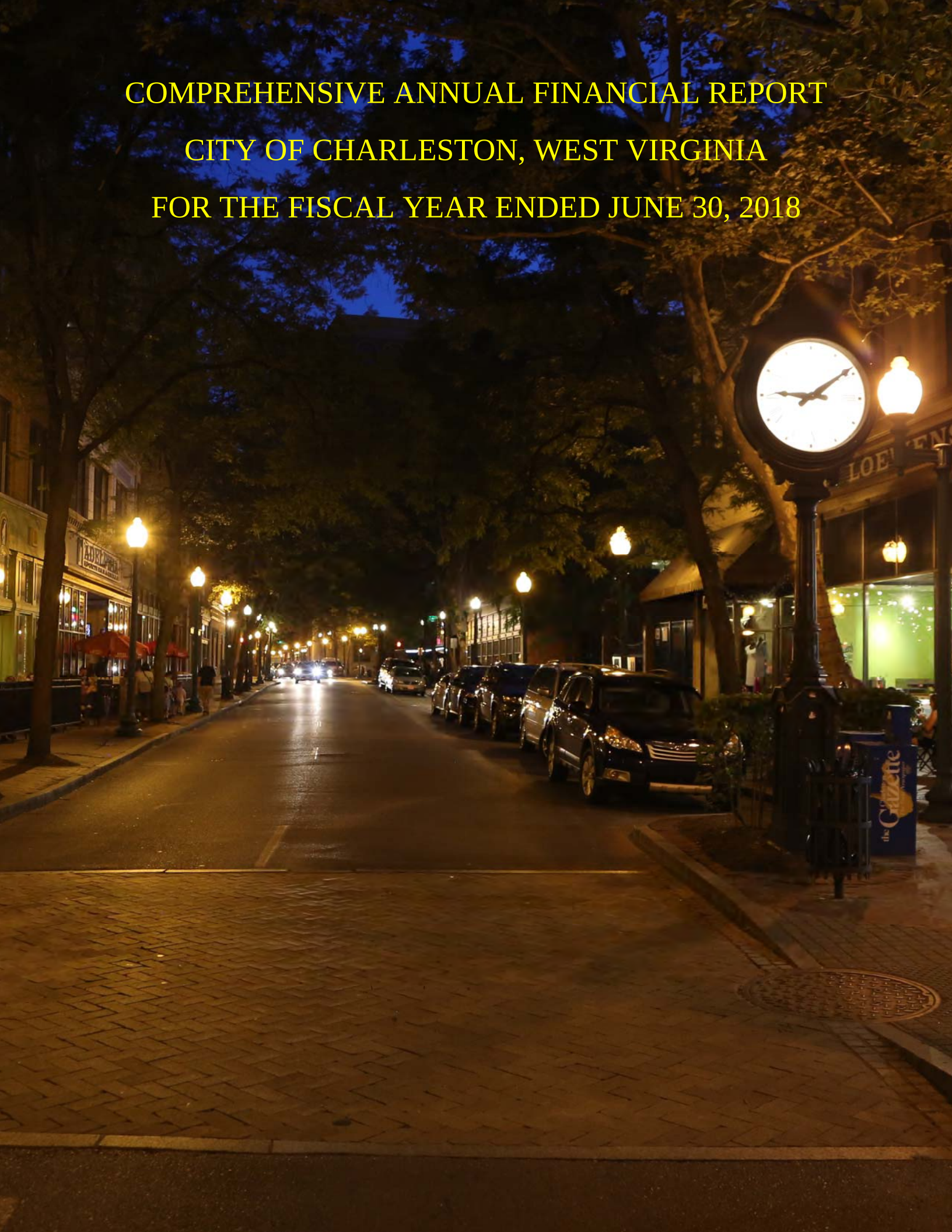
COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF CHARLESTON, WEST VIRGINIA

FOR THE FISCAL YEAR ENDED JUNE 30, 2018



COMPREHENSIVE ANNUAL FINANCIAL REPORT
CITY OF CHARLESTON, WEST VIRGINIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Mayor:	Danny Jones
City Manager:	David Molgaard
Finance Director:	Joseph Estep
City Auditor (Controller):	Tia Robertson, M.A.F.M.

Prepared by the
Charleston Accounting/Financial Department

CITY OF CHARLESTON
PO BOX 2749
CHARLESTON, WEST VIRGINIA 25330

To the Honorable Members of the City of Charleston
Citizens of Charleston, West Virginia

I am pleased to provide you with the City of Charleston's Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2018. The firm of Suttle & Stalnaker, PLLC, has audited the basic financial statements contained in this report.

The CAFR demonstrates the City of Charleston's commitment to financial accountability and national standards. This document provides the City Council and the citizens of Charleston with the City's financial data. The report can be accessed at www.cityofcharleston.org/government/city-departments/accounting.

This report was compiled with the help of individuals throughout City government. Each department provided clear, concise information to ensure the highest level of financial accountability.

Sincerely,

Danny Jones
Mayor

ACKNOWLEDGMENTS

Report prepared by:

City of Charleston Accounting/Finance Department
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Charleston, WV 25301

Financial Reporting Team:

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Nancy S. Bliss, Senior Accountant
Priscilla McClanahan, Accountant
Sandy Starcher, Accounting Technician

Special appreciation is given to all personnel throughout the City whose extra effort to contribute accurate, timely financial data for their departments made this report possible.

THE CITY OF CHARLESTON

WEST VIRGINIA

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FOR THE YEAR ENDED JUNE 30, 2018

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CITY OF CHARLESTON, WEST VIRGINIA
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THE CITY OF CHARLESTON

WEST VIRGINIA

INTRODUCTORY SECTION

CITY OF CHARLESTON
PO BOX 2749
CHARLESTON, WEST VIRGINIA 25330

December 26, 2018

The Honorable Danny Jones, Mayor
The Honorable Members of Council for the City of Charleston, West Virginia
Citizens of the City of Charleston, West Virginia

I am pleased to present the Comprehensive Annual Financial Report (CAFR) of the City of Charleston, West Virginia for the fiscal year ended June 30, 2018. State law requires that the State Auditor conduct an audit examination of every local government's financial affairs by performing the audit himself or appointing a certified public accountant. This CAFR has been prepared in conformity with generally accepted accounting principles (GAAP) and audited in conformance with generally accepted auditing standards by Suttle & Stalnaker, under contract with the City of Charleston and the State Auditor.

The CAFR consists of management's representations concerning the finances of the City of Charleston. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. The City's accounting system supports an adequate internal control structure. This structure helps to safeguard the City's assets against loss, theft, or misuse. The accounting system provides reliable financial records for preparing financial statements in conformity with accounting principles generally accepted in the United States of America. The internal control structure provides reasonable, but not absolute, assurance that the City's assets are safeguarded. The concept of reasonable assurance first recognizes that the cost of a control should not exceed the benefits likely to be derived. Secondly, the evaluation of costs and benefits requires estimates and judgments by management. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Suttle & Stalnaker has issued an unmodified ("clean") opinion on the City of Charleston's financial statements for the fiscal year ended June 30, 2018. The Independent Auditor's Report is located at the front of the financial section of this report.

The independent audit of the financial statements of the City of Charleston, West Virginia is part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance in accordance with Uniform Guidance. These reports are available in the City of Charleston's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's Report.

Profile of the Government

The City of Charleston is the capital and largest city of West Virginia. It is the county seat of Kanawha County. Charleston is located at the intersection of Interstates 79, 77, 64 and at the confluence of the Elk and Kanawha Rivers. It is the transportation, retail, cultural, and telecommunications hub of the State and offers one-day shipping proximity to over 60 percent of the United States population and 30 percent of the Canadian population. According to the 2010 census, Charleston has a population of 51,400 and a total area of 32.7 square miles. The Charleston metropolitan area has a population of 304,214.

The City of Charleston is a municipal corporation. The present charter of the City is a legislative charter enacted in 1929, which provides for a mayor-council form of government. Policy-making and legislative authority are vested in a governing council (Council) consisting of the mayor and twenty-six other members. The mayor appoints, with confirmation by council, the government's manager. The mayor and six council members are elected at large and the remaining twenty council members are elected by ward. The mayor and council serve four year terms. For cost savings purposes, the current term will be three and a half years to coincide the city election with the congressional election.

The City of Charleston provides a full range of services including police and fire protection; parks and recreational programming; parking garages; street and bridge repair, maintenance, and lighting; public record maintenance; building inspection; garbage disposal and recycling; business licensing; zoning regulation; code enforcement; and grant programs for community development. Sanitation services, sewage collection, and disposal services are provided through a legally separate entity, the City of Charleston Sanitary Board, which is included as a discretely presented component unit in the City of Charleston's financial statements. The City is also financially accountable for three other legally separate entities, the Charleston Urban Renewal Authority, the City of Charleston Convention and Visitor's Bureau, and the City of Charleston Building Commission, two of which are reported separately within the City of Charleston's financial statements and the latter is blended with the City's financial statements. Additional information on all four of these legally separate entities can be found in the notes to the financial statements (See Note I.A.).

The Council is required to adopt a final budget by March 28th for fiscal year beginning July 1. This annual budget serves as the foundation for the City of Charleston's financial planning and control. The budget is prepared by fund, function (e.g. public safety), and department (e.g. police). All budget amendments require council approval; however, the legal level of budgetary control is maintained at the department level and requires approval by Council as well as the West Virginia State Auditor's Office. All appropriations, except funds which are re-appropriated, expire at the fiscal year-end.

Economic Conditions and Outlook

The Charleston area is the State's premier business center due to its industrial diversity and numerous job opportunities. The unemployment rate of 5.2 percent at June 30th has remained largely the same since last year. The State and United States unemployment rates are 5.3 and 4.0 percent.

Class A office space is still recovering from the retreat of the natural gas market that moved further north to be closer to the Marcellus Shale. A recent survey conducted by Howards Swint, an associate broker with Colliers International, found vacancy rates for Charleston's Class A buildings average 19 percent with Laidley Tower having a vacancy rate of 27 percent. However, the building went into receivership in 2015

and was recently purchased by Bridge33 Capitol. As a result, the building is now able to reposition itself in the market with more competitive rates and tenant improvements.

Uncertainty still remains in the fate of big box retail stores as they compete against online shopping. However, downtown has the potential weather the storm and to reemerge stronger. The closing of the Sears Department Store and the Sear Auto Center created new opportunities. The Sears Department Store was recently purchased by a developer who desires to construct a six story hotel. The Auto Center continues to receive development proposals for its reuse. Additionally, the mall and the adjacent parking garages entered into receivership, this creates an opportunity for the mall to reemerge as a solvent entity. The additions and renovations to the Charleston Civic and Convention Center are scheduled to be finished this year which will significantly expand opportunities in the hospitality sector. Additionally, the completion of the Shawnee Sports Complex will add to the areas tourism industry.

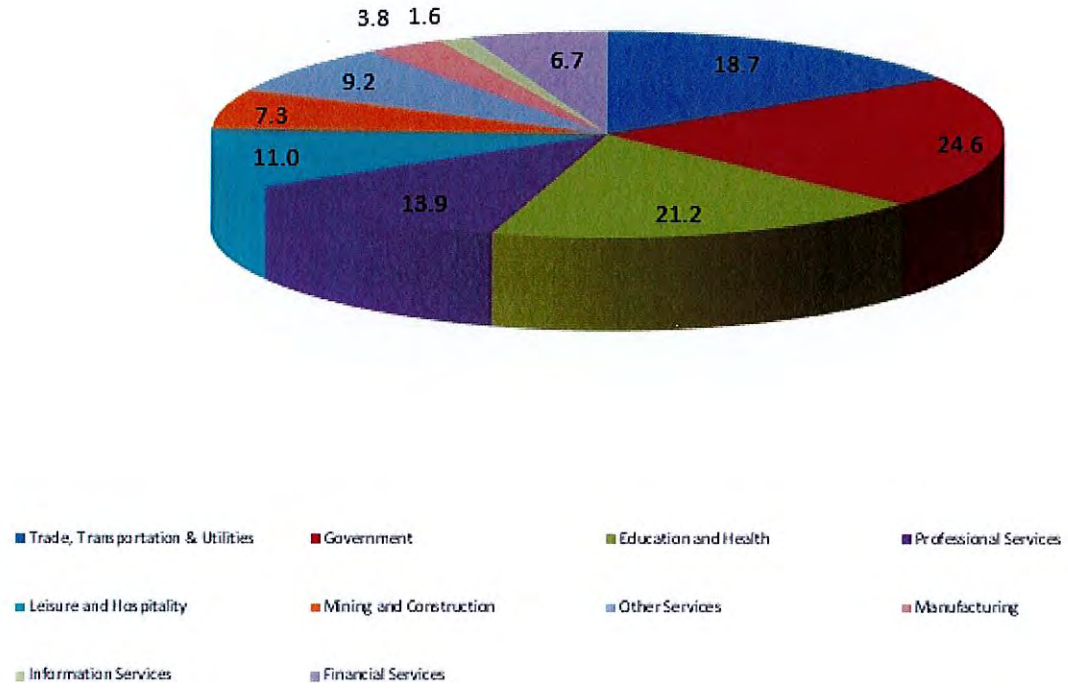
New construction in the City includes: a four story 35 million dollar independent living facility and memory care unit at Peyton Way; a municipal fire station at 822 Oakwood Road; a 16,000 square foot Enterprise Car Rental facility at 5201 MacCorkle Avenue; a Starbucks coffee shop at Southridge; 7,600 square foot Sunbelt Rental at 1717 Bigley Avenue; a 7,700 square foot veterinarian hospital at 301 Virginia Street; an aquaponics greenhouse at 4614 MacCorkle Avenue; a Kroger Fueling Center located at 101 Mullins Road; and the last several phases of the Charleston-Kanawha Housing Authority's replacement housing projects.

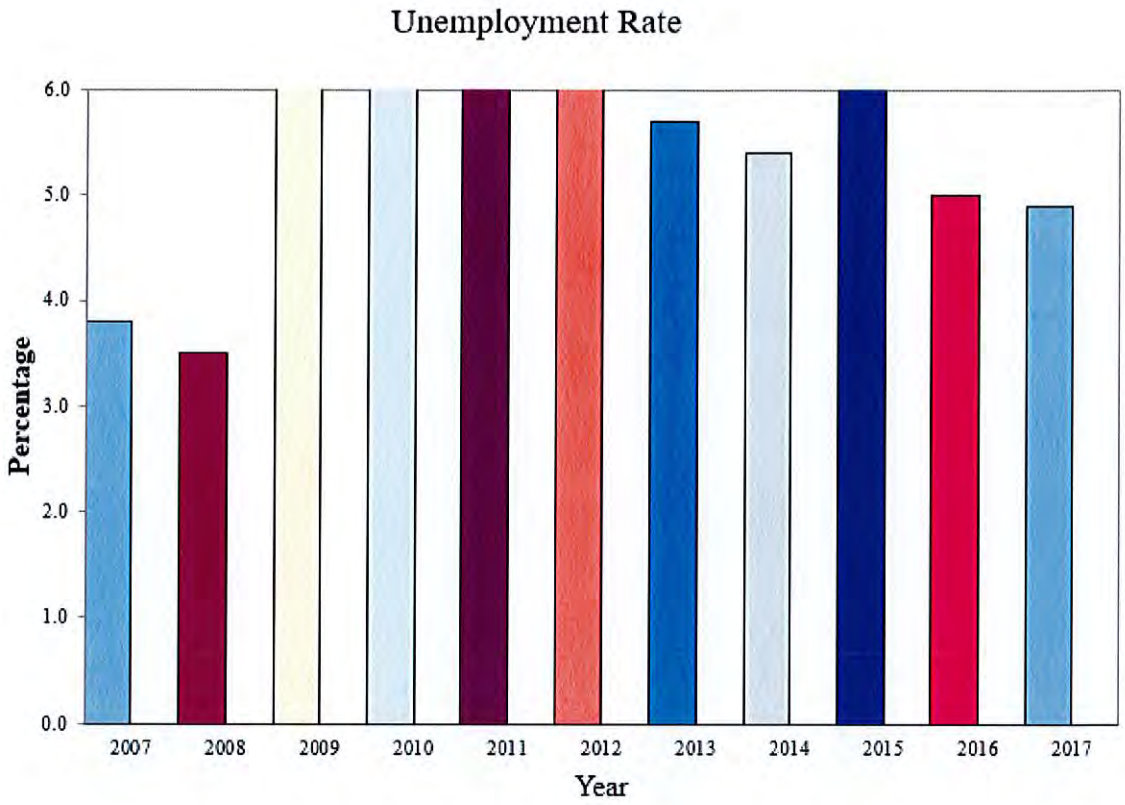
The Charleston Convention and Visitors Bureau (CVB) is charged with maximizing business and leisure tourism expenditures in the city of Charleston, thus increasing the tax base for its citizens. The CVB booked 30,512 rooms with an estimated economic impact of $23.2 million in the years to follow.

The city is currently experiencing a renaissance of public and private tourism infrastructure improvements exceeding $200 million dollars. The projects include:

- $100 million Charleston Convention Center
- $20 million upgrade of the riverfront Sheraton by Four Points
- $13 million new Marriott Courtyard
- $8 million Charleston Marriott
- $10 million Charleston Town Center Mall
- $5 million Hampton Inn Southridge
- $3.5 million Holiday Inn Express Civic Center
- $200,000 to update University of Charleston Stadium
- $3 million riverfront bike lane
- $1.6 million street improvements in warehouse district
- $1 million new East End Community Park
- $600,000 for new boat docking at Haddad Riverfront Park
- $300,000 new turf for Appalachian Power Park
- $200,000 new Kanawha Café at Yeager Airport

Charleston, WV Metropolitan Statistical Area Employment by Major Industry (in Thousands)





Long-term Financial Planning and Relevant Financial Policies

The City Council and administration have developed their vision for the City of Charleston to be the Cultural, Recreational, and Business Capital of the Appalachian Mountains. The City of Charleston, West Virginia strives to be the most efficient and effective at balancing and meeting the needs and expectations of its core constituents. The mayor and city council have identified the core constituents to be residents, businesses, governmental organizations, non-governmental organizations and their employees, visitors, and other departmental units, boards, commissions, and employees.

From a process perspective, the City aims to perfect and perpetuate strong and sustainable neighborhoods; conduct efficient and collaborative government; produce and facilitate events and recreational opportunities; develop and maintain sound and adequate infrastructure; and foster and support business development and attraction.

On March 3, 2014 the government approved a resolution to enter into an agreement for Design Consulting Services Related to Program and Performance Criteria Development and related services for a Design-Build Project to Expand and Renovate the Charleston Civic Center.

The City plans to update, expand, and renovate the Charleston Convention and Civic Center to current market standards to capture more of the regional meeting, conference and convention market. The goals of the project include: (i) adding a flexible, upscale and high quality Ballroom/Banquet Hall with 19,200

square feet (the "Elk River Addition"), (ii) renovating and construction additional meeting spaces with new front and back of facility spaces, (iii) constructing new lobbies at Clendenin Street and Quarrier Street and updating other entryways, (iv) providing a new central plant, with electrical, plumbing, and fire protection improvements, and (iv) general improvements to the facility aesthetics, site conditions, operations, planning, systems and technology.

The Project is being constructed under a design build contract. The City selected BBL Carlton as the Design Builder and has negotiated a base contract in the approximate amount of $82,219,485. Inclusion of Consultant and Criteria Development, Furniture, Fixtures & Equipment, along with other proposed enhancements, the total project costs are $117,000,000. The project was substantially completed October 2018.

Through Home Rule, a PILOT program created by the State of West Virginia Legislature July 1, 2008 which granted authority to the government to enact certain ordinances in accordance with W. Va. Code §3-15a, the government approved a half-cent-per-dollar tax on retail sales in the City. The sales tax raised approximately $4.5 million for three quarters in fiscal year 2014. The sales tax in the fiscal year 2015 generated $7.4 million. These extra revenues will be used to fund costs or bonds to renovate and expand the Civic Center and other economic development projects. The sales tax was effective on October 1, 2013. The State collects the sales tax on behalf of the City and remits the tax less a fee to the City on a quarterly basis.

The state's Municipal Home Rule Board approved the City's proposed increase of half-cent-per-dollar tax on retail sales for a total of one cent. This ordinance passed Council in November 2014 and became effective July 1, 2015. This additional half-cent-per dollar tax revenue is committed to police and fire pensions. It has been projected this sales tax increase should provide enough reserves to pay current or projected pension benefits through 2027.

In 2013, the City of Charleston officially created its first Tax Incremental Financing (TIF) district in an L-shaped area surrounding the Civic Center to support improvements and increased capacity that will allow the Civic Center to more readily attract and service convention business. The government began receiving property tax revenues from the TIF District in July 2013. Revenues totaled $263,926 at the end of fiscal year 2018.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Charleston for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2017. This was the eleventh year the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The CAFR is an example of the Mayor's unwavering belief in, and commitment to, the City's financial accountability. Acknowledgment is given to the Mayor and the governing council for their commitment to sound budgeting and to meeting the financial obligations of the City. This report would not be possible without the support of all City of Charleston departments. The City's continued success directly depends upon their cooperation and support.

Respectfully submitted,

Tia C. Robertson

Tia C. Robertson, M.A.F.M, CICA
City Auditor (Controller)

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Charleston
West Virginia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

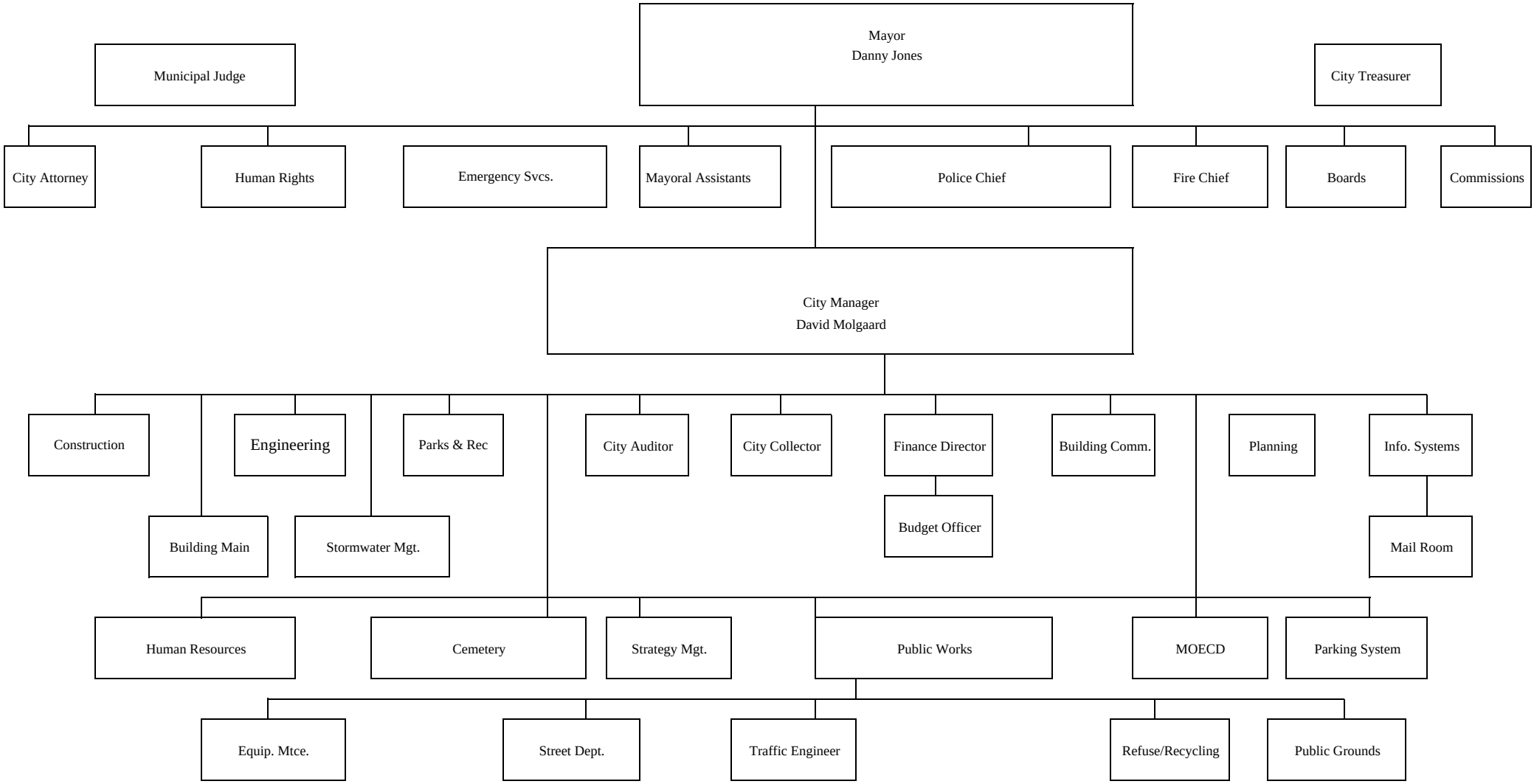
June 30, 2017

Christopher P. Morrill

Executive Director/CEO

CITY OF CHARLESTON

Organizational Chart



CITY OF CHARLESTON, WEST VIRGINIA
CITY OFFICIALS
For the Fiscal Year Ended June 30, 2018

OFFICE	NAME	TERM
	Elective	
Mayor:	Danny Jones	06/21/15 - 01/07/2019
Treasurer:	Victor Grigoraci	06/21/15 - 01/07/2019
Municipal Judge:	Anne Charnock	06/21/15 - 01/07/2019

Council Members

At Large	Becky Ceperley	Ward 8	Cubert Smith
At Large	Mary Jean Davis	Ward 9	Mary Beth Hoover
At Large	Karan Ireland	Ward 10	Keeley Steele
At Large	J. Thomas Lane	Ward 11	Shannon Snodgrass
At Large	Andy Richardson	Ward 12	Susie Salisbury
At Large	Jerry L. Ware	Ward 13	Brent Burton
Ward 1	Pat Jones	Ward 14	Courtney Persinger
Ward 2	Bobby Haas	Ward 15	Samuel Minardi
Ward 3	Chuck Overstreet	Ward 16	Bobby Reishman
Ward 4	Rev. James Ealy	Ward 17	Bruce King
Ward 5	Jeanine Faegre	Ward 18	Rick Burka
Ward 6	Edward Talkington	Ward 19	Jack Harrison
Ward 7	Rutha Chestnut	Ward 20	Mike Clowser

Appointive

City Manager:	David Molgaard	Mayor Assistants:	Rod Blackstone Beverly Page
Finance Director:	Joseph Estep		
City Clerk:	JB Akers	City Collector:	Tonya Cotton
Attorney:	Paul Ellis	City Engineer:	Chris Knox
City Auditor:	Tia C. Robertson, M.A.F.M.	Economic & Community Development Director:	Sherry Risk

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Council
of the City of Charleston
Charleston, West Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Charleston, West Virginia (the City), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Charleston Urban Renewal Authority (CURA) and the Charleston Convention and Visitor's Bureau (CVB), which represents 9 percent of the assets, 20 percent of the net position, and 11 percent of the revenues of the discretely presented component units. 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 CURA and CVB, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Coal Severance Tax Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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www.suttlecpas.com • E-mail: cpa@suttlecpas.com
A Professional Limited Liability Company

Change in Accounting Principle

As described in Note III. K. to the financial statements, in 2018, the City adopted new accounting guidance, GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other than Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 14 through 24, the schedules of employer defined benefit plans information on pages 112 through 115, the schedules of other post employment benefit plan information on pages 116 through 117, the schedules of public employees retirement system on pages 118 through 119, and the schedules of municipal police officers and firefighters retirement system on pages 120 through 121 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit and the procedures performed as described above, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit or the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Suttle & Stalnaker, PLLC

Charleston, West Virginia
December 20, 2018

This section of the City of Charleston's (the City) Comprehensive Annual Financial Report presents Management's Discussion and Analysis of the City's financial performance during the fiscal year ended June 30, 2018. Please read it in conjunction with the transmittal letter in the Introductory Section of this report and the City's financial statements, which follow this section.

Financial Highlights

Government-wide

The City of Charleston reported total deficit net position of $451,251,576 in fiscal year 2018 and a restatement of deficit net position of $440,502,229 in fiscal year 2017.

Of the net position in fiscal year 2018, a deficit balance of $587,490,298 was reported as total unrestricted net position, which includes $582,258,872 deficit balance in governmental activities and a $5,231,426 deficit balance in business-type activities. Total net position decreased $10,749,347 as a result of this year's operations.

The City's governmental activities reported total expenses of $124,454,553, total revenues of $115,427,582, and transfers out of $1,943,832 for a net decrease of $10,970,803.

Business-type activities reported total expenses of $7,142,905, program revenues of $5,055,298, general revenues of $340,724, capital grants and contributions of $24,507 and transfers in of $1,943,832 for a net increase of $221,456.

Fund Level

Governmental funds reported a combined fund balance of $84,155,936, a decrease of $38,627,334 from the prior year. This includes $6,989,518 of restricted fund balance for the Civic Center Renovation Project.

The General Fund reported an unassigned fund balance of $20,512,984, non-spendable fund balance of $547,986, restricted fund balance of $2,237,529, committed fund balance of $28,094,605, and assigned fund balance of $1,383,145, compared to $22,699,961, $577,358, $1,345,072, $23,571,412, and $4,733,963, respectively, in the prior year.

Total governmental funds reported non-spendable fund balance of $1,839,240, restricted of $20,261,275, committed of $40,159,292, and assigned fund balance of $1,383,145, compared to $1,882,422, $58,346,230, $35,113,845 (restated), and $4,733,963, respectively, in the prior year. The total unassigned fund balance for the governmental funds was $20,512,984, compared to unassigned fund balance of $22,706,812 in prior year.

Long-term Debt

Total bonds and obligations under long-term leases at year end were $102,508,370, a net decrease of $4,767,394 over the prior year.

Overview of the Financial Statements

This annual report consists of four parts-Management's Discussion and Analysis (this section), the Basic Financial Statements, Required Supplementary Information, and Combining Statements for Non-major Governmental Funds. The basic financial statements include two kinds of statements that present different views of the City.

The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the City government reporting the City's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services like public safety were financed in the short-term as well as what remains for spending.

Proprietary fund statements offer short-term and long-term financial information about the activities the government operates like businesses, such as the Civic Center and Parking System.

Fiduciary fund statements provide information about the financial relationships in which the City acts solely as a trustee or agent for the benefit of others to whom the resources in question belong, such as the public safety employees' retirement plan.

The financial statements also include notes that provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, the report also presents certain required supplementary information concerning the City's progress in funding its obligations to the citizenry, as well as its employees.

Government-wide financial statements. The government-wide financial statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed. Net position, the difference between the City's assets and deferred outflows and liabilities and deferred inflows, is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position is an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, additional nonfinancial factors such as changes in the City's property tax base and the condition of the City's roads must be considered.

The government-wide financial statements of the City are divided into three categories:

Governmental activities - Most of the City's basic services are included here, such as public safety, street maintenance, culture and recreation, and general administration. Business and occupation taxes, property taxes, and other taxes, charges for services, such as licenses, permits, inspection and refuse fees, and grants finance most of these activities.

Business-type activities - The City charges fees to customers to help it cover the costs of certain services it provides. The City's Civic Center and Parking System are included here.

Component units - The City includes four other entities in its report: The City of Charleston Sanitary Board, Charleston Urban Renewal Authority, Charleston Convention and Visitor's Bureau, and Charleston Building Commission. Although legally separate, these "component units" are important because the City is financially accountable for them.

The government-wide financial statements can be found on pages 27 through 30 of this report.

Fund financial statements. The fund financial statements provide more detailed information about the City's most significant funds, not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The City Council establishes other funds to control and manage money for a particular purpose (like the City Service Fee Project Fund) or to show it is properly using certain grants (like aid from the U.S. Department of Housing and Urban Development).

The City has three types of funds:

Governmental funds-Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view as to whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental fund statements, or on the subsequent page, that explains the relationship (or differences) between them.

The basic governmental fund financial statements can be found on pages 33 through 44 of this report.

Proprietary funds-Enterprise funds may be used to report any activity for which a fee is charged to external users for goods or services. The government's policy is to establish fees designed to recover the cost of providing the services. In addition, the Parking System is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity. Proprietary funds, like government-wide statements, provide both long-term and short-term financial information. The City's Enterprise funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows.

The basic Proprietary Fund financial statements can be found on pages 47 through 51 of this report.

Fiduciary funds-The City is the trustee, or fiduciary, for its employees' pension plans. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

The basic Fiduciary Fund financial statements can be found on pages 54 and 55 of this report.

Government-Wide Financial Analysis

The City's combined net position (governmental and business-type activities) totaled ($451,251,576) at the end of 2018 and ($192,170,955) at the end of 2017. The largest portion of the City's net position, $109,797,683, reflects investment in capital assets such as land, buildings, equipment, and infrastructure, less any related debt to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens. Consequentially, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt and deferred outflows, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

In addition, a portion of the City's net position, $26,441,039, represents resources that are subject to external restrictions or enabling legislation on how they may be used. The remaining balance for unrestricted net position, a deficit of ($587,490,298), reflects the City's deficit of remaining assets to remaining liabilities.

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Current and other assets	$ 138,261,935	$ 99,967,772	$ 7,942,255	$ 9,162,435	$ 146,204,190	$ 109,130,207
Capital assets	153,549,652	195,597,552	17,367,747	16,585,438	170,917,399	212,182,990
Total assets	291,811,587	295,565,324	25,310,002	25,747,873	317,121,589	321,313,197
Deferred Outflows of Resources						
Deferred assumption changes-pensions	10,801,125	8,185,629	-	-	10,801,125	8,185,629
OPEB changes between expected and actual experience	7,089,891	5,908,242	225,511	187,926	7,315,402	6,096,168
Loss on refunding of debt	31,831	27,233	142,242	123,063	174,073	150,296
Total deferred outflows of resources	17,922,847	14,121,104	367,753	310,989	18,290,600	14,432,093
Long-term liabilities outstanding	725,103,169	722,459,273	12,605,467	12,515,679	737,708,636	734,974,952
Other liabilities	22,434,698	21,483,117	967,279	1,254,889	23,401,977	22,738,006
Total liabilities	747,537,867	743,942,390	13,572,746	13,770,568	761,110,613	757,712,958
Deferred Inflows of Resources						
OPEB changes in assumptions	7,407,671	6,173,059	235,618	196,348	7,643,289	6,369,407
Unearned Revenue	-	-	-	1,100	-	1,100
Deferred investment experience-pensions	7,160,515	21,913,401	-	-	7,160,515	21,913,401
Total deferred inflows of resources	14,568,186	28,086,460	235,618	197,448	14,803,804	28,283,908
Net Position:						
Net Investment in capital assets	50,490,892	96,827,114	13,292,985	12,970,569	63,783,877	109,797,683
Restricted	60,228,650	22,089,336	3,741,591	4,351,703	63,970,241	26,441,039
Unrestricted	(563,091,161)	(582,258,872)	(5,165,185)	(5,231,426)	(568,256,346)	(587,490,298)
Total net position-restated	$ (452,371,619)	$ (463,342,422)	$ 11,869,391	$ 12,090,846	$ (440,502,228)	$ (451,251,576)

Governmental Activities. Governmental activities decreased the City of Charleston's net position by $10,780,772 which is primarily attributable to the implementation of GASB 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

As of June 30, 2018, per GASB 68 the net pension liability balance was $334,734,299 of which $328,608,868 was attributed to police and fire pension and $6,125,431 was attributed general government. This was a decrease of $11,041,530 from fiscal year end 2017.

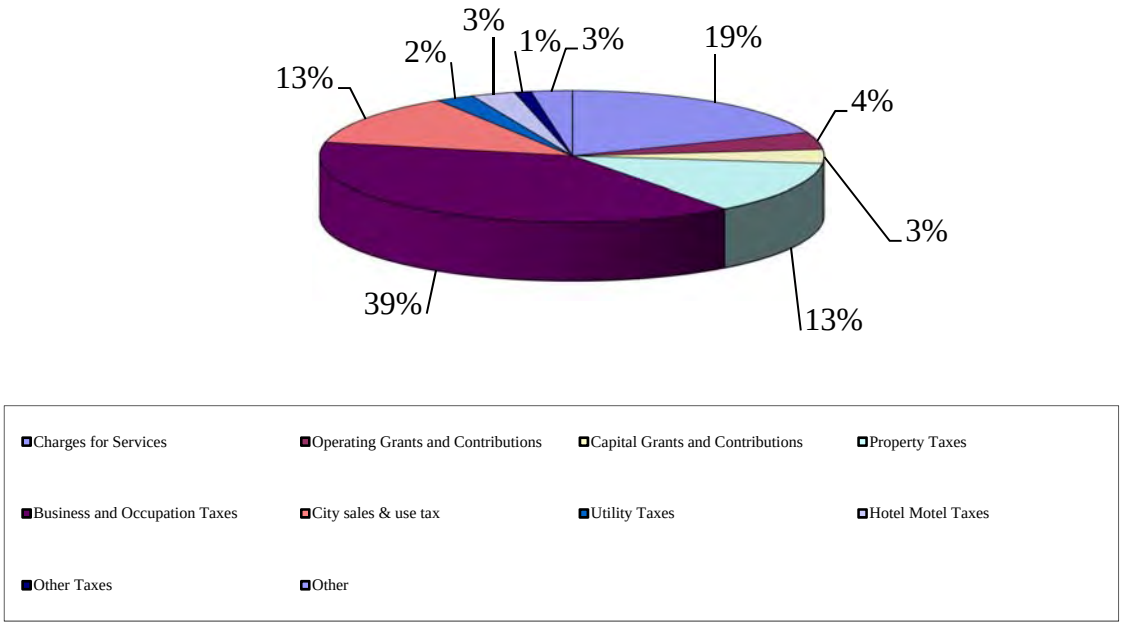
Business-type Activities. Total net position of the City's business-type activities increased $221,456 (2 percent) over prior year. Total operating revenues decreased $1,333,356 over prior year. The Civic Center experienced a decrease in operating revenues of $678,369 and a decrease in operating expenses $369,756. The Civic Center was undergoing extensive renovations during fiscal year 2018. As a result, rental and events decreased through the year. The Parking System experienced a $654,987 decrease in operating revenues from the prior year. Parking violation revenue decreased $113,070 (48 percent). This decrease is contributed to the Parking System being down one parking enforcement officer and the implementation of the Parkmobile app. The Parking system used the 2nd half of the fiscal year as an educational campaign for the Parkmobile app and enforcement efforts were reduced. Building rentals decreased $55,109. The decrease is partially because the Parking System transferred two parking garages to the Civic Center with the remaining value of $308,845. The buildings are at full rental capacity with waiting lists with the exception of the Park Place Cinema building. The operating expenses for the Civic Center and Parking System decreased by $673,106. The decrease in operational expenses for the Civic Center is contributed to the decrease in events due to the renovation project. The decrease in operational expenses for the Parking system is contributed to the transfer of the two parking buildings to the Civic Center. The Civic Center total net position increased $337,411 and Parking System net position decreased $115,955.

A Tax Incremental Financing District was established for the Civic Center's future expansion and renovation. Collections during 2017 was $293,485 and in 2018 $263,926 (10 percent decrease) which is restricted for future bond payments.

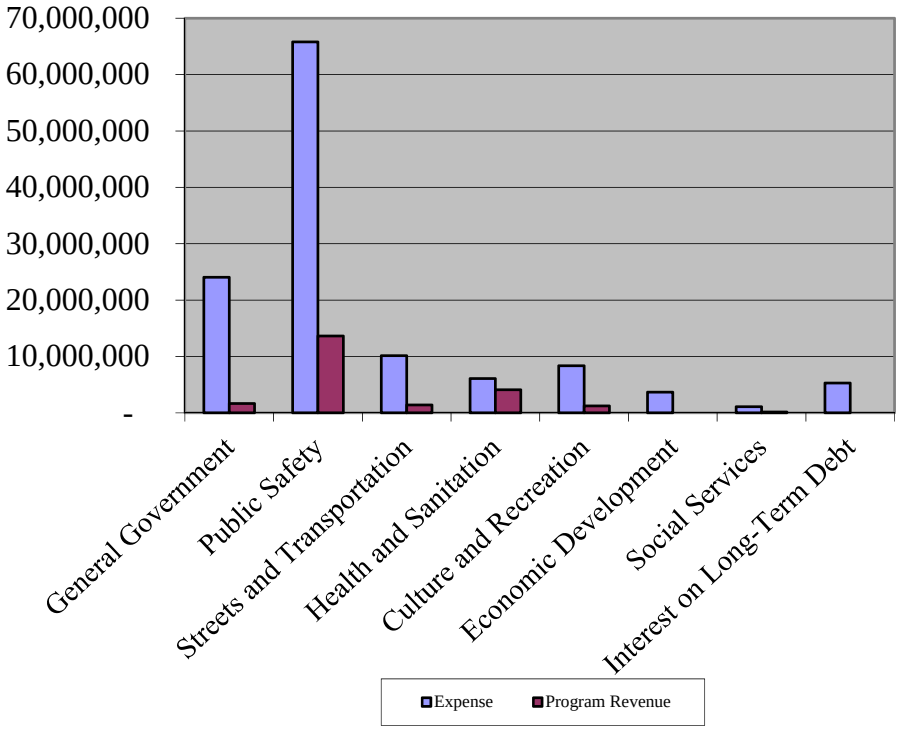
City of Charleston's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Revenues:						
Program Revenues:						
Charges for Services	$ 21,246,781	$ 22,118,111	$ 6,388,654	$ 5,055,298	$ 27,635,435	$ 27,173,409
Operating Grants and Contributions	5,064,871	4,889,017	-	-	5,064,871	4,889,017
Capital Grants and Contributions	4,070,239	3,980,681	-	-	4,070,239	3,980,681
General Revenues:						
Property Taxes	14,549,810	14,899,309	-	-	14,549,810	14,899,309
Business and Occupation Taxes	45,996,988	44,553,692	-	-	45,996,988	44,553,692
City sales & use tax	15,034,244	14,702,552	-	-	15,034,244	14,702,552
Other Taxes	7,249,127	7,239,017	-	-	7,249,127	7,239,017
Other	2,650,992	3,045,203	320,896	340,724	2,971,888	3,385,927
Total Revenues	115,863,052	115,427,582	6,709,550	5,396,022	122,572,602	120,823,604
Expenses:						
General Government	22,041,544	24,034,075	-	-	22,041,544	24,034,075
Public Safety	70,697,723	65,804,965	-	-	70,697,723	65,804,965
Highways & Streets	8,445,513	10,133,769	-	-	8,445,513	10,133,769
Health & Sanitation	5,092,395	6,085,579	-	-	5,092,395	6,085,579
Economic Development	3,356,073	5,290,822	-	-	3,356,073	5,290,822
Culture & Recreation	8,839,623	8,351,128	-	-	8,839,623	8,351,128
Social Services	807,524	1,083,639	-	-	807,524	1,083,639
Capital Projects	-	-	-	-	-	-
Interest on Long-Term Debt	4,032,697	3,670,576	-	-	4,032,697	3,670,576
Civic Center	-	-	4,867,709	4,476,526	4,867,709	4,476,526
Parking System	-	-	2,948,302	2,666,379	2,948,302	2,666,379
Total Expenses	123,313,092	124,454,553	7,816,011	7,142,905	131,129,103	131,597,458
Decrease in Net Position Before Transfers	(7,450,040)	(9,026,971)	(1,106,461)	(1,746,883)	(8,556,501)	(10,773,854)
Capital Contributions - Energy Rebates	-	-	15,103	24,507	15,103	24,507
Transfers	(1,894,049)	(1,943,832)	1,894,049	1,943,832	-	-
Increase (decrease) in Net Position	(9,344,089)	(10,970,803)	802,691	221,456	(8,541,398)	(10,749,347)
Net Position- beginning-restated	(200,983,702)	(452,371,619)	17,353,981	11,869,390	(183,629,721)	(440,502,229)
Net Position- ending	$ (210,327,791)	$(463,342,422)	$ 18,156,672	$ 12,090,846	$(192,171,119)	$ (451,251,576)

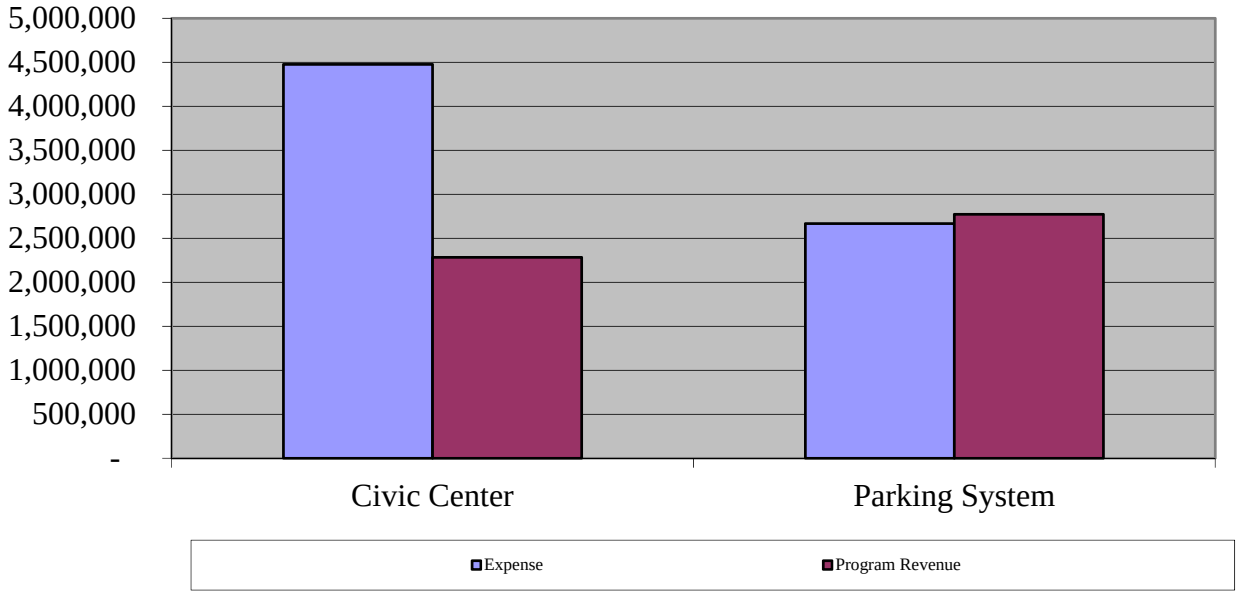
Revenue by Source-Governmental Activities



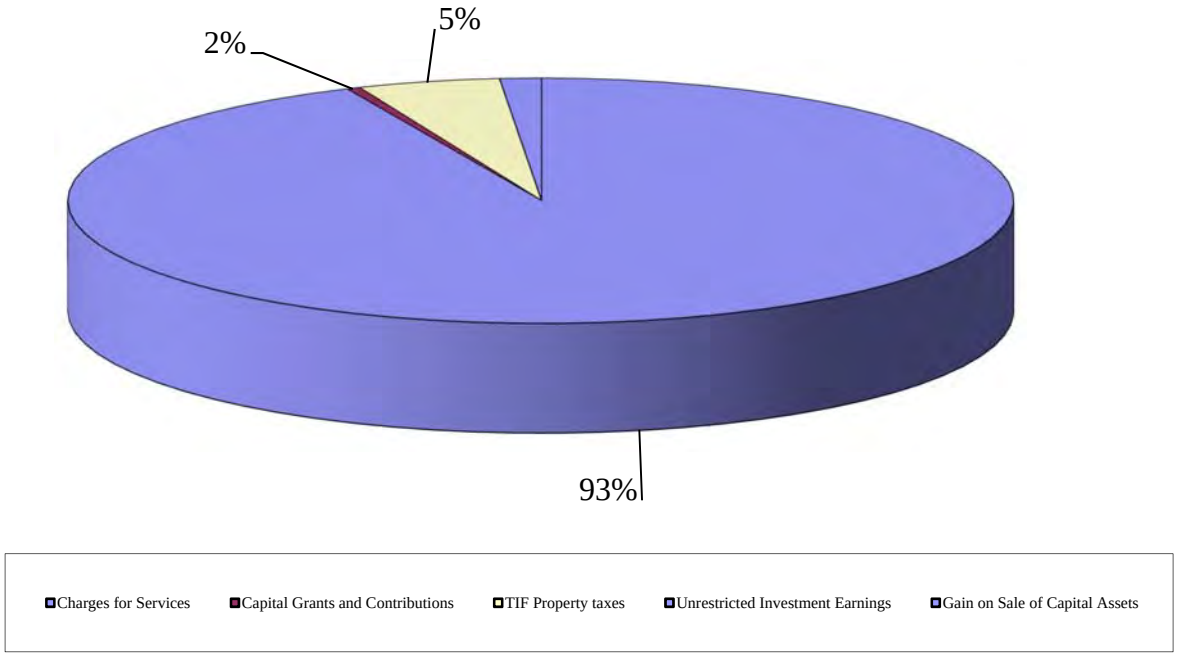
Expenses and Program Revenues-Governmental Activities



Expenses and Program Revenues-Business-Type Activities



Revenues by Source-Business-Type Activities



Financial Analysis of the Government's Funds

The City of Charleston uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City of Charleston's Governmental Funds reported combined ending fund balances of $84,155,936 (including $6,989,518 in restricted fund balance for the Civic Center Renovation Project) , a decrease of $38,627,334 in comparison with the prior year. Approximately 24 percent of the combined ending fund balances in the amount of $20,512,984 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of fund balance is non-spendable for prepaid items and permanent fund corpus $1,839,240; restricted by external grants, contributors, and laws $20,261,275; committed by the government's council $40,159,292; and assigned by the government's council or administrative officials $1,383,145.

The General Fund is the chief operating fund of the City of Charleston. At the end of the current fiscal year, unassigned fund balance of the General Fund was $20,512,984, while total fund balance reached $52,776,249. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 21 percent of total General Fund expenditures, while total fund balance represents 55 percent of that same amount.

The fund balance of the City of Charleston's General Fund decreased $151,517 during the current fiscal year. This is primarily attributable to decreasing revenues. Expenditures decreased $314,658 due to a decrease in healthcare claims. Police and fire pension contributions increased five percent due to the Conservation Method adopted in 2011 and November 2014 the City of Charleston implemented a half cent sales tax increase dedicated to the pension reserve fund. Workers' compensation claims cost decreased ten percent due to the Return to Work program implemented in fiscal year 2015.

The Coal Severance Tax Fund receives coal severance tax distributed from the State of West Virginia collections. These revenues are dedicated to the Civic Center bond debt service. Coal severance tax revenue increased $7,498 over the prior year due to the increase in production and coal sales. Community Development and HOME Funds are funded by HUD federal grants for community development. The grant revenues recognized were $279,466 less in comparison to fiscal year 2017 due to a decrease in funding. The Convention and Civic Center Project Fund is funded by the bond proceeds used for the capital improvements associated with the Charleston Convention and Civic Center Project.

Proprietary funds. The City of Charleston's Proprietary Funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these two funds have previously been addressed in the discussion of the City of Charleston's Business-type Activities.

General Fund Budgetary Highlights

The City periodically revises the General Fund budget throughout the year to recognize projects carried over from the previous year, grants and contributions received for various projects and to adjust budgets to reflect actual circumstances. In fiscal year 2018 the City, through budget amendments, increased the budget by $250,000 on the basis of additional revenue from external sources. The City also decreased the budgeted revenues by $997,188, which amounts to a net decrease of $747,188. Additionally, the City increased the fiscal year 2018 budget $10,558,992 to effect the re-budgeting of the fiscal year 2017 ending fund balance.

The additional revenues from external were $250,000 from Contributions and Donations.

The fiscal year 2018 ending fund balance of $10,558,992 was primarily re-budgeted to General Government Expenditures, Public Safety Expenditures, and Capital Projects Expenditures ($6,322,791, $2,639,936, and $1,143,518, respectively). Additionally, $492,482 was contributed to the City's Compensation Initiative to increase wages and salaries for City employees. The City has adopted a policy of carrying forward to the next year any unspent budget funds in several areas to provide additional resources to meet unforeseen circumstances or to preserve funding to complete major projects. In this regard, the City carried forward $536,177 for the Legal department Court Costs and Claims reserve, and $1,358,109 for the City Manager Professional Services for the purpose of architecture and engineering services associated with new and existing projects.

Capital Asset and Debt Administration

Capital Assets. The City of Charleston's investment in capital assets for its governmental and business-type activities as of June 30, 2018, amounted to $212,182,990 (net of accumulated depreciation). This investment in capital assets includes land, building and system, machinery and equipment, park and other recreational facilities, roads, bridges and other infrastructure.

Major capital asset events during the current fiscal year included the following:

Several projects were completed during the fiscal year; including, but not limited to Rails to Trails bike/pedestrian trail $5,108,269, Schoenbaum Tennis Courts $885,227, Concrete Curb & Sidewalk Project Summer 2017, $256,382, Middle Eastern Mart $217,558, Louden Heights Retaining Wall $207,025, Remodel Fire Stations #1, #2, #4, Parking Lot at Station #4, and Equipment Maintenance $235,604, Bicycle Trail Master Plan $88,809, New Lighting at City Hall $69,874.30, and a Records Management System Software for the Police $423,231.

Projects for the Civic Center Expansion and Renovation, building a new Fire Station on Oakwood Road, Slack Plaza Brawley Walkway, and various other capital projects were remaining in construction in progress as of the end of the fiscal year in the amount of $96,194,310.

City of Charleston's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Land	$ 9,181,692	$ 9,305,842	$ 4,366,447	$ 4,366,447	$ 13,548,139	$ 13,672,289
Construction in Progress	58,062,719	95,841,084	319,593	353,226	58,382,312	96,194,310
Buildings & Improvements	26,602,854	26,036,428	11,988,792	10,951,004	38,591,646	36,987,432
Other Improvements	9,764,862	15,089,960	257,659	231,146	10,022,521	15,321,106
Machinery & Equipment	10,450,846	10,286,045	435,256	683,615	10,886,102	10,969,660
Infrastructure	39,486,679	39,038,193	-	-	39,486,679	39,038,193
Total	$ 153,549,652	$ 195,597,552	$ 17,367,747	$ 16,585,438	$ 170,917,399	$ 212,182,990

Additional information on the City of Charleston's capital assets can be found in Note III.C. on pages 75 through 77 of this report.

Long-term debt. At the end of the current fiscal year, the City of Charleston had no general obligation bonded debt outstanding. The remainder of the City of Charleston's bonded debt represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

City of Charleston's Outstanding Debt

Revenue Bonds

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Revenue Bonds	$ 92,742,657	$ 88,691,499	$ 4,217,004	$ 3,737,932	$ 96,959,661	$ 92,429,431
Total	$ 92,742,657	$ 88,691,499	$ 4,217,004	$ 3,737,932	$ 96,959,661	$ 92,429,431

State statutes limit the amount of general obligation debt a governmental entity may issue to five percent of its total assessed valuation. The current debt limitation for the City of Charleston is $161,173,046.

Additional information on the City of Charleston's long-term debt can be found in Note III.G. on pages 79 through 82 of this report.

Economic Factors and Next Year's Budget

Many factors are considered each year by the City Council in its efforts to establish an operating budget, to evaluate its personnel needs, and to develop fees that are fair, reasonable, and adequately recover costs. Some of the major factors considered in this process are the local economy, labor force, unemployment rate, and inflation rates.

The Charleston area is the State's premier business center due to its industrial diversity and numerous job opportunities. The unemployment rate of 4.9 percent at June 30th reflected a decrease from the prior year. The State and United States unemployment rates were 5.2 and 3.7 percent.

A recent survey found vacancy rates for Charleston's Class A buildings have hit unseen highs despite improving conditions for the state's economy. Six of the seven modern, Class A high-rise office towers in downtown Charleston, saw their vacancy rates jump from an average of 17.8 percent in October to 19.6 percent in July. The data came from a recent survey conducted by Howard Swint, an associate broker with Colliers International.

The Class A market struggles are primarily attributed to a drop in natural gas demand after a period of high activity in the Marcellus Shale region. Vacancy rates are a lagging indicator of the economy's health. A recent uptick in the energy industry shows improvement, which can lead to more hires which means more office space is needed.

Uncertainty remains in the fate of big box retail stores as they compete against online shopping. This year saw the closing of the Sears store at the Charleston Town Center Mall and the Sears Auto Center on Quarrier Street. Kmart, Macy's, Gymboree, and Abercrombie & Fitch have all announced store closings across the country. The Town Center Mall will have to continue to reinvent itself to keep up with changing market conditions.

Recent new construction includes; Enterprise Rent-A-Car at 320 MacCorkle Ave, Wendy's restaurant on Virginia Street, two new Bojangles' Restaurants, a veterinarian hospital at 301 Virginia Street, West, Starbucks at 112 Kanawha Boulevard, and a new Pioneer Federal Credit Union at 1316 Kanawha Boulevard.

The Charleston Convention and Visitors Bureau (CVB) is charged with maximizing business and leisure tourism expenditures in the city of Charleston, thus increasing the tax base for its citizens. The CVB booked 30,512 rooms with an estimated economic impact of $23.2 million in the years to follow.

The city is currently experiencing a renaissance of public and private tourism infrastructure improvements exceeding $200 million dollars. The projects include:

- $100 million Charleston Convention Center
- $20 million upgrade of the riverfront Sheraton by Four Points
- $13 million new Marriott Courtyard
- $8 million Charleston Marriott
- $10 million Charleston Town Center Mall
- $5 million Hampton Inn Southridge
- $3.5 million Holiday Inn Express Civic Center
- $200,000 to update University of Charleston Stadium
- $3 million riverfront bike lane
- $1.6 million street improvements in warehouse district
- $1 million new East End Community Park
- $600,000 for new boat docking at Haddad Riverfront Park
- $300,000 new turf for Appalachian Power Park
- $200,000 new Kanawha Café at Yeager Airport

Request for Information

This financial report is designed to provide a general overview of the City of Charleston's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Controller (City Auditor), 501 Virginia Street, East, P.O. Box 2749, Charleston, West Virginia 25330.

CITY OF CHARLESTON, WEST VIRGINIA
THE GOVERNMENT-WIDE STATEMENTS

The government-wide financial statements are presented on pages 27 through 30. A brief description of the City's discretely presented component units follows since these component units are presented only on these government-wide statements.

City of Charleston Sanitary Board is composed of a board and is a discretely presented component unit of the City. The Sanitary Board is responsible for governing the activity associated with providing sanitary sewerage services.

Charleston Urban Renewal Authority is composed of a separate board and is a discretely presented component unit of the City. The Authority is responsible for developing commercial property within the City.

City of Charleston Convention and Visitor's Bureau, Inc. was established in 1979 as a nonprofit corporation, is composed of a board and is a discretely presented component unit of the City. The primary purpose of the bureau is to operate a convention and visitors bureau for the Charleston, West Virginia area and to advance, stimulate, and promote exhibits, conferences, and conventions.

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Sanitary Board	Urban Renewal Authority	Convention & Visitor's Bureau
ASSETS						
Current assets:						
Cash and cash equivalents	$ 44,872,513	$ 3,940,259	$ 48,812,772	$ 12,944,305	$ 3,659,930	$ 610,315
Investments	17,318,222	1,339,931	18,658,153	- -	- -	- -
Receivables:						
Accounts	5,436,354	426,086	5,862,440	1,819,048	- -	34,661
Accrued interest	11,517	- -	11,517	- -	- -	- -
Taxes	16,958,287	- -	16,958,287	- -	- -	- -
Other	- -	- -	- -	15,043	- -	- -
Loans	5,185,851	- -	5,185,851	- -	2,787,195	- -
Grants	3,828,328	- -	3,828,328	- -	- -	- -
Internal balances	(11,914)	11,914	- -	- -	- -	- -
Due from:						
Primary government	- -	- -	- -	62,918	- -	261,919
Component units	29,768	- -	29,768	- -	- -	- -
Fiduciary Funds	19,139	- -	19,139	- -	- -	- -
Restricted :						
TIF district	- -	1,398,109	1,398,109	- -	- -	- -
Regular account	- -	1,603,416	1,603,416	- -	- -	- -
Customer deposits	- -	327,523	327,523	- -	- -	- -
Inventory	- -	- -	- -	1,028,728	- -	- -
Prepaid items	547,986	115,197	663,183	235,509	907	8,956
Total current assets	94,196,051	9,162,435	103,358,486	16,105,551	6,448,032	915,851
Noncurrent assets:						
Regular account	- -	- -	- -	2,450,423	- -	- -
Reserve account	- -	- -	- -	6,882,995	- -	- -
Renewal and replacement	- -	- -	- -	11,919,285	- -	- -
Restricted cash	4,557,370	- -	4,557,370	- -	- -	- -
Reserve for insurance deductible	- -	- -	- -	311,166	- -	- -
Reserve for other post employment benefits	- -	- -	- -	602,326	- -	- -
Reserve for health care	- -	- -	- -	1,004,676	- -	- -
Reserve for flexible spending account	- -	- -	- -	13,014	- -	- -
Reserve for construction	- -	- -	- -	10,083,827	242,675	- -
Capital assets:						
Nondepreciable:						
Land	9,305,842	4,366,447	13,672,289	2,654,021	8,686,118	- -
Construction in progress	95,841,084	353,226	96,194,310	8,163,094	- -	- -
Depreciable:						
Buildings and improvements	80,562,659	69,001,885	149,564,544	- -	169,826	- -
Structures and improvements		- -	- -	48,205,806	- -	- -
Vehicles	21,743,449	- -	21,743,449	- -	- -	- -
Infrastructure	105,404,844	- -	105,404,844	- -	- -	- -
Collection System	- -	- -	- -	89,738,617	- -	- -
Pumping System	- -	- -	- -	3,070,121	- -	- -
Machinery and equipment	20,501,394	2,779,054	23,280,448	58,636,973	40,240	98,558
Less: accumulated depreciation	(137,761,720)	(59,915,174)	(197,676,894)	(83,264,410)	(77,956)	(85,067)
Net pension asset	1,214,351	- -	1,214,351	- -	- -	- -
Total noncurrent assets	201,369,273	16,585,438	217,954,711	160,471,934	9,060,903	13,491
Total assets	295,565,324	25,747,873	321,313,197	176,577,485	15,508,935	929,342

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF NET POSITION (Continued)
June 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Sanitary Board	Urban Renewal Authority	Convention & Visitor's Bureau
DEFERRED OUTFLOWS						
Loss on refunding of debt	27,233	123,063	150,296	- -	- -	- -
Public Employees Retirement System (PERS):						
Contributions made after measurement date	2,043,729	- -	2,043,729	450,066	13,694	53,634
Changes between expected and actual experience	545,100	- -	545,100	111,245	3,638	12,438
Changes in contributions	568,354	- -	568,354	93,599	751	12,890
Municipal Police Officers and Firefighters Retirement System (MPFRS):						
Contributions made after measurement date	438,366	- -	438,366	- -	- -	- -
Changes in contributions	15,691	- -	15,691	- -	- -	- -
Changes in actual investment experience	32,001	- -	32,001	- -	- -	- -
Other Post Employment Benefits (OPEB)						
Contributions made after measurement date	- -	- -	- -	- -	4,248	18,762
Changes between expected and actual experience	5,908,242	187,926	6,096,168	- -	- -	- -
Defined Benefit Plans (DBP):						
Changes in assumptions	4,542,388	- -	4,542,388	- -	- -	- -
Total deferred outflows of resources	14,121,104	310,989	14,432,093	654,910	22,331	97,724
LIABILITIES						
Current liabilities payable from current assets:						
Accounts payable	4,841,643	477,579	5,319,222	724,880	25,483	61,690
Refunds payable	- -	43,920	43,920	- -	- -	- -
Payroll payable	727,833	42,120	769,953	143,914	- -	- -
Other accrued expenses	92,491	13,601	106,092	- -	3,499	9,835
Live on the Levee Charitable Raffle	2,622	- -	2,622	- -	- -	- -
Accrued interest payable	31,704	31,199	62,903	712,678	- -	- -
Compensated absences payable	1,559,511	93,726	1,653,237	213,718	- -	5,768
Reserve for future insurance claims	2,752,857	18,810	2,771,667	- -	- -	- -
Due to:						
Primary government	- -	- -	- -	29,768	- -	- -
Component unit	219,347	23,637	242,984	- -	- -	- -
Other governments	- -	297	297	- -	- -	- -
Unearned revenue						
Grant advances	5,094,535	- -	5,094,535	- -	- -	- -
Unearned revenue	- -	- -	- -	- -	46,854	- -
Customer prepaid fees	99,825	- -	99,825	- -	90,000	- -
Total current liabilities	15,422,368	744,889	16,167,257	1,824,958	165,836	77,293
Noncurrent liabilities due within one year:						
Bonds payable	4,221,000	510,000	4,731,000	4,389,453	- -	- -
Leases payable	2,839,749	- -	2,839,749	- -	- -	- -
Noncurrent liabilities due in more than one year:						
Bonds payable	84,470,499	3,227,932	87,698,431	83,443,154	- -	- -
Leases payable	7,239,190	- -	7,239,190	- -	- -	- -
Other post employment benefits (OPEB)	292,000,225	9,287,747	301,287,972	20,544,152	45,780	184,210
Net pension liability -PERS	6,125,431	- -	6,125,431	1,250,060	40,875	139,767
Net pension liability - Police and Fire	328,608,868	- -	328,608,868	- -	- -	- -
Claims and judgements	4,015,060	- -	4,015,060	- -	- -	- -
Total noncurrent liabilities	729,520,022	13,025,679	742,545,701	109,626,819	86,655	323,977
	744,942,390	13,770,568	758,712,958	111,451,777	252,491	401,270

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF NET POSITION (Continued)
June 30, 2018

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Sanitary Board	Urban Renewal Authority	Convention & Visitor's Bureau
DEFERRED INFLOWS						
Public Employees Retirement System (PERS):						
Changes in contributions	29,292	- -	29,292	32,000	1,070	8,316
Changes in investment experience	13,552	- -	13,552	- -	90	309
Changes between projected and actual earnings	1,489,153	- -	1,489,153	306,368	9,937	33,980
Changes in assumptions	317,712	- -	317,712	64,839	2,120	7,250
Differences between expected and actual experience	- -	- -	- -	3,282	- -	- -
Other Post Employment Benefits (OPEB)						
Changes in assumptions	6,173,059	196,348	6,369,407	371,981	- -	- -
Differences between expected and actual experience	- -	- -	- -	366,464	153	617
Changes in contributions	- -	- -	- -	- -	10,732	10,029
Changes between projected and actual earnings	- -	- -	- -	- -	731	2,940
Defined Benefit Plans (DBP):						
Changes between projected and actual earnings	2,187,545	- -	2,187,545	- -	- -	- -
Changes in assumptions	12,478,753	- -	12,478,753	- -	- -	- -
Changes in noninvestment experience	5,151,741	- -	5,151,741	- -	- -	- -
Municipal Police & Fire Retirement System (MPFRS):						
Changes in earnings	44,976	- -	44,976	- -	- -	- -
Changes in assumptions	116,331	- -	116,331	- -	- -	- -
Changes in contributions	84,346	- -	84,346	- -	- -	- -
Mayor's Contributions	- -	- -	- -	- -	- -	7,020
Unearned Revenue	- -	1,100	1,100	- -	- -	- -
Total deferred inflows of resources	28,086,460	197,448	28,283,908	1,144,934	24,833	70,461
NET POSITION						
Net investment in capital assets	96,827,114	12,970,569	109,797,683	49,455,442	8,818,228	13,491
Restricted for:						
Culture and recreation	7,080,211	- -	7,080,211	- -	- -	- -
Debt service	5,946,320	2,943,347	8,889,667	21,252,703	- -	- -
Capital projects	1,867,862	- -	1,867,862	- -	- -	- -
General Government	680,638	- -	680,638	- -	13,000	- -
Community development projects	346,062	- -	346,062	- -	- -	- -
Public safety	364,651	- -	364,651	- -	- -	- -
Health & Sanitation	3,354,872	- -	3,354,872	- -	- -	- -
Social Services						
Expendable	1,291,254	- -	1,291,254	- -	- -	- -
Nonexpendable	1,157,466	- -	1,157,466	- -	- -	- -
TIF District	- -	1,408,356	1,408,356	- -	- -	- -
Unrestricted	(582,258,872)	(5,231,426)	(587,490,298)	(6,072,461)	6,422,714	541,844
Total net position	$ (463,342,422)	$ 12,090,846	$ (451,251,576)	$ 64,635,684	$ 15,253,942	$ 555,335

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2018

		Program Revenues			Net (Expense) Revenues and Changes in Net Position					
					Primary Government			Component Units		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Sanitary Board	Urban Renewal Authority	Convention & Visitor's Bureau
Functions / Programs										
Primary government:										
Governmental activities:										
General government	$ 24,034,075	$ 1,641,745	$ 1,416,247	$ 508,744	$ (20,467,339)	$ - -	$ (20,467,339)	$ - -	$ - -	$ - -
Public safety	65,804,965	13,618,447	3,472,770	1,123,698	(47,590,050)	- -	(47,590,050)	- -	- -	- -
Streets and transportation	10,133,769	1,382,155	- -	- -	(8,751,614)	- -	(8,751,614)	- -	- -	- -
Health and sanitation	6,085,579	4,091,590	- -	- -	(1,993,989)	- -	(1,993,989)	- -	- -	- -
Culture and recreation	8,351,128	1,227,688	- -	1,877,895	(5,245,545)	- -	(5,245,545)	- -	- -	- -
Interest on long-term debt	3,670,576	- -	- -	- -	(3,670,576)	- -	(3,670,576)	- -	- -	- -
Social services	1,083,639	156,486	- -	- -	(927,153)	- -	(927,153)	- -	- -	- -
Capital projects	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Economic development	5,290,822	- -	- -	470,344	(4,820,478)	- -	(4,820,478)	- -	- -	- -
Total governmental activities	124,454,553	22,118,111	4,889,017	3,980,681	(93,466,744)	- -	(93,466,744)	- -	- -	- -
Business-type activities:										
Civic Center	4,476,526	2,283,811	- -	18,265	- -	(2,174,450)	(2,174,450)	- -	- -	- -
Parking System	2,666,379	2,771,487	- -	6,242	- -	111,350	111,350	- -	- -	- -
Total business-type activities	7,142,905	5,055,298	- -	24,507	- -	(2,063,100)	(2,063,100)	- -	- -	- -
Total primary government	$ 131,597,458	$ 27,173,409	$ 4,889,017	$ 4,005,188	(93,466,744)	(2,063,100)	(95,529,844)	- -	- -	- -
Component units:										
Sanitary Board	$ 19,951,749	$ 23,160,247	$ - -	$ 36,463	- -	- -	- -	3,244,961	- -	- -
Urban Renewal Authority	995,550	591,740	- -	164,000	- -	- -	- -	- -	(239,810)	- -
Convention & Visitor's Bureau	1,840,551	111,838	- -	1,832,406	- -	- -	- -	- -	- -	103,693
Total component units	$ 22,787,850	$ 23,863,825	$ - -	$ 2,032,869	- -	- -	- -	3,244,961	(239,810)	103,693
General revenues:										
Ad valorem property taxes					14,899,309	- -	14,899,309	- -	- -	- -
Business & occupation tax					44,553,692	- -	44,553,692	- -	- -	- -
Alcoholic beverages tax					902,586	- -	902,586	- -	- -	- -
Utility services tax					2,783,809	- -	2,783,809	- -	- -	- -
Hotel occupancy tax					3,242,726	- -	3,242,726	- -	- -	- -
Animal tax					5,778	- -	5,778	- -	- -	- -
Amusement tax					166,343	- -	166,343	- -	- -	- -
Sales and use tax					14,702,552	- -	14,702,552	- -	- -	- -
Coal severance tax					137,775	- -	137,775	- -	- -	- -
Unrestricted investment earnings					945,663	76,798	1,022,461	209,535	129,853	423
Refunds					91,626	- -	91,626	- -	- -	- -
Reimbursement					1,009,697	- -	1,009,697	- -	- -	- -
Insurance Proceeds					394,880	- -	394,880	- -	- -	- -
Gain(Loss) on sale of capital assets					231,259	- -	231,259	- -	5,000	- -
Miscellaneous & Other					372,078	263,926	636,004	133,599	4,255	17,122
Transfers					(1,943,832)	1,943,832	- -	- -	- -	- -
Total general revenues and transfers					82,495,941	2,284,556	84,780,497	343,134	139,108	17,545
Change in net position					(10,970,803)	221,456	(10,749,347)	3,588,095	(100,702)	121,238
Net position - beginning (Restated Note III.K.)					(452,371,619)	11,869,390	(440,502,229)	61,047,589	15,354,644	434,097
Net position - ending					$ (463,342,422)	$ 12,090,846	$ (451,251,576)	$ 64,635,684	$ 15,253,942	$ 555,335

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

CITY OF CHARLESTON, WEST VIRGINIA
GOVERNMENTAL FUND FINANCIAL STATEMENTS

Major Funds

General Fund This fund is used as the City's operating fund. It accounts for the financial resources and transactions that are not accounted for in other funds. The revenues are from taxes and other general revenues.

Coal Severance Tax Fund This special revenue fund accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia counties. The State of West Virginia requires this fund to be presented separately for budgetary compliance requirements.

Community Development Fund This fund accounts for federal grants received from the U.S. Housing and Urban Development for the purpose of developing "viable urban communities," which are achieved by providing decent housing, a suitable living environment, and expanded economic opportunities principally for low-and moderate-income people.

HOME Fund This fund accounts for federal grants received from the U.S. Housing and Urban Development to provide forgivable, deferred mortgage loans to first-time homebuyers that meet income and credit guidelines.

Convention & Civic Center Expansion/Renovation Project This City Council established fund is to account for capital improvement associated with the Charleston Convention and Civic Center Project to be financed with city sales and use tax revenue.

Rail Trail Project Fund This fund was established to account for federal grants to acquire a railroad bridge, railroad trestle, and additional railroad right of way and convert them to a rail trail referred to as the Charleston Kanawha Trestle Trail Project.

Nonmajor governmental funds are presented in aggregate and then by fund type beginning on page 125.

CITY OF CHARLESTON, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2018

	General	Coal Severance Tax	Community Development	HOME	Convention & Civic Center Project	Rail Trail Project	Other Nonmajor Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS								
Assets:								
Current:								
Cash and cash equivalents	$ 23,851,887	$ 28	$ 3,403	$ 6,724	$ 9,485,667	$ - -	$ 11,524,804	$ 44,872,513
Investments	12,234,926	- -	- -	- -	- -	- -	5,083,296	17,318,222
Receivables:								
Taxes	16,916,104	42,183	- -	- -	- -	- -	- -	16,958,287
Accounts	5,045,717	- -	- -	- -	- -	- -	390,637	5,436,354
Grants	- -	- -	104,847	40,002	- -	2,449,054	1,234,425	3,828,328
Loans	- -	- -	2,084,497	2,842,045	- -	- -	259,309	5,185,851
Accrued interest	6,532	- -	- -	- -	- -	- -	4,985	11,517
Due from:								
Other funds	3,354,039	- -	- -	- -	- -	169,880	4,120,137	7,644,056
Component units	10,680	- -	- -	- -	- -	- -	19,088	29,768
Prepaid items	547,986	- -	- -	- -	- -	- -	- -	547,986
Restricted cash	369,667	- -	- -	- -	- -	- -	4,187,703	4,557,370
Total assets	62,337,538	42,211	2,192,747	2,888,771	9,485,667	2,618,934	26,824,384	106,390,252
Deferred Outflows:								
Total deferred outflows of resources	- -	- -	- -	- -	- -	- -	- -	- -
Total assets and deferred outflows of resources	$ 62,337,538	$ 42,211	$ 2,192,747	$ 2,888,771	$ 9,485,667	$ 2,618,934	$ 26,824,384	$ 106,390,252
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable	$ 1,077,404	$ - -	$ 4,906	$ 28,660	$ 2,496,149	$ 169,880	$ 1,064,644	$ 4,841,643
Payroll payable	727,833	- -	- -	- -	- -	- -	- -	727,833
Live on the Levee Charity Raffle	- -	- -	- -	- -	- -	- -	2,622	2,622
Other accrued expenditures	92,491	- -	- -	- -	- -	- -	- -	92,491
Reserve for future insurance claims	2,752,857	- -	- -	- -	- -	- -	- -	2,752,857
Due to:								
Component unit	219,347	- -	- -	- -	- -	- -	- -	219,347
Other funds	3,825,200	- -	99,941	11,342	- -	2,449,054	1,251,294	7,636,831
Grant advances	- -	- -	2,084,497	2,848,769	- -	- -	161,269	5,094,535
Customer prepaid fees	99,825	- -	- -	- -	- -	- -	- -	99,825
Total liabilities	8,794,957	- -	2,189,344	2,888,771	2,496,149	2,618,934	2,479,829	21,467,984
Deferred Inflows:								
Taxes	766,332	- -	- -	- -	- -	- -	- -	766,332
Total deferred inflows of resources	766,332	- -	- -	- -	- -	- -	- -	766,332
Total liabilities and deferred inflows of resources	9,561,289	- -	2,189,344	2,888,771	2,496,149	2,618,934	2,479,829	22,234,316
Fund balances:								
Nonspendable	547,986	- -	- -	- -	- -	- -	1,291,254	1,839,240
Restricted	2,237,529	42,211	3,403	- -	6,989,518	- -	10,988,614	20,261,275
Committed	28,094,605	- -	- -	- -	- -	- -	12,064,687	40,159,292
Assigned	1,383,145	- -	- -	- -	- -	- -	- -	1,383,145
Unassigned	20,512,984	- -	- -	- -	- -	- -	- -	20,512,984
Total fund balances	52,776,249	42,211	3,403	- -	6,989,518	- -	24,344,555	84,155,936
Total liabilities, deferred inflows and fund balances	$ 62,337,538	$ 42,211	$ 2,192,747	$ 2,888,771	$ 9,485,667	$ 2,618,934	$ 26,824,384	$ 106,390,252

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

CITY OF CHARLESTON, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2018

Total fund balances on the governmental fund's balance sheet	$	84,155,936
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore not reported in the funds (Note III.C.).		195,597,552
Net Pension assets used in governmental activities are not financial resources and, therefore not reported in the funds.		1,214,351
Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds. This is the amount of deferred taxes (Note III.B.).		766,332
Deferred inflows and outflows related to pension activity are not required to be reported in the funds but are required to be reported at the government-wide level (Note V.).		
Deferred outflows:		
Loss on refunding of debt		27,233
Public Employees Retirement System (PERS):		
Deferred outflows:		
Contributions made after measurement date		2,043,729
Changes between expected and actual experience		545,100
Changes in contributions		568,354
Deferred inflows:		
Changes in contributions		(29,292)
Changes in investment experience		(13,552)
Changes between projected and actual earnings		(1,489,153)
Changes in assumptions		(317,712)
Defined Benefit Plans (DBP):		
Deferred outflows:		
Changes in assumptions		4,542,388
Deferred inflows:		
Changes in actual investment experience		(2,187,545)
Changes in noninvestment experience		(5,151,741)
Changes in assumptions		(12,478,753)

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

CITY OF CHARLESTON, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION (Continued)
June 30, 2018

MPFRS		
Deferred outflows:		
Contributions made after measurement date		438,366
Changes in contributions		15,691
Changes in actual investment experience		32,001
Deferred inflows:		
Changes in contributions		(84,346)
Changes in earnings		(44,976)
Changes in assumptions		(116,331)
Deferred outflows:		
Changes in actual investment experience		5,908,242
Deferred inflows:		
Changes in assumptions		(6,173,059)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds (Note III.G.).		
Capital leases		(10,078,939)
Compensated absences		(1,559,511)
Net pension liability - PERS		(6,125,431)
Net pension liability - Police & Fire		(328,608,868)
Bonds payable (less bond discount of $6,842)		(88,691,499)
Accrued interest payable		(31,704)
Claims & judgements		(4,015,060)
Other post employment benefits		(292,000,225)
Net position of governmental activities	$	(463,342,422)

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

For the Fiscal Year Ended June 30, 2018

	General	Coal Severance Tax	Community Development	HOME	Convention & Civic Center Project	Major Rail Trail Project	Other Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes:								
Ad valorem property taxes	$ 14,830,681	$ - -	$ - -	$ - -	$ - -	$ - -	$ 5,909	$ 14,836,590
Business & occupation tax	44,553,692	- -	- -	- -	- -	- -	- -	44,553,692
Alcoholic beverages tax	902,586	- -	- -	- -	- -	- -	- -	902,586
Utility services tax	2,783,809	- -	- -	- -	- -	- -	- -	2,783,809
Hotel occupancy tax	3,242,726	- -	- -	- -	- -	- -	- -	3,242,726
Animal tax	5,778	- -	- -	- -	- -	- -	- -	5,778
Amusement tax	166,343	- -	- -	- -	- -	- -	- -	166,343
City sales tax	14,702,552	- -	- -	- -	- -	- -	- -	14,702,552
Coal severance tax	- -	137,775	- -	- -	- -	- -	- -	137,775
Licenses and permits	1,573,618	- -	- -	- -	- -	- -	- -	1,573,618
Intergovernmental:								
Federal	102,148	- -	1,225,987	550,493	- -	1,669,321	1,394,509	4,942,458
State	3,472,770	- -	- -	- -	- -	- -	162,879	3,635,649
Local	- -	- -	- -	- -	- -	- -	1,243	1,243
Charges for services	15,233,617	- -	- -	- -	- -	- -	4,108,763	19,342,380
Fines and forfeits	- -	- -	- -	- -	- -	- -	388,268	388,268
Interest and investment earnings	339,829	- -	- -	- -	287,464	- -	318,370	945,663
Payments in lieu of taxes	91,626	- -	- -	- -	- -	- -	- -	91,626
Reimbursements	911,462	- -	- -	- -	- -	- -	98,235	1,009,697
IRP fees	813,845	- -	- -	- -	- -	- -	- -	813,845
Contributions and donations	497,239	- -	- -	- -	- -	- -	191,557	688,796
Miscellaneous	321,756	- -	36,347	- -	- -	- -	13,975	372,078
Total revenues	104,546,077	137,775	1,262,334	550,493	287,464	1,669,321	6,683,708	115,137,172
EXPENDITURES								
Current:								
General government	20,404,882	- -	- -	- -	- -	7,483	99,868	20,512,233
Public safety	48,877,220	- -	- -	- -	- -	- -	1,379,624	50,256,844
Streets and transportation	9,046,083	- -	- -	- -	- -	- -	87	9,046,170
Health and sanitation	4,645,179	- -	- -	- -	- -	- -	1,017,981	5,663,160
Culture and recreation	6,631,163	- -	- -	- -	- -	- -	356,945	6,988,108
Social services	873,798	- -	- -	- -	- -	- -	57,499	931,297
Capital projects	5,299,588	- -	- -	- -	39,319,797	- -	3,195,800	47,815,185
Economic development	- -	- -	1,265,782	550,493	- -	3,359,764	570,266	5,746,305
Debt service:								
Principal	635,000	- -	- -	- -	- -	- -	4,058,000	4,693,000
Interest & fiscal charges	93,075	- -	- -	- -	- -	- -	3,564,193	3,657,268
Bond issuance costs	1,750	- -	- -	- -	- -	- -	- -	1,750
Total expenditures	96,507,738	- -	1,265,782	550,493	39,319,797	3,367,247	14,300,263	155,311,320
Excess (deficiency) of revenues over expenditures	8,038,339	137,775	(3,448)	- -	(39,032,333)	(1,697,926)	(7,616,555)	(40,174,148)

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS (Continued)

For the Fiscal Year Ended June 30, 2018

	General	Coal Severance Tax	Community Development	HOME	Convention & Civic Center Project	Major Rail Trail Project	Other Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)								
Transfers in	14,137,943	- -	- -	- -	1,170	1,690,443	12,510,364	28,339,920
Transfers (out)	(25,828,445)	(139,226)	- -	- -	- -	- -	(4,326,081)	(30,293,752)
Insurance Proceeds	394,880	- -	- -	- -	- -	- -	- -	394,880
Proceeds from the sale of assets	285,266	- -	- -	- -	- -	- -	- -	285,266
Capital leases	2,820,500	- -	- -	- -	- -	- -	- -	2,820,500
Total other financing sources (uses)	(8,189,856)	(139,226)	- -	- -	1,170	1,690,443	8,184,283	1,546,814
Net change in fund balances	(151,517)	(1,451)	(3,448)	- -	(39,031,163)	(7,483)	567,728	(38,627,334)
Fund balances - beginning (restated Note III.K.)	52,927,766	43,662	6,851	- -	46,020,681	7,483	23,776,827	122,783,270
Fund balances - ending	$ 52,776,249	$ 42,211	$ 3,403	$ - -	$ 6,989,518	$ - -	$ 24,344,555	$ 84,155,936

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

CITY OF CHARLESTON, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

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

Net change in fund balances - total governmental funds	$ (38,627,334)
Capital outlays are reported as an expenditure in the governmental funds but are considered an asset at the government-wide level. This is the amount of capital assets that were purchased during the fiscal year (Note III.C.).	49,870,874
Capital outlays are reported as an expenditure in the governmental funds. In the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of depreciation expense charged during the year (Note III.C.).	(7,768,966)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position (Note III.C.).	(54,007)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference in deferred taxes from the prior year (Note III.B.).	62,719
Certain pension expenses in the statement of activities are recognized on the accrual basis of accounting in accordance with GASB 68 (Note V.).	
Public Employee Retirement System (PERS):	
Contributions made after measurement date	2,043,729
Amount of pension expenses recognized at government-wide level - deferred outflows	(6,268,811)
Amount of pension expenses recognized at government-wide level - deferred inflows	(1,196,840)
Defined Benefit Plans (DBP):	
Amount of pension expenses recognized at government-wide level - deferred outflows	(10,873,056)
Amount of pension expenses recognized at government-wide level - deferred inflows	(907,811)
Municipal Police Officer and Firefighter Retirement System (MPFRS):	
Contributions made after measurement date	438,366
Amount of pension expenses recognized at government-wide level - deferred outflows	(434,478)
Amount of pension expenses recognized at government-wide level - deferred inflows	(169,483)
Other Post Employment Benefits (OPEB):	
Amount of OPEB expenses recognized at government-wide level - deferred outflows	(1,181,648)
Amount of OPEB expenses recognized at government-wide level - deferred inflows	1,234,612

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

The issuance of long term debt(e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items (Note III.G.).

Bond proceeds	
Bond principle payments	4,058,000
Lease proceeds	(2,820,500)
Lease principle payments	3,057,664
Net pension liability - PERS	6,073,037
Net pension liability - DBP	4,968,493
Net pension asset - MPFRS	620,708
Claims and judgements	(69,164)
Other post employment benefits	(12,867,592)
Bond discount	(6,842)
Interest Payable	(4,715)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the change in compensated absences. (147,758)

Change in net position of governmental activities $ (10,970,803)

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual	Adjustments		Variance With
	Original	Final	Modified Accrual Basis	Budget Basis	Actual Amounts	Final Budget Positive (Negative)
REVENUES						
Taxes:						
Property	$ 14,591,996	$ 14,591,996	$ 14,830,681	$ (68)	$ 14,830,613	$ 238,617
Business & occupation	45,437,310	44,440,122	44,553,692	(226,119)	44,327,573	(112,549)
Utility	3,146,464	3,146,464	2,783,809	- -	2,783,809	(362,655)
Hotel motel	3,250,770	3,250,770	3,242,726	- -	3,242,726	(8,044)
City sales tax	- -	- -	14,702,552	(14,702,552)	- -	- -
Alcoholic beverages	864,870	864,870	902,586	- -	902,586	37,716
Amusement	190,200	190,200	166,343	- -	166,343	(23,857)
Animal	10,000	10,000	5,778	- -	5,778	(4,222)
Gas & oil severance	75,000	75,000	- -	- -	- -	(75,000)
Licenses and permits (includes IRP fees)	2,006,796	2,006,796	2,387,463	- -	2,387,463	380,667
Charges for services	14,717,000	14,802,947	15,233,617	- -	15,233,617	430,670
Intergovernmental:						
Federal	100,000	100,000	102,148		102,148	2,148
State	- -	- -	3,472,770	(3,472,770)	- -	- -
Interest and investment earnings	35,000	35,000	339,829	(261,099)	78,730	43,730
Reimbursements	1,241,000	1,857,000	911,462	- -	911,462	(945,538)
Payments in lieu of taxes	35,000	35,000	91,626	- -	91,626	56,626
Contributions and donations	350,000	600,000	497,239	- -	497,239	(102,761)
Miscellaneous	407,200	787,796	321,756	- -	321,756	(466,040)
Total revenues	86,458,606	86,793,961	104,546,077	(18,662,608)	85,883,469	(910,492)
EXPENDITURES						
General government:						
Mayor's office	653,336	751,202	781,108	(12,366)	768,742	(17,540)
City council	368,836	536,836	563,312	- -	563,312	(26,476)
City manager	3,517,481	6,227,782	3,021,314	(24,732)	2,996,582	3,231,200
City treasurer	189,169	199,169	232,747	(24,732)	208,015	(8,846)
City Collector	974,485	1,014,648	1,154,134	(74,195)	1,079,939	(65,291)
City clerk	179,310	194,310	199,445	- -	199,445	(5,135)
Municipal Court	479,006	479,006	530,234	(24,732)	505,502	(26,496)
City Attorney	1,109,944	2,071,717	2,278,315	- -	2,278,315	(206,598)
City Auditor	470,847	490,847	528,120	(24,731)	503,389	(12,542)
Engineering	1,039,598	1,039,598	1,069,642	(24,732)	1,044,910	(5,312)
MOECD	612,180	612,180	620,281	(12,366)	607,915	4,265
Human Resources	779,483	779,483	776,895	- -	776,895	2,588
Contributions to Main Street Program	80,000	80,000	80,000	- -	80,000	- -
Position & Compensation Initiative	402,875	897,357	- -	- -	- -	897,357
Regional Intergovernmental Council	20,000	20,000	20,163	- -	20,163	(163)
Mail room	285,953	285,953	286,354	(37,098)	249,256	36,697
Building commission	989,574	1,382,288	1,417,392	(12,366)	1,405,026	(22,738)
Planning	605,202	605,202	656,431	(37,098)	619,333	(14,131)
Elections	67,500	67,500	20,046	- -	20,046	47,454

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (CONTINUED)
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final				
Information systems	1,430,568	2,284,714	1,586,160	(24,732)	1,561,428	723,286
Building maintenance	784,930	784,930	839,037	(37,098)	801,939	(17,009)
Regular Retiree Health Benefits	1,164,000	1,882,000	- -	1,755,957	1,755,957	126,043
Internal audit	260,673	210,673	213,475	- -	213,475	(2,802)
Morris Square	428,504	428,504	435,631	- -	435,631	(7,127)
Employee health clinic	755,500	785,500	919,885	- -	919,885	(134,385)
Public works	364,029	333,067	372,426	(24,731)	347,695	(14,628)
Public grounds	1,603,380	1,643,953	1,802,335	(86,561)	1,715,774	(71,821)
Contingency	150,000	735	- -	- -	- -	735
Total general government	19,766,363	26,089,154	20,404,882	1,273,687	21,678,569	4,410,585
Public safety:						
Police	21,562,078	22,188,014	24,151,616	(1,799,460)	22,352,156	(164,142)
Fire	20,383,195	22,397,195	22,964,635	(1,772,237)	21,192,398	1,204,797
Traffic engineering	1,633,401	1,633,401	1,519,601	(74,195)	1,445,406	187,995
C-K emergency services	227,246	227,246	241,368	(12,366)	229,002	(1,756)
Total public safety	43,805,920	46,445,856	48,877,220	(3,658,258)	45,218,962	1,226,894
Streets and transportation:						
Streets and transportation	4,588,143	4,857,421	5,548,753	(420,441)	5,128,312	(270,891)
Equipment maintenance	3,430,533	3,482,533	3,497,330	(185,488)	3,311,842	170,691
Total streets and transportation	8,018,676	8,339,954	9,046,083	(605,929)	8,440,154	(100,200)
Health and sanitation:						
Refuse collection & recycling	3,896,288	4,296,112	4,445,179	(210,220)	4,234,959	61,153
Kanawha-Charleston health department	125,000	125,000	125,000	- -	125,000	- -
CARES	100,000	100,000	75,000	- -	75,000	25,000
Total health and sanitation	4,121,288	4,521,112	4,645,179	(210,220)	4,434,959	86,153
Culture and recreation:						
Parks and recreation	2,984,226	2,912,926	2,994,942	(210,220)	2,784,722	128,204
Convention and visitor's bureau	1,625,385	1,625,385	1,549,466	- -	1,549,466	75,919
Cultural/fairs/festivals	239,000	239,000	224,090	- -	224,090	14,910
Festival Fund for the Arts	174,168	174,168	157,945	- -	157,945	16,223
Municipal auditorium	258,402	258,402	275,279	- -	275,279	(16,877)
Charleston Area Alliance	125,000	125,000	125,000	- -	125,000	- -
Library	933,226	933,226	933,226	- -	933,226	- -
Appalachian Power Park	392,500	392,500	371,215	- -	371,215	21,285
Total culture and recreation	6,731,907	6,660,607	6,631,163	(210,220)	6,420,943	239,664
Social services:						
Spring hill cemetery	764,274	839,274	873,222	(61,829)	811,393	27,881
Human rights	- -	- -	576	- -	576	(576)
Total social services	764,274	839,274	873,798	(61,829)	811,969	27,305

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - GENERAL FUND (CONTINUED)
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final				
Economic Development:						
Wayfinding commission	- -	- -		- -	- -	- -
Total economic development	- -	- -	- -	- -	- -	- -
Capital projects:						
General government	976,221	1,026,446	803,645	- -	803,645	222,801
Public safety	1,947,428	2,044,456	1,872,793	- -	1,872,793	171,663
Streets and transportation	1,641,824	1,641,824	1,245,399	- -	1,245,399	396,425
Health and sanitation	1,295,615	1,295,615	413,987	- -	413,987	881,628
Culture and recreation	220,639	1,216,904	916,362	- -	916,362	300,542
Social services	68,233	68,233	47,402	- -	47,402	20,831
Total capital projects	6,149,960	7,293,478	5,299,588	- -	5,299,588	1,993,890
Debt service:						
Principal	635,000	635,000	635,000	- -	635,000	- -
Interest	93,075	93,075	93,075	- -	93,075	- -
Bond Service Charges	1,750	1,750	1,750	- -	1,750	- -
Total debt service	729,825	729,825	729,825	- -	729,825	- -
Total expenditures	90,088,213	100,919,260	96,507,738	(3,472,769)	93,034,969	7,884,291
Excess of revenues over (under) expenditures	(3,629,607)	(14,125,299)	8,038,339	(15,189,839)	(7,151,500)	6,973,799
OTHER FINANCING SOURCES (USES)						
Transfers in	6,758,885	7,141,585	14,137,943	(7,376,276)	6,761,667	(379,918)
Transfers out	(6,149,778)	(6,595,778)	(25,828,445)	17,870,215	(7,958,230)	(1,362,452)
Capital lease proceeds	2,820,500	2,820,500	2,820,500	- -	2,820,500	- -
Sale of capital assets	200,000	200,000	285,266	- -	285,266	85,266
Insurance Proceeds	- -	- -	394,880	- -	394,880	394,880
Proceeds from sale of bonds	- -	- -	- -	- -	- -	- -
Total other financing sources (uses)	3,629,607	3,566,307	(8,189,856)	10,493,939	2,304,083	(1,262,224)
Net change in fund balance	- -	(10,558,992)	(151,517)	(4,695,900)	(4,847,417)	5,711,575
Fund balance-beginning	- -	10,558,992	52,927,766	(42,368,846)	10,558,920	(72)
Fund balance-ending	$ - -	$ - -	$ 52,776,249	$ (47,064,746)	$ 5,711,503	$ 5,711,503

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL (BUDGETARY BASIS) - COAL SEVERANCE TAX FUND
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Modified Accrual Basis	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Coal severance tax	$ 150,000	$ 150,000	$ 137,775	$ (12,225)
Interest earnings	25	25	- -	(25)
Total revenues	150,025	150,025	137,775	(12,250)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(150,025)	(193,687)	(139,226)	54,461
Total other financing sources (uses)	(150,025)	(193,687)	(139,226)	54,461
Net change in fund balance	- -	(43,662)	(1,451)	42,211
Fund balance - beginning	- -	43,662	43,662	- -
Fund balance - ending	$ - -	$ - -	$ 42,211	$ 42,211

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

CITY OF CHARLESTON, WEST VIRGINIA
PROPRIETARY FUND FINANCIAL STATEMENTS

Major Funds

Civic Center Fund This Enterprise Fund accounts for the operations of the Civic Center multi-purpose meeting, convention, and entertainment facility.

Parking System Fund This Enterprise Fund accounts for the operations of the City parking buildings, parking lots, and metered spaces.

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2018

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
ASSETS			
Current:			
Cash and cash equivalents	$ 27,645	$ 3,912,614	$ 3,940,259
Investments	345,797	994,134	1,339,931
Receivables:			
Accounts	283,951	142,135	426,086
Due from:			
Other funds	13,019	12,006	25,025
Restricted:			
TIF district	1,398,109	- -	1,398,109
Regular account	- -	1,603,416	1,603,416
Customer deposits	327,523	- -	327,523
Prepaid items	49,464	65,733	115,197
Total current assets	2,445,508	6,730,038	9,175,546
Capital assets:			
Nondepreciable:			
Land	300,000	4,066,447	4,366,447
Construction in progress	317,672	35,554	353,226
Depreciable:			
Buildings & Improvements	45,365,763	23,636,122	69,001,885
Machinery and equipment	1,381,114	1,397,940	2,779,054
Less: accumulated depreciation	(40,668,246)	(19,246,928)	(59,915,174)
Total capital assets (net of accumulated depreciation)	6,696,303	9,889,135	16,585,438
Total noncurrent assets	6,696,303	9,889,135	16,585,438
Total assets	9,141,811	16,619,173	25,760,984
DEFERRED OUTFLOWS			
OPEB Changes between expected and actual experience	110,895	77,031	187,926
Loss on refunding of debt	123,063	- -	123,063
Total deferred outflows of resources	233,958	77,031	310,989

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS (Continued)
June 30, 2018

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
LIABILITIES			
Current liabilities payable from current assets:			
Accounts payable	174,786	302,793	477,579
Insurance claims payable	33,761	10,159	43,920
Payroll payable	27,052	15,068	42,120
Other accrued expenses	457	13,144	13,601
Compensated absences payable	58,198	35,528	93,726
Customer deposits	18,810	- -	18,810
Accrued revenue bond/note interest payable	31,199	- -	31,199
Due to:			
Component unit	23,637	- -	23,637
Other funds	8,307	4,804	13,111
Other governments	- -	297	297
Bonds payable	510,000	- -	510,000
Total current liabilities payable from current assets	886,207	381,793	1,268,000
Noncurrent liabilities			
Bonds payable	3,227,932	- -	3,227,932
Other postemployment benefits payable	5,480,694	3,807,053	9,287,747
Total noncurrent liabilities	8,708,626	3,807,053	12,515,679
Total liabilities	9,594,833	4,188,846	13,783,679
DEFERRED INFLOWS			
OPEB Changes in Assumptions	115,865	80,483	196,348
Unearned Revenues	1,100	- -	1,100
Total deferred inflows of resources	116,965	80,483	197,448
Total liabilities and deferred inflows of resources	9,711,798	4,269,329	13,981,127
NET POSITION			
Net investment in capital assets	3,081,434	9,889,135	12,970,569
Restricted for debt service	345,797	2,597,550	2,943,347
Restricted for customer deposits	- -	- -	- -
Restricted for TIF district	1,408,356	- -	1,408,356
Unrestricted	(5,171,616)	(59,810)	(5,231,426)
Total net position	$ (336,029)	$ 12,426,875	$ 12,090,846

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
Operating revenues:			
Sales and services to customers	$ 1,264,509	$ 2,690,207	$ 3,954,716
Rental fees	1,019,302	79,640	1,098,942
Miscellaneous	- -	1,640	1,640
Total revenues	2,283,811	2,771,487	5,055,298
Operating expenses:			
Personal services	1,974,403	1,096,195	3,070,598
Contractual services	1,663,410	681,713	2,345,123
Materials and supplies	173,792	140,480	314,272
Depreciation	452,222	747,991	1,200,213
Total operating expenses	4,263,827	2,666,379	6,930,206
Operating income (loss)	(1,980,016)	105,108	(1,874,908)
Nonoperating revenues (expenses):			
Interest revenue	4,083	60,478	64,561
Investment earnings	12,237	- -	12,237
Gain (loss) on sale of fixed assets	- -	- -	- -
TIF property taxes	263,926	- -	263,926
Interest & fiscal charges	(212,699)	- -	(212,699)
Total nonoperating revenues (expenses)	67,547	60,478	128,025
Income (loss) before operating transfers and contributions	(1,912,469)	165,586	(1,746,883)
Capital contributions - Energy Rebates	18,265	6,242	24,507
Transfers in	2,316,353	21,062	2,337,415
Transfers(out)	(84,738)	(308,845)	(393,583)
Change in net position	337,411	(115,955)	221,456
Net position at beginning of year (restated Note III.K.)	(673,440)	12,542,830	11,869,390
Net position at end of year	$ (336,029)	$ 12,426,875	$ 12,090,846

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
Cash flows from operating activities:			
Cash received from customers	$ 2,282,233	$ 2,731,223	$ 5,013,456
Cash paid for goods and services	(1,837,280)	(544,938)	(2,382,218)
Cash paid for interfund services	(15,360)	(15,654)	(31,014)
Cash paid to employees	(1,717,550)	(919,435)	(2,636,985)
Net cash provided (used) by operating activities	(1,287,957)	1,251,196	(36,761)
Cash flows from noncapital financing activities:			
Transfers in	2,007,508	21,062	2,028,570
Transfers (out)	(84,738)	- -	(84,738)
Net cash provided by noncapital financing activities	1,922,770	21,062	1,943,832
Cash flows from capital and related financing activities:			
Purchases of capital assets	(6,192)	(376,158)	(382,350)
Acquisition and construction of capital assets	- -	(35,554)	(35,554)
Principal paid on capital debt	(490,000)	- -	(490,000)
Proceeds from the sales of capital assets	- -	- -	- -
Interest paid on capital debt	(186,744)	- -	(186,744)
TIF district property taxes	263,926	- -	263,926
Capital Contributions - Energy Rebates	18,265	6,242	24,507
Net cash used by capital and related financing activities	(400,745)	(405,470)	(806,215)
Cash flows from investing activities:			
Interest received	16,320	60,476	76,796
Net cash provided by investing activities	16,320	60,476	76,796
Net increase in cash and cash equivalents	250,388	927,264	1,177,652
Cash and cash equivalents, July 1, 2017 (including $1,463,309 and $1,391,095 and in restricted accounts)	1,521,163	5,582,900	7,104,063
Cash and cash equivalents, June 30, 2018 (including $1,398,109 and $1,603,416 and in restricted accounts)	$ 1,771,551	$ 6,510,164	$ 8,281,715

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
For the Fiscal Year Ended June 30, 2018

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	$ (1,980,016)	$ 105,108	$ (1,874,908)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	452,222	747,991	1,200,213
Decrease (increase) in prepaid items	40,267	1,153	41,420
Decrease (increase) in accounts receivable	(3,852)	(39,126)	(42,978)
Decrease (increase) in due from other funds	(11,300)	(11,522)	(22,822)
Increase (decrease) in due to other funds	(4,060)	(4,132)	(8,192)
Increase (decrease) in insurance payable	17,068	3,954	21,022
Decrease (increase) in restricted deposits	(9,956)	- -	(9,956)
Increase (decrease) in unearned revenue	100	(1,138)	(1,038)
Increase (decrease) in customer deposits	12,130	- -	12,130
Increase (decrease) in accounts payable	(32,340)	276,391	244,051
Decrease (increase) in deferred outflows	22,179	15,406	37,585
Increase (decrease) in deferred inflows	(23,173)	(16,097)	(39,270)
Increase (decrease) in other postemployment benefits payable	241,518	167,766	409,284
Increase (decrease) in payroll payable	421	(1,965)	(1,544)
Increase (decrease) in other accrued expenses	(463)	25	(438)
Increase (decrease) in due to component unit & other entities	(7,542)	(314)	(7,856)
Increase (decrease) in compensated absences	(1,160)	7,696	6,536
Net cash provided (used) by operations	$ (1,287,957)	$ 1,251,196	$ (36,761)

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

CITY OF CHARLESTON, WEST VIRGINIA
FIDUCIARY FUND FINANCIAL STATEMENTS

Pension Trust Funds These funds are accounted for in essentially the same manner as proprietary funds using the accrual basis of accounting and account for the activities of the Public Safety Employees Retirement System, which accumulates resources for pension benefit payments to qualified public safety employees.

Agency Funds These funds are accounted for using the accrual basis of accounting and are used to account for assets that the City of Charleston, West Virginia holds for others in an agency capacity.

The individual Fiduciary and Agency Fund descriptions and financial statements begin on page 149.

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2018

	Pension Trust Funds	Agency Funds
ASSETS		
Non-pooled cash	$ 1,621,786	$ 3,167,341
Total cash	1,621,786	3,167,341
Investments, at fair value:		
Federal government securities	6,751,644	- -
Collateralized mortgage obligations	2,168,952	- -
Managed bond funds	7,289,480	- -
Managed stock funds	25,215,559	- -
Total investments	41,425,635	- -
Receivables:		
Interest	80,887	- -
Accounts receivable	399	74,073
Due from other funds	- -	19,601
Total receivables	81,286	93,674
Total assets	43,128,707	3,261,015
DEFERRED OUTFLOWS		
Total deferred outflows of resources	- -	- -
LIABILITIES		
Accounts payable	37,297	- -
Refunds payable and other	621,305	3,222,275
Due to: other funds	- -	38,740
Total liabilities	658,602	3,261,015
DEFERRED INFLOWS		
Total deferred inflows of resources	- -	- -
NET POSITION		
Net position restricted for pension benefits	$ 42,470,105	$ - -

(1) A schedule of funding progress for each plan is presented in the Required Supplementary Information section of this report.

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

CITY OF CHARLESTON, WEST VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2018

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	$ 8,635,321
Plan members	1,051,383
Insurance premium surtax	3,472,770
Additional transfers in	3,115,066
Total contributions	16,274,540
Investment income:	
Net increase (decrease) in fair value of investments	2,311,120
Interest and dividends	823,353
Less: investment expense	(184,598)
Net investment income	2,949,875
Total additions	19,224,415
DEDUCTIONS	
Benefits	14,341,506
Administrative expenses	18,655
Refunds of contributions	152,372
Total deductions	14,512,533
Change in net position	4,711,882
Net position restricted for pension benefits:	
Beginning of year	37,758,223
End of year	$ 42,470,105

(1) A schedule of funding progress for each plan is presented in the Required Supplementary Information section of this report.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City of Charleston is a municipal corporation governed by an elected mayor and a twenty-six member council. The accompanying financial statements present the government and its component units as required by accounting principles generally accepted in the United States of America (GAAP).

The services provided by the government and accounted for within these financial statements include law enforcement for the City, health and sanitation services, cultural and recreational programs, and other governmental services.

The accompanying financial statements present the government and its component units as required by GAAP. In determining whether to include a governmental department, agency, commission or organization as a component unit, the government must evaluate each entity as to whether they are legally separate and financially accountable based on the criteria set forth by the Governmental Accounting Standards Board (GASB). Legal separateness is evaluated on the basis of: (1) its corporate name, (2) the right to sue and be sued and, (3) the right to buy, sell or lease and mortgage property. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose will on that organization or (2) there is potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government. Other factors to consider in this evaluation are whether an entity is fiscally dependent on the City of Charleston and there is a financial benefit or burden relationship present regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government, or (3) a jointly appointed board. In addition, an organization should be evaluated if it is closely related to or financially integrated with the primary government.

Blended Component Unit

The entity below is legally separate from the City and meets GAAP criteria for a component unit. This entity is blended with the primary government because it provides services entirely or almost entirely to the City or otherwise exclusively, or almost exclusively, benefits the City even though it does not provide services directly to it.

The City of Charleston Building Commission (the Commission) serves the City of Charleston, West Virginia, and is governed by a board comprised of five members appointed by the City Council for a term of five years each. The Building Commission acquires property and debt on behalf of the City with the approval of the government's council and the legal liability for the general obligation portion of the Commission's debt remains with the government. The Commission does not issue separate financial statements.

Discretely Presented Component Units

The three entities described as follows are legally separate from the City and meet GAAP criteria for a discretely presented component unit of the government. The government either appoints the board or members of the government serve on the board of all three entities and a financial benefit/burden relationship exists or the component unit is fiscally dependent upon the government.

The City of Charleston Sanitary Board serves all the citizens of the City of Charleston and is governed by a three member board comprised of the Mayor and two members appointed by council. The Board is fiscally dependent upon the City since the government’s council must approve rates for user charges and authorize bond issuances.

The City of Charleston Urban Renewal Authority serves the City of Charleston, West Virginia, and is governed by a board comprised of members appointed by the City Council. A financial benefit/burden relationship exists since the government is legally entitled or can otherwise access the Authority's resources. In addition, the Authority is fiscally dependent upon the government since all bond issuance authorizations must be approved by the government's elected council. The City of Charleston Urban Renewal Authority derives its income from the leasing of developed properties.

The City of Charleston Convention and Visitor's Bureau, Inc. (the Bureau) was established in 1979, as a nonprofit corporation. The Bureau is governed by a board comprised of members stipulated to be no less than fifteen but no more than nineteen which consists of three permanent members (the City of Charleston Civic Center Manager, Director of Yeager Airport, and Mayor of the City of Charleston) and the remainder of the board members are appointed by the City Council. A financial benefit/burden relationship exists between the government and the Bureau since the government is legally obligated or otherwise assumed the obligation to provide financial support to the Bureau. The primary purpose of the Bureau is to operate a convention and visitor's bureau for the Charleston, West Virginia area and to advance, stimulate, and promote exhibits, conferences and conventions. The Bureau derives most of its revenue from hotel room taxes. The City of Charleston contributes 50% of the Hotel Occupancy Taxes collected to the Bureau. If these taxes were discontinued, the Bureau's ability to continue in business would be threatened.

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

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements; however, if applicable, inter-fund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major governmental funds are combined into a single column.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when earned and as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collectible within 60 days of the end of the current fiscal period. However, when an asset is recorded in governmental fund financial statements but the revenue is not available, the government reports a deferred inflow of resources until such time as the revenue becomes available. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Also, certain taxpayer-assessed revenues such as business and occupation and utility taxes are accrued as revenue at year end. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

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

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

The government reports the following major governmental funds:

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

The Coal Severance Tax Fund, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia counties.

The Community Development Fund, a special revenue fund, accounts for federal grants received from the U.S. Department of Housing and Urban Development for the purpose of developing "viable urban communities", which are achieved by providing decent housing, a suitable living environment, and expanded economic opportunities principally for low-and moderate income people.

The HOME Fund, a special revenue fund, accounts for federal grants received from the U.S. Department of Housing and Urban Development to provide certain mortgage loans to first-time homebuyers that meet income and credit guidelines.

The Convention and Civic Center Expansion/Renovation Project Fund, a capital project fund, accounts for capital improvements associated with the Charleston Convention and Civic Center Project to be financed with City sales and use tax revenue.

The Rail Trail Project Fund accounts for federal grants to acquire a railroad bridge, railroad trestle, and additional right of way and convert them to a rail trail referred to as the Charleston Kanawha Trestle Trail Project.

The government reports the following major proprietary funds:

The Civic Center is a large multi-purpose meeting, convention and entertainment facility. The Civic Center/Auditorium Board was created in 1953, to supervise, operate, and maintain the Civic Center and the Municipal Auditorium. The Board is appointed by the Mayor with approval of City Council. This fund accounts for the receipts and expenses of the operations of these facilities.

The Parking System Fund consists of parking buildings, parking lots, and metered spaces. The City has delegated a special committee of the Council, designated as the Parking Facilities Committee composed of the Mayor and members of the finance committee of council, to promulgate rules and regulations governing the usage of all the parking facilities. This fund accounts for all receipts and expenses of operating the parking system.

Additionally, the government reports the following fund types:

The Pension Trust Funds account for the activities of the Public Safety Employees Retirement Systems, which accumulates resources for pension benefit payments to qualified public safety employees. These funds are accounted for in essentially the same manner as the proprietary funds, using the accrual basis of accounting.

The Agency Funds account for assets held by the City of Charleston, West Virginia for others in a custodial capacity. The two Civic Center Agency Funds account for revenues from event ticket sales, subsequently dispersed to promoters, and for revenues received for the Cooking Show, the Wedding Show and for a series of reunions the Civic Center is producing which are subsequently paid to the Civic Center once the events are over. The police agency funds account for forfeited funds and confiscated property subsequently dispersed upon court order to the appropriate party. Agency funds are accounted for using the accrual basis of accounting and do not present results of operations or have a measurement focus.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the Civic Center and Parking System (enterprise funds) and the Sanitary Board, Urban Renewal Authority, and Convention and Visitor's Bureau (discretely presented component units) are charges to customers for services. Operating expenses for the enterprise funds include the cost of services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

The City of Charleston, West Virginia's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of less than three months from the date of acquisition.

For purposes of the Statement of Cash Flows, restricted assets may be considered cash equivalents based on liquidity. In accordance with GAAP, the City reports its investments at fair value, except for non-participating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value. All investment income, including changes in fair value of investments, is recognized as revenue in the operating statement. Fair value is determined by quoted market prices.

Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Managed funds related to the retirement systems not listed on an established market are reported at estimated fair value as determined by the respective fund managers based on quoted sales prices of underlying securities. Cash deposits are reported at carrying amount, which reasonably estimates fair value. The composition of investments and fair values are presented in Note III.A.

State statutes authorize the government to invest in the West Virginia Board of Treasury Investments or the West Virginia Municipal Bond Commission, which is reported at amortized cost, or to invest such funds in the following classes of securities: Obligations of the United States or any agency thereof, certificates of deposit (which mature in less than one year), general and direct obligations of the State of West Virginia; obligations of the federal national mortgage association; indebtedness secured by first lien deeds of trust for property situated within this State if the payment is substantially insured or guaranteed by the federal government; pooled mortgage trusts (subject to limitations); indebtedness of any private corporation that is properly graded in the top three ratings, at the time of acquisition; interest earning deposits which are fully insured or collateralized; and mutual funds registered with S.E.C. which have fund assets over three hundred million dollars.

State statute limitations concerning the aforementioned investments include the following: at no time can investment portfolios consist of more than seventy-five percent of the indebtedness of any private corporation nor can the portfolio have more than nine percent invested in securities issued by a single private corporation or association; and at no time can more than sixty percent of the portfolio be invested in equity mutual funds.

As for the investments of the City’s two Municipal Pension Trust Funds (Pension Funds), those investments are governed as to type by West Virginia Code §8-22-22. Pension funds are permitted to invest in all of the above mentioned types of investments with the exceptions of: (1) Direct and general obligations of the State and (2) Pooled mortgage trusts. Additionally, pension funds are permitted to invest funds in the following categories of investments: (1) Repurchase agreements and (2) Common stock, securities convertible into common stocks, or warrants and rights to purchase such securities. Pension funds have different rules concerning the purchase of marketable debt securities.

The following restrictions apply only to pension portfolios and are separate and distinct from the limitations mentioned above: (1) fixed income securities which are issued by one issuer (with the exception of the United States government) are not to exceed five percent of the total pension fund assets; and (2) at no time can the equity portion of the portfolio exceed seventy-five percent of the total portfolio.

2. Receivables and Payables

Inter-fund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "inter-fund receivables or payables" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balance outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

Trade Receivables

All trade receivables are shown at their net realizable value, which includes reductions for estimated portions that are expected to be uncollectible.

Property Tax Receivable

The property tax receivable is equal to 75 percent of the property taxes outstanding at June 30, 2018.

All current taxes assessed on real and personal property have a levy date of the 3rd Tuesday in April of each year. The due date for the taxes is September 1st for the first half and March 1st for the second half of the year. The lien date in which the county sheriff has a legal right to collect is between October 14th and November 23rd of each year. Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If the taxes are not paid on or before the date in which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until the date they are paid. The City receives from the County its portion of property taxes for current and excess levies each month for the preceding month collections.

All municipalities 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, twelve and five-tenths cents (12.5 cents); On Class II property, twenty-five cents (25 cents); On Class IV property, fifty cents (50 cents). In addition, municipalities may provide for an election to lay an excess levy; the rates not to exceed the statutory limitations, provided at least sixty percent of the voters cast ballots in favor of the excess levy.

The rates levied by the City per $100 of assessed valuation for each class of property for the fiscal year ended June 30, 2018, were as follows:

Class of Property	Assessed Valuation for Tax Purposes	Current Expense	Excess Levy	Tax Increment Financing
Class I	$ -	9.79 cents	5.03 cents	9.79 cents
Class II	$ 1,291,704,484	19.58 cents	10.06 cents	19.58 cents
Class IV	$ 1,951,756,429	39.16 cents	20.12 cents	39.16 cents

The City of Charleston, West Virginia held a special election on March 7, 2015. The City was authorized to lay an excess levy to provide approximately $5,157,688 annually for four fiscal years which began fiscal year ended June 30, 2016, through June 30, 2019, for the purpose of subsidizing the payment of current governmental expenses.

3. Restricted Assets

Certain assets of the Civic Center and Parking System enterprise fund revenue bonds as well as certain proceeds set aside for their repayment are classified as restricted assets because their use is limited by applicable bond covenants. Certain assets of the Solid Waste Fund, a special revenue fund, are restricted for solid waste landfill closure expenditures. The "regular" account is used to segregate resources accumulated for debt service payments over the next twelve months and amounts collected from the Tax Incremental Financing District for the Civic Center and Convention Renovation Project. The "restricted cash" account is used to report resources set aside to pay for potential solid waste capital expenditures. The "reserve for bond retirement" account is used to segregate resources accumulated for debt service payments. The "customer deposit" account is used to report the segregation of returnable cash deposits from customers of the utility upon initial receipt of the service.

4. Capital Assets and Depreciation

Capital assets, including property, plant, and equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of $5,000 or more and estimated to have a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed. Interest incurred during the construction phase of proprietary fund capital assets is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds during the same period.

Capital assets of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	25 - 40
Structures and improvements	40
Infrastructure	40 - 50
Machinery and equipment	5 - 10
Vehicles	3 - 5
Furniture	5

5. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. Vacation is accrued on a calendar monthly basis and earned as the employee provides services throughout the year. Employees are allowed accumulate 240 hours at any given time. Uniformed policemen are entitled to carryover 240 hours and firemen cannot carryover any vacation. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government.

6. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Gain or loss upon refunding of debt is reported as deferred inflows or deferred outflows and amortized over the term of the related debt. Bond issuance costs, except prepaid insurance, are expensed as incurred.

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

7. Fund Balances

In the governmental fund financial statements, fund balance is reported in the following classifications:

Non-spendable fund balance	Inventories, prepaid amounts, and endowment corpus represent fund balance amounts that are not in spendable form. The government has $1,839,240 in non-spendable fund balance at fiscal yearend.
Restricted	The restricted category is the portion of fund balance that is externally imposed by creditors, grantors, contributors or laws or regulations. It also is imposed by law through constitutional provisions or enabling legislation. The government has $20,379,429 of restricted fund balance at fiscal yearend.
Committed	The committed category is the portion of fund balance which use is constrained by limitations that have been approved by an order (the highest level of formal action) of the City Council, and that remain binding unless removed in the same manner. By City code all corporate power of the City is vested in and exercised by City Council or under its authority. The approval does not automatically lapse at the end of the fiscal year. The government has $40,041,138 of committed fund balance at fiscal yearend.
Assigned	The assigned category is the portion of fund balance that has been designated by an authorized official such as a member of council, mayor, city manager, finance director or other department head to place constraints on amounts to reflect the government's intent to be used for specific purposes, but are neither restricted nor committed. This authority is allowed by City Code of Ordinances. The government has $1,383,145 of assigned fund balance at fiscal yearend.
Unassigned	The unassigned category is the portion of fund balance that has not been reported in any other classification. Only the general fund can report a positive amount of unassigned fund balance. However, any governmental fund in a deficit position could report a negative amount of unassigned fund balance. The government has $20,512,984 of unassigned fund balance at fiscal yearend.

The City Council is the government's highest level of decision-making authority. City of Charleston, WV Code of Ordinances provides that all the corporate power of the City shall be vested in and exercised by City Council or under its authority. The Council would take formal action by resolution approved by majority vote to establish, modify or rescind a fund balance commitment. The government has adopted a revenue spending policy that provides guidance for programs with multiple revenue sources. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The government has the authority to deviate from this policy if it is in the best interest of the Municipality.

The government does not have a formal minimum fund balance policy except for reference to anticipated fund balance or deficit in the annual budget as described in City Code VI. Division 2 Sec. 2-406 and setting aside stabilization amounts as provided in Resolution No. 875-01 on November 1, 2005.

8. Stabilization Arrangements

The government has created a stabilization arrangement in accordance with West Virginia Code §7-21-3. The government may appropriate a sum to the arrangement from any surplus in the general fund at the end of each fiscal year or from other money available. The amount of money committed to the arrangement may not exceed thirty percent of the government's most recent general fund budget. The money may be used for the purpose covering a general fund shortfall or other purpose the municipality considers appropriate. The stabilization balance at fiscal year-end was $4,194,035.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The government is required to legally adopt an annual budget for its General Fund and Coal Severance Tax Fund, a major special revenue fund. However, there is no such requirement for the Community Development Block Grant and HOME funds, major special revenue funds. Annual budgets are adopted on a basis consistent with GAAP for the General Fund and the Coal Severance Tax Fund, except as noted. All annual appropriations lapse at fiscal yearend.

The governing body of the City is required to hold a meeting or meetings between the seventh and twenty-eighth days of March to ascertain the financial condition of the City and to prepare the levy estimate (budget) for the fiscal year commencing July 1. The budget is then forthwith submitted to the State Auditor for approval. The governing body then reconvenes on the third Tuesday in April to hear objections from the public and formally lay the levy.

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

GENERAL FUND

Amount	Description
$6,322,791	General Government Expenditure Increase
2,639,936	Public Safety Expenditure Increase
321,278	Streets and Transportation Increase
399,824	Health and Sanitation Increase
71,300	Culture and Recreation Decrease
75,000	Social Services Increase
1,143,518	Capital Projects Expenditure Increase

Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances (e.g. purchase orders, contracts) are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year.

The government's budget basis differs from GAAP in the general fund due to: (1) implementation of GASB 54 for GAAP purposes, (2) the allocation of amounts received from the State of West Virginia for pension allocation (see note III.J.) (3) Cost allocation of the pay as you go portion related to other post- employment benefits (4) separate reporting of capital outlay for budgetary purposes and (5) the reflection of business and occupation taxes on the cash basis for budgetary purposes.

Of these differences, only GASB 54 implementation and the method of recording business and occupation taxes have an effect on the fund balance per GAAP basis and budgetary basis as follows:

	Net Change in Fund Balance	Fund Balance
Budgetary Basis	$ (269,671)	$ 5,593,349
Basis of Accounting Difference	(4,695,900)	47,064,746
GAAP Basis	$ (4,965,571)	$ 52,658,095

Intergovernmental revenues - state and public safety expenditures both decreased by $3,472,770, per budget basis for the pension allocation from the State of West Virginia.

The remaining differences in the functional categories per budget and GAAP are attributed to the method in which capital outlay and the pay as you go portion of other post-employment benefits are allocated in the budget.

B. Encumbrances

Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. Encumbrances are listed below for the General Fund, a major fund. There were no other major or non-major funds with encumbrances at June 30, 2018.

Encumbrance Description	General Fund
Professional Services	$ 1,143,151
Contributions To Other Entities	815
Fire Department	4,102
Comprehensive Plan	1,272
Police fine supported training	9,108
Capital Outlays	224,697
	$ 1,383,145

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Cash & Cash Equivalents and Investments

Cash and Cash Equivalents are generally considered short-term, highly liquid investments with a maturity of three months or less from the purchase date.

Investments are recorded at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

At year end, the government had the following investments:

		Credit Risk Rating	
Primary Government	Fair Value	Standard & Poor's and Fitch	Moody's Investment Services
West Virginia Municipal Bond Commission, at amortized cost	$ 1,519,084	Not Rated	Not Rated
WVBTI Short Term Bond Pool	2,857,134	Not Rated	Not Rated
WV Money Market Pool	12,055,773	Not Rated	Not Rated
	16,431,991		
US Treasury N/B 1.25%	98,434	AA+	Not Rated
US Treasury N/B 2%	96,879	AA+	Not Rated
Total Rated Securities	195,313		
Common Stock	171,340	Not Rated	Not Rated
Mutual Funds	1,611,694	Not Rated	Not Rated
Certificates of Deposit	247,815	Not Rated	Not Rated
Total Unrated Securities	2,030,849	Not Rated	Not Rated
Total Primary Government	$ 18,658,153		

Policemen's Pension and Relief	Fair Value	Credit Risk Rating: Standard & Poor's and Fitch	Credit Risk Rating: Moody's Investment Services
U.S Government Securities - Federal Home Ln MTG Corp MTN	$ 490,450	AA+	Aaa
U.S. Government Securities - Federal Farm Cr Bks Bonds	474,395	AA+	Aaa
U.S. Government Securities - Federal Farm Cr Bks Bonds	479,405	AA+	Aaa
U.S. Government Securities - Federal Farm Cr Bks Bonds	472,620	AA+	Aaa
U.S. Government Securities - Federal Home Loan Banks	186,672	AA+	Aaa
U.S. Government Securities - Federal Farm Cr Bks Cons	484,180	AA+	Aaa
U.S. Government Securities - Federal Home Loan Banks	488,080	AA+	Aaa
U.S. Government Securities - Fed Home Ln Mtg Corp Mtn	488,810	AA+	Aaa
Corporate Bonds - Black & Decker	249,007	A-	Baa2
Corporate Bonds -Mattel Inc	99,883	BB-	B3
Corporate Bonds -BP Cap Mkts P L C	99,607	A-	A1
Corporate Bonds - Coca Cola	98,952	A+	Aa3
Corporate Bonds -Ebay Inc	99,166	BBB+	Baa1
Corporate Bonds -Ryder Sys MTN BE	99,364	BBB+	Baa1
Corporate Bonds -JP Morgan Chase & Co	99,055	A-	A3
Corporate Bonds -Merck & Co Inc	98,513	AA	A1
Corporate Bonds -Chevron Corp	98,731	AA-	Aa2
Corporate Bonds -Exxon Mobil Corp	98,595	AA+	Aaa
Corporate Bonds - Consolidated Edison Inc	98,161	BBB+	A3
Corporate Bonds - Ally	100,125	BB+	N/A
Corporate Bonds - Ebay Inc	98,250	BBB+	Baa1
Corporate Bonds - Royal BK CDA	98,073	AA-	A1
Corporate Bonds - General Electric Capital Corp	96,824	A	A2
Corporate Bonds - Bank of Montreal MTN	197,000	N/A	A1
Corporate Bonds - Johnson & Johnson	97,142	AAA	Aaa
Corporate Bonds - Caterpillar Finl Svcs	96,034	A	A3
Corporate Bonds - United Technologies	95,836	A-	A3
Corporate Bonds - Verizon Communications	98,369	BBB+	Baa1
Corporate Bonds - Goldman Sachs Group	96,169	BBB+	A3
Corporate Bonds - HSBC USA	96,253	A	N/A
Corporate Bonds - Ebay Inc	95,488	BBB+	Baa1
Corporate Bonds - Fedex Corp	97,151	BBB	Baa2
Corporate Bonds - Keybank National Association	95,444	A-	A3
Corporate Bonds - Wast Mgmt Inc	97,844	A-	Baa1
Corporate Bonds - Amazon	97,049	AA-	Baa1
Corporate Bonds - Johnson & Johnson	95,701	AAA	Aaa
Corporate Bonds - Goldman Sachs Group	97,374	BBB+	A3
Corporate Bonds - Express Scripts	94,857	BBB+	Baa2
Corporate Bonds - Kellogg Co	95,080	BBB	Baa2
Corporate Bonds - Credit Suisse London	97,350	N/A	A1
Corporate Bonds - Marriot Intl Inc	92,947	BBB	Baa2
Corporate Bonds - 3M Co MTN	90,666	AA-	A1
Corporate Bonds - Bank of America Corp MTN	90,660	A-	A3
Total Rated Securities	7,211,332		
Common Stock	3,849,027		
Exchange Traded Products	9,313,453		
Certificates of Deposit	1,184,110		
Total Unrated Securities	14,346,590		
Total Policemen's Pension and Relief	$ 21,557,922		

	Fair Value	Credit Risk Rating	
		Standard & Poor's and Fitch	Moody's Investment Services
Firemen's Pension and Relief			
U.S Government Securities - Federal Natl Mtg Assn	$ 96,815	AA-	Aaa
U.S Government Securities - Federal Home Ln MTG Corp MTN	490,450	AA+	Aaa
U.S. Government Securities - Federal Farm Cr Bks Cons	479,405	AA+	Aaa
U.S. Government Securities - Federal Farm Cr Bks Cons	472,620	AA+	Aaa
U.S Government Securities - Federal Home Loan Banks	186,672	AA+	Aaa
U.S. Government Securities - Federal Farm Cr Bks Cons	484,180	AA+	Aaa
U.S Government Securities - Federal Home Loan Banks	488,080	AA+	Aaa
U.S Government Securities - Federal Home Ln MTG Corp MTN	488,810	AA+	Aaa
Corporate Bonds - Stanley Black & Decker Inc	249,008	A-	Baa2
Corporate Bonds - Pepsico Inc	99,838	A+	B3
Corporate Bonds - AT & T	99,630	BBB	A1
Corporate Bonds - BP Cap Mkts PLC	99,607	A-	Aa3
Corporate Bonds - Coca Cola	98,952	A+	Baa1
Corporate Bonds - Ebay	99,166	BBB+	Baa1
Corporate Bonds - JP Morgan	99,055	A-	A3
Corporate Bonds - Merck & Co	98,513	AA	A1
Corporate Bonds - Chevron Corp	98,731	AA-	Aa2
Corporate Bonds - Exxon Mobil Corp	98,595	AA+	Aaa
Corporate Bonds - Consolidated Edison Inc	98,161	BBB+	A3
Corporate Bonds - Ally Finl Inc	100,125	BB+	N/A
Corporate Bonds - Ebay Inc	98,250	BBB+	Baa1
Corporate Bonds - Royal Bk CDA	98,073	AA-	A1
Corporate Bonds - General Electric Capital Corp	96,824	A	A2
Corporate Bonds - Bank of Montreal	197,000	Not rated	A1
Corporate Bonds - Johnson & Johnson	97,142	AAA	Aaa
Corporate Bonds - Caterpillar Finl Svcs S BE	96,034	A	A3
Corporate Bonds - United Technologies Corp	95,836	A-	A3
Corporate Bonds - Verizon Communications	98,369	BBB+	Baa1
Corporate Bonds - Goldman Sachs Group Inc	96,169	BBB+	A3
Corporate Bonds - HSBC USA Inc	96,253	A	N/A
Corporate Bonds - Ebay Inc	95,488	BBB+	Baa1
Corporate Bonds - Fedex Corp	97,151	BBB	Baa2
Corporate Bonds - Keybank National Association	95,444	A-	A3
Corporate Bonds - Waste Mgmt Inc	97,844	A-	Baa1
Corporate Bonds - Amazon Com	97,049	AA-	Baa1
Corporate Bonds - Johnson & Johnson	95,701	AAA	Aaa
Corporate Bonds - Goldman Sachs Group Inc	97,374	BBB+	A3
Corporate Bonds - Express Scripts HLDG Co	94,857	BBB+	Baa2
Corporate Bonds - Kellogg Co	95,080	BBB	Baa2
Corporate Bonds - Marriott Intl Inc	92,947	BBB	A1
Corporate Bonds - 3M Co	90,666	AA-	Baa2
Corporate Bonds - Bank of America Corp	90,660	A-	A1
Corporate Bonds - JP Morgan Chase & Co	93,168	A-	A3
Total Rated Securities	6,829,792		
Common Stock	3,524,998		
Exchange Traded Products	8,528,081		
Certificates of Deposit	984,842		
Total Unrated Securities	13,037,921		
Total Firemen's Pension and Relief	$ 19,867,713		

The City's investment in the West Virginia Board of Treasury Investments includes funds held at the West Virginia Municipal Bond Commission (Commission) for the Parking System and Civic Center revenue bond issuances. The West Virginia Legislature created this Commission to act as the fiscal agent/trustee for the bond issuances of the State and its political subdivisions. The oversight of the Commission is the State Treasurer's Office, the State Auditor's Office, and other financial professionals not associated with government. Since 1932, the Legislature has made a blanket appropriation annually to cover possible deficiencies that could arise in State and general obligation sinking fund accounts. Standard & Poor has recognized this annual Legislative appropriation and the Commission's management as a Credit Enhancement Program, and has awarded all West Virginia general obligations administered by the Commission a minimum rating of AA-. The City's fair value position in the pool is the same as the value of the pool shares.

The City has invested in The West Virginia Short Term Bond Pool which was created to invest restricted moneys of the State which have a longer-term investment horizon. The goal of the Pool is to earn an incremental return over the West Virginia Money Market Pool with an objective of Asset growth rather than current income. The Pool is structured as a mutual fund and is limited to monthly withdrawals and deposits by Participants. The risk factor on this Pool is higher than the West Virginia Money Market Pool.

Net investment income and realized gains and losses are declared as dividends on the last day of the month and distributed to the Participants in the Pool on the first day of the following month. Gains and losses (realized and unrealized) are reflected in the net asset value calculated each month. The City's investment in the West Virginia Short Term Bond Pool at June 30, 2018 was $2,857,134. The City also has an investment in the West Virginia Money Market Pool in the amount of $12,055,773.

Credit Risk

It’s the government’s policy to limit its investments as stated in the West Virginia Code §8-13-22a and c and §8-22-22 and §8-22-22a. The specific investments allowed for municipal and pension investments are fully described with all applicable limitations in Note I.D.1. The government does not have a policy for credit risk in addition to governing statutes. As of June 30, 2018, the government's investments were rated using Standard & Poor's and Fitch and Moody's Investment Services.

Interest Rate Risk

The City of Charleston has adopted the provisions of West Virginia Code §8-13-22a and c and §8-22-22 and §8-22-22a (for policemen and firemen's pension plans) as its investment policy, the specific provisions of which are more fully described in Note I.D.1. The government does not have a policy for interest rate risk in addition to the governing West Virginia statutes.

As of June 30, 2018, the City's investments had the following maturities.

Security Type	Fair Value	Less than 1 Year	1-5	6-10	More than 10 Years
Primary Government:					
West Virginia Municipal Bond Commission, at amortized cost	$ 1,519,084	$ 1,519,084	$ -	$ -	$ -
WVBTI Short Term Bond Pool	2,857,134	2,857,134	-	-	-
West Virginia Money Market Pool	12,055,773	12,055,773	-	-	-
US Treasury N/B 1.25%	98,434	-	98,434	-	-
US Treasury N/B 2%	96,879	-	96,879	-	-
Common Stock	171,340	171,340	-	-	-
Mutual Funds	1,611,694	1,611,694	-	-	-
Certificates of Deposit	247,815	247,815	-	-	-
	$ 18,658,153	$ 18,462,840	$ 195,313	$ -	$ -

Security Type	Fair Value	Less than 1 Year	1-5	6-10	More than 10 Years
Policemen's Pension and Relief:					
Federal Home Ln MTG Corp MTN	$ 490,450	$ -	$ 490,450	$ -	$ -
Federal Farm Cr Bks Bonds	474,395	-	474,395	-	-
Federal Farm Cr Bks Bonds	479,405	-	-	479,405	-
Federal Farm Cr Bks Bonds	472,620	-	-	472,620	-
Federal Home Loan Banks	186,672	-	-	186,672	-
Federal Farm Cr Bks Cons	484,180	-	-	484,180	-
Federal Home Loan Banks	488,080	-	-	488,080	-
Fed Home Ln Mtg Corp Mtn	488,810	-	-	488,810	-
Corporate Bonds - Black & Decker	249,007	249,007	-	-	-
Corporate Bonds -Mattel Inc	99,883	99,883	-	-	-
Corporate Bonds - BP Cap Mkts P L C	99,607	99,607	-	-	-
Corporate Bonds - Coca Cola	98,952	98,952	-	-	-
Corporate Bonds -Ebay Inc	99,166	-	99,166	-	-
Corporate Bonds -Ryder Sys MTN BE	99,364	-	99,364	-	-
Corporate Bonds -JP Morgan Chase & Co	99,055	-	99,055	-	-
Corporate Bonds -Merck & Co Inc	98,513	-	98,513	-	-
Corporate Bonds -Chevron Corp	98,731	-	98,731	-	-
Corporate Bonds -Exxon Mobil Corp	98,595	-	98,595	-	-
Corporate Bonds - Consolidated Edison Inc	98,161	-	98,161	-	-
Corporate Bonds - Ally	100,125	-	100,125	-	-
Corporate Bonds - Ebay Inc	98,250	-	98,250	-	-
Corporate Bonds - Royal BK CDA	98,073	-	98,073	-	-
Corporate Bonds - General Electric Capital Corp	96,824	-	96,824	-	-
Corporate Bonds - Bank of Montreal MTN	197,000	-	197,000	-	-
Corporate Bonds - Johnson & Johnson	97,142	-	97,142	-	-
Corporate Bonds - Caterpillar Finl Svcs	96,034	-	96,034	-	-
Corporate Bonds - United Technologies	95,836	-	95,836	-	-
Corporate Bonds - Verizon Communications	98,369	-	98,369	-	-
Corporate Bonds - Goldman Sachs Group	96,169	-	96,169	-	-
Corporate Bonds - HSBC USA	96,253	-	96,253	-	-
Corporate Bonds - Ebay Inc	95,488	-	95,488	-	-
Corporate Bonds - Fedex Corp	97,151	-	97,151	-	-
Corporate Bonds - Keybank National Association	95,444	-	95,444	-	-
Corporate Bonds - Wast Mgmt Inc	97,844	-	97,844	-	-
Corporate Bonds - Amazon	97,049	-	97,049	-	-
Corporate Bonds - Johnson & Johnson	95,701	-	95,701	-	-
Corporate Bonds - Goldman Sachs Group	97,374	-	97,374	-	-
Corporate Bonds - Express Scripts	94,857	-	-	94,857	-
Corporate Bonds - Kellogg Co	95,080	-	-	95,080	-
Corporate Bonds - Credit Suisse London	97,350	-	-	97,350	-
Corporate Bonds - Marriot Intl Inc	92,947	-	-	92,947	-
Corporate Bonds - 3M Co MTN	90,666	-	-	90,666	-
Corporate Bonds - Bank of America Corp MTN	90,660	-	-	-	90,660
Exchange Traded Products	9,313,453	9,313,453	-	-	-
Common Stock	3,849,027	3,849,027	-	-	-
Certificates of Deposit	1,184,110	1,184,110	-	-	-
	$ 21,557,922	$ 14,894,039	$ 3,502,556	$ 3,070,667	$ 90,660

Security Type	Fair Value	Less than 1 Year	1-5	6-10	More than 10 Years
Firemen's Pension & Relief:					
Federal Natl Mtg Assn	$ 96,815	$ -	$ 96,815	$ -	$ -
Federal Home Ln MTG Corp MTN	490,450	-	490,450	-	-
Federal Farm Cr Bks Cons	479,405	-	-	479,405	-
Federal Farm Cr Bks Cons	472,620	-	-	472,620	-
Federal Home Loan Banks	186,672	-	-	186,672	-
Federal Farm Cr Bks Cons	484,180	-	-	484,180	-
Federal Home Loan Banks	488,080	-	-	488,080	-
Federal Home Ln MTG Corp MTN	488,810	-	-	488,810	-
Corporate Bonds - Stanley Black & Decker Inc	249,008	249,008	-	-	-
Corporate Bonds - Pepsico Inc	99,838	99,838	-	-	-
Corporate Bonds - AT & T	99,630	99,630	-	-	-
Corporate Bonds - BP Cap Mkts PLC	99,607	99,607	-	-	-
Corporate Bonds - Coca Cola	98,952	98,952	-	-	-
Corporate Bonds - Ebay	99,166	-	99,166	-	-
Corporate Bonds - JP Morgan	99,055	-	99,055	-	-
Corporate Bonds - Merck & Co	98,513	-	98,513	-	-
Corporate Bonds - Chevron Corp	98,731	-	98,731	-	-
Corporate Bonds - Exxon Mobil Corp	98,595	-	98,595	-	-
Corporate Bonds - Consolidated Edison Inc	98,161	-	98,161	-	-
Corporate Bonds - Ally Finl Inc	100,125	-	100,125	-	-
Corporate Bonds - Ebay Inc	98,250	-	98,250	-	-
Corporate Bonds - Royal Bk CDA	98,073	-	98,073	-	-
Corporate Bonds - General Electric Capital Corp	96,824	-	96,824	-	-
Corporate Bonds - Bank of Montreal	197,000	-	197,000	-	-
Corporate Bonds - Johnson & Johnson	97,142	-	97,142	-	-
Corporate Bonds - Caterpillar Finl Svcs S BE	96,034	-	96,034	-	-
Corporate Bonds - United Technologies Corp	95,836	-	95,836	-	-
Corporate Bonds - Verizon Communications	98,369	-	98,369	-	-
Corporate Bonds - Goldman Sachs Group Inc	96,169	-	96,169	-	-
Corporate Bonds - HSBC USA Inc	96,253	-	96,253	-	-
Corporate Bonds - Ebay Inc	95,488	-	95,488	-	-
Corporate Bonds - Fedex Corp	97,151	-	97,151	-	-
Corporate Bonds - Keybank National Association	95,444	-	95,444	-	-
Corporate Bonds - Waste Mgmt Inc	97,844	-	97,844	-	-
Corporate Bonds - Amazon Com	97,049	-	97,049	-	-
Corporate Bonds - Johnson & Johnson	95,701	-	95,701	-	-
Corporate Bonds - Goldman Sachs Group Inc	97,374	-	97,374	-	-
Corporate Bonds - Express Scripts HLDG Co	94,857	-	-	94,857	-
Corporate Bonds - Kellogg Co	95,080	-	-	95,080	-
Corporate Bonds - Marriott Intl Inc	92,947	-	-	92,947	-
Corporate Bonds - 3M Co	90,666	-	-	90,666	-
Corporate Bonds - Bank of America Corp	90,660	-	-	-	90,660
Corporate Bonds - JP Morgan Chase & Co	93,168	-	-	-	93,168
Exchange Traded Products	8,528,081	8,528,081	-	-	-
Common Stock	3,524,998	3,524,998	-	-	-
Certificates of Deposit	984,842	984,842	-	-	-
	$ 19,867,713	$ 13,684,956	$ 3,025,612	$ 2,973,317	$ 183,828
Totals for interest rate risk	$ 41,425,635	$ 28,578,995	$ 6,528,168	$ 6,043,984	$ 274,488

Concentration of Credit Risk

The government has adopted the provisions contained in West Virginia Code §8-13-22a and c and §8-22-22 and §8-22-22a as its investment policy which does not allow for an investment in any one issuer that is in excess of nine percent of the government's total investment or ten percent of the pension fund total investment. Other limitations on investments are more fully described in Note I.D.I. The government does not have a policy for concentration of credit risk in addition to governing West Virginia statutes.

Any investment in one issuer of five percent or greater must be disclosed in accordance with GAAP. The Policemen's Pension Fund had five mutual fund investments in Ishares Russell Midcap Value ETF, Ishares Russell Midcap Growth ETF, Ishares Core S&P Mid-Cap ETF, Ishares Russell 2000 Value ETF, and SPDR S&P 500 ETF Trust Unit Ser 1 S&P that had seven percent, six percent, six percent, six percent, and five percent respectively; the Firemen's Pension Fund had five mutual fund investments in Ishares Russell Midcap Value ETF, Ishares Russell Midcap Growth ETF, Ishares Core S&P Mid-Cap ETF, Ishares Russell 2000 Value ETF, and SPDR S&P 500 ETF Trust Unit Ser 1 S&P that were seven percent, six percent, six percent, six percent and five percent respectively, of the total portfolio; and Spring Hill Cemetery had five mutual fund investments in Vanguard Growth Index Fund, Baird Aggregate Bond Fund, Credit Suisse Floating Rate High Income, Pimco Investment Grade Corp, and JOHCM International Select Fund that were eight percent, thirteen percent, nine percent, thirteen percent, and six percent, respectively, of the total portfolio at June 30, 2018.

Custodial Credit Risk

The City of Charleston's deposits with financial institutions are fully insured or collateralized by securities held in the government's name at June 30, 2018.

Fair Value of Investments

The City of Charleston measures and records its investments using fair value measurement guidelines established by GAAP. These guidelines recognize a three-tiered fair value hierarchy, as follows:

Level 1: Quoted prices for identical investments in active markets;
Level 2: Observable inputs other than quoted market prices; and,
Level 3: Unobservable inputs.

At June 30, 2018, the Entity had the following recurring fair value measurements.

		Fair Value Measurements Using		
Investments by fair value level - Police Pension	Total	Quoted Price in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Exchange Traded Products (ETPs)	$ 9,313,453	$ 9,313,453	$ -	$ -
Common Stock	3,849,027	3,849,027	-	-
Corporate Bonds	3,646,720	3,646,720	-	-
US Treasury	3,564,612	3,564,612	-	-
Total	$ 20,373,812	$ 20,373,812	$ -	$ -

		Fair Value Measurements Using		
Investments by fair value level - Fire Pension	Total	Quoted Price in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Exchange Traded Products (ETPs)	$ 8,528,081	$ 8,528,081	$ -	$ -
Common Stock	3,524,998	3,524,998	-	-
Corporate Bonds	3,642,760	3,642,760	-	-
US Treasury	3,187,032	3,187,032	-	-
Total	$ 18,882,871	$ 18,882,871	$ -	$ -

B. Receivables

	General	Coal Severance	Community Development	HOME	Rail Trail
Receivables:					
Accounts	$ 5,126,848	$ -	$ -	$ -	$ -
Accrued interest	6,532	-	-	-	-
Taxes	16,916,104	42,183	-	-	-
Loans	-	-	2,781,833	2,842,045	-
Grants	-	-	104,847	40,002	2,449,054
Gross receivables	22,049,484	42,183	2,886,680	2,882,047	2,449,054
Less: allowance for uncollectible	(81,131)	-	(697,336)	-	-
Net total receivables	$ 21,968,353	$ 42,183	$ 2,189,344	$ 2,882,047	$ 2,449,054

	Civic Center	Parking System	Nonmajor Funds and Fiduciary Funds	Total
Receivables:				
Accounts	$ 283,951	$ 164,135	$ 515,157	$ 6,090,091
Accrued interest	-	-	85,872	92,404
Taxes	-	-	-	16,958,287
Loans	-	-	259,309	5,883,187
Grants	-	-	1,234,425	3,828,328
Gross receivables	283,951	164,135	2,094,763	32,852,297
Less: allowance for uncollectible	-	(22,000)	(50,048)	(850,515)
Net total receivables	$ 283,951	$ 142,135	$ 2,044,715	$ 32,001,782

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

	Deferred Inflows	Unearned
Property Taxes	$ 766,332	$ -
Prepaid License Fees, Advance Office Rental, and Prepaid Cemetery Burial Fees (general fund)	-	99,825
Grant draw downs prior to meeting all eligibility requirements	-	5,094,535
Total	$ 766,332	$ 5,194,360

C. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Primary Government			
	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 9,181,692	$ 124,150	$ -	$ 9,305,842
Construction in progress	58,062,719	46,357,116	(8,578,751)	95,841,084
Total capital assets not being depreciated	67,244,411	46,481,266	(8,578,751)	105,146,926
Capital assets being depreciated:				
Buildings and improvements	51,848,976	595,964	(29,809)	52,415,131
Structures and improvements	22,036,466	6,111,062	-	28,147,528
Machinery and equipment	19,757,182	1,174,552	(770,350)	20,161,384
Vehicles	21,051,650	2,345,120	(1,653,321)	21,743,449
Furniture	340,010	-	-	340,010
Infrastructure	103,663,182	1,741,662	-	105,404,844
Total capital assets being depreciated	218,697,466	11,968,360	(2,453,480)	228,212,346
Less accumulated depreciation:				
Buildings and improvements	(25,246,122)	(1,162,390)	29,809	(26,378,703)
Structures and improvements	(12,271,604)	(785,964)	-	(13,057,568)
Machinery and equipment	(15,651,413)	(1,358,620)	768,890	(16,241,143)
Vehicles	(14,706,319)	(2,271,845)	1,600,773	(15,377,391)
Furniture	(340,264)	-	-	(340,264)
Infrastructure	(64,176,503)	(2,190,148)	-	(66,366,651)
Total accumulated depreciation	(132,392,225)	(7,768,967)	2,399,472	(137,761,720)
Total capital assets being depreciated, net	86,305,241	4,199,393	(54,008)	90,450,626
Governmental activities capital assets, net	$ 153,549,652	$ 50,680,659	$ (8,632,759)	$ 195,597,552

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 4,366,447	$ -	$ -	$ 4,366,447
Construction in progress	319,593	323,998	(290,365)	353,226
Total capital assets, not being depreciated	4,686,040	323,998	(290,365)	4,719,673
Capital assets being depreciated:				
Buildings and improvements	68,208,743	12,182	(2,617)	68,218,308
Structures and improvement	783,577	-	-	783,577
Machinery and equipment	2,230,845	372,089	(7,598)	2,595,336
Vehicles	183,718	-	-	183,718
Total capital assets being depreciated	71,406,883	384,271	(10,215)	71,780,939
Less accumulated depreciation:				
Buildings and improvements	(56,219,951)	(1,049,970)	2,617	(57,267,304)
Structures and improvements	(525,918)	(26,513)	-	(552,431)
Machinery and equipment	(1,890,310)	(95,349)	7,598	(1,978,061)
Vehicles	(88,997)	(28,381)	-	(117,378)
Total accumulated depreciation	(58,725,176)	(1,200,213)	10,215	(59,915,174)
Total capital assets being depreciated, net	12,681,707	(815,942)	-	11,865,765
Business-type activities capital assets, net	$ 17,367,747	$ (491,944)	$ (290,365)	$ 16,585,438

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

Governmental activities:	
General government	$ 2,742,397
Public safety	2,154,469
Highways and streets, including depreciation of general infrastructure assets	1,078,389
Health and sanitation	590,102
Culture and recreation	1,123,409
Social services	80,201
Total depreciation expense-governmental activities	$ 7,768,967
Business-type activities:	
Civic Center	$ 452,222
Parking System	747,991
Total depreciation expense-business-type activities	$ 1,200,213

Construction in Progress

The government has active construction projects as of June 30, 2018. The projects include street, retaining walls, Bike/ Pedestrian trail, Civic Center expansion and renovation, and Fire Station Remodel. At year end, the amounts for governmental and business-type activities spent-to-date are as follows:

Project	Spent-to-Date	Funded
Fire Stations Remodel & Upgrades	$ 1,248,024	General Fund
Timberview Drive Culvert	1,584	General Fund
Fiber Optics City Wide	50,543	General Fund
Myrtle Road Storm Sewer	29,407	General Fund
Safe Routes to School - Piedmont Elementary	494,262	General Fund
South Side Bridge Inspection & Rehabilitation	112,039	General Fund
Rails to Trails Bike / Pedestrian Path	2,157,537	General Fund
Civic Center Expansion & Renovation	92,065,360	Sales & Use Tax
Parking Meters	35,554	Parking
Total	$ 96,194,310	

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2018, is as follows:

Interfund receivables/payables:

Receivable Fund	Payable Fund	Purpose	Amount
General	Civic Center	Reimbursements Insurance/Fuel	$ 8,307
Civic Center	Nonmajor Governmental Fund	Debt Service	169
Civic Center	General Fund & Civic Center Project	Insurance reimbursements, and computer	12,850
General	Parking System	Reimbursement Insurance/Fuel	4,804
Parking	General	Validated Tickets	12,006
General	CDBG	Reimbursement Salary & Utilities	99,941
General	Home	Reimbursement Salary & Utilities	11,342
General	Nonmajor Governmental Fund	Reimbursements Salaries, loans, and transfer of fines	1,169,496
Rail Trail Project Fund	Nonmajor Governmental Fund	Transfers for projects	169,880
Nonmajor Governmental Funds	General Fund	Endowment and Loans	35,856
Nonmajor Governmental Funds	Rail Trail Project Fund	Loans for grant reimbursement	1,520,994
Nonmajor Governmental Funds	Nonmajor Governmental Fund	Loans & Transfers	4,604,297
Nonmajor Governmental Funds	Agency Fund	Reimbursements	19,139
	Total		$ 7,669,081

Interfund transfers:

	Transfers In								
	General Fund	Civic Center Project Fund	Rail Trail	Springhill Cemetary	Nonmajor Governmental	Civic Center	Parking System	Agency Funds	Total Transfers Out
Transfers out:									
General fund	$ 10,480,319	$ 1,170	$ 1,690,443	$ 16,700	$ 11,774,925	$ 1,844,051	$ 10,837	$ 10,000	$ 25,828,445
Coal severance tax	-	-	-	-	-	139,226	-	-	139,226
Nonmajor governmental funds	3,657,624	-	-	-	634,001	24,231	10,225	-	4,326,081
Parking	-	-	-	-	-	308,845	-	-	308,845
Civic Center	-	-	-	-	84,738	-	-	-	84,738
Total Transfers In	$ 14,137,943	$ 1,170	$ 1,690,443	$ 16,700	$ 12,493,664	$ 2,316,353	$ 21,062	$ 10,000	$ 30,687,335

The general fund interfund transfers provide appropriations to subsidize the Civic Center for healthcare, debt service and operating costs. The general fund interfund transfers also supports the various capital project and debt service needs throughout the City.

E. Leases

Capital Leases

The government has entered into lease agreements as lessee for financing the acquisition of recreation, office equipment and public safety equipment. These lease agreements qualify as capital leases for accounting purposes, and, therefore have been recorded at the present value of the future minimum lease payments as of the inception date.

On November 17, 2016, the City of Charleston issued $4,310,000 of Taxable Lease Revenue Refunding and Improvement Bonds (The City of Charleston Stadium Project), Series 2016A. The proceeds of which are to be used to current to currently refund the Series 2004 Bonds, pay the costs of improvements to the facilities by upgrading and replacing the technology in the scoreboard and pay costs of issuance.

The assets acquired through capital leases are as follows (We noted an error in the prior year note in the machinery, equipment and vehicles amount. The adjustment was made in this fiscal year):

Asset	Governmental Activities	Civic Center	Parking System
Appalachian Power Park	$ 21,438,651	$ -	$ -
Machinery, equipment and vehicles	16,063,849	-	196,998
Less: accumulated depreciation	(19,037,384)	-	(196,998)
Total	$ 18,465,116	$ -	$ -

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018, were as follows:

Year Ending June 30	Governmental Activities
2019	$ 3,023,367
2020	2,553,795
2021	1,871,484
2022	1,239,160
2023	759,454
2024-2028	1,193,332
Total minimum lease payments	10,640,592
Less: amount representing interest	(561,653)
Present value of minimum lease payments	$ 10,078,939

F. Long Term Operating Leases

The City is the owner of a ball park stadium and has entered into a stadium license, lease, and service agreement with a class Single "A" baseball club. The lease is for a period of twenty years. This parcel of land known as the "Morris Square Block" also contains an office building which the City leases under operating leases with commercial tenants with various renewable terms. The ball park and Morris Square office building are recorded at a cost of $21,438,651 plus land and renovations at a cost of $8,667,220 for a total of $30,105,871 with accumulated depreciation of $7,756,511 at June 30, 2018. Rents totaled $705,186 for the fiscal year 2018. The rents are generally based upon square footage and are payable in monthly, quarterly, or annual installments in accordance with the respective lease agreements.

Minimum future rentals to be received on non-cancelable leases have remaining terms in excess of one year as of June 30, 2018 for each of the next five years and thereafter and in the aggregate are as follows:

June 30,	Amount
2019	$ 691,711
2020	624,271
2021	641,155
2022	641,155
2023	641,155
2024-2028	1,431,191
Total	$ 4,670,638

G. Long-term Debt

General Obligation Bonds

The government has issued general obligation bonds to provide for the acquisition and construction of major capital facilities in prior years; however, the City as of June 30, 2018 has no general obligation bonds payable.

Revenue Bonds

The City has issued bonds in prior years where the government pledged designated revenues to pay debt service. The proceeds of these bonds were used to acquire or construct assets. The City has the following revenue bonds outstanding at June 30, 2018:

Governmental Activities:

The Charleston Building Commission, a blended component unit of the City, issued the Public Safety Center Refunding Lease-Revenue Bonds Series 2009 in the amount of $1,180,000 to current refund the 1999 Series which was used to acquire, construct, and equip a new public safety center. The bonds are secured by a first lien on the rental payments to be paid to the Commission pursuant to the Contract of Lease - Purchase between the Commission and the City. The irrevocable pledge of lease payments are required to be in sufficient amount to pay principal in the amount of $565,000 and interest in the amount of $88,910 on the bonds when due until bond maturity in 2024. During the fiscal year 2018 lease payments in the principal amount of $80,000 and interest in the amount of $27,530 were used to pay the debt service on these bonds.

The Charleston Building Commission, a blended component unit of the City, issued the Charleston Building Commission Lease-Revenue Refunding Bonds (Center for Arts and Sciences of West Virginia Project), Series 2010 in the amount of $2,280,000 to current refund the 1999 Series which was used to acquire and equip the Center. These bonds are a limited special obligation of the Commission payable solely from the revenues and receipts derived from leasing the equipment. The irrevocable pledge of lease payments are required to be in sufficient amount to pay principal in the amount of $1,095,000 and interest in the amount of $168,163 on the bonds when due until bond maturity in 2024. During the fiscal year 2018 lease payments in the principal amount of $160,000 and interest in the amount of $52,344 were used to pay the debt service on the bonds.

The City of Charleston issued Sales Tax Revenue Bonds (Civic Center Renovation Project), Series 2015, on August 17, 2016 in the amount of $97,250,000. These bonds were issued to renovate the existing Civic Center. The City of Charleston implemented a Sales Tax Ordinance requiring that the Municipal Sales Tax Revenues each quarter be utilized to satisfy the debt service requirements and any prior debt service requirements deficit each fiscal year on, and to replenish any required reserves in accordance with the bond documents for, any bonds issued by, or other obligations incurred by, the City, from time to time, including any refunding bonds, to finance improvements to the Charleston Convention and Civic Center. These revenues are required to be sufficient to pay the principal amount of $3,818,000 and interest amount of $3,479,369.

Revenue Bonds – Business-type Activities

The City of Charleston, WV Civic Center Improvement Bonds, Series 1998 in the amount of $3,635,000 were issued for the purpose of acquiring, equipping and making improvements to the Charleston Civic Center secured by revenues pledged from hotel occupancy tax and coal severance tax. Remaining revenues pledged are equal to the outstanding debt in the principal amount of $1,300,000 and interest in the amount of $241,995 until bond maturity in 2023. During the fiscal year 2018 these pledged revenues were used to pay the principal amount of $180,000 and interest amount of $75,480 were used to pay the debt service on these bonds which is 5.4% of the specified revenues.

The Civic Center Refunding Improvement Bonds, Series 2009, in the amount of $3,275,000 were issued to current refund the Series 1999 which were issued to construct additions, betterments, and improvements to the Civic Center secured by pledged revenues from hotel occupancy tax and coal severance tax. Remaining revenues pledged are equal to the principal amount of $1,795,000 and interest amount of $285,050 until bond maturity in 2024. During the fiscal year 2018 these pledged revenues were used to pay the principal amount of $220,000 and interest amount of $81,000 on these bonds which is 4.71% of the specified revenues.

The Charleston Building Commission Civic Center Refunding Lease Revenue Bonds, Series 2009 issued in the amount of $1,325,000 to current refund the Series 1999 which were issued for the acquisition, construction, and new equipment installed at the Civic Center payable solely from revenues to be derived from lease payments to the Commission. This irrevocable pledge of lease payments is required to be sufficient in amount to pay principal of $710,000 and interest of $112,320 until bond maturity in 2024. During the fiscal year 2018 lease payments in the principal amount of $90,000 and interest amount of $32,100 were used to pay the debt service on these bonds.

Revenue bonds outstanding, net of unamortized discounts of $107,570 (Public Safety Center $12,083; Center for the Arts & Sciences $28,419; and Civic Center of $67,068) at year end are as follows:

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance June 30, 2018
Governmental activities:					
Public Safety Center Refunding Series 2009	2024	3.00-4.40%	$ 1,180,000	$ (615,000)	$ 565,000
Center for the Arts & Sciences Refunding Series 2010	2024	3.10-4.375%	2,280,000	(1,185,000)	1,095,000
Civic Center Project Series 2015	2035	4%	97,250,000	(10,178,000)	87,072,000
Less: Bond discount			(163,895)	123,394	(40,501)
Total governmental activities			$ 100,546,105	$ (11,854,606)	$ 88,691,499
Business-type activities:					
Civic Center Improvement Series 1998	2023	4.60-5.10%	$ 3,635,000	$ (2,335,000)	$ 1,300,000
Civic Center Improvement Refunding Series 2009	2024	3.00-4.40%	3,275,000	(1,480,000)	1,795,000
Civic Center Lease Revenue Series 1999 Series 2009	2024	3.00-4.40%	1,325,000	(615,000)	710,000
Less: Bond discount			(1,061,733)	994,665	(67,068)
Total revenue bonds			$ 7,173,267	$ (3,435,335)	$ 3,737,932

Revenue bond debt service requirements to maturity are as follows:

Year Ended	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2019	$ 4,221,000	$ 3,401,025	$ 510,000	$ 166,800
2020	4,380,000	3,236,225	530,000	143,780
2021	4,545,000	3,064,957	550,000	119,510
2022	4,727,000	2,887,236	570,000	94,310
2023	4,916,000	2,702,136	610,000	67,490
2024-2028	26,253,000	10,546,130	1,035,000	47,475
2029-2033	27,208,000	5,234,270	-	-
2034-2038	12,482,000	632,370	-	-
Totals	$ 88,732,000	$ 31,704,349	$ 3,805,000	$ 639,365

Changes in Long-term Liabilities

	Governmental Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	$ 92,790,000	$	$ (4,058,000)	$ 88,732,000	$ 4,221,000
Less deferred amounts:					
Bond discount	(47,343)	-	6,842	(40,501)	-
Total bonds payable	92,742,657	-	(4,051,158)	88,691,499	4,221,000
Capital leases	10,316,103	2,820,500	(3,057,664)	10,078,939	2,839,748
Net OPEB obligation	279,132,633	12,867,592	-	292,000,225	-
Net pension liability	345,775,829	-	(11,041,530)	334,734,299	-
Claims and judgments	3,945,896	69,164	-	4,015,060	-
Governmental activities Long-term liabilities	$ 731,913,118	$ 15,757,256	$ (18,150,352)	$ 729,520,022	$ 7,060,748

	Business-type Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds payable	$ 4,295,000	$ -	$ (490,000)	$ 3,805,000	$ 510,000
Less: deferred amounts:					
Bond discount	(77,997)	-	10,929	(67,068)	-
Total bonds payable	4,217,003	-	(479,071)	3,737,932	510,000
Total OPEB obligation	8,878,463	409,284	-	9,287,747	-
Compensated absences	87,189	100,795	(94,258)	93,726	93,726
Business-type activities Long-term liabilities	$ 13,182,655	$ 510,079	$ (573,329)	$ 13,119,405	$ 603,726

For the governmental activities, the General Fund has been used to liquidate other long-term liabilities.

Conduit Debt

On June 17, 2009, the Charleston Building Commission, a blended component unit of the City, issued the Charleston Building Commission University Facilities Revenue Bonds (The University of Charleston, Inc.) Series 2009 in the principal amount of $22,000,000 for the purpose of financing the costs of designing, acquiring, constructing and equipping an approximately 150-bed student housing facility upon the University of Charleston campus and designing, acquiring and constructing an approximately 525-space motor vehicle parking facility upon the University of Charleston campus. This debt was issued for the express purpose of providing financing to a specific third party that is not a part of the City of Charleston financial reporting entity. This obligation bears the name of the Charleston Building Commission, however, the Commission is not responsible for the payment of the original debt but rather the debt is secured by payments to be paid by the nongovernmental entity.

H. Restricted Assets and Investments

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

	Governmental Activities	Business-type Activities
Customer deposits	$ -	$ 327,523
Cash - contractual agreement	486,917	-
Debt service	4,070,453	-
WV Board of Treasury short term bond pool - investment	2,857,134	-
WV Board of Treasury money market pool - investment	12,055,773	-
Endowment fund - investments	2,226,162	-
West Virginia Municipal Bond Commission	179,153	1,339,931
TIF District account	-	1,398,109
Revenue bond operations and maintenance account	-	1,603,416
Total restricted assets and investments	$ 21,875,592	$ 4,668,979

I. Fund Balance Detail

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

	General Fund	Coal Severance	Community Development	HOME	Convention & Civic Center Project	Rail Trail Project	Nonmajor Funds	Total
Nonspendable:								
Prepaids-Insurance	$ 547,986	$ --	$ --	$ --	$ --	$ --	$ --	$ 547,986
Perpetual Care Cemetery	--	--	--	--	--	--	1,291,254	1,291,254
Restricted:								
Civic Center capital improvements	--	--	--	--	6,989,518	--	--	6,989,518
Police protection	--	--	--	--	--	--	364,651	364,651
Public trusts lands	--	--	--	--	--	--	44,893	44,893
Human Rights	--	--	--	--	--	--	15,602	15,602
Ball Park	--	--	--	--	--	--	90,693	90,693
Perpetual Care Cemetery	--	--	--	--	--	--	1,157,466	1,157,466
Equipment lease purchases	1,867,862	--	--	--	--	--	--	1,867,862
Debt service	369,667	42,211	--	--	--	--	5,534,442	5,946,320
Economic Development	--	--	3,403	--	--	--	150,408	153,811
Municipal Court	--	--	--	--	--	--	124,826	124,826
Public Arts	--	--	--	--	--	--	148,160	148,160
Landfill Closure	--	--	--	--	--	--	3,354,872	3,354,872
Historic Preservation	--	--	--	--	--	--	2,601	2,601
Committed:								
Highway beautification	--	--	--	--	--	--	31,459	31,459
Civic Center debt & pension reserve	14,768,099	--	--	--	--	--	--	14,768,099
Public Safety	12,282	--	--	--	--	--	7,950	20,232
Sanitation	--	--	--	--	--	--	416,655	416,655
Bridges, highways & infrastructure	--	--	--	--	--	--	4,579,583	4,579,583
Civic Center capital improvements	7,216,014	--	--	--	--	--	336,350	7,552,364
Municipal Auditorium capital improvements	--	--	--	--	--	--	138,327	138,327
City facilities capital improvements	--	--	--	--	--	--	6,302,391	6,302,391
Employee Insurance	6,025,453	--	--	--	--	--	--	6,025,453
Recreational soccer fields	--	--	--	--	--	--	3,081	3,081
Culture and Recreation	--	--	--	--	--	--	56,630	56,630
Community development	72,757	--	--	--	--	--	165,229	237,986
Ball Park	--	--	--	--	--	--	27,032	27,032
Assigned:								
Professional government services	1,145,238	--	--	--	--	--	--	1,145,238
Public Safety	237,900	--	--	--	--	--	--	237,900
Culture and Recreation	7	--	--	--	--	--	--	7
Unassigned	20,512,984	--	--	--	--	--	--	20,512,984
Total fund balances	$ 52,776,249	$ 42,211	$ 3,403	$ -	$ 6,989,518	-	$ 24,344,555	$ 84,155,936

J. Benefits Funded by the State of West Virginia

For the year ended June 30, 2018, the State of West Virginia contributed estimated payments on behalf of the government's public safety employees in accordance with West Virginia State Code §33-3-14d. These contributions are funded by State collections of insurance premium tax and are shown in the General Fund (Employer) Statement of Revenues, Expenditures, and Changes in Fund Balance as Intergovernmental-State revenues and as Public Safety Expenditures for the contribution to the Police and Fire Pension Funds in accordance with GAAP. The State contributions were deposited directly into the Policemen's and Firemen's Pension Funds as follows:

Plan	Amount
Policemen's Pension and Relief Fund	$ 1,737,631
Firemen's Pension and Relief Fund	1,735,139
Total	$ 3,472,770

K. Restatement of Beginning Fund Balance and Net Position

Beginning fund balance for the Police & Fire Donation fund was restated at July 1, 2017 due to a payable amount that was not recorded. Governmental activities net position was restated at July 1, 2017 due to a payable amount that was not recorded. Governmental Activities and Business-type Activities beginning net positions for July 1, 2017 were both restated due to the implementation of *GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*

	Police & Fire Donation
Fund balance, as previously stated	$ 8,980
Add:	
Accounts Payable	(162)
Total fund balance, restated	$ 8,818

	Governmental Activities	Business-type Activities
Net Position, as previously stated	$ (210,327,627)	$ 18,156,672
Add:		
Deferred Outflows	7,089,891	225,511
Less:		
Accounts Payable	(162)	-
OPEB Liability	(241,726,050)	(6,277,174)
Deferred Inflows	(7,407,671)	(235,619)
Total net position, restated	$ (452,371,619)	$ 11,869,390

IV. OTHER INFORMATION

A. Risk Management

The government is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries insurance with Commercial Insurance Services for umbrella (general liability) insurance for these various risks.

The City covers its workers' compensation liability by retaining and self-insuring the first $300,000 of each claim and maintaining layers of excess insurance that indemnifies the City for claims costs exceeding its self-insured retention limits. A Letter of Credit for $750,000 is held as collateral by the Offices of the Insurance Commissioner as security for the City's self-insured retention. No amounts have been drawn upon or are outstanding on the Letter of Credit at June 30, 2018. Claims are adjusted through a third-party administrator contracted by the City.

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

Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The liability for claims and judgments include an amount for claims that have been incurred but not reported (IBNRs). An excess coverage insurance policy covers individual claims in excess of $300,000 for liability retention and loss and $600,000 for workers' compensation retention-all employees. Settlements have not exceeded coverage for each of the past three fiscal years. Changes in the balances of claims liabilities during the past two years are as follows:

	Year Ended 6/30/2017	Year Ended 6/30/2018
Unpaid claims, beginning of fiscal year	$ 4,092,452	$ 3,945,896
Incurred claims (including IBNRs)	1,497,482	1,865,405
Claims paid	(1,644,038)	(1,796,241)
Unpaid claims, end of fiscal year	$ 3,945,896	$ 4,015,060

The government is the owner and permit holder for the City of Charleston's landfill. In accordance with the provisions of an Operating Agreement between the government and contractor dated February 15, 1994, the government maintains a contingency fund for the closure/post closure costs for the landfill in the event of default by contractor.

B. Contingent Liabilities

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

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

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

C. Deferred Compensation Plan

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

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

D. Joint Venture

The Kanawha-Charleston Board of Health is a multi-government arrangement which qualifies as a joint venture. An annual contract is signed between the Board, Kanawha County and the City of Charleston. The Kanawha-Charleston Board of Health is a separate and specific activity which is jointly controlled by the County and City due to their shared responsibility for appointment of the five-member Board. In addition, there is an ongoing financial responsibility for the participating governments pursuant to Article 2, Chapter 16, and Paragraph 14 of the Code of West Virginia which states in part "the appointing authorities for local boards of health shall provide financial support for the operation of the local health department." It further authorizes the county or municipality to appropriate and spend money from the general funds for public health purposes and to pay the expenses of the operation of the local board of health services and facilities. There is no ongoing financial interest for the participating governments. Complete financial statements for the Kanawha-Charleston Board of Health can be obtained at the entity's administrative offices.

E. Donor-Restricted Endowment

The City of Charleston was a recipient of a donor-restricted endowment for the Spring Hill Cemetery. The corpus of the trust is non-expendable and only the income earned from the trust may be spent for the general care and maintenance of the cemetery. The government's council at its regular meeting held on November 16, 1970, adopted a resolution authorizing the creation of Spring Hill, Inc. and charged the corporation with the management of funds it might receive for the perpetual care of Spring Hill Cemetery. The corporation qualified as a tax-exempt organization under Section 501(c) (13) of the Internal Revenue Code of 1954. The unspent endowment earnings of $1,056,833 since the inception may be spent for the general maintenance of the cemetery. This amount is reported in the government's net assets as restricted for perpetual care-expendable.

F. Unrestricted Net Position (Deficit)

Total unrestricted net position before OPEB liability and net pension liability	$ 47,257,233
Less: OPEB liability	301,287,972
Less: Net pension liability - PERS	6,125,431
Less: Net pension liability - Police and Fire	328,608,868
Less: Deferred inflows of resources - OPEB	6,369,407
Add: Deferred outflows of resources - OPEB	6,096,168
Less: Deferred inflows of resources – net pension liability - PERS	1,849,709
Add: Deferred outflows of resources - net pension liability - PERS	3,157,183
Less: Deferred inflows of resources – net pension liability - Police and Fire	245,653
Add: Deferred outflows of resources - net pension liability - Police and Fire	486,058
Total unrestricted deficit	$ (587,490,298)

G. Post-Employment Healthcare Plan

IV: G.1. Plan Descriptions, Contribution Information, and Funding Policies

The City of Charleston, West Virginia provides continuation of medical insurance to employees that retire under the WV Public Employees Retirement System, the City of Charleston's Policemen's Pension & Relief Fund, and the Firemen's Pension & Relief Fund. The City maintains a single employer self-insured defined benefit health plan including dental and vision administered by HealthSmart Benefit Solutions, Inc., a third-party administrator. The health plan levels of benefits, employee contributions, and employer contributions were authorized by the City Council and any amendments to the health plan must be approved and authorized by the Council. The health plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the health plan. The health plan does not issue a separate report. The activity of the health plan is reported in the General Fund, Civic Center Revenue Fund, and Parking System Revenue Fund.

Under the substantive plan provisions all Medicare retirees are covered under a Medicare Advantage plan that is fully-insured and experience-rated. At January 1, 2018 premium rates for medical for single are $188.52 and for retiree and spouse $292.50.

Due to State law WV 8-12-8; retirees must not pay more for health care coverage than active employees. As a result, all members who were hired after July 1, 1984 will all pay the same contributions at retirement. In the prior valuation, all employees hired after July 1, 2000 contribute a) the COBRA rate less b) a 2.0% credit for every year of service (limited to 50%).

Due to the substantive plan provision change, the health care coverage election rate assumption for retirees who were hired after July 1, 2000 has increased. Since these retirees will no longer pay the full cost of coverage, 90% of active employees with current coverage and no coverage are assumed to elect coverage at the end of the sick leave benefits free-period. It is assumed that 100% of inactive employees with current coverage will elect coverage and that there will be no inactive employees with no coverage. Upon death of the retiree or active employee, it is assumed 40% of the surviving spouses will elect coverage.

Non-uniform employees are eligible to receive retiree health care coverage at the earlier of age 55 with 25 years of service; or age 60 with 5 years of service.

Police and fire uniform employees are eligible to receive retiree health care coverage at the earlier of age 50 with 20 years of service or age 65.

Upon the death of the retiree or active employee, the surviving spouse may continue coverage by paying the full COBRA rate.

The City subsidizes retiree health care coverage for lifetime. The City's subsidy depends on the hire date. Retirees receive free coverage if they are eligible for sick leave benefits at retirement. Once the sick leave benefits end, retirees are responsible for the portion of the premium rate not subsidized by the City. Effective as January 1, 2018 the monthly retiree contribution for non-tobacco users is as follows:

	Under 65		Over 65	
Date of Hire	Single	Retiree & Spouse	Single	Retiree & Spouse
Before July 1, 1984				
Non-uniform employees are eligible to receive retiree health care coverage at the earlier of age 55 with 25 years of service; or age 60 with 5 years of service.	$ 189	$ 293	$ 92	$ 96
Uniform	$ 162	$ 239	$ 92	$ 96
July 1, 1984 to present	$ 189	$ 293	$ 92	$ 96

The City does not have a practice of increasing the retiree contributions. For GASB 75 purposes, it was assumed that these rates will increase by 4.0% annually.

Active general employees hired before January 1, 2015 and police and fire employees hired before January 1, 2013 can roll over an unlimited number of unused sick leave annually, which upon retirement can be converted to free health care coverage at two days of unused sick leave for one month of single coverage or three days for one month family coverage. Active general employees hired on or after January 1, 2015 and police and fire employees hired on or after January 1, 2013 can convert up to six months of unused sick time for single coverage and up to four and a half months for family coverage.

The same benefit options are available to retirees as active employees. Effective January 1, 2015 the City’s health plan becomes self-insured for all participants (pre-Medicare and post-Medicare retirees).

The monthly COBRA rates effective on January 1, 2018 are $765.94 for medical and prescription drugs for single and $1,531.88 for employee and spouse.

The number of participants as of June 30, 2018 the effective date of the OPEB GASB 74/75 actuarial valuation, was 786 active employees and 502 retired employees.

Employees who retire under the WV Public Employees Retirement System (P.E.I.A.) have the option of maintaining the City's OPEB plan or electing P.E.I.A insurance.

The City's current funding policy for post-employment health care benefits is on a pay-as-you-go basis.

The government does not provide post-retirement health benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the City. However, employees who elect COBRA are covered under the City's self-insured health plan as are all active employees and those retired employees who maintain City health plan coverage.

IV: G.2. Actuarial Methods and Assumptions

In the June 30, 2018 actuarial valuation, the assumptions used represent a reasonable long-term expectation of future OPEB outcomes. As national economic and employer experience change over time, the assumptions will be tested for ongoing reasonableness and, if necessary, updated.

There were changes to the actuarial methods and assumptions since the previous GASB valuation for fiscal year ending June 30, 2017. The City of Charleston implemented *GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* in fiscal year 2018. In accordance with GASB No. 75, the actuarial cost has been updated from Projected Unit Credit with linear proration to decrement to Entry Age Normal Level % of Salary. In conjunction with this change, the payroll growth assumption has been updated from 3.00% per year to 3.00% per year plus annual merit scales based on the West Virginia Public Employees' Retirement System actuarial valuation as of June 30, 2017. The net impact of these changes is an increase in the City's liabilities.

The City also implemented the following change in accordance with GASB No. 75. The discount rate as of the Measurement Date has been updated to be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale) tax-exempt, high quality 20-year municipal bonds. The prior full valuation used a discount rate of 5.00%. The current full valuation uses a discount rate of 3.58% as of June 30, 2017 and 3.87% as of June 30, 2018. This change has caused a significant increase in liabilities as of the beginning of the year and a decrease in liabilities during the year. The discount rate will be updated annually to reflect market conditions as of the Measurement Date.

The mortality assumption has been updated from a RPH-2016 Total Dataset Mortality fully generational using Scale MP-2016 to RPH-2017 Total Dataset Mortality Table fully generational using ScaleMP-2017. This change led to a slight decrease in liabilities.

The Health care trend rates have also been reset to prior year levels, as noted below.

Census Data Census data was provided by the City in May 2018 and no material modifications were made to the census data.

Measurement Date June 30, 2018

Discount Rate 3.58 % as of July 1, 2017 and 3.87% as of June 30, 2018

Payroll Growth 3.0% general wage inflation per year plus the annual merit scale based on the West Virginia Public Employees' Retirement System actuarial valuation as of June 30, 2017. The rates are as follows: Age 20, Rate 3.00%; Age 30, Rate 1.60%; Age 40, Rate 1.10%, Age 50, Rate 0.85%; Age 60+, Rate 0.35%.

Cost Method Entry Age Normal Level % of Salary Method where: Service cost for each individual participant, payable for the date of employment to date of retirement, is sufficient to pay for the participant's benefits at retirement; and Annual Service Cost is constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.

Employer Funding Policy Pay-as-you-go cash basis.

Mortality SOA RPH-2017 Total Dataset Mortality Table fully generated with Scale MP-2017.

Disability None.

Sick Leave Benefits Percentage of employees eligible for the sick leave benefits at retirement is assumed to be: 1) 90% for police officers 2) 60% for general employees and firefighters. All employees eligible for the sick leave benefit are assumed to have five years of free coverage.

For general employees hired after January 1, 2015 and police and fire employees hired after January 1, 2013, it is assumed that none of them gets the sick leave benefits at retirement due to the short duration of the sick leave that can be converted to health coverage upon retirement.

Conversion to free health care at retirement is based on two days sick leave (24 hours) for one month of single coverage or three days sick leave (36 hours) for one month family coverage.

Health Care Trend Rates: FYE 2019 9.00% current, 8.5% prior; FYE 2020 8.5% current, 8.00% prior; FYE 2021 8.00% current, 7.50% prior; FYE 2022 7.5% current, 7.00% prior; FYE 2023 7.00% current, 6.5% prior; FYE 2024 6.5% current, 6.00 % prior; FYE 2025 6.00% current, 5.50% prior; FYE 2026 5.50%, 5.00% prior; FYE 2027+ 5.00% current and prior.

Retiree Contributions Retiree contributions are assumed to increase 4% annually.

IV: G.3. Plan Descriptions, Contribution Information, Funding Policies, and Total OPEB Liability

Total Other Post-Employment Benefits (OPEB) Liability:

The components of net OPEB liability at June 30, 2018, were as follows:

	Governmental Activities	Business-type Activities
Total OPEB liability	$ 292,000,225	$ 9,287,747
Plan fiduciary net position	-	-
Plan net OPEB liability	$ 292,000,225	$ 9,287,747
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%
Discount Rate	3.870%	3.870%

In accordance with GASB No. 75, the discount rate is 3.58% as of July 1, 2017 and 3.87% as of June 30, 2018. Under GASB No. 75, the discount rate used in valuing OPEB liabilities for unfunded plans as of the Measurement Date must be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

Sensitivity of the net OPEB liability to the Discount Rate Assumption

Other Post-Employment Benefits Liability:

1% Decrease 2.87%	Discount Rate Assumption 3.87%	1% Increase 4.87%
$ 358,723,415	$ 301,287,972	$256,514,326

Sensitivity of the net OPEB liability to the Health Care Trend Assumption

Other Post-Employment Benefits Liability:

1% Decrease 8.0%	Discount Rate Assumption 9.0%	1% Increase 10.00%
$ 253,742,495	$ 301,287,972	$ 362,941,001

Changes in the Net OPEB Pension Liability - Governmental & Business-type Actvities

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances at June 30, 2017	$ 288,011,096	$ - -	$ 288,011,096
Changes for the year:			
Service cost	11,106,811	- -	11,106,811
Interest	10,565,286	- -	10,565,286
Differences between expected & actual experience	7,315,402	- -	7,315,402
Changes of assumptions or other inputs	(7,643,289)	- -	(7,643,289)
Contributions - employer	- -	8,067,334	(8,067,334)
Contributions - employee	- -	- -	- -
Net investment income	- -	- -	- -
Benefit payments, including refunds of employee contributions	(8,067,334)	(8,067,334)	- -
Administrative expense	- -	- -	- -
Net changes	13,276,876	- -	13,276,876
Balances at June 30, 2018	$ 301,287,972	$ - -	$ 301,287,972

Pension Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the government recognized the following pension expenses.

OPEB expense $21,617,449

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

OPEB

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 6,096,168	$ - -
Changes of assumptions	- -	(6,369,407)
	$ 6,096,168	$ (6,369,407)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2019	$	(54,648)
2020		(54,648)
2021		(54,648)
2022		(54,648)
2023		(54,647)
Total	$	(273,239)

V. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

On July 1, 2014, the government implemented GASB Statement No. 68, Governmental Accounting Standards Board Statement Number 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*.

V:A.1. Plan Descriptions, Contribution Information, Funding Policies, and Net Pension Liability

The City of Charleston, West Virginia participates in two single employer, public employee retirement systems. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans, as follows:

The Policemen's Pension and Relief Fund (PPRF) provides retirement benefits for full-time police employees hired prior to June 1, 2011. Unless otherwise indicated, PPRF information in this Note is provided as of the latest actuarial valuation, July 1, 2017 and GASB Statement No. 67 Plan Reporting and Accounting Schedules and GASB No. 68 Accounting and Financial Reporting for Pensions at measurement date of June 30, 2018.

The Firemen's Pension and Relief Fund (FPRF) provides retirement benefits for full-time fire employees hired prior to June 1, 2011. Unless otherwise indicated, FPRF information in this Note is provided as of the latest actuarial valuation, July 1, 2017 and GASB Statement No. 67 Plan Reporting and Accounting Schedules GASB No. 68 Accounting and Financial Reporting for Pensions at measurement date of June 30, 2018.

The City of Charleston includes the financial statements of the Policemen's Pension and Relief fund and the Firemen's Pension and Relief fund with the financial statements of the City. The statements of both funds can be found on pages 149 - 150. The Pension funds do not have separate financial statements.

The State contracts an actuary to perform actuarial valuations annually per West Virginia State Code §8-22-20. For additional information relating to basis of accounting and reported investment values, see Notes I.C., I.D.1. And IV.A.

The Firemen's Pension and Relief Fund (FPRF) and the Policemen's Pension and Relief Fund (PPRF) recognizes benefits and refunds when due and payable in accordance with the terms of the plans.

Management of the pension plans is vested in the boards for the Policemen's Pension and Relief Fund and the Firemen's Pension and Relief Fund, which consists of the mayor of the City of Charleston and four members of the paid police department and paid fire department, respectively. The members serve on staggered four year terms. There is an annual election to elect a member to succeed, for a term of four years, the retiring member for each fund. The presiding officer of the board of trustees for each fund is the mayor of the City of Charleston and the secretary is appointed by the board.

In accordance with WV Code Chapter §8-22-18a, the West Virginia Municipal Pensions Oversight Board assists municipal board of trustees in performing their duties, assuring the funds' compliance with applicable laws, providing for actuarial studies, distributing the premium tax revenues to the funds and taking other actions reasonably necessary to provide for the security and fiscal integrity of the pension funds.

The oversight board has established minimum requirements for training to be completed by each member of the board of trustees of a Municipal Policemen's or Firemen's Pension and Relief fund. The requirements include, but not limited to, training in ethics, fiduciary duty and investment responsibilities. As of July 1, 2017 memberships of the plans are as follows:

Group	PPRF	FPRF	Totals
Active Employees	108	118	226
Vested Terminated Benefits	4	2	6
Retirees and Beneficiaries Currently Receiving Benefits	216	235	451
Total	328	355	683

These plans are defined benefit plans. The following is a summary of funding policies, contribution methods and benefit provisions.

As of June 1, 2011, the City of Charleston has elected to fund benefit obligations using the Conservation Method as defined in West Virginia Code §3-22-20 (f)(1), and effected by the passage of Senate Bill No. 544.

The key features of the Conservation Method, effective for plan years beginning after April 1, 2011, are summarized below:

The current local Plan is closed to new employees as of the adoption of the Conservation funding policy.

New employees are covered in the newly established multiple employer statewide plan-Municipal Police Officers and Firefighters Retirement System ("MPFRS").

Benefits and expenses in the closed local Plan are financed by contributions made to two asset accounts:

The first asset account (Benefit Payment Account) is used to finance benefits and expenses for the fiscal year on a pay-as-you-go basis. Sources to pay current year benefits and expenses include minimum employee contributions of 6.5% of pay, a portion of the premium tax allocation not assigned to the accumulation account as defined below, and employer contributions.

The second account (Accumulation Account) cannot be used to pay benefits and expenses until assets exceed actuarial liabilities. Contributions to the accumulation account include employee contributions of 1.5% of pay and a percentage of premium tax allocation. The percentage of premium tax allocation is based on the amounts needed to produce 100% funding of liabilities in 35 years when considering assets from both the benefit payment account and the accumulation account. This account also includes the Fund's assets prior to the adoption of the Conservation Method. The employer contributions will be made from the City's General Fund and will be used directly to pay benefits not covered by member contributions or the premium tax allocation. The Plan's assets will accumulate in the closed Pension and Relief Fund and no benefits or expenses will be paid from this trust until the funded ratio exceeds 100%.

Under the funding methodology for the Conservation Method of financing, the fund's market value of assets is projected to be greater than zero for all plan years prior to the end of the 15-year projection period. Accordingly, this contribution methodology satisfies the minimum standard for actuarial soundness.

Employer contributions for the Policemen's Pension and Relief Fund are expected to increase from $5,817,953 for the plan year ending June 30, 2019, to a high of $11,183,030 for the plan year ending June 30, 2039. Employer contributions for the Firemen's Pension and Relief Fund are expected to increase from $6,439,033 for the plan year ending June 30, 2019, to a high of $11,178,299 for the plan year ending June 30, 2039.For the Policemen's Pension Fund the funded ratio is projected to increase from 13% in 2019 to 48% in 2039, and ultimately to 100% in 2046. For the Firemen's Pension Fund the funded ratio is projected to increase from 11% in 2019 to 52% in 2039, an ultimately to 100% in 2046. This policy defers contributions and produces virtually no significant growth in the funded ratio until the last 10 years of the projection period. This policy is not consistent with generally accepted actuarial principles.

GASB 67 establishes standards of financial reporting for defined benefit plans and specifies the required approach to measuring the pension liability of employers and nonemployer contributing entities for benefits provided through the pension plan (the net pension liability).

GASB 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense / expenditures. For defined benefit plans, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service (www.GASB.org).

Actuarial Methods and Assumptions

	PPRF	FPRF
Determination of contribution requirement	Actuarially determined	Actuarially determined
Employer	Contributes annually an amount which, together with contributions from the members and the allocable portion of the State premium tax fund, will be sufficient to meet the normal cost of the fund and amortize any actuarial deficiency over a period of not more than thirty years in accordance with West Virginia State Code §8-22-10. However, municipalities may elect to finance benefit obligations using the Conservation Method as defined in West Virginia State Code §8-22-20 (f)(1) and effected by the passage of Senate Bill No. 544.	

Plan Members	8% of covered payroll and 9.5% if hired after January 1, 2010	
Period Required to Vest	No vesting occurs. If separation from employment occurs the member is entitled to a refund of his/her contributions only.	
Benefit Terms	In accordance with WV State Code the annual benefit equals 60% of average annual compensation, not less than $6,000, plus an additional percentage of average annual compensation for service over 20 years equal to 2% for each year of service between 20 and 25 and 1% for each year of service between 25 and 30 years. Employees serving in the military are eligible for an additional 1% of average annual compensation for each year of military service up to four years. The maximum benefit is limited to 75% of average annual compensation. Benefits continue for life.	
Post-Retirement Benefit Increases	On July 1 following two years of retirement, benefit equal to the percentage increase in the Consumer Price Index, limited to 4% (2% for some disability retirees), multiplied by the sum of the allowable amount (first $15,000 of initial benefits paid) and the accumulated supplemental pensions paid in prior years.	
Eligibility for Distribution	Members are eligible at the earlier of age 50 with 20 years of credited service or age 65.	
Provisions for:	PPRF	FPRF
Disability Benefits	Yes	Yes
Death Benefits	Yes	Yes
Valuation Date	7/1/2017 and projected to the measurement date of June 30, 2018.	7/1/2017 and projected to the measurement date of June 30, 2018.
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method/Period	30-Year Closed Level-Percentage-of-Pay 24 years remaining as of July 1, 2017	30-Year Closed Level-Percentage-of-Pay 24 years remaining as of July 1, 2017
	The sponsor finances benefits using the Conservation policy as defined by State statute. This policy does not directly amortize the unfunded actuarial liability. The policy is projected to fully finance the closed group actuarial liability by 2046 for both plans.	
Actuarial Asset Valuation Method	Fair Value	Fair Value
Investment Rate of Return	4.5% per year before 2047; 6% thereafter	
Projected Salary Increases	Service Based Increase	Service Based Increase

Years of Service	Increase	Years of Service	Increase
1	20.0%	1	20.0%
2	6.5%	2	6.5%
3	3.5%	3	3.5%
4	2.75%	4	2.75%
5-9	2.50%	5-9	2.50%
10-29	2.00%	10-29	2.00%
30-34	1.25%	30-34	1.25%

0% increases for service over 34.

Post-Retirement COLA	2.75% on first $15,000 of Annual Benefit and on the accumulated supplemental pension amounts for prior years.	2.75% on first $15,000 of Annual Benefit and on the accumulated supplemental pension amounts for prior years.
Wage Inflation	3.75%	3.75%

Increase in State Insurance Premium Tax Allocation	2.75% on and after year 1	2.75% on and after year 1
Retirement	Age Rates 50 45% 51-55 30% 56-59 35% 60 100%	Age Rates 50 45% 51-55 30% 56-59 35% 60 100%
Percent Married	90%	90%
Spouse Age	Females 3 years younger than males	Females 3 years younger than males

Mortality rates for both plans were based on the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The disabled mortality assumption was updated to the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, set forward 4 years, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The pre-retirement mortality assumption was updated to the RP-2014 Blue Collar Total Employee Mortality table, with generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales.

The City of Charleston's Policemen's Pension and Relief Fund Board of Trustees has established an Investment Policy Statement for the purpose of providing general guidelines for the prudent investment management of its fund's assets. The Board has elected to delegate the investment management duties for the fund to one or more professional investment manager(s) who shall be guided by and adhere to the overall investment policy guidelines as permitted by the West Virginia Code Section §8-22-22(a), as amended by H.B. 2832, H.B. 2638, and S.B. 4007. The pension has elected to be administered by the Conservation Method, as outlined in Senate Bill 544.

Unless more frequently necessitated by unusual changes in the economic and investment cycles or by material changes in the fund's basic underlying investment objectives, the board will annually review their investment policy and obtain an independent performance evaluation of the fund as required by WV State Code.

The Pension Board has set a general asset allocation guideline for the investment of the fund's total combined assets as follows: Equities 25%- 75%; Fixed Income 25%-70%; and Cash and Cash Equivalents 2%-25%.

The City of Charleston's Firemen's Pension and Relief Fund Board of Trustees has established an investment policy of diversification of investments in accordance with West Virginia Code §8-22-22. The board has elected to delegate the investment management duties for the fund to one professional investment manager who shall be guided by and adhere to the overall investment requirements in West Virginia Code §8-22-22 and §8-22-22a.

In accordance with the Code the maximum equity allocation shall be 60%. The cash allocation should not exceed estimated payments for a period of ninety days. The asset allocation guideline for the investment of the fund's total combined assets shall be as follows: Cash 0%-10%; Bonds 35%-70%; Stocks 25%-60%. The cash allocation shall include balances held in the bank checking account. In regard to the equity allocation, the manager is required to inform the Trustees of any upward changes in the allocation that result from additional purchases rather than changes in the market value.

Rate of Return: The money-weighted rate of return on pension plan investments, net of pension plan expense, for fiscal year ended June 30, 2018 was 8.08 percent for the Policemen's Pension and Relief Fund. For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan expense, was 8.07 percent for the Firemen's Pension and Relief Fund. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The components of net pension liability for the Policemen's and Firemen's Pension and Relief Fund at June 30, 2018, were as follows:

	PPRF	FPRF
Total pension liability	$ 179,287,576	$ 191,791,397
Plan fiduciary net position	(22,407,738)	(20,062,367)
Plan net pension liability	$ 156,879,838	$ 171,729,030
Plan fiduciary net position as a percentage of total pension liability	12.50%	10.46%
Discount Rate	4.417%	4.385%

In accordance with GASB No. 67 & GASB No. 68 a single discount rate of 4.417% for the Policemen's Pension and 4.385% for the Firemen's Pension was used to measure the total pension liability as of June 30, 2018. These single discount rates were based on the expected rate of return on pension plan investments of 4.5% before 2046 and 6.000% after 2046, and the municipal bond rate of 3.62%. The projection of cash flows used to determine these single discount rates assumed that the Plan sponsor would make the statutory required contribution as defined by the funding policy. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments, on behalf of current plan members, after plan year 2046. Therefore, the single discount rate of 4.417% for the Policemen's Pension and 4.385% for the Firemen's Pension was applied to all periods of projected benefit payments to determine the total pension liability.

For purposes of developing the single equivalent discount rate, it was assumed benefits are discounted at the municipal bond rate if paid from the pay-as-you go Benefit Account, or at the long-term expected rate of return if paid from the Accumulation Account. A long-term expected rate of return was assumed after 2046 of 6.0%. The long-term rate of return assumes assets in the Accumulation Account are invested in a well-diversified portfolio with 40% to 50% allocated to equities.

The present values of benefits to be provided through the pension plans to current active and inactive plan members for the Policemen's Pension and Relief Fund and the Firemen's Pension and Relief Fund are $208,470,300 and $217,034,300, respectively.

Sensitivity of the net pension liability to the Single Discount Rate Assumption

Policemen's Pension and Relief Fund:

1% Decrease 3.4170%	Discount Rate Assumption 4.4170%	1% Increase 5.4170%
$ 186,061,025	$ 156,879,838	$ 133,675,813

Firemen's Pension and Relief Fund:

1% Decrease 3.3847%	Discount Rate Assumption 4.3847%	1% Increase 5.3847%
$ 202,644,023	$ 171,729,030	$ 147,132,958

Changes in the Net Pension Liability - Policemen's Pension and Relief Fund

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances at June 30, 2017	$ 180,888,957	$ 20,042,001	$ 160,846,956
Changes for the year:			
Service cost	3,766,725	- -	3,766,725
Interest	7,612,050	- -	7,612,050
Differences between expected & actual experience	(4,059,168)	- -	(4,059,168)
Changes of assumptions or other inputs	(1,852,553)	- -	(1,852,553)
Contributions - employer	- -	7,380,065	(7,380,065)
Contributions - employee	- -	525,513	(525,513)
Net investment income	- -	1,540,163	(1,540,163)
Benefit payments, including refunds of employee contributions	(7,068,435)	(7,068,435)	- -
Administrative expense	- -	(11,569)	11,569
Net changes	(1,601,381)	2,365,737	(3,967,118)
Balances at June 30, 2018	$ 179,287,576	$ 22,407,738	$ 156,879,838

Changes in the Net Pension Liability - Firemen's Pension and Relief Fund

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances at June 30, 2017	$ 190,446,627	$ 17,716,222	$ 172,730,405
Changes for the year:			
Service cost	3,812,937	- -	3,812,937
Interest	8,083,617	- -	8,083,617
Differences between expected & actual experience	(1,328,621)	- -	(1,328,621)
Changes of assumptions or other inputs	(1,797,321)	- -	(1,797,321)
Contributions - employer	- -	7,843,092	(7,843,092)
Contributions - employee	- -	525,870	(525,870)
Net investment income	- -	1,409,712	(1,409,712)
Benefit payments, including refunds of employee contributions	(7,425,842)	(7,425,842)	- -
Administrative expense	- -	(6,687)	6,687
Net changes	1,344,770	2,346,145	(1,001,375)
Balances at June 30, 2018	$ 191,791,397	$ 20,062,367	$ 171,729,030

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

For the year ended June 30, 2018, the government recognized the following pension expenses.

	PPRF	FPRF
Pension expense	$9,934,995	$12,100,536

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

Policemen's Pension and Relief Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference non-investment experience	$ - -	$ (4,159,895)
Changes of assumptions	3,006,876	(6,593,949)
Difference due to investment experience	46,779	(1,164,562)
	$ 3,053,655	$ (11,918,406)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2019	$ (5,427,591)
2020	(2,962,284)
2021	(344,587)
2022	(130,289)
Total	$ (8,864,751)

Firemen's Pension and Relief Fund

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference - non-investment experience	$ - -	$ (991,846)
Changes of assumptions	1,535,512	(5,884,804)
Difference - investment experience	16,267	(1,086,029)
	$ 1,551,779	$ (7,962,679)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:		
2019	$	(4,923,567)
2020		(1,043,672)
2021		(321,185)
2022		(122,476)
Total	$	(6,410,900)

V.B.1 Plan Descriptions, Contribution Information and Funding Policies

Public Employees Retirement System (PERS)

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

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

	Public Employees' Retirement System (PERS)
Eligibility to participate:	All City full-time employees, except those covered by other pension plans.
Authority establishing contribution obligations and benefit provisions:	State Statute
Plan member's contributions rate:	4.50% for employees hired before July 1, 2016 and 6.00% for employees hired after July 1, 2016.
City's contribution rate:	11%
Period required to vest:	Five Years
Benefits and eligibility for distribution:	A member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 10) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion:	No
Provisions for:	
Cost of Living	No
Death Benefits	Yes

V.B.2. Trend Information

Fiscal Year	Cost	Contributed
2018	$ 2,043,729	100%
2017	2,238,435	100%
2016	2,513,283	100%
2015	2,456,565	100%
2014	2,526,476	100%
2013	2,372,689	100%
2012	2,399,128	100%
2011	2,046,007	100%
2010	1,799,608	100%
2009	1,675,990	100%

PERS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees' Retirement System, 4101 MacCorkle Avenue. S.E., Charleston, West Virginia 25304.

V.B.3. Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At fiscal year-end, the government reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017 using the actuarial assumptions and methods described in the appropriate section of this note. The government's proportion of the net pension liability was based on a projection of the government's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2018, the government reported the following proportions and increase/decrease from its proportion measured as of June 30, 2017:

	PERS
Amount for proportionate share of net pension liability	$ 6,125,431
Percentage for proportionate share of net pension liability	1.419052%
Increase/(decrease) % from prior proportion measured actual earnings on pension plan investments	0.091877%

For the year ended June 30, 2018, the government recognized the following pension expense.

	PERS
Government-wide pension expense	$ 1,503,927

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

Public Employees Retirement System (PERS)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions		
Net difference between projected and actual earnings on pension plan investments	$ - -	$ (1,489,153)
Difference between expected and actual experience	545,100	(13,552)
Deferred difference in assumptions	- -	(317,712)
Changes in proportion and differences between government contributions and proportionate share of contributions	568,354	(29,292)
Government contributions subsequent to the measurement date	2,043,729	- -
	$ 3,157,183	$ (1,849,709)

The amount reported as deferred outflows of resources resulting from government contributions subsequent to the measurement date but before the end of the City's reporting period will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts will be reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2019	$ (603,546)
2020	494,146
2021	451,790
2022	(35,641)
2023	(1,043,004)
Total	$ (736,255)

V.C.1 Plan Descriptions, Contribution Information and Funding Policies

Municipal Police Officers and Firefighters Retirement System (MPFRS)

The City of Charleston, West Virginia, participates in a cost-sharing multiple-employer statewide defined benefit pension plan on behalf of police and firefighters employed by the City after June 1, 2011. The system is administered by the State of West Virginia and funded by contributions from participants and employers as necessary.

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

Municipal Police and Firefighters Retirement System (MPFRS)

Eligibility to participate:	All full-time police and firefighters employed by the City after June 1, 2011

Authority establishing contribution Obligations and benefit provisions:	State Statute
Plan member's contribution rate:	8.5%
City's contribution rate:	8.5%
Period required to vest:	No vesting occurs. If separation from employment occurs the member is entitled to a refund of his/her contributions only.
Benefits and eligibility for distribution:	A member who has attained age 50 when age and contributory service Equals 70 (excluding military service) or has attained age 60 and completion of 10 years contributory service (excluding military service). The final average salary is the average of the highest annual compensation received by the member during covered employment for any 5 consecutive plan years (Jan. 1-Dec. 31) within the last 10 years of service. The accrued benefit on behalf of any member is calculated as follows: Final Average Salary x Years of Credited Service x Benefit Percentage 2.6% x FAS x Years of Service for years 1-20 2.0 % x FAS x Years of Service for years 21-25 1.0% x FAS x Years of Service for years 26-30
Provisions for:	
Cost of Living	Yes
Death Benefits	Yes

V.C.2. Trend Information

Municipal Police and Firefighters Retirement System (MPFRS)

Police

Fiscal Year	Annual Pension Cost	Percentage Contributed
2018	$ 264,399	100%
2017	$ 222,403	100%
2016	$ 168,547	100%
2015	$ 105,816	100%
2014	$ 59,623	100%
2013	$ 28,547	100%

Fire

Fiscal Year	Annual Pension Cost	Percentage Contributed
2018	$ 173,967	100%
2017	$ 144,771	100%
2016	$ 102,015	100%
2015	$ 55,174	100%
2014	$ 46,744	100%
2013	$ 8,544	100%

MPFRS issues a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Consolidated Retirement Board, 4101 MacCorkle Avenue. S.E., Charleston, West Virginia 25304.

V.C.3. Pension Liability, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At fiscal year-end, the government reported the following asset for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017 using the actuarial assumptions and methods described in the appropriate section of this note. The government's proportion of the net pension asset was based on a projection of the government's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2017, the government reported the following proportions and increase/decrease from its proportion measured as of June 30, 2016:

	MPFRS - Police	MPFRS - Fire
Amount for proportionate share of net pension asset	$ 735,550	$ 478,801
Percentage for proportionate share of net pension asset	26.194802%	17.051321%
Increase/(decrease) % from prior proportion measured actual earnings on pension plan investments	0.035580%	1.227391%

For the year ended June 30, 2017, the government recognized the following pension expense.

	MPFRS - Police	MPFRS - Fire
Government-wide pension expense	$ (8,412)	$ (9,307)

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

Municipal Police Officers and Firefighters Retirement System - Police

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ - -	$ (27,243)
Difference between expected and actual experience	19,383	- -
Changes in assumptions	- -	(70,463)
Changes in proportion and differences between government contributions and proportionate share of contributions	- -	(28,110)
Government contributions subsequent to the measurement date	264,399	- -
	$ 283,782	$ (125,816)

Municipal Police Officers and Firefighters Retirement System - Fire

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ - -	$ (17,733)
Differences between expected and actual experience	12,618	- -
Changes in assumptions	- -	(45,868)
Changes in proportion and differences between government contributions and proportionate share of contributions	15,691	(56,236)
Government contributions subsequent to the measurement date	173,967	- -
	$ 202,276	$ (119,837)

The amount reported as deferred outflows of resources resulting from government contributions subsequent to the measurement date but before the end of the City's reporting period will be recognized as a reduction of the net pension liability in the subsequent period. Other amounts will be reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended	Police	Fire
June 30, 2019	$ (16,826)	$ (17,037)
June 30, 2020	(14,214)	(14,989)
June 30, 2021	(14,217)	(14,985)
June 30, 2022	(18,214)	(17,485)
June 30, 2023	(24,337)	(21,313)
June 30, 2024	(12,113)	(13,615)
June 30, 2025	(4,265)	(691)
June 30, 2026	(1,987)	2,150
June 30, 2027	(217)	2,150
June 30, 2028	(43)	3,546
June 30, 2029	-	741
	$ (106,433)	$ (91,528)

V.D. Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2017 and rolled forward to June 30, 2018 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

Public Employee Retirement System

Actuarial Assumptions

Inflation Rate	3.00%
Salary Increases	3.35% - 6.00%
Investment Rate of Return	7.50%

Mortality Rates:

Healthy males – 110% of R. P. 2000 Non-annuitant, Scale AA
Healthy females – 101% of R. P. 2000 Non-annuitant, Scale AA

Disabled males – 96% of R. P. 2000 Disabled Annuitant, Scale AA
Disabled females – 107% of R. P. 2000 Disabled Annuitant, Scale AA

The actuarial assumptions used in the July 1,2016 PERS valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

Municipal Police Officers and Firefighters Retirement System

Actuarial Assumptions

Inflation Rate	3.00%
Salary Increases	By age from 4.75% at age 30 declining to 3.25% at age 65
Investment Rate of Return	7.50%

Mortality Rates:

Active – RP2000 non-annuitant mortality table; scale BB; retired and disabled – RP2000 healthy 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 estimates 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 plan:

Investment	Long-term Expected Real Rate of Return	Target Asset Allocation All Plans	Weighted Average Expected Real Rate of Return
Primary Government:			
US Equity (Russell 3000)	7.0%	27.5%	1.9%
International Equity (ACWI ex US)	7.7%	27.5%	2.1%
Core Fixed Income	2.7%	7.5%	0.2%
High Yield	5.5%	7.5%	0.4%
Real Estate	7.0%	10.0%	0.7%
Private Equity	9.4%	10.0%	0.9%
Hedge Funds	4.7%	10.0%	0.5%
TIPS	2.7%	0.0%	0.0%
Total		100.00%	6.76%
Inflation (CPI)			1.9%
			8.7%

Discount Rate

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

The following chart represents the sensitivity of the net pension liability/asset to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net position liability/asset 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 Discount Rate 7.50%	1% Increase 8.50%
Government's proportionate share of PERS's net pension liability	$ 16,957,430	$ 6,125,431	$ (3,033,238)
Government's proportionate share of MPFRS Police net pension asset	$ (544,328)	$ (735,550)	$ (878,050)
Government's proportionate share of MPFRS Fire net pension asset	$ (354,326)	$ (478,801)	$ (571,560)

Pension Plan's 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 by writing to the West Virginia Consolidate Public Retirement Board, 4101 MacCorkle Avenue SE, Charleston, West Virginia 25304.

V.D.2 Newly Issued Accounting Pronouncements

The Governmental Accounting Standards Board has also issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for fiscal years beginning after June 15, 2017. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.

The Governmental Accounting Standards Board has issued Statement No. 83, Certain Asset Retirement Obligations, effective for fiscal years beginning after June 15, 2018. The requirements of this Statement will enhance comparability of financial statements among governments by establishing uniform criteria for governments to recognize and measure certain asset retirement obligations (AROs), including obligations that may not have been previously reported. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring disclosures related to those AROs. The City of Charleston has not yet determined the effect that the adoption of GASB Statement No. 83 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 84, Fiduciary Activities, effective for fiscal years beginning after December 15, 2018. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. Greater consistency and comparability enhances the value provided by the information reported in financial statements for assessing government accountability and stewardship. The City of Charleston has not yet determined the effect that the adoption of GASB Statement No. 84 may have on its financial statements.

The Governmental Accounting Standards Board has also issued Statement No. 87, Leases, effective for fiscal years beginning after December 15, 2019. The requirements of this Statement will increase the usefulness of governments' financial statements by requiring reporting of certain lease liabilities that currently are not reported. It will enhance comparability of financial statements among governments by requiring lessees and lessors to report leases under a single model. This Statement also will enhance the decision-usefulness of the information provided to financial statement users by requiring notes to financial statements related to the timing, significance, and purpose of a government's leasing arrangements. The City of Charleston has not yet determined the effect that the adoption of GASB Statement No. 87 may have on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

I. SCHEDULES OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Policemen's Pension and Relief Fund (PPRF)

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	$ 3,766,725	$ 4,344,855	$ 3,313,221	$ 3,292,778	$ 3,209,021
Interest	7,612,050	7,255,244	7,209,972	7,332,999	7,461,048
Changes in benefit terms	- -	- -	- -	- -	- -
Differences between expected and actual experience	(4,059,168)	(3,481,866)	(2,127,001)	(1,897,115)	- -
Changes in assumptions	(1,852,553)	(14,823,343)	26,684,740	8,006,116	6,439,110
Benefits payments, including refunds of member contributions	(7,068,435)	(7,008,249)	(7,059,677)	(7,035,461)	(6,688,132)
Net change in total pension liability	(1,601,381)	(13,713,359)	28,021,255	9,699,317	10,421,047
Total pension liability-beginning	180,888,957	194,602,316	166,581,061	156,881,744	146,460,696
Total pension liability-ending (a)	$ 179,287,576	$ 180,888,957	$ 194,602,316	$ 166,581,061	$ 156,881,743
Plan fiduciary net position					
Contributions-employer	$ 7,380,065	$ 7,498,088	$ 6,858,876	$ 6,530,016	$ 6,448,555
Contributions-members	525,513	574,939	556,799	592,173	648,924
Net investment income	1,540,163	1,864,923	695,811	766,556	1,415,864
Benefit payments, including refunds of member contributions	(7,068,435)	(7,008,249)	(7,059,677)	(7,035,461)	(6,688,132)
Administrative expenses	(11,765)	(10,119)	(13,087)	(12,349)	(22,264)
Other	196	- -	- -	- -	- -
Net change in plan fiduciary net position	2,365,737	2,919,582	1,038,722	840,935	1,802,947
Plan fiduciary net position - beginning	20,042,001	17,122,419	16,083,697	15,242,762	13,439,815
Plan fiduciary net position-ending (b)	$ 22,407,738	$ 20,042,001	$ 17,122,419	$ 16,083,697	$ 15,242,762
Net pension liability - ending (a) - (b)	$ 156,879,838	$ 160,846,956	$ 177,479,897	$ 150,497,364	$ 141,638,981
Plan fiduciary net position as a percentage of the total pension liability	12.50%	11.08%	8.80%	9.66%	9.72%
Covered payroll	$ 6,805,977	$ 6,876,181	$ 7,194,432	$ 7,849,996	$ 8,257,284
Net pension liability as a percentage of covered payroll	2305.03%	2339.19%	2466.91%	1917.16%	1715.32%

Notes to PPRF'S Schedule:

Changes in assumptions. In 2018 the interest rate used to discount liabilities and project assets was 4.500%. For purposes of the accounting actuarial valuation, the blended interest rate used to discount liabilities was changed from 4.3453% to 4.4170%. For purposes of the accounting valuation, we assumed a discount rate based on the municipal bond rate of 3.6200% prior to 2046 and a discount rate of 6.000% for plan years after 2046 which resulted in a blended discount rate of 4.4170%.

Mortality rates for both plans were based on the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The disabled mortality assumption was updated to the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, set forward 4 years, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The pre-retirement mortality assumption was updated to the RP-2014 Blue Collar Total Employee Mortality table, with generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales.

The wage inflation assumption used to project compensation was 3.75%
The service based compensation increased assumption was updated based on observed experience.
General inflation, post retirement COLA and the increase in State Insurance Premium Tax Allocation was 2.75%.
Turnover, retirement rates and disability assumptions were updated based on observed experience.
Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

I. SCHEDULES OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS (Continued)

Firemen's Pension and Relief Fund (FPRF)

	2018	2017	2016	2015	2014
Total pension liability					
Service cost	$ 3,812,937	$ 4,558,952	$ 3,402,390	$ 3,160,914	$ 3,139,576
Interest	8,083,617	7,563,985	7,426,782	7,516,367	7,715,345
Changes in benefit terms	- -	- -	- -	- -	- -
Differences between expected and actual experience	(1,328,621)	(352,450)	(1,147,647)	(3,217,247)	- -
Changes in assumptions	(1,797,321)	(15,608,155)	27,065,406	8,277,173	6,693,190
Benefits payments, including refunds of member contributions	(7,425,842)	(7,238,403)	(7,075,905)	(6,859,784)	(6,943,758)
Net change in total pension liability	1,344,770	(11,076,071)	29,671,026	8,877,423	10,604,353
Total pension liability-beginning	190,446,627	201,522,698	171,851,672	162,974,249	152,369,897
Total pension liability-ending (a)	$ 191,791,397	$ 190,446,627	$ 201,522,698	$ 171,851,672	$ 162,974,250
Plan fiduciary net position					
Contributions-employer	$ 7,843,092	$ 7,685,081	$ 6,906,802	$ 6,561,849	$ 6,735,846
Contributions-members	525,870	574,505	580,188	592,996	603,333
Net investment income	1,409,712	1,717,125	695,679	622,444	1,317,995
Benefit payments, including refunds of member contributions	(7,425,842)	(7,238,403)	(7,075,905)	(6,859,784)	(6,943,758)
Administrative expenses	(6,890)	(7,603)	(9,741)	(5,864)	(8,132)
Other	203	- -	- -	- -	- -
Net change in plan fiduciary net position	2,346,145	2,730,705	1,097,023	911,641	1,705,284
Plan fiduciary net position - beginning	17,716,222	14,985,517	13,888,494	12,976,853	11,271,569
Plan fiduciary net position-ending (b)	$ 20,062,367	$ 17,716,222	$ 14,985,517	$ 13,888,494	$ 12,976,853
Net pension liability - ending (a) - (b)	$ 171,729,030	$ 172,730,405	$ 186,537,181	$ 157,963,178	$ 149,997,397
Plan fiduciary net position as a percentage of the total pension liability	10.46%	9.30%	7.44%	8.08%	7.96%
Covered payroll	$ 6,725,992	$ 7,038,745	$ 7,273,171	$ 7,364,910	$ 7,872,875
Net pension liability as a percentage of covered payroll	2553.21%	2453.99%	2564.73%	2144.81%	1905.24%

Notes to FPRF'S Schedule:

Changes in assumptions. In 2018 the interest rate used to discount liabilities and project assets was 4.500%. For purposes of the accounting actuarial valuation, the blended interest rate used to discount liabilities was changed from 4.3156% to 4.3847%. For purposes of the accounting valuation, we assumed a discount rate based on the municipal bond rate of 3.6200% prior to 2046 and a discount rate of 6.000% for plan years after 2046 which resulted in a blended discount rate of 4.3847%.

Mortality rates for both plans were based on the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The disabled mortality assumption was updated to the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, set forward 4 years, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The pre-retirement mortality assumption was updated to the RP-2014 Blue Collar Total Employee Mortality table, with generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales.

The wage inflation assumption used to project compensation was 3.75%
The service based compensation increased assumption was updated based on observed experience.
General inflation, post retirement COLA and the increase in State Insurance Premium Tax Allocation was 2.75%.
Turnover, retirement rates and disability assumptions were updated based on observed experience.
Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

II. SCHEDULES OF INVESTMENT RETURNS

Policemen's Pension and Relief Fund (PPRF)

	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	8.08%	11.14%	4.75%	6.50%	10.65%

Firemen's Pension and Relief Fund (PFRF)

	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	8.07%	11.25%	5.15%	5.04%	11.17%

Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

III. SCHEDULES OF CONTRIBUTIONS MULTIYEAR

Policemen's Pension and Relief Fund (PPRF)

	2018	2017	2016	2015	2014
Actuarially determined contribution (a)	$ 10,273,775	$ 10,113,252	$ 9,998,469	$ 8,371,076	$ 8,290,897
Employer contribution (b)	5,642,434	5,799,404	5,226,466	4,977,472	4,919,728
State contribution (c)	1,698,684	1,698,684	1,632,410	1,552,544	1,528,827
Contribution deficiency (excess)	$ 2,932,657	$ 2,615,164	$ 3,139,593	$ 1,841,060	$ 1,842,342
Covered payroll (f)	6,805,977	6,876,181	7,194,432	7,849,996	8,257,284
Actual contribution as a percent of covered payroll [(b)+(c)]/f	108%	109%	95%	83%	78%

Firemen's Pension and Relief Fund (PFRF)

	2018	2017	2016	2015	2014
Actuarially determined contribution (a)	$ 10,930,487	$ 10,712,117	$ 10,373,813	$ 8,533,617	$ 8,544,824
Employer contribution (b)	6,107,953	5,974,752	5,300,143	5,004,065	5,191,340
State contribution (c)	1,735,139	1,710,329	1,606,659	1,557,784	1,544,506
Contribution deficiency (excess)	$ 3,087,395	$ 3,027,036	$ 3,467,011	$ 1,971,768	$ 1,808,978
Covered payroll (f)	6,725,992	7,038,745	7,273,171	7,364,910	7,872,875
Actual contribution as a percent of covered payroll [(b)+(c)]/f	117%	109%	95%	89%	86%

NOTES TO SCHEDULES

Significant Actuarial Assumptions

The actuarial assumptions and other information used to determine the annual required contributions are as follows

	Policemen's Pension & Relief Fund	Firemen's Pension & Relief Fund
Valuation Date	6/30/2018	6/30/2018
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method	Level Percentage-of-Pay	Level Percentage-of-Pay
Amortization Period	30 Years Closed (Level Percentage)	30 Years Closed (Level Percentage)
Actuarial Asset Valuation Method	Market Value	Market Value
Actuarial Assumptions:		
Investment Rate of Return	4.50% per year before 2046; 6.00% thereafter	4.50% per year before 2046; 6.00% thereafter
Projected Salary Increases	20% 1 year, 6.5% 2 years , 3.5% 3 years, 2.75 4 years, 2.50% 5-9 years, 2.00% 10-29 years, 1.25% 30-34 years, and 0.00% after 34 years of service	20% 1 year, 6.5% 2 years , 3.5% 3 years, 2.75 4 years, 2.50% 5-9 years, 2.00% 10-29 years, 1.25% 30-34 years, and 0.00% after 34 years of service
Post Retirement Benefit Increases	None	None
Inflation	2.75%	2.75%
Cost of Living Adjustments	2.75% on first $15,000 of annual benefit and on the accumulated supplemental pension amounts for prior years	2.75% on first $15,000 of annual benefit and on the accumulated supplemental pension amounts for prior years
Mortality	Mortality rates for both plans were based on the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The disabled mortality assumption was updated to the RP-2014 Blue Collar Total Healthy Annuitant Mortality table, set forward 4 years, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The pre-retirement mortality assumption was updated to the RP-2014 Blue Collar Total Employee Mortality table, with generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales.	

I. SCHEDULES OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Other Post Employment Benefits (OPEB)

		2018
Total OPEB Liability		
Service Cost	$	11,106,811
Interest		10,565,286
Changes of benefit terms		- -
Changes in assumptions		(7,643,289)
Differences between expected and actual experience		7,315,402
Benefits payments		(8,067,334)
Net change in total OPEB liability		13,276,876
Total OPEB liability-beginning (restated for Fiscal Year 2017)		288,011,096
Total OPEB liability-ending (a)	$	301,287,972
Plan fiduciary net position		
Contributions-employer	$	8,067,334
Contributions-active employees		- -
Net investment income		- -
Benefit payments		(8,067,334)
Administrative expenses		- -
Net change in plan fiduciary net position		- -
Plan fiduciary net position - beginning		- -
Plan fiduciary net position-ending (b)	$	- -
Net OPEB liability - ending (a) - (b)	$	301,287,972
Plan fiduciary net position as a percentage of the total OPEB liability		0.00%
Covered payroll	$	33,255,922
Net OPEB liability as a percentage of covered payroll		905.97%

Notes to OPEB Plan Schedule:

Changes in assumptions. In 2018 the discount rate as of the measurement date was based upon a yield for 20-year tax-exempt general obligation municipal bonds with an average rating onf AA/Aa or higher (or equivalent quality on another rating scale) tax-exempt, high quality 20-year municpal bonds. The prior full valuation used a discount rate of 5.00%. The current full valuation uses a discount rate of 3.58% as of June 30, 2017 and 3.87% as of June 30, 2018.

Mortality rates for both plans were based on the RPH-2017 Total Dataset Mortality Table fully generational using Scale MP-2017 (RPH-2017 table is created based on RPH-2014 Total Dataset Mortality Table with 8 years of MP-2014 mortality improvement backed out, projected to 2017 using MP-2017 improvement.)

The wage inflation assumption used to project compensation was 3.00% per year plus the annual merit scale based on the West Virginia Public Employees' Retirement System actuarial valuation as of June 30, 2017. The scale is as follows: Age 20, Rate 3.00%; Age 30, Rate 1.60%, Age 40, Rate 1.10%; Age 50 Rate 0.85%; Age 60+ Rate 0.35%.
Only one year is presented due to the availability of the information in the application of the reporting requirements prospectively.

NOTES TO SCHEDULES

Significant Actuarial Assumptions

The actuarial assumptions and other information used to determine the annual required contributions are as follows

	Other Postemployment Benefits
Valuation Date	6/30/2018
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Pay
Amortization Period	30 Years Closed (Level Percentage)
Actuarial Asset Valuation Method	Market Value
Actuarial Assumptions:	
Discount Rate	3.58% as of July 1, 2017 and 3.87% as of June 30, 2018
Projected Salary Increases	3.00% general wage inflation plus the annual merit scale as follows (based on the West Virginia Public Employees' Retirement System): Age 20, Rate 3.00%; Age 30, Rate 1.60%; Age 40, Rate 1.10%, Age 50, Rate .85%, Age 60+, Rate .35%
Inflation	3.00%
Mortality	Mortality rates for both plans were based on the RPH-2017 Total Dataset Mortality Table fully generational using Scale MP-2017 (RPH-2017 table is created based on RPH-2014 Total Dataset Mortality Table with 8 years of MP-2014 mortality improvement backed out, projected to 2017 using MP-2017 improvement.)

CITY OF CHARLESTON, WEST VIRGINIA
SCHEDULES OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Fiscal Year Ended June 30, 2018

Public Employees Retirement System
Last 10 Fiscal Years*

	2017	2016	2015	2014	2013
Government's proportion of the net pension liability (asset) (percentage)	1.419052%	1.327175%	1.285736%	1.301165%	1.266242%
Government's proportionate share of the net pension liability (asset)	$ 6,125,266	$ 12,198,303	$ 7,179,766	$ 4,802,144	$ 11,543,445
Government's covered payroll	$ 20,073,697	$ 18,475,776	$ 17,860,017	$ 18,084,241	$ 17,506,391
Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	30.51%	66.02%	40.20%	26.55%	65.94%
Plan fiduciary net position as a percentage of the total pension liability	93.67%	86.11%	91.29%	93.98%	79.70%

* - The amounts presented for each fiscal year were determined as of June 30, 2017
Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

CITY OF CHARLESTON, WEST VIRGINIA
SCHEDULE OF GOVERNMENT CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2018

Public Employees Retirement System
Last 10 Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Contractually required contribution	$ 2,043,729	$ 2,238,435	$ 2,513,283	$ 2,456,565	$ 2,526,476	$ 2,372,689	$ 2,399,128	$ 2,046,007	$ 1,799,608	$ 1,675,990
Contributions in relation to the contractually required contribution	(2,043,729)	(2,238,435)	(2,513,283)	(2,456,565)	(2,526,476)	(2,372,689)	(2,399,128)	(2,046,007)	(1,799,608)	(1,675,990)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Government's covered payroll	$ -	$ 20,073,697	$ 18,475,776	$ 17,860,017	$ 18,084,241	$ 17,506,391	$ -	$ -	$ -	$ -
Contributions as a percentage of covered payroll.	**	11.15%	13.60%	13.75%	13.97%	13.55%	**	**	**	**

**Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

CITY OF CHARLESTON, WEST VIRGINIA
SCHEDULES OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Fiscal Year Ended June 30, 2018

Municipal Police Officers and Firefighters Retirement System
Last 10 Fiscal Years*

Police Officers Retirement System

	2017	2016	2015	2014	2013
Government's proportion of the net pension liability (asset) (percentage)	26.194802%	26.159244%	25.359714%	21.403699%	19.176794%
Government's proportionate share of the net pension liability (asset)	$ (735,550)	$ (369,892)	$ (244,721)	$ (145,331)	$ (50,819)
Government's covered payroll	$ 2,068,865	$ 1,434,311	$ 959,612	$ 392,330	$ 185,248
Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-35.55%	-25.79%	-25.50%	-37.04%	-27.43%
Plan fiduciary net position as a percentage of the total pension liability	203.46%	174.30%	189.27%	230.08%	200.40%

* - The amounts presented for each fiscal year were determined as of June 30, 2017.
Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

Firefighters Retirement System

	2017	2016	2015	2014	2013
Government's proportion of the net pension liability (asset) (percentage)	17.051321%	15.823930%	13.222939%	16.780704%	5.739737%
Government's proportionate share of the net pension liability (asset)	$ (478,801)	$ (223,751)	$ 127,601	$ 113,941	$ 15,210
Government's covered payroll	$ 1,346,713	$ 867,626	$ 500,356	$ 307,590	$ 55,446
Government's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-35.55%	-25.79%	25.50%	37.04%	27.43%
Plan fiduciary net position as a percentage of the total pension liability	203.46%	174.30%	189.27%	230.08%	200.40%

* - The amounts presented for each fiscal year were determined as of June 30, 2017.
Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

CITY OF CHARLESTON, WEST VIRGINIA
SCHEDULE OF GOVERNMENT CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2018

Public Employees Retirement System
Last 10 Fiscal Years

Police Officers Retirement System

	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	$ 264,399	$ 222,403	$ 168,547	$ 105,816	$ 59,623	$ 28,547	$ 17,434
Contributions in relation to the contractually required contribution	(264,399)	(222,403)	(168,547)	(105,816)	(59,623)	(28,547)	(17,434)
Contribution deficiency (excess)	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -
Government's covered payroll	$ **	$ 2,068,865	$ 1,434,311	$ 959,612	$ 392,330	$ 185,248	$ **
Plan fiduciary net position as a percentage of the total pension liability	**	10.75%	11.75%	11.03%	15.20%	15.41%	**

Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

Firefighters Retirement System

	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution	$ 173,967	$ 144,771	$ 102,014	$ 55,174	$ 46,744	$ 8,544	$ - -
Contributions in relation to the contractually required contribution	(173,967)	(144,771)	(102,014)	(55,174)	(46,744)	(8,544)	- -
Contribution deficiency (excess)	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -
Government's covered payroll	$ **	$ 1,346,713	$ 867,626	$ 500,356	$ 307,590	$ 55,446	$ **
Plan fiduciary net position as a percentage of the total pension liability	**	10.75%	11.76%	11.03%	15.20%	15.41%	**

Only five years are presented due to the availability of the information in the application of the reporting requirements prospectively.

SUPPLEMENTARY INFORMATION

CITY OF CHARLESTON, WEST VIRGINIA
GOVERNMENTAL FUND TYPES - NONMAJOR

Special Revenue Funds are used to account for the receipt and use of specific revenues that are legally restricted by ordinance or grant agreements for specific purposes.

Debt Service Funds are used to account for the accumulation of resources and payment of general long-term debt principal and interest from governmental resources.

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support specific programs, for the benefit of the City or its citizens.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Special Revenue	Capital Projects	Debt Service	Permanent	Total Nonmajor Governmental Funds
ASSETS AND DEFERRED OUTFLOWS					
Assets:					
Current:					
Cash and cash equivalents	$ 1,266,649	$ 10,032,633	$ 9,814	$ 215,708	$ 11,524,804
Investments	2,857,134	- -	- -	2,226,162	5,083,296
Receivables:					
Accounts	390,637	- -	- -	- -	390,637
Grants	1,234,425	- -	- -	- -	1,234,425
Loans	259,309	- -	- -	- -	259,309
Accrued interest	- -	- -	- -	4,985	4,985
Due from:					
Other funds	262,529	2,031,901	1,823,842	1,865	4,120,137
Component units	19,088	- -	- -	- -	19,088
Restricted cash	486,917	- -	3,700,786	- -	4,187,703
Total assets	6,776,688	12,064,534	5,534,442	2,448,720	26,824,384
Deferred Outflows:					
	- -	- -	- -	- -	- -
Total deferred outflows of resources	- -	- -	- -	- -	- -
Total assets and deferred outflows of resources	$ 6,776,688	$ 12,064,534	$ 5,534,442	$ 2,448,720	$ 26,824,384
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 868,294	$ 196,350	$ - -	$ - -	$ 1,064,644
Compensated absences payable	2,622	- -	- -	- -	2,622
Due to:					
Other funds	870,498	380,796	- -	- -	1,251,294
Customer advances	161,269	- -	- -	- -	161,269
Total liabilities	1,902,683	577,146	- -	- -	2,479,829
Deferred Inflows:					
	- -	- -	- -	- -	- -
Total deferred inflows of resources	- -	- -	- -	- -	- -
Total liabilities and deferred inflows of resources	1,902,683	577,146	- -	- -	2,479,829
Fund balances:					
Reserved for:					
Nonspendable	- -	- -	- -	1,291,254	1,291,254
Restricted	4,206,013	90,693	5,534,442	1,157,466	10,988,614
Committed	667,992	11,396,695	- -	- -	12,064,687
Total fund balances	4,874,005	11,487,388	5,534,442	2,448,720	24,344,555
Total liabilities, deferred inflows and fund balances	$ 6,776,688	$ 12,064,534	$ 5,534,442	$ 2,448,720	$ 26,824,384

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2018

	Special Revenue	Capital Projects	Debt Service	Permanent	Total Nonmajor Governmental Funds
REVENUES					
Taxes:					
Ad valorem property taxes	$ - -	$ - -	$ 5,909	$ - -	$ 5,909
Intergovernmental:					
Federal	1,394,509	- -	- -	- -	1,394,509
State	162,879	- -	- -	- -	162,879
Local	1,243	- -	- -	- -	1,243
Charges for services	4,091,679	17,084	- -	- -	4,108,763
Fines and forfeits	388,268	- -	- -	- -	388,268
Interest earnings	68,146	83,308	40,388	126,528	318,370
Reimbursements	- -	98,235	- -	- -	98,235
Contributions and donations	180,052	11,211	- -	294	191,557
Miscellaneous	13,175	- -	- -	800	13,975
Total revenues	6,299,951	209,838	46,297	127,622	6,683,708
EXPENDITURES					
Current:					
General government	99,868	- -	- -	- -	99,868
Public safety	1,379,624	- -	- -	- -	1,379,624
Streets and transportation	87	- -	- -	- -	87
Health and sanitation	1,017,981	- -	- -	- -	1,017,981
Culture and recreation	356,945	- -	- -	- -	356,945
Social services	- -	- -	- -	57,499	57,499
Capital projects	- -	3,195,800	- -	- -	3,195,800
Economic development	570,266	- -	- -	- -	570,266
Debt service:					
Principal	- -	- -	4,058,000	- -	4,058,000
Interest	- -	- -	3,564,193	- -	3,564,193
Bond issuance costs	- -	- -	- -	- -	- -
Total expenditures	3,424,771	3,195,800	7,622,193	57,499	14,300,263
Excess (deficiency) of revenues over expenditures	2,875,180	(2,985,962)	(7,575,896)	70,123	(7,616,555)
OTHER FINANCING SOURCES (USES)					
Transfers in	302,311	4,574,737	7,616,616	16,700	12,510,364
Transfers (out)	(3,280,624)	(1,045,457)	- -	- -	(4,326,081)
Total other financing sources (uses)	(2,978,313)	3,529,280	7,616,616	16,700	8,184,283
Net change in fund balance	(103,133)	543,318	40,720	86,823	567,728
Fund balances - beginning (restated note III.K)	4,977,138	10,944,070	5,493,722	2,361,897	23,776,827
Fund balances - ending	$ 4,874,005	$ 11,487,388	$ 5,534,442	$ 2,448,720	$ 24,344,555

CITY OF CHARLESTON, WEST VIRGINIA
SPECIAL REVENUE FUNDS

Nonmajor Funds

Asset Forfeiture and Reimbursement Fund This fund is used to account for monies seized by the Charleston Police department or Drug Unit and have been ordered released or forfeited by a court of law.

Byrne Justice Assistance Grant Fund This fund was established to account for grants received from the U.S. Department of Justice passed through from the West Virginia Department of Criminal Justice Services to encourage arrest policies and enforcement of protection orders.

Charleston Land Trust Commission Fund This fund was established to account for donations or other funding to acquire, maintain, improve, and preserve public trust lands.

DOT Federal Grant Fund This fund was established to account for federal grant revenues from the Department of Transportation for capital improvements.

FEMA-WV Flood Mitigation Fund This fund was established to account for federal grants received from the U.S. Environmental Protection Agency for a three-year period to inventory sites either perceived to be contaminated.

Homeland Security Assistance to Firefighters Grant Fund This fund was established to account for federal grants received from the U.S. Department of Homeland Security passed through the state Secretary of Military Affairs and Public Safety to purchase face pieces, fit tests, and other authorized equipment purchases for the Charleston Fire Department**.**

Homeland Security Grant Fund This fund was established to account for federal grants received from the U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA) to account for purchase of First Response Equipment for the City's public safety activities.

Human Rights Fund This fund is a cooperative agreement with HUD for the Fair Housing Assistance Program (FHAP) within the City.

Metro Loan Fund This fund was established to account for funds received from the State for small business loans. Loans are no longer given, however, collection of payments on prior loans are accounted for.

Municipal Beautification Fund This fund was established to account for revenues received from fee charges for clean up of properties within the City and for donations received to be used for beautification of the City.

Municipal Court Fund This fund accounts for monies received for fines and forfeitures.

Police & Fire Donations Fund This fund was established to receive private contributions to be utilized for police and fire operations.

CITY OF CHARLESTON, WEST VIRGINIA
SPECIAL REVENUE FUNDS (Continued)

Police Grants Fund This fund was established to account for federal grants received from the U.S. Department of Justice to encourage arrest policies and enforcement of protection orders.

Public Arts Grant Fund This fund was established to account for grant monies from the National Endowment for the Arts and private contributions to support a series of cultural planning activities to strengthen the role of public art in Charleston, WV.

Rental Rehabilitation Fund This fund was established to account for loan payments collected from housing rehabilitation clients to MOECD. The rehab program no longer exists, however, this fund still accounts for payments received from loans originating several years ago.

Solid Waste Fund This fund accounts for the revenues collected from refuse fees and royalties from the contracted landfill operations. This fund also reserves monies for contingency post fund closure landfill cost.

Special Demolition Fund This fund accounts for monies to be used for demolition of buildings as necessary within the City.

Supportive Housing Fund This fund accounts for Supporting Housing Grants received to pay salaries for supportive service coordinators and other direct expenses for five shelters.

U.S. Small Business Administration Fund This fund accounts for federal grants received from the U.S. Small Business Administration under a grant/cooperative agreement and private contributions for the City of Charleston, WV Riverfront Park (Haddad Park).

Project West Invest This fund is designed to promote and provide incentives for Charleston police officers to live in Charleston's West Side to create a catalyst for positive change.

Safe Routes to School Program This fund was established to account for federal grants received from the Federal Highway Administration for the East End Kids Walk & Bike Safe Routes to Piedmont Project for infrastruction-related project and non-infrastructure-related activities.

Slack Plaza This fund was established to account for grant revenues, transfers, and gifts received designated to be expended for construction, renovations, and other improvements to the Slack Plaza area from Capitol Street to Court Street.

Live on the Levee This fund was established to account for all Live on the Levee Series revenues and expenditures that runs from May to September each year.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2018

	Asset Forfeiture and Reimbursement	Byrne Justice Assistance Grant	Charleston Land Trust Commission	Homeland Security Assistance	Homeland Security Grant	Human Rights	Municipal Beautificaton	Municipal Court	Police & Fire Donation	Police Grant	Public Arts Grant
ASSETS AND DEFERRED OUTFLOWS											
Assets:											
Current:											
Cash and cash equivalents	$ 355,306	$ - -	$ 44,893	$ 77	$ - -	$ 176,794	$ 31,459	$ 178,961	$ 7,950	$ 67,658	$ 148,160
Investments	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Receivables:											
Accounts	- -	- -	- -	- -	- -	- -	- -	31,088	- -	- -	- -
Grants	- -	- -	- -	- -	99,095	- -	- -	- -	- -	185,116	- -
Loans	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Due from:											
Other funds	19,139	- -	- -	- -	- -	- -	- -	- -	- -	33,991	- -
Component units	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Restricted cash	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total assets	374,445	- -	44,893	77	99,095	176,794	31,459	210,049	7,950	286,765	148,160
Deferred Outflows:											
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total deferred outflows of resources	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total assets and deferred outflows of resources	$ 374,445	$ - -	$ 44,893	$ 77	$ 99,095	$ 176,794	$ 31,459	$ 210,049	$ 7,950	$ 286,765	$ 148,160
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES											
Liabilities:											
Accounts payable	$ 44,489	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -	$ 33,422	$ - -	$ 80,505	$ - -
Live on the Levee Charity Raffle	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Due to:											
Other funds	2,131	- -	- -	- -	99,095	- -	- -	51,801	- -	169,434	- -
Grant advances	- -	- -	- -	77	- -	161,192	- -	- -	- -	- -	- -
Total liabilities	46,620	- -	- -	77	99,095	161,192	- -	85,223	- -	249,939	- -
Deferred Inflows:											
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total deferred inflows of resources	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total liabilities and deferred inflows of resources	46,620	- -	- -	77	99,095	161,192	- -	85,223	- -	249,939	- -
Fund balances:											
Restricted	327,825	- -	44,893	- -	- -	15,602	- -	124,826	- -	36,826	148,160
Committed	- -	- -	- -	- -	- -	- -	31,459	- -	7,950	- -	- -
Total fund balances	327,825	- -	44,893	- -	- -	15,602	31,459	124,826	7,950	36,826	148,160
Total liabilities, deferred inflows and fund balances	$ 374,445	$ - -	$ 44,893	$ 77	$ 99,095	$ 176,794	$ 31,459	$ 210,049	$ 7,950	$ 286,765	$ 148,160

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (Continued)
JUNE 30, 2018

	Rental Rehabilitation	Solid Waste	Special Demolition	Supportive Housing	U.S.Small Business Administration	Project West Invest	Historic Preservation	Safe Routes to School Program	Slack Plaza	Live on the Levee	FEMA - WV Flood Mitigation Grant	Total Nonmajor Special Revenue Funds
ASSETS AND DEFERRED OUTFLOWS												
Assets:												
Current:												
Cash and cash equivalents	$ - -	$ 136,941	$ 15,086	$ - -	$ 10,177	$ 31,065	$ 2,601	$ - -	$ - -	$ 59,521	$ - -	$ 1,266,649
Investments	- -	2,857,134	- -	- -	- -	- -	- -	- -	- -	- -	- -	2,857,134
Receivables:												
Accounts	- -	359,549	- -	- -	- -	- -	- -	- -	- -	- -	- -	390,637
Grants	- -	- -	- -	15,736	- -	- -	- -	386,441	510,908	- -	37,129	1,234,425
Loans	150,143	- -	- -	- -	- -	109,166	- -	- -	- -	- -	- -	259,309
Due from:												- -
Other funds	- -	- -	- -	- -	- -	- -	- -	- -	209,399	- -	- -	262,529
Component units	- -	19,088	- -	- -	- -	- -	- -	- -	- -	- -	- -	19,088
Restricted cash	- -	486,917	- -	- -	- -	- -	- -	- -	- -	- -	- -	486,917
Total assets	150,143	3,859,629	15,086	15,736	10,177	140,231	2,601	386,441	720,307	59,521	$ 37,129	6,776,688
Deferred Outflows:												
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total deferred outflows of resources	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total assets and deferred outflows of resources	$ 150,143	$ 3,859,629	$ 15,086	$ 15,736	$ 10,177	$ 140,231	$ 2,601	$ 386,441	$ 720,307	$ 59,521	$ 37,129	$ 6,776,688
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES												
Liabilities:												
Accounts payable	$ - -	$ 88,102	$ - -	$ 15,736	$ - -	$ - -	$ - -	$ 386,441	$ 209,399	$ 10,200	- -	$ 868,294
Live on the Levee Charity Raffle	- -	- -	- -	- -	- -	- -	- -	- -	- -	2,622	- -	2,622
Due to:												
Other funds	- -	- -	- -	- -	- -	- -	- -	- -	510,908	- -	37,129	870,498
Grant advances	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	161,269
Total liabilities	- -	88,102	- -	15,736	- -	- -	- -	386,441	720,307	12,822	37,129	1,902,683
Deferred Inflows:												
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total deferred inflows of resources	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total liabilities and deferred inflows of resources	- -	88,102	- -	15,736	- -	- -	- -	386,441	720,307	12,822	37,129	1,902,683
Fund balances:												
Restricted	- -	3,354,872	- -	- -	10,177	140,231	2,601	- -	- -	- -	- -	4,206,013
Committed	150,143	416,655	15,086	- -	- -	- -	- -	- -	- -	46,699	- -	667,992
Total fund balances	150,143	3,771,527	15,086	- -	10,177	140,231	2,601	- -	- -	46,699	- -	4,874,005
Total liabilities, deferred inflows and fund balances	$ 150,143	$ 3,859,629	$ 15,086	$ 15,736	$ 10,177	$ 140,231	$ 2,601	$ 386,441	$ 720,307	$ 59,521	$ 37,129	$ 6,776,688

CITY OF CHARLESTON, WEST VIRGNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2018

	Asset Forfeiture and Reimbursement	Byrne Justice Assistance Grant	Charleston Land Trust Commission	Homeland Security Assistance	Homeland Security Grant	Human Rights	Municipal Beautificaton	Municipal Court
REVENUES								
Intergovernmental:								
Federal	$ 29,289	$ 63,924	- -	$ - -	$ 199,095	$ - -	$ - -	$ - -
State	161,564	- -	- -	- -	- -	- -	- -	- -
Local	- -	- -	- -	- -	- -	- -	- -	- -
Charges for services	- -	- -	- -	- -	- -	- -	89	- -
Fines and forfeits	- -	- -	- -	- -	- -	- -	- -	388,268
Interest and investment earnings	3,841	- -	412	- -	- -	- -	- -	- -
Contributions and donations	- -	- -	1,410	- -	- -	- -	288	- -
Miscellaneous	- -	- -	- -	- -	- -	- -	- -	- -
Total revenues	194,694	63,924	1,822	- -	199,095	- -	377	388,268
EXPENDITURES								
Current:								
General government	- -	- -	- -	- -	- -	- -	- -	99,868
Public safety	509,757	63,924	- -	- -	199,095	- -	- -	- -
Streets and transportation	- -	- -	- -	- -	- -	- -	87	- -
Health and sanitation	- -	- -	- -	- -	- -	- -	- -	- -
Administrative and general	- -	- -	- -	- -	- -	- -	- -	- -
Culture and recreation	- -	- -	- -	- -	- -	- -	- -	- -
Benefits paid	- -	- -	- -	- -	- -	- -	- -	- -
Insurance premiums	- -	- -	- -	- -	- -	- -	- -	- -
Social services	- -	- -	- -	- -	- -	- -	- -	- -
Capital projects	- -	- -	- -	- -	- -	- -	- -	- -
Education	- -	- -	- -	- -	- -	- -	- -	- -
Economic development	- -	- -	1,407	- -	- -	- -	- -	- -
Debt service:								
Principal	- -	- -	- -	- -	- -	- -	- -	- -
Interest	- -	- -	- -	- -	- -	- -	- -	- -
Bond issuance costs	- -	- -	- -	- -	- -	- -	- -	- -
Total expenditures	509,757	63,924	1,407	- -	199,095	- -	87	99,868
Excess (deficiency) of revenues over expenditures	(315,063)	- -	415	- -	- -	- -	290	288,400
OTHER FINANCING SOURCES (USES)								
Transfers in	- -	- -	- -	- -	- -	- -	- -	- -
Transfers (out)	- -	- -	- -	- -	- -	- -	- -	(280,624)
Issuance of bonds	- -	- -	- -	- -	- -	- -	- -	- -
Proceeds from the sale of assets	- -	- -	- -	- -	- -	- -	- -	- -
Issuance of capital leases	- -	- -	- -	- -	- -	- -	- -	- -
Total other financing sources (uses)	- -	- -	- -	- -	- -	- -	- -	(280,624)
Net change in fund balance	(315,063)	- -	415	- -	- -	- -	290	7,776
Fund balances - beginning (Restated Note III.K.)	642,888	- -	44,478	- -	- -	15,602	31,169	117,050
Fund balances - ending	$ 327,825	$ - -	$ 44,893	$ - -	$ - -	$ 15,602	$ 31,459	$ 124,826

CITY OF CHARLESTON, WEST VIRGNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
For the Fiscal Year Ended June 30, 2018

	Police & Fire Donation	Police Grant	Public Arts Grant	Rental Rehabilitation	Solid Waste	Special Demolition	Supportive Housing
REVENUES							
Intergovernmental:							
Federal	$ - -	$ 468,344	$ - -	$ - -	$ - -	$ - -	$ 83,546
State	- -	- -	- -	- -	- -	- -	- -
Local	- -	1,243	- -	- -	- -	- -	- -
Charges for services	- -	- -	- -	- -	4,091,590	- -	- -
Fines and forfeits	- -	- -	- -	- -	- -	- -	- -
Interest and investment earnings	87	- -	- -	- -	62,978	80	- -
Contributions and donations	3,927	- -	100,000	- -	- -	- -	- -
Miscellaneous	- -	- -	- -	- -	- -	13,059	- -
Total revenues	4,014	469,587	100,000	- -	4,154,568	13,139	83,546
EXPENDITURES							
Current:							
General government	- -	- -	- -	- -	- -	- -	- -
Public safety	4,882	469,587	- -	- -	- -	- -	- -
Streets and transportation	- -	- -	- -	- -	- -	- -	- -
Health and sanitation	- -	- -	- -	- -	1,017,981	- -	- -
Administrative and general	- -	- -	- -	- -	- -	- -	- -
Culture and recreation	- -	- -	- -	- -	- -	- -	- -
Benefits paid	- -	- -	- -	- -	- -	- -	- -
Insurance premiums	- -	- -	- -	- -	- -	- -	- -
Social services	- -	- -	- -	- -	- -	- -	- -
Capital projects	- -	- -	- -	- -	- -	- -	- -
Education	- -	- -	- -	- -	- -	- -	- -
Economic development	- -	- -	- -	- -	- -	- -	83,546
Debt service:							
Principal	- -	- -	- -	- -	- -	- -	- -
Interest	- -	- -	- -	- -	- -	- -	- -
Bond issuance costs	- -	- -	- -	- -	- -	- -	- -
Total expenditures	4,882	469,587	- -	- -	1,017,981	- -	83,546
Excess (deficiency) of revenues over expenditures	(868)	- -	100,000	- -	3,136,587	13,139	- -
OTHER FINANCING SOURCES (USES)							
Transfers in	- -	- -	- -	- -	- -	- -	- -
Transfers (out)	- -	- -	- -	- -	(3,000,000)	- -	- -
Issuance of bonds	- -	- -	- -	- -	- -	- -	- -
Proceeds from the sale of assets	- -	- -	- -	- -	- -	- -	- -
Issuance of capital leases	- -	- -	- -	- -	- -	- -	- -
Total other financing sources (uses)	- -	- -	- -	- -	(3,000,000)	- -	- -
Net change in fund balance	(868)	- -	100,000	- -	136,587	13,139	- -
Fund balances - beginning (Restated Note III.K.)	8,818	36,826	48,160	150,143	3,634,940	1,947	- -
Fund balances - ending	$ 7,950	$ 36,826	$ 148,160	$ 150,143	$ 3,771,527	$ 15,086	$ - -

CITY OF CHARLESTON, WEST VIRGNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR SPECIAL REVENUE FUNDS (Continued)
For the Fiscal Year Ended June 30, 2018

	U.S.Small Business Administration	Project West Invest	Historic Preservation	Safe Routes to School Program	Slack Plaza	Live on the Levee	FEMA - WV Flood Mitigation Grant	Total Nonmajor Special Revenue Funds
REVENUES								
Intergovernmental:								
Federal	$ - -	$ - -	$ - -	$ 386,441	$ 31,491	$ - -	132,379	$ 1,394,509
State	- -	- -	1,315	- -	- -	- -	- -	162,879
Local	- -	- -	- -	- -	- -	- -	- -	1,243
Charges for services	- -	- -	- -	- -	- -	- -	- -	4,091,679
Fines and forfeits	- -	- -	- -	- -	- -	- -	- -	388,268
Interest and investment earnings	- -	309	- -	- -	- -	439	- -	68,146
Contributions and donations	- -	357	- -	- -	- -	74,070	- -	180,052
Miscellaneous	- -	- -	- -	- -	- -	116	- -	13,175
Total revenues	- -	666	1,315	386,441	31,491	74,625	132,379	6,299,951
EXPENDITURES								
Current:								
General government	- -	- -	- -	- -	- -	- -	- -	99,868
Public safety	- -	- -	- -	- -	- -	- -	132,379	1,379,624
Streets and transportation	- -	- -	- -	- -	- -	- -	- -	87
Health and sanitation	- -	- -	- -	- -	- -	- -	- -	1,017,981
Administrative and general	- -	- -	- -	- -	- -	- -	- -	- -
Culture and recreation	- -	- -	- -	- -	275,981	80,964	- -	356,945
Benefits paid	- -	- -	- -	- -	- -	- -	- -	- -
Insurance premiums	- -	- -	- -	- -	- -	- -	- -	- -
Social services	- -	- -	- -		- -	- -	- -	- -
Capital projects	- -	- -	- -	- -	- -	- -	- -	- -
Education	- -	- -	- -	- -	- -	- -	- -	- -
Economic development	- -	41,001	50	444,262	- -	- -	- -	570,266
Debt service:								- -
Principal	- -	- -	- -	- -	- -	- -	- -	- -
Interest	- -	- -	- -	- -	- -	- -	- -	- -
Bond issuance costs	- -	- -	- -	- -	- -	- -	- -	- -
Total expenditures	- -	41,001	50	444,262	275,981	80,964	132,379	3,424,771
Excess (deficiency) of revenues over expenditures	- -	(40,335)	1,265	(57,821)	(244,490)	(6,339)	- -	2,875,180
OTHER FINANCING SOURCES (USES)								
Transfers in	- -	- -	- -	57,821	244,490	- -	- -	302,311
Transfers (out)	- -	- -	- -	- -	- -		- -	(3,280,624)
Issuance of bonds	- -	- -	- -	- -	- -	- -	- -	- -
Proceeds from the sale of assets	- -	- -	- -	- -	- -	- -	- -	- -
Issuance of capital leases	- -	- -	- -	- -	- -	- -	- -	- -
Total other financing sources (uses)	- -	- -	- -	57,821	244,490	- -	- -	(2,978,313)
Net change in fund balance	- -	(40,335)	1,265	- -	- -	(6,339)	- -	(103,133)
Fund balances - beginning (Restated Note III.K.)	10,177	180,566	1,336	- -	- -	53,038	- -	4,977,138
Fund balances - ending	$ 10,177	$ 140,231	$ 2,601	$ - -	$ - -	$ 46,699	$ - -	$ 4,874,005

CITY OF CHARLESTON, WEST VIRGINIA
CAPITAL PROJECTS FUNDS

Nonmajor Funds

Ball Park Maintenance Fund This fund is used to account for contributions by the General Fund of $25,000 annually for maintenance and improvements of the ball park in accordance with a contract between the City and West Virginia Power Ball Team.

Bridge Fund This City Council established fund is maintained to account for revenue sources expended for the construction and maintenance of bridges.

City Service Fee Project Fund This fund receives transfers from the General Fund of the city service fee revenues, that are dedicated for street maintenance and infrastructure throughout the City, in order to better provide public accountability for the monies.

Civic Center Capital Improvements Fund This City Council established fund is operated to receive transfers of all capital improvement fees collected at the Civic Center events. These revenue sources are maintained for capital improvements to the Civic Center.

Facilities Maintenance Fund This fund was established to account for various facility renovation projects separately and is funded by transfers from the General Fund.

General Maintenance Fund This City Council established fund is operated to receive transfers from the General Fund to separately account for funds expended for capital improvements.

Infrastructure Fund This City Council established fund is used to maintain revenue sources for capital improvements to infrastructure.

Municipal Auditorium Capital Improvements Fund This City Council established fund is operated to receive capital improvement fees collected at the Municipal Auditorium events to account for funds expended for capital improvements to the Municipal Auditorium.

Soccer Field Fund This City Council established fund is used to receive revenue resources dedicated to improvements of City soccer fields.

South Side Recreation Fund This City Council established fund is used to receive revenue sources dedicated to improvements for recreation on the South Side of Charleston, WV.

Ball Park Stadium Fund This City Council established fund is used to receive revenue sources dedicated to improvements for the Ball Park Stadium Fund.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS
June 30, 2018

	Ball Park Maintenace	City Service Fee Project	Civic Center Capital Improvements	Facilities Maintenance Fund	General Maintenance	Infrastructure	Municipal Auditorium Capital Improvements	Soccer Field	South Side Recreation	Ball Park Stadium	Total Nonmajor Capital Projects Funds
ASSETS AND DEFERRED OUTFLOWS											
Assets:											
Current:											
Cash and cash equivalents	$ 90,693	$ 4,602,705	$ 337,868	$ 3,660,210	$ 1,014,635	$ 148,151	$ 138,327	$ 3,081	$ 9,931	$ 27,032	$ 10,032,633
Due from:											
Other funds	- -	- -	- -	192,048	1,839,853	- -	- -	- -	- -	- -	2,031,901
Total assets	90,693	4,602,705	337,868	3,852,258	2,854,488	148,151	138,327	3,081	9,931	27,032	12,064,534
Deferred Outflows:											
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total deferred outflows of resources	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total assets and deferred outflows of resources	$ 90,693	$ 4,602,705	$ 337,868	$ 3,852,258	$ 2,854,488	$ 148,151	$ 138,327	$ 3,081	$ 9,931	$ 27,032	$ 12,064,534
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES											
LIABILITIES											
Accounts payable	$ - -	$ 171,273	$ - -	$ 25,077	$ - -	$ - -	$ - -	$ - -	$ - -	- -	$ 196,350
Due to:											
Other funds	- -	- -	1,518	5,993	373,285	- -	- -	- -	- -	- -	380,796
Total liabilities	- -	171,273	1,518	31,070	373,285	- -	- -	- -	- -	- -	577,146
Deferred Inflows:											
	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total deferred inflows of resources	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total liabilities and deferred inflows of resources	- -	171,273	1,518	31,070	373,285	- -	- -	- -	- -	- -	577,146
FUND BALANCES											
Reserved for:											
Restricted	90,693	- -	- -	- -	- -	- -	- -	- -	- -	- -	90,693
Committed	- -	4,431,432	336,350	3,821,188	2,481,203	148,151	138,327	3,081	9,931	27,032	11,396,695
Total fund balances	90,693	4,431,432	336,350	3,821,188	2,481,203	148,151	138,327	3,081	9,931	27,032	11,487,388
Total liabilities, deferred inflows and fund balances	$ 90,693	$ 4,602,705	$ 337,868	$ 3,852,258	$ 2,854,488	$ 148,151	$ 138,327	$ 3,081	$ 9,931	$ 27,032	$ 12,064,534

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECTS FUNDS
For the Fiscal Year Ended June 30, 2018

	Ball Park Maintenance	City Service Fee Project	Civic Center Capital Improvements	Facilities Maintenance Fund	General Maintenance	Infrastructure	Municipal Auditorium Capital Improvements	Soccer Field	South Side Recreation	Ball Park Stadium	Total Nonmajor Capital Projects Funds
REVENUES											
Charges for services	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -	$ 17,084	$ - -	$ - -	$ -	$ 17,084
Fines and forfeits	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Interest and investment earnings	857	28,067	2,522	37,325	11,717	1,354	1,142	- -	91	233	83,308
Refunds	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Reimbursements	- -	98,235	- -	- -	- -	- -	- -	- -	- -	- -	98,235
Payments in lieu of taxes	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Contributions and donations	- -	- -	- -	6,211	5,000	- -	- -	- -	- -	- -	11,211
Miscellaneous	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total revenues	857	126,302	2,522	43,536	16,717	1,354	18,226	- -	91	233	209,838
EXPENDITURES											
Current:											
Capital projects	27,035	1,569,890	- -	1,528,609	70,266	- -	- -	- -	- -	- -	3,195,800
Total expenditures	27,035	1,569,890	- -	1,528,609	70,266	- -	- -	- -	- -	- -	3,195,800
Excess (deficiency) of revenues over expenditures	(26,178)	(1,443,588)	2,522	(1,485,073)	(53,549)	1,354	18,226	- -	91	233	(2,985,962)
OTHER FINANCING SOURCES (USES)											
Transfers in	25,000	3,000,000	84,737	650,000	815,000	- -	- -	- -	- -	- -	4,574,737
Transfers (out)	- -	- -	(24,231)	(32,432)	(988,794)	- -	- -	- -	- -	- -	(1,045,457)
Proceeds from issuance of bonds	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -
Total other financing sources (uses)	25,000	3,000,000	60,506	617,568	(173,794)	- -	- -	- -	- -	- -	3,529,280
Net change in fund balance	(1,178)	1,556,412	63,028	(867,505)	(227,343)	1,354	18,226	- -	91	233	543,318
Fund balances - beginning	91,871	2,875,020	273,322	4,688,693	2,708,546	146,797	120,101	3,081	9,840	26,799	10,944,070
Fund balances - ending	$ 90,693	$ 4,431,432	$ 336,350	$ 3,821,188	$ 2,481,203	$ 148,151	$ 138,327	$ 3,081	$ 9,931	$ 27,032	$ 11,487,388

CITY OF CHARLESTON, WEST VIRGINIA
DEBT SERVICE FUND

Nonmajor Fund

Debt Service Sinking Fund This fund is used to account for the accumulation of resources and payment of general long-term debt principal and interest from governmental resources and for governmental revenue bonds debt principal and interest from specified revenues. The City currently has no general obligation bonds outstanding.

Civic Center Project Debt Service Fund This fund is used to account for the accumulation of resources and payment of long-term debt principal and interest related to the Civic Center Project from governmental resources and for governmental revenue bonds debt principal and interest from specified revenues.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING BALANCE SHEET - NONMAJOR DEBT SERVICE FUNDS
June 30, 2018

	Debt Service Sinking Fund	Civic Center Project Debt Service Fund	Total Nonmajor Debt Service Funds
ASSETS AND DEFERRED OUTFLOWS			
Assets			
Current:			
Cash and cash equivalents	$ - -	$ 9,814	$ 9,814
Due from:			
Other funds	- -	1,823,842	1,823,842
Restricted cash	1,136	3,699,650	3,700,786
Total assets	1,136	5,533,306	5,534,442
Deferred Outflows:			
	- -	- -	- -
Total deferred outflows of resources	- -	- -	- -
Total assets and deferred outflows of resources	$ 1,136	$ 5,533,306	$ 5,534,442
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES			
LIABILITIES			
Total liabilities	$ - -	$ - -	$ - -
Deferred Inflows:			
	- -	- -	- -
Total deferred inflows of resources	- -	- -	- -
Total liabilities and deferred inflows of resources	- -	- -	- -
FUND BALANCES			
Reserved for:			
Restricted	1,136	5,533,306	5,534,442
Total fund balances	1,136	5,533,306	5,534,442
Total liabilities, deferred inflows and fund balances	$ 1,136	$ 5,533,306	$ 5,534,442

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
NONMAJOR DEBT SERVICE FUNDS
For the Fiscal Year Ended June 30, 2018

	Debt Service Sinking Fund	Civic Center Project Debt Service Fund	Total Nonmajor Debt Service Funds
REVENUES			
Taxes:			
Ad valorem property taxes	$ 5,909	$ - -	$ 5,909
Interest and investment earnings	- -	40,388	40,388
Total revenues	5,909	40,388	46,297
EXPENDITURES			
Current:			
Principal	240,000	3,818,000	4,058,000
Interest	84,824	3,479,369	3,564,193
Bond issuance costs	- -	- -	- -
Total expenditures	324,824	7,297,369	7,622,193
Excess (deficiency) of revenues over expenditures	(318,915)	(7,256,981)	(7,575,896)
OTHER FINANCING SOURCES (USES)			
Transfers in	319,874	7,296,742	7,616,616
Transfers (out)	- -	- -	- -
Total other financing sources (uses)	319,874	7,296,742	7,616,616
Net change in fund balance	959	39,761	40,720
Fund balances - beginning	177	5,493,545	5,493,722
Fund balances - ending	$ 1,136	$ 5,533,306	$ 5,534,442

CITY OF CHARLESTON, WEST VIRGINIA
PERMANENT FUND

Nonmajor Fund

Spring Hill Cemetery Fund This fund was created in 1973 by City Council to manage funds received for the perpetual care of Spring Hill Cemetery. The corpus is maintained in trust and the earnings thereon are to be expended for the general care and maintenance of the cemetery.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING BALANCE SHEET - NONMAJOR PERMANENT FUNDS
June 30, 2018

	Spring Hill Cemetary
ASSETS AND DEFERRED OUTFLOWS	
Assets:	
Current:	
Cash and cash equivalents	$ 215,708
Investments	2,226,162
Receivables:	
Accrued interest	4,985
Due from:	
Other funds	1,865
Total assets	2,448,720
Deferred Outflows:	
	- -
Total deferred outflows of resources	- -
Total assets and deferred outflows of resources	$ 2,448,720
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	
LIABILITIES	
Due to:	
Other funds	$ - -
Total liabilities	- -
Deferred Inflows:	
	- -
Total deferred inflows of resources	- -
Total liabilities and deferred inflows of resources	- -
FUND BALANCES	
Reserved for:	
Nonspendable	1,291,254
Restricted	1,157,466
Total fund balances	2,448,720
Total liabilities, deferred inflows and fund balances	$ 2,448,720

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
NONMAJOR PERMANENT FUNDS
For the Fiscal Year Ended June 30, 2018

		Spring Hill Cemetary
REVENUES		
Interest and investment earnings	$	126,528
Refunds		- -
Contributions & Donations		294
Miscellaneous		800
Total revenues		127,622
EXPENDITURES		
Current:		
Social services		57,499
Total expenditures		57,499
Excess (deficiency) of revenues over expenditures		70,123
OTHER FINANCING SOURCES (USES)		
Transfers in		16,700
Transfers (out)		- -
Total other financing sources (uses)		16,700
Net change in fund balance		86,823
Fund balances - beginning		2,361,897
Fund balances - ending	$	2,448,720

THE CITY OF CHARLESTON
WEST VIRGINIA

CITY OF CHARLESTON, WEST VIRGINIA
FIDUCIARY FUND FINANCIAL STATEMENTS

Pension Trust Funds

Policemen's Pension and Relief Fund This fund provides retirement benefits for substantially all full-time police employees and designated beneficiaries. The Board of Directors oversees the financial activities of the Pension Plan. The City is required to make annual contributions to the fund in accordance with West Virginia State Code using the Conservation Method. This plan is closed to new employees effective June 1, 2011 and new employees are covered in a multiple employer statewide plan. The State will contract an actuary annually to obtain an actuarial valuation to determine solvency of this local plan.

Firemen's Pension and Relief Fund This fund provides retirement benefits for substantially all full-time police employees and designated beneficiaries. The Board of Directors oversees the financial activities of the Pension Plan. The City is required to make annual contributions to the fund in accordance with West Virginia State Code using the Conservation Method. This plan is closed to new employees effective June 1, 2011 and new employees are covered in a multiple employer statewide plan. The State will contract an actuary annually to obtain an actuarial valuation to determine solvency of this local plan.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS
June 30, 2018

	Pension Trust Funds		
	Policemen's Pension and Relief	Firemen's Pension and Relief	Totals
ASSETS			
Non-pooled cash	$ 844,455	$ 777,331	$ 1,621,786
Total cash	844,455	777,331	1,621,786
Investments, at fair value:			
Federal government securities	3,564,612	3,187,032	6,751,644
Certificates of Deposit	1,184,110	984,842	2,168,952
Managed bond funds	3,646,720	3,642,760	7,289,480
Managed stock funds	13,162,480	12,053,079	25,215,559
Total investments	21,557,922	19,867,713	41,425,635
Receivables:			
Interest receivable	42,462	38,425	80,887
Accounts receivable	196	203	399
Total receivables	42,658	38,628	81,286
Total assets	22,445,035	20,683,672	43,128,707
DEFERRED OUTFLOWS			
	- -	- -	- -
Total deferred outflows of resources	- -	- -	- -
LIABILITIES			
Accounts payable	37,297	- -	37,297
Benefits payable	- -	621,305	621,305
Total liabilities	37,297	621,305	658,602
DEFERRED INFLOWS			
Total deferred inflows of resources	- -	- -	- -
NET POSITION			
Net position held in trust for pension benefits	$ 22,407,738	$ 20,062,367	$ 42,470,105

(1) A schedule of funding progress for each plan is presented in the Required Supplementary Information section of this report.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
For the Fiscal Year Ended June 30, 2018

	Pension Trust Funds		
	Policemen's Pension and Relief	Firemen's Pension and Relief	Totals
ADDITIONS			
Contributions:			
Employer	$ 4,216,314	$ 4,419,007	$ 8,635,321
Plan members	525,513	525,870	1,051,383
Insurance premium surtax	1,737,631	1,735,139	3,472,770
Additional tranfers in	1,426,120	1,688,946	3,115,066
Total contributions	7,905,578	8,368,962	16,274,540
Investment income:			
Net increase (decrease) in fair value of investments	1,205,807	1,105,313	2,311,120
Interest and dividends	430,408	392,945	823,353
Less: investment expense	(96,052)	(88,546)	(184,598)
Net investment income	1,540,163	1,409,712	2,949,875
Total additions	9,445,741	9,778,674	19,224,415
DEDUCTIONS			
Benefits	6,960,586	7,380,920	14,341,506
Administrative expenses	11,765	6,890	18,655
Refunds of contributions	107,653	44,719	152,372
Total deductions	7,080,004	7,432,529	14,512,533
Change in net position	2,365,737	2,346,145	4,711,882
Net position held in trust for pension benefits:			
Beginning of year	20,042,001	17,716,222	37,758,223
End of year	$ 22,407,738	$ 20,062,367	$ 42,470,105

(1) A schedule of funding progress for each plan is presented in the Required Supplementary Information section of this report.

CITY OF CHARLESTON, WEST VIRGINIA
AGENCY FUNDS

Civic Center Ticket Fund This fund is custodial in nature and accounts for revenues received from ticket sales for events held at the Civic Center and subsequently dispersed to promoters of the various events.

Civic Center Promotions Fund This fund is custodial in nature and accounts for revenues received from customers for the Cooking Show, the Wedding Show, and a series of reunions that the Civic Center produces and are subsequently dispersed and deposited to the Civic Center Revenue Fund after the events are over.

Metro Drug Enforcement Task Force Fund This fund is custodial in nature where revenues from forfeitures and donations are held until dispersed to various other City or State Agencies.

Pending Forfeiture Fund This fund is custodial in nature and is operated to hold revenues from forfeitures until disbursed to appropriate federal or state entity or returned by court order.

Police Asset & Liability Fund This fund is custodial in nature and is operated by the Charleston Police Department for confiscated property that will normally be refunded upon court order.

City of Charleston Collection Fee Account This fund is custodial in nature and accounts for revenues collected for credit card sales.

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
June 30, 2018

	Civic Center Ticket	Civic Center Promotions	Metro Drug Enforcement Task Force	Pending Forfeiture	Police Asset & Liability	City of Charleston Fee Collection Account	Total Agency Funds
ASSETS							
Cash and cash equivalents	$ 398,221	$ 7,175	$ 542,932	$ 2,157,165	$ 31,848	$ 30,000	$ 3,167,341
Receivables:							
Accounts	- -	- -	15,000	59,073	- -	- -	74,073
Due from other funds	- -	- -	19,601	- -	- -	- -	19,601
Total assets	398,221	7,175	577,533	2,216,238	31,848	30,000	3,261,015
DEFERRED OUTFLOWS							
	- -	- -	- -	- -	- -	- -	- -
Total deferred outflows of resources	- -	- -	- -	- -	- -	- -	- -
Total assets and deferred outflows of resources	$ 398,221	$ 7,175	$ 577,533	$ 2,216,238	$ 31,848	$ 30,000	$ 3,261,015
LIABILITIES							
Due to other governments	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -	$ - -
Due to other funds	- -	- -	4,507	34,233	- -	- -	38,740
Refunds payable and others	398,221	7,175	573,026	2,182,005	31,848	30,000	3,222,275
Total liabilities	398,221	7,175	577,533	2,216,238	31,848	30,000	3,261,015
DEFERRED INFLOWS							
	- -	- -	- -	- -	- -	- -	- -
Total deferred inflows of resources	- -	- -	- -	- -	- -	- -	- -
Total liabilities and deferred inflows of resources	$ 398,221	$ 7,175	$ 577,533	$ 2,216,238	$ 31,848	$ 30,000	$ 3,261,015

CITY OF CHARLESTON, WEST VIRGINIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Civic Center Ticket	Civic Center Promotions	Metro Drug Enforcement Task Force	Pending Forfeiture	Police Asset & Liability	City of Charleston Fee Collection Account	Total Agency Funds
ASSETS							
Cash and cash equivalents							
July, 1, 2017	$ 1,067,851	$ 7,175	$ 268,615	$ 2,312,162	$ 30,150	$ 20,000	$ 3,705,953
Receivables, July 1, 2017	- -	- -	32,080	127,978	- -	- -	160,058
Due from other funds, July 1, 2017	- -	- -	142,503	- -	- -	- -	142,503
Additions-cash	4,995,019	140,925	1,120,669	535,186	- -	10,000	6,801,799
Deductions-cash	(5,664,649)	(140,925)	(846,352)	(690,183)	- -	- -	(7,342,109)
Additions-receivable	- -	- -	15,000	59,073	12,494	- -	86,567
Deductions-receivable	- -	- -	(32,080)	(127,978)	(10,796)	- -	(170,854)
Additions-due from other funds	- -	- -	19,601	- -	- -	- -	19,601
Deductions-due from other funds	- -	- -	(142,503)	- -	- -	- -	(142,503)
Cash and cash equivalents							
June 30, 2018	398,221	7,175	542,932	2,157,165	31,848	30,000	3,167,341
Receivables, June 30, 2018	- -	- -	15,000	59,073	- -	- -	74,073
Due from other funds,							
June 30, 2018	- -	- -	19,601	- -	- -	- -	19,601
Total assets, June 30, 2018	$ 398,221	$ 7,175	$ 577,533	$ 2,216,238	$ 31,848	$ 30,000	$ 3,261,015
LIABILITIES							
Refunds payable and others							
July 1, 2017	$ 1,067,851	$ 7,175	$ 406,453	$ 2,294,832	$ 30,150	$ 10,000	$ 3,816,461
Additions	4,995,019	140,925	750,482	576,706	12,494	10,000	6,485,626
Deductions	(5,664,649)	(140,925)	(583,909)	(689,533)	(10,796)	- -	(7,089,812)
Due to other funds July 1, 2017	- -	- -	36,745	145,308	- -	10,000	192,053
Additions	- -	- -	4,507	34,233	- -	- -	38,740
Deductions	- -	- -	(36,745)	(145,308)	- -	- -	(182,053)
Refunds payable and others							
June 30, 2018	398,221	7,175	573,026	2,182,005	31,848	20,000	3,212,275
Due to other funds June 30, 2018	- -	- -	4,507	34,233	- -	10,000	48,740
Total liabilities, June 30, 2018	$ 398,221	$ 7,175	$ 577,533	$ 2,216,238	$ 31,848	$ 30,000	$ 3,261,015

STATISTICAL SECTION

CITY OF CHARLESTON, WEST VIRGINIA
STATISTICAL SECTION

This part of the City of Charleston's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property, business and occupation taxes and other tax revenues.

Debt Capacity
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Operating Information
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the City's audited financial statements for the relevant year.

CITY OF CHARLESTON, WEST VIRGINIA
Table 1
Net Position by Component -
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Governmental activities										
Net investment in capital assets	$ 73,968,963	$ 83,612,718	$ 82,874,654	$ 82,454,592	$ 83,960,629	$ 87,087,352	$ 84,322,842	$ 91,753,906	$ 50,490,892	$ 96,827,114
Restricted	13,856,864	8,954,706	21,260,146	22,474,411	6,470,883	6,149,457	7,789,769	96,997,958	60,228,652	22,089,336
Unrestricted	(49,998,448)	(61,208,990)	(78,514,106)	(83,189,573)	(72,369,899)	(71,367,528)	(280,654,508)	(389,735,566)	(321,047,171)	(582,258,872)
Total governmental activities net position	$ 37,827,379	$ 31,358,434	$ 25,620,694	$ 21,739,430	$ 18,061,613	$ 21,869,281	$ (188,541,897)	$ (200,983,702)	$ (210,327,627)	$ (463,342,422)
Business-type activities										
Net investment in capital assets	$ 11,003,316	$ 11,045,766	$ 11,453,846	$ 11,731,642	$ 12,406,337	$ 12,922,295	$ 13,140,432	$ 13,684,752	$ 13,292,985	$ 12,970,569
Restricted	2,132,493	1,987,636	2,010,685	1,998,496	2,017,873	1,928,494	2,383,212	2,567,120	3,741,591	4,351,703
Unrestricted	963,564	1,481,099	1,816,359	2,547,076	2,028,805	2,346,951	2,344,505	1,102,109	1,122,096	(5,231,426)
Total business-type activities	$ 14,099,373	$ 14,514,501	$ 15,280,890	$ 16,277,214	$ 16,453,015	$ 17,197,740	$ 17,868,149	$ 17,353,981	$ 18,156,672	$ 12,090,846
Primary government										
Net investment in capital assets	$ 80,157,720	$ 84,972,279	$ 94,658,484	$ 94,328,500	$ 94,186,234	$ 96,366,966	$ 97,463,274	$ 105,438,658	$ 63,783,877	$ 109,797,683
Restricted	16,769,402	15,989,357	10,942,342	23,270,831	24,472,907	8,077,951	8,077,951	99,565,078	63,970,243	26,441,039
Unrestricted	(38,591,176)	(49,034,884)	(59,727,891)	(76,697,497)	(80,642,497)	(69,020,577)	(278,310,003)	(388,633,457)	(319,925,075)	(587,490,298)
Total primary government net position	$ 58,335,946	$ 51,926,752	$ 45,872,935	$ 40,901,834	$ 38,016,644	$ 35,424,340	$ (172,768,778)	$ (183,629,721)	$ (192,170,955)	$ (451,251,576)

CITY OF CHARLESTON, WEST VIRGINIA
Table 2
Changes in Net Position - Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Expenses										
Governmental activities										
General government	$ 14,323,394	$ 11,927,925	$ 14,678,134	$ 17,731,874	$ 17,435,160	$ 18,195,010	$ 18,995,563	$ 21,301,175	$ 22,041,544	$ 24,034,075
Public safety	49,742,002	51,702,101	48,939,715	47,682,757	49,882,789	48,445,018	68,307,214	79,048,069	70,697,561	65,804,965
Streets and transportation	10,646,908	12,983,127	11,247,814	10,566,066	10,622,107	11,628,169	9,245,547	9,281,976	8,445,513	10,133,769
Health and sanitation	5,729,637	5,583,600	5,738,852	5,340,104	5,583,625	5,978,855	5,505,915	5,924,840	5,092,395	6,085,579
Culture and recreation	7,305,225	7,235,426	7,296,468	7,156,105	7,516,254	7,456,492	7,277,495	7,985,791	8,839,623	8,351,128
Social services	831,811	858,632	726,284	371,124	511,436	860,187	829,925	887,105	807,524	1,083,639
Economic development	2,024,572	5,428,332	2,767,138	2,730,673	2,726,995	2,909,258	2,010,564	2,135,877	3,356,073	5,290,822
Capital Projects	-	-	-	-	-	-	1,263,916	1,211,863	-	-
Interest on long-term debt	920,328	779,600	680,588	680,342	559,472	491,682	384,551	3,142,060	4,032,697	3,670,576
Total governmental activities	91,523,877	96,498,743	92,074,993	92,259,045	94,837,838	95,964,671	113,820,690	130,918,756	123,312,930	124,454,553
Business-type activities										
Civic center	4,787,698	4,733,849	4,553,220	4,775,999	4,921,903	4,885,275	4,631,750	5,308,177	4,867,709	4,476,526
Parking system	2,921,629	2,888,475	2,869,089	2,893,076	2,860,448	2,912,491	2,907,045	3,356,641	2,948,302	2,666,379
Total business-type activities	7,709,327	7,622,324	7,422,309	7,669,075	7,782,351	7,797,766	7,538,795	8,664,818	7,816,011	7,142,905
Total primary government	$ 99,233,204	$ 104,121,067	$ 99,497,302	$ 99,928,120	$ 102,620,189	$ 103,762,437	$ 121,359,485	$ 139,583,574	$ 131,128,941	$ 131,597,458
Program revenues										
Governmental activities										
Charges for services										
General government	$ 3,456,574	$ 3,032,201	$ 3,485,637	$ 2,742,318	$ 2,883,260	$ 3,545,715	$ 1,914,583	$ 1,856,810	$ 1,633,343	$ 1,641,745
Public safety	8,569,748	10,125,363	10,110,851	10,088,885	10,278,179	9,704,654	12,239,320	12,605,975	13,214,233	13,618,447
Culture and recreation	120,618	103,740	101,352	1,038,368	993,673	530,410	943,363	1,013,627	1,202,284	1,227,688
Streets and transportation	2,639,926	1,650,000	1,687,280	1,650,000	1,650,000	2,206,804	848,200	1,612,144	1,039,218	1,382,155
Health and sanitation	4,103,198	4,078,634	4,202,709	4,244,195	4,139,576	4,089,254	4,046,579	4,242,651	4,007,136	4,091,590
Economic development	-	-	-	-	-	-	-	-	-	-
Social services	161,208	137,875	112,123	115,329	181,974	157,490	186,639	142,534	150,567	156,486
Operating grants and contributions	8,572,211	8,743,137	9,199,315	8,803,239	8,704,482	8,298,558	4,826,242	4,680,788	5,064,871	4,889,017
Capital grants and contributions	1,509,503	7,654,827	1,561,603	1,391,735	2,296,876	1,807,358	1,468,326	1,971,246	4,070,239	3,980,681
Total governmental activities program revenues	$ 29,132,986	$ 35,525,777	$ 30,460,870	$ 30,074,069	$ 31,128,020	$ 30,340,243	$ 26,473,252	$ 28,125,775	$ 30,381,891	$ 30,987,809

CITY OF CHARLESTON, WEST VIRGINIA
Table 2 (Continued)
Changes in Net Position - Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Business-type activities:										
Charges for services										
Rentals and parking fees	$ 3,663,108	$ 1,094,783	$ 3,606,545	$ 3,887,577	$ 3,728,044	$ 3,749,201	$ 3,759,896	$ 4,169,633	$ 3,859,869	$ 2,949,287
Catering services	627,378	626,077	525,923	1,020,385	559,926	683,220	742,331	580,788	492,401	132,818
Parking violations	561,973	511,152	517,353	587,162	439,100	461,128	501,697	354,405	454,752	351,184
Parking meters	501,244	511,011	526,958	501,484	497,171	459,114	471,893	456,997	474,086	483,502
Other	1,074,676	3,711,047	1,029,662	1,038,443	1,315,385	1,413,194	1,104,518	801,453	1,107,546	1,138,507
Capital grants and contributions	48,387	20,240	439,181	152,000	42,470	18,272	93,553	21,870	15,103	24,507
Total business-type activities program revenues	6,476,766	6,474,310	6,645,622	7,187,051	6,582,096	6,784,129	6,673,888	6,385,146	6,403,757	5,079,805
Net (expense) revenue										
Governmental activities	(62,390,891)	(60,972,966)	(61,614,123)	(62,184,976)	(63,709,818)	(65,624,428)	(87,347,438)	(102,792,981)	(92,931,039)	(93,466,744)
Business-type activities	(1,232,561)	(1,148,014)	(776,687)	(482,024)	(1,200,255)	(1,013,637)	(864,907)	(2,279,672)	(1,412,254)	(2,063,100)
Total primary government net (expense) revenue	$ (63,623,452)	$ (62,120,980)	$ (62,390,810)	$ (62,667,000)	$ (64,910,073)	$ (66,638,065)	$ (88,212,345)	$ (105,072,653)	$ (94,343,293)	$ (95,529,844)
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	$ 10,541,473	$ 11,438,498	$ 11,548,479	$ 11,955,757	$ 12,564,591	$ 13,011,895	$ 13,320,252	$ 13,773,096	$ 14,544,695	$ 14,899,309
Business and occupation taxes	39,691,857	37,874,423	38,852,038	40,750,458	41,355,598	46,402,641	43,575,524	43,535,853	45,996,988	44,553,692
City Sales & Use taxes	-	-	-	-	-	4,507,057	7,400,475	14,240,163	15,034,244	14,702,552
Utility taxes	2,776,258	2,693,921	3,055,717	2,701,790	2,907,752	2,848,995	2,937,831	2,508,107	2,708,004	2,783,809
Hotel occupancy taxes	2,779,180	2,767,690	2,745,140	3,117,547	3,039,553	2,787,461	2,937,375	2,917,816	3,166,489	3,242,726
Other taxes	1,050,431	1,072,361	1,020,032	1,019,882	1,209,480	1,147,957	1,395,817	1,291,958	1,374,634	1,212,482
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Investment earnings	151,378	33,867	78,352	77,866	72,877	94,984	195,353	343,036	554,501	945,663
Gain (Loss) on sale of capital assets	168,333	164,158	110,918	137,994	246,638	177,517	198,735	450,522	138,646	231,259
Miscellaneous	-	-	-	-	-	-	490,181	1,607,876	902,034	858,584
Reimbursement	-	-	-	-	-	-	1,218,226	1,089,070	1,060,928	1,009,697
Transfers	(1,972,000)	(1,540,897)	(1,534,293)	(1,457,582)	(1,364,488)	(1,546,411)	(1,252,156)	(1,361,717)	(1,894,049)	(1,943,832)
Total governmental activities	$ 55,186,910	$ 54,504,021	$ 55,876,383	$ 58,303,712	$ 60,032,001	$ 69,432,096	$ 72,417,613	$ 80,395,780	$ 83,587,114	$ 82,495,941

CITY OF CHARLESTON, WEST VIRGINIA
Table 2 (Continued)
Changes in Net Position - Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Business-type activities										
Property taxes-TIF District	$ -	$ -	$ -	$ -	$ -	$ 222,379	$ 262,505	$ 346,176	$ 293,485	$ 263,926
Investment earnings	52,842	13,356	11,416	10,685	11,553	11,809	13,949	15,929	21,676	76,798
Miscellaneous	2,506	8,889	33,049	1,434	15	(22,237)	6,706	41,682	5,735	-
Transfers	1,972,000	1,540,897	1,534,293	1,457,582	1,364,488	1,546,411	1,252,156	1,361,717	1,894,049	1,943,832
Total business-type activities	2,027,348	1,563,142	1,578,758	1,469,701	1,376,056	1,758,362	1,535,316	1,765,504	2,214,945	2,284,556
Total primary government	57,214,258	56,067,163	57,455,141	59,773,413	61,408,057	71,190,458	73,952,929	82,161,284	85,802,059	84,780,497
Change in net position										
Governmental activities	(7,203,981)	(6,468,945)	(5,737,740)	(3,881,264)	(3,677,817)	3,807,668	(14,929,825)	(22,397,201)	(9,343,925)	(10,970,803)
Business-type activities	794,787	415,128	802,071	987,677	175,801	744,725	670,409	(514,168)	802,691	221,456
Total primary government	$ (6,409,194)	$ (6,053,817)	$ (4,935,669)	$ (2,893,587)	$ (3,502,016)	$ 4,552,393	$ (14,259,416)	$ (22,911,369)	$ (8,541,234)	$ (10,749,347)

CITY OF CHARLESTON, WEST VIRGINIA
Table 3
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
General fund										
Nonspendable:										
Prepaids	$ 830,761	$ 606,961	$ 599,087	$ 538,965	$ 534,963	$ 590,403	$ 599,879	$ 585,364	$ 577,358	$ 547,986
Restricted for:										
Debt service	200,176	205,344	218,305	225,834	235,836	245,844	260,847	270,851	419,583	369,667
Capital projects	1,417,733	418,980	763,483	916,027	1,045,534	383,464	1,801,415	1,310,266	925,489	1,867,862
Committed for:										
Public safety	59,820	26,037	30,112	20,128	13,348	11,029	-	5,481,327	10,287,425	12,282
OPEB	396,562	2,256,244	7,968,345	8,538,480	9,067,704	9,101,263	10,571,491	9,666,044	5,970,363	6,025,453
Civic Center & Pensions	-	-	-	-	-	-	-	7,025,170	7,261,426	21,984,113
Community development	-	-	62,811	55,593	55,778	4,242,439	9,133,138	32,061	52,198	72,757
Assigned for:										
General government	3,302,099	2,008,363	3,182,005	3,339,990	3,763,986	4,407,616	3,784,676	3,145,421	3,750,851	1,145,238
Public safety	-	136,293	183,045	50,647	69,416	73,628	2,450	624,441	106,964	237,900
Community development	-	46,991	-	-	-	-	-	-	-	7
Culture & recreation	25,000	14,895	-	1,897	-	48,352	1,903,418	2,015,917	876,148	-
Social services	-	-	29,354	-	-	-	-	-	-	-
Capital outlay	579,294	-	-	-	-	-	-	-	-	-
Unassigