



**PERRY**

**& Associates CPAs**

**PASSION** *Beyond the Numbers*

**Wood County, West Virginia  
Single Audit  
For the Year Ended June 30, 2023**

RFP #23-374



WOOD COUNTY, WEST VIRGINA

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WOOD COUNTY, WEST VIRGINIA  
COUNTY OFFICIALS  
For the Fiscal Year Ended June 30, 2023

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OFFICE	NAME	TERM
	<u>Elective</u>	
County Commission:	James E. Colombo	01-01-23 / 12-31-28
	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	01-01-23 / 12-31-25
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, 2023, 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, 2023, 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.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2025 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

February 3, 2025

WOOD COUNTY, WEST VIRGINIA  
STATEMENT OF NET POSITION  
June 30, 2023

		<u>Primary Government</u>
		<u>Governmental Activities</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$	27,385,505
Investments		20,607
Receivables:		
Taxes		1,570,563
Other assets:		
Net OPEB asset		48,003
Total current assets		<u>29,024,678</u>
Capital assets:		
Nondepreciable:		
Land		3,046,227
Construction in progress		2,539,092
Depreciable:		
Buildings		4,975,826
Structures and improvements		11,624,175
Machinery and equipment		8,867,945
Less: accumulated depreciation		(16,046,941)
Right of use assets		123,457
Less: accumulated amortization		(37,503)
Total noncurrent assets		<u>15,092,278</u>
Total assets		<u>44,116,956</u>
 <b>DEFERRED OUTFLOWS</b>		
Pension		2,862,324
OPEB		1,134,305
Total deferred outflows of resources	\$	<u>3,996,629</u>

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

WOOD COUNTY, WEST VIRGINIA  
STATEMENT OF NET POSITION  
June 30, 2023

		<u>Primary Government</u>
		<u>Governmental Activities</u>
<b>LIABILITIES</b>		
Current liabilities payable		
from current assets:		
Accounts payable	\$	793,913
Accrued interest payable		1,211,470
Bonds payable - due within one year		235,000
Bonds payable - due in more than one year		8,453,323
Leases payable - due within one year		37,944
Leases payable - due in more than one year		49,070
Notes payable - due within one year		-
Notes payable - due in more than one year		-
Net pension liability		1,960,973
Net OPEB liability		1,387,035
Compensated absences payable		452,264
		<hr/>
Total liabilities		14,580,992
		<hr/>
<b>DEFERRED INFLOWS</b>		
Pension		113,626
OPEB		993,231
		<hr/>
Total deferred inflows of resources		1,106,857
		<hr/>
<b>NET POSITION</b>		
Net investment in capital assets		5,106,531
Unrestricted		27,319,205
		<hr/>
Total net position	\$	32,425,736
		<hr/> <hr/>

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

WOOD COUNTY, WEST VIRGINIA  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2023

	Program Revenues			Net (Expense) Revenues and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Primary Government Governmental Activities	
<b><u>Functions / Programs</u></b>				
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 11,459,490	\$ 5,636,142	\$ 764,697	\$ (5,058,651)
Public safety	12,830,178			(12,830,178)
Health and sanitation	223,180			(223,180)
Culture and recreation	2,270,245			(2,270,245)
Insurance premiums	1,117,666			(1,117,666)
Social services	18,539			(18,539)
Utilities	311,699			(311,699)
Interest on long-term debt	414,999			(414,999)
	28,645,996	5,636,142	764,697	(22,245,157)
Total governmental activities				
Total primary government	\$ 28,645,996	\$ 5,636,142	\$ 764,697	(22,245,157)
General revenues:				
Ad valorem property taxes				18,835,538
Other taxes				1,154,725
Coal severance tax				193,754
Licenses and permits				86,423
Intergovernmental:				
Local				8,462
Payment in Lieu of Taxes				216,305
Interest				635,306
Miscellaneous				1,915,665
				23,046,178
Total general revenues				
Change in net position				801,021
Net position - beginning				31,624,715
Net position - ending				\$ 32,425,736

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

WOOD COUNTY, WEST VIRGINIA  
BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2023

	General	Coal Severance Tax	Special Building	American Rescue Plan	Emerson Commons Project Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
<b>Assets:</b>							
<b>Current:</b>							
Cash and cash equivalents	\$ 8,582,828	\$ 20,491	\$ 1,645,636	\$ 13,402,196	\$ 1,731	\$ 3,732,623	\$ 27,385,505
Investments	-	-	20,607	-	-	-	20,607
Receivables:							
Taxes	1,510,327	-	-	-	-	60,236	1,570,563
	-	-	-	-	-	-	-
Total assets	<u>\$ 10,093,155</u>	<u>\$ 20,491</u>	<u>\$ 1,666,243</u>	<u>\$ 13,402,196</u>	<u>\$ 1,731</u>	<u>\$ 3,792,859</u>	<u>\$ 28,976,675</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	151,927	-	1,400	529,225	-	111,361	793,913
Accrued interest payable	-	-	-	-	1,211,374	-	1,211,374
	-	-	-	-	-	-	-
Total liabilities	<u>151,927</u>	<u>-</u>	<u>1,400</u>	<u>529,225</u>	<u>1,211,374</u>	<u>111,361</u>	<u>2,005,287</u>
<b>Deferred Inflows:</b>							
Unavailable revenue - taxes	402,900	-	-	-	-	-	402,900
	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>402,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>402,900</u>
Total liabilities and deferred inflows of resources	<u>554,827</u>	<u>-</u>	<u>1,400</u>	<u>529,225</u>	<u>1,211,374</u>	<u>111,361</u>	<u>2,408,187</u>
<b>Fund balances:</b>							
Restricted	-	-	1,664,843	12,872,971	-	3,405,072	17,942,886
Committed	-	-	-	-	-	276,426	276,426
Assigned	832,524	20,491	-	-	-	-	853,015
Unassigned	8,705,804	-	-	-	(1,209,643)	-	7,496,161
	-	-	-	-	-	-	-
Total fund balances	<u>9,538,328</u>	<u>20,491</u>	<u>1,664,843</u>	<u>12,872,971</u>	<u>(1,209,643)</u>	<u>3,681,498</u>	<u>26,568,488</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 10,093,155</u>	<u>\$ 20,491</u>	<u>\$ 1,666,243</u>	<u>\$ 13,402,196</u>	<u>\$ 1,731</u>	<u>\$ 3,792,859</u>	<u>\$ 28,976,675</u>

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

WOOD COUNTY, WEST VIRGINIA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2023

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Total fund balances on the governmental fund's balance sheet	\$ 26,568,488
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds. (Note III-C)	15,006,324
Other long-term assets that are not available to pay for current-year expenditures and therefore are deferred in the funds. (Note III-B)	133,861
Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds. (Note III-B)	402,900
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 outflows - Pension	2,862,324
Deferred outflows - OPEB	1,134,305
Deferred inflows - Pension	( 113,626)
Deferred inflows - OPEB	( 993,231)
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)	<u>( 12,575,609)</u>
Net position of governmental activities	<u>\$ 32,425,736</u>

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

WOOD COUNTY, WEST VIRGINIA  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES -  
GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2023

	General	Coal Severance Tax	Special Building	American Rescue Plan	Emerson Commons Project Debt Service	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>							
Taxes:							
Ad valorem property taxes	\$ 18,621,708	\$ -	\$ -	\$ -	\$ -	655,932	\$ 19,277,640
Alcoholic beverages tax	17,204	-	-	-	-	-	17,204
Hotel occupancy tax	601,061	-	-	-	-	-	601,061
Gas and oil severance tax	246,124	-	-	-	-	-	246,124
Other taxes	129,189	-	-	-	-	9,121	138,310
Coal severance tax	-	193,754	-	-	-	-	193,754
Licenses and permits	62,238	-	-	-	-	24,185	86,423
Intergovernmental:							
Federal	293,919	-	-	50,000	-	12,105	356,024
State	408,673	-	-	-	-	-	408,673
Local	8,462	-	-	-	-	-	8,462
Payments in lieu of taxes	216,305	-	-	-	-	-	216,305
Charges for services	642,116	-	238,701	-	-	4,755,325	5,636,142
Fines and forfeits	6,181	-	-	-	-	145,845	152,026
Interest and investment earnings	227,112	1,481	53,260	340,436	-	13,017	635,306
Miscellaneous	1,000,252	16,004	488,073	18,008	30,883	635,028	2,188,248
<b>Total revenues</b>	<b>22,480,544</b>	<b>211,239</b>	<b>780,034</b>	<b>408,444</b>	<b>30,883</b>	<b>6,250,558</b>	<b>30,161,702</b>
<b>EXPENDITURES</b>							
Current:							
General government	9,029,167	-	347,359	2,508,477	1,750	243,030	12,129,783
Public safety	9,579,218	-	-	-	-	3,197,066	12,776,284
Health and sanitation	223,180	-	-	-	-	-	223,180
Administrative and general	-	-	-	-	-	-	-
Culture and recreation	1,658,802	-	-	-	-	604,570	2,263,372
Insurance premiums	1,117,666	-	-	-	-	-	1,117,666
Social services	18,539	-	-	-	-	-	18,539
Capital outlay	806,517	257,689	1,708,119	-	-	706,929	3,479,254
Utilities	311,699	-	-	-	-	-	311,699
Debt service:							
Principal	228,987	-	230,000	-	-	-	458,987
Interest	1,716	-	178,187	-	235,000	-	414,903
<b>Total expenditures</b>	<b>22,975,491</b>	<b>257,689</b>	<b>2,463,665</b>	<b>2,508,477</b>	<b>236,750</b>	<b>4,751,595</b>	<b>33,193,667</b>
Excess (deficiency) of revenues over expenditures	(494,947)	(46,450)	(1,683,631)	(2,100,033)	(205,867)	1,498,963	(3,031,965)
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	2,773,619	-	-	-	-	431,527	3,205,146
Transfers (out)	(431,527)	-	-	-	-	(2,773,619)	(3,205,146)
Proceeds from lease financing	123,125	-	-	-	-	-	123,125
<b>Total other financing sources (uses)</b>	<b>2,465,217</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,342,092)</b>	<b>123,125</b>
Net change in fund balances	1,970,270	(46,450)	(1,683,631)	(2,100,033)	(205,867)	(843,129)	(2,908,840)
Fund balances - beginning	7,568,058	66,941	3,348,474	14,973,004	(1,003,776)	4,524,627	29,477,328
Fund balances - ending	\$ 9,538,328	\$ 20,491	\$ 1,664,843	\$ 12,872,971	\$ (1,209,643)	\$ 3,681,498	\$ 26,568,488

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

WOOD COUNTY, WEST VIRGINIA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds	\$ ( 2,908,840)
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)	3,355,797
Capital outlays are reported as an expenditure in the governmental funds. In the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of depreciation expense charged during the year. (Note III-C).	( 929,438)
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.	( 442,102)
Prior year unavailable revenues: <u>      \$845,002      </u>	
Current year unavailable revenues: <u>      \$402,900      </u>	
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of 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)	226,781
Certain pension and OPEB expenses in the statement of activities are recognized on the accrual basis of accounting. (Note V-VI)	
Pension and OPEB expenses	1,358,280
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (Note III-F, H)	<u>140,543</u>
Change in net position of governmental activities	<u>\$ 801,021</u>

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

WOOD COUNTY, WEST VIRGINIA  
BUDGETARY COMPARISON SCHEDULE -  
GENERAL FUND  
For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual	Adjustments	Actual Amounts	Variance with
	Original	Final	Modified Accrual Basis	Budget Basis	Budget Basis	Final Budget Positive (Negative)
<b>REVENUES</b>						
Taxes:						
Ad valorem property taxes	\$ 16,646,938	\$ 16,646,938	\$ 18,621,708	\$ 897,868	\$ 19,519,576	\$ 2,872,638
Alcoholic beverages tax	10,000		17,204	--	17,204	17,204
Hotel occupancy tax	463,790		601,061	--	601,061	601,061
Gas and oil severance tax	75,000		246,124	--	246,124	246,124
Other taxes	305,000	921,895	129,189	--	129,189	( 792,706)
Licenses and permits	55,800	55,800	62,238	--	62,238	6,438
Intergovernmental:						
Federal	500,000	500,000	293,919	--	293,919	( 206,081)
State	600,000	602,500	408,673	--	408,673	( 193,827)
Local	0	2,950	8,462	--	8,462	5,512
Charges for services	584,004	590,004	642,116	--	642,116	52,112
Fines and forfeits	7,000	7,000	6,181	--	6,181	( 819)
Interest and investment earnings	9,000	9,000	227,112	--	227,112	218,112
Payments in lieu of taxes			216,305		216,305	216,305
Miscellaneous	650,952	769,743	1,000,252	--	1,000,252	230,509
<b>Total revenues</b>	<b>19,907,484</b>	<b>20,105,830</b>	<b>22,480,544</b>	<b>897,868</b>	<b>23,378,412</b>	<b>3,272,582</b>
<b>EXPENDITURES</b>						
Current:						
General government	11,710,666	12,272,452	9,029,167	( 38,159)	8,991,008	3,281,444
Public safety	11,228,750	10,778,189	9,579,218	--	9,579,218	1,198,971
Health and sanitation	218,350	224,550	223,180	--	223,180	1,370
Administrative and general			--	--	--	--
Culture and recreation	1,587,597	1,768,106	1,658,802	--	1,658,802	109,304
Insurance premiums			1,117,666	--	1,117,666	( 1,117,666)
Social services	20,000	20,000	18,539	--	18,539	1,461
Capital outlay	624,125	868,988	806,517	123,457	929,974	( 60,986)
Utilities	--	--	311,699	--	311,699	( 311,699)
Debt service:	--	--	--	--	--	--
Principal	--	--	228,987	--	228,987	( 228,987)
<b>Total expenditures</b>	<b>25,389,488</b>	<b>25,932,285</b>	<b>22,973,775</b>	<b>85,298</b>	<b>23,059,073</b>	<b>2,873,212</b>
Excess (deficiency) of revenues over expenditures	( 5,482,004)	( 5,826,455)	( 493,231)	812,570	319,339	6,145,794
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	4,362,004	4,362,004	2,773,619	--	2,773,619	( 1,588,385)
Transfers (out)	0	( 488,073)	( 431,527)	--	( 431,527)	56,546
Proceeds from lease financing	--	--	123,125	--	123,125	123,125
<b>Total other financing sources (uses)</b>	<b>4,362,004</b>	<b>3,873,931</b>	<b>2,465,217</b>	<b>--</b>	<b>2,465,217</b>	<b>( 1,408,714)</b>
Net change in fund balance	( 1,120,000)	( 1,952,524)	1,971,986	812,570	2,784,556	4,737,080
Fund balance - beginning	900,000	1,732,524	7,568,058	--	7,568,058	5,835,534
Fund balance - ending	\$ ( 220,000)	\$ ( 220,000)	\$ 9,540,044	\$ 812,570	\$ 10,352,614	\$ 10,572,614

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

WOOD COUNTY, WEST VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE -  
 COAL SEVERANCE TAX FUND  
 For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		Actual Modified <u>Accrual Basis</u>	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Coal severance tax	\$ 95,000	\$ 95,000	\$ 193,754	\$ 98,754
Interest and investment earnings	<u>1,196</u>	<u>1,196</u>	<u>1,481</u>	<u>285</u>
Total revenues	<u>96,196</u>	<u>96,196</u>	<u>195,235</u>	<u>99,039</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>127,196</u>	<u>163,137</u>	<u>257,689</u>	<u>( 94,552)</u>
Total expenditures	<u>127,196</u>	<u>163,137</u>	<u>257,689</u>	<u>( 94,552)</u>
Net change in fund balance	( 31,000)	( 66,941)	( 62,454)	4,487
Fund balance - beginning	<u>31,000</u>	<u>66,941</u>	<u>66,941</u>	<u>--</u>
Fund balance - ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 4,487</u>	<u>\$ 4,487</u>

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

WOOD COUNTY, WEST VIRGINIA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
June 30, 2023

	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash	\$ <u>650,865</u>
Total cash	<u>650,865</u>
Receivables:	
Taxes	<u>5,591,743</u>
Total receivables	<u>5,591,743</u>
Total assets	<u>6,242,608</u>
<b>LIABILITIES</b>	
Due to local governments	<u>6,242,608</u>
Total liabilities	<u>\$ 6,242,608</u>

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

WOOD COUNTY, WEST VIRGINIA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the Fiscal Year Ended June 30, 2023

	<u>Custodial Funds</u>
<b>ADDITIONS</b>	
Property tax collections for other governments	\$ 59,235,412
County office collections	1,266,672
License fee collections	23,645
Miscellaneous	<u>109,547</u>
Total additions	<u>60,635,276</u>
<b>DEDUCTIONS</b>	
Payments of property tax to other governments	59,658,548
Payments of license fee collections	<u>952,961</u>
Total deductions	<u>60,611,509</u>
Net increase (decrease) in fiduciary net position	23,767
Net position - beginning (Restated)	<u>6,218,841</u>
Net position ending	<u><u>\$ 6,242,608</u></u>

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

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**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 do not present all of the the primary government's component units as required by generally accepted accounting principles. In determining whether to include a governmental department, agency, commission or organization as a component unit, the government must evaluate each entity as to whether they are legally separate and financially accountable based on the criteria set forth by the Governmental Accounting Standards Board (GASB). Legal separateness is evaluated on the basis of: (1) its corporate name, (2) the right to sue and be sued, and (3) the right to buy, sell or lease and mortgage property. Financial accountability is based on: (1) the appointment of the governing authority and (2) the ability to impose will or (3) the providing of specific financial benefit or imposition of specific financial burden. Another factor to consider in this evaluation is whether an entity is fiscally dependent on the County.

*Blended Component Unit*

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

The 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*

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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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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 Development Authority's financial statements for the year ended June 30, 2023, were unavailable to be included in the primary government's report on the date of issuance.

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. The Wood County Board of Parks and Recreation's financial statements for the year ended June 30, 2023, were unavailable to be included in the primary government's report on the date of issuance.

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

*Jointly Governed Organizations*

The County, in conjunction with 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	

**B. Government-Wide and Fund Financial Statements**

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

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues. Interest on general long-term debt liabilities is considered an indirect expense and is reported in the Statement of Activities as a separate line.

WOOD COUNTY, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2023

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

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

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

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

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

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

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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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Additionally, the government reports the following fund types:

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 Nonentered Land Fund are also considered to be custodial funds.

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

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

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

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

**1. Deposits and Investments**

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.

The government would report any investments at fair value, except for 1) non-participating investment contracts (nonnegotiable 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 investment income, including changes 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.

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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

**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.

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.

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

Class of Property	Assessed Valuation For Tax Purposes	Current Expense	Library Excess Levy
Class I	\$ - -	13.81	0.54
Class II	2,316,756,034	27.62	1.08
Class III	1,028,872,930	55.24	2.16
Class IV	1,025,970,757	55.24	2.16

At a special election held on November 8, 2022, the county was authorized to lay an excess levy to provide approximately \$580,431 annually and \$2,902,155 during the five fiscal years beginning July 1, 2023 through July 1, 2027 for Parkersburg and Wood County Public Library, according to the Order of the County Commission entered on the 22nd day of August 2022. During this fiscal year, the excess levy generated \$604,655.

**3. Inventories and Prepaid Items**

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

**4. Restricted Assets**

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

**5. Capital Assets and Depreciation**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental 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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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 Years	Inventory Purposes	Capitalize/ Depreciate
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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**8 Fund Balances**

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

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

WOOD COUNTY, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2023

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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.

**12. Postemployment Benefits Other Than Pensions (OPEB)**

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 Retiree Health 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. RHBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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

The appropriated budget is prepared by fund, function and department. Transfers of appropriations between departments and revenue related revisions to the budget require approval from the governing council and then submission to the State Auditor for approval. Revisions become effective when approved by the State Auditor and budgeted amounts in the financial statements reflect only such approved amounts. The governing body made the following material supplementary budgetary appropriations throughout the year.

<u>Description</u>	<u>General Fund</u> <u>Amount</u>	<u>Coal Severance</u> <u>Amount</u>
General government expenditure increase	\$ 561,786	\$ --
Public safety expenditure increase	(450,561)	--
Health and sanitation expenditure increase	6,200	--
Culture and recreation expenditure increase	180,509	--
Social services expenditure increase	--	--
Capital projects expenditure increase	244,863	35,941

**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>\$ 28,036,370</u>
Total	<u>\$ 28,036,370</u>
Cash and cash equivalents	\$ 27,385,505
Cash and cash equivalents-restricted	<u>650,865</u>
Total	<u>\$ 28,036,370</u>

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

**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 Excess	Total Governmental	Custodial
Receivables:				
Taxes	\$ 1,887,909	\$ 75,295	\$ 1,963,204	\$ 6,989,679
Gross Receivables	<u>1,887,909</u>	<u>75,295</u>	<u>1,963,204</u>	<u>6,989,679</u>
Less: Allowance for Uncollectible	<u>( 377,582)</u>	<u>( 15,059)</u>	<u>( 392,641)</u>	<u>( 1,397,936)</u>
Net Total Receivables	<u>\$ 1,510,327</u>	<u>\$ 60,236</u>	<u>\$ 1,570,563</u>	<u>\$ 5,591,743</u>

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)	\$ 402,900
Total unavailable/unearned revenue for governmental funds	<u>\$ 402,900</u>

**C. Capital Assets**

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

	Primary Government			
	Beginning Balance - Restated	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 3,046,226	\$ --	\$ --	\$ 3,046,226
Construction in progress	<u>--</u>	<u>2,539,092</u>	<u>--</u>	<u>2,539,092</u>
Total capital assets not being depreciated	<u>3,046,226</u>	<u>2,539,092</u>	<u>--</u>	<u>5,585,318</u>
Capital assets being depreciated:				
Buildings	4,975,826	--	--	4,975,826
Structures and improvements	11,624,175	--	--	11,624,175
Machinery and equipment	8,051,240	816,705	--	8,867,945
Less: Total accumulated depreciation	<u>( 15,117,503)</u>	<u>( 929,438)</u>	<u>--</u>	<u>( 16,046,941)</u>
Total capital assets being depreciated, net	<u>9,533,738</u>	<u>( 112,733)</u>	<u>--</u>	<u>9,421,005</u>
Governmental activities capital assets, net	<u>\$ 12,579,964</u>	<u>\$ 2,426,359</u>	<u>\$ --</u>	<u>\$ 15,006,323</u>

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

Governmental activities:	
General government	\$ 822,233
Public safety	<u>107,205</u>
Total depreciation expense-governmental activities	<u>\$ 929,438</u>

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**D. Interfund Receivables, Payables, and Transfers**

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

*Interfund Transfers:*

Transferred from:	Transferred to:	Purpose	Amount
General County	C Capital Reserve	Reimbursement	\$ 150,000
General County	Dog Fund	Reimbursement	700
General County	E-911 Fund	Reimbursement	280,827
Magistrate Court	General County	Reimbursement	91,605
General School	General County	Reimbursement	150,878
Assessor's Valuation	General County	Reimbursement	741,541
E-911	General County	Reimbursement	1,789,595
Total			<u>\$ 3,205,146</u>

**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	--	--	1,664,843	12,872,971
Debt service	--	--	--	--
Committed:				
Special investment fund	--	--	--	--
Assigned:				
Budget carryover amount	832,524	20,491	--	--
Unassigned	8,705,804	--	--	--
Total fund balances	<u>\$ 9,538,328</u>	<u>\$ 20,491</u>	<u>\$ 1,664,843</u>	<u>\$ 12,872,971</u>

	Emerson Commons Project Debt Service	Non-major Funds	Total
General government	--	523,324	523,324
Public safety	--	2,867,395	17,405,209
Capital projects	--	276,426	276,426
Other	--	14,353	14,353
Budget carryover amount	--	--	853,015
Unassigned	( 1,209,643)	--	7,496,161
Total fund balances	<u>\$ ( 1,209,643)</u>	<u>\$ 3,681,498</u>	<u>\$ 26,568,488</u>

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**F. Long-term Debt**

*Notes Payable*

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. The final principal payment on the note was made during 2023.

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance
<b>Governmental Activities</b>					
Nationwide Capital - election equipment	2023	0.00%	\$ 771,502	\$ (771,502)	\$ --

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

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 Lease Revenue 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.

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 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 irrevocable pledge of lease payments which are required to be in sufficient amount to pay principal and interest on the bonds when due. The total principal and interest remaining to be paid on the bonds is \$5,195,265.

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance Fiscal Year-end
<b>Building Commission:</b>					
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
<b>Total revenue bonds</b>			<b>\$ 5,365,000</b>	<b>\$ (1,330,000)</b>	<b>\$ 4,035,000</b>

Revenue bond debt service requirements to maturity are as follows:

Year Ended	Building Commission	
	Principal	Interest
2024	\$ 235,000	\$ 137,295
2025	240,000	131,420
2026	245,000	125,420
2027	255,000	118,070
2028	260,000	110,420
2029 - 2033	1,440,000	412,900
2034 - 2038	1,360,000	124,740
<b>Totals</b>	<b>\$ 4,035,000</b>	<b>\$ 1,160,265</b>

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

*Pledged Revenues - Lease Revenue Bonds*

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 lease revenues paid by the County Commission through 2037. Annual principal and interest payments on the bonds are expected to require 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 \$5,195,265.

*Wood County Commission Tax Increment Revenue Bonds (Emerson Commons Project No 1), Series 2017*

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. 1) Series 2017 (Taxable), bearing interest at an initial rate of 3.0% annum to be adjusted to 5.0% annum on June 1, 2018.

The bonds are initially issued in the form of two bonds numbered R-1 and R-2, each payable to the order of the applicable Purchaser. The principal amount of R-1 shall be \$2,500,000, payable to the order of the Developer, and the principal amount of R-2 shall be \$2,200,000, payable to the order of Pope Properties. 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 do not constitute a general obligation or pledge of the full faith and credit of Wood County. The principal and interest on the tax increment revenue bonds are to be paid solely by the property taxes generated in association with the increased assessed values of property within the TIF district area. Based on projected tax collections, it is anticipated the bonds will be paid in full prior to their maturity date of June 1, 2046. The total principal and interest remaining to be paid on the bond is \$7,850,450, and \$1,211,374 accrued interest.

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

Year Ended	Governmental Activities	
	Principal	Interest
2024	\$ --	\$ 235,000
2025	--	235,000
2026	--	235,000
2027	--	235,000
2028	--	235,000
2029 - 2033	1,175,000	1,012,400
2034 - 2038	1,497,000	688,050
2039 - 2043	1,825,000	275,000
	<u>\$ 4,497,000</u>	<u>\$ 3,150,450</u>

*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 \$7,412,450. No principal was paid for the year. Interest paid for the current year and total customer net revenues were \$30,883.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2023

**Changes in Long-term Liabilities**

	Governmental Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Lease revenue bonds payable	\$ 4,265,000	\$ --	\$ (230,000)	\$ 4,035,000	\$ 235,000
Less: unamortized bond discount	(49,896)	--	3,219	(46,677)	3,219
Tax increment revenue bonds	4,700,000	--	--	4,700,000	--
<b>Total bonds payable</b>	<b>8,915,104</b>	<b>--</b>	<b>(226,781)</b>	<b>8,688,323</b>	<b>238,219</b>
Net pension liability	--	1,960,973	--	1,960,973	--
Net OPEB liability	1,094,843	292,192	--	1,387,035	--
Notes Payable	192,876	--	(192,876)	--	--
Compensated absences	401,087	51,177	--	452,264	--
Governmental activities Long-term liabilities	<b>\$ 10,603,910</b>	<b>\$ 2,304,342</b>	<b>\$ (419,657)</b>	<b>\$ 12,488,595</b>	<b>\$ 238,219</b>

**G. Right-of-Use Assets and Liabilities**

The County reported GASB Statement No. 87, Leases, for the year ended June 30, 2023. The following chart displays the expenses incurred related to the recording of right-of-use lease assets and liabilities:

