

FINANCIAL STATEMENTS OF
JEFFERSON COUNTY, WEST VIRGINIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2020
UNAUDITED

JEFFERSON COUNTY, WEST VIRGINIA
 TABLE OF CONTENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2020
 UNAUDITED

Page

INTRODUCTORY SECTION

County Officials.	1
County Organizational Chart	2
Schedule of Funds	3

Financial Section

Management's Discussion and Analysis	5
--	---

Basic Financial Statements:

Government-wide Financial Statements:

Statement of Net Position.	19
Statement of Activities	20

Fund Financial Statements:

Balance Sheet - Governmental Funds.	21
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position.	22
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	23
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.	24
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	25
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Coal Severance Tax Fund	26
Statement of Fiduciary Net Position - Fiduciary & Agency Funds.	27
Statement of Changes in Fiduciary Net Position - Fiduciary & Agency Funds.	28

Notes to the Financial Statements.	29
--	----

Required Supplementary Information

Schedule of Funding Progress/Schedule of Employer Contributions - Other Post Employment Benefits.	61
Schedules of the County's Proportionate Share of the Net Pension Liability - WV Public Employee's Retirement System & WV Public Deputy Sheriff Retirement System.	62
Schedules of the County's Employer Contributions - WV Public Employee's Retirement System & WV Public Deputy Sheriff Retirement System.	63
Notes to the Required Supplementary Information.	64

Supplementary Information

Schedule of Expenditures of Federal Awards	65
Budgetary Comparison Schedule - Assessor's Valuation Fund	66

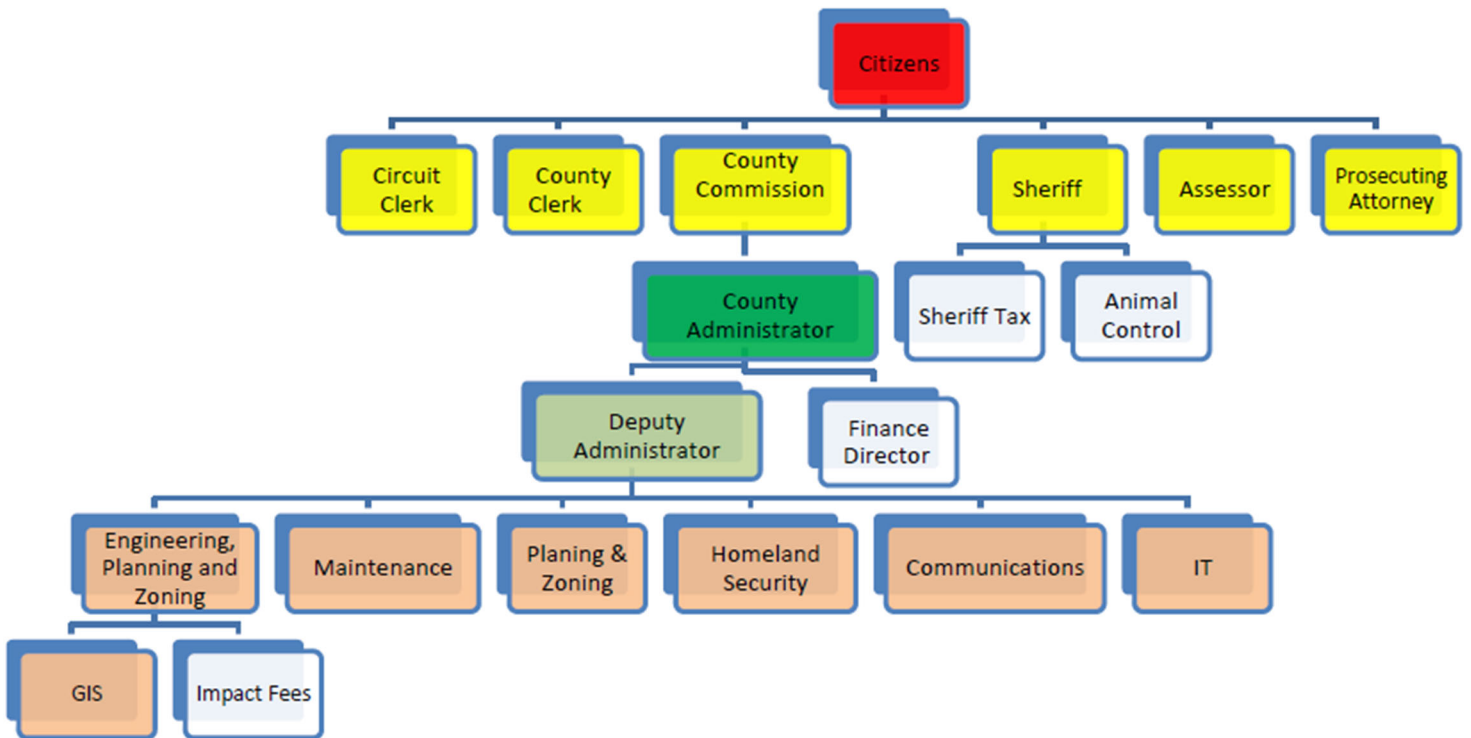
Combining and Individual Fund Statements:

Combining Balance Sheet - Nonmajor Governmental Funds.	69
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.	73
Statement of Fiduciary Net Position - Agency Funds.	77

JEFFERSON COUNTY, WEST VIRGINIA
COUNTY OFFICIALS
For the Fiscal Year Ended June 30, 2020

OFFICE	NAME	TERM
	<u>Elective</u>	
County Commission:	Jane M. Tabb	01-01-13 / 12-31-24
	Patsy Noland	01-01-15 / 12-31-20
	Ralph Lorenzetti	11-27-18 / 12-31-20
	Caleb Wayne Hudson	01-01-17 / 12-31-22
	Josh Compton	01-01-17 / 12-31-22
Clerk of the County Commission:	Jacki Shadle	01-01-17 / 12-31-22
Clerk of the Circuit Court:	Laura Storm	01-01-11 / 12-31-22
Sheriff:	Peter Dougherty	01-01-15 / 12-31-20
Prosecuting Attorney:	Matthew Harvey	01-01-17 / 12-31-20
Assessor:	Angela Banks	01-01-13 / 12-31-20

JEFFERSON COUNTY ORGANIZATION CHART



JEFFERSON COUNTY, WEST VIRGINIA
SCHEDULE OF FUNDS INCLUDED IN REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

GOVERNMENTAL FUND TYPES

MAJOR FUNDS

General
Coal Severance Tax
County Capital Outlay
Impact Fees

NONMAJOR FUNDS

Special Revenue Funds

Dog and Kennel
General School
Magistrate Court
Worthless Check
Home Confinement
Federal Grant
State Grant
Flood Hazard Mitigation
Waste Coal
Ambulance Service Fee
EPDVTF DOJ Funds
Assessor's Valuation
Financial Stabilization
Farmland Protection
Concealed Weapons
Voters Registration
Jury & Witness
Law Enforcement Forfeiture
Pros. Attny Forfeiture
Sub-Division Bond Forfeiture
Teen Court
COVID19 Pandemic Block Grant

Capital Project Funds

Parks & Recreation Land Development

JEFFERSON COUNTY, WEST VIRGINIA
SCHEDULE OF FUNDS INCLUDED IN REPORT (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

FIDUCIARY FUND TYPE

Pension 457(b) Trust Fund
Agency Funds

State
School
Municipal
Other Agency

DISCRETELY PRESENTED COMPONENT UNITS

Board of Health
Economic Development Authority
Historic Landmarks Commission
Farmland Protection Board
Emergency Services Agency
Parks and Recreation Commission

BLENDED COMPONENT UNITS

Prepared by:
Michelle Gordon, Finance Director
Fiscal Year 2020
July 1, 2019 - June 30, 2020

FINANCIAL SECTION



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

As management of the Jefferson County Commission, West Virginia (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2020. Additionally, this discussion and analysis is designed to identify changes in the County's financial position (its ability to address the next and subsequent years' challenges), identify any material deviations from the financial plan or approved budget, and identify issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, it is best read in conjunction with the County's financial statements.

Financial Highlights

- The County's assets exceeded its liabilities at the close of the most recent fiscal year by \$35.4 million (*net position*). Of the total net position, \$11.9 million (*unrestricted net position*) may be used to meet ongoing obligations to citizens and creditors, \$18.1 million is invested in capital assets and the county has no related debt, and \$5.4 million is restricted for specific purposes at the end of FY2019 (*restricted net position*).
- At the end of the fiscal year, the County had no bonded or other long-term debt obligations. No new debt was added during the fiscal year. The County's adherence to its amortization schedules for existing debt reduced its debt by \$180,107 in payments during the fiscal year resulting in a zero (0) balance for long-term debt obligations. Additional information on the County's long-term debt activity can be found in Note III. H. of the notes to the financial statements.
- The General Fund, on a current financial resource basis, reported a surplus of revenues over expenditures and other financial sources and uses of \$3.3 million. According to WV Code 11-8-6e, the County is permitted to increase the Levy Rate each year without a public hearing as long as the levy rate increase doesn't result in an increase of more than 1% of the prior year projected property tax revenue. Fiscal year 2020 was the sixth consecutive year that the County approved a 0% property tax revenue increase. In FY 2020, the Class II Property levy rate was \$28.60 cents per \$100 of assessed value; and, the levy rate did not change from FY2019's levy rate. Because the assessable base valuation increased by 4.7% or \$169 million (from \$3.6 billion in FY2019 to \$3.8 billion in FY2020), tax revenue increased by \$0.5 million from \$14.1 million in FY2019 to \$14.6 million in FY2020.
- At the end of the current fiscal year, the ending fund balance (assigned and unassigned) for the General Fund was \$9.9 million or 40.49% of total General Fund expenditures (excluding transfers to other funds). This represents 4.9 months of General Fund expenditures and complies with the County financial policy requiring a minimum fund balance of 16.67%, and the State's financial policy requiring a minimum fund balance of 10.0% of General Fund operating expenditures.



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

- Due to the COVID19 pandemic and related federal, state, county, business and school closures that resulted in FY2020, the County realized unexpected decreases in gambling and hotel occupancy tax revenues. To better position the County facing the potential for increased, unbudgeted COVID19 related expenditures and to offset this revenue loss, management made the decision to defer filling vacant positions and to defer purchases for travel, education, materials and equipment for non-essential services. Additionally, the decision was made to delay transfers to the County's Capital Outlay fund to ensure that county operations would be able to continue. Lastly, in FY20 the County received unexpected, one-time revenue from the federal government through the CARES Act (Coronavirus Aid, Relief, and Economic Security Act). These financial decisions made by management and unexpected revenue from the CARES Act resulted in a higher than normal fund balance for the General Fund (\$9.9 million or 40.49% of operating expenditures). These non-essential expenditure deferrals have been continued into FY2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Analysis. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. There are two (2) basic statements in the government-wide financial statements: The statement of net position and the statement of activities.

The *statement of net position* presents information on all of the County's assets, deferred outflow of resources, liabilities, and deferred inflow of resources. The total of assets plus deferred outflows of resources less the total of liabilities and deferred inflow of resources is reported as net position. Over time, increases or decreases in *net position* may serve as a useful indicator of whether the financial position and condition of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

general government, public safety, engineering, buildings and equipment maintenance, and economic and community development. The County has no business-type activities.

The government-wide financial statements report information on all of the non-fiduciary activities of the primary government and its component units. The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds; and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a County's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains twenty-eight (28) individual governmental funds with four (4) major individual governmental funds. The major governmental funds are: the General; Coal Severance Tax; Capital Outlay; and Impact Fees funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all governmental funds. The basic governmental fund financial statements can be found on pages 17 through 22 of this report. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements beginning on page 67 of this report.

The County adopts an annual appropriated budget for its individual General and Coal Severance Tax funds. Budgetary comparison statements are provided for the funds to demonstrate compliance with this budget. Budgetary comparison statements can be found on pages 23 and 24 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for



Jefferson County Commission
 Management's Discussion and Analysis
 June 30, 2020
 UNAUDITED

proprietary funds. The basic fiduciary fund financial statements can be found on pages 25 and 26 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are part of the basic financial statements and can be found on pages 27 to 58.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning on page 59 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's overall financial condition and position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$35.4 and \$30.9 million at the close of the current and previous fiscal years.

Jefferson County's Net Position

	Governmental Activities		Increase/(Decrease)
	2020	2019	2020 over 2019
Current and other assets	\$ 17,217,103	\$ 13,601,312	\$ 3,615,791
Restricted assets	5,375,591	3,781,864	1,593,727
Capital assets	18,148,464	18,755,363	(606,899)
Total assets	40,741,158	36,138,539	4,602,619
 Total deferred outflow of resources	 1,048,072	 1,111,039	 (62,967)
 Current long-term liabilities	 877,691	 1,225,904	 (348,213)
Noncurrent long-term liabilities	4,474,839	3,708,787	766,052
Total liabilities	5,352,530	4,934,691	417,839
 Total deferred inflow of resources	 1,047,126	 1,384,853	 (337,727)
 Net position:			
Net investment in capital assets, net of related debt	18,148,464	18,575,256	(426,792)
Restricted	5,375,591	3,781,864	1,593,727
Unrestricted	11,865,519	8,572,914	3,292,605
Total net position	\$ 35,389,574	\$ 30,930,034	\$ 4,459,540

The County's governmental activities net position increased by \$4.5 million in the current fiscal year. The increase is primarily a result of increases or decrease as follows: a \$1.6 million



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

increase in restricted cash; a \$2.3 million increase in unrestricted cash; a \$1.4 million increase in accounts receivable for intergovernmental receivables; offset by a \$623 thousand increase in net pension liability; and a \$607 thousand decrease in asset investments for building improvements and equipment that resulted from depreciation expense and asset disposals; and the remainder is due to changes in deferred outflows and inflows of resources related to pensions.

Net position is divided into three categories – net investment in capital assets, restricted net position and unrestricted net position. The largest portion of the County's net position reflects its investments in capital assets (e.g. land, buildings, vehicles, machinery and equipment) in the amount of \$18.1 million or 51.3%, with no unmatured debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Restricted net position represents 15.2% or \$5.4 million of total net position. Restricted net position is resources that are subject to external restrictions on how they may be used. The County's total unrestricted net position has a balance of \$11.9 million which represents 33.5% of total net positions. Unrestricted net position is used to meet the County's ongoing obligations to citizens, creditors, and employee pension plans.

The County fully implemented GASB Statement 68 and GASB Statement 75. The result is a total of \$1.9 million in net pension liability to fully fund both of the County's pension plans and \$1.7 million in net OPEB liability to fully fund the County's other post employment benefits. This \$3.6 million liability is not a current obligation or expectation of payment but an actuarial calculation of the total to be fully funded in the future. This liability decreases the amount reflected in the unrestricted net position of the County.



Jefferson County Commission
 Management's Discussion and Analysis
 June 30, 2020
 UNAUDITED

Governmental activities: For the current fiscal year, total revenues for the governmental activities were \$33.0 million, while total expenses were \$28.6 million.

The following charts compare the revenue and expenses of the County's Governmental Activities:

Jefferson County
 Changes in Net Position
 June 30, 2020 and 2019

	Governmental Activities		Increase/(Decrease) 2020 over 2019
	2020	2019	
Revenues			
Program Revenues:			
Charges for services	\$ 6,011,668	\$ 5,235,578	\$ 776,090
Operating grants and contributions	3,026,359	613,272	2,413,087
Capital grants and contributions	112,736	330,374	(217,638)
General Revenues:			
Property taxes	14,628,039	14,178,118	449,921
Income and other taxes	2,271,476	1,931,730	339,746
Miscellaneous	6,995,857	7,458,118	(462,261)
Total Revenues	33,046,135	29,747,190	3,298,945
Expenses			
Program Expenses:			
General government	12,942,175	12,223,476	718,699
Public safety	13,872,885	12,187,443	1,685,442
Health and sanitation	97,530	92,030	5,500
Culture and recreation	1,447,421	1,976,494	(529,073)
Social services	65,000	50,000	15,000
Capital projects	161,584	168,164	(6,580)
Total Expenses	28,586,595	26,697,607	1,888,988
Change in net position	4,459,540	3,049,583	1,409,957
Net position-Beginning (restated)	30,930,034	27,880,451	3,049,583
Net position-Ending	\$ 35,389,574	\$ 30,930,034	4,459,540

The increase in net position for governmental activities totaled \$4.5 million and can be largely attributed to the following:

- That increase is made up primarily of revenue increases of \$3.3 million. An increase of \$500 thousand in tax revenue makes up part of that increase. The tax revenue increase is primarily due to an increase in property tax that resulted from a combination of slightly increasing assessments and modest new construction and maintaining overall expenses flat compared to prior year totals. County offices realized an increase of \$776 thousand in charges for services and an increase of \$2.4 million for operating grants and contributions primarily from CARES Act federal grant revenue to combat COVID19

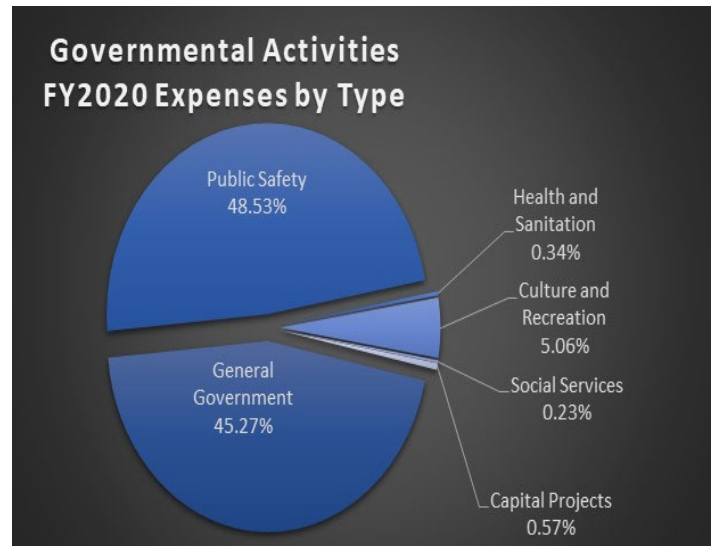
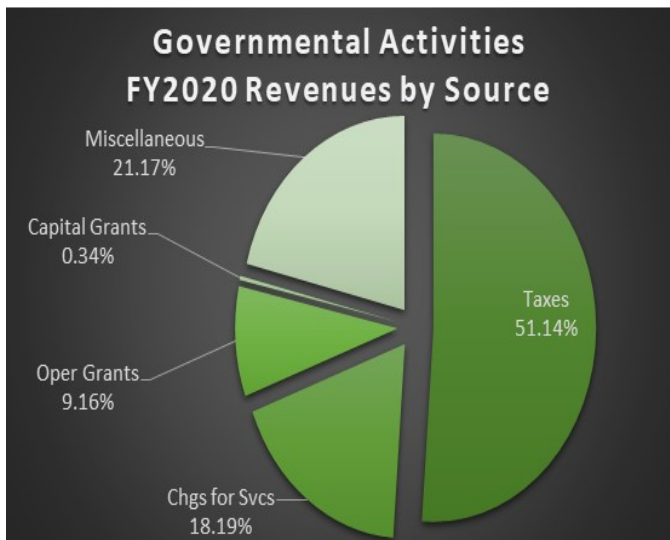


Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

pandemic services. Offsetting those revenue increases are decreases in gambling revenue of \$698 thousand that resulted from COVID19 pandemic business closures.

- General government expenditures increased by \$1.9 million as a result of the following: public safety expenditures increased by \$1.7 million for added positions in law enforcement and emergency services; General government expenditures increased by \$719 thousand as a result of wage and benefit increases for employees and other operating expenditures increases; and this was offset by \$529 thousand in expenditure decreases for culture and recreation primarily a result of hotel occupancy tax collection and distribution decreases.

The County provides a variety of services, and the largest expense is for General Government at 48.53% or \$12.9 million for FY20. General Government includes personnel and operating expenditures for departments like the County and Circuit Court Clerks, Assessor, Tax Office, Engineering, Planning, Zoning and Maintenance. Public Safety makes up the next largest component at 45.27% of FY20 total expenditures or \$13.9 million. Public Safety includes personnel and operating expenditures to maintain the County's police department, emergency services, and the 911 communications center.





Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

Financial Analysis of the Government's Funds

As noted earlier, Jefferson County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$21.2 million, an increase of \$5.4 million from the prior year. Approximately 45.2% of the total ending fund balance (\$21.2 million) constitutes assigned and unassigned fund balance (\$9.6 million), which represents working capital available to support governmental operating needs and future years' expenditures. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed or is legally restricted as follows:

- 1) *Nonspendable and Restricted* fund balance represents amounts that are either legally restricted by outside parties for use for a specific purpose or are otherwise not available for appropriation (\$0.2 million and \$7.1 million, respectively)
- 2) *Committed* fund balance represents amounts that are reserved for a particular purpose by the Jefferson County Commissioners and would require action by that governing body to release the fund balance from its commitment (\$4.3 million)
- 3) *Assigned and Unassigned* fund balance represents amounts reserved for tentative management plans that are subject to change or are unreserved (\$4.1 million and \$5.5 million, respectively)

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, assigned and unassigned fund balance of the General Fund was \$9.6 million, while total fund balance equals \$9.9 million. As a measure of the General Fund's liquidity, it is useful to compare the assigned and unassigned fund balance to total fund expenditures. Assigned and unassigned fund balance represents 39.3% of total General Fund expenditures or just over four and a half (4.5) months of fiscal expenditures.

The fund balance of the General Fund increased by \$3.6 million during the current fiscal year. This is primarily due to an increase in property tax revenue of \$520 thousand from \$14.1 million in FY2019 to \$14.6 million in FY2019; and a \$2.1 million increase in federal intergovernmental revenue from \$0.5 million in FY2019 to \$2.6 million in FY2020.



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

Below are some key elements for FY2020:

Revenue budgets were under approved or better than expected-

- Property taxes realized in FY2020 were \$520 thousand more than FY2019. The increase is a result of slightly higher than expected assessable base figures for both real estate and personal property taxes that resulted from new construction on existing properties. Property tax increases are an indication that the overall economic conditions in Jefferson County are favorable.
- Revenues from charges for services in FY2020 totaled \$4.4 million, a \$0.8 million increase over FY2019. This was offset by the unexpected decrease of (\$0.7) million in miscellaneous revenue (from \$3.7 million in FY2019 to \$3.0 million in FY2020) and was a result of the COVID19 pandemic closures.
- Intergovernmental revenues of \$2.6 million from the federal government were \$2.1 million than the previous year (\$0.5 million for FY2019). This unexpected revenue was CARES Act federal grant revenue for COVID19 pandemic expenditure reimbursements.

Expenditures (excluding transfers to other funds) were over budgeted or lower than expected-

- Wages and Benefits totaled \$14.7 million and were \$0.4 million lower than budgeted for in FY2020 (\$15.1 million). Management instituted a strict vacancy management procedure whereby all vacant positions were not immediately refilled and were evaluated for need prior to filling them.
- In recent years, fees paid to the regional jail were trending higher than normal due to the national opioid crisis. Regional jail fees were flat from FY2014 through FY2016 at \$1.2 million annually. That cost increased in FY2018 to \$1.6 million. The County budgeted \$1.5 million for this cost in FY2020. Legislation changed in late FY2019 that changed the date in which the State begins paying for the regional jail bill from the date of sentencing to the date of conviction. Additionally, bills received are reviewed for responsible jurisdiction accuracy and less severe offenders were recommended for home confinement release to help reduce this cost. The actual cost for this expenditure in FY2019 returned to the historical trend and was \$1.2 million. For FY2020, the new legislation resulted in further decreases to an actual of \$0.7 million which was \$0.7 million under budget for FY2020.
- To ensure that the County's fund balance was not depleted and able to meet the operating needs of the community during the COVID19 pandemic, transfers to the Capital Outlay fund were deferred. Transfers were budgeted at \$1.7 million for FY2020; and, the County transferred \$0.6 million leaving \$1.1 million in fund balance for potential COVID19 operating needs.



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

The Capital Outlay fund has a total fund balance of \$4.2 million. Of the total fund balance, certain amounts are restricted to indicate that it is not available for new spending because it has already been committed or is legally restricted for capital projects as follows:

- *Committed* fund balance represents amounts that are reserved for a particular purpose by the County Commissioners and would require action by that governing body to release the fund balance from its commitment (\$4.2 million). Included in that \$4.2 million committed balance is a \$2.0 million reserve, which represents the County's minimum fund balance reserve required by financial policy. For use of funds in excess of the minimum fund balance reserve or to transfer monies from the Capital Outlay fund to an operating fund, a unanimous approval from the Commissioners is required and has never occurred. Funds expended from the Capital Outlay fund for capital improvement projects require a majority approval of the Commissioners and are typically determined during the annual budget process.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget in fiscal year 2020 is an increase of \$1.7 million in use of fund balance or increases in expenditures.

Description	General Fund Increase/ (Decrease)
General government expenditure	\$ 266,531
Public safety expenditure	25,900
Culture and recreation expenditure	(186,712)
Social Services	40,000
Capital projects expenditure	31,710
Transfers to other funds	1,494,710
Total	<u>\$ 1,672,139</u>

The net change reflects \$1.7 million in increases is primarily made up of: a \$0.3 million in operating for general government due to grant approvals for wages and benefits; offset by a (\$0.2) million decrease in culture and recreation expenditures that resulted from COVID19 related decreases in hotel occupancy tax; and an additional transfer of \$1.5 million of the general county fund balance to the capital outlay fund for capital improvement projects. The additional funding was covered by revenues exceeding expenditures and budgeted projections in the current and prior years.

Capital Asset and Debt Administration

Capital assets. Jefferson County's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$18.1 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, structures and land improvements, machinery and equipment, vehicles, and construction in progress. The total net decrease in County's investment in capital assets for the current fiscal year was (\$0.6) million. Depreciation



Jefferson County Commission
 Management's Discussion and Analysis
 June 30, 2020
 UNAUDITED

expense totaled (\$1.2) million. Land, building and improvements included \$0.2 million for renovations to county offices. Other increases included \$0.3 million in vehicle purchases, and \$0.1 million for replacement of the County's financial system and other computer equipment.

Jefferson County's Capital Assets
 Net of Depreciation

	Governmental Activities		Increase/(Decrease) 2020 over 2019
	2020	2019	
Land	\$ 896,032	\$ 896,032	\$ -
Construction in progress	331,258	322,725	8,533
Buildings	12,261,543	12,772,589	(511,046)
Structures and improvements	2,344,866	2,351,257	(6,391)
Vehicles	673,855	650,434	23,421
Machinery and equipment	1,640,910	1,762,326	(121,416)
Total capital assets	\$ 18,148,464	\$ 18,755,363	\$ (606,899)

Additional information on the governmental activities fixed assets can be found in Note III. D. on page 38 in the notes to the financial statements.

Long-term debt. At the end of the current fiscal year, the County had no long-term debt outstanding. The County has no bonded long-term debt outstanding. During the fiscal year, the County issued no new notes payable. Payments made on outstanding debt totaled (\$180,107). Other long-term liabilities presented on the government-wide financial statements relate to the County's net other post employment benefit obligations, net pension liability and compensated absences. Additional information on the County's long-term debt can be found in Note III. H. on page 41 of the notes to the financial statements; and a summary of the County's long-term liabilities is listed below:

Jefferson County Commission - Long Term Obligations
 June 30, 2020 and 2019

	Governmental Activities		Increase/(Decrease) 2020 over 2019
	2020	2019	
Net Pension Liability	\$ 1,851,685	\$ 1,228,334	\$ 623,351
Net OPEB Liability (non-participating)	1,699,486	1,746,831	(47,345)
Accrued Obligations for			
Compensate Balances	923,668	733,622	190,046
Notes Payable	-	180,107	(180,107)
Total Long-Term Liabilities	\$ 4,474,839	\$ 3,888,894	\$ 4,422,673



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

Economic Factors and Next Year's Budgets and Rates

In March 2020, the nation began experiencing the effects of the worldwide COVID19 pandemic. National, state, county and private organizations have been negatively impacted by the COVID19 pandemic office closures, and reductions in business hours and capacity. As a result, each organization has seen unprecedented revenue loss coupled by unexpected expenditure increases to combat the spread of COVID19. In FY2020, the County implemented sound financial management policies to counter these effects by deferring capital projects, delaying filling of vacancies, and deferring discretionary spending for travel, education, equipment, materials and supplies. These policies were carried forward into FY2021's operating practice and are expected to continue through FY2022's budgetary planning.

In FY16, the County's Property Tax Levy Rate was approaching the maximum levy rate allowed by State law. The decision in FY's 15 through FY19 to implement a 0% property tax revenue increase has better positioned the County financially for future years and continues to remain a key factor for future revenue planning. Additionally, the County's assessable base decreased from \$4.0 billion in FY2009 to a low of \$3.0 billion in FY2014. The County is beginning to realize assessable base increases due to new construction and modest economic improvement. In FY2020, the County's assessable base was \$3.8 billion.

The FY20 budget continues to focus on reducing the County's reliance on gambling revenues in its General Fund operating budget by cutting expenditures, transferring excess to capital outlay, diversifying revenues and re-evaluating existing revenues to ensure that the cost of providing services is being covered by fees being charged for those services. From FY2012 to FY2020, gambling revenue decreased from \$5.9 million to \$2.9 million (49.9%) which is approximately \$2.9 million annually in decreased revenue. Gambling revenue has decreased since FY2012 at an average of (8.3%) per year. The reduction resulted from legislation enacted in nearby Maryland which allowed gambling casinos to open and operate.

Gambling revenue was also negatively impacted by the COVID19 pandemic business closures that resulted in total casino and restaurant shut downs during the summer of 2020. Although the casino has reopened, it is open at reduced hours and reduced capacity to comply with federal and state CDC social distancing guidelines. Gambling revenue is not projected to level out and revenue assumptions for FY2021 and FY2022 will continue to include decreases of (4%) to (5%) or \$140,000-170,000 annually.

Due to increases in property tax revenues, in FY2020 employees received a 0.7% cost of living adjustment and performance increases at a cost of \$275,000. The Commission recognizes that employees are one of its most valuable assets and recognition of the service provided by County employees will need to be built into future expenditure projections through merit increases and cost of living adjustments. Due to the COVID19 pandemic, it is not anticipated that employee increases will be included in the FY2022 operating budget. FY2023 and future years are anticipated to include 1-3% for increases to employee salaries in the form of merit increases and / or cost of living adjustments. Additionally, medical insurance costs increased by 3.25% in FY2020 or \$81,000 and are expected to increase annually by 3-6% in future years (\$100,000-\$125,000). The increase was shared by the County (67% or \$55 thousand) and



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

employees (33% or \$26 thousand) utilizing county provided health insurance. The cost of future increases will also be shared between the County and employees.

In FY2018, the world's largest stone wool manufacturer and a world leader in stone wool solutions, Rockwool, broke ground on a manufacturing facility in Jefferson County. It is anticipated that this plant will be operational in FY2022 and generate economic growth, residential new construction and entice other businesses to locate in Jefferson County. Rockwool is expected to invest \$150 million in construction of this plant and will generate approximately 150 positions that will range from production line to management.

The County, along with other local taxing authorities, entered into a ten (10) year Payment In Lieu of Taxes Agreement (PILOT) with Rockwool that will generate \$2.0 million in tax revenue by 2029. At the end of that agreement, the equivalent personal property tax shall be equal to the amount of ad valorem property tax chargeable against the tangible personal property of the company with property appraised at salvage value (5% of its book value).

Other fiduciary measures will include reductions in contributions to other agencies, discretionary spending by departments, streamlining departments with overlapping functions to create efficiencies and cost savings, and planning for future capital outlay needs. Doing so will provide for a more sustainable future for the County.

A complete copy of the County's budget is available with additional details on our web site at www.jeffersoncountywv.org

Requests for Information

This financial report is designed to provide a general overview of Jefferson County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Finance, Jefferson County, 124 East Washington Street, Charles Town, WV 25414 or by telephone at (304) 724-3284. Complete financial reports are also available on our web site, www.jeffersoncountywv.org



Jefferson County Commission
Management's Discussion and Analysis
June 30, 2020
UNAUDITED

THIS PAGE INTENTIONALLY LEFT BLANK

JEFFERSON COUNTY, WEST VIRGINIA
STATEMENT OF NET POSITION (Unaudited)
June 30, 2020

	Primary	Component Units					
	Governmental	Board of	Development	Historic	Farmland	Emergency	Parks and
	Activities	Health	Authority	Landmarks	Protection	Services	Recreation
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 12,481,753	\$ 579,216	\$ 799,299	\$ 11,509	\$ 2,261,877	\$ 1,272,773	\$ 317,694
Receivables, net of allowance for uncollectibles:							
Taxes	808,440	--	--	--	113,497	--	--
Accounts	581,174	56,414	120,536	--	--	43,919	5,137
Due from:							
Other governments	3,155,059	--	--	--	--	--	--
Inventory, at cost	2,629	--	--	--	--	--	--
Prepaid expenses	188,048	5,282	8,254	--	3,000	64,796	--
Total current assets	<u>17,217,103</u>	<u>640,912</u>	<u>928,089</u>	<u>11,509</u>	<u>2,378,374</u>	<u>1,381,488</u>	<u>322,831</u>
Restricted assets:							
Restricted cash	5,375,591	--	32,027	--	--	--	--
Lease receivable	--	--	2,898,593	--	--	--	--
Capital assets:							
Nondepreciable:							
Land	896,032	--	5,611,625	1,119,857	--	550,000	688,335
Construction in progress	331,258	--	--	--	--	--	406,663
Depreciable:							
Buildings	19,829,643	--	--	--	--	1,366,998	720,786
Structures and improvements	3,455,021	--	--	--	--	--	--
Vehicles	2,604,468	--	--	--	--	--	37,535
Machinery and equipment	8,511,193	30,719	35,573	--	10,164	466,507	266,447
Leasehold improvements	--	6,933	--	--	--	--	--
Less: accumulated depreciation	(17,479,151)	(37,652)	(27,312)	--	--	(746,404)	(270,896)
Total noncurrent assets	<u>23,524,055</u>	<u>--</u>	<u>8,550,506</u>	<u>1,119,857</u>	<u>10,164</u>	<u>1,637,101</u>	<u>1,848,870</u>
Total assets	<u>40,741,158</u>	<u>640,912</u>	<u>9,478,595</u>	<u>1,131,366</u>	<u>2,388,538</u>	<u>3,018,589</u>	<u>2,171,701</u>
DEFERRED OUTFLOWS							
Changes in proportion and differences between employer contributions and proportionate share of contributions							
	10,915	--	--	--	--	53,761	11,349
Employer contributions subsequent to measurement period							
	1,037,157	--	--	--	--	317,061	33,894
Difference between expected and actual experience							
	--	--	--	--	--	25,756	--
Net difference between projected and actual investment earnings on pension plan investments							
	--	--	--	--	--	--	6,727
Total deferred outflows of resources	<u>1,048,072</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>396,578</u>	<u>51,970</u>
LIABILITIES							
Current liabilities payable from current assets:							
Accounts payable	494,154	1,950	3,732	--	--	44,166	18,693
Refunds payable	--	--	--	--	--	--	--
Payroll payable	357,765	30,117	--	--	--	146,056	20
Intergovernmental payable	18,652	--	--	--	80,205	--	--
Current liabilities payable from restricted assets:							
restricted assets:							
Notes payable	--	--	115,622	--	--	34,190	--
Interest payable	--	--	679,362	--	--	1,161	--
Unearned revenues:							
Charges for services	7,120	--	--	--	--	--	--
Noncurrent liabilities:							
Notes payable - due in more than one year	--	--	7,149,370	--	--	1,020,770	--
Net OPEB liability	1,699,486	200,678	--	--	--	--	141,974
Net pension liability	1,851,685	--	--	--	--	15,176	77,672
Compensated absences payable	923,668	--	--	--	--	86,848	--
Total liabilities	<u>5,352,530</u>	<u>232,745</u>	<u>7,948,086</u>	<u>--</u>	<u>80,205</u>	<u>1,348,367</u>	<u>238,359</u>
DEFERRED INFLOWS							
Difference between expected and actual experience							
	183,867	--	--	--	--	72,576	--
Changes in assumptions							
	271,449	--	--	--	--	29,873	4,021
Changes in proportion and differences between employer contributions and proportionate share of contributions							
	86,954	--	--	--	--	19,160	--
Net difference between projected and actual investment earnings on pension plan investments							
	504,856	--	--	--	--	66,879	18,846
Total deferred inflows of resources	<u>1,047,126</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>188,488</u>	<u>22,867</u>
NET POSITION							
Net investment in capital assets, net of related debt	18,148,464	--	8,261	1,119,857	--	616,332	1,848,870
Restricted for:							
Community development projects	--	--	32,027	--	--	--	--
Other purposes	5,375,591	--	--	--	2,308,333	919,195	353,177
Unrestricted	11,865,519	408,167	1,490,221	11,509	--	342,785	(239,602)
Total net position	<u>\$ 35,389,574</u>	<u>\$ 408,167</u>	<u>\$ 1,530,509</u>	<u>\$ 1,131,366</u>	<u>\$ 2,308,333</u>	<u>\$ 1,878,312</u>	<u>\$ 1,962,445</u>

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

JEFFERSON COUNTY, WEST VIRGINIA
STATEMENT OF ACTIVITIES (Unaudited)
For the Fiscal Year Ended June 30, 2020

	Program Revenues				Net (Expense) Revenues and Changes in Net Position							
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units					
					Governmental Activities	Total	Board of Health	Development Authority	Historic Landmark	Farmland Protection	Emergency Services	Parks and Recreation
Functions / Programs												
Primary government:												
Governmental activities:												
General government	\$ 12,942,175	\$ 1,510,846	\$ 2,630,141	\$ 100,000	\$ (8,701,188)	\$ (8,701,188)						
Public safety	13,872,885	4,500,822	309,677	12,736	(9,049,650)	(9,049,650)						
Health and sanitation	97,530	--	--	--	(97,530)	(97,530)						
Culture and recreation	1,447,421	--	--	--	(1,447,421)	(1,447,421)						
Social services	65,000	--	86,541	--	21,541	21,541						
Capital projects	161,584	--	--	--	(161,584)	(161,584)						
Total governmental activities	<u>28,586,595</u>	<u>6,011,668</u>	<u>3,026,359</u>	<u>112,736</u>	<u>(19,435,832)</u>	<u>(19,435,832)</u>						
Total primary government	<u>\$ 28,586,595</u>	<u>\$ 6,011,668</u>	<u>\$ 3,026,359</u>	<u>\$ 112,736</u>	<u>(19,435,832)</u>	<u>(19,435,832)</u>						
Component units:												
Board of Health	1,101,213	334,728	579,679	--	--	--	\$ (186,806)	\$ --	\$ --	\$ --	\$ --	\$ --
Development Authority	544,645	4,800	532,771	--	--	--	--	(7,074)	--	--	--	--
Historic Landmark	35,168	--	43,080	--	--	--	--	--	7,912	--	--	--
Farmland Protection	2,287,883	--	62,179	--	--	--	--	--	--	(2,225,704)	--	--
Emergency Services Agency	3,385,961	915,973	2,480,477	--	--	--	--	--	--	--	10,489	--
Parks and Recreation	1,013,267	247,427	523,185	--	--	--	--	--	--	--	--	(242,655)
Total component units	<u>\$ 8,368,137</u>	<u>\$ 1,502,928</u>	<u>\$ 4,221,371</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ (186,806)</u>	<u>\$ (7,074)</u>	<u>\$ 7,912</u>	<u>\$ (2,225,704)</u>	<u>\$ 10,489</u>	<u>\$ (242,655)</u>
General revenues:												
Ad valorem property taxes					\$ 14,628,039	\$ 14,628,039	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Alcoholic beverages tax					255,144	255,144	--	--	--	--	--	--
Hotel occupancy tax					638,709	638,709	--	--	--	--	--	--
Gas and oil severance tax					100,552	100,552	--	--	--	--	--	--
Other taxes					1,149,890	1,149,890	--	--	--	913,542	--	--
Coal severance tax					127,181	127,181	--	--	--	--	--	--
Licenses and permits					2,064,298	2,064,298	--	--	--	--	--	--
Interest and investment earnings					119,818	119,818	3,521	(109,169)	--	59,311	7,641	1,599
Reimbursement					841,497	841,497	--	--	--	--	--	--
Net gain (loss) on sale of investments					--	--	--	(188,367)	--	--	--	--
Miscellaneous					3,970,244	3,970,244	26,324	(360)	15	--	107,847	2,571
Total general revenues					<u>23,895,372</u>	<u>23,895,372</u>	<u>29,845</u>	<u>(297,896)</u>	<u>15</u>	<u>972,853</u>	<u>115,488</u>	<u>4,170</u>
Change in net position					4,459,540	4,459,540	(156,961)	(304,970)	7,927	(1,252,851)	125,977	(238,485)
Net position - beginning					30,930,034	30,930,034	565,128	1,835,479	1,123,439	3,561,184	1,752,335	2,200,930
Net position - ending					<u>\$ 35,389,574</u>	<u>\$ 35,389,574</u>	<u>\$ 408,167</u>	<u>\$ 1,530,509</u>	<u>\$ 1,131,366</u>	<u>\$ 2,308,333</u>	<u>\$ 1,878,312</u>	<u>\$ 1,962,445</u>

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

JEFFERSON COUNTY, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS (Unaudited)
June 30, 2020

	General	Coal Severance Tax	County Capital Outlay	Impact Fees	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS						
Assets						
Cash and cash equivalents	\$ 6,944,731	\$ 207,329	\$ 4,191,153	\$ --	\$ 1,138,540	\$ 12,481,753
Receivables, net of allowance for uncollectibles:						
Taxes	808,440	--	--	--	--	808,440
Accounts	171,676	--	--	--	409,498	581,174
Due from:						
Other funds	98,318	--	--	--	--	98,318
Other governments	2,897,696	--	--	--	257,363	3,155,059
Inventory, at cost	2,629	--	--	--	--	2,629
Prepaid expenses	183,874	--	--	--	4,174	188,048
Restricted cash	--	--	--	5,375,591	--	5,375,591
Total assets	11,107,364	207,329	4,191,153	5,375,591	1,809,575	22,691,012
Deferred Outflows						
Total deferred outflows of resources	--	--	--	--	--	--
Total assets and deferred outflows of resources	\$ 11,107,364	\$ 207,329	\$ 4,191,153	\$ 5,375,591	\$ 1,809,575	\$ 22,691,012
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities						
Accounts payable	330,828	1,000	44,794	--	117,532	494,154
Payroll payable	357,765	--	--	--	--	357,765
Intergovernmental payable	13,790	--	--	--	4,862	18,652
Due to:						
Other funds	--	--	--	--	98,318	98,318
Unearned revenue	--	--	--	--	7,120	7,120
Total liabilities	702,383	1,000	44,794	--	227,832	976,009
Deferred Inflows						
Deferred revenue - taxes	535,701	--	--	--	--	535,701
Total deferred inflows of resources	535,701	--	--	--	--	535,701
Total liabilities and deferred inflows of resources	1,238,084	1,000	44,794	--	227,832	1,511,710
Fund balances						
Nonspendable	186,503	--	--	--	4,174	190,677
Restricted	--	176,321	--	5,375,591	1,563,065	7,114,977
Committed	102,367	30,008	4,146,359	--	14,504	4,293,238
Assigned	4,051,615	--	--	--	--	4,051,615
Unassigned	5,528,795	--	--	--	--	5,528,795
Total fund balances	9,869,280	206,329	4,146,359	5,375,591	1,581,743	21,179,302
Total liabilities, deferred inflows and fund balances	\$ 11,107,364	\$ 207,329	\$ 4,191,153	\$ 5,375,591	\$ 1,809,575	\$ 22,691,012

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

JEFFERSON COUNTY, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION (Unaudited)
June 30, 2020

Total fund balances on the governmental fund's balance sheet \$ 21,179,302

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 - D) 18,148,464

Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds. (Note III - B) 535,701

Deferred (inflows) and outflows related to pension activity are not required to be reported in the funds but are required to be reported at the government-wide level (Note V):

Deferred outflow (inflow)- Changes in employer portion and differences between contributions and proportionate share of pension expense \$ (76,039)

Deferred outflow - Employer contributions to pension plan after measurement date 1,037,157

Deferred outflow (inflow) - Net differences between projected and actual investment earnings (504,856)

Deferred outflow (inflow) - Differences between expected and actual experience (183,867)

Deferred outflow (inflow) - Differences in assumptions (271,449) 946

Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. This is Increase/Decrease in Compensated Absences and OPEB Liability (Note IV - E), and Net Pension Liability (Note V) (4,474,839)

Net position of governmental activities \$ 35,389,574

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

JEFFERSON COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS (Unaudited)
For the Fiscal Year Ended June 30, 2020

	General	Coal Severance Tax	County Capital Outlay	Impact Fees	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes:						
Ad valorem property taxes	\$ 14,655,880	\$ --	\$ --	\$ --	\$ --	\$ 14,655,880
Alcoholic beverages tax	255,144	--	--	--	--	255,144
Hotel occupancy tax	638,709	--	--	--	--	638,709
Gas and oil severance tax	100,552	--	--	--	--	100,552
Other taxes	1,127,566	--	--	--	--	1,127,566
Coal severance tax	--	127,181	--	--	--	127,181
Licenses and permits	412,819	--	--	1,591,167	60,312	2,064,298
Intergovernmental:						
Federal	2,641,187	--	--	--	--	2,641,187
State	43,391	--	100,000	--	301,218	444,609
Local	50,000	--	--	--	--	50,000
Charges for services	4,366,331	--	--	--	1,164,559	5,530,890
Fines and forfeits	81,112	--	--	--	399,666	480,778
Interest and investment earnings	41,153	970	51,753	22,560	3,382	119,818
Reimbursements	193,321	--	--	--	648,176	841,497
Payments in lieu of taxes	22,324	--	--	--	--	22,324
Contributions and donations	1,530	--	--	--	1,769	3,299
Miscellaneous	3,000,758	--	--	--	969,486	3,970,244
Total revenues	27,631,777	128,151	151,753	1,613,727	3,548,568	33,073,976
EXPENDITURES						
Current:						
General government	11,520,678	18,592	426,956	--	1,203,792	13,170,018
Public safety	11,300,247	--	273,174	20,000	1,227,432	12,820,853
Health and sanitation	80,380	17,150	--	--	--	97,530
Culture and recreation	1,343,526	10,000	--	--	--	1,353,526
Social services	60,000	5,000	--	--	--	65,000
Capital outlay	72,256	--	--	--	89,328	161,584
Total expenditures	24,377,087	50,742	700,130	20,000	2,520,552	27,668,511
Excess (deficiency) of revenues over expenditures	3,254,690	77,409	(548,377)	1,593,727	1,028,016	5,405,465
OTHER FINANCING SOURCES (USES)						
Transfers in	911,016	--	800,000	--	--	1,711,016
Transfers (out)	(600,000)	--	--	--	(1,111,016)	(1,711,016)
Total other financing sources (uses)	311,016	--	800,000	--	(1,111,016)	--
Net change in fund balances	3,565,706	77,409	251,623	1,593,727	(83,000)	5,405,465
Fund balances - beginning (restated)	6,303,574	128,920	3,894,736	3,781,864	1,664,743	15,773,837
Fund balances - ending	\$ 9,869,280	\$ 206,329	\$ 4,146,359	\$ 5,375,591	\$ 1,581,743	\$ 21,179,302

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

JEFFERSON COUNTY, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES (Unaudited)
For the Fiscal Year Ended June 30, 2020

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

Net change in fund balances - total governmental funds	\$	5,405,465
<p>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-D)</p>		
		350,978
<p>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-D)</p>		
		(1,223,008)
<p>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 deferred revenues. (Notes III-B)</p>		
Prior year deferred revenues:	\$ 563,542	
Current year deferred revenues:	<u>535,701</u>	(27,841)
<p>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)</p>		
		180,108
<p>Governmental Funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense and are recognized on the accrual basis of accounting in accordance with GASB 68.</p>		
Amount of pension expenditures at fund modified accrual level	\$ 1,037,157	
Amount of pension expenses recognized at government-wide level	<u>(1,406,020)</u>	(368,863)
<p>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. Decrease in Compensated Absences and OPEB.</p>		
		<u>142,701</u>
Change in net position of governmental activities	\$	<u><u>4,459,540</u></u>

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

JEFFERSON COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND (Unaudited)
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Modified Accrual Basis	Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Taxes:					
Ad valorem property taxes	\$ 14,923,740	14,937,000	\$ 14,655,880	\$ 14,655,880	\$ (281,120)
Alcoholic beverages tax	11,650	255,144	255,144	255,144	--
Hotel occupancy tax	807,450	670,738	638,709	638,709	(32,029)
Gas and oil severance tax	88,130	100,552	100,552	100,552	--
Other taxes	1,094,510	1,091,201	1,127,566	1,127,566	36,365
Licenses and permits	357,695	429,277	412,819	412,819	(16,458)
Intergovernmental:					
Federal	270,000	299,588	2,641,187	2,641,187	2,341,599
State	--	60,821	43,391	43,391	(17,430)
Local	--	20,000	50,000	50,000	30,000
Charges for services	3,330,811	3,440,142	4,366,331	4,366,331	926,189
Fines and forfeitures	98,000	81,111	81,112	81,112	1
Interest and investment earnings	32,871	41,023	41,153	41,153	130
Reimbursements	178,500	195,294	193,321	193,321	(1,973)
Payments in lieu of taxes	20,000	20,000	22,324	22,324	2,324
Contributions and donations	--	--	1,530	1,530	1,530
Miscellaneous	3,388,800	2,930,268	3,000,758	3,000,758	70,490
Total revenues	<u>24,602,157</u>	<u>24,572,159</u>	<u>27,631,777</u>	<u>27,631,777</u>	<u>3,059,618</u>
EXPENDITURES					
Current:					
General government	11,747,900	12,014,431	11,520,678	11,520,678	493,753
Public safety	11,580,949	11,449,559	11,300,247	11,300,247	149,312
Health and sanitation	80,380	80,380	80,380	80,380	--
Culture and recreation	1,552,567	1,365,855	1,343,526	1,343,526	22,329
Social services	20,000	60,000	60,000	60,000	--
Capital outlay	--	189,000	72,256	72,256	116,744
Total expenditures	<u>24,981,796</u>	<u>25,159,225</u>	<u>24,377,087</u>	<u>24,377,087</u>	<u>782,138</u>
Excess (deficiency) of revenues over expenditures	<u>(379,639)</u>	<u>(587,066)</u>	<u>3,254,690</u>	<u>3,254,690</u>	<u>3,841,756</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	793,664	801,236	911,016	911,016	109,780
Transfers (out)	<u>(214,024)</u>	<u>(1,708,734)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>1,108,734</u>
Total other financing sources (uses)	<u>579,640</u>	<u>(907,498)</u>	<u>311,016</u>	<u>311,016</u>	<u>1,218,514</u>
Net change in fund balance	200,001	(1,494,564)	3,565,706	3,565,706	5,060,270
Fund balance - beginning (restated Note III J)	<u>4,685,057</u>	<u>6,303,574</u>	<u>6,303,574</u>	<u>6,303,574</u>	<u>--</u>
Fund balance - ending	<u>\$ 4,885,058</u>	<u>\$ 4,809,010</u>	<u>\$ 9,869,280</u>	<u>\$ 9,869,280</u>	<u>\$ 5,060,270</u>

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

JEFFERSON COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL -
COAL SEVERANCE TAX FUND (Unaudited)
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Modified Accrual Basis	Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Taxes:					
Coal severance tax	\$ 90,000	90,000	\$ 127,181	\$ 127,181	\$ 37,181
Interest and investment earnings	900	900	970	970	70
Total revenues	90,900	90,900	128,151	128,151	37,251
EXPENDITURES					
Current:					
General government	125,570	168,120	18,592	18,592	149,528
Public safety	17,000	17,000	--	--	17,000
Health and sanitation	15,000	18,600	17,150	17,150	1,450
Culture and recreation	10,000	10,000	10,000	10,000	--
Social services	1,100	6,100	5,000	5,000	1,100
Total expenditures	168,670	219,820	50,742	50,742	169,078
Excess (deficiency) of revenues over expenditures	(77,770)	(128,920)	77,409	77,409	206,329
OTHER FINANCING SOURCES (USES)					
Transfers (out)	--	--	--	--	--
Total other financing Total other financing sources (uses)	--	--	--	--	--
Net change in fund balance	(77,770)	(128,920)	77,409	77,409	206,329
Fund balance - beginning	77,770	128,920	128,920	128,920	--
Fund balance - ending	\$ --	\$ --	\$ 206,329	\$ 206,329	\$ 206,329

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

JEFFERSON COUNTY, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS (Unaudited)
For the Fiscal Year Ended June 30, 2020

	<u>Pension 457(b) Trust Fund</u>	<u>Agency Funds</u>
ASSETS		
Non-pooled cash	\$ --	\$ 1,628,573
Investments, at fair value	658,937	--
Total cash	<u>658,937</u>	<u>1,628,573</u>
Receivables, net of allowance for uncollectibles:		
Taxes	--	2,529,378
Total receivables	<u>--</u>	<u>2,529,378</u>
Total assets	<u>658,937</u>	<u>4,157,951</u>
DEFERRED OUTFLOWS		
Total deferred outflows of resources	<u>--</u>	<u>--</u>
Total assets and deferred outflows of resources	<u>\$ 658,937</u>	<u>\$ 4,157,951</u>
LIABILITIES		
Due to: other governments	<u>--</u>	<u>4,157,951</u>
Total liabilities	<u>--</u>	<u>4,157,951</u>
DEFERRED INFLOWS		
Total deferred inflows of resources	<u>--</u>	<u>--</u>
Total liabilities and deferred inflows of resources	<u>\$ --</u>	<u>\$ 4,157,951</u>
NET POSITION		
Restricted for pension / other benefits	<u>\$ 658,937</u>	<u>\$ --</u>

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

JEFFERSON COUNTY, WEST VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS (Unaudited)
For the Fiscal Year Ended June 30, 2020

	<u>Pension 457(b) Trust Fund</u>	<u>Agency Funds</u>
ADDITIONS:		
Contributions - employees	\$ 22,923	\$ --
Net investment income	29,556	--
Total Additions	<u>52,479</u>	<u>--</u>
DEDUCTIONS:		
Withdrawals / transfers out	--	--
Service charges	--	--
Total Deductions	<u>--</u>	<u>--</u>
Change in net position	<u>52,479</u>	<u>--</u>
Net position - beginning	606,458	--
Net position - ending	<u>\$ 658,937</u>	<u>\$ --</u>

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

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Jefferson 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 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 Commission's office maintains the accounting system for the County's operations. The operations of the County as a whole, however, including all the Constitutional offices have been combined in these financial statements.

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

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

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 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 and are as follows:

The *Jefferson County Board of Health* serves citizens of Jefferson County and is governed by a five (5) member board appointed by the County Commission. The Board of Health is responsible for directing, supervising and carrying out matters related to public health of the

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

County. West Virginia statute dictates the County is legally obligated to provide financial support to the board.

The *Jefferson County Economic Development Authority* serves Jefferson County, West Virginia, and is governed by a board comprised of fifteen (15) members appointed by the County Commission. The Jefferson County Economic Development Authority develops property on behalf of the County and also provides services to external parties.

The *Jefferson County Parks and Recreation* serves all citizens of Jefferson County by providing recreational services and is governed by an eleven (11) member board appointed by the County Commission. The County provides financial support to the Board on an annual basis.

The *Jefferson County Emergency Services Agency* serves citizens of Jefferson County by providing emergency ambulance services and is governed by a nine (9) member board appointed by the County Commission. The County provides financial support to the Board on an annual basis.

The *Jefferson County Farmland Protection Board* serves all citizens of Jefferson County by promoting the protection of agriculture within the County and is governed by a seven (7) member board appointed by the County Commission.

The *Jefferson County Historic Landmarks Commission* serves Jefferson County by preserving historic structures within the unincorporated areas of Jefferson County and by educating the public about the county's heritage. The Jefferson County Historic Landmarks Commission is governed by a five (5) member board appointed by the County Commission. The County provides financial support to the Historic Landmarks Commission.

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. No business-type activities are provided or reported by the government. 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

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is 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 proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and collectible. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. 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.

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.

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The *Capital Outlay fund*, a capital projects fund, accounts for revenues and expenditures related to capital outlay expenditures of the County.

The *Impact Fee fund*, a special revenue fund, accounts for revenues collected for schools, parks, fire, emergency medical services, and law enforcement capacity improvements.

Additionally, the government reports two fiduciary fund types:

The *Pension Trust funds* account for activities of the County's elective retirement plans, which accumulate resources for pension benefit payments to qualified employees.

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

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

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

Jefferson 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.

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

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

investment trust is rated within one of the top two rating categories of any nationally recognized rating service such as Moody's or Standard & Poor's.

2. Receivables and Payables

Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables or payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property Tax Receivable

Trade and property tax receivables are shown net of an allowance for uncollectibles. Current taxes assessed on real and personal property may be paid in two installments: The first installment is payable on September 1 of the year for which the assessment is made, and becomes delinquent on October 1; and, The second installment is payable on the first day the following March and becomes delinquent on April 1. Taxes paid on or before the date when they are payable, including both first and second installments, are allowed a discount of two and one-half percent (2.5%). Taxes that 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 (9%) per annum is added from the date the taxes become delinquent until the date the taxes are paid. 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 (60) days of estimated property tax collections are recorded in revenues at the end of each fiscal year.

All counties within the state are authorized to levy taxes not in excess of the following maximum levies per \$100 of assessed valuation: On Class I property, fourteen and three-tenths cents (14.30 cents); On Class II property, twenty-eight and six-tenths cents (28.60 cents); On Class III property, fifty-seven and two-tenths cents (57.20 cents); and, On Class IV property, fifty-seven and two-tenths cents (57.20 cents). In addition, counties may provide for an election to lay an excess levy; the rate not to exceed statutory limitations, provided at least sixty percent (60%) 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:

<u>Class of Property</u>	<u>Assessed Valuation for Tax Purposes</u>	<u>Current Expense</u>
Class I	\$ -	\$ 14.30
Class II	2,446,201,200	28.60
Class III	923,809,887	57.20
Class IV	408,140,959	57.20

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Inventories and Prepaid Items

The cost of governmental fund-type inventories is recorded as expenditures when purchased rather than when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Restricted Assets

Certain assets of the Impact Fees special revenue funds are classified as restricted assets because their use is restricted by state statutes.

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

5. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$10,000 or more and estimated to have a useful life in excess of one (1) year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend assets lives are not capitalized.

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

<u>Asset</u>	<u>Straight-line Useful Life</u>	<u>Value for Inventory Purposes</u>	<u>Capitalize/ Depreciate</u>
Land	Not applicable	\$ 1	\$ Capitalize only
Land improvement	20 to 30 years	1	10,000
Building	35 years	1	10,000
Building improvements	20 to 25 years	1	10,000
Construction in Progress	Not applicable	1	Capitalize only
Equipment	5 to 10 years	1,000	10,000
Vehicles	5 to 10 years	1,000	10,000

6. Compensated Absences

Employees are permitted to carryover a limited amount of vacation and an unlimited amount of sick leave benefits at the end of a calendar year. The amount of vacation and sick leave benefits permitted to be carried over is dependent on the department for which the employee works. No liability is reported for unpaid accumulated sick leave. All vacation

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

pay is accrued when incurred in the government-wide financial statements in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*.

When a permanent full time employee retires, the employee has the option of being paid for accrued vacation only or applying both accrued vacation and sick leave to additional months of service for retirement benefits at the conversion of ten (10) days of leave for one (1) month of additional service credit.

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. The face amount of debt issued is reported as other financing sources. Debt service payments are considered expenditures in the period due.

8. Deferred Outflows / Inflows of Resources

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

In addition to liabilities, the statement of financial position will sometimes report a separate section 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. The County has three (3) items that qualify for reporting in this category; one which arises only under the modified accrual basis of accounting is *unavailable revenue* for property taxes; and, the *deferred outflows* and *deferred inflows* from pension activities reported in the government-wide Statement of Net Position.

Unavailable revenue. The unavailable revenue is only reported in the governmental funds balance sheet. The county reports unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Pensions. Deferred inflows and outflows from pension activities reflect changes in assumptions, differences between actual and expected experience, differences between actual and projected earnings on investments, employer contributions to pension plan after the measurement date, and changes in the employer portion and differences between contributions and the proportionate share of pension expense. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Jefferson County's Public Employees Retirement System (PERS) and the West Virginia Deputy Sheriff Retirement System (WVDRS) and additions to/deductions from PERS' and WVDRS' fiduciary net position have been determined on the same basis as they are reported by PERS and WVDRS. For this purpose, benefit payments (including refunds of

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Unearned Revenue

Governmental funds also defer revenue recognition in connection with resources that have been received but not yet earned. At the end of the current and prior fiscal year, the governmental funds reported \$7,120 and \$5,473 in unearned revenue respectively.

10. Fund Balances

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

The **nonspendable** fund balance includes amounts that cannot be spent because they are either a) not in spendable form or b) legally or contractually required to be maintained intact.

The **restricted** fund balance includes amounts that are restricted to specific purposes when the constraints are externally imposed by creditors, grantors, contributors or the laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by a formal action of the County's highest level of decision-making authority, the County Commission, and that remain binding unless removed in the same manner are to be reported as **committed** fund balance. Additionally, the approval does not automatically lapse at the end of the fiscal year.

The portion of net resources 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, are to be reported as **assigned** fund balance.

Unassigned fund balance is the portion of net resources in excess of the nonspendable, restricted, committed and assigned balances.

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.

11. Net Position

Net position represents the difference between assets plus deferred outflows of resources less liabilities and deferred inflows of resources. Net investment in capital assets consists

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

12. 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 Jefferson County's Public Employee Retirement System (PERS) and Deputy Sheriff's Retirement System (DSRS) and additions to / deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the PERS and DSRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Postemployment Benefits Other Than Pensions (OPEB)

For the 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 Jefferson County Postretirement Health Plan (JCPHP) and additions to / deductions from the JCPHP fiduciary net position have been determined on the same basis as they are reported by the JCPHP. JCPHP 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

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General fund and the Coal Severance Tax Special Revenue fund. All annual appropriations lapse at fiscal year-end.

Jefferson County, West Virginia prepares its budget on the modified accrual basis of accounting.

Prior to March 2 of each year, the various elected officials submit to the County Commission proposed requests for their respective offices for the fiscal year commencing on 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 (3rd) 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

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

approval from the governing commission 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.

Description	General Fund Increase/ (Decrease)	Coal Severance Increase/ (Decrease)
General government expenditure	\$ 266,531	\$ 42,550
Public safety expenditure	25,900	--
Health and sanitation	--	3,600
Culture and recreation expenditure	(186,712)	--
Social Services	40,000	5,000
Capital projects expenditure	31,710	--
Transfers to other funds	1,494,710	--

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Custodial Credit Risk

For deposits, the government could be exposed to risk in the event of a bank failure where the government's deposits may not be returned. The government's policy for custodial credit risk is to comply with statutory provisions for depository bond coverage, which provides that no public money should be deposited until the banking institution designated executes a bond with good and sufficient sureties which may not be less than the maximum sum that is deposited in the depository at any one time.

At year end, the government's bank balances were \$ 20,437,006. The bank balance was collateralized by federal depository insurance or with securities held by the pledging financial institution's trust department or agent in the government's name.

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

Cash and cash equivalents - Governmental Funds	\$ 12,481,753
Cash and cash equivalents-restricted - Impact Fees	5,375,591
Cash and cash equivalents-restricted - Agency Fund	1,620,341
Total cash and cash equivalents	<u>\$ 19,477,685</u>

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

III. DETAILED NOTES ON ALL FUNDS (continued)

B. Receivables

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

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	General	Assessor's Valuation	Farmland Protection	Ambulance Service Fee	EPDVTF DOJ Funds	LEO Forfeiture	State Grant Fund	Total
Receivables:								
Taxes	\$ 1,007,018	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 1,007,018
Accounts	171,676	--	--	792,088	--	--	--	963,764
Intergovernmental	2,897,696	2,655	103,421	127,430	6,739	11,825	5,293	3,155,059
Gross Receivables	4,076,390	2,655	103,421	919,518	6,739	11,825	5,293	5,125,841
Less: Allowance for Uncollectible	(198,578)	--	--	(382,590)	--	--	--	(581,168)
Net Total Receivables	\$ 3,877,812	\$ 2,655	\$ 103,421	\$ 536,928	\$ 6,739	\$ 11,825	\$ 5,293	\$ 4,544,673

General Fund	Unavailable	Unearned
Delinquent property taxes receivable	\$ 535,701	\$ --
Unearned Revenue Ambulance Fees Paid in Advance	--	7,120
Total unavailable/unearned revenue for governmental funds	\$ --	\$ --

C. Prepaid Assets

Occasional payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenses/expenditures when consumed rather than when purchased. At June 30, 2020, prepaid assets in the General Fund (\$183,874), Ambulance Service Fee Fund (\$1,989) and the Assessor's Valuation Fund (\$2,185) totaled \$188,048.

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

III. DETAILED NOTES ON ALL FUNDS (continued)

D. Capital Assets

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

Capital Assets

	Primary Government				Ending Balance
	Beginning Balance (restated)	Increases	Decreases	Transfers	
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 896,032	\$ --	\$ --	\$ --	\$ 896,032
Construction in progress	322,725	35,170	--	(26,638)	331,257
Total capital assets not being depreciated	<u>1,218,757</u>	<u>35,170</u>	<u>--</u>	<u>(26,638)</u>	<u>1,227,289</u>
Capital assets being depreciated:					
Buildings and improvements	19,829,643	--	--	--	19,829,643
Structures and improvements	3,290,285	164,736	--	--	3,455,021
Vehicles	2,380,963	251,606	(28,101)	--	2,604,468
Machinery and equipment	8,359,836	164,597	(39,877)	26,638	8,511,194
Less: Total accumulated depreciation	<u>(16,324,121)</u>	<u>(1,223,008)</u>	<u>67,978</u>	<u>--</u>	<u>(17,479,151)</u>
Total capital assets being depreciated, net	<u>17,536,606</u>	<u>(642,069)</u>	<u>--</u>	<u>26,638</u>	<u>16,921,175</u>
Governmental activities capital assets, net	<u>\$ 18,755,363</u>	<u>\$ (606,899)</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 18,148,464</u>

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

Governmental activities:

General government	\$ 529,417
Public safety	599,696
Culture and recreation	<u>93,895</u>
Total depreciation expense-governmental activities	<u>\$ 1,223,008</u>

Construction in Progress

The government has two (2) active construction projects as of the fiscal year ended June 30, 2020.

<u>Project</u>	<u>Funding</u>	<u>Expenditure to-Date</u>
General billing system replacement	Capital Outlay Fund	\$ 10,904
Wastewater treatment plant decommission	Capital Outlay Fund	<u>320,354</u>
Total construction in progress		<u>\$ 331,258</u>

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

III. DETAILED NOTES ON ALL FUNDS (continued)

E. Interfund Receivables, Payables, and Transfers

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

Advances to/from other funds:

Payable Fund	Interfund Payable to General Fund
Jury & Witness	\$ 34,187
Ambulance Service Fee	64,131
Total due to/from other funds	\$ 98,318

These temporary advances represent funds that were expended prior to their receipt from other funds or other governments. These funds are expected to be received shortly after the beginning of July 2020. The temporary advance will then be reversed.

Interfund transfers:

Transfers out:	Transfers in:		
	General County	Capital Outlay	Total
General County	\$ - -	\$ 600,000	\$ 600,000
Assessor Valuation	522,609	- -	522,609
Magistrate Court	41,250	- -	41,250
Dog & Kennel	31,000	- -	31,000
Gen School	252,026	- -	252,026
Financial Stabilization Fund	- -	200,000	200,000
Ambulance Service Fee	64,131	- -	64,131
Total transfers out	\$ 911,016	\$ 800,000	\$ 1,711,016

The transfers of \$600,000 and \$200,000 from General County and the Financial Stabilization fund to the Capital Outlay fund represent contributions toward the respective fund balances for future capital purchases. The transfers from General School to General County totaling \$252,026 represent operating support from jail fees. The transfers of \$41,250 and \$31,000 from the Magistrate Court fund and Dog & Kennel fund, respectively, to General County represent operating transfers.

The transfer of \$522,609 from the Assessor Valuation fund to General County represents wages and benefits for partial staffing of the Jefferson County Assessor's Office. The transfer of \$64,131 from the Ambulance Service Fee fund to General County represents wages and benefits for staff, and other operating expenditures related to billing of the Jefferson County Ambulance Service Fee.

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

III. DETAILED NOTES ON ALL FUNDS (continued)

F. Fund Balance Detail

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

	<u>General Fund</u>	<u>Coal Severance Fund</u>	<u>County Capital Outlay</u>	<u>County Impact Fees</u>	<u>Non-major Funds</u>	<u>Total</u>
Nonspendable:						
Inventory	\$ 2,629	\$ --	\$ --	\$ --	\$ --	\$ 2,629
Prepaid items	183,874	--	--	--	4,174	188,048
Restricted:						
General government	--	119,024	--	--	1,440,729	1,559,753
Public safety	--	--	--	186,079	122,336	308,415
Culture and recreation	--	--	--	310,448	--	310,448
Social services	--	42,297	--	--	--	42,297
Health and sanitation	--	15,000	--	--	--	15,000
School	--	--	--	4,879,064	--	4,879,064
Committed:						
General government	102,367	30,008	--	--	--	132,375
Capital projects	--	--	4,146,359	--	14,504	4,160,863
Assigned:						
General government	1,948,100	--	--	--	--	1,948,100
Public safety	1,882,000	--	--	--	--	1,882,000
Culture and recreation	221,515	--	--	--	--	221,515
Unassigned:	5,528,795	--	--	--	--	5,528,795
Total fund balances	\$ 9,869,280	\$ 206,329	\$ 4,146,359	\$ 5,375,591	\$ 1,581,743	\$ 21,179,302

Rainy Day Reserve Policy

The County has adopted a fund balance policy which states that the County will maintain a fund balance in the General fund equal to 16.67% of General fund operating expenditures to provide for adequate working capital and to meet unforeseen emergencies. The County Commission has the discretion to determine whether circumstances or events constitute an emergency. Following use of the reserve, the County must restore the reserve to the 16.67% level within a two year period. Should the unencumbered balance rise above the amount stated in the policy, 50% of the excess amount will be placed into a Rainy Day fund or the "Financial Stabilization" fund.

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

III. DETAILED NOTES ON ALL FUNDS (continued)

G. Leases

Operating Leases

The government had no operating lease for this fiscal year; and, no future minimum lease payments are due.

H. Long-term Debt

The County issues debt to provide funds for the acquisition or construction of major capital assets. General long-term debt was issued during the fiscal year and are direct obligations of the County. The long-term obligations of the County currently outstanding are as follows:

Changes in Long-term Liabilities

	Date of Issue	Date of Maturity	Interest Rate	Governmental Activities				
				Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Notes Payable:								
General purpose	9/1/2016	3/31/2020	0%	\$ 180,107	\$ --	\$ (180,107)	\$ --	\$ --
Other Obligations:								
Net OPEB liability				1,746,831	\$ 113,042	\$ (160,387)	\$ 1,699,486	\$ --
Net pension liability				1,228,334	641,675	(18,324)	1,851,685	--
Compensated absences				733,622	911,337	(721,291)	923,668	--
Governmental activities								
Long-term liabilities				\$ 3,888,894	\$ 1,666,054	\$ (1,080,109)	\$ 4,474,839	\$ --

Note: For governmental activities, compensated absences are generally liquidated by the General fund.

During the fiscal year, the County repaid \$180,107 in notes payable originated in 2016 to finance general capital improvement projects. The debt was paid for from the Capital Outlay fund.

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

III. DETAILED NOTES ON ALL FUNDS (continued)

I. Restricted Assets

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

Impact fee account	\$	5,375,591
Pension 457(b) Trust Fund		658,937
Agency funds		<u>1,620,341</u>
Total restricted assets	\$	<u><u>7,654,869</u></u>

J. Prior Period Adjustment

A prior period adjustment of \$325,571 was made to the nonmajor special revenue funds to reflect that a certain fund should be reported in the footnotes as an agency fund in accordance with Generally Accepted Accounting Procedures (GAAP).

The following restatement was performed to beginning Other Nonmajor Governmental Funds fund balances:

		<u>Other Nonmajor Governmental Funds</u>
Fund balances, as previously stated	\$	1,990,314
Deduct:		
Fiscal year 2019 & prior income		(1,030,780)
Add:		
Fiscal year 2019 expenditures		<u>705,209</u>
Fund balances, restated	\$	<u><u>1,664,743</u></u>

The following restatement was performed to beginning governmental fund balances:

		<u>Governmental Activities</u>
Net position, (government-wide balance) as previously stated	\$	31,255,605
Deduct:		
Fiscal year 2019 & prior income		(1,030,780)
Add:		
Fiscal year 2019 expenditures		<u>705,209</u>
Net position, (government-wide balance)	\$	<u><u>30,930,034</u></u>

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

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

IV. OTHER INFORMATION (continued)

carries insurance with West Virginia Corp for umbrella (general liability) insurance for these various risks.

Workers' Compensation Fund (WCF): Private insurance companies could begin to offer workers compensation coverage to government employers beginning July 1, 2010. Workers compensation coverage is provided for this entity by WV Corp.

B. Related Party Transactions

There are none to report

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 is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the government's counsel that resolution of these matters will not have a material effect on the financial condition of the government.

It is the opinion of the government's counsel that there are no pending lawsuits or unasserted claims against Jefferson County, West Virginia.

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

IV. OTHER INFORMATION (continued)

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. Total asset value, additions and deductions are shown in the fiduciary fund statements in accordance with Governmental Accounting Standards Board (GASB), Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*.

E. Other Post Employment Healthcare Plan (non-participating entities only)

Effective July 1, 2014, Jefferson County adopted the provisions of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. In addition to the relevant disclosures within this note related to the implementation of GASB 45, the financial statement reflects long-term liabilities and related expenses/ (income) in the governmental activities in fiscal years 2020 and 2019 of \$(47,345), and \$(39,449), respectively.

In addition to the pension benefits described in Note VI, the Jefferson County Commission provides other post employment benefits (OPEB) to certain employees who qualify as a retiree, were hired prior to July 1, 1998, and meet specific service requirements through a multi-employer defined benefit plan. For fiscal year 2020 and 2019, total premiums paid for retiree medical benefits were \$103,266 and \$94,080 respectively. Employees and retirees eligible to participate in the OPEB plan consisted of the following at June 30, 2020:

Actives Fully Eligible to Retire	5
Actives Not Yet Fully Eligible to Retire	7
Retirees	<u>29</u>
Total Participants	<u>41</u>

Plan Description. The medical insurance is a contributory plan, and eligible retirees may insure themselves and eligible dependents. Medical insurance coverage is provided to retirees based on the employee's hire date, age, and years of full time continuous service.

The County withdrew from the Public Employees Insurance Agency (PEIA) effective July 1, 1988. Current employees hired prior to July 1, 1998 must have ten (10) years of service and must be enrolled in the insurance coverage provided by the PEIA for five (5) years to receive subsidized coverage from the County. It is optional for the County to subsidize post-retirement healthcare for current employees hired prior to July 1, 1998 who do not have five (5) years of PEIA insurance coverage. The County has elected to provide subsidized coverage to these individuals.

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

IV. OTHER INFORMATION (continued)

The County's portion of the premium is calculated based on the retiree's years of service at the time of retirement, Medicare or non-Medicare eligibility, and dependent coverage. The cost share premium is established by PEIA.

Jefferson County, West Virginia contributes to the West Virginia Retiree Health Benefits Trust Fund (RHBT), a cost-sharing, multiple-employer defined benefit postemployment healthcare plan administered by the West Virginia Public Employees Insurance Agency (PEIA). RHBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the West Virginia Retiree Health Benefits Trust, Building 5, Room 1001, 1900 Kanawha Boulevard East, Charleston, West Virginia, 25305-0710 or by accessing the RHBT website at www.peia.wv.gov and selecting Forms and Downloads, Financial Reports.

Funding Policy. The County is required to contribute the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The ARC consisted of the normal cost of \$21,098, and the amortization of unfunded accrued liability of \$91,944. For fiscal years 2020 and 2019, the county contributed \$103,266 and \$94,080 respectively for current health care insurance premiums. The County has not established an OPEB trust to pre-fund future benefits.

During the 1992 Regular Session of the West Virginia Legislature, a portion of the Public Employees Insurance Agency (PEIA) governing statute was amended at section 5-16-22 to require all Non-State agencies to contribute toward the cost of their retired and or surviving dependents of retirees who are eligible to participate in the PEIA benefits program whether the agency itself participates as a group with the PEIA or not.

Annual OPEB Cost & Net OPEB Obligation. The County had an actuarial valuation performed as of July 1, 2017 to determine the funded status of the plan as of that date as well as the County's ARC for the fiscal year ended June 30, 2020.

The annual OPEB costs and net OPEB liability for the current year were as follows:

Service Cost	\$ 113,042
Interest Cost	(57,121)
Adjustment to Annual Required Contribution	-
Annual Service Cost	<u>55,921</u>
Employer Contributions Made	<u>(103,266)</u>
Decrease in Net OPEB Liability	(47,345)
Net OPEB Liability, Beginning of Year	<u>1,746,831</u>
Net OPEB Liability, End of Year	<u>\$ 1,699,486</u>

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

IV. OTHER INFORMATION (continued)

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB liability for the last six (6) fiscal years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Liability
6/30/20	\$ 55,921	\$ 103,266	185%	\$ 1,699,486
6/30/19	\$ 54,631	\$ 94,080	172%	\$ 1,746,831
6/30/18	\$ 110,108	\$ 73,512	67%	\$ 1,786,280
6/30/17	\$ 110,849	\$ 74,320	67%	\$ 1,733,472
6/30/16	\$ 111,911	\$ 84,506	76%	\$ 1,477,030
6/30/15	\$ 112,445	\$ 86,655	77%	\$ 1,477,030

As of the date of this report, the most recent valuation was performed with a valuation date of July 1, 2017 and covers the valuation for the plan years beginning July 1, 2017, July 1, 2018 and July 1, 2019.

The funded status of the plan as of July 1, 2019 is as follows:

Funded Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Plan Assets (a.)	Actuarial Accrued Liability (AAL) (b.)	Total Unfunded AAL (UAAL) (b.-a.)	Funded Ratio (a./b.)	Annual Covered Payroll (c.)	UAAL as a % of Covered Payroll [(b.-a.)/c.]
July 1, 2014	\$ -	\$ 1,477,030	\$ 1,477,030	0%	Not Available	Not Available
July 1, 2015	\$ -	\$ 1,477,030	\$ 1,477,030	0%	Not Available	Not Available
July 1, 2016	\$ -	\$ 1,733,472	\$ 1,733,472	0%	Not Available	Not Available
July 1, 2017	\$ -	\$ 1,786,280	\$ 1,786,280	0%	Not Available	Not Available
July 1, 2018	\$ -	\$ 1,746,831	\$ 1,746,831	0%	Not Available	Not Available
July 1, 2019	\$ -	\$ 1,699,486	\$ 1,699,486	0%	Not Available	Not Available

Actuarial valuations for Jefferson County of its Postretirement Health Plan using the Alternative Measurement Method as described in Government Accounting Standard No. 75 ("GASB 75"). The primary purpose of the valuation is to determine the obligations and cost for Fiscal Year 2020. Determinations for purposes other than meeting the Commission's financial accounting requirements may be significantly different from the results herein. The results are estimates based on assumptions about future events. Assumptions may be made about participant data or other factors. All approximations and assumptions are noted. Reasonable efforts were made in the valuation to ensure that significant items in the context of the actuarial liabilities or costs are treated appropriately, and not excluded or included inappropriately. Actual future experience will differ from the assumptions used. As these differences arise, the expense for accounting purposes will be adjusted in future valuations to reflect such actual experience.

Actuarial methods and assumptions. Projections for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

IV. OTHER INFORMATION (continued)

of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term perspective of the calculations, and are as follows:

Actuarial Cost Method – Entry Age Normal (Alternative Measurement Method)

Asset Valuation Method - N/A

Interest Assumptions - 3.27% discount rate, 3.50% salary rate increase, and 3.00% inflation rate

Mortality - RP-2014 Combined Annuitant Mortality Table for males and females

Turnover - Age-based turnover rates developed based on probability of remaining employed until assumed retirement age

Retirement Age - Average retirement age 62

Trend Rates – Health care premiums & retiree contributions are assumed to increase annually at 4.0% for all years

Election at Retirement - 100% of active employees are assumed to elect PEIA coverage at retirement

Marital Status - 70% of active employees electing PEIA coverage are assumed to be married and to elect spousal coverage with males three years older than females. Actual spouse data was used for current retirees.

V. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Plan Descriptions, Contribution Information, and Funding Policies

Jefferson County, West Virginia participates in two state-wide, cost-sharing, and multiple-employer defined benefit plans on behalf of county employees. Both systems are administered by agencies of the State of West Virginia and funded by contributions from participants, employers, and state appropriations, as necessary. These plans are as follows:

Cost Sharing Multiple Employer Pension Plans

West Virginia Public Employees Retirement System (PERS)

West Virginia Deputy Sheriff Retirement System (WVDRS)

West Virginia Public Employees Retirement System

All eligible County employees except those covered by other pension plans participate in the West Virginia Public Employees' Retirement System (PERS), a multiple-employer public retirement system covering employees of the State of West Virginia and other participating political subdivisions.

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

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

Period required to vest	Five Years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three (3) highest consecutive years in the last 15 years of earnings) times the years of service times 2% equals the annual retirement benefit. For employees hired after July 1, 2015, average salary is the average of the five (5) consecutive highest annual earnings out of the last 15.
Deferred retirement portion	No
Provisions for:	
Cost of living	No
Death benefits	Yes
Terminated members	Terminated members with at least five (5) years of contributory service who do not withdraw their accumulated contributions may elect to receive their retirement annuity at age 62. For employees hired after July 1, 2015, this age increases to 64.

Funding Policy. The PERS funding policy has been established by action of the State Legislature. Entity contribution rates are established by PERS. State statute requires that plan participants contribute 4.5% of annual earnings. Effective July 1, 2015, newly hired members contribute 6% of annual earnings. The governmental entity contribution rates of 10.0%, 10.0%, and 11.0% of covered payroll for the years ending June 30, 2020, 2019, and 2018 respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the PERS Pension Plan

At fiscal year end, the County reported the following liabilities for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the County reported the following proportions and increase / (decrease) from its proportion measured as of June 30, 2019:

	PERS
Amount for proportionate share of net pension liability	\$ 1,119,732
Percentage for proportionate share of net pension liability	0.520774 %
Increase / (decrease) % from prior proportion measured	(0.030846) %

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

For this fiscal year, the County recognized the following pension expenses:

Pension Expense:	
Proportionate share of pension expense	\$ 477,237
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions	(17,674)
Total pension expense	<u>\$ 459,563</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (404,730)
Changes in assumptions	-	(205,560)
Changes in proportion and differences between County contributions and proportionate share of contributions	12,164	(99,118)
Differences between projected and actual experience	43,339	(97,796)
County contributions subsequent to the measurement date	793,798	-
Total	\$ 849,301	\$ (807,204)

The amount reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

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

Year ended June 30:	
2021	(163,377)
2022	(619,263)
2023	(86,560)
2024	117,497
Total	\$ (751,703)

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

Actuarial Assumptions. The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method - Entry Age Normal Cost Method with individually computed accrued liabilities. The Normal Cost is computed in aggregate. Entry is based on hire date.

Amortization Method - Level-dollar amount, fixed period

Amortization Period - through FY 2035

Projected Salary Increases - Range from 3.35% to 6.5% per year

Date of most recent experience study - 2013-2018, experience studies are performed at least once in every 5-year period

Mortality Tables –

Pre-retirement all: 100% of Pub-2010 General Employees table, below-median, headcount weighted, projected scale MP-2018;

Post-retirement healthy males: 108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected scale MP-2018;

Post-retirement healthy females: 122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected scale MP-2018;

Disabled Males: 118% of Pub-2010 General/ Teachers Disabled Male table, below-median, headcount weighted, projected scale MP-2018; and

Disabled Females: 118% of Pub-2010 General/ Teachers Disabled Female table, below-median, headcount weighted, projected scale MP-2018.

Withdrawals – 2.50% to 35.88%

Asset Valuation Method – Fair Value.

Retirement Rates – 12%-100%

Disablement Rates – 0.005-0.054%

Family Composition - It is assumed that 85% of males and 80% of females are married, with husbands 3 years older than wives. Remarriage rates are not used.

Accrual of Future Service – It is assumed that members will accrue 1 year of service for each future year of employment.

Inflation Rate – 3.00%

Interest Rate & Expenses - The valuation interest assumption is 7.50%, with no loading for plan expenses

The long-term expected rate of return on pension plan benefits is based upon a determination of the appropriate risk tolerance, the Consolidated Public Retirement Board (Board) adopted broad

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

asset class allocation guidelines for the assets managed for PERS. Policy and Strategic allocations are established on a market value basis.

These asset class 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.

Rates are summarized in the following table and include the inflation component as follows:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	27.5%	5.5%
International Equity	27.5%	7.0%
Private Equity	10.0%	8.5%
Core Fixed Income	15.0%	2.2%
Hedge Fund	10.0%	4.0%
Real Estate	10.0%	6.6%
Total	100.0%	
Cash (Included in Fixed Income above)	\$19,000,000*	

* IMB Staff has authority to change the cash allocation plus or minus 10%, as necessary in consultation with the appropriate representative(s) from PERS.

The West Virginia Investment Management Board (IMB) calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	(0.1)%	7.5%
Three-year	7.0%	7.5%
Five-year	7.0%	7.5%
Ten-year	6.2%	7.5%

Discount Rate. The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position of 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 rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liabilities.

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following chart presents the sensitivity of the County's proportionate share of the net pension liability calculated using the discount rate as used in the actuarial valuation, as well as what the County's proportionate share of 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:

	1.0% Decrease (6.5%)	Discount Rate (7.5%)	1.0% Increase (8.5%)
County's proportionate share of the net pension asset / (liability)	\$ (5,215,796)	\$ (1,119,732)	\$ 2,345,285

Trend Information. The required contribution and the percentage of that amount contributed for the past eight (8) years is as follows:

<u>Fiscal Year</u>	<u>Annual Pension Cost</u>	<u>Percentage Contributed</u>
2020	\$ 793,798	100%
2019	\$ 764,562	100%
2018	\$ 838,372	100%
2017	\$ 903,125	100%
2016	\$ 1,033,926	100%
2015	\$ 1,024,710	100%
2014	\$ 1,079,680	100%
2013	\$ 1,014,046	100%

Pension plan's fiduciary net position. PERS issues a publicly available financial report that includes financial statements and required supplementary information. Detailed information about the pension plan's fiduciary net position is available in a separately issued financial report available at the Consolidated Public Retirement Board's website at www.wvretirement.com. That information can also be obtained by writing to the WV Consolidated Public Retirement Board, Public Employees' Retirement System, 4101 MacCorkle Avenue, SE, Charleston, WV 25304 or by calling (304) 558-3570.

West Virginia Deputy Sheriff Retirement System (WVDRS)

The West Virginia Deputy Sheriff Retirement System (WVDRS) is a cost sharing multiple-employer public employee retirement system created by the State of West Virginia. The Deputy Sheriffs of West Virginia county governments, employed prior to July 1, 1998 could elect to join this plan or remain in PERS. Deputy Sheriffs hired after this date are required to join WVDRS.

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

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

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 (5) highest consecutive years in the last ten (10) 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.
Terminated members	Terminated members with at least five (5) years of contributory service who do not withdraw their accumulated contributions may elect to receive their retirement annuity at age 62.

Funding Policy. The WVDRS funding policy has been established by action of the State Legislature. Certain fees for reports generated by sheriff's offices are paid to this plan in accordance with West Virginia State Code Section 7-14E-2. WVDRS members are required to contribute 8.5% of their annual covered salary. The contribution requirements of WVDRS members are established and may be amended only by the State of West Virginia Legislature. The governmental entity contribution rate was 12.0% of covered payroll for the fiscal years ending June 30, 2020, 2019, and 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the WVDRS Pension Plan

At fiscal year end, the County reported the following liabilities for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the County's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2020, the County reported the following proportions and increase / (decrease) from its proportion measured as of June 30, 2019:

	WVDRS
Amount for proportionate share of net pension liability	\$ (731,953)
Percentage for proportionate share of net pension liability	3.642283 %
Increase / (decrease) % from prior proportion measured	(0.042701) %

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

For this fiscal year, the County recognized the following pension expenses:

Proportionate share of pension expense	\$	926,888
Net amortization of deferred amounts from changes in proportion and differences between employer contributions and proportionate share of contributions		1,895
Total pension expense	\$	<u>928,783</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (100,126)
Changes in assumptions	-	(65,889)
Changes in proportion and differences between County contributions and proportionate share of contributions	56,146	(45,231)
Differences between projected and actual experience	116,954	(246,364)
County contributions subsequent to the measurement date	<u>243,359</u>	<u>-</u>
Total	<u>\$ 416,459</u>	<u>\$ (457,610)</u>

The amount reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

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

Year ended June 30:	
2021	\$ (60,205)
2022	(162,037)
2023	(54,813)
2024	(32,589)
2025	15,188
2026	<u>9,946</u>
Total	<u>\$ (284,510)</u>

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

Actuarial Assumptions. The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method - Individual entry age normal cost with level percentage of payroll.

Amortization Method –Level dollar, fixed period..

Remaining Amortization Period - Fully amortized by the end of fiscal year 2029

Investment Rate of Return – 7.50%

Projected Salary Increases - Based on years of service in the following table:

Years of Service	Salary Increase %
Up to 2 Years	5.0%
Years 3 - 5	4.5%
Years 6 - 10	4.0%
More than 10	3.5%

Date of most recent experience study - 2011-2016

Mortality Tables -

Active: 100% of RP-2014 Non-Annuitant (sex-distinct), Scale MP-2016 fully generational;

Healthy male retirees: 103% of RP-2014 Male Healthy Annuitant tables, Scale MP-2016 fully generational;

Healthy female retirees: 100% of RP-2014 Female Healthy Annuitant tables, Scale MP-2016 fully generational;

Disabled Males: 100% of RP-2014 Male Disabled Annuitant table, Scale MP-2016 fully generational; and

Disabled Females: 100% of RP-2014 Female Disabled Annuitant table, Scale MP-2016 fully generational.

Withdrawals – 4.00% - 12.32%

Asset Valuation Method – Fair value.

Disability Rates – 0.04% - 0.60%

Retirement Rates – 16% - 100%.

Inflation Rate – 3.0%

Interest Rate and Discount Rate - Interest Rate is a net return rate of 7.5% annually, net of investment and administrative expenses. The rate is applied to the interest return on Trust Fund assets as well as the discount rate on future expected benefit payments.

The long-term expected rate of return on pension plan benefits is based upon a determination of the appropriate risk tolerance, the Consolidated Public Retirement Board (Board) adopted broad

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

asset allocation class guidelines for the assets managed for WVDRS. Policy and Strategic allocations are established on a market value basis.

These asset class 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.

Rates are summarized in the following table and include the inflation component as follows:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	27.5%	5.5%
International Equity	27.5%	7.0%
Private Equity	10.0%	8.5%
Core Fixed Income	15.0%	2.2%
Hedge Fund	10.0%	4.0%
Real Estate	10.0%	6.6%
Total	100.0%	
Cash (Included in Fixed Income above)	\$250,000*	

* IMB Staff has authority to change the cash allocation plus or minus 10%, as necessary in consultation with the appropriate representative(s) from WVDRS.

The West Virginia Investment Management Board (IMB) calculates total rates of return using the time-weighted rate of return methodology. The time-weighted method determines the rate of return exclusive of the effects of participant contributions or withdrawals. Actual rates of return are net of fees.

Period	Actual	Target
One-year	(0.1)%	7.5%
Three-year	7.0%	7.5%
Five-year	6.9%	7.5%
Ten-year	6.1%	7.5%

Discount Rate. The discount rate used to measure the total pension liability was 7.5%. The projections of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position of 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 rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liabilities.

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

V. EMPLOYEE RETIREMENT SYSTEM AND PLANS (continued)

Sensitivity of the County's proportionate share of the net pension liability to changes in the discount rate. The following chart presents the sensitivity of the County's proportionate share of the net pension liability calculated using the discount rate as used in the actuarial valuation, as well as what the County's proportionate share of 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:

	1.0% Decrease (6.5%)	Discount Rate (7.5%)	1.0% Increase (8.5%)
County's proportionate share of the net pension asset / (liability)	\$ (2,011,961)	\$ (731,953)	\$ 323,071

Trend Information. The required contribution and the percentage of that amount contributed for the past eight (8) years is as follows:

Fiscal Year	Annual Pension Cost	Percentage Contributed
2020	\$ 243,359	100%
2019	\$ 244,331	100%
2018	\$ 229,753	100%
2017	\$ 200,645	100%
2016	\$ 207,263	100%
2015	\$ 206,368	100%
2014	\$ 225,010	100%
2013	\$ 202,415	100%

Pension plan's fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in a separately issued financial report available at the Consolidated Public Retirement Board's website at www.wvretirement.com. WVDRS issues a publicly available financial report that includes financial statements and required supplementary information. That information can also be obtained by writing to the WV Consolidated Public Retirement Board, Deputy Sheriff Death, Disability and Retirement Plan, 4101 MacCorkle Avenue, SE, Charleston, WV 25304 or by calling (304) 558-3570.

VI. SUMMARY OF DEFERRED OUTFLOW / INFLOW BALANCES

	Total	PERS	WVDRS
Net difference between projected and actual earnings on pension plan investments	\$ (504,856)	\$ (404,730)	\$ (100,126)
Changes in assumptions	(271,449)	(205,560)	(65,889)
Changes in proportion and differences between County contributions and proportionate share of contributions	(76,039)	(86,954)	10,915
Differences between projected and actual experience	(183,867)	(54,457)	(129,410)
County contributions subsequent to the measurement date	1,037,157	793,798	243,359
Total	\$ 946	\$ 42,097	\$ (41,151)

**JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

THIS PAGE INTENTIONALLY LEFT BLANK

REQUIRED SUPPLEMENTARY INFORMATION

**JEFFERSON COUNTY, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

**Jefferson County Commission Other Post Employment Benefits Plan
June 30, 2020**

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Plan Assets (a.)	Actuarial Accrued Liability (AAL) (b.)	Total Unfunded AAL (UAAL) (b.-a.)	Funded Ratio (a./b.)	Annual Covered Payroll (c.)	UAAL as a % of Covered Payroll [(b.-a.)/c.]
July 1, 2014	\$ -	\$ 1,477,030	\$ 1,477,030	0%	Not Available	Not Available
July 1, 2015	\$ -	\$ 1,477,030	\$ 1,477,030	0%	Not Available	Not Available
July 1, 2016	\$ -	\$ 1,733,472	\$ 1,733,472	0%	Not Available	Not Available
July 1, 2017	\$ -	\$ 1,786,280	\$ 1,786,280	0%	Not Available	Not Available
July 1, 2018	\$ -	\$ 1,746,831	\$ 1,746,831	0%	Not Available	Not Available
July 1, 2019	\$ -	\$ 1,699,486	\$ 1,699,486	0%	Not Available	Not Available

Schedule of Employer Contributions

Fiscal Year Ending June 30	Annual Required Contribution	Employer Contribution	Percentage of ARC Contributed	Net OPEB Obligation
2015	\$ 112,445	\$ 86,655	77%	\$ 25,790
2016	\$ 111,911	\$ 84,506	76%	\$ 53,195
2017	\$ 110,849	\$ 74,320	67%	\$ 89,724
2018	\$ 110,108	\$ 73,512	67%	\$ 126,320
2019	\$ 54,631	\$ 94,080	172%	\$ 86,871
2020	\$ 55,921	\$ 103,266	185%	\$ 39,526

Schedule of County Contributions

Last nine (9) Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	\$ 103,266	\$ 94,080	\$ 73,512	\$ 74,320	\$ 84,506	\$ 86,655	\$ 81,240	\$ 77,476	\$ 82,969
Contributions in relation to the contractually required contribution	(103,266)	(94,080)	(73,512)	(74,320)	(84,506)	(86,655)	(81,240)	(77,476)	(82,969)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**JEFFERSON COUNTY, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

**Schedules of the County's Proportionate Share of the Net Pension Liability
June 30, 2020**

West Virginia Public Employee's Retirement System (PERS) Pension Plan
Last seven (7) Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	0.520774%	0.551620%	0.547925%	0.555790%	0.539720%	0.555968%	0.541279%
County's proportionate share of the net pension liability (asset)	\$ 1,119,732	\$ 1,424,569	\$ 2,369,688	\$ 5,108,365	\$ 3,013,818	\$ 2,051,953	\$ 4,934,460
County's covered-employee payroll	\$ 7,937,493	\$ 7,632,336	\$ 7,621,561	\$ 7,526,047	\$ 7,658,711	\$ 7,319,363	\$ 7,481,013
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	14.1%	18.7%	31.1%	67.9%	39.4%	28.0%	66.0%
Plan fiduciary net position as a percentage of the total pension liability	92.89%	93.67%	93.67%	86.11%	91.29%	93.98%	79.70%

* Applicable information was available for seven (7) years for this schedule. The amounts presented for each fiscal year were determined as of 07/01.

West Virginia Public Deputy Sheriff Retirement System (WVDRS) Pension Plan
Last seven (7) Fiscal Years*

	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset)	3.642283%	3.684984%	3.341448%	3.502668%	3.464242%	3.736381%	3.558767%
County's proportionate share of the net pension liability (asset)	\$ 731,953	\$ (68,209)	\$ 122,429	\$ 1,115,109	\$ 710,585	\$ 637,099	\$ 1,192,329
County's covered-employee payroll	\$ 2,027,996	\$ 2,036,087	\$ 1,914,605	\$ 1,672,041	\$ 1,727,192	\$ 1,650,943	\$ 1,730,843
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	36.1%	-3.4%	6.4%	66.7%	41.1%	38.6%	68.9%
Plan fiduciary net position as a percentage of the total pension liability	87.01%	98.17%	98.17%	84.48%	89.31%	90.52%	80.20%

* Applicable information was available for seven (7) years for this schedule. The amounts presented for each fiscal year were determined as of 07/01.

**JEFFERSON COUNTY, WEST VIRGINIA
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2020
UNAUDITED**

**Schedules of County Contributions
June 30, 2020**

West Virginia Public Employee's Retirement System (PERS) Pension Plan
Last seven (7) Fiscal Years

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 793,798	\$ 764,561	\$ 838,372	\$ 903,125	\$ 1,033,926	\$ 1,024,710	\$ 1,079,680
Contributions in relation to the contractually required contribution	<u>(793,798)</u>	<u>(764,561)</u>	<u>(838,372)</u>	<u>(903,125)</u>	<u>(1,033,926)</u>	<u>(1,024,710)</u>	<u>(1,079,680)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 7,937,493	\$ 7,632,336	\$ 7,621,561	\$ 7,526,047	\$ 7,658,711	\$ 7,319,363	\$ 7,481,013
Contributions as a percentage of covered-employee payroll	10.0%	10.0%	11.0%	12.0%	13.5%	14.0%	14.4%

West Virginia Public Deputy Sheriff Retirement System (WVDRS) Pension Plan
Last seven (7) Fiscal Years

	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 243,359	\$ 244,331	\$ 229,753	\$ 200,645	\$ 207,263	\$ 206,368	\$ 225,010
Contributions in relation to the contractually required contribution	<u>(243,359)</u>	<u>(244,331)</u>	<u>(229,753)</u>	<u>(200,645)</u>	<u>(207,263)</u>	<u>(206,368)</u>	<u>(225,010)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered-employee payroll	\$ 2,027,996	\$ 2,036,087	\$ 1,914,605	\$ 1,672,041	\$ 1,727,192	\$ 1,650,943	\$ 1,730,843
Contributions as a percentage of covered-employee payroll	12.0%	12.0%	12.0%	12.0%	12.0%	12.5%	13.0%

JEFFERSON COUNTY, WEST VIRGINIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2020
UNAUDITED

NOTE A- RELATED TO OTHER POST EMPLOYMENT BENEFITS PLAN (OPEB)

Changes of assumptions. In the July 1, 2017 actuarial valuation, the Discount Rate and Actuarial Cost Method were changed per GASB 75 rules. In the July 1, 2017 actuarial valuation, the starting per capita costs were updated using the most recent premiums paid. In the July 1, 2017 actuarial valuation, the expectation of retired life mortality table was based on the RP-2014 Combined Annuitant Mortality Table for males and females rather than on the RP-2000 Combined Mortality Table.

SUPPLEMENTARY INFORMATION

Jefferson County, West Virginia
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2020

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass-Through/ Project Number	Federal Expenditures
Election Assistance Commission			
Pass-Through State of West Virginia Office of the Secretary of State			
Help America Vote Act-Election Security Grant	90.404	N/A	34,689
Total Election Assistance Commission			<u>34,689</u>
National Highway Traffic Safety Administration			
Pass-Through State of West Virginia Department of Transportation, Division of Motor Vehicles:			
Highway Safety-Safe Communities	20.600	F20-HS-06-402	123,750
Highway Safety-Safe Communities	20.600	F19-HS-06-402	41,250
Total National Highway Traffic Safety Administration			<u>165,000</u>
U.S. Department of Homeland Security			
Pass-Through State of West Virginia Division of Homeland Security and Emergency Management:			
Emergency Management Performance Grant	97.042	2020EMPG	45,000
Emergency Management Performance Grant	97.042	2019EMPG	45,000
Total U.S. Department of Homeland Security			<u>90,000</u>
U.S. Department of Justice			
Pass-Through State of West Virginia Division of Justice & Community Services:			
Crime Victim Assistance	16.575	17-VA-026	63,218
Crime Victim Assistance	16.575	16-VA-096	23,323
Prevention Resource Officer	16.579	19-JAG-28	15,000
Enforcing Underage Drinking Laws Program	16.727	16-08	1,086
Total U.S. Department of Justice			<u>102,627</u>
U.S. Department of Treasury			
Pass-Through West Virginia Governor's Office:			
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	21.019	CVRF-2020	2,243,430
Total Land & Waste Conservation Fund			<u>2,243,430</u>
U.S. Department of Justice/U.S. Department of Treasury			
Direct Programs:			
Federal Equitable Sharing Program	16.922	N/A	66,094
Total U.S. Department of Justice/U.S. Department of Treasury			<u>66,094</u>
U.S. Department of the Interior, Office of the Secretary			
Direct Programs:			
Payment in Lieu of Taxes	15.226	N/A	11,791
Total U.S. Department of the Interior, Office of the Secretary			<u>11,791</u>
U.S. Department of the Interior, Fish and Wildlife Service			
Direct Programs:			
National Wildlife Refuge Fund - Revenue Sharing	15.659	N/A	10,533
Total U.S. Department of the Interior, Fish and Wildlife Service			<u>10,533</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,724,164</u>

JEFFERSON COUNTY, WEST VIRGINIA
 BUDGETARY COMPARISON SCHEDULE -
 ASSESSOR'S VALUATION FUND (Unaudited)
 For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
REVENUES:						
Miscellaneous	\$ 626,114	\$ 626,114	\$ 673,801	(320)	\$ 673,481	\$ 47,367
Total revenues	626,114	626,114	673,801	(320)	673,481	47,367
EXPENDITURES:						
Current:						
General government	150,000	259,000	68,500	(1,640)	66,860	192,140
Capital outlay	115,218	227,247	51,978	18,387	70,365	156,882
Total expenditures	265,218	486,247	120,478	16,747	137,225	349,022
Excess (deficiency) of revenues over expenditures	360,896	139,867	553,323	(17,067)	536,256	396,389
OTHER FINANCING SOURCES (USES)						
Transfers (out)	(560,896)	(560,896)	(522,609)	--	(522,609)	38,287
Total other financing sources (uses)	(560,896)	(601,896)	(522,609)	--	(522,609)	38,287
Net change in fund balance	(200,000)	(462,029)	30,714	(30,370)	13,647	434,676
Fund balance at beginning of year	200,000	462,029	448,726	13,303	462,029	--
Fund balance at end of year	\$ --	\$ --	\$ 479,440	\$ (17,067)	\$ 475,676	\$ 434,676

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2020

	Dog & Kennel 003	General School 004	Magistrate Court 005	Worthless Check 006	Home Confinement 008	Federal Grants 009	State Grants 010
ASSETS AND DEFERRED OUTFLOWS							
Assets:							
Current:							
Cash and cash equivalents	\$ 765	\$ --	\$ 3,030	\$ 35,151	\$ 52,556	\$ --	\$ 2,430
Receivables, net:							
Accounts	--	--	--	--	--	--	--
Intergovernmental Receivables	--	--	--	--	--	--	--
Due from:							
Other governments	--	--	--	--	--	--	5,293
Prepaid expenses	--	--	--	--	--	--	--
Total assets	765	--	3,030	35,151	52,556	--	7,723
Deferred Outflows:							
Total deferred outflows of resources	--	--	--	--	--	--	--
Total assets and deferred outflows of resour	\$ 765	\$ --	\$ 3,030	\$ 35,151	\$ 52,556	\$ --	\$ 7,723
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES							
Liabilities:							
Accounts payable	--	--	--	--	5,709	--	5,293
Due to:							
Other funds	--	--	--	--	--	--	--
Other governments	--	--	--	--	--	--	4,862
Unearned revenue:							
Unearned revenue	--	--	--	--	--	--	--
Total liabilities	--	--	--	--	5,709	--	10,155
Deferred Inflows:							
Total deferred inflows of resources	--	--	--	--	--	--	--
Total liabilities and deferred inflows of resourc	--	--	--	--	5,709	--	10,155
Fund balances:							
Nonspendable	--	--	--	--	--	--	--
Restricted	765	--	3,030	35,151	46,847	--	(2,432)
Committed	--	--	--	--	--	--	--
Assigned	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
Total fund balances	765	--	3,030	35,151	46,847	--	(2,432)
Total liabilities, deferred inflows and fund bala	\$ 765	\$ --	\$ 3,030	\$ 35,151	\$ 52,556	\$ --	\$ 7,723

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2020

	Flood Hazard Mitigation 023	Waste Coal 039	Ambulance Service Fee 053	EPDVTF DOJ Funds 054	Assessor's Valuation 056	Farmland Protection 057	Financial Stabilization 058	Concealed Weapons 059
ASSETS AND DEFERRED OUTFLOWS								
Assets:								
Current:								
Cash and cash equivalents	\$ 34,959	\$ 8,563	\$ 123,673	\$ --	\$ 475,676	\$ 7	\$ 200,000	\$ 24,962
Receivables, net:								
Accounts	--	--	409,498	--	--	--	--	--
Intergovernmental Receivables	--	--	--	--	--	--	--	--
Due from:								
Other governments	--	--	127,430	6,739	2,655	103,421	--	--
Prepaid expenses	--	--	1,989	--	2,185	--	--	--
Total assets	<u>34,959</u>	<u>8,563</u>	<u>662,590</u>	<u>6,739</u>	<u>480,516</u>	<u>103,428</u>	<u>200,000</u>	<u>24,962</u>
Deferred Outflows:								
Total deferred outflows of resources	--	--	--	--	--	--	--	--
Total assets and deferred outflows of resour	<u>\$ 34,959</u>	<u>\$ 8,563</u>	<u>\$ 662,590</u>	<u>\$ 6,739</u>	<u>\$ 480,516</u>	<u>\$ 103,428</u>	<u>\$ 200,000</u>	<u>\$ 24,962</u>
LIABILITIES, DEFERRED INFLOWS AND FI								
Liabilities:								
Accounts payable	--	--	2,033	--	1,076	103,421	--	--
Due to:								
Other funds	--	--	64,131	--	--	--	--	--
Other governments	--	--	--	--	--	--	--	--
Unearned revenue:								
Unearned revenue	--	--	7,120	--	--	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>73,284</u>	<u>--</u>	<u>1,076</u>	<u>103,421</u>	<u>--</u>	<u>--</u>
Deferred Inflows:								
Total deferred inflows of resources	--	--	--	--	--	--	--	--
Total liabilities and deferred inflows of resou	<u>--</u>	<u>--</u>	<u>73,284</u>	<u>--</u>	<u>1,076</u>	<u>103,421</u>	<u>--</u>	<u>--</u>
Fund balances:								
Nonspendable	--	--	1,989	--	2,185	--	--	--
Restricted	34,959	8,563	572,813	6,739	477,255	7	200,000	24,962
Committed	--	--	14,504	--	--	--	--	--
Assigned	--	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--	--
Total fund balances	<u>34,959</u>	<u>8,563</u>	<u>589,306</u>	<u>6,739</u>	<u>479,440</u>	<u>7</u>	<u>200,000</u>	<u>24,962</u>
Total liabilities, deferred inflows and fund bala	<u>\$ 34,959</u>	<u>\$ 8,563</u>	<u>\$ 662,590</u>	<u>\$ 6,739</u>	<u>\$ 480,516</u>	<u>\$ 103,428</u>	<u>\$ 200,000</u>	<u>\$ 24,962</u>

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2020

	Voter's Registration 063	Jury & Witness 071	Law Enf. Forfeiture 073	Pros. Attny Forfeiture 074	Sub-Div Bond Forfeiture 075	COVID19 206	Total Nonmajor Special Revenue Funds
ASSETS AND DEFERRED OUTFLOWS							
Assets:							
Current:							
Cash and cash equivalents	\$ 1	\$ 34,151	\$ 19,005	\$ 23,439	\$ 172	\$ 100,000	\$ 1,138,540
Receivables, net:							
Accounts	--	--	--	--	--	--	409,498
Intergovernmental Receivables	--	--	--	--	--	--	--
Due from:							
Other governments	--	--	11,825	--	--	--	257,363
Prepaid expenses	--	--	--	--	--	--	4,174
Total assets	1	34,151	30,830	23,439	172	100,000	1,809,575
Deferred Outflows:							
Total deferred outflows of resources	--	--	--	--	--	--	--
Total assets and deferred outflows of resour	\$ 1	\$ 34,151	\$ 30,830	\$ 23,439	\$ 172	\$ 100,000	\$ 1,809,575
LIABILITIES, DEFERRED INFLOWS AND FI							
Liabilities:							
Accounts payable	--	--	--	--	--	--	117,532
Due to:							
Other funds	--	34,187	--	--	--	--	98,318
Other governments	--	--	--	--	--	--	4,862
Unearned revenue:							
Unearned revenue	--	--	--	--	--	--	7,120
Total liabilities	--	34,187	--	--	--	--	227,832
Deferred Inflows:							
Total deferred inflows of resources	--	--	--	--	--	--	--
Total liabilities and deferred inflows of resou	--	34,187	--	--	--	--	227,832
Fund balances:							
Nonspendable	--	--	--	--	--	--	4,174
Restricted	1	(36)	30,830	23,439	172	100,000	1,563,065
Committed	--	--	--	--	--	--	14,504
Assigned	--	--	--	--	--	--	--
Unassigned	--	--	--	--	--	--	--
Total fund balances	1	(36)	30,830	23,439	172	100,000	1,581,743
Total liabilities, deferred inflows and fund bala	\$ 1	\$ 34,151	\$ 30,830	\$ 23,439	\$ 172	\$ 100,000	\$ 1,809,575

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2020

	Dog & Kennel 003	General School 004	Magistrate Court 005	Worthless Check 006	Home Confinement 008	Federal Grants 009
REVENUES						
Taxes:						
Licenses and permits	\$ 24,572	\$ --	\$ --	\$ --	\$ --	\$ --
Intergovernmental:						
State	--	--	--	--	--	--
Charges for services	5,570	--	--	--	--	--
Fines and forfeits	--	273,776	39,192	675	86,023	--
Interest and investment earnings	67	--	75	18	146	--
Reimbursements	--	--	--	--	--	--
Contributions and donations	1,769	--	--	--	--	--
Miscellaneous	--	--	--	--	--	--
Total revenues	<u>31,978</u>	<u>273,776</u>	<u>39,267</u>	<u>693</u>	<u>86,169</u>	<u>--</u>
EXPENDITURES						
Current:						
General government	--	21,750	192	--	--	--
Public safety	3,376	--	--	--	60,846	--
Culture and recreation	--	--	--	--	--	--
Capital outlay	--	--	--	--	22,350	--
Total expenditures	<u>3,376</u>	<u>21,750</u>	<u>192</u>	<u>--</u>	<u>83,196</u>	<u>--</u>
Excess (deficiency) of revenues over expenditures	<u>28,602</u>	<u>252,026</u>	<u>39,075</u>	<u>693</u>	<u>2,973</u>	<u>--</u>
OTHER FINANCING SOURCES (USES)						
Transfers (out)	<u>(31,000)</u>	<u>(252,026)</u>	<u>(41,250)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total other financing sources (uses)	<u>(31,000)</u>	<u>(252,026)</u>	<u>(41,250)</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	(2,398)	--	(2,175)	693	2,973	--
Fund balances - beginning (restated)	<u>3,163</u>	<u>--</u>	<u>5,205</u>	<u>34,458</u>	<u>43,874</u>	<u>--</u>
Fund balances - ending	<u>\$ 765</u>	<u>\$ --</u>	<u>\$ 3,030</u>	<u>\$ 35,151</u>	<u>\$ 46,847</u>	<u>\$ --</u>

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2020

	State Grants 010	Flood Hazard Mitigation 023	Waste Coal 039	Ambulance Service Fee 053	EPDVTF DOJ Funds 054	Assessor's Valuation 056	Farmland Protection 057	Financial Stabilization 058
REVENUES								
Taxes:								
Licenses and permits	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Intergovernmental:								
State	178,054	--	--	--	--	--	--	--
Charges for services	--	--	--	1,133,439	--	25,550	--	--
Fines and forfeits	--	--	--	--	--	--	--	--
Interest and investment earnings	--	--	43	2,621	60	--	104	--
Reimbursements	--	--	--	--	--	648,176	--	--
Contributions and donations	--	--	--	--	--	--	--	--
Miscellaneous	--	--	--	--	31,507	75	913,454	--
Total revenues	<u>178,054</u>	<u>--</u>	<u>43</u>	<u>1,136,060</u>	<u>31,567</u>	<u>673,801</u>	<u>913,558</u>	<u>--</u>
EXPENDITURES								
Current:								
General government	178,054	--	--	--	--	68,500	913,556	--
Public safety	--	--	--	1,034,743	51,705	--	--	--
Culture and recreation	--	--	--	--	--	--	--	--
Capital outlay	--	--	--	--	--	51,978	--	--
Total expenditures	<u>178,054</u>	<u>--</u>	<u>--</u>	<u>1,034,743</u>	<u>51,705</u>	<u>120,478</u>	<u>913,556</u>	<u>--</u>
Excess (deficiency) of revenues over expenditures	<u>--</u>	<u>--</u>	<u>43</u>	<u>101,317</u>	<u>(20,138)</u>	<u>553,323</u>	<u>2</u>	<u>--</u>
OTHER FINANCING SOURCES (USE):								
Transfers (out)	<u>--</u>	<u>--</u>	<u>--</u>	<u>(64,131)</u>	<u>--</u>	<u>(522,609)</u>	<u>--</u>	<u>(200,000)</u>
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>(64,131)</u>	<u>--</u>	<u>(522,609)</u>	<u>--</u>	<u>(200,000)</u>
Net change in fund balances	--	--	43	37,186	(20,138)	30,714	2	(200,000)
Fund balances - beginning (restated)	<u>(2,432)</u>	<u>34,959</u>	<u>8,520</u>	<u>552,120</u>	<u>26,877</u>	<u>448,726</u>	<u>5</u>	<u>400,000</u>
Fund balances - ending	<u>\$ (2,432)</u>	<u>\$ 34,959</u>	<u>\$ 8,563</u>	<u>\$ 589,306</u>	<u>\$ 6,739</u>	<u>\$ 479,440</u>	<u>\$ 7</u>	<u>\$ 200,000</u>

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2020

	Concealed Weapons 059	Voter's Registration 063	Jury & Witness 071	Law Enf. Forfeiture 073	Pros. Attny Forfeiture 074	Sub-Div Bond Forfeiture 075	COVID19 206	Total Nonmajor Special Revenue Funds
REVENUES								
Taxes:								
Licenses and permits	\$ 35,740	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 60,312
Intergovernmental:								
State	--	--	23,164	--	--	--	100,000	301,218
Charges for services	--	--	--	--	--	--	--	1,164,559
Fines and forfeits	--	--	--	--	--	--	--	399,666
Interest and investment earnings	133	1	--	102	12	--	--	3,382
Reimbursements	--	--	--	--	--	--	--	648,176
Contributions and donations	--	--	--	--	--	--	--	1,769
Miscellaneous	200	202	--	23,445	603	--	--	969,486
Total revenues	<u>36,073</u>	<u>203</u>	<u>23,164</u>	<u>23,547</u>	<u>615</u>	<u>--</u>	<u>100,000</u>	<u>3,548,568</u>
EXPENDITURES								
Current:								
General government	--	205	21,535	--	--	--	--	1,203,792
Public safety	52,322	--	--	24,440	--	--	--	1,227,432
Culture and recreation	--	--	--	--	--	--	--	--
Capital outlay	15,000	--	--	--	--	--	--	89,328
Total expenditures	<u>67,322</u>	<u>205</u>	<u>21,535</u>	<u>24,440</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,520,552</u>
Excess (deficiency) of revenues over expenditures	<u>(31,249)</u>	<u>(2)</u>	<u>1,629</u>	<u>(893)</u>	<u>615</u>	<u>--</u>	<u>100,000</u>	<u>1,028,016</u>
OTHER FINANCING SOURCES (USE):								
Transfers (out)	--	--	--	--	--	--	--	(1,111,016)
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(1,111,016)</u>
Net change in fund balances	(31,249)	(2)	1,629	(893)	615	--	100,000	(83,000)
Fund balances - beginning (restated)	56,211	3	(1,665)	31,723	22,824	172	--	1,664,743
Fund balances - ending	<u>\$ 24,962</u>	<u>\$ 1</u>	<u>\$ (36)</u>	<u>\$ 30,830</u>	<u>\$ 23,439</u>	<u>\$ 172</u>	<u>\$ 100,000</u>	<u>\$ 1,581,743</u>

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 June 30, 2018 (unaudited)

	State Funds							
	<u>State Current</u>	<u>Criminal Charges</u>	<u>Court Reporter</u>	<u>Deputy Sheriff Retirement</u>	<u>Vehicle Licenses</u>	<u>State Fines</u>	<u>State Police</u>	<u>Total State</u>
ASSETS								
Cash and cash equivalents	\$ --	\$ 101	\$ 107	\$ 1	\$ 5	\$ 200	\$ 60	\$ 474
Receivables, net of allowance for uncollectibles:								
Taxes	<u>13,286</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>13,286</u>
Total assets	<u>\$ 13,286</u>	<u>\$ 101</u>	<u>\$ 107</u>	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 200</u>	<u>\$ 60</u>	<u>\$ 13,760</u>
LIABILITIES								
Due to other governments	<u>\$ 13,286</u>	<u>\$ 101</u>	<u>\$ 107</u>	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 200</u>	<u>\$ 60</u>	<u>\$ 13,760</u>
Total liabilities	<u>\$ 13,286</u>	<u>\$ 101</u>	<u>\$ 107</u>	<u>\$ 1</u>	<u>\$ 5</u>	<u>\$ 200</u>	<u>\$ 60</u>	<u>\$ 13,760</u>

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 June 30, 2018 (unaudited)

	School Funds			
	School Current	School Excess	Debt Service	Total School
ASSETS				
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --
Receivables, net of allowance for uncollectibles:				
Taxes	1,031,021	1,219,687	97,819	2,348,527
Total assets	\$ 1,031,021	\$ 1,219,687	\$ 97,819	\$ 2,348,527
LIABILITIES				
Due to other governments	\$ 1,031,021	\$ 1,219,687	\$ 97,819	\$ 2,348,527
Total liabilities	\$ 1,031,021	\$ 1,219,687	\$ 97,819	\$ 2,348,527

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 June 30, 2018 (unaudited)

	Cities					Total Municipal
	Bolivar Current	Charles Town Current	Harpers Ferry Excess	Ranson Current	Shepherdstown Excess	
ASSETS						
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Receivables, net of allowance for uncollectibles:						
Taxes	5,036	76,949	3,850	68,940	12,790	167,565
Total assets	\$ 5,036	\$ 76,949	\$ 3,850	\$ 68,940	\$ 12,790	\$ 167,565
LIABILITIES						
Due to other governments	\$ 5,036	\$ 76,949	\$ 3,850	\$ 68,940	\$ 12,790	\$ 167,565
Total liabilities	\$ 5,036	\$ 76,949	\$ 3,850	\$ 68,940	\$ 12,790	\$ 167,565

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 June 30, 2018 (unaudited)

	County Offices					Total County Offices
	County Clerk	Circuit Clerk	Sheriff	Assessor	Other Offices	
ASSETS						
Cash and cash equivalents	\$ 394,688	\$ 438,564	\$ 42,517	\$ 68	\$ 483,437	\$ 1,359,274
Receivables, net of allowance for uncollectibles:						
Taxes	--	--	--	--	--	--
Total assets	<u>\$ 394,688</u>	<u>\$ 438,564</u>	<u>\$ 42,517</u>	<u>\$ 68</u>	<u>\$ 483,437</u>	<u>\$ 1,359,274</u>
LIABILITIES						
Due to other governments	<u>\$ 394,688</u>	<u>\$ 438,564</u>	<u>\$ 42,517</u>	<u>\$ 68</u>	<u>\$ 483,437</u>	<u>\$ 1,359,274</u>
Total liabilities	<u>\$ 394,688</u>	<u>\$ 438,564</u>	<u>\$ 42,517</u>	<u>\$ 68</u>	<u>\$ 483,437</u>	<u>\$ 1,359,274</u>

JEFFERSON COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 June 30, 2018 (unaudited)

	<u>Tax Lien</u>	<u>Delinquent Nonentered Land</u>	<u>Total Agency</u>
ASSETS			
Cash and cash equivalents	\$ 258,707	\$ 10,118	\$ 1,628,573
Receivables, net of allowance for uncollectibles:			
Taxes	<u> --</u>	<u> --</u>	<u>2,529,378</u>
Total assets	<u>\$ 258,707</u>	<u>\$ 10,118</u>	<u>\$ 4,157,951</u>
LIABILITIES			
Due to other governments	<u>\$ 258,707</u>	<u>\$ 10,118</u>	<u>4,157,951</u>
Total liabilities	<u>\$ 258,707</u>	<u>\$ 10,118</u>	<u>\$ 4,157,951</u>

