778</u>	<u>15,139</u>	<u>200,000</u>	
DEFERRED INFLOWS				
Pension	6,217,171	9,223	-	
OPEB	<u>1,693,630</u>	<u>70,019</u>	<u>-</u>	
Total deferred inflows of resources	<u>7,910,801</u>	<u>79,242</u>	<u>-</u>	
NET POSITION				
Net investment in capital assets	4,668,309	1,803,123	1,315,210	
Unrestricted	<u>29,164,246</u>	<u>708,198</u>	<u>(44,338)</u>	
Total net position	<u>\$ 33,832,555</u>	<u>\$ 2,511,321</u>	<u>\$ 1,270,872</u>	

The notes to the financial statements are an integral part of this statement.

The notes to the Financial statements are an integral part of this statement.

Programs / Programs		Primary Governmental Activities					Governmental Activities					Primary Government									
Charges for Services	Operating Expenses	Primary Governmental Activities	Governments	Grants and Contributions	Accrued Liabilities	Recollection	Capitalization	Capitalization Units	Debt and Development	Debt	Public Safety	Health and Recreation	Cultural and Recreation	Administrative and General	Central Government	Financial Management	Program Services	Charges for Net Position			
\$ 13,948,369	\$ 6,115,723	\$ 9,904,493	\$ 2,435,871	\$ (9,179,241)	\$ 220,008	\$ 220,285	\$ 220,285	315,711	\$ 283,230	\$ 13,125	\$ 1,107,789	\$ 2,159,346	\$ 1,107,789	\$ 2,159,346	\$ 9,179,241	\$ 27,438,371	\$ 6,115,723	\$ 9,904,493	\$ (11,418,031)		
Total government activities																	Total primary government	\$ 27,438,371	\$ 6,115,723	\$ 9,904,493	\$ (11,418,031)
Interest on long-term debt																	Total primary government	\$ 27,438,371	\$ 6,115,723	\$ 9,904,493	\$ (11,418,031)
Component units:																	Total component units	\$ 1,323,664	\$ 205,372	\$ 94,109	\$ (669,324)
Parties and Recipients																	Total component units	\$ 1,323,664	\$ 205,372	\$ 94,109	\$ (669,324)
Development Authority																	Development Authority	\$ 968,805	\$ 205,372	\$ 94,109	\$ (669,324)
Other non-exchange transactions																	Other non-exchange transactions	\$ 354,939	\$ 205,372	\$ 94,109	\$ (669,324)
Other non-exchange transactions																	Other non-exchange transactions	\$ 354,939	\$ 205,372	\$ 94,109	\$ (669,324)
Gains and losses																	Gains and losses	\$ 1,323,664	\$ 205,372	\$ 94,109	\$ (669,324)
Ad valorem property taxes																	Ad valorem property taxes	\$ 1,9,061,547	\$ -	\$ -	\$ -
Other non-exchange transactions																	Other non-exchange transactions	\$ 805,331	\$ -	\$ -	\$ -
Other non-exchange transactions																	Other non-exchange transactions	\$ 127,019	\$ -	\$ -	\$ -
Other non-exchange transactions																	Other non-exchange transactions	\$ 43,033	\$ 207,555	\$ 205	\$ -
Interest																	Interest	\$ 111,437	\$ -	\$ -	\$ -
Payments in Lieu of Taxes																	Payments in Lieu of Taxes	\$ 2,605	\$ -	\$ -	\$ -
Loans																	Loans	\$ 2,27,76,664	\$ 1,028,401	\$ 1,01,355	\$ 374
Interest expenses																	Interest expenses	\$ 1,887,034	\$ 14,516	\$ 14,516	\$ 14,516
Contingent losses from other entities																	Contingent losses from other entities	\$ 31,093	\$ -	\$ -	\$ -
Other losses																	Other losses	\$ 500,269	\$ 1,390,210	\$ 1,390,210	\$ 1,390,210
Interest																	Interest	\$ 513,577	\$ 39	\$ 104	\$ 104
Payments in Lieu of Taxes																	Payments in Lieu of Taxes	\$ 22,973,922	\$ 2,152,243	\$ 1,169,917	\$ 1,169,917
Change in net position																	Change in net position	\$ 10,858,633	\$ 359,077	\$ 1,169,917	\$ 1,169,917
Net position - beginning																	Net position - beginning	\$ 22,973,922	\$ 2,152,243	\$ 1,169,917	\$ 1,169,917
Net position - ending																	Net position - ending	\$ 33,832,555	\$ 2,511,320	\$ 1,267,872	\$ 1,267,872

WOOD COUNTY, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2022

	General	Coal Severance Tax	Special Building	American Rescue Plan	Emerson Commons Project Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Assets:							
Current:							
Cash and cash equivalents	\$ 7,611,172	\$ 66,941	\$ 3,327,867	\$ 14,973,004	\$ 7,740	\$ 4,526,071	\$ 30,512,795
Investments	-	-	20,607	-	-	-	20,607
Receivables:							
Taxes	1,105,837	-	-	-	-	8,959	1,114,796
Total assets	<u>\$ 8,717,009</u>	<u>\$ 66,941</u>	<u>\$ 3,348,474</u>	<u>\$ 14,973,004</u>	<u>\$ 7,740</u>	<u>\$ 4,535,030</u>	<u>\$ 31,648,198</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	303,949	-	-	-	-	10,403	314,352
Accrued interest payable	-	-	-	-	1,011,516	-	1,011,516
Total liabilities	<u>303,949</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,011,516</u>	<u>10,403</u>	<u>1,325,868</u>
Deferred Inflows:							
Unavailable revenue - taxes	845,002	-	-	-	-	-	845,002
Total deferred inflows of resources	<u>845,002</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>845,002</u>
Total liabilities and deferred inflows of resources	<u>1,148,951</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,011,516</u>	<u>10,403</u>	<u>2,170,870</u>
Fund balances:							
Restricted	-	-	3,348,474	14,973,004	-	3,588,022	21,909,500
Committed	5,302,575	-	-	-	-	936,605	6,239,180
Assigned	-	66,941	-	-	-	-	66,941
Unassigned	2,265,483	-	-	-	(1,003,776)	-	1,261,707
Total fund balances	<u>7,568,058</u>	<u>66,941</u>	<u>3,348,474</u>	<u>14,973,004</u>	<u>(1,003,776)</u>	<u>4,524,627</u>	<u>29,477,328</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 8,717,009</u>	<u>\$ 66,941</u>	<u>\$ 3,348,474</u>	<u>\$ 14,973,004</u>	<u>\$ 7,740</u>	<u>\$ 4,535,030</u>	<u>\$ 31,648,198</u>

The notes to the financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement.

		Total fund balances on the governmental fund's balance sheet	\$ 29,477,328
		because:	
		Amounts reported for governmental activities in the statement of net position are different	
		Capital assets used in governmental activities are not financial resources and are therefore not	
		reported in the funds. (Note III-C)	
		Other long-term assets that are not available to pay for current-year expenditures and therefore	
		are deferred in the funds. (Note III-B)	
		Certain revenues are not available to fund current year expenditures and therefore are deferred	
		in the funds. (Note III-B)	
		Deferred inflows and outflows related to pension and OPEB activity are not required to be	
		reported in the funds but are required to be reported at the government-wide level (Notes V-	
		VI):	
		Deferred inflows and outflows related to pension and OPEB activity are not required to be	
		reported in the funds. These include bonds payable and compensated absences liabilities and	
		reported in the funds. Long-term liabilities are not due and payable in the current period and therefore are not	
		the net pension and net OPEB liability or asset (Note III-F)	
		Long-term liabilities are not due and payable in the current period and therefore are not	
		reported in the funds. These include bonds payable and compensated absences liabilities and	
		the net pension and net OPEB liability or asset (Note III-F)	
		Net position of governmental activities	\$ 33,832,555

June 30, 2022

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
WOOD COUNTY, WEST VIRGINIA
TO THE STATEMENT OF NET POSITION

WOOD COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	General	Coal Severance Tax	Special Building	American Rescue Plan	Emerson Commons Project Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes:							
Ad valorem property taxes	\$ 17,633,971	\$ -	\$ -	\$ -	\$ 582,574	\$ 18,216,545	
Alcoholic beverages tax	13,909	-	-	-	-	-	13,909
Hotel occupancy tax	493,007	-	-	-	-	-	493,007
Gas and oil severance tax	74,801	-	-	-	-	-	74,801
Other taxes	72,410	-	-	-	-	20,750	93,160
Coal severance tax	-	127,019	-	-	-	-	127,019
Licenses and permits	86,187	-	-	-	-	25,250	111,437
Intergovernmental:							
Federal	1,047,236	-	-	8,111,196	-	-	9,158,432
State	736,061	-	-	-	-	10,000	746,061
Local	2,605	-	-	-	-	-	2,605
Payments in lieu of taxes	207,555	-	-	-	-	-	207,555
Charges for services	1,067,863	-	226,221	-	-	4,821,639	6,115,723
Fines and forfeits	5,621	-	-	-	-	124,823	130,444
Interest and investment earnings	16,580	66	6,420	16,297	-	3,690	43,053
Miscellaneous	788,233	-	-	-	36,221	941,047	1,765,501
Total revenues	22,246,039	127,085	232,641	8,127,493	36,221	6,529,773	37,299,252
EXPENDITURES							
Current:							
General government	13,274,776	-	129,252	1,267,563	33,909	35,024	14,740,524
Public safety	6,878,688	-	-	-	-	2,561,687	9,440,375
Health and sanitation	220,285	-	-	-	-	-	220,285
Administrative and general	220,008	-	-	-	-	-	220,008
Culture and recreation	1,581,964	-	-	-	-	577,382	2,159,346
Insurance premiums	1,107,789	-	-	-	-	-	1,107,789
Social services	13,125	-	-	-	-	-	13,125
Capital outlay	762,389	76,571	-	-	-	199,203	1,038,163
Utilities	238,320	-	-	-	-	-	238,320
Debt service:							
Principal	192,876	-	220,000	-	-	-	412,876
Interest	-	-	77,492	-	235,000	-	312,492
Total expenditures	24,490,220	76,571	426,744	1,267,563	268,909	3,373,296	29,903,303
Excess (deficiency) of revenues over expenditures	(2,244,181)	50,514	(194,103)	6,859,930	(232,688)	3,156,477	7,395,949
OTHER FINANCING SOURCES (USES)							
Transfers in	3,148,482	-	-	-	-	355,100	3,503,582
Transfers (out)	(5,100)	-	-	-	-	(3,498,482)	(3,303,582)
Proceeds from the sale of assets	28,493	-	-	-	-	2,600	31,093
Total other financing sources (uses)	3,171,875	-	-	-	-	(3,140,782)	31,093
Net change in fund balances	927,694	50,514	(194,103)	6,859,930	(232,688)	15,695	7,427,042
Fund balances - beginning	6,640,364	16,427	3,542,577	8,113,074	(771,088)	4,508,932	22,050,286
Fund balances - ending	\$ 7,568,058	\$ 66,941	\$ 3,348,474	\$ 14,973,004	\$ (1,003,776)	\$ 4,524,627	\$ 29,477,328

The notes to the financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement.

		Change in net position of governmental activities
	\$ 10,858,633	
852,331		(Note III-F)
		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.
1,626,413	Pension and OPEB expenses	
		Certain pension and OPEB expenses in the statement of activities are recognized on the accrual basis of accounting. (Note V-VI)
216,781		The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to government units, while the repayment of the principal of long-term debt consumes the current financial resources of government funds. Neither transaction, however, has any effect on net position. Also, government funds report the effect of issuance costs, 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-F)
247,492	Prior year unavailable revenues:	Current year unavailable revenues:
	\$ 575,587	\$ 823,079
		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 revenues.
(664,015)		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.
1,152,589		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)
\$ 7,427,042	Net change in fund balances - total governmental funds	Amounts reported for governmental activities in the statement of activities are different because:

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO WOOD COUNTY, WEST VIRGINIA

THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

WOOD COUNTY, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2022

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ <u>1,103,399</u>
Total cash	<u>1,103,399</u>
Receivables:	
Taxes	<u>3,884,286</u>
Total receivables	<u>3,884,286</u>
Total assets	<u>4,987,685</u>
NET POSITION	
Restricted for:	
Other governments	\$ <u>4,987,685</u>

The notes to the financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement.

Funds	Custodial	ADDITIIONS
		Property tax collections for other governments
\$ 58,883,737	1,012,575	County office collections
23,945	1,011,226	License fee collections
126	60,931,483	Miscellaneous
		Total additions
		Property tax to other governments
\$ 58,471,943	807,816	Payments of property tax to other governments
-	-	Payments of county office collections
-	-	Payments of license fee collections
59,279,759	-	Miscellaneous
		Total deductions
1,651,724	3,335,961	Net increase (decrease) in fiduciary net position
		Net position - beginning
\$ 4,987,685	\$ 4,987,685	Net position ending

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Wood County (government) 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 present the government and its 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.

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.

Blended Component Unit

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

Discretely presented component units are entities which are legally separate from the County, but are financially accountable to the County, or whose relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Because of the nature of services they provide and the County's ability to impose its will on them or a financial benefit/burden relationship exists, the following component units are discretely presented in accordance with GASB Statement No. 14 (as amended by GASB Statement 39 and GASB Statement 61). The discretely presented component units are presented on the government-wide statements.

The Wood County Development Authority serves Wood County, West Virginia, and is governed by a board comprised of not more than 31 or less than 22 members appointed by the County commission for a term of 3 years each. The Wood County Development Authority was created to promote, develop and advance the business prosperity and economic welfare of the county.

The Wood County Board of Parks and Recreation serves all citizens of Wood County by providing recreation services and is governed by an eleven-member board appointed by the County Commission. The County provides financial support to the Board on an annual basis.

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

**WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022**

Jointly Governed Organizations

The County, in conjunction with Wirt County, Ritchie County, Calhoun County and Pleasants County has created the Mid-Ohio Valley Board of Health. The board is composed of 12 members with 2 members appointed by the Wood County Commission and 10 members from the other counties. The County appropriated \$85,000 for an operating grant for the Mid-Ohio Valley Board of Health for the fiscal year.

The County, in conjunction with Washington County, Ohio, and Roane County, WV has created the Mid-Ohio Valley Regional Airport Authority. The authority is composed of 8 members with 4 members appointed by the Wood County Commission and 4 members from the other counties.

Related Organizations

The County's officials are also responsible for appointing the members of boards of other organizations, but the County's accountability for these organizations does not extend beyond making the appointments. The County Commission appoints board members to the following organizations:

Name of Organization

Mid-Ohio Valley Workforce Investment Authority	West Virginia Little Kanawha River Parkway
Mid-Ohio Valley Regional Council	Wood County Community Resources
Wood County Community Corrections	Veterans Park Advisory Board
WVU Extension Service Committee	Downtown Task Force
Wood County Commission on Crime, Delinquency & Correction	E-911 Communications Advisory Board
Fort Boreman Historical Park Commission	Mid-Ohio Valley Regional Airport Committee
Parkersburg/Wood County Public Library	Wood County Recreation Commission
Northeastern Area Agency on Aging	Wood County Solid Waste Authority
Parkersburg/Wood County Convention & Visitors Bureau	Wood County Planning Commission
Wood-Washington-Wirt Interstate Planning Commission	

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 collectable. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Separate financial statements are provided for government funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual government funds are included as supplemental information.

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 considered an indirect expense and is reported in the Statement of Activities as a separate line.

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

B. Government-Wide and Fund Financial Statements

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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.

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. It also includes the amounts for the county's Special Investment 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 *Special Building fund*, a capital projects fund, accounts for money set aside by the Wood County Commission for special projects and long-term debt payments.

The *American Rescue Plan fund*, a special revenue fund, accounts for money associated with the American Rescue Plan federal grant.

The *Emerson Commons Project Debt Service fund*, a debt service fund, accounts for activity associated with the issuance of TIF revenue bonds for the Emerson Commons Project No. 1.

The government would report any investments at fair value, except for 1) non-participating investment contracts (non-negotiable certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value and 2) investments held by 2A7-like external investment pools such as the WV Money Market and WV Government Money Market pools are measured at amortized cost, as permissible under Governmental Accounting Standards Board (GASB) Statement No. 31, as amended by GASB Statement Nos. 72 and 79. Investments of the Municipal Bond Commission are reported at fair value. All investments include gains or losses in fair value of investments, are recognized as revenue in the operating statement. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The composition of any investments and fair values are presented in Note III-A.

Wood 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.

I. Deposits and Investments

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

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.

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.

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

Custodial funds account for assets held by the county in a fiduciary capacity for state funds, school funds, city funds and county office funds. The Tax Lien Fund and the Delinquent Nonresident Land Fund are also considered to be custodial funds.

Additionally, the government reports the following fund types:

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

If it is determined that the available interest rate offered by an acceptable depository in the county is less than the interest rate, net of administrative fees referred to in article six, chapter twelve of the West Virginia Code, offered it through the state board of investments, the county treasurer may, with the approval of each fiscal body whose funds are involved, make such funds available to the state board of investments for investment in accordance with the provisions of article six, chapter twelve of the code.

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 20 percent of the property taxes outstanding at June 30.

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.

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government activities column 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.

5. Capital Assets and Depreciation

Certain assets of the Emerson Commissions Project Debt Service Fund are classified as restricted assets because their use is restricted by bond agreements.

4. Restricted Assets

There are no material inventories maintained; therefore they do not appear on the financial statements.

3. Inventories and Prepaid Items

At a special election held on May 10, 2016, the county was authorized to lay an excess levy to provide approximately \$487,227 annually and \$2,436,137 during the five fiscal years beginning July 1, 2018 through July 1, 2022 for Parkersburg and Wood County Public Library, according to the Order of the County Commission entered on the last day of February 2016. During this fiscal year, the excess levy generated \$577,436.

Class of Property	Assessed	Valuation For Current	Current	Tax Purposes	Expense	Excess Levy
Class I	0.54	14.03	14.03	\$ --	2.16	2.16
Class II	1.08	28.06	28.06	2,111,422,700	56.12	56.12
Class III	2.16	897,912.462	897,912.462	2,111,422,700	56.12	56.12
Class IV	2.16	865,311,083	865,311,083	2,111,422,700	56.12	56.12

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:

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 (14.03 cents); On Class II property, twenty-eight and six-tenths cents (28.06 cents); On Class III property, fifty-seven and two-tenths cents (56.12 cents); On Class IV property, fifty-seven and two-tenths cents (56.12 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.

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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:

Asset	Straight-line	Inventory		Capitalize/ Depreciate
	Years	Purposes		
Land	not applicable	\$	1	\$ Capitalize only
Land improvement	20 to 30 years		1	25,000.00
Building	40 years		1	50,000.00
Building improvements	20 to 25 years		1	50,000.00
Construction in progress	not applicable		1	Capitalize only
Equipment	5 to 10 years	1,000		5,000.00
Vehicles	5 to 10 years	1,000		5,000.00
Infrastructure	40 to 50 years	50,000		250,000.00

6. 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 requirements. The compensated absences liability is liquidated using funds to which the liability accrued as the accumulated leave is used.

7. Long-term Obligations

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

<p>In the fund financial statements, government 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 issues are reported as other financing sources while disbursements on debt are reported as other financial uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.</p>	<p>In the government 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. The restricted category is the portion of fund balance that is extremely imposed by creditors, grantors, contributors or laws or regulations. It also is imposed by law through constitutional provisions or enabling legislation.</p>	<p>The committed category is the portion of fund balance whose use is constained 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.</p>
		Committed
		Assigned
		Unassigned
<p>8 Fund Balances</p>		

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

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.

9 Stabilization Arrangements

The government has created a stabilization arrangement in accordance with West Virginia Code § 7-21-3. The government may appropriate a sum to the arrangement from any surplus in the general fund at the end of each fiscal year or from other money available. The balance at fiscal year-end was \$5,292,173 for the fund.

10. Deferred Outflows/inflows of Resources

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

In addition to liabilities, the statement of net 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(s) and so will not be recognized as an inflow of resources (revenue) until that time.

11. 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 Wood County's Public Employee Retirement System (PERS); Deputy Sheriffs' Retirement System (DSRS), and Emergency Medical Services Retirement System (EMSRS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the PERS, DSRS and EMSRS. 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.

General Fund	Amount	General Fund	Amount	Description
General government expenditure increase	\$ 2,228,236	Capital Severeance	\$ 99,684	Capital projects expenditure increase
Public safety expenditure increase	--	Health and sanitation expenditure increase	--	Social services expenditure increase
Health and sanitation expenditure increase	--	Health and sanitation expenditure increase	--	Culture and recreation expenditure increase
Health and sanitation expenditure increase	--	Health and sanitation expenditure increase	--	Revolutions become effective when approved by the State Auditor and budgeted amounts in the financial statements reflect only such related revisions to the budget require approval from the government council and then submission to the State Auditor for approval.
General government expenditure increase	--	General government expenditure increase	--	The approved budget is prepared by fund, function and department. Transfers of appropriations between departments and revenue

County Commission then reconvenes on the third Tuesday in April to hear objections from the public and to formally lay the levy. Proposed budgets on forms prescribed by the State Auditor and submits them to the State Auditor by March 28 for approval. The offices for the fiscal year commence July 1. Upon review and approval of these requests, the County Commission prepares 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. A reconciliation has been performed on the Budgetary Comparison Schedule for the General Fund. All annual appropriations lapse at fiscal year end.

Wood County, West Virginia prepares its budget on the cash less payables basis of accounting. In addition, the stabilization fund is not included in the budget. Therefore, a reconciliation has been performed on the Budgetary Comparison Schedule for the General Fund. All annual appropriations lapse at fiscal year end.

A. Budgetary Information

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

RHBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. For purposes of measuring the net OPEB liability and deferred outflows/inflows of the resources related to OPEB, and OPEB expense, information about the fiduciary net position of the West Virginia Retirement Benefits Trust Fund (RHBT) and additions to deductions from the RHBT's fiduciary net position have been determined on the same basis as they are reported by the RHBT.

12. Postemployment Benefits Other Than Pensions (OPEB)

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

III. DETAILED NOTES ON ALL FUNDS

A. Deposits

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 primary government's and fiduciary funds' bank balances were \$23,649,751. The bank balance was collateralized with securities held by the pledging financial institution's trust department or agent in the government's name.

A reconciliation of cash 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	\$ <u>31,616,194</u>
Total	\$ <u>31,616,194</u>
 Cash and cash equivalents	 \$ 30,512,795
Cash and cash equivalents-restricted	<u>1,103,399</u>
 Total	 \$ <u>31,616,194</u>

B. Receivables					
Receivables at year end for the government's individual major and aggregate nonmajor funds, including applicable allowances for uncollectible accounts, and custodial funds, are as follows:					
General	County	Total	Custodial	Governmental	Excess
\$ 1,382,296	\$ 11,199	\$ 1,393,495	\$ 4,855,358	11,199	1,382,296
Taxes					
Receivables:					
Gross Receivables					
Less: Allowance for Uncollectible					
Net Total Receivables	\$ 1,105,837	\$ 8,959	\$ 1,114,796	\$ 3,884,286	
Governmental funds report unavailable 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:					
Unavailable					
Delinquent property taxes receivable (General Fund)					
\$ 845,002					
Total unavailable/unearned revenue for governmental funds					
\$ 845,002					

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

C. Capital Assets

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

Primary Government				
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,924,778	\$ 121,449	\$ --	\$ 3,046,227
Total capital assets not being depreciated	<u>2,924,778</u>	<u>121,449</u>	<u>--</u>	<u>3,046,227</u>
Capital assets being depreciated:				
Buildings	7,190,905	754,941	--	7,945,846
Structures and improvements	9,995,372	--	--	9,995,372
Machinery and equipment	7,569,668	276,199	(223,372)	7,622,495
Less: Total accumulated depreciation	<u>(13,381,492)</u>	<u>(664,015)</u>	<u>223,372</u>	<u>(13,822,135)</u>
Total capital assets being depreciated, net	<u>11,374,453</u>	<u>367,125</u>	<u>--</u>	<u>11,741,578</u>
Governmental activities capital assets, net	<u>\$ 14,299,231</u>	<u>\$ 488,574</u>	<u>\$ --</u>	<u>\$ 14,787,805</u>

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

Governmental activities:				
General government				\$ 550,754
Public safety				<u>113,261</u>
Total depreciation expense-governmental activities				<u>\$ 664,015</u>

D. Interfund Receivables, Payables, and Transfers		
Transferred from:	Transferred to:	Amount
E911	General County Reimbursement	\$ 2,013,242
E911	Capital Reserve Reimbursement	350,000
E911	Community Criminal Justice Reimbursement	38,186
E911	General County Reimbursement	78,674
E911	Magistrate Court Reimbursement	172,352
E911	General County Reimbursement	846,028
E911	General County Reimbursement	5,100
	Total	\$ 3,503,582

The composition of interfund balances as of the fiscal year ended June 30 is as follows:

Interfund Transfers:

NOTES TO THE FINANCIAL STATEMENTS
WOOD COUNTY, WEST VIRGINIA
For the Fiscal Year Ended June 30, 2022

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

E. Fund Balance Detail

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

	General Fund	Coal Severance Fund	Special Building	American Rescue Plan
Restricted:				
General government	\$ --	\$ --	\$ --	\$ --
Public safety	--	--	3,348,474	14,973,004
Debt service	--	--	--	--
Committed:				
Special investment fund	5,302,575	--	--	--
Assigned:				
Budget carryover amount	--	66,941	--	--
Unassigned	<u>2,265,483</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total fund balances	\$ 7,568,058	\$ 66,941	\$ 3,348,474	\$ 14,973,004

	Emerson Commons Project Debt Service	Non-major Funds	Total
General government	--	1,914,574	1,914,574
Public safety	--	1,673,448	19,994,926
Capital projects	--	936,605	936,605
Special investment fund	--	--	5,302,575
Budget carryover amount	--	--	66,941
Unassigned	<u>(1,003,776)</u>	<u>--</u>	<u>1,261,707</u>
Total fund balances	\$ (1,003,776)	\$ 4,524,627	\$ 29,477,328

The proceeds of these bonds are being used to currently refund the Wood County Building Commission's Taxable Revenue Bonds, Series 2010 A (Recovery Zone Economic Development Bonds), that were issued in 2010, along with Series 2010 B (Tax-Exempt Bank-Qualified Bonds) which have been retired, to finance the design, acquisition, renovation, construction and equipping of the Wood County Judicial Center that houses various public offices and county offices for the Wood County Commission, and to pay the costs of issuance of the Series 2017 Bonds. The bonds are secured by the Justice Center and an equipment 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 \$5,568,310.

On December 20, 2017, the Wood County Building Commission, a blended component unit of Wood County, issued \$5,365,000 of Wood County Building Commission Revenue Lease Refunding Bonds, Series 2017 (Bank Qualified-Tax Exempt Bonds), bearing interest at 2.0% to be adjusted on January 1 in the years 2021, 2026, 2030 and 2033.

Revenue Bonds - Wood County Building Commission, a blended component unit

Year	Governmental Activities	Principle	Interest	Total
2023		\$ 192,876	\$ --	
Totals		\$ 192,876	\$ --	

Debt service requirements to maturity are as follows:

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance
Equipment Nationalwide Capital - election	2023	0.00%	\$ 771,502	\$ (578,626)	\$ 192,876

The government has entered into a promissory note as borrower for financing the acquisition of election equipment. On November 26, 2018, the Commission borrowed \$771,502.07 bearing a 0% interest rate to finance the purchase.

Notes Payable

F. Long-term Debt

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance Fiscal Year-end
Building Commission:					
Lease Revenue Refunding Bonds, Series 2017	1/1/2018	2.00%	\$ 245,000	\$ (245,000)	\$ --
	1/1/2019	2.00%	210,000	(210,000)	--
	1/1/2020	2.00%	210,000	(210,000)	--
	1/1/2021	2.50%	215,000	(215,000)	--
	1/1/2022	2.50%	220,000	(220,000)	--
	1/1/2023	2.50%	230,000	--	230,000
	1/1/2024	2.50%	235,000	--	235,000
	1/1/2025	2.50%	240,000	--	240,000
	1/1/2026	3.00%	245,000	--	245,000
	1/1/2027	3.00%	255,000	--	255,000
	1/1/2028	3.00%	260,000	--	260,000
	1/1/2029	3.00%	270,000	--	270,000
	1/1/2032	4.00%	860,000	--	860,000
	1/1/2037	3.60%	1,670,000	--	1,670,000
Total revenue bonds			\$ 5,365,000	\$ (1,100,000)	\$ 4,265,000

Revenue bond debt service requirements to maturity are as follows:

Year Ended	Building Commission	
	Principal	Interest
2023	\$ 230,000	\$ 143,045
2024	235,000	137,295
2025	240,000	131,420
2026	245,000	125,420
2027	255,000	118,070
2028 - 2032	1,390,000	463,200
2033 - 2037	1,670,000	184,860
Totals	\$ 4,265,000	\$ 1,303,310

Pledged Revenues - Tax Increment Financing (TIF) Revenue Bonds

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The Wood County Building Commission, a blended component unit of Wood County, West Virginia, has pledged future lease rentals to be paid by the Wood County Commission to repay \$5,365,000 in lease revenue refunding bonds issued in 2017. The proceeds of these bonds are being used to currently refund the Wood County Building Commission's Taxable Lease Revenue Bonds. Series 2010 A (Recovery Zone Economic Development Bonds), that were issued in 2010, along with Series 2010 B (Tax-Exempt Bank-Qualified Bonds) which have since been retired, to finance the design, acquisition, renovation, construction, and equipping of the Wood County Judicial Center that houses various public officials and county offices for the County Commission of Wood County, West Virginia and to pay the costs of issuance of the Series 2017 Bonds. The bonds are payable solely from leases received by the County Commission through 2037. Annual principal and interest payments on the bonds are expected to require 100 percent of net revenues. The County Commission will receive 100 percent of net revenues. Annual principal and interest payments on the bonds are expected to require 100 percent of net revenues. The total principal and interest outstanding on the bonds is \$5,368,310.

On July 21, 2017, the Wood County Commission issued the aggregate principal amount of \$4,700,000 of Tax Increment Revenue Bonds (Emerson Commons Project No. I) Series 2017 (Taxable), bearing interest at an initial rate of 3.0% annum to be adjusted to 5.0% annum on June 1, 2018.

Wood County Commission Tax Increment Revenue Bonds (Emerson Commons Project No I), Series 2017

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Estimated annual debt service requirements to maturity for the tax increment financing bonds outstanding are:

Year Ended	Governmental Activities	
	Principal	Interest
2023	\$ --	\$ 235,000
2024	--	235,000
2025	--	235,000
2026	--	235,000
2027	--	235,000
2028 - 2032	1,120,000	1,068,400
2033 - 2037	1,426,000	759,350
2038 - 2042	1,815,000	365,750
2043 - 2047	339,000	16,950
	<hr/>	<hr/>
	\$ 4,700,000	\$ 3,385,450

Pledged Revenues - Tax Increment Financing (TIF) Revenue Bonds

The County has pledged future tax increment revenue to repay \$4,700,000 in tax increment financing revenue bonds issued in 2017. The proceeds of these bonds are being used to finance the costs of the design, acquisition, construction and equipping of additional infrastructure improvements in the development district known as the "County Commission of Wood County Development District No. 1" (the Development District) and paying the costs of issuance of the initial bonds. The bonds are payable solely from the tax increment property taxes assessed and are collected in the district area and are payable through 2046. Based on projected tax collections, it is anticipated the bonds will be paid in full prior to their maturity date of June 1, 2046. 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 \$8,085,450. No principal was paid for the year. Interest paid for the current year and total customer net revenues were \$2,312.

Changes in Long-term Liabilities					
Governmental Activities					
Begging	Additions	Reductions	Balance	Due Within One Year	
\$ 4,485,000	\$ --	\$ (220,000)	\$ 4,265,000	\$ 230,000	Lease revenue bonds payable
(53,115)	--	3,219	(49,986)	--	Less: unamortized bond discount
4,700,000	--	--	4,700,000	--	Tax increment revenue bonds
9,131,885	--	--	(216,781)	8,915,104	Total bonds payable
3,383,725	--	(3,383,725)	--	--	Net pension liability
692,806	--	(692,806)	--	--	Net OPEB liability
385,752	--	(192,876)	192,876	--	Compensated absences
463,032	--	(61,945)	401,087	--	Activities
\$ 7,740			\$ 7,740		TIF bond service accounts
			\$ 7,740		Total restricted assets
			\$ 7,740		

The balances of the restricted asset accounts for the primary government are as follows:

H. Restricted Assets

Governmental Activities	Long-term Liabilities
\$ 14,057,200	\$ 1,094,843
	\$ (4,548,133)
	\$ 10,603,910
	\$ 422,876

**WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022**

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 liability and property insurance with West Virginia Counties Risk Pool.

Workers Compensation Fund (WCF): The government has contracted with the West Virginia Counties Group Self Insurance Risk Pool to provide workers compensation coverage. For the most part, all employers in the state, including governmental entities, must have coverage. The cost of all coverage is paid by the employers. The WCF risk pool retains the risk related to the compensation of injured employees under the program.

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

B. Related Party Transaction

The Mid-Ohio Valley Day Report Center, an operation of the Wood County Commission, is actively doing business with the West Virginia Drug Testing Laboratories, Inc. (Drug Lab), a nonprofit corporation. The Drug Lab performs drug testing for various departments of the Wood County Commission, and the County provides labor and other services to the Drug Lab. One of the County Commissioners serves on the board and is an officer for the Drug Lab.

C. 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 has been named as a defendant in various court cases. In the opinion of the Prosecuting Attorney, the probably outcome of the suits will either be favorable to the County, or the resultant liability will not have a material effect on the County's financial statements.

Public Employees Retirement System	
The following is a summary of eligibility factors, contribution methods, and benefit provisions:	
Plan Descriptions, Contribution Information, and Funding Policies	Eligibility to participate
All county full-time employees, except those covered by other pension plans	Authority establishing contribution obligations and benefit provisions
County's contribution rate Plan members contribution rate hired before 7/1/2015 (Tier I) 6.00% 4.50%	State Statute Plan members contribution rate hired after 7/1/2015 (Tier II) 10.00%
Period required to vest Five Years	County's contribution rate

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Benefits and eligibility for distribution

Tier I : 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.

Tier II: A member who has attained age 62 and has earned 10 years or more of contributing service. The final average salary (five highest consecutive years in the last 15) times the years of service times 2% equals the annual retirement benefit.

Deferred retirement portion No

Provisions for:

Cost of living	No
Death benefits	Yes

West Virginia Deputy Sheriff Retirement System (WVDRS)	Eligibility to participate	West Virginia deputy sheriffs first employed after the effective date and many deputies hired prior to the effective date who elect to become members.
Funding policy and contributions	Authorizing establishing contribution obligations and benefit provisions	West Virginia State Code. Certain fees for reports generated by sheriff's offices are paid to this plan in accordance with West Virginia State Code. WVDRS 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 WVDRS members are established and may be amended only by the State of West Virginia Legislature.
Period required to vest	Five years	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 service times 2.25% equals the annual retirement benefit.
Benefits and eligibility for distribution	Deferred retirement option	No deferred retirement option is available.
Provisions for cost of living adjustments or death benefits	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.

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Trend Information

<u>Fiscal Year</u>	Public Employees <u>Retirement System (PERS)</u>		West Virginia Deputy Sheriff Retirement <u>System (WVDSRS)</u>	
	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>
2022	\$ --	100%	\$ --	100%
2021	\$ 970,453	100%	\$ 426,481	100%
2020	\$ 897,041	100%	\$ 387,862	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.

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

At fiscal year-end, the County reported the following (assets)/liabilities for its proportionate share of the net pension (assets)/liabilities. The net pension (assets)/liabilities were measured as of June 30, 2021, and the total pension (asset)/liability used to calculate the net pension (asset)/liabilities was determined by an actuarial valuation as of that date. The County's proportion of the net pension (assets)/liabilities was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2022, the County's reported the following proportions and increase/decreases from its proportion measured as of June 30, 2021:

	PERS	WVDSRS
Amount for proportionate share of net pension liability (asset)	(\$ 3,569,793)	(\$ 207,061)
Percentage for proportionate share of net pension liability (asset)	0.406612	3.436122
Increase/decrease % from prior proportion measured	1.33658%	-2.41478%

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

	PERS	WVDSRS
Pension expense	(\$ 743,108)	(\$ 1,359,628)

Public Employees Retirement System		
Changes in proportion and differences between government contributions and proportionate share of contributions	\$ 12,049	\$ (39,948)
Net difference between projected and actual investments on pension plan investments	679,209	(312,168)
Difference between expected and actual experience	675,464	--
Government contributions subsequent to the measurement date	1,678,890	(4,654,738)
Deference difference in assumptions	679,209	(312,168)
Pension plan investments	675,464	--
Net difference between projected and actual investments on pension plan investments	679,209	(312,168)
Difference between expected and actual experience	675,464	--
Government contributions subsequent to the measurement date	1,678,890	(4,654,738)
Deference difference in assumptions	679,209	(312,168)
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, 2023. Other amounts measured 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:		
Total	\$ (3,536,075)	
2026	(1,346,729)	
2025	(941,471)	
2024	(580,169)	
2023	(687,706)	

Year Ended June 30:

		Total
2026	(1,346,729)	
2025	(941,471)	
2024	(580,169)	
2023	(687,706)	

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

West Virginia Deputy Sheriff Retirement System

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between government contributions and proportionate share of contributions	\$ 39,042	\$ (33,151)
Net difference between projected and actual investment earnings on pension plan investments	--	(1,378,641)
Difference between expected and actual experience	238,501	(119,749)
Deferred difference in assumptions	460,784	(30,891)
Government contributions subsequent to the measurement date	<u>278,950</u>	<u>--</u>
	<u>1,017,277</u>	<u>(1,562,432)</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, 2023. 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:

2023	\$ (263,903)
2024	(241,247)
2025	(193,208)
2026	(263,638)
2027	109,083
Thereafter	<u>28,808</u>
Total	<u>\$ (824,105)</u>

Summary of Deferred Outflow/Inflow Balances

	Total	PERS	DSRS
Difference between expected and actual experience	\$417,388	\$298,636	\$118,752
Changes of assumptions	1,080,167	650,274	429,893
Net difference between projected and actual earnings on pension plan investments	(5,950,964)	(4,572,323)	(1,378,641)
Changes in proportion and differences between government contributions and proportionate share of contributions	(22,008)	(27,899)	5,891
Government contributions subsequent to the measurement date	954,414	675,464	278,950

Actuarial assumptions. The total net pension liability (asset) was determined by actuarial valuations as of July 1, 2020 rolled forward to June 30, 2021, which is the measurement date, using the following actuarial assumptions.

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

The long-term expected rates of return on pension plan investments were determined using the building-block method in which estimates of expected future real rates of returns (expected returns, net of pension 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 percentages and by adding expected inflation. Best estimates of long-term geometric rates of return are summarized in the following tables and were used for all defined benefit plans:

<u>Investment</u>	Long-term Expected Real Rate of Return	Target Asset Allocation
Domestic Equity	5.5%	27.5%
International Equity	7.0%	27.5%
Fixed Income	2.2%	15.0%
Real Estate	6.6%	10.0%
Private Equity	8.5%	10.0%
Hedge Funds	4.0%	10.0%
		<hr/> <hr/> 100.0%

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent for all defined benefit plans. The projection of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position for each defined benefit pension plan 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 pension plan investments were applied to all periods of projected benefit payments to determine the total pension liabilities of each plan.

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:

writing to the West Virginia Public Employees Insurance Agency, 601 57th Street, Suite 2, Charlestown, WV, 25304. Annual reports can be found on the PEA website at www.pea.wv.gov. You can also submit your questions in statements and attach them to the public records request at large. The RHTB audited financial public employees and public retirees. The four members represent the public at large. The RHTB audited financial employees and public retirees. The four members represent the public at large. The RHTB audited financial State Department of Administration cabinet secretary serves as Chairman of the Board. Four members represent labor, education, members. Finance Board members are appointed by the Governor, serve a term of four years and are eligible for reappointment. The members. Finance Board members are appointed by the Governor, serve a term of four years and are eligible for reappointment. The and revised by PEA and the RHTB management with approval of the Finance Board. The Finance Board is comprised of nine a combination of the West Virginia Public Employees Insurance Agency (PEA) and the RHTB staff. Plan benefits are established a combination of the West Virginia Retirement Trust Fund (RHTB), a fiduciary fund of the State of West Virginia. The Plan is administered by West Virginia Retirement Trust Fund (RHTB), a fiduciary fund of the State of West Virginia. The Plan is administered by multiple-employer defined benefit other postemployment benefit plan. The financial activities of the Plan are accounted for in the Plan description. The government contributes to the West Virginia Other Postemployment Benefit Plan (the Plan), a cost-sharing,

General Information about the OPEB Plan

VI Postemployment Benefits Other Than Pensions (OPEB)

Pension plans, fiduciary net position. Detailed information about the pension plans, fiduciary net position is available in the separately issued financial report available at the Consolidated Public Retirement Boards' website at www.wvretirement.com. That information can also be obtained by writing to the West Virginia Consolidated Public Retirement Board, 4101 MacCord Avenue SE, Charlestown, WV 25304.

Government's proportionate share of WDRS's net pension liability/(asset)	\$ 40,791 \$ (3,569,793) \$ (6,617,301)	Government's proportionate share of WDRS's net pension liability/(asset)	\$ 1,279,749 \$ (207,061) \$ (1,432,485)
Decrease	1%	Current	1%
Decrease	6.25%	Discount Rate	7.25%
Increase	8.25%		

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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Benefits provided. The Plan provides medical and prescription drug insurance and life insurance. The medical and prescription drug insurance is provided through two options: 1) Self-Insured Preferred Provider Benefit Plan (primarily for non-Medicare-eligible retirees and spouses and 2) External Managed Care Organizations (primarily for Medicare-eligible retirees and spouses).

Contributions. Paygo premiums are established by the Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The paygo rate for June 30, 2022 was \$144. Contributions to the OPEB plan from the County were \$274,759 for the current fiscal year.

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

At fiscal year-end, the Government reported the following liability for its proportionate share of the net OPEB liability (asset). The net pension liability (asset) was measured as of June 30, 2021 for the County's fiscal year ended June 30, 2022, using the actuarial assumptions and methods described in the appropriate section of this note. The County's proportion of the net pension liability (asset) was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2022, the County reported the following proportions and increase/decreases from its proportion as of June 30, 2022:

	<u>2022</u>
Amount of proportionate share of net OPEB liability (asset)	\$ 8,003
Percentage of proportionate share of the net OPEB liability (asset)	0.161436056%
Increase/(decrease) in % from prior proportion measured	0.004583214%

For this fiscal year, the government recognized OPEB expense of: (532,050)
The government reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Changess in proportion and differences between government contributions and projected and actual investment earnings on OPEB plan investments	\$ 346,110	\$ (15,932)
Difference between expected and actual experience	--	(331,279)
Changes of assumptions	--	(330,666)
Government contributions subsequent to the measurement date	274,759	(1,693,633)
Net difference between projected and actual investment earnings on OPEB plan investments	620,869	(1,693,633)
Deferred Outflows of Resources		
Deferred Outflows of Resources		
Changes in proportion and differences between government contributions and projected and actual investment earnings on OPEB plan investments	\$ 346,110	\$ (15,932)
Net difference between projected and actual investment earnings on OPEB plan investments	620,869	(1,693,633)
Difference between expected and actual experience	--	(331,279)
Changes of assumptions	--	(330,666)
Government contributions subsequent to the measurement date	274,759	(1,693,633)
Year Ended June 30:		
Total	\$ (1,347,523)	
2023	\$ (96,624)	
2024	\$ (515,541)	
2025	\$ (96,624)	
2026	\$ (96,217)	
actuarial assumptions:		
Accurairal assumptions. The net OPEB liability was determined by an actuarial valuation as of June 30, 2020, using the following		
Hospitalization rate	2.25%	
Salary increases		
Specifc to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation.		
6.69%, net of OPEB plan investment expense, including inflation.		
Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2022, 6.5% for plan year end 2023,		
Decreasing by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032.		
Trend rate for Medicare per capita costs of 3.11% for plan year end 2022, 9.15% for plan year end 2023, 8.40%		
Increasing by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032.		
Plan year end 2036.		

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Actuarial cost method	Entry Age Normal Cost Method.
Amortization method	Level percentage of payroll over a 20-year closed period beginning June 30, 2017.
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2020 actuarial valuation.
Wage inflation	2.75% for PERS and TRS, and 3.25% for Troopers.
Asset valuation method	Market value.
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".

Mortality rates for Post-Retirement for PERS: Pub-2010 Below-Median Income General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 106% for males and 113% for females. Mortality rates for Pre-Retirement for PERS: Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2019.

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

Certain assumptions have been changed since the prior actuarial valuation of June 30, 2018 and a measurement date of June 30, 2020. The net effect of the assumption changes was approximately \$1.147 million. The assumption changes included 1) decrease price inflation rate from 2.75% to 2.25%; 2) Decrease discount rate from 7.15% to 6.65%; 3) decrease wage inflation rate from 4.00% to 2.75% for PERS; 4) develop explicit retirement rates for members who are eligible to retire with healthcare benefits and elect healthcare coverage; 5) develop explicit waived termination rates for members who are eligible to retire with healthcare benefits but waive healthcare coverage; 6) develop explicit SAL conversion rates for members who are eligible to convert sick and annual leave (SAL) balances at retirement and convert SAL balances into OPEB benefits; 7) develop termination, disability, and mortality rates based on experience specific to OPEB covered group, and 8) develop salary increase assumptions based on experience specific to the OPEB covered group.

The long-term rates of return on OPEB plan investments are determined using a building-block method in which estimates of expected future rates of return 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 rates of return by the target asset allocation percentage. Target asset allocations, capital market assumptions (CMA), and forecast returns were provided by the Plan's investment advisors, including West Virginia Investment Management Board (WVIMB). The projected return for the Money Market Pool held with the West Virginia Board of Treasury Investments (WVBTI) was estimated based on WVIMB assumed inflation of 2.0% plus a 25 basis point spread. The target allocation and estimates of annualized long-term expected real returns assuming a 10-year horizon are summarized below:

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Net OPEB liability (asset)	\$ (354,425)	\$ (48,003)	\$ 325,255

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

Wood County Commission Postretirement Benefit Plan

General Information about the OPEB Plan

Plan description. The Wood County Commission provides healthcare benefits to its eligible retired employees and dependents. The Wood County Commission pays premiums on behalf of its eligible retirees. Additionally, in order for those active employees to be eligible for healthcare benefits at retirement they must have age and years of service equal to eighty, be age sixty with five years of service, or age fifty-five with ten years of service.

The Wood County Commission has changed their definition of eligibility for retirement health benefits as of June 29, 2017. The Commission does not and will not contribute towards the cost of premiums for retiree health coverage under the PEIA Plan unless explicitly required by law or in accordance with the following provisions:

OPEB Key Assumptions

The GASB 74 and GASB 75 require that the selection of actuarial assumptions be guided by standards of the actuarial profession. Assumptions should be placed on expected long-term future trends. In the interest of consistency, we will use information and assumptions currently incorporated by the West Virginia Consolidated Public Retirement Board with respect to methodology, demographic movements and salary scale assumptions. The following assumptions were developed based on management knowledge as of June 30, 2021.

Contributions. Paygo premiums are established by the Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The paygo rate for June 30, 2022 was \$144. Contributions to the OPEB plan from the County were \$274,759 for the current fiscal year.

Payroll Growth Rates
Payroll growth rates were assumed to be 3% for current, eligible employees. Contributions to the OPEB plan from the County were \$274,759 for the current fiscal year.

Actual Value of Plan Assets
The Wood County Commission currently has no plan assets that support this liability. Therefore, the plan assets reported are \$0.

Mortality, Voluntary Withdrawal, and Future Salary Assumptions
Mortality, voluntary withdrawal and wage-based assumptions in the valuation were provided from the OPEB plan administered by the WVHRBT.

Retirement Assumptions
Retirement assumptions in the valuation were provided from the OPEB plan administered by the WVHRBT.

Amortization Method
The Amortization method is a level percentage of the projected payroll of active plan members on a closed group basis.

Actuarial Cost Methods
The Entity Age Normal Actuarial Cost Method is used in this OPEB valuation, as prescribed by GASB 74 and GASB 75. Under this methodology, the Actuarial Present Value of the Projected Benefits of each individual included is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit ages. The portion of the Actuarial Present Value allocated to a valuation year is called the Normal Cost. The portion of the Actuarial Present Value not provided for at a valuation date by the actuarial present value of future Normal Costs is called the Actuarial Accrued Liability.

At year end, the County's Net OPEB Obligation related to the single-employer plan is \$1,094,843, which represents the entire obligation of the plan. No deferred outflows or inflows have been determined by the plan's actuary.

WOOD COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2022

Retiree Premium Inflation Assumptions

The Wood County Commission pays premiums on behalf of their retirees. We have assumed a long term premium trend rate of 8%. This trend rate was developed by using the West Virginia Public Employee Insurance Company's retiree premium projections.

Investment or Discount Rate Assumptions

Assumed discount rates reflect the time value of money as of the measurement date in determining the present value of future cash outflows for postretirement benefit payments. GASB 75 states that for plans with no plan assets, the discount rate should reflect a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The calculation was performed using an investment and discount rate assumption of 2.16%. This is related to the Bond Buyer 20-Bond General Obligation Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent to Moody's Aa2 and Standard & Poor's AA. As of June 30, 2021 the 20-Bond General Obligation Index was 2.16%.

Probability of Active Employee Choosing Healthcare at Retirement

For purposes of this calculation, we have assumed that 100% of medical actives choose retiree medical coverage.

Probability that family coverage in the future will stay as family coverage or become single coverage

For the retiree subsidy calculation, we modeled this probability based on current coverage.

Accrual of Future Benefits

For the retiree subsidy analysis, we assume no new active employees in the projection. The eligible employees and retirees as of June 30, 2021 make up the future retirees and the corresponding liability.

Mortality Assumptions

Post-Retirement Mortality:

Males — 106 percent of Pub-2010 Below-Median Income General Healthy Retiree

Mortality Tables, projected with scale MP-2019

Females — 113 percent of Pub-2010 Below-Median Income General Healthy Retiree

Mortality Tables, projected with scale MP-2019

Pre-Retirement Mortality:

Males — 100 percent of Pub-2010 Below-Median Income General Employee Mortality

Tables, projected with scale MP-2019

Females — 100 percent of Pub-2010 Below-Median Income General Employee Mortality

Tables, projected with scale MP-2019

SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
WOOD COUNTY, WEST VIRGINIA

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Public Employees Retirement System									
Last Nine Fiscal Years*									
Governments proportionate share of the net pension liability/(asset)	0.406612	0.401249	0.411835	0.460595	0.458653	0.454525	0.457289	0.451495	0.460639
Governments proportionate share of the net pension liability/(asset)	\$ 3,69,793	\$ 2,121,287	\$ 885,499	\$ 1,189,495	\$ 1,979,752	\$ 4,177,623	\$ 2,553,520	\$ 1,666,311	\$ 4,199,324
Governments covered payroll	\$ 6,489,726	\$ 6,235,170	\$ 6,045,340	\$ 6,363,900	\$ 6,290,325	\$ 6,263,319	\$ 6,201,479	\$ 6,046,000	\$ 6,165,336
Government's proportionate share of the net pension liability/(asset)	-55.01%	34.02%	14.65%	18.69%	31.47%	66.70%	41.18%	27.56%	68.11%
Plan fiduciary net position as a percentage of the total pension liability	111.07%	92.89%	96.99%	96.33%	93.67%	86.11%	91.29%	93.98%	84.58%
* - The amounts presented for each fiscal year were determined as of June 30.									

WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Fiscal Year Ended June 30, 2022

West Virginia Deputy Sheriff Retirement System
Last Nine Fiscal Years*

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Government's proportion of the net pension liability	3,436,122	3,521,150	3,381,885	3,312,378	3,199,864	3,407,408	3,423,774	3,628,861	3,997,116
Government's proportionate share of the net pension liability (asset)	\$ (207,061)	\$ 1,262,438	\$ 679,624	\$ (177,808)	\$ 119,899	\$ 1,084,782	\$ 702,285	\$ 618,757	\$ 1,339,194
Government's covered payroll	\$ 2,083,439	\$ 2,020,108	\$ 1,892,167	\$ 1,721,008	\$ 1,603,125	\$ 1,680,217	\$ 1,631,656	\$ 1,681,037	\$ 1,751,167
Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-9.94%	62.49%	35.92%	-10.33%	7.48%	64.56%	43.04%	36.81%	76.47%
Plan fiduciary net position as a percentage of the total pension liability	101.95%	87.01%	92.08%	102.50%	98.17%	84.48%	89.31%	90.52%	80.20%

* - The amounts presented for each fiscal year were determined as of June 30.

* - The amounts presented for each fiscal year were determined as of June 30.

WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF GOVERNMENT CONTRIBUTIONS - RETIREMENT SYSTEMS
For the Fiscal Year Ended June 30, 2022

Public Employees Retirement System
Last 10 Fiscal Years

	<u>2022</u>	<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>
Contractually required contribution	\$ 675,464	\$ 648,973	\$ 623,517	\$ 604,534	\$ 700,029	\$ 754,839	\$ 845,548	\$ 868,207	\$ 876,670	\$ 863,147
Contributions in relation to the contractually required contribution	<u>(675,464)</u>	<u>(648,973)</u>	<u>(623,517)</u>	<u>(604,534)</u>	<u>(700,029)</u>	<u>(754,839)</u>	<u>(845,548)</u>	<u>(868,207)</u>	<u>(876,670)</u>	<u>(863,147)</u>
Contribution deficiency (excess)	<u>\$ --</u>									
Government's covered payroll	\$ 6,811,330	\$ 6,489,726	\$ 6,235,170	\$ 6,045,340	\$ 6,363,900	\$ 6,290,325	\$ 6,263,319	\$ 6,201,479	\$ 6,046,000	\$ 6,165,336
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	11.00%	12.00%	13.50%	14.00%	14.50%	14.00%

SCHEDULE OF GOVERNMENT CONTRIBUTIONS - RETIREMENT SYSTEMS											
WOOD COUNTY, WEST VIRGINIA											
For the Fiscal Year Ended June 30, 2022											
2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
\$ 278,950 \$ 249,647 \$ 242,413 \$ 227,060 \$ 206,521 \$ 192,375 \$ 201,626 \$ 203,957 \$ 218,535 \$ 227,652	Contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution	Contributions in relation to the contractually required contribution
(278,950) (249,647) (242,413) (227,060) (206,521) (192,375) (201,626) (203,957) (218,535) (227,652)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
\$ -- \$ -- \$ -- \$ -- \$ -- \$ -- \$ -- \$ -- \$ -- \$ -- \$ --	Contribution deficiency (excess)	Governments covered payroll	Contributions as a percentage of covered payroll								
\$ 2,151,272 \$ 2,083,439 \$ 2,020,108 \$ 1,892,167 \$ 1,721,008 \$ 1,603,125 \$ 1,680,217 \$ 1,631,656 \$ 1,681,037 \$ 1,751,167	13.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.50%	13.00%	13.00%

WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF GOVERNMENT CONTRIBUTIONS - OPEB
For the Fiscal Year Ended June 30, 2022

Public Employees Insurance Agency
Last Six Fiscal Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 274,759	\$ 294,392	\$ 303,178	\$ 292,999	\$ 266,024
Contributions in relation to the contractually required contribution	<u>(274,759)</u>	<u>(294,392)</u>	<u>(303,178)</u>	<u>(292,999)</u>	<u>(266,024)</u>
Contribution deficiency (excess)	<u>\$ --</u>				
Government's covered payroll	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contributions as a percentage of covered payroll	--	--	--	--	--

Annual Required Contribution	\$ 39,420	\$ 36,500	Normal Cost
Actuarial Accrued Liability	\$ 8,330,797	\$ 9,023,508	Actuarial Value of Plan Assets
Amortization Factor	26.41	27.63	Amortization Payment
Investment Return Rate Assumption	338,130	326,590	Interest on Normal Cost and Amortization Payment
Interest on Normal Cost and Amortization Payment	8,155	7,843	Annual Required Contribution
Annual OPEB Cost	346,285	\$ 334,432	Annual Required Contribution
Interest on Net Obligation	23,662	23,653	Annual Amortization Factor
Annual Amortization Factor	26.41	27.63	Annual Adjustment to the Annual Required Contribution
Annual OPEB Cost	328,471	318,452	Annual OPEB Cost
Interest on Net Obligation	23,662	23,653	Net OPEB Obligation-Beginning of Year
Annual OPEB Cost	1,095,475	\$ 1,095,060	Net OPEB Obligation-Made
Annual OPEB Cost	329,103	318,037	Net OPEB Obligation-End of Year
Employer Contributions Made			\$ 1,094,843
Employee Contributions Made			\$ 1,094,843

Wood County Commission Postretirement Benefit Plan
Last Two Fiscal Years

SCHEDULED OF GOVERNMENT CONTRIBUTIONS - OPEB
WOOD COUNTY, WEST VIRGINIA
For the Fiscal Year Ended June 30, 2022

WOOD COUNTY, WEST VIRGINIA
BUDGETARY COMPARISON SCHEDULE -
GENERAL FUND
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Modified Accrual Basis</u>	<u>Adjustments Budget Basis</u>	<u>Actual Amounts Budget Basis</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>				
REVENUES						
Taxes:						
Ad valorem property taxes	\$ 17,815,545	\$ 18,530,545	\$ 17,633,971	\$ 575,587	\$ 18,209,558	\$ (320,987)
Alcoholic beverages tax	10,000		13,909	--	13,909	13,909
Hotel occupancy tax	351,256		493,007	--	493,007	493,007
Gas and oil severance tax	81,000		74,801	--	74,801	74,801
Other taxes	300,000	1,017,256	72,410	--	72,410	(944,846)
Licenses and permits	56,800	58,800	86,187	--	86,187	27,387
Intergovernmental:						
Federal	500,000	1,150,000	1,047,236	--	1,047,236	(102,764)
State	600,000	600,000	736,061	--	736,061	136,061
Local	0	675	2,605	--	2,605	1,930
Charges for services	610,566	630,566	1,067,863	--	1,067,863	437,297
Fines and forfeits	7,000	7,000	5,621	--	5,621	(1,379)
Interest and investment earnings	9,000	9,000	16,580	--	16,580	7,580
Payments in lieu of taxes			207,555		207,555	207,555
Miscellaneous	721,452	762,917	788,233	--	788,233	25,316
Total revenues	<u>21,062,619</u>	<u>22,766,759</u>	<u>22,246,039</u>	<u>575,587</u>	<u>22,821,626</u>	<u>54,867</u>
EXPENDITURES						
Current:						
General government	13,998,946	16,227,182	13,274,776	70,803	13,345,579	2,881,603
Public safety	8,128,004	8,179,353	6,878,688	--	6,878,688	1,300,665
Health and sanitation	218,350	223,350	220,285	--	220,285	3,065
Administrative and general			220,008		220,008	(220,008)
Culture and recreation	1,151,247	1,367,997	1,581,964	--	1,581,964	(213,967)
Insurance premiums			1,107,789		1,107,789	(1,107,789)
Social services	20,000	20,000	13,125	--	13,125	6,875
Capital outlay	895,268	994,952	762,389	(368,295)	394,094	600,858
Utilities	--	--	238,320	--	238,320	(238,320)
Debt service:			--	--		
Principal	--	--	192,876	--	192,876	(192,876)
Total expenditures	<u>24,411,815</u>	<u>27,012,834</u>	<u>24,490,220</u>	<u>(297,492)</u>	<u>24,192,728</u>	<u>2,820,106</u>
Excess (deficiency) of revenues over expenditures	<u>(3,349,196)</u>	<u>(4,246,075)</u>	<u>(2,244,181)</u>	<u>873,079</u>	<u>(1,371,102)</u>	<u>2,874,973</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	3,942,371	4,194,371	3,148,482	--	3,148,482	(1,045,889)
Transfers (out)	0	--	(5,100)	--	(5,100)	(5,100)
Proceeds from the sale of assets	--	--	28,493	--	28,493	28,493
Total other financing sources (uses)	<u>3,942,371</u>	<u>4,194,371</u>	<u>3,171,875</u>	<u>--</u>	<u>3,171,875</u>	<u>(1,022,496)</u>
Net change in fund balance	593,175	(51,704)	927,694	873,079	1,800,773	1,852,477
Fund balance - beginning	900,000	1,477,386	6,640,364	(1,865,647)	4,774,717	3,297,331
Fund balance - ending	<u>\$ 1,493,175</u>	<u>\$ 1,425,682</u>	<u>\$ 7,568,058</u>	<u>\$ (992,568)</u>	<u>\$ 6,575,490</u>	<u>\$ 5,149,808</u>

The notes to the financial statements are an integral part of this statement.

The notes to the financial statements are an integral part of this statement.

	Budgeted Amounts	Actual	Motifed Final Budget	Positive Final Basis	Negative Accrual Basis	Original	Total Revenues	EXPENDITURES	Capital Outlays	Total Expenditures	Net change in fund balance	Fund beginning	Fund ending
Taxes:													
Taxes:	\$ 74,000	\$ 74,000	\$ 127,019	\$ 53,019									
Coal severance tax	200	200	66	(134)									
Interest and investment earnings													
REVENUES													
Total revenues	74,200	74,200	127,085	52,885									
EXPENDITURES													
Capital outlays	198,059	90,627	76,571	14,056									
Total expenditures	(123,859)	(16,427)	50,514	66,941									
Net change in fund balance													
Fund beginning	123,859	16,427	16,427	--	\$ 66,941	\$ 66,941							
Fund ending													

WOOD COUNTY, WEST VIRGINIA
BUDGETARY COMPARISON SCHEDULE -
COAL SEVERANCE TAX FUND
For the Fiscal Year Ended June 30, 2022

WOOD COUNTY, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2022

Note 1 - Changes in Assumptions PERS

Changes in the assumptions between the 2021 and 2020 valuations:

Projected salary increases went from 3.1-5.3% (state) and 3.35-6.5% (nonstate) in 2020 to 2.75-5.55% (state) and 3.60-6.75% (nonstate) in 2021; the inflation rate dropped from 3% in 2020 to 2.75% in 2021. These changes in assumptions lead to deferred outflows of \$236,067,000 in 2021.

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 form 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 form 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.

The investment rate of return decreased from 7.50% to 7.25%, projected salary increases changed from a range of 3.50%-7.50% to a range of 3.75%-7.25%, the inflation rate decreased from 3.09% to 2.75%, the discount rate decreased from 7.50% to 7.25%, the mortality rates changed from the RP-2014 model to the Pub-2010 model, the withdrawal rates changed from a range of 4.0%-12.09% to a range of 4.93%-12.32%, disability rates changed from a range of 0.04%-0.60% to a range of 0.03%-0.40% in 2021.

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.

There were no changes in the assumptions between the 2019 and 2018 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

There were no changes in the assumptions between the 2018 and 2017 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

There were no changes in the assumptions between the 2018 and 2017 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

Note 2 - Changes in Assumptions DRS

WOOD COUNTY, WEST VIRGINIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2022

Note 3 – Changes in Assumptions OPEB

There were no assumption changes from the actuarial valuation as of June 30, 2020, measured at June 30, 2020 to a roll-forward measurement date of June 30, 2021.

Changes in the assumptions between the 2020 and 2019 valuations:

Certain assumptions have been changed since the prior actuarial valuation as of June 30, 2019 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.

The 2016 and 2015 valuations include consideration of the \$30 million annual contributions 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 UAL as a percentage of covered payroll, whereas, for the prior years, represented payroll is in total for all participating employees.

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.

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 healthcare coverage. These assumptions were updated based on a recent experience study performed by the RHT 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.

Changes in the assumptions between the 2016 and 2015 valuations

WOOD COUNTY, WEST VIRGINIA
BUDGETARY COMPARISON SCHEDULE -
ASSESSOR'S VALUATION FUND
For the Fiscal Year Ended June 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Modified</u>	<u>Final Budget</u>
			<u>Accrual Basis</u>	<u>Positive (Negative)</u>
REVENUES:				
Miscellaneous	\$ 941,269	\$ 941,269	\$ 918,624	\$ (22,645)
Charges for services	33,000	33,000	36,140	3,140
Interest	800	800	593	(207)
Total revenues	<u>975,069</u>	<u>975,069</u>	<u>955,357</u>	<u>(19,712)</u>
EXPENDITURES:				
Current:				
General government	914,250	914,250	4,339	909,911
Capital outlay	--	--	115,093	(115,093)
Total expenditures	<u>914,250</u>	<u>914,250</u>	<u>119,432</u>	<u>794,818</u>
Excess (deficiency) of revenues over expenditures	<u>60,819</u>	<u>60,819</u>	<u>835,925</u>	<u>775,106</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	--	--	(846,028)	(846,028)
Total other financing sources (uses)	--	--	<u>(846,028)</u>	<u>(846,028)</u>
Net change in fund balance	60,819	60,819	(10,103)	(70,922)
Fund balance at beginning of year	<u>135,000</u>	<u>135,000</u>	<u>439,758</u>	<u>304,758</u>
Fund balance at end of year	\$ <u>195,819</u>	\$ <u>195,819</u>	\$ <u>429,655</u>	\$ <u>233,836</u>

TOTAL STATE AWARDS						
Program Title:	Grant Number	Award Total	Began During Year	Current Year Expenses	Expended to Date	End of Year Under (Over)
West Virginia Courthouse Facilities Improvement Authority	19gyWood2022 \$	64,117 \$	-	64,117 \$	64,117 \$	-
Courthouse Facilities Improvement Grant						
Program Title:						
Total West Virginia Courthouse Facilities Improvement Authority				64,117	64,117	-
West Virginia Division of Justice and Community Services	22-CC-29 \$	485,000	-	458,351	458,351	-
Community Corrections Program						
Program Title:						
Total West Virginia Division of Justice and Community Services				458,351	458,351	-
Public Service Commission of West Virginia						
Program Title:						
Total Public Service Commission of West Virginia			28	-	28	-
WV Releases Toower Access Assistance	TAFWood18A \$	420,000	28	-	28	-
Program Title:						
Total Public Service Commission of West Virginia			28	-	28	-
State Legislature						
Program Title:						
Total State Legislature			35,782	35,782	35,782	-
Friends of Vienna						
Program Title:						
Friends of Vienna			8,000	8,000	8,000	-
Stemwheel Festival						
Program Title:						
Stemwheel Festival	FF22-743	1,782	-	1,782	1,782	-
Amputee Center						
Program Title:						
Amputee Center	16,000	16,000	16,000	16,000	16,000	-
Records Preservation Grant						
Program Title:						
Records Preservation Grant	Not Available \$	10,000 \$	\$ 10,000	\$ 10,000	\$ 10,000	\$ -
Friennds of Vienna						
Program Title:						
Friennds of Vienna			8,000	8,000	8,000	-
Steinwheel Festival						
Program Title:						
Steinwheel Festival	FF22-743	1,782	-	1,782	1,782	-
Not Available						
Program Title:						
Not Available			8,000	8,000	8,000	-
Total State Legislature			35,782	35,782	35,782	-

WOOD COUNTY, WEST VIRGINIA
WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES
For the Fiscal Year Ended June 30, 2022

WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2022

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U. S. Department of Justice			
Pass-through Programs From:			
West Virginia Division of Criminal Justice Services:			
Crime Victims Assistance	16.575	not available	\$ 35,832
COPS/PRO Grant	16.579	not available	<u>12,000</u>
<i>Total U. S. Department of Justice</i>			<u>47,832</u>
Executive Office of the President			
Pass-through Programs From:			
City of Parkersburg			
High Intensity Drug Trafficking Areas Program	95.001	Appalachia HIDTA	<u>13,793</u>
<i>Total Executive Office of the President</i>			<u>13,793</u>
U.S. Department of Homeland Security			
Pass-through Program From:			
West Virginia Office of Emergency Services			
FEMA Flood Mitigation	97.039	not available	598,028
JAG COVID-19	97.042	not available	3,262
Emergency Management Performance Grants	97.042	not available	86,133
Homeland Security Grant Program	97.042	not available	52,210
Disaster Grants - Public Assistance (Presidentially)	97.067	not available	<u>100,580</u>
<i>Total U. S. Department of Homeland Security</i>			<u>840,213</u>
U.S. Department of Treasury			
Pass-through Program From:			
West Virginia Office of the Governor			
COVID-19 Coronavirus Relief Fund	21.027	not available	<u>1,267,564</u>
<i>Total U. S. Department of Treasury</i>			<u>1,267,564</u>
Total Expenditures of Federal Awards			\$ <u>2,169,402</u>

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance. The County has certain types of expenditures may or may not be allowable or may be limited as to reimbursement wherein certain principles may or may not be allowable or may be limited as to reimbursement. Uniform Administerative Requirements, Cost Principles, and Audit Requirements for Federal Awards, reorganized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, recognizes federal awards in the cash basis of accounting. Such expenditures are reported on the Schedule are reported on the cash basis of accounting. Such expenditures are

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administerative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE A - BASIS OF PRESENTATION

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
WOOD COUNTY, WEST VIRGINIA
FOR THE YEAR ENDED JUNE 30, 2022
2 CFR 200.510(b)(6)

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Wood County Commission
1 Court Square / PO Box 1474
Parkersburg, WV 26102

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Wood County, West Virginia, (the County) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 11, 2023.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Schedule of Audit Findings as items 2022-001 and 2022-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do

May 11, 2023

Gerry J. DeWitt, A.C.
 Gerry and Associates
 Certified Public Accountants, A.C.
 Marietta, Ohio

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

Purpose of this Report

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our engagement and described in the accompanying Schedule of Audit Findings. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

County's Response to Findings

Not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Wood County Commission
 Independent Auditor's Report on Internal Control Over
 Financial Reporting and on Compliance and Other Matters
 Required by Government Auditing Standards
 Page 2

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Wood County Commission
1 Court Square / PO Box 1474
Parkersburg, WV 26102

To the Board of Commissioners:

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Wood County, West Virginia (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Wood County's major federal program for the year ended June 30, 2022. Wood County's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Wood County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2022.

Basis for Opinion on the Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Board's

Wood County Commission
Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control
Over Compliance Required by the Uniform Guidance
Page 2

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

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

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

Report on Internal Control Over Compliance

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

Wood County Commission
Independent Auditor's Report on Compliance with Requirements
Applicable to the Major Federal Program and on Internal Control
Over Compliance Required by the Uniform Guidance
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Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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



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

May 11, 2023

WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF AUDIT FINDINGS
2CFR 200.515
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Programs (list):	Coronavirus State and Local Fiscal Recovery Funds - #21.027
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR§ 200.520 ?	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

Accounting Reconciliation Processes and Financial Reporting
2022-001

CONDITION:

We noted deficiencies in the reconciliation of balances in three major financial statement areas as well as inaccurate or incomplete financial schedules presented for audit. Capital assets, cash (bank to book) and the tax settlement had unreconciled differences. Also, the state and federal grant reports presented for audit were incomplete and inaccurate.

CRITERIA:

The State Auditor as the ex officio Chief Inspector and Supervisor of Public Offices has directed all counties throughout the state to maintain their financial records of all funds on the GAAP basis of accounting. The Governmental Accounting Standards Board (GASB) is recognized as the authoritative source on generally accepted accounting principles for governmental entities. Pronouncements of the (GASB) apply to the financial reports of all state and local governmental entities. These pronouncements require that cash, taxes and capital assets and accumulated depreciation to be properly reconciled and balanced on the annual financial statement. The pronouncements require information presented to supplement the financial statement be complete, accurate and reconciled to the underlying financial source records.

**WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF AUDIT FINDINGS
2CFR 200.515
FOR THE YEAR ENDED JUNE 30, 2022**

Accounting Reconciliation Processes and Financial Reporting (continued)
2022-001

Sound accounting practices require that when designing the public office's system of internal control and the specific control activities, management should ensure adequate security of assets and records, and verify the existence and valuation of assets and liabilities and periodically reconcile them to the accounting records.

CAUSE:

We noted during our audit of Wood County there was a significant deficiency in the accounting policy for capital assets in the County Clerk's bookkeeping system. Specifically, prior year audit adjustments had not all been correctly applied to the client prepared asset records to the beginning balance total and correspondingly to additions, deletions, and depreciation expense for the fiscal year.

The Wood County Sheriff's Tax Office is responsible for reconciling the book (fund) balance to the total bank balance on a monthly basis, and other administrators are responsible for reviewing the reconciliations and related support. The Wood County Sheriff's Tax Office could not successfully reconcile the sheriff's settlement and book to bank balances. The tax office has had two computer system changes as well as personnel turnover. The differences are likely system related but take significant research, organizational knowledge and effort to identify. The current personnel have made progress with the reconciliations.

The County Clerk prepared state and federal grant schedules for audit but failed to agree the balances reported to the underlying accounting and grant agreements which resulted in the schedules omitting some information required to accurately and adequately comply with the financial reporting requirements. Further, one of the grants had a 25% state match. The federal portion presented on the Schedule of Federal Awards Expenditures had to be audit adjusted to reflect the reduction of the state portion.

EFFECT:

The reconciliation of cash (bank) balances to accounting system records (book) to the accounting system is the most basic and primary control process performed. Lack of completing an accurate and timely reconciliation may allow for accounting errors, theft and fraud to occur without timely detection. These unreconciled amounts were below the audit materiality threshold but do cause a threat to past and future accuracy. Any time a reconciliation remains unreconciled there is a heightened risk for misappropriation and improprieties to occur.

Improperly reported State and Federal grants can result in noncompliance findings, loss of funding and additional oversight or audits.

RECOMMENDATION:

A record of capital assets should be properly maintained on the County's financial system. This record should be reconciled with the annual financial statement and with additions and disposals made throughout the year. Depreciation should be calculated on applicable assets at the end of each month.

The County should obtain and use whatever resources necessary to ensure taxes and cash are reconciled currently and then put standard procedures in place moving forward to ensure no months are closed with differences outstanding.

State and federal grant schedules should be agreed to underlying accounting and grants records prior to submission for audit or external reporting.

AUDITED AGENCY'S RESPONSE:

The Clerk and Sheriff's offices will work to implement effective reconciliation procedures and will continue to investigate past and present reconciliation differences as well as ensure accurate and complete financial reporting.

**WOOD COUNTY, WEST VIRGINIA
SCHEDULE OF AUDIT FINDINGS
2CFR 200.515
FOR THE YEAR ENDED JUNE 30, 2022**

**Processes and Internal Controls
2022-002**

CONDITION:

While performing audit procedures and gathering audit evidence we noted the following: human resource files were lacking adequate documentation and there was not a clear segregation from payroll, many transactions did not have a key control of review and approval documented, many accounting cycles were not adequately documented nor was there a clear and easily following “audit trail”, some of the fee for service cycles did not “close the loop” from billing to collections, some of the transactions we selected for testing had little or no documentation in support including journal entries and budget revision entries, some recurring payables did not go through the procedure of final approval by the Commissioners and the computer system allowed access to program data and program changes without adequate approval processes documented.

CRITERIA:

Governments are required to have an internal control system used to establish internal controls to be integrated into government processes. Collectively, these controls provide reasonable assurance that the organization is operating ethically, transparently and in accordance with established government standards. Components of the system include control environment, risk assessment and management, control activities, information and communications and monitoring. The framework seeks to put internal controls in place that formalize the way in which key business processes are performed.

CAUSE:

While the County has many good policies and procedures, most processes have not been adequately documented and the time and resources invested to implement the strongest most effective internal control system.

EFFECT:

Weaknesses and deficiencies in internal controls can result in accounting and financial reporting errors, misappropriation of assets and loss of efficiency and effective communication.

RECOMMENDATION:

The County should designate individuals to champion internal control enhancements. Those individuals should document current processes, research best practices, draft new written processes and implement the new policies and procedures.

AUDITED AGENCY'S RESPONSE:

The County Commission of Wood County and County management will continue to improve processes.

3. FINDINGS FOR FEDERAL AWARDS

None.