Lease expense	Year Ending June 30, 2023
Amortization expense by class of underlying asset	
Copy Machine	\$ 37,503
Total amortization expense	37,503
Interest on lease liabilities	1,812
<b>Total</b>	<b>\$ 39,315</b>

Lease Assets	Beginning of Year	Additions	Modifications & Remeasurements	Subtractions	End of Year	Amounts Due Within One Year
Copy Machine	\$ 71,986	\$ 51,471	\$ -	\$ -	\$ 123,457	
	71,986	51,471	-	-	123,457	
<b>Less: Accumulated Amortization</b>						
Copy Machine	-	(37,503)	-	-	(37,503)	
	-	(37,503)	-	-	(37,503)	
<b>Total Lease Assets, net</b>	<b>\$ 71,986</b>	<b>\$ 13,968</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 85,954</b>	
<b>Lease Liabilities</b>	<b>\$ 71,986</b>	<b>\$ 51,138</b>	<b>\$ -</b>	<b>\$ (36,111)</b>	<b>\$ 87,013</b>	<b>\$ 37,943</b>

Maturity Analysis	Principal	Interest	Total Payments
2024	\$ 37,943	\$ 1,376	\$ 39,319
2025	27,086	703	27,789
2026	18,137	266	18,403
2027	3,847	16	3,863
2028	-	-	-
<b>Total Future Payments</b>	<b>\$ 87,013</b>	<b>\$ 2,361</b>	<b>\$ 89,374</b>

WOOD COUNTY, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2023

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**H. Restricted Assets**

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

	Governmental Activities
TIF bond debt service accounts	\$ 1,731
Total restricted assets	\$ 1,731

**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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**D. Deferred Compensation Plan**

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

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held for the exclusive benefit of the participants and their beneficiaries.

**V. EMPLOYEE RETIREMENT SYSTEMS AND PLANS**

*Plan Descriptions, Contribution Information, and Funding Policies*

Wood County, West Virginia participates in state-wide, cost-sharing, multiple-employer defined benefit plans on behalf of county employees. The system is administered by agencies of the State of West Virginia and funded by contributions from participants, employers, and state appropriations, as necessary.

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

Public Employees Retirement System

Eligibility to participate	All county full-time employees, except those covered by other pension plans
Authority establishing contribution obligations and benefit provisions	State Statute
Plan member's contribution rate hired before 7/1/2015 (Tier I)	4.50%
Plan member's contribution rate hired after 7/1/2015 (Tier II)	6.00%
County's contribution rate	10.00%
Period required to vest	Five Years
Benefits and eligibility for distribution	<p>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.</p> <p>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.</p>
Deferred retirement portion	No
Provisions for:	
Cost of living	No
Death benefits	Yes

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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West Virginia Deputy Sheriff Retirement System (WVDSRS)

Eligibility to participate	West Virginia deputy sheriffs first employed after the effective date and any deputy sheriffs hired prior to the effective date who elect to become members.
Authority establishing contribution obligations and benefit provisions	State Statute
Funding policy and contributions	Certain fees for reports generated by sheriff's offices are paid to this plan in accordance with West Virginia State Code. WVDSRS members are required to contribute 8.5% of their annual covered salary and the county is required to contribute 13.0%. The contribution requirements of WVDSRS members are established and may be amended only by the State of West Virginia Legislature.
Period required to vest	Five years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 or more years of contributing service or age 50 and if the sum of his/her age plus years of credited service is equal to or greater than 70. The final average salary (five highest consecutive years in the last ten years) times the years of service times 2.25% equals the annual retirement benefit.
Deferred retirement option	No deferred retirement option is available.
Provisions for cost of living adjustments or death benefits	This plan has no provisions for cost of living adjustments. There are provisions for death benefits.

*Trend Information*

Fiscal Year	Public Employees Retirement System (PERS)		West Virginia Deputy Sheriff Retirement System (WVDSRS)	
	Annual Pension Cost	Percentage Contributed	Annual Pension Cost	Percentage Contributed
2023	\$ 995,871	100%	\$ 452,751	100%
2022	\$ 970,453	100%	\$ 426,481	100%
2021	\$ 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 government 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, 2022, 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 government's proportion of the net pension (assets)/liabilities was based on a projection of the government's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2023, the government's reported the following proportions and increase/decreases from its proportion measured as of June 30, 2022:

	PERS	WVDSRS
Amount for proportionate share of net pension liability (asset)	\$ 620,797	\$ 1,340,176
Percentage for proportionate share of net pension liability (asset)	0.416869	3.374398
Increase/decrease % from prior proportion measured	0.010257%	-0.061724%

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

	PERS	WVDSRS
Pension expense	\$ 287,103	\$ 182,674

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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

<b>Public Employees Retirement System</b>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between government contributions and proportionate share of contributions	\$ 7,070	\$ ( 5,283)
Net difference between projected and actual investment earnings on pension plan investments	374,336	--
Difference between expected and actual experience	238,157	--
Deferred difference in assumptions	408,594	--
Government contributions subsequent to the measurement date	<u>632,952</u>	<u>--</u>
	<u>1,661,109</u>	<u>( 5,283)</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 (asset)/liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>		
2024	\$	403,774
2025		33,323
2026		( 394,107)
2027		<u>979,884</u>
Total	\$	<u>1,022,874</u>

<b>West Virginia Deputy Sheriff Retirement System</b>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between government contributions and proportionate share of contributions	\$ 29,192	\$ ( 31,912)
Net difference between projected and actual investment earnings on pension plan investments	135,921	--
Difference between expected and actual experience	394,433	( 61,448)
Deferred difference in assumptions	367,911	( 14,982)
Government contributions subsequent to the measurement date	<u>273,756</u>	<u>--</u>
	<u>1,201,213</u>	<u>( 108,342)</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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>		
2024	\$	92,776
2025		140,282
2026		71,014
2027		437,137
2028		68,293
Thereafter		<u>9,613</u>
Total	\$	<u>819,115</u>

**WOOD COUNTY, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2023**

Summary of Deferred Outflow/Inflow Balances

	Total	PERS	DSRS
Difference between expected and actual experience	\$571,142	\$238,157	\$332,985
Changes of assumptions	\$761,523	408,594	352,929
Net difference between projected and actual earnings on pension plan investments	--	--	--
Changes in proportion and differences between government contributions and proportionate share of contributions	(\$933)	1,787	( 2,720)
Government contributions subsequent to the measurement date	\$906,708	632,952	273,756

Actuarial assumptions. The total net pension liability (asset) was determined by actuarial valuations as of July 1, 2021 rolled forward to June 30, 2022, which is the measurement date, using the following actuarial assumptions.

**Public Employees Retirement System**

Actuarial cost method	Individual entry age normal cost with level percentage of payroll.
Asset valuation method	Fair value.
Amortization method	Level dollar, fixed period
Amortization period	Through fiscal year 2029.
Actuarial assumptions	
Inflation rate	2.75%
Salary increases	2.75%-6.75%
Investment Rate of Return	7.25%
Mortality Rates	Active-100% of Pub-2010 General Employees table, below-median, headcount weighted, projected with scale MP-2018; Healthy Male Retirees-108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected with scale MP-2018; Healthy Female Retirees-122% of Pub-2010 Annuitant, Scale AA fully generational General Retiree Female table, below-median, headcount weighted, projected with scale MP-2018; Disabled males-118% of Pub-2010 General/Teachers Disabled Male table, below-median headcount weighted, projected with scale MP-2018; Disabled females-117% of Pub-2010 General/Teachers Disabled Female table, below-median, headcount weighted projected with scale MP-2018

The date range of the most recent experience study was from 2013-2018.

**West Virginia Deputy Sheriff Retirement System**

Actuarial cost method	Individual entry age normal cost with level percentage of payroll.
Asset valuation method	Fair value.
Amortization method	Level dollar, fixed period
Amortization period	Through fiscal year 2029.
Actuarial assumptions	
Inflation rate	2.75%
Salary increases	3.75%-5.25%
Investment Rate of Return	7.25%
Mortality Rates	Actives - 100% of Pub-2010 Safety Employee Table, Amount-weighted, projected generationally with Scale MP-2020 Healthy Male Retirees - 98% of Pub-2010 Safety Retiree Male Table, Amount-weighted, projected generationally with Scale MP-2020 Healthy Female Retirees - 99% of Pub-2010 Safety Retiree Female Table, Amount-weighted, projected generationally with Scale MP-2020 Disabled Males - 124% of Pub-2010 Safety Disabled Male Table, Amount-weighted, projected generationally with Scale MP-2020 Disabled Females - 100% of Pub-2010 Safety Disabled Female Table, Amount-weighted, projected generationally with Scale MP-2020

The date range of the most recent experience study was from 2015-2020

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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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	Weighted Average Expected Real Rate of Return
Domestic Equity	5.3%	27.5%	1.46%
International Equity	6.1%	27.5%	1.68%
Fixed Income	2.2%	15.0%	0.33%
Real Estate	6.5%	10.0%	0.65%
Private Equity	9.5%	10.0%	0.95%
Hedge Funds	3.8%	10.0%	0.38%
	Total	100.0%	5.45%
	Inflation (CPI)		1.80%
			7.25%

*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:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Government's proportionate share of PERS's net pension liability/(asset)	\$ 4,392,640	\$ 620,797	\$ (2,607,357)
Government's proportionate share of WVDSRS's net pension liability/(asset)	\$ 2,914,063	\$ 1,340,176	\$ 44,171

*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 Board's website at [www.wvretirement.com](http://www.wvretirement.com). That information can also be obtained by writing to the West Virginia Consolidated Public Retirement Board, 4101 MacCorkle Avenue SE, Charleston, WV 25304.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**VI Postemployment Benefits Other Than Pensions (OPEB)**

*General Information about the OPEB Plan*

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

*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, 2023 was \$114. Contributions to the OPEB plan from the County were \$261,167 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 Commission reported the following liability for its proportionate share of the net OPEB liability/(asset). The net pension liability was measured as of June 30, 2022 for the Commission's fiscal year ended June 30, 2023, using the actuarial assumptions and methods described in the appropriate section of this note. The government's proportion of the net pension liability was based on a projection of the government's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2023, the Commission reported the following proportions and increase/decreases from its proportion as of June 30, 2023:

	2023	
Amount of proportionate share of net OPEB liability (asset)	\$ 260,091	
Percentage of proportionate share of the net OPEB liability (asset)	0.233687153%	
Increase/(decrease) in % from prior proportion measured	0.072251097%	
For this fiscal year, the government recognized OPEB expense of:		(917,970)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between government contributions and proportionate share of contributions	\$ 665,970	\$ ( 590)
Net difference between projected and actual investment earnings on OPEB plan investments	40,371	--
Difference between expected and actual experience	--	( 331,798)
Changes of assumptions	166,797	( 660,846)
Government contributions subsequent to the measurement date	261,167	--
	1,134,305	( 993,234)

**WOOD COUNTY, WEST VIRGINIA**  
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**For the Fiscal Year Ended June 30, 2023**

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

<u>Year Ended June 30,</u>		
2024	\$	( 480,327)
2025		171,629
2026		87,519
2027		<u>101,083</u>
Total	\$	<u>( 120,096)</u>

*Actuarial assumptions.* The net OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the following actuarial assumptions:

Inflation rate	2.25%
Salary increases	Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation.
Investment Rate of Return	6.65%, net of OPEB plan investment expense, including inflation.
Healthcare cost trend rates	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2023, decreasing by 0.50% for two years then by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032. Trend rate for Medicare per capita costs of 8.83% for plan year end 2023, decreasing ratably each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032.
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".

Postretirement: Pub-2010 General Healthy Retiree Mortality Tables (100% males, 108% females) projected with MP-2021 for TRS. Pub-2010 General Below Median Healthy Retiree Tables (106% males, 113% females) projected with MP-2021 for PERS. Pub-2010 Public Safety Healthy Retiree Mortality Tables (100% males, 100% females) projected with Scale MP-2021 for Troopers A and B. Pre-Retirement: Pub-2010 General Employee Mortality Tables (100% males, 100% females) projected with Scale MP-2021 for TRS. Pub-2010 Below-Median Income General Employee Mortality Tables projected with Scale MP-2021 for PERS. Pub-2010 Public Safety Employee Mortality Tables projected with Scale MP-2021 for Troopers A & B.

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

The long-term expected rate of return on OPEB plan investments were determined using a building-block method in which estimates of expected future real rates of returns (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of geometric rates of return for each asset class are summarized in the following table:

**WOOD COUNTY, WEST VIRGINIA**  
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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Global equity	55.0%	4.8%
Core plus fixed income	15.0%	2.1%
Core real estate	10.0%	4.1%
Hedge fund	10.0%	2.4%
Private equity	10.0%	6.8%
	<hr style="width: 50%; margin: auto;"/> 100.0%	

*Discount rate.* A discount rate of 6.65% was used to measure the total OPEB liability. This discount rate was based on the expected rate of return on OPEB plan investments of 6.65% and a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date to the extent benefits are effectively financed on a pay-as-you-go basis. The long-term municipal bond rate used to develop the discount rate was 3.13% as of the beginning of the year and 2.45% as of the end of the year. The projection of cash flows used to determine this discount rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. Future pre-funding assumptions include a \$30 million annual contribution from the State through 2037. Based on those assumptions, and that the plan is expected to be fully funded by fiscal year ended June 30, 2025, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Discount rates are subject to change between measurement dates.

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	5.65%	6.65%	7.65%
Net OPEB liability (asset)	\$ 668,533	\$ 260,091	\$ (90,306)

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

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates</u>	<u>1% Increase</u>
Net OPEB liability (asset)	\$ (147,868)	\$ 260,091	\$ 742,813

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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*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](http://peia.wv.gov). That information can also be obtained by writing to the West Virginia Public Employee Insurance Agency, 601 57th Street, Suite 2, Charleston, WV, 25304.

*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 RHBHT 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.

At year end, the County's Net OPEB Obligation related to the single-employer plan is \$1,078,941, which represents the entire obligation of the plan. No deferred outflows or inflows have been determined by the plan's actuary.

*Actuarial Cost Methods*

The Entry 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.

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

*Retirement Assumptions*

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

*Mortality, Voluntary Withdrawal, and Future Salary Assumptions*

Mortality, withdrawal and wage-based assumptions in the valuation were provided from the OPEB plan administered by the WVRHBT.

*Actuarial Value of Plan Assets*

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

*Payroll Growth Rates*

Payroll growth rates were assumed to be 3% for current, eligible employees contributions to the OPEB plan from the County were \$338,933 for the current fiscal year.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

*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 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

**VI. RESTATEMENT OF NET POSITION**

During the year ended June 30, 2023, management identified construction-in-progress assets from the previous year that were allocated to buildings, structures and improvements, and machinery and equipment. These additions were then depreciated for the applicable period during the year ended June 30, 2022. Net position has also been restated for the Fiduciary Funds of the County to accurately present amounts due to other governments after a management evaluation of the ending balance as of June 30, 2022. Beginning net position has been restated, as follows, to adjust Governmental and Fiduciary net position as of the beginning of the current fiscal year.

	As of June 30, 2022	Restatement	Restated as of June 30, 2022
<b>Governmental Activities</b>			
Buildings	\$ 7,945,846	\$ (2,970,020)	\$ 4,975,826
Structures and improvements	9,995,372	1,628,803	11,624,175
Machinery and equipment	7,622,495	428,745	8,051,240
Accumulated depreciation	(13,822,135)	(1,295,368)	(15,117,503)
Effect on net position	11,741,578	(2,207,840)	9,533,738
Net position, Governmental Activities	<u>\$ 33,832,555</u>	<u>\$ (2,207,840)</u>	<u>\$ 31,624,715</u>
Net position, Fiduciary Activities	<u>\$ 4,987,685</u>	<u>\$ 1,231,156</u>	<u>\$ 6,218,841</u>

**WOOD COUNTY, WEST VIRGINIA**  
**SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**For the Fiscal Year Ended June 30, 2023**

**Public Employees Retirement System**  
**Last Ten Fiscal Years\***

	<u>2023</u>	<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>
Government's proportion of the net pension liability/(asset)	0.416869	0.406612	0.401249	0.411835	0.460595	0.458653	0.454525	0.457289	0.451495	0.460639
Government's proportionate share of the net pension liability (asset)	\$ 620,797	\$ (3,569,793)	\$ 2,121,287	\$ 885,499	\$ 1,189,495	\$ 1,979,752	\$ 4,177,623	\$ 2,553,520	\$ 1,666,311	\$ 4,199,324
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
Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	9.11%	-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	98.24%	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, 2023**

**West Virginia Deputy Sheriff Retirement System**  
Last Ten Fiscal Years\*

	<u>2023</u>	<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>
Government's proportion of the net pension liability	3.374398	3.436122	3.521150	3.381885	3.312378	3.199864	3.407408	3.423774	3.628861	3.997116
Government's proportionate share of the net pension liability (asset)	\$ 1,340,176	\$ (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	\$ 2,151,272	\$ 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
Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	62.30%	-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	88.11%	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.

**WOOD COUNTY, WEST VIRGINIA**  
**SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**For the Fiscal Year Ended June 30, 2023**

**Public Employees Insurance Agency**  
 Last Seven Fiscal Years\*

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Government's proportion of the net OPEB liability	0.233687153	0.161436056	0.156852842	0.14221305	0.130180955	0.024137487	0.127615904
Government's proportionate share of the net OPEB liability	\$ 260,091	\$ (48,003)	\$ 692,806	\$ 2,359,503	\$ 2,792,949	\$ 2,937,534	\$ 3,169,118
Government's covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Plan fiduciary net position as a percentage of the total OPEB liability	93.59%	101.81%	73.49%	39.69%	30.98%	25.10%	21.64%

\* - 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, 2023

**Public Employees Retirement System**  
**Last 10 Fiscal Years**

	<u>2023</u>	<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>
Contractually required contribution	\$ 632,952	\$ 675,464	\$ 648,973	\$ 623,517	\$ 604,534	\$ 700,029	\$ 754,839	\$ 845,548	\$ 868,207	\$ 876,670
Contributions in relation to the contractually required contribution	<u>(632,952)</u>	<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>
Contribution deficiency (excess)	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>
Government's covered payroll	\$ 7,032,800	\$ 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
Contributions as a percentage of covered payroll	10.00%	10.00%	10.00%	10.00%	10.00%	11.00%	12.00%	13.50%	14.00%	14.50%

**West Virginia Deputy Sheriff Retirement System**  
**Last 10 Fiscal Years**

	<u>2023</u>	<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>
Contractually required contribution	\$ 273,756	\$ 278,950	\$ 249,647	\$ 242,413	\$ 227,060	\$ 206,521	\$ 192,375	\$ 201,626	\$ 203,957	\$ 218,535
Contributions in relation to the contractually required contribution	<u>(273,756)</u>	<u>(278,950)</u>	<u>(249,647)</u>	<u>(242,413)</u>	<u>(227,060)</u>	<u>(206,521)</u>	<u>(192,375)</u>	<u>(201,626)</u>	<u>(203,957)</u>	<u>(218,535)</u>
Contribution deficiency (excess)	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>	\$ <u>    --</u>
Government's covered payroll	\$ 2,105,819	\$ 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
Contributions as a percentage of covered payroll	13.00%	13.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.50%	13.00%

**WOOD COUNTY, WEST VIRGINIA**  
**SCHEDULE OF COUNTY CONTRIBUTIONS - OPEB**  
For the Fiscal Year Ended June 30, 2023

**Public Employees Insurance Agency**  
Last Seven Fiscal Years

	<u>2023</u>		<u>2022</u>		<u>2021</u>		<u>2020</u>		<u>2019</u>		<u>2018</u>		<u>2017</u>
Contractually required contribution	\$ 261,167	\$	274,759	\$	294,392	\$	303,178	\$	292,999	\$	266,024	\$	245,371
Contributions in relation to the contractually required contribution	<u>(261,167)</u>		<u>(274,759)</u>		<u>(294,392)</u>		<u>(303,178)</u>		<u>(292,999)</u>		<u>(266,024)</u>		<u>(245,371)</u>
Contribution deficiency (excess)	<u>\$ --</u>	\$	<u>--</u>	\$	<u>--</u>	\$	<u>--</u>	\$	<u>--</u>	\$	<u>--</u>	\$	<u>--</u>
Government's covered payroll	\$ 0	\$	0	\$	0	\$	0	\$	0	\$	0	\$	0
Contributions as a percentage of covered payroll	--		--		--		--		--		--		--

**WOOD COUNTY, WEST VIRGINIA**  
**SCHEDULE OF COUNTY CONTRIBUTIONS - OPEB**  
**For the Fiscal Year Ended June 30, 2023**

**Wood County Commission Postretirement Benefit Plan**  
**Last Two Fiscal Years**

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Annual Required Contribution			
Normal Cost	\$ 42,573	\$ 39,420	\$ 36,500
Actuarial Accrued Liability	8,827,762	8,930,797	9,023,508
Actuarial Value of Plan Assets	-	-	-
Unfunded Actuarial Accrued Liability	<u>\$ 8,930,797</u>	<u>\$ 8,930,797</u>	<u>\$ 9,023,508</u>
Annuity Amortization Factor	25.21	26.41	27.63
Amortization Payment	350,237	338,130	326,590
Investment Return Rate Assumption	2.16%	2.16%	2.16%
Interest on Normal Cost and Amortization Payment	8,485	8,155	7,843
Annual Required Contribution	358,722	346,285	334,433
Annual OPEB Cost			
Annual Required Contribution	\$ 358,722	\$ 346,285	\$ 334,432
Interest on Net Obligation	23,649	23,662	23,653
Annuity Amortization Factor	25.21	26.41	27.63
Adjustment to the Annual Required Contribution	43,437	41,476	39,634
Annual OPEB Cost	338,933	328,471	318,452
Net OPEB Obligation			
Net OPEB Obligation-Beginning of Year	\$ 1,094,843	\$ 1,095,475	\$ 1,095,060
Annual OPEB Cost	338,933	328,471	318,452
Employer Contributions Made	354,835	329,103	318,037
Net OPEB Obligation-End of Year	\$ 1,078,941	\$ 1,094,843	\$ 1,094,843

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2023**

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Note 1 - Changes in Assumptions PERS

There were no changes in the assumptions between the 2021 and 2022 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

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 from 1.75-35.88% in 2018 to 2.28-35.88% in 2019; disability rates went from 0-.675% in 2018 to 0-.54% in 2019. The range of the experience study was 2004-2009 in 2018 and 2013-2018 in 2019. These changes in assumptions lead to deferred inflows of \$55,650,000 in 2019.

Changes in the assumptions between the 2015 and 2014 valuations:

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

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2023**

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Note 2 - Changes in Assumptions DSRS

There were no changes in the assumptions between the 2021 and 2022 valuations. These assumptions will remain in effect for valuation purposes until the Board adopts revised assumptions.

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 3.0% 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%-12.0% 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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2023**

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Note 3 – Changes in Assumptions OPEB

Changes in the assumptions between the 2021 and 2022 valuations:

The revisions encompass key assumptions: projected capped subsidies, per capita claim costs, healthcare trend rates, coverage and continuance, percentage eligible for tobacco-free premium discounts, and retired employee assistance program participation.

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.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2023**

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Changes in the assumptions between the 2016 and 2015 valuations

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

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

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

WOOD COUNTY, WEST VIRGINIA  
 BUDGETARY COMPARISON SCHEDULE -  
 ASSESSOR'S VALUATION FUND  
 For the Fiscal Year Ended June 30, 2023

	Budgeted Amounts		Actual Modified Accrual Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Miscellaneous	\$ 941,269	\$ 941,269	\$ 892,963	\$ ( 48,306)
Charges for services	33,000	33,000	23,860	( 9,140)
Interest	800	800	5,303	4,503
	<u>975,069</u>	<u>975,069</u>	<u>922,126</u>	<u>( 52,943)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	914,250	914,250	231,488	682,762
Capital outlay	--	--	--	--
	<u>914,250</u>	<u>914,250</u>	<u>231,488</u>	<u>682,762</u>
Excess (deficiency) of revenues over expenditures	<u>60,819</u>	<u>60,819</u>	<u>690,638</u>	<u>629,819</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	--	--	( 741,541)	( 741,541)
	<u>--</u>	<u>--</u>	<u>( 741,541)</u>	<u>( 741,541)</u>
Net change in fund balance	60,819	60,819	( 50,903)	( 111,722)
Fund balance at beginning of year	<u>135,000</u>	<u>135,000</u>	<u>432,255</u>	<u>297,255</u>
Fund balance at end of year	<u>\$ 195,819</u>	<u>\$ 195,819</u>	<u>\$ 381,352</u>	<u>\$ 185,533</u>

**WOOD COUNTY, WEST VIRGINIA  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
FOR THE YEAR ENDED JUNE 30, 2023**

<u>Program Title</u>	<u>Total State Expenditures</u>
LEDA	\$ 67,891
Fairs and Festivals	1,782
23-CC-29	320,500
LOCAL ECO DEV	27,500
19CYCWOOD2022	180,000
COVID19	16,000
<b>TOTAL EXPENDITURES OF STATE AWARDS</b>	<b>\$ 613,673</b>

The accompanying notes are an integral part of this schedule.

**WOOD COUNTY, WEST VIRGINIA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2023**

<b>FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title</b>	<b>Federal AL Number</b>	<b>Pass Through Entity Identifying Number</b>	<b>Passed Through To Subrecipients</b>	<b>Total Federal Expenditures</b>
<b>U.S. DEPARTMENT OF TREASURY</b>				
<i>Direct Award</i>				
COVID-19 - State and Local Fiscal Recovery Fund	21.027	2023	\$ -	\$ 2,508,476
<b>Total U.S. Department of Treasury</b>			<b>-</b>	<b>2,508,476</b>
<b>U.S. DEPARTMENT OF JUSTICE</b>				
<i>Passed Through West Virginia Department of Criminal Justice Services</i>				
Crime Victim Assistance	16.575	23-VA-076, 19-VA-038	-	117,839
Edward Bryne Memorial Justice Assistance Grant	16.738	21-JAG-41	-	3,119
<b>Total U.S. Department of Justice</b>			<b>-</b>	<b>120,958</b>
<b>U.S. DEPARTMENT OF HOMELAND SECURITY</b>				
<i>Passed Through West Virginia Division of Homeland Security</i>				
Emergency Management Performance Grant Program	97.042	LEPC, LEDA	-	101,545
Homeland Security Grant Program	97.067	20-SHS-33	-	10,000
<b>Total U.S. Department of Homeland Security</b>			<b>-</b>	<b>111,545</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ -</b>	<b>\$ 2,740,979</b>

The accompanying notes are an integral part of this schedule.

**WOOD COUNTY, WEST VIRGINIA**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**2 CFR 200.510(b)(6)**  
**FOR THE YEAR ENDED JUNE 30, 2023**

**NOTE A – BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Wood County, West Virginia (the County) under programs of the federal government for the year ended June 30, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position or changes in net position of the County. 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 Guidance Administrative 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 B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**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, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated February 3, 2025.

***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 purpose 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 County's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

**Purpose of this Report**

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



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

February 3, 2025



**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, 2023. 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, 2023.

***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

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.

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

February 3, 2025

**WOOD COUNTY, WEST VIRGINIA  
SCHEDULE OF AUDIT FINDINGS  
2CFR 200.515  
FOR THE YEAR ENDED JUNE 30, 2023**

**1. SUMMARY OF AUDITOR'S RESULTS**

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

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

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.

**WOOD COUNTY, WEST VIRGINIA  
SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2023**

Finding Number	Finding Summary	Status	Additional Information
2022-001	Accounting Reconciliation Processes and Financial Reporting	Partially Corrected	Management Letter
2022-002	Processes and Internal Controls	Partially Corrected	Management Letter