



bhm cpa group, inc.
CERTIFIED PUBLIC ACCOUNTANTS

KANAWHA COUNTY COMMISSION
KANAWHA COUNTY, WEST VIRGINIA

SINGLE AUDIT

For the Year Ended June 30, 2020
Fiscal Year Audited Under GAGAS: 2020

KANAWHA COUNTY, WEST VIRGINIA
FOR THE YEAR ENDED JUNE 30, 2020
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**KANAWHA COUNTY, WEST VIRGINIA
LIST OF ELECTED OFFICIALS**

June 30, 2020

OFFICE	NAME
	<u>Elective</u>
County Commission:	W. Kent Carper Benjamin Salango Henry C. Shores
County Clerk:	Vera J. McCormick
Circuit Clerk:	Cathy S. Gatson
Sheriff:	Michael Rutherford
Prosecuting Attorney:	Charles Miller
Assessor:	Sallie Robinson



Independent Auditor's Report

Kanawha County Commission
407 Virginia St. East
Charleston, WV 25301

To the Board of Commissioners:

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Kanawha County, West Virginia, (the County), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for preparing and fairly presenting these financial statements in accordance accounting principles generally accepted in the United States of America; this includes designing, implementing and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We did not audit the financial statements of the Kanawha County Emergency Ambulance Authority (KCEAA), Metro Emergency Operations Center of Kanawha County (the Center), and Kanawha County Parks and Recreation Commission (the Parks Commission). Those statements were audited by other auditors whose reports have been furnished to us, and in our opinion, insofar as it relates to the amounts included for the KCEAA, Center, and Parks Commission, is based solely on the reports of other auditors. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the County's internal control.

Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

Opinion

In our opinion, based on our report and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Kanawha County Commission, West Virginia as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America requires that the information related to the net pension liabilities and pension contributions, schedule of changes in total OPEB liability and required budgetary comparisons for the General Operating, Coal Severance and Assessor's Valuation Funds, as listed in the table of contents, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedure to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statement, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental and Other Information

Our audit was conducted to opine on the County's basic financial statements taken as a whole.

The introductory section presents additional analysis and is not a required part of the basic financial statements.

The combining fund financial statements provide additional analysis and are not a required part of the basic financial statements. The Budgetary Comparison Schedule – Assessor's Valuation Fund, the (Schedule) presents additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditure of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the Schedule of State Grant Receipts and Expenditures as required by Chapter 12, Article 4, Section 14 of the West Virginia State Code are presented for purpose of additional analysis are not a required part of the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We did not subject the introductory section to the auditing procedures applied to the basic financial statements and, accordingly, we express no opinion or any other assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 11, 2021, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



BHM CPA Group Inc.
Huntington, West Virginia
February 11, 2021

FINANCIAL SECTION

KANAWHA COUNTY, WEST VIRGINIA
STATEMENT OF NET POSITION

June 30, 2020

	Primary Government	Component Units			
		Kanawha County Emergency Ambulance Authority	Metro Emergency Operations Center of Kanawha County	Regional Development Authority of Charleston- Kanawha	Kanawha County Parks and Recreation Commission
	Governmental Activities				
ASSETS:					
Current assets:					
Cash and cash equivalents	\$ 22,234,515	\$ 7,556,198	\$ 5,558,088	\$ 396,223	\$ 311,145
Restricted cash and cash equivalents	-	-	-	217,837	91,048
Investments	-	500,000	-	-	-
Taxes receivable, net	7,340,412	928,913	-	-	-
Accounts receivable, net	-	2,659,022	1,085,726	-	11,580
Others	645,791	4,042,308	258,895	3,885	20,782
Noncurrent assets:					
Net pension asset	-	1,078,567	-	-	-
Capital assets:					
Capital assets, net	44,739,608	5,481,134	4,612,381	6,277,321	3,580,075
Total assets	74,960,326	22,246,142	11,515,090	6,895,266	4,014,630
DEFERRED OUTFLOWS					
Accumulated changes in fair value of hedging derivative instrument					
Related to loss on debt refunding	\$ 5,132	\$ -	\$ -	\$ -	\$ -
Related to post-employment benefits	-	-	13,449	-	-
Related to pensions	403,718	357,637	-	-	109,592
	2,764,406	1,288,650	466,935	-	75,743
Total deferred outflows of resources	3,173,256	1,646,287	480,384	-	185,335
LIABILITIES:					
Current liabilities payable from current assets:					
Accounts payable	1,681,340	667,630	161,499	239,389	76,803
Other	31,282	1,148,256	168,168	-	53,296
Fair value of hedging derivative instrument	5,132	-	-	-	-
Unearned revenue	-	-	25,390	-	91,433
Noncurrent liabilities:					
Due within one year	2,617,470	-	506,392	224,858	161,122
Due in more than one year	26,444,651	2,963,562	767,057	6,446,893	421,821
Total liabilities	30,779,875	4,779,448	1,628,506	6,911,140	804,475
DEFERRED INFLOWS:					
Related to postemployment benefits other than pensions	1,446,146	1,676,595	-	-	137,024
Related to pensions	2,789,235	1,364,307	384,542	-	62,070
Total deferred inflows of resources	4,235,381	3,040,902	384,542	-	199,094
NET POSITION:					
Net investment in capital assets	23,747,975	5,481,134	4,157,542	(363,277)	3,442,781
Restricted fund balance	3,554,399	-	-	217,837	-
Unrestricted	15,815,952	10,590,945	5,824,884	129,566	(246,385)
Total net position	\$ 43,118,326	\$ 16,072,079	\$ 9,982,426	\$ (15,874)	\$ 3,196,396

See accompanying notes to the basic financial statements.

KANAWHA COUNTY, WEST VIRGINIA
BALANCE SHEET- GOVERNMENTAL FUNDS

June 30, 2020

	General	Coal Severance	Parks and Recreation	Assessors Valuation	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 16,009,596	\$ 1,430,939	\$ 655,119	\$ 803,567	\$ 3,335,294	\$ 22,234,515
Taxes receivable, net	6,958,020	-	-	-	382,392	7,340,412
Due from other funds	364,670	1,836	1,815	32,153	9,492	409,966
Other	412,108	233,683	-	-	-	645,791
Total Assets and deferred outflows of resources	\$ 23,744,394	\$ 1,666,458	\$ 656,934	\$ 835,720	\$ 3,727,178	\$ 30,630,684
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 1,355,805	\$ -	\$ 44,378	\$ 4,696	\$ 276,461	\$ 1,681,340
Due to other funds	347,207	62,500	-	224	35	409,966
Other	30,844	-	-	140	298	31,282
Total Liabilities	1,733,856	62,500	44,378	5,060	276,794	2,122,588
Deferred inflows of resources:						
Unavailable revenue - property taxes	5,908,424	-	-	-	327,554	6,235,978
Total liabilities and deferred inflows of resources	7,642,280	62,500	44,378	5,060	604,348	8,358,566
Fund balances:						
Restricted	508,252	-	-	830,660	2,720,666	4,059,578
Committed	5,873,088	1,603,958	612,556	-	402,164	8,491,766
Assigned	1,073,918	-	-	-	-	1,073,918
Unassigned	8,646,856	-	-	-	-	8,646,856
Total Fund Balances	16,102,114	1,603,958	612,556	830,660	3,122,830	22,272,118
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,744,394	\$ 1,666,458	\$ 656,934	\$ 835,720	\$ 3,727,178	\$ 30,630,684

See accompanying notes to the basic financial statements.

KANAWHA COUNTY, WEST VIRGINIA
RECONCILIATION OF BALANCE SHEET - GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
June 30, 2020

Total fund balances on governmental fund balance sheet	\$ 22,272,118
Amounts reported for governmental activities in the statement of net position are different due to:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	44,739,608
Deferred revenue relates to long-term receivables that are not available for expenditure at year end, and is reported as a liability in the governmental funds balance sheet	6,235,978
Long-term liabilities, including Bonds, are not due and payable in the current period and therefore are not reported in the governmental fund balance sheet.	(19,071,328)
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the governmental fund balance sheet.	(7,109,068)
Deferred outflows of resources related to pensions are applicable to future periods and therefore, not reported in the governmental funds balance sheet.	2,764,406
Deferred outflows of resources related to postemployment benefits other than pensions are applicable to future periods and, therefore, not reported in the governmental funds balance sheet.	403,718
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, not reported in the governmental funds balance sheet.	(2,789,235)
Deferred inflows of resources related to postemployment benefits other than pensions are applicable to future periods and, therefore, not reported in the governmental funds balance sheet.	(1,446,146)
Liability for health claims incurred but not reported, as of year end, are not due and payable in the current period and therefore are not reported in the government funds balance sheet	(504,099)
Compensated absences not due and payable in the current period and are not reported in the governmental funds balance sheet.	<u>(2,377,626)</u>
Net Position of Governmental Activities	<u><u>\$ 43,118,326</u></u>

See accompanying notes to the basic financial statements.

KANAWHA COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	General	Coal Severance	Parks and Recreation	Assessors Valuation	Total Nonmajor Funds	Total Governmental Funds
REVENUES:						
Taxes	\$ 43,861,350	\$ -	\$ -	\$ 2,430,928	\$ 2,136,427	\$ 48,428,705
Other taxes	2,363,789	1,399,863	-	-	920,566	4,684,218
Licenses and permits	86,627	-	-	-	102,365	188,992
Intergovernmental						
Federal	5,725,264	-	-	-	-	5,725,264
State	542,435	-	-	-	-	542,435
Local	334,422	170,000	-	-	-	504,422
Charges for services	1,303,278	-	343,924	50,811	1,515,282	3,213,295
Fines and forfeitures	-	-	-	-	35,582	35,582
Interest	258,088	-	-	-	1,636	259,724
Miscellaneous	5,200,048	29,700	36,648	-	411,072	5,677,468
Total Revenues	59,675,301	1,599,563	380,572	2,481,739	5,122,930	69,260,105
EXPENDITURES:						
General government	38,232,704	286,228	-	2,238,616	1,539,695	42,297,243
Public safety	14,841,556	626,649	-	-	2,673,289	18,141,494
Health and sanitation	605,351	-	-	-	-	605,351
Culture and recreation	6,052,176	50,000	1,386,804	-	-	7,488,980
Social services	-	80,000	-	-	-	80,000
Capital projects	1,009,554	-	-	-	-	1,009,554
Total Expenditures	60,741,341	1,042,877	1,386,804	2,238,616	4,212,984	69,622,622
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(1,066,040)</u>	<u>556,686</u>	<u>(1,006,232)</u>	<u>243,123</u>	<u>909,946</u>	<u>(362,517)</u>
OTHER FINANCING SOURCES AND USES:						
Operating transfers in	16,769,108	700	79,912	-	450,704	17,300,424
Operating transfers out	(15,687,759)	(68,160)	(47,465)	(467,730)	(1,029,310)	(17,300,424)
Total Other Financing Sources and Uses	<u>1,081,349</u>	<u>(67,460)</u>	<u>32,447</u>	<u>(467,730)</u>	<u>(578,606)</u>	<u>-</u>
Net Change in Fund Balances	15,309	489,226	(973,785)	(224,607)	331,340	(362,517)
Fund Balances at Beginning of Year	<u>16,086,805</u>	<u>1,114,732</u>	<u>1,586,341</u>	<u>1,055,267</u>	<u>2,791,490</u>	<u>22,634,635</u>
Fund Balance at End of Year	<u>\$ 16,102,114</u>	<u>\$ 1,603,958</u>	<u>\$ 612,556</u>	<u>\$ 830,660</u>	<u>\$ 3,122,830</u>	<u>\$ 22,272,118</u>

See accompanying notes to the basic financial statements.

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

Net change in fund balances - total governmental funds	\$ (362,517)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures while the cost of capital assets is allocated over their useful lives in the statement of activities	1,274,342
Gain on transfer of capital assets from component unit is not reported in the governmental funds	-
Governmental funds report issuance of long-term debt as revenue.	-
Depreciation expenses related to capital assets which is not reported in the governmental funds because it does not affect current financial resources.	(3,084,319)
Revenue that is not available at year end for expenditure is not reported in the governmental funds	(889,410)
Governmental funds report pension contributions as expenditures while the cost of pension benefits earned net of employee contributions is allocated based on pension expense determined WV public Employees' Retirement System.	531,645
Governmental funds report postemployment benefits other pensions payments as expenditures while the cost of these benefits is allocated based on actuarial evaluation.	588,738
Governmental funds report principal payments on long-term debt as expenditures while the repayment of such principal does not effect the statement of activities.	1,920,305
Certain health claims reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	279,868
Compensated absences reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds.	<u>(253,821)</u>
 Net Change in Net Position of Governmental Activities	 <u>\$ 4,831</u>

See accompanying notes to the basic financial statements.

KANAWHA COUNTY, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2020

	Sheriff's Fiduciary Fund Private-Purpose Trust Fund	Agency
ASSETS:		
Cash and cash equivalents	\$ 1,553,325	\$ 12,562,345
Taxes receivable, net	-	5,657,934
Trust and investments	2,442,690	-
Real and personal property	1,750,174	-
Other	309,479	-
	<u>\$ 6,055,668</u>	<u>\$ 18,220,279</u>
LIABILITIES :		
Due to other governmental entities	\$ -	\$ 14,114,981
Due to third parties	412,317	4,105,298
	<u>412,317</u>	<u>\$ 18,220,279</u>
NET POSITION :		
Net position, held for individuals	<u>\$ 5,643,351</u>	

The accompanying notes are an integral part of these financial statements.

KANAWHA COUNTY, WEST VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2020

	Sheriff's Fiduciary Fund Private-Purpose Trust Fund
Additions:	
Contributions	\$ 3,122,186
Deductions:	
Benefits for beneficiaries	4,712,253
Changes in net position	(1,590,067)
Net position, beginning of year	7,645,735
Net position, end of year	\$ 6,055,668

The accompanying notes are an integral part of these financial statements.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Kanawha County, West Virginia (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) prescribes the accounting principles generally accepted in the United States of America for state and local governmental entities.

The County is a local government corporation governed by an elected three-member commission and various other elected officials with various responsibilities. GAAP requires the financial statements to present the financial information of the primary government and its component units. Component units are entities for which the government is considered financially accountable, or whose exclusion may be misleading to the users of the financial statements. Blended component units, although legally separate entities are, in substance, part of the government's operations. For financial reporting purposes, in accordance with accounting principles generally accepted in the United States of America, data from these units should be combined with data of the primary government. Discretely presented component units, on the other hand, should be reported in a separate column on the government-wide statements to emphasize they are legally separate from the government.

Discretely Presented Component Units

The County has determined that the following four entities meet the criteria established by GASB for a discretely presented component unit of the government. The County either appoints the board or members of the County to serve on the board, a financial benefit/burden relationship exists, or the component unit is fiscally dependent upon the County.

The Regional Development Authority of Charleston-Kanawha County was formed to promote, develop, and advance the economic welfare and business prosperity and the environmental, educational, cultural and recreation growth of the metropolitan region. The County Commission appoints all nineteen members on the board.

The Kanawha County Emergency Ambulance Authority was formed to provide emergency ambulance service to all residents of the County as well as provide basic life support and medical transport services. There are fourteen board members, all appointed by the County.

Metro Emergency Operations Center of Kanawha County was formed to provide an emergency telephone operations center for the County. The County Commission appoints all eighteen members on the board for a term of six years.

Kanawha County Parks and Recreation Commission was formed to establish, develop, improve, operate and maintain a public park and recreation system for the County. There are eleven members, all members, are appointed by the County Commission for a six year term.

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

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Blended Component Unit

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

The Kanawha County Building Commission serves Kanawha County, West Virginia, and is governed by a board comprised of five members appointed by the County Commission. The Building Commission acquires property and debt on behalf of the County and is reported as a part of the General Fund.

Related Organizations

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

Board of Appeals under the Adult Entertainment Ordinance
Planning Commission
Kanawha Enforcement Agency
Charleston Area Alliance
Charleston Kanawha Housing
Central Regional Airport Authority
Central West Virginia Convention Visitor's Bureau
Clay Center
Elk Public Service District
Enact
Greater Saint Albans Public Service District
Hatfield McCoy Trail
Kanawha Charleston Health Department
Deputy Sheriff's Civil Service Commission
Kanawha County Extension Services
Public Safety Grant Committee
Kanawha Public Service District
Kanawha Valley Regional Transportation Authority
Malden Public Service District
Regional Intergovernmental Council
Sissonville Public Service District
Union Public Service District

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. The accompanying financial statements do not report any business type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current 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 to be 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 collected within sixty 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 judgements, are recorded only when payment is due.

Within the governmental fund financial statements, property taxes, licenses, permits and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the government.

The Center and the Parks Commission are proprietary funds special purpose governments engaged in business type activities while the Authority and KCAA are enterprise funds. In accordance with GASB Statement No. 34 and GAAP, the financial statements are reported using the economic resources focus and the accrual basis of accounting.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The County reports the following major government funds:

The *General Fund* accounts for the County's operation funds. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. In accordance with generally accepted accounting principles, certain previously reported special revenue governmental funds have been combined within the County's general fund on the Balance Sheet – Governmental Funds (see Combining Balance Sheet – General Fund included with supplementary information).

The *Coal Severance Fund* accounts for the revenues derived from taxes levied on the extraction of coal. This fund is established by the West Virginia Code.

The *Parks and Recreation Fund* accounts for the revenues derived from the Shawnee bond and fees collected from the Shawnee Park Complex. This Fund is established by a court order issued by the Kanawha County Commission.

The *Assessors Valuation Fund* accounts for the revenues derived from taxes levied on property and are associated with the revaluation of property. This fund is established by the West Virginia Code.

Additionally, the County reports the following fund types:

The *Private-Purpose Trust Fund* is used to account for resources legally held in trust by the Sheriff's Department for the benefit of individuals whose finances have been remanded to the Sheriff's Department by court order. All resources of the fund, including any earnings on invested resources must be used to support the beneficiaries. There is no requirement that any portion of these resources be preserved as capital.

The *Agency Fund* is custodial in nature and does not present results of operations or have a measurement focus. Agency funds are accounted for using the modified accrual basis of accounting. The fund is used to account for assets that the County holds for others.

The effect of interfund activity has been eliminated from the government-wide financial statements.

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

Budgetary Compliance and Accountability

Annual budgets are adopted on a basis consistent with the modified accrual basis of accounting for the general, coal severance, and assessor's valuation funds. The budgets are then submitted for approval by the West Virginia State Auditor's Office. All annual appropriations lapse at fiscal yearend.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The appropriated budget is prepared by function and department for each budgeted fund. Transfers of appropriations budget classifications require the approval of the County Commission. The legal level of budgetary control is the budgetary fund and function. Transfers of appropriations between budget classifications require the approval of the 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 statement reflect only such approved amounts. The Commission made the following budgetary transfers throughout the year:

<u>Description</u>	<u>General Operating Fund Amount</u>	<u>Coal Severance Amount</u>	<u>Assessors Valuation Amount</u>
General government expenditure increase	\$ 857,894	\$ 672,345	\$ 105,267
Public safety expenditure increase	(49,750)	216,749	-
Culture and recreation expenditure increase	27,987	-	-
Capital outlay expenditure increase	167,044	-	-

Cash Equivalents

Cash equivalents include amounts in demand deposit accounts as well as short-term investments which have maturity dates within three months of the County’s fiscal year and are readily convertible to cash.

Deferred Outflows/Inflows of Resources

The statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

Net Position Liability

For purposes of measuring the net pension liability, deferred outflows/inflows of the resources related to pensions, and pension expenses, information about the fiduciary net position of the County’s Public Employee Retirement System (PERS) and Deputy Sheriffs’ Retirement System (DSRS) and additions to/deductions from the plans’ fiduciary net position have been determined on the same basis as they are reported by the PERS and DSRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Detailed information on investment valuation can be found in the plans’ financial statements.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net OPEB Liability

For purposes of measuring the net OPEB liability and deferred outflows/inflows of the resources related to other post-employment benefits, and other post-employment benefit expenses, information about the fiduciary net position of the County's Other Post-Employment Benefits Plan (OPEB) of the West Virginia Retiree Health Benefit Trust Fund (RHBTF) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the RHBTF. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Detailed information on the investment valuation can be found in the plans' financial statements.

Capital Assets

Capital assets are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Capital assets of the County are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Infrastructure	15-40
Improvements	3-25
Vehicles	3-10
Equipment	5-15
Computer Equipment	5

Interfund Transactions

During the normal course of operations of the County, certain transactions, including expenditures and transfer of resources to provide services, take place between funds. Interfund transactions are recorded as operating transfers in the fund financial statements and have been eliminated in the governmentwide financial statements.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

	General	Coal Severance Tax	Parks and Recreation	Assessor's Valuation	Nonmajor Governmental	Total Transfers Out
Transfers out:						
General	\$ 15,687,759	\$ 68,160	\$ 47,465	\$ 467,730	\$ 1,029,310	\$ 17,300,424
Transfers in:						
General	16,769,108	-	-	-	-	-
Coal Severance Tax	-	700	-	-	-	-
Parks and Recreation	-	-	79,912	-	-	-
Nonmajor Governmental	-	-	-	-	450,704	-
Total Transfers In	<u>\$ 16,769,108</u>	<u>\$ 700</u>	<u>\$ 79,912</u>	<u>\$ -</u>	<u>\$ 450,704</u>	<u>\$ 17,300,424</u>

The composition of interfund balances as of June 30, 2020 is as follows:

Receivable Fund	Payable Fund	Purpose	Amount
General	Assessor's	Reimbursement	\$ 225
General	Coal Severance	Reimbursement	62,500
General	Nonmajor Fund	Reimbursement	35
Coal Severance	General	Reimbursement	1,836
Parks and Recreation	General	Reimbursement	1,815
Nonmajor Fund	General	Reimbursement	6,091
Nonmajor Fund	General	Reimbursement	3,366
Assessor's Valuation Fund	General	Reimbursement	32,153
			<u>\$ 108,021</u>

Approximately \$301,946 in interfund transfers has been eliminated from the table above.

Fund Balance

The county has classified in the governmental fund financial statements its fund balances in the following categories: nonspendable, restricted, committed, assigned and unassigned as applicable.

Nonspendable fund balance includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The County has no nonspendable fund balances as of June 30, 2020.

Restricted fund balance includes amounts that can be spent only for specified purposes stipulated by outside parties, such as creditors, grantors, or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes self-imposed by a formal action of the Kanawha County Commission (the Commission). Those committed amounts cannot be used for any other purpose unless the Commission removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned fund balances include amounts intended to be used for specific purposes but that do not meet the criteria for Restricted or Committed fund balance. The Commission and other elected officials or their representatives will have the responsibility to assign fund balances for specific purposes.

Unassigned fund balance is the residual classification for the general fund. It is available for any purpose and is not subject to any constraints.

When an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, it shall be the policy of the County to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance category could be used, it shall be the policy of the County that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

It shall be the objective of the County to maintain a minimum unassigned fund balance in the general fund of ten percent of the subsequent year's budgeted expenditures and outgoing transfers. Should the unassigned fund balance in the general fund exceed the maximum thirty percent allowable by the State Code, the County will ensure that the financial stabilization fund has cash reserves of twenty percent of the budget before considering nonrecurring expenditures which will not require future outlays for maintenance, staffing, or any other recurring expenditure.

As of June 30, 2020, the County's fund balances are composed of the following:

	General Fund	Coal Severance Fund	Parks and Recreation Fund	Assessors Valuation Fund	Nonmajor Governmental Fund	Total Governmental Fund
Restricted:						
Public safety	\$ -	\$ -	\$ -	\$ -	\$ 2,080,214	\$ 2,080,214
Debt service	97,612	-	-	-	-	97,612
Dog license	-	-	-	-	17,360	17,360
Capital projects	-	-	-	262,402	-	262,402
Other purposes	356,120	-	-	568,258	623,092	1,547,470
Committed:						
Public safety	-	223,001	-	-	-	223,001
Economic stabilization	4,350,357	-	-	-	-	4,350,357
Community development	812,501	1,380,957	-	-	401,296	2,594,754
Capital projects	702,157	-	-	-	-	702,157
Other purposes	62,593	-	612,556	-	868	676,017
Assigned:						
Encumbrances	1,073,918	-	-	-	-	1,073,918
Unassigned	8,646,856	-	-	-	-	8,646,856
Total fund balances	<u>\$ 16,102,114</u>	<u>\$ 1,603,958</u>	<u>\$ 612,556</u>	<u>\$ 830,660</u>	<u>\$ 3,122,830</u>	<u>\$ 22,272,118</u>

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Position

Net Position is presented as unrestricted, restricted, invested in capital assets net of related debt and net assets held for individuals.

Use of Estimates

Management is required to make estimates and assumptions that may affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenue and expenditures during the period reported. These estimates may include the collectability of taxes receivable and the useful lives or impairment of both tangible and intangible assets. Any estimates or assumptions are periodically reviewed and any revisions are reflected in the financial statements in the period determined to be necessary. Actual results may differ from these estimates.

Taxes Receivable

The allowance for uncollectable is six percent of the total current, approximately ninety percent greater than one year but less than five, and one hundred percent greater than five years of delinquent taxes receivable at June 30, 2020. The total allowance represents approximately 2.01% of the original levy call for all open years.

	<u>General</u>	<u>Nonmajor</u>	<u>Agency</u>
Gross taxes receivable	\$ 7,018,357	\$ 389,004	\$ 5,857,611
Allowance for uncollectible	(60,337)	(6,612)	(199,677)
Net taxes receivable	<u>\$ 6,958,020</u>	<u>\$ 382,392</u>	<u>\$ 5,657,934</u>

2- DEPOSITS AND INVESTMENTS

Concentration of Credit Risk - Cash Deposits – As of June 30, 2020, the County had deposits reported as cash and cash equivalents with carrying balances of \$36,360,185, of which bank balances are \$34,796,860 and \$1,553,325 was held in the Sheriff’s Fiduciary Private Purpose Trust Fund. All deposits are either insured by FDIC or are collateralized with securities held by the County’s agent in the County’s name.

Custodial credit risk of deposits is the risk that in the event of failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. Deposits include nonnegotiable certificates of deposit.

At June 30, 2020, the County had investments shown as cash and cash equivalents invested in a certificate of deposit with United Bank for approximately \$2,000,000. Additionally, \$1,553,325 included in cash and cash equivalents was held at various local financial institutions and brokerage firms by the Sheriff in his capacity as fiduciary agent. No one investment or group of investments held in this fiduciary capacity represents a significant concentration of credit risk.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

3- CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance June 30, 2019	Increases	Decreases	Balance June 30, 2020
Governmental activities:				
Capital assets being depreciated:				
Land	\$ 1,723,778	\$ -	\$ -	\$ 1,723,778
Total capital assets not being depreciated	<u>1,723,778</u>	<u>-</u>	<u>-</u>	<u>1,723,778</u>
Capital assets being depreciated:				
Buildings	27,551,398	-	-	27,551,398
Building improvements	34,272,951	646,836	-	34,919,787
Furniture, fixtures, and equipment	13,178,344	627,506	(229,056)	13,576,794
Infrastructure	276,119	-	-	276,119
Total capital assets being depreciated	<u>75,278,812</u>	<u>1,274,342</u>	<u>(229,056)</u>	<u>76,324,098</u>
Less accumulated depreciation for:				
Buildings	(13,806,481)	(468,620)	-	(14,275,101)
Building improvements	(7,564,058)	(1,290,544)	-	(8,854,602)
Furniture and fixtures	(8,910,262)	(1,313,921)	229,056	(9,995,127)
Infrastructure	(172,206)	(11,234)	-	(183,440)
Total accumulated depreciation	<u>(30,453,007)</u>	<u>(3,084,319)</u>	<u>229,056</u>	<u>(33,308,270)</u>
Total capital assets being depreciated, net	<u>44,825,805</u>	<u>(1,809,977)</u>	<u>-</u>	<u>43,015,828</u>
Governmental activities capital assets, net	<u>\$ 46,549,583</u>	<u>\$ (1,809,977)</u>	<u>\$ -</u>	<u>\$ 44,739,606</u>

For the year ended June 30, 2020, depreciation expense for the governmental activities in the governmentwide financial statements was \$3,084,319, comprised of \$1,407,915 charged to general government, \$824,630 charged to public safety, and \$851,774 charged to culture and recreation.

4- LONG-TERM DEBT

Revenue Bonds

On February 15, 2011, the County issued \$8,121,600 of variable rate Kanawha County Building Commission Lease Revenue Refunding Bonds (Kanawha County Judicial Annex Project and Parking Garage) Series 2011, for the purpose of currently refunding the County's series 2003A and 2003B bonds. The 2011 Series bonds mature through February 15, 2021 with a variable interest rate equal to 65% of the One Month LIBOR, plus 2%. The variable rate is adjusted monthly and has a floor of 2.6% for the first thirty-six months of the agreement. The refunding did not result in any gain or loss.

The proceeds of the Series 2003A bonds were used to finance a portion of the costs of acquiring, constructing, and equipping the improvements to the Kanawha County Judicial Annex. The proceeds of the Series 2003B bonds were used to currently refund the outstanding balance of the Series 1996 bonds.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2020

4- LONG-TERM DEBT (continued)

Upon expiration of the lease term, title to the parking garage facility will pass from the Kanawha County Building Commission to the County. Accordingly, the parking garage facility is recorded as an asset of the County, and the related obligation for repayment of the bonds recorded as a liability.

Principal and interest paid on the Series 2011 bonds for the year ended June 30, 2020 was \$933,895 and \$100,972, respectively.

The County has an interest rate swap derivative instrument to synthetically fix, on a current basis, the Series 2011 Lease Revenue Refunding Bonds in order to hedge interest rate fluctuations. The key provisions of the instrument are:

Type:	Pay-fixed interest rate swap
Objective:	Hedge changes in cash flows on the Series 2011 variable rate Lease Revenue Refunding Bonds
National Amount:	\$ 8,121,600
Effective Date:	February 15, 2011
Maturity Date:	February 15, 2021
Terms:	Synthetically fixed rate of 3.79%

The fair value of this interest rate swap is estimated using the zero-coupon method. This method calculated the future net settlement payments required by the swap, assuming that the current forward rate implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rate implied by the current yield curve for hypothetical zero coupon bonds due on the date of the future net settlement on the swap.

The fair value balance of the hedging derivative instrument outstanding is \$5,132 at June 30, 2020, and is classified as a liability in the Statement of Net Position. The change in fair value of the hedging derivative instrument for the year ended June 30, 2020, is \$12,141. The accumulated changes in fair value of the hedging derivatives instrument is \$5,132 at June 30, 2020, and is classified as a deferred outflow of resources in the Statement of Net Position.

Risks

Credit Risk

The credit ratings of the counterparty to the interest rate swap are Baa2 from Moody's, A-from Standards & Poors, and A+ from Fitch. The interest rate swap agreement requires certain collateralization if the credit rating of the counterparty falls below specific levels. As of June 30, 2020, no collateralization was required by the interest rate swap agreement.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

4- LONG-TERM DEBT (continued)

Interest Rate Risk

The County is not exposed to interest rate risk on this interest rate swap.

Basis Risk

The County is exposed to basis risk on the fixed interest rate swap because the variable rate payments received by the County on this hedging derivative instrument are based on an index other than interest rates the County pays on the hedged variable rate of debt, which are remarketed every week. As of June 30, 2020, the weighted-average interest rate on the County's hedged variable rate debt was 2.12%, while 65% on the one month LIBOR was 1.19%.

Termination Risk

The interest rate swap agreement provides for certain events that could cause the counterparty or the County to terminate the swap. The swap may be terminated by the counterparty or the County if the other party fails to make payments when due, there is a material breach of representations and warranties, an event of illegality occurs, and failure to comply with any other provisions of the agreement after a specified notice period.

The County has the right to optionally terminate the swap agreement at any time. The termination amount owed by either the County or the counterparty may be determined by market quotation. If at the time of termination, the swap has a negative fair value, the County would owe the counterparty a payment equal to the swap's fair value.

Rollover Risk

The County is exposed to rollover risk on the hedging interest rate swap that may be terminated prior to the maturity of the hedged debt.

Swap Payments and Associated Debt

Using rates as of June 30, 2020, debt service requirements of the variable rate debt net swap payments, assuming current interest rates remain the same for their term, were as follows. As rates vary, variable rate bond interest payments and net swap payments will vary.

Year Ending June 30	Variable Rate Bonds		Interest Rate Swap, Net	Total
	Principal	Interest		
2021	638,442	9,047	195	647,684
	\$ 638,442	\$ 9,047	\$ 195	\$ 647,684

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS

For the Year Ended June 30, 2020

4- LONG-TERM DEBT (continued)

On December 19, 2008, The Kanawha County Commission issued \$10,000,000 of the Kanawha County Building Commission Lease Revenue Bonds (Kanawha County Office Building Project) Series 2008. The proceeds of these bonds were used for renovation of the building located at 301 Virginia Street in Charleston, West Virginia. The bonds mature through December 10, 2023, with interest at 2.45%. There was no gain or loss on the refinance of the bonds. Upon expiration of the lease term, the building title will pass to the County. Accordingly, the building is recorded as an asset of the County, and the related obligation for repayment of the bonds is recorded as a liability.

Total debt service costs of the Kanawha County Commission Office Building Project Series 2008 revenue bonds for each of the next five years and thereafter, is as follows:

Year Ending <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	763,087	60,758	823,845
2022	763,087	42,063	805,150
2023	763,087	23,367	786,454
2024	381,783	4,670	386,453
	<u>\$ 2,671,044</u>	<u>\$ 130,858</u>	<u>\$ 2,801,902</u>

On December 20, 2017, the County issued \$10,000,000 of fixed rate Kanawha County Building Commission Lease Revenue Bonds (Shawnee Multiple Sports Complex) Series 2017, for the purpose of financing the costs of constructing, renovating, improving, and equipping the real estate together with the related facilities located at 2000 WV-25 in Institute, Kanawha County, West Virginia to provide a multiple sports complex and other facilities for the County.

The Series 2017 bonds mature through December 1, 2032, with an interest rate 2.65%. Upon expiration of the lease term, title to the sporting complex facility will pass from Kanawha County Building Commission to the County. Accordingly, the sporting complex facility is recorded as an asset of the County, and the related obligation for repayment of the bonds is recorded as a liability.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

4- LONG-TERM DEBT (continued)

Total debt service costs of the Shawnee Multiple Sports Complex Series 2017 revenue bonds for each of the next five years and thereafter, are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 550,000	\$ 256,387	\$ 806,387
2022	1,000,000	235,850	1,235,850
2023	1,000,000	209,350	1,209,350
2024	930,000	181,525	1,111,525
2025	665,000	160,458	825,458
2026-2030	3,595,000	620,034	4,215,034
2031-2032	1,960,000	145,551	2,105,551
	<u>\$ 9,700,000</u>	<u>\$ 1,809,155</u>	<u>\$ 11,509,155</u>

On January 11, 2019, the County issued \$600,000 of fixed rate Kanawha County Building Commission Lease Revenue Bonds (Shawnee Multiple Sports Complex) Series 2019, for the purpose of financing the costs of constructing, renovating, improving, and equipping the real estate together with the related facilities located at 2000 WV-25 in Institute, Kanawha County, West Virginia to provide a multiple sports complex and other facilities for the County.

The Series 2019 bonds mature through December 1, 2033, with an interest rate of 4.18%. Upon expiration of the lease term, title to the sporting complex facility will pass from the Kanawha County Building Commission to the County. Accordingly, the sporting complex facility is recorded as an asset of the County, and the related obligation for repayment of the bonds is recorded as a liability.

Total debt services costs of the Shawnee Multiple Sports Complex Series 2019 revenue bonds for each of the next five years and thereafter, are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 100,000	\$ 250,800	\$ 350,800
2022	230,000	244,321	474,321
2023	270,000	234,289	504,289
2024	364,000	222,585	586,585
2025	442,000	205,928	647,928
2026-2030	2,506,000	733,277	3,239,277
2031-2032	2,088,000	178,172	2,266,172
	<u>\$ 6,000,000</u>	<u>\$ 2,069,372</u>	<u>\$ 8,069,372</u>

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

4- LONG-TERM DEBT (continued)

Total debt service costs for all revenue bonds for the next five years and thereafter, is as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 2,051,529	\$ 577,187	\$ 2,628,716
2022	1,993,087	522,234	2,515,321
2023	2,033,087	467,006	2,500,093
2024	1,675,783	408,780	2,084,563
2025	1,107,000	366,386	1,473,386
2026-2030	6,101,000	1,353,311	7,454,311
2031-2032	4,048,000	323,723	4,371,723
	\$ 19,009,486	\$ 4,018,627	\$ 23,028,113

Capital Lease Obligation

On March 20, 2019, The County entered into a capital lease-purchase agreement with PNC Equipment Finance in the amount of \$113,684 to lease 30 golf carts. The lease term was for 37 months with monthly payments of \$2,117, an interest rate of 3.13%, and balloon payment of \$42,000 due in April 2021.

The cost of the equipment under the lease is included in the statement of net position as capital assets, net of \$61,864 at June 30, 2020. Accumulated depreciation of the leased equipment at June 30, 2020, was \$89,602. Depreciation of the assets under the capital lease is included in depreciation expense for culture and recreation. The future minimum lease payments required under the capital lease as of June 30, 2020 are as follows:

Year Ending June 30	Amount Due
2021	61,053
	\$ 61,053

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

4- LONG-TERM DEBT (continued)

The following is a summary of the long-term debt activity for the year ended June 30, 2020:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Governmental activities:					
Revenue bonds payable	\$ 20,906,467	\$ -	\$ (1,896,981)	\$ 19,009,486	\$ 2,051,529
Capital lease obligation	85,166	-	(23,324)	61,842	61,842
Net OPEB liability	3,551,912	-	(763,864)	2,788,048	-
Net Pension liability PERS	2,673,157	-	(542,462)	2,130,695	-
Net pension liability DSRS	(596,051)	2,786,376	-	2,190,325	-
Compensated absences	2,123,805	1,445,829	(1,192,008)	2,377,626	-
Health Claims	783,967	504,099	(783,967)	504,099	504,099
Total governmental activity					
Long-term liabilities	<u>\$ 29,528,423</u>	<u>\$ 4,736,304</u>	<u>\$ (5,202,606)</u>	<u>\$ 29,062,121</u>	<u>\$ 2,617,470</u>

Total cash paid for interest for the year ended June 30, 2020, on outstanding debt was \$691,706.

5- PROPERTY TAXES

The taxes on real property and the interest and other charges upon such taxes attach as an enforceable lien on the first day of July each year. There is no lien denominated as such on personal property; however, statutes provide that the sheriff of the county may distraint for delinquent taxes any good and chattels belonging to a person assessed. All current taxes assessed on real and personal property may be paid in two installments; the first installment is payable on the first day of September in the year for which the assessment is made, and becomes delinquent on October first; the second installment is payable on the first day of the following March and becomes delinquent on April first. Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If taxes are not paid on or before the date on which they become, delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until paid.

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 thirty-tenths cents (14.30C); on Class II property, twenty-eight and sixty-tenths cents (28.60C); and on Class III and IV property, fifty-seven and twenty-tenths cents (57.20C). In addition, counties may provide for an election to lay an excess levy, the rates of which are not to exceed fifty percent of such authorized maximum levies, provided that at least sixty percent of the voters cast ballots in favor in of the excess levy. An excess levy has been approved by the voters of the County to provide additional funding for the Kanawha Valley Regional Transit Authority and the Kanawha County Emergency Ambulance Authority.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

5- PROPERTY TAXES (continued)

The rates levied (including the excess levy) by the County per \$100 of assessed valuation for each class of property for the fiscal year ended June 30, 2020, were as follows:

	Assessed Valuations for Tax Purposes	Current Expense	Excess
\$	-	14.30 ¢	6.09 ¢
\$	3,805,171,788	28.60 ¢	12.18 ¢
\$	2,781,013,561	57.20 ¢	24.36 ¢
\$	3,296,455,676	57.20 ¢	24.36 ¢

6- RETIREMENT SYSTEMS

West Virginia Public Employees' Retirement System

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

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

Benefits are provided through PERS using a two-tiered system. Effective July 1, 2015, PERS implemented the second tier, Tier II. Employees hired, for the first time, on or after July 1, 2015 are considered Tier II members. Tier I and Tier II members are subject to different regulations.

TIER I:

Plan member's contribution rate:	4.5%
County's contribution rate:	13.5%
Period required to vest:	Five years

Benefits and eligibility for distribution:	A member who has attained age 60 and has earned 5 years of contributing service or age 55 if the sum of age plus years of credited service is equal to or greater than 80. The final average salary (3 highest consecutive years in the last 15) times the years of service times
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**KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS**

For the Year Ended June 30, 2020

6- RETIREMENT SYSTEMS (continued)

Eligibility to participate: 2% equals the annual retirement benefit.
All county full-time employees, except those covered by other pension plans.

Authority establishing contribution
Obligations and benefit provisions: State Statue
Deferred retirement portion: No
Provisions for -
Cost of living: No
Death benefits: Yes

TIER II:

Plan member's contribution rate: 6.0%
County's contribution rate: 13.5%
Period required to vest: Five years

Benefits and eligibility for distribution: A member who has attained age 62 and has earned 10 years of contributing service. The final average salary (5 highest consecutive years in the last 15) times the years of service times 2% equals the annual retirement benefit.

Eligibility to participate: All county full-time employees, except those covered by other pension plans, hired after July 1, 2015.

Authority establishing contribution
Obligations and benefit provisions: State Statue
Deferred retirement portion: No
Provisions for -
Cost of living: No
Death benefits: Yes

West Virginia Deputy Sheriff Retirement Fund (DSRS)

Plan member's contribution rate: 8.5%
County's contribution rate: 12% plus certain fees for reports generated by the Sheriff's office.
Period required to vest: Five years

Benefits and eligibility for distribution: A member who has attained age 60 and has earned 5 years of contributing service or age 50 if the sum of age plus years of credited service is equal to or greater than 70. The final average salary (5 highest consecutive years in the last 10) times the years of service times 2.25% equals the annual retirement benefit.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

6- RETIREMENT SYSTEMS (continued)

Eligibility to participate: Deputy sheriff's first employed after the effective date and any deputy sheriff hired prior to the effective date who elect to become members.

Authority establishing contribution
Obligations and benefit provisions: State Statue
Deferred retirement portion: No
Provisions for -
Cost of living: No
Death benefits: Yes

Trend Information

Fiscal Year	Public Employees Retirement System (PERS)		Deputy Sheriff Retirement System (DSRS)	
	Annual Pension Cost	Percentage Contributed	Annual Pension Cost	Percentage Contributed
	2020	\$ 2,228,171	100%	\$ 1,340,560
2019	\$ 2,138,697	100%	\$ 1,249,041	100%
2018	\$ 2,240,530	100%	\$ 1,176,720	100%
2017	\$ 2,326,149	100%	\$ 1,153,314	100%
2016	\$ 2,545,213	100%	\$ 1,135,850	100%
2015	\$ 2,599,625	100%	\$ 1,165,797	100%
2014	\$ 2,547,639	100%	\$ 1,161,353	100%

PERS and DSRS issue a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by contacting the Consolidated Public Employees Retirement Board, 4101 MacCorkle Avenue, SE, Charleston, WV 25304.

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

At June 30, 2020, the County reported the following liabilities for its proportionate share of the net pension liabilities. The County's proportion of the net pension liability was based on a projection of the long-term share of the contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

6- RETIREMENT SYSTEMS (continued)

At June 30, 2020, the County reported the following proportions and increases/decreases from its proportion measure:

	PERS	DSRS
Amount for proportionate share of net pension liability	\$ 2,130,695	\$ 2,190,327
Percentage for proportionate share of net pension liability	0.9909610%	10.899319%
Increase/(decrease)% from prior proportion measured	-0.044135%	-0.204476%
	PERS	DSRS
Government-wide pension expense	\$ (658,810)	\$ 2,339,258

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
Public Employees Retirement System (PERS)		
Changes of assumptions:		
Net differences between projected and actual earnings on pension plan investments	\$ -	\$ 770,145
Difference between expected and actual experience	82,468	186,093
Deferred difference in assumption	-	391,152
Changes in proportion and differences between government contributions and proportionate share of contributions	38,215	131,416
Government contributions subsequent to the measurement date	1,509,033	-
	\$ 1,629,716	\$ 1,478,806
Deputy Sheriffs Retirement System (DSRS)		
Changes of assumptions:		
Net differences between projected and actual earnings on pension plan investments	\$ -	\$ 299,620
Difference between expected and actual experience	-	197,168
Deferred difference in assumption	349,973	737,230
Changes in proportion and differences between government contributions and proportionate share of contributions	-	76,411
Government contributions subsequent to the measurement date	784,717	-
	\$ 1,134,690	\$ 1,310,429

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

6 - RETIREMENT SYSTEMS (continued)

The amount reported as deferred outflows of resources related to pensions resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

PERS		DSRS	
Year ended June 30:		Year ended June 30:	
2021	\$ (273,120)	2021	\$ (207,637)
2022	(1,151,312)	2022	(492,482)
2023	(157,301)	2023	(197,571)
2024	223,581	2024	(114,135)
Thereafter	-	Thereafter	51,369
	\$ (1,358,152)		\$ (960,456)

Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2015 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

Public Employees Retirement System (PERS)

Actuarial assumptions:

Inflation Rate	1.90%
Salary Increases	3.0% - 6.0%
Investment Rate of Return	7.50%
Mortality Rates	Healthy males - 1983 GAM Healthy females - 1971 GAM Disabled males - 1971 GAM Disabled females - Revenue reling 96-7

The actuarial assumptions used in the July 1, 2015 PERS valuation were based on the results of an actuarial experience study for the period July 1, 2004 to June 30, 2009.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

6— RETIREMENT SYSTEMS (continued)

Deputy Sheriffs Retirement System (DSRS)

Actuarial assumptions:

Inflation Rate	2.20%
Salary Increases	5.0% for first 2 years of service
	4.5% for next 3 years of service
	4.0% for the next 5 years of service, and
	3.5% thereafter
Investment Rate of Return	7.50%
Mortality Rates	Based on the RP-2000 Non-annuitant mortality table, scale BB
	Retired and disable RP-2000 health annuitant mortality table, scale BB

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

<u>Investment</u>	<u>Long-term Expected Real Rate of Return</u>	<u>PERS Target Asset Allocation</u>	<u>DSRS Target Asset Allocation</u>
US Equity	7.0%	27.5%	27.5%
International Equity	7.7%	27.5%	27.5%
Core Fixed Income	2.7%	7.5%	7.5%
High Yield Fixed Income	5.5%	7.5%	7.5%
Real Estate	7.0%	10.0%	10.0%
Private Equity	9.4%	10.0%	10.0%
Hedge Funds	4.7%	10.0%	10.0%

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

6- RETIREMENT SYSTEMS (continued)

Discount rate

The discount rate used to measure the total pension liability was 7.5% for all defined benefit plans. The projection of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position for each defined benefit pension plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities of each plan.

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

	1% Decrease 6.50%	Current Rate 7.50%	1% Increase 8.50%
PERS net pension liability share	(9,924,940)	2,130,695	4,462,753
DSRS net pension liability share	(6,020,675)	2,190,325	966,770

Pension plans' fiduciary net position

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

7— OTHER POST EMPLOYMENT BENEFITS

The County participates in the West Virginia Other Post-Employment Benefit Plan (OPEB) of the West Virginia Retiree Health Benefit Trust Fund (RHBTF), a cost sharing multiple-employer defined benefit post-employment healthcare plan for eligible employees administered by the West Virginia Public Employee Insurance Agency (WVPEIA). The OPEB Plan provides retiree post-employment health care benefits for participating state and local government employers. Employees hired prior to July 1, 1985 are the only employees eligible to participate.

The provisions of the Code of West Virginia, 1931, as amended (the Code), assigns the authority to establish and amend benefit plans to the WVPEIA Board of Trustees. The WVPEIA issues a publicly available financial report that includes financial statements and required supplementary information for the OPEB plan. That report may be obtained by writing to the West Virginia Public Employees Insurance Agency, 601 57th Street, Charleston, WV 25304, or by calling 1-888-680-7342.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

7 - OTHER POST EMPLOYMENT BENEFITS (continued)

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

At June 30, 2020, the County reported the following liabilities for its proportionate share of the net OPEB liabilities. The net OPEB liabilities were measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The County's proportion of the net OPEB liability was based on a projection of the long-term share of the contributions to the OPEB plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2020, the County reported the following proportion and decrease from its proportion measured.

Amount of proportionate share of net OPEB liability	\$	2,778,048
Percentage for proportionate share of net OPEB liability		0.16804253%
Increase/(decrease)% from prior proportion measure		-0.002486%

For the year ended June 30, 2020, the County recognized OPEB expense of \$(558,367).

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net Differences between projected and actual earnings on pension plan investments	\$ -	\$ 45,927
Reallocation of Opt-out Employer Change in Proportionate Share	688	75,010
Differences between expected and actual experience	15,851	325,165
Changes in proportion and differences between government contributions and proportionate share of contributions	-	434,606
Deferred difference in assumption	40,934	565,438
Government contributions subsequent to the measurement date	346,215	-
	<u>\$ 403,688</u>	<u>\$ 1,446,146</u>

The amount report as deferred outflows of resources related to OPEB resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

7 - OTHER POST EMPLOYMENT BENEFITS (continued)

Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30	
2020	\$ (534,097)
2021	(475,042)
2022	(258,893)
2023	(46,319)
	<u>\$ (1,314,351)</u>

Actuarial assumptions. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.75 percent
Salary Increases	Dependent upon pension system, ranging from 3.00% to 6.5%, including inflation
Investment rate of return	7.15%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate	Actual trend used for fiscal year 2017. For fiscal years on an after 2018, trend starts at 8.50% and 9.75% for pre and post-medicare, respectively, and gradually decreases to an ultimate trend of 4.5%
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll over a 21 year closed period
Remaining amortization period	20 years closed as of June 30, 2017

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

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

7— OTHER POST EMPLOYMENT BENEFITS (continued)

Best estimates of long-term geometric rates are summarized in the following table:

<u>Asset Class</u>	<u>Long-Term Expected Reta Rate of Return</u>
Large Cap Domestic	17.0%
Non-Large Cap Domestic	22.0%
International Qualified	24.6%
International Non-Qualified	24.3%
International Equity	26.2%
Short-Term Fixed	0.5%
Total Return Fixed Income	6.7%
Core Fixed Income	0.1%
Hedge Fund	5.7%
Private Equity	19.6%
Real Estate	8.3%
Opportunistic Income	4.8%

The discount rate used to measure the OPEB liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that RHBT contributions would be made at rates equal to the actuarially determined contribution rates, in accordance with prefunding and investment policies. The OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Discount rates are subject to change between measurement dates.

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

	<u>1% Decrease 6.15%</u>	<u>Current Rate 7.15%</u>	<u>1% Increase 8.15%</u>
Net OPEB Liability	3,327,453	2,788,048	2,336,657

Sensitivity of the net OPEB liability to changes in the health care cost trend rates.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

7— OTHER POST EMPLOYMENT BENEFITS (continued)

The following presents the County's net OPEB liability, as well as what the County's net OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower and one percentage point higher than the current rate:

	1% Decrease -1.00%	Current Rate 0.00%	1% Increase 1.00%
Net OPEB Liability	2,248,158	2,788,048	3,443,204

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report.

8 - DEFERRED COMPENSATION PLAN

The County offers two deferred compensation plans to its employees created in accordance with Internal Revenue Code Section 457. The plans, available to all full-time employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. The plans are controlled and handled through Nationwide Insurance and the State of West Virginia and are funded by voluntary contributions by the employees with no employer matching contributions.

9 - COMMITMENTS AND CONTINGENCIES

The County is self-insured for employee health claims with a stop-loss insurance policy which covers health claims in excess of \$90,000 individually and \$2,000,000 in the aggregate. Claims of \$700,004 have been accrued in the Statement of Net Position for claims incurred prior to June 30, 2020 and paid as of September 30, 2020. Changes in the balances of claims liability during the past two years are as follows:

	June 30, 2020	June 30, 2019
Unpaid claims, beginning of fiscal year	\$ 783,967	\$ 700,004
Incurred claims (including IBNRS)	9,460,098	8,558,353
Claims paid	(9,739,966)	(8,474,390)
Unpaid claims, end of fiscal year	\$ 504,099	\$ 783,967

The County has pledged funding for various purposes under nonbinding letters of intent, subject to meeting certain criteria, to fund various projects. Because of the nonbinding nature of these letters of intent, the County has not committed fund balances or recorded a liability for these commitments.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

9 - COMMITMENTS AND CONTINGENCIES (continued)

The Kanawha County Metro Emergency Operations Center entered into a lease agreement with the Kanawha County Building Commission effective August 1, 2001 to lease a building in which the Metro Emergency Operations Center is located. The lease is subject to annual renewals through August 1, 2024, at which point the deed to the premises will pass to the Kanawha County Metro Emergency Operations Center. The annual lease payment is variable, and corresponds to the repayment of bonds used to finance the project as defined in Note 11. The Kanawha County Commission is obligated as guarantor of the lease payments should the Metro Emergency Operations Center fail to meet its payment obligations.

10 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; public officials and law enforcement actions and other acts of the County or its representatives. The County has transferred its risks in exchange for premiums to purchase general liability, property loss, law enforcement liability, employee practice liability and workers compensation coverage insurance, from various high credit quality insurance companies which carry various deductibles and aggregates per year. Additionally, the County is self-insured for employee health claims and has purchased stop-loss coverage to mitigate the risk of exposure. The amounts of stop-loss coverage are discussed in Note 9.

11 - CONDUIT DEBT OBLIGATIONS

From time to time, the County has issued industrial revenue bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying leases. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the County, State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of June 30, 2020, there have been 136 series of Industrial Revenue Bonds, one series of local government Lease Revenue Bonds, and one series of Student Housing Revenue Bonds issued by the Kanawha County Commission. The aggregate principal amount payable for the one local government series issued after June 1, 1995 (Metro Emergency Operations Center, originally issued November 2004 - \$4,500,000 authorized, and refunded in 2011 with Series A) was \$1,102,211 at June 30, 2018. The aggregate principal amount payable for the one student revenue bond series issued after July 1, 1995 (West Virginia State Student Housing Revenue Bonds, originally issued September 2013 - \$25,305,000 authorized) was \$24,990,000. The aggregate principal amount payable for the two industrial revenue bonds issued after July 1995, could not be determined; however, that original authorized amount totaled \$797,940,000.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

12— EFFECT OF NEW ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board has also issued Statement No. 87, *Leases*, effective for the fiscal years beginning after December 15, 2021. The objective of this Statement is to improve accounting and financial reporting for leases by governments. It requires recognition of certain lease assets and liabilities that were previously classified as operating leases. The County has not yet determined the effect that the adoption of GASB Statement No. 87 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for the fiscal years beginning after December 15, 2020. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period. It also seeks to simplify accounting for interest cost incurred before the end of a construction period. It requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus method. The County has not yet determined the effect that the adoption of GASB Statement No. 89 may have on its financial statements.

KANAWHA COUNTY, WEST VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For the 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:						
Taxes:						
Ad valorem property taxes	\$ 44,985,113	\$ 44,965,113	\$ 40,861,350	\$ -	40,861,350	\$ (4,103,763)
Other taxes	2,537,700	2,537,700	2,363,789	-	2,363,789	(173,911)
Licenses and Permits	8,000	8,000	16,325	-	16,325	8,325
Intergovernmental						
Federal	626,769	764,533	537,139	(13,240)	523,899	(240,634)
State	80,000	114,458	364,352	(39,259)	325,093	210,635
Local	266,000	286,000	334,422	-	334,422	48,422
Charges for services	1,346,000	1,346,000	4,302,622	-	4,302,622	2,956,622
Fines and forfeitures	350,000	350,000	-	-	-	(350,000)
Interest	100,000	100,000	189,309	-	189,309	89,309
Miscellaneous	1,579,254	1,579,254	1,355,507	-	1,355,507	(223,747)
<i>Total Revenues</i>	<u>51,878,836</u>	<u>52,051,058</u>	<u>50,324,815</u>	<u>(52,499)</u>	<u>50,272,316</u>	<u>(1,778,742)</u>
EXPENDITURES:						
Current:						
General government	24,475,104	25,332,998	20,281,793	-	20,281,793	5,051,205
Public safety	18,645,135	18,595,385	14,835,520	-	14,835,520	3,759,865
Health and sanitation	248,468	248,468	135,376	-	135,376	113,092
Culture and recreation	5,331,000	5,358,987	5,317,364	-	5,317,364	41,623
Capital outlay	100,000	267,044	167,559	-	167,559	99,485
<i>Total Expenditures</i>	<u>48,799,707</u>	<u>49,802,882</u>	<u>40,737,612</u>	<u>-</u>	<u>40,737,612</u>	<u>9,065,270</u>
<i>Excess of Revenues Over Expenditures</i>	<u>3,079,129</u>	<u>2,248,176</u>	<u>9,587,203</u>	<u>(52,499)</u>	<u>9,534,704</u>	<u>7,286,528</u>
OTHER FINANCING SOURCES AND USES:						
Operating transfers in	905,710	2,907,786	2,596,279	-	2,596,279	(311,507)
Operating transfers out	(7,984,839)	(12,520,075)	(11,443,860)	-	(11,443,860)	1,076,215
<i>Total Other Financing Sources and Uses</i>	<u>(7,079,129)</u>	<u>(9,612,289)</u>	<u>(8,847,581)</u>	<u>-</u>	<u>(8,847,581)</u>	<u>764,708</u>
<i>Net Change in Fund Balance</i>	<u>(4,000,000)</u>	<u>(7,364,113)</u>	<u>739,622</u>	<u>(52,499)</u>	<u>687,123</u>	<u>8,051,236</u>
<i>Fund Balance at Beginning of Year</i>	<u>4,000,000</u>	<u>7,364,113</u>	<u>9,234,348</u>	<u>(5,376,359)</u>	<u>3,857,989</u>	<u>(3,506,124)</u>
<i>Fund Balance at End of Year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,973,970</u>	<u>\$ (5,428,858)</u>	<u>\$ 4,545,112</u>	<u>\$ 4,545,112</u>

KANAWHA COUNTY, WEST VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - COAL SEVERANCE TAX FUND
For the 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:						
Taxes	\$ 1,050,500	\$ 1,050,500	\$ 1,399,863	\$ -	\$ 1,399,863	\$ 349,363
Intergovernmental						
Local	-	170,000	170,000	-	170,000	-
Interest	150	150	-	-	-	(150)
Miscellaneous	-	-	29,700	-	29,700	29,700
Total Revenues	1,050,650	1,220,650	1,599,563	-	1,599,563	378,913
EXPENDITURES:						
Current:						
General Government	263,749	936,098	286,228	-	286,228	649,870
Public Safety	661,901	878,650	626,649	-	626,649	252,001
Culture and Recreation	50,000	50,000	50,000	-	50,000	-
Social Services	80,000	80,000	80,000	-	80,000	-
Total Expenditures	1,055,650	1,944,748	1,042,877	-	1,042,877	901,871
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<i>(5,000)</i>	<i>(724,098)</i>	<i>556,686</i>	<i>-</i>	<i>556,686</i>	<i>1,280,784</i>
Other financing sources (uses):						
Operating transfers In	-	-	700	-	700	700
Operating transfers out	-	-	(68,160)	68,160	-	-
Total other financing sources and uses	-	-	(67,460)	68,160	700	700
Net Change in Fund Balance	(5,000)	(724,098)	489,226	68,160	557,386	1,281,484
Fund Balance at Beginning of Year	5,000	724,098	1,114,732	-	1,114,732	390,634
Fund Balance at End of Year	\$ -	\$ -	\$ 1,603,958	\$ 68,160	\$ 1,672,118	\$ 1,672,118

KANAWHA COUNTY, WEST VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - ASSESSOR'S FUND
For the 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:						
Taxes	\$ 2,333,128	\$ 2,333,128	\$ 2,430,928	\$ -	\$ 2,430,928	\$ 97,800
Interest	660	660	-	-	-	(660)
Charges for services	45,000	45,000	50,811	-	50,811	5,811
Total Revenues	<u>2,378,788</u>	<u>2,378,788</u>	<u>2,481,739</u>	<u>-</u>	<u>2,481,739</u>	<u>102,951</u>
Expenditures:						
General government	3,328,788	3,434,055	2,238,616	-	2,238,616	1,195,439
Total Expenditures	<u>3,328,788</u>	<u>3,434,055</u>	<u>2,238,616</u>	<u>-</u>	<u>2,238,616</u>	<u>1,195,439</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(950,000)</u>	<u>(1,055,267)</u>	<u>243,123</u>	<u>-</u>	<u>243,123</u>	<u>1,298,390</u>
Other financing sources (uses):						
Operating transfers out	-	-	(467,730)	467,730	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(467,730)</u>	<u>467,730</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(950,000)	(1,055,267)	(224,607)	467,730	243,123	1,298,390
Fund Balance at Beginning of Year	<u>950,000</u>	<u>1,055,267</u>	<u>1,055,267</u>	<u>-</u>	<u>1,055,267</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 830,660</u>	<u>\$ 467,730</u>	<u>\$ 1,298,390</u>	<u>\$ 1,298,390</u>

See accompanying notes to the basic financial statements.

KANAWHA COUNTY, WEST VIRGINIA
*Schedule of Retirement Contributions for the Last Six Fiscal Years**

June 30, 2020

Public Employees Retirement System						
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,509,033	\$ 1,454,856	\$ 1,578,824	\$ 1,677,161	\$ 1,903,779	\$ 1,967,281
Contribution in relation to the contractually required contribution	<u>1,509,033</u>	<u>1,454,856</u>	<u>1,578,824</u>	<u>1,677,161</u>	<u>1,903,779</u>	<u>1,967,281</u>
Contribution excess (deficiency)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	\$ 15,088,409	\$ 14,548,548	\$ 14,352,956	\$ 14,014,838	\$ 14,102,016	\$ 14,052,002
Contributions as a percentage of covered-employee payroll	10.00%	10.00%	11.00%	12.00%	13.50%	14.00%
Deputy Sheriff's Retirement System						
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 784,717	\$ 731,146	\$ 688,812	\$ 675,111	\$ 664,888	\$ 693,927
Contribution in relation to the contractually required contribution	<u>784,717</u>	<u>731,146</u>	<u>688,812</u>	<u>675,111</u>	<u>664,888</u>	<u>693,927</u>
Contribution excess (deficiency)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Covered-employee payroll	\$ 6,539,317	\$ 6,092,882	\$ 5,740,096	\$ 5,625,920	\$ 5,540,730	\$ 5,551,410
Contributions as a percentage of covered-employee payroll	12.00%	12.00%	12.00%	12.00%	12.00%	12.50%

* Data prior to 2015 is unavailable.

KANAWHA COUNTY, WEST VIRGINIA
Schedule of the Proportionate Share of the Net Pension Liabilities

June 30, 2020

Public Employees Retirement System						
	2019	2018	2017	2016	2015	2014
Proportion percentage of net pension liability	0.990961%	1.035096%	1.023137%	1.023137%	1.036176%	1.001338%
Proportion dollar share of net pension liability	2,130,695	2,673,157	9,403,833	9,403,833	5,786,048	3,695,713
Covered employee payroll	15,088,408	14,548,548	14,014,838	14,102,016	14,052,002	13,432,419
Proportionate share of net pension liability as percentage of covered employee payroll	14.12%	18.37%	31.42%	66.68%	41.18%	27.51%
Plan fiduciary net position as a percentage of total pension liability	96.99%	96.33%	93.67%	86.11%	91.29%	93.98%
Deputy Sheriff's Retirement System						
	2019	2018	2017	2016	2015	2014
Proportion percentage of net pension liability	10.899319%	11.103795%	11.207011%	11.236356%	11.648759%	11.672465%
Proportion dollar share of net pension liability	2,190,327	(596,051)	419,925	3,577,208	2,389,393	1,991,016
Covered employee payroll	6,539,317	6,092,882	5,625,920	5,540,730	5,551,410	5,401,638
Proportionate share of net pension liability as percentage of covered employee payroll	33.49%	-9.78%	7.46%	64.56%	43.04%	36.86%
Plan fiduciary net position as a percentage of total pension liability	92.08%	102.16%	98.17%	84.48%	89.31%	90.52%

KANAWHA COUNTY, WEST VIRGINIA
*Schedule of Other Post-employment Benefit Plan Contributions for the Last Five Fiscal Years**

June 30, 2020

	2020	2019	2018	2017	2016
Contractually required contribution	\$ 346,215	\$ 338,314	\$ 367,356	\$ 352,783	\$ 358,589
Contribution in relation to the contractually required contribution	346,215	338,314	367,356	352,783	358,589
Contribution excess (deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -

* Data prior to 2016 is unavailable

KANAWHA COUNTY, WEST VIRGINIA
Schedule of the Proportionate Share of the Net OPEB Liability

June 30, 2020

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	0.168042528%	0.165556640%	0.171783271%
Employer contribution	2,788,048	3,551,912	4,224,132
State contribution	39.69%	30.98%	25.10%

Fiscal year 2018 is the first year of implementation for the West Virginia Retiree Benefit Trust Fund, therefore only one year is shown.

KANAWHA COUNTY, WEST VIRGINIA
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2020

Federal Grantor Pass-Through Grantor Program Title	Pass-Through Entity's Number	Federal CFDA Number	Disbursements
United States Department of Homeland Security			
<i>Passed Through West Virginia Department of Homeland Security :</i>			
Homeland Security Grant	14-LE-64	97.067	\$ 49,420
Public Assistance	FEMA-DR-4210	97.036	184,787
Hazard Mitigation Grant	DR-4273	97.039	1,154,981
Total Emergency Management Planning Grant			<u>1,339,768</u>
Total United States Department of Homeland Security			<u>1,389,188</u>
United States Department of Justice			
<i>Passed Through West Virginia Department of Criminal Justice Services:</i>			
Crime Victim Assistance	16-VA-024	16.575	46,312
Crime Victim Assistance	16-VA-025	16.575	60,095
STOP Violence Against Women	16-VAW-025	16.588	29,802
Total United States Department of Justice			<u>136,209</u>
United States Department of Transportation			
<i>Passed Through West Virginia Department of Transportation</i>			
State and Community Highway Safety	N/A	20.600	174,665
National Priority Safety Program	F18-HS-11-154	20.616	21,156
Total United States Department of Transportation			<u>195,821</u>
United States Department of Agriculture			
<i>Passed Through West Virginia Department of Homeland Security</i>			
Rural Business Development Grant	N/A	10.351	10,050
Total United States Department of Agriculture			<u>10,050</u>
United States Election Assistance Commission			
<i>Passed Through the Ohio Secretary of State</i>			
Help America Vote Act Grant	N/A	90.404	89,054
Total United States Election Assistance Commission			<u>89,054</u>
Executive Office of the President			
<i>Direct Award</i>			
HIDTA Grant for MDENT	N/A	90.001	33,224
Total United States Department of Treasury			<u>33,224</u>
United States Department of Treasury			
<i>Direct Award</i>			
CARES Act	N/A	21.019	416,406
Total United States Department of Treasury			<u>416,406</u>
Total Federal Awards Expenditures			<u>\$ 2,269,952</u>

N/A - pass-through entity number not available.

See the accompanying notes to the schedule of expenditures of federal awards.

KANAWHA COUNTY, WEST VIRGINIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2020

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Federal Awards Receipts and Expenditures (the Schedule) includes the federal award activity of Kanawha County Commission, West Virginia (the County) under programs of the federal government for the year ended June 30, 2020. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Kanawha County, West Virginia
Schedule of State Grant Receipts and Expenditures
For the Fiscal Year Ended June 30, 2020

<u>Program Title</u>	<u>Grant #</u>	<u>Receipts</u>	<u>Expenditures</u>
Community Corrections Report	20-CC-08	\$ 202,500	\$ 222,302
Total State Awards		<u>\$ 202,500</u>	<u>\$ 222,302</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	General School	Dog and Kennel	Magistrate Court	Worthless Check	Home Confinement
Assets:					
Cash and cash equivalents	\$ 133,138	\$ 833	\$ 36,699	\$ 786	\$ 19,034
Taxes receivable	-	-	-	-	-
Estimated uncollectible taxes	-	-	-	-	-
Due from other funds	-	35	-	-	6,091
Grants and other receivables	-	-	-	-	-
Total Assets and deferred outflows of resources	<u>\$ 133,138</u>	<u>\$ 868</u>	<u>\$ 36,699</u>	<u>\$ 786</u>	<u>\$ 25,125</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 262	\$ -	\$ 9,356
Due to other funds	-	-	-	-	-
Other	-	-	-	-	287
Total Liabilities	<u>-</u>	<u>-</u>	<u>262</u>	<u>-</u>	<u>9,643</u>
Deferred inflows resources:					
Unavailable revenue - property taxes	-	-	-	-	-
Fund Balances:					
Restricted	133,138	-	36,437	786	15,482
Committed	-	868	-	-	-
Total Fund Balances	<u>133,138</u>	<u>868</u>	<u>36,437</u>	<u>786</u>	<u>15,482</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 133,138</u>	<u>\$ 868</u>	<u>\$ 36,699</u>	<u>\$ 786</u>	<u>\$ 25,125</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	<u>Fiduciary</u>	<u>Accident Photo</u>	<u>Worthless Check Restitution</u>	<u>Special Law Enforcement Investigations</u>	<u>Public Safety Levy</u>
Assets:					
Cash and cash equivalents	\$ 42,186	\$ 87,446	\$ 23,422	\$ 74,306	\$ 1,266,235
Taxes receivable	-	-	-	-	382,392
Estimated uncollectible taxes	-	-	-	-	-
Due from other funds	3,366	-	-	-	-
Grants and other receivables	-	-	-	-	-
Total Assets and deferred outflows of resources	<u>\$ 45,552</u>	<u>\$ 87,446</u>	<u>\$ 23,422</u>	<u>\$ 74,306</u>	<u>\$ 1,648,627</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 865	\$ 13,780	\$ -	\$ -	\$ 107,641
Due to other funds	-	-	-	-	-
Other	11	-	-	-	-
Total Liabilities	<u>876</u>	<u>13,780</u>	<u>-</u>	<u>-</u>	<u>107,641</u>
Deferred inflows resources:					
Unavailable revenue - property taxes	-	-	-	-	327,554
Fund Balances:					
Restricted	44,676	73,666	23,422	74,306	1,213,432
Committed	-	-	-	-	-
Total Fund Balances	<u>44,676</u>	<u>73,666</u>	<u>23,422</u>	<u>74,306</u>	<u>1,213,432</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 45,552</u>	<u>\$ 87,446</u>	<u>\$ 23,422</u>	<u>\$ 74,306</u>	<u>\$ 1,648,627</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	Coal Reallocated Severance Tax	Table Games	Assessor's Dog	Concealed Weapons	Cable Franchise
Assets:					
Cash and cash equivalents	\$ 540,498	\$ 98,837	\$ 17,446	\$ 253,679	\$ 302,459
Taxes receivable	-	-	-	-	-
Estimated uncollectible taxes	-	-	-	-	-
Due from other funds	-	-	-	-	-
Grants and other receivables	-	-	-	-	-
Total Assets and deferred outflows of resources	\$ 540,498	\$ 98,837	\$ 17,446	\$ 253,679	\$ 302,459
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 96,006	\$ -	\$ 51	\$ -	\$ -
Due to other funds	-	-	35	-	-
Other	-	-	-	-	-
Total Liabilities	96,006	-	86	-	-
Deferred inflows resources:					
Unavailable revenue - property taxes	-	-	-	-	-
Fund Balances:					
Restricted	444,492	-	17,360	253,679	-
Committed	-	98,837	-	-	302,459
Total Fund Balances	444,492	98,837	17,360	253,679	302,459
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 540,498	\$ 98,837	\$ 17,446	\$ 253,679	\$ 302,459

KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020

	Day Reporting Collections	Special Law Enforcement	Special Prosecuting Attorney	Total Nonmajor Governmental Funds
Assets:				
Cash and cash equivalents	\$ 10,831	\$ 188,993	\$ 238,466	\$ 3,335,294
Taxes receivable	-	-	-	382,392
Estimated uncollectible taxes	-	-	-	-
Due from other funds	-	-	-	9,492
Grants and other receivables	-	-	-	-
Total Assets and deferred outflows of resources	<u>\$ 10,831</u>	<u>\$ 188,993</u>	<u>\$ 238,466</u>	<u>\$ 3,727,178</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ 48,500	\$ -	\$ 276,461
Due to other funds	-	-	-	35
Other	-	-	-	298
Total Liabilities	<u>-</u>	<u>48,500</u>	<u>-</u>	<u>276,794</u>
Deferred inflows resources:				
Unavailable revenue - property taxes	-	-	-	327,554
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>327,554</u>
Total liabilities and deferred inflows of resources	<u>-</u>	<u>48,500</u>	<u>-</u>	<u>604,348</u>
Fund Balances:				
Restricted	10,831	140,493	238,466	2,720,666
Committed	-	-	-	402,164
Total Fund Balances	<u>10,831</u>	<u>140,493</u>	<u>238,466</u>	<u>3,122,830</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,831</u>	<u>\$ 188,993</u>	<u>\$ 238,466</u>	<u>\$ 3,727,178</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	General School	Dog and Kennel	Magistrate Court	Worthless Check	Home Confinement
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	500	-	-	-
Licenses and permits	-	-	-	-	-
Charges for services	352,933	-	59,224	786	141,619
Fines and forfeitures	-	-	-	-	-
Interest	-	-	-	-	-
Miscellaneous	-	-	-	-	102
Total Revenues	<u>352,933</u>	<u>500</u>	<u>59,224</u>	<u>786</u>	<u>141,721</u>
EXPENDITURES:					
General government	12,920	-	22,758	5,104	-
Public safety	-	-	-	-	459,459
Total Expenditures	<u>12,920</u>	<u>-</u>	<u>22,758</u>	<u>5,104</u>	<u>459,459</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>340,013</u>	<u>500</u>	<u>36,466</u>	<u>(4,318)</u>	<u>(317,738)</u>
OTHER FINANCING SOURCES AND USES:					
Operating transfers in	-	21,684	-	-	379,020
Operating transfers out	(396,449)	(72,500)	(27,398)	-	(93,601)
Total Other Financing Sources and Uses	<u>(396,449)</u>	<u>(50,816)</u>	<u>(27,398)</u>	<u>-</u>	<u>285,419</u>
Net Change in Fund Balances	(56,436)	(50,316)	9,068	(4,318)	(32,319)
Fund Balances at Beginning of Year	<u>189,574</u>	<u>51,184</u>	<u>27,369</u>	<u>5,104</u>	<u>47,801</u>
Fund Balance at End of Year	<u>\$ 133,138</u>	<u>\$ 868</u>	<u>\$ 36,437</u>	<u>\$ 786</u>	<u>\$ 15,482</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	<u>Fiduciary</u>	<u>Accident Photo</u>	<u>Worthless Check Restitution</u>	<u>Special Law Enforcement Investigations</u>	<u>Public Safety Levy</u>
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,136,427
Other taxes	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Charges for services	175,000	116,041	1,749	-	179,641
Fines and forfeitures	-	-	-	-	-
Interest	-	-	-	-	1,636
Miscellaneous	-	-	-	8,323	-
Total Revenues	<u>175,000</u>	<u>116,041</u>	<u>1,749</u>	<u>8,323</u>	<u>2,317,704</u>
EXPENDITURES:					
General government	274,863	-	-	-	4,919
Public safety	-	196,621	-	-	1,765,368
Total Expenditures	<u>274,863</u>	<u>196,621</u>	<u>-</u>	<u>-</u>	<u>1,770,287</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(99,863)</u>	<u>(80,580)</u>	<u>1,749</u>	<u>8,323</u>	<u>547,417</u>
OTHER FINANCING SOURCES AND USES:					
Operating transfers in	-	-	-	-	-
Operating transfers out	(32,867)	-	-	-	(150,710)
Total Other Financing Sources and Uses	<u>(32,867)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,710)</u>
Net Change in Fund Balances	<u>(132,730)</u>	<u>(80,580)</u>	<u>1,749</u>	<u>8,323</u>	<u>396,707</u>
Fund Balances at Beginning of Year	<u>177,406</u>	<u>154,246</u>	<u>21,673</u>	<u>65,983</u>	<u>816,725</u>
Fund Balance at End of Year	<u>\$ 44,676</u>	<u>\$ 73,666</u>	<u>\$ 23,422</u>	<u>\$ 74,306</u>	<u>\$ 1,213,432</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Coal Reallocated Severance Tax	Table Games	Assessor's Dog	Concealed Weapons	Cable Franchise
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	884,602	-	35,464	-	-
Licenses and permits	-	-	-	102,365	-
Charges for services	-	-	-	-	477,459
Fines and forfeitures	-	-	-	-	-
Interest	-	-	-	-	-
Miscellaneous	154,678	213,287	-	-	-
Total Revenues	1,039,280	213,287	35,464	102,365	477,459
EXPENDITURES:					
General government	778,040	392,437	10,111	-	-
Public safety	-	-	-	116,707	-
Total Expenditures	778,040	392,437	10,111	116,707	-
<i>Excess (deficiency) of revenues over expenditures</i>	<u>261,240</u>	<u>(179,150)</u>	<u>25,353</u>	<u>(14,342)</u>	<u>477,459</u>
OTHER FINANCING SOURCES AND USES:					
Operating transfers in	-	-	-	-	50,000
Operating transfers out	-	-	(25,212)	-	(225,000)
Total Other Financing Sources and Uses	<u>-</u>	<u>-</u>	<u>(25,212)</u>	<u>-</u>	<u>(175,000)</u>
Net Change in Fund Balances	261,240	(179,150)	141	(14,342)	302,459
<i>Fund Balances at Beginning of Year</i>	<u>183,252</u>	<u>277,987</u>	<u>17,219</u>	<u>268,021</u>	<u>-</u>
Fund Balance at End of Year	\$ 444,492	\$ 98,837	\$ 17,360	\$ 253,679	\$ 302,459

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	Day Reporting Collection	Special Law Enforcement	Special Prosecuting Attorney	Total Nonmajor Governmental Funds
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ 2,136,427
Other taxes	-	-	-	920,566
Licenses and permits	-	-	-	102,365
Charges for services	10,830	-	-	1,515,282
Fines and forfeitures	-	35,582	-	35,582
Interest	-	-	-	1,636
Miscellaneous	-	-	34,682	411,072
	<u>10,830</u>	<u>35,582</u>	<u>34,682</u>	<u>5,122,930</u>
EXPENDITURES:				
General government	-	-	38,543	1,539,695
Public safety	-	135,134	-	2,673,289
	<u>-</u>	<u>135,134</u>	<u>38,543</u>	<u>4,212,984</u>
<i>Total Expenditures</i>	<u>-</u>	<u>135,134</u>	<u>38,543</u>	<u>4,212,984</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>10,830</u>	<u>(99,552)</u>	<u>(3,861)</u>	<u>909,946</u>
OTHER FINANCING SOURCES AND USES:				
Operating transfers in	-	-	-	450,704
Operating transfers out	(5,573)	-	-	(1,029,310)
	<u>(5,573)</u>	<u>-</u>	<u>-</u>	<u>(578,606)</u>
<i>Total Other Financing Sources and Uses</i>	<u>(5,573)</u>	<u>-</u>	<u>-</u>	<u>(578,606)</u>
<i>Net Change in Fund Balances</i>	5,257	(99,552)	(3,861)	331,340
<i>Fund Balances at Beginning of Year</i>	<u>5,574</u>	<u>240,045</u>	<u>242,327</u>	<u>2,791,490</u>
<i>Fund Balance at End of Year</i>	<u>\$ 10,831</u>	<u>\$ 140,493</u>	<u>\$ 238,466</u>	<u>\$ 3,122,830</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
June 30, 2020

	Delinquent and Non-Entered Lands	Sale of Lien Surplus	Board of Health	School
Assets:				
Cash and cash equivalents	\$ 1,417,308	\$ 3,601,314	\$ 1,709,156	\$ 2,418,251
Taxes receivable	-	-	-	3,125,361
	<u>\$ 1,417,308</u>	<u>\$ 3,601,314</u>	<u>\$ 1,709,156</u>	<u>\$ 5,543,612</u>
Liabilities:				
Due to other governmental entities	\$ 1,417,308	\$ 3,601,314	\$ 1,709,156	\$ 5,543,612
Due to other third parties	-	-	-	-
	<u>\$ 1,417,308</u>	<u>\$ 3,601,314</u>	<u>\$ 1,709,156</u>	<u>\$ 5,543,612</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
June 30, 2020

	State	Municipal	Kanawha County Emergency Ambulance Authority	Kanawha Valley Regional Transit Authority	Circuit Clerk
Assets:					
Cash and cash equivalents	\$ 12,631	\$ 540,272	\$ 105,623	\$ 151,996	\$ 2,334,166
Taxes receivable	18,336	638,957	194,449	194,449	-
Total Assets and deferred outflows of resources	\$ 30,967	\$ 1,179,229	\$ 300,072	\$ 346,445	\$ 2,334,166
Liabilities:					
Due to other governmental entities	\$ 30,967	\$ 1,179,229	\$ 300,072	\$ 346,445	\$ -
Due to other third parties	-	-	-	-	2,334,166
Total Liabilities	\$ 30,967	\$ 1,179,229	\$ 300,072	\$ 346,445	\$ 2,334,166

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
June 30, 2020

	Records Office	Clerk's Delinquent Land	Domestic Violence	Deputy Retirement
Assets:				
Cash and cash equivalents	\$ 966,943	\$ 548,411	\$ 6,050	\$ 5,814
Taxes receivable	-	-	-	-
	<u>\$ 966,943</u>	<u>\$ 548,411</u>	<u>\$ 6,050</u>	<u>\$ 5,814</u>
Total Assets and deferred outflows of resources	<u>\$ 966,943</u>	<u>\$ 548,411</u>	<u>\$ 6,050</u>	<u>\$ 5,814</u>
Liabilities:				
Due to other governmental entities	\$ -	\$ -	\$ -	\$ 5,814
Due to other third parties	966,943	548,411	6,050	-
	<u>966,943</u>	<u>548,411</u>	<u>6,050</u>	<u>-</u>
Total Liabilities	<u>\$ 966,943</u>	<u>\$ 548,411</u>	<u>\$ 6,050</u>	<u>\$ 5,814</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS
June 30, 2020

	<u>Enhanced 911 System</u>	<u>Writ of Execution</u>	<u>Evidence Fund</u>	<u>Fire Insurance Recovery</u>	<u>Total Agency Funds</u>
Assets:					
Cash and cash equivalents	\$ 316	\$ 10,025	\$ 400,545	\$ 16,840	\$ 14,245,661
Taxes receivable	-	-	-	-	4,171,552
	<u>\$ 316</u>	<u>\$ 10,025</u>	<u>\$ 400,545</u>	<u>\$ 16,840</u>	<u>\$ 18,417,213</u>
Liabilities:					
Due to other governmental entities	\$ 316	\$ -	\$ -	\$ -	\$ 14,134,233
Due to other third parties	-	10,025	400,545	16,840	4,282,980
	<u>\$ 316</u>	<u>\$ 10,025</u>	<u>\$ 400,545</u>	<u>\$ 16,840</u>	<u>\$ 18,417,213</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- GENERAL FUND
June 30, 2020

	General Operating	Federal Grants	State Grants	County Manager's
Assets:				
Cash and cash equivalents	\$ 9,100,634	\$ 38,968	\$ 390,535	\$ 791,546
Taxes receivable	6,958,020	-	-	-
Due from other funds	364,670	-	-	-
Grants and other receivables	175,744	-	-	-
Total Assets and deferred outflows of resources	\$ 16,599,068	\$ 38,968	\$ 390,535	\$ 791,546
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 666,628	\$ 54,912	\$ 24,395	\$ -
Due to other funds	4,328	-	-	-
Other	30,844	-	-	-
Total Liabilities	701,800	54,912	24,395	-
Deferred inflows resources:				
Unavailable revenue - property taxes	5,908,424	-	-	-
Fund Balances:				
Restricted	-	(15,944)	366,140	-
Committed	-	-	-	791,546
Assigned	1,073,918	-	-	-
Unassigned	8,914,926	-	-	-
<i>Total Fund Balances</i>	9,988,844	(15,944)	366,140	791,546
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	\$ 16,599,068	\$ 38,968	\$ 390,535	\$ 791,546

**KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- GENERAL FUND**

June 30, 2020

	Emergency Response	Building Demolition	Capital Maintenance	Records Management & Preservation
Assets:				
Cash and cash equivalents	\$ 20,955	\$ 155,197	\$ -	\$ 2,148
Taxes receivable	-	-	-	-
Due from other funds	-	-	-	-
Grants and other receivables	-	-	-	-
	<u>20,955</u>	<u>155,197</u>	<u>-</u>	<u>2,148</u>
Total Assets and deferred outflows of resources	<u>\$ 20,955</u>	<u>\$ 155,197</u>	<u>\$ -</u>	<u>\$ 2,148</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ 25,836	\$ -	\$ -
Due to other funds	-	-	-	-
Other	-	-	-	-
	<u>-</u>	<u>25,836</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>-</u>	<u>25,836</u>	<u>-</u>	<u>-</u>
Deferred inflows resources:				
Unavailable revenue - property taxes	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted	-	-	-	-
Committed	20,955	-	-	2,148
Assigned	-	-	-	-
Unassigned	-	129,361	-	-
	<u>20,955</u>	<u>129,361</u>	<u>-</u>	<u>2,148</u>
<i>Total Fund Balances</i>	<u>20,955</u>	<u>129,361</u>	<u>-</u>	<u>2,148</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 20,955</u>	<u>\$ 155,197</u>	<u>\$ -</u>	<u>\$ 2,148</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- GENERAL FUND
June 30, 2020

	<u>Financial Stabilization</u>	<u>Voters Registration</u>	<u>Unemployment Compensation</u>	<u>Drug Court Program</u>
Assets:				
Cash and cash equivalents	\$ 4,350,357	\$ 5,924	\$ 60,444	\$ 1
Taxes receivable	-	-	-	-
Due from other funds	-	-	-	-
Grants and other receivables	-	-	-	-
Total Assets and deferred outflows of resources	<u>\$ 4,350,357</u>	<u>\$ 5,924</u>	<u>\$ 60,444</u>	<u>\$ 1</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-
Other	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows resources:				
Unavailable revenue - property taxes	-	-	-	-
Fund Balances:				
Restricted	-	-	60,444	-
Committed	4,350,357	5,924	-	1
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>4,350,357</u>	<u>5,924</u>	<u>60,444</u>	<u>1</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,350,357</u>	<u>\$ 5,924</u>	<u>\$ 60,444</u>	<u>\$ 1</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING BALANCE SHEET- GENERAL FUND
June 30, 2020

	Capital Equipment	Debt Service	Special Health Insurance	Total General Funds *
Assets:				
Cash and cash equivalents	\$ 703,799	\$ 97,612	\$ 291,476	\$ 16,009,596
Taxes receivable	-	-	-	6,958,020
Due from other funds	-	-	-	364,670
Grants and other receivables	-	-	236,364	412,108
Total Assets and deferred outflows of resources	\$ 703,799	\$ 97,612	\$ 527,840	\$ 23,744,394
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ -	\$ -	\$ 584,034	\$ 1,355,805
Due to other funds	1,642	-	341,237	347,207
Other	-	-	-	30,844
Total Liabilities	1,642	-	925,271	1,733,856
Deferred inflows resources:				
Unavailable revenue - property taxes	-	-	-	5,908,424
Fund Balances:				
Restricted	-	97,612	-	508,252
Committed	702,157	-	-	5,873,088
Assigned	-	-	-	1,073,918
Unassigned	-	-	(397,431)	8,646,856
Total Fund Balances	702,157	97,612	(397,431)	16,102,114
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 703,799	\$ 97,612	\$ 527,840	\$ 23,744,394

* The due to/from amounts have not been reduced for intrafund activity.

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended June 30, 2020

	<u>General Operating</u>	<u>Federal Grants</u>	<u>State Grants</u>	<u>County Manager's</u>
REVENUES:				
Taxes	\$ 40,861,350	\$ -	\$ -	\$ -
Other taxes	2,363,789	-	-	-
Licenses and permits	16,325	-	-	-
Intergovernmental				
Federal	537,139	5,188,125	-	-
State	364,352	-	178,083	-
Local	334,422	-	-	-
Charges for services	4,302,622	-	-	-
Fines and forfeitures	-	-	-	-
Interest	189,309	90	57	-
Miscellaneous	1,355,507	-	62,992	536,545
Total Revenues	<u>50,324,815</u>	<u>5,188,215</u>	<u>241,132</u>	<u>536,545</u>
EXPENDITURES:				
General government	20,296,667	5,243,037	834,898	262,484
Public safety	14,835,520	-	-	-
Health and sanitation	135,376	-	-	-
Culture and recreation	5,317,364	-	-	-
Social services	-	-	-	-
Capital projects	167,559	-	-	-
Total Expenditures	<u>40,752,486</u>	<u>5,243,037</u>	<u>834,898</u>	<u>262,484</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>9,572,329</u>	<u>(54,822)</u>	<u>(593,766)</u>	<u>274,061</u>
OTHER FINANCING SOURCES AND USES:				
Operating transfers in	2,596,279	195,936	959,906	290,790
Operating transfers out	(11,443,860)	(195,936)	-	(300,000)
Total Other Financing Sources and Uses	<u>(8,847,581)</u>	<u>-</u>	<u>959,906</u>	<u>(9,210)</u>
Net Change in Fund Balances	724,748	(54,822)	366,140	264,851
Fund Balances at Beginning of Year	<u>9,249,222</u>	<u>38,878</u>	<u>-</u>	<u>526,695</u>
Fund Balance at End of Year	<u>\$ 9,973,970</u>	<u>\$ (15,944)</u>	<u>\$ 366,140</u>	<u>\$ 791,546</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended June 30, 2020

	<u>Emergency Response</u>	<u>Building Demolition</u>	<u>Capital Maintenance</u>	<u>Records Management & Preservation</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Licenses and permits	-	70,302	-	-
Intergovernmental				
Federal	-	-	-	-
State	-	-	-	-
Local	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
Miscellaneous	30,000	78,414	-	-
Total Revenues	<u>30,000</u>	<u>148,716</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
General government	584,947	-	-	-
Public safety	-	-	-	-
Health and sanitation	-	469,975	-	-
Culture and recreation	-	-	-	-
Social services	-	-	-	-
Capital projects	-	-	-	-
Total Expenditures	<u>584,947</u>	<u>469,975</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(554,947)</u>	<u>(321,259)</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES AND USES:				
Operating transfers in	695,936	-	-	-
Operating transfers out	(645,342)	-	(12,621)	-
Total Other Financing Sources and Uses	<u>50,594</u>	<u>-</u>	<u>(12,621)</u>	<u>-</u>
Net Change in Fund Balances	(504,353)	(321,259)	(12,621)	-
Fund Balances at Beginning of Year	<u>525,308</u>	<u>450,620</u>	<u>12,621</u>	<u>2,148</u>
Fund Balance at End of Year	<u>\$ 20,955</u>	<u>\$ 129,361</u>	<u>\$ -</u>	<u>\$ 2,148</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended June 30, 2020

	<u>Financial Stabilization</u>	<u>Voters Registration</u>	<u>Unemployment Compensation</u>	<u>Drug Court Program</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental				
Federal	-	-	-	-
State	-	-	-	-
Local	-	-	-	-
Charges for services	-	656	-	-
Interest	68,632	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>68,632</u>	<u>656</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
General government	-	-	16,259	-
Public safety	-	-	-	-
Health and sanitation	-	-	-	-
Culture and recreation	-	-	-	-
Social services	-	-	-	-
Capital projects	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>16,259</u>	<u>-</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>68,632</u>	<u>656</u>	<u>(16,259)</u>	<u>-</u>
OTHER FINANCING SOURCES AND USES:				
Operating transfers in	3,250,000	-	40,000	-
Operating transfers out	(3,090,000)	-	-	-
Total Other Financing Sources and Uses	<u>160,000</u>	<u>-</u>	<u>40,000</u>	<u>-</u>
Net Change in Fund Balances	228,632	656	23,741	-
Fund Balances at Beginning of Year	<u>4,121,725</u>	<u>5,268</u>	<u>36,703</u>	<u>1</u>
Fund Balance at End of Year	<u>\$ 4,350,357</u>	<u>\$ 5,924</u>	<u>\$ 60,444</u>	<u>\$ 1</u>

KANAWHA COUNTY, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND
For the Year Ended June 30, 2020

	<u>Capital Equipment</u>	<u>Debt Service</u>	<u>Special Health Insurance</u>	<u>Total General Fund</u>
REVENUES:				
Taxes	\$ -	\$ -	\$ -	\$ 40,861,350
Other taxes	-	-	-	2,363,789
Licenses and permits	-	-	-	86,627
Intergovernmental				
Federal	-	-	-	5,725,264
State	-	-	-	542,435
Local	-	-	-	334,422
Charges for services	-	-	-	4,303,278
Fines and forfeitures	-	-	-	-
Interest	-	-	-	258,088
Miscellaneous	-	150,000	2,986,590	5,200,048
	<u>-</u>	<u>150,000</u>	<u>2,986,590</u>	<u>59,675,301</u>
EXPENDITURES:				
Current:				
General government	585,921	978,141	9,460,098	38,247,578
Public safety	6,036	-	-	14,841,556
Health and sanitation	-	-	-	605,351
Culture and recreation	22,987	711,825	-	6,052,176
Social services	-	-	-	-
Capital projects	-	841,995	-	1,009,554
	<u>614,944</u>	<u>2,531,961</u>	<u>9,460,098</u>	<u>60,756,215</u>
<i>Total Expenditures</i>				
	<u>(614,944)</u>	<u>(2,381,961)</u>	<u>(6,473,508)</u>	<u>(1,080,914)</u>
<i>Excess (deficiency) of revenues over expenditures</i>				
OTHER FINANCING SOURCES AND USES:				
Operating transfers in	440,000	2,075,000	6,225,261	16,769,108
Operating transfers out	-	-	-	(15,687,759)
	<u>440,000</u>	<u>2,075,000</u>	<u>6,225,261</u>	<u>1,081,349</u>
<i>Total Other Financing Sources and Uses</i>				
	<u>(174,944)</u>	<u>(306,961)</u>	<u>(248,247)</u>	<u>435</u>
<i>Net Change in Fund Balances</i>				
	<u>877,101</u>	<u>404,573</u>	<u>(149,184)</u>	<u>16,086,805</u>
<i>Fund Balances at Beginning of Year</i>				
	<u>\$ 702,157</u>	<u>\$ 97,612</u>	<u>\$ (397,431)</u>	<u>\$ 16,087,240</u>
<i>Fund Balance at End of Year</i>				



**Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Required by *Government Auditing Standards***

Kanawha County Commission
407 Virginia St. East
Charleston, West Virginia 25301

To the Board of Commissioners:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Kanawha County Commission, West Virginia (the Commission), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated February 12, 2021. Our report refers to other auditors who audited the financial statements of Kanawha Emergency Ambulance Authority, Metro Emergency Operations Center of Kanawha County, and Kanawha County Parks and Recreation Commission, as described in our report on the Commission's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Internal Control over Financial Reporting

As part of our financial statement audit, we considered the Commission's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Commission's internal control. Accordingly, we have not opined on it.

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

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

Compliance and Other Matters

As part of reasonably assuring whether the Commission's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

Purpose of this Report

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and somewhat stylized.

BHM CPA Group Inc.
Huntington, West Virginia
February 12, 2021



Report on Compliance with Requirements Applicable to The Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Kanawha County Commission
407 Virginia St. East
Charleston, West Virginia 25301

To the Board of Directors:

Report on Compliance for the Major Federal Program

We have audited the Kanawha County Commission's (the Commission) compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Kanawha County Commission's major federal program for the year ended June 30, 2020. The *Summary of Audit Results* in the accompanying schedule of findings identifies the Commission's major federal program.

Management's Responsibility

The Commission's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to opine on the Commission's compliance for the Commission's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonable assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Commission's major program. However, our audit does not provide a legal determination of the Commission's compliance.

Opinion on the Major Federal Program

In our opinion, the Kanawha County Commission complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2020.

Report on Internal Control Over Compliance

The Commission's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Commission's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Commission's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

BHM CPA Group

BHM CPA Group, Inc
Huntington, West Virginia
February 12, 2021

KANAWHA COUNTY COMMISSION
Schedule of Findings
 2 CRT § 200.515
 June 30, 2020

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant internal control deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under §.510(a)?	No
(d)(1)(vii)	Major Programs (list):	Hazard Mitigation Grant CFDA#97.039
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

KANAWHA COUNTY COMMISSION

Schedule of Findings
2 CFR § 200.515
June 30, 2020

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

None noted

3. FINDINGS FOR FEDERAL AWARDS

None noted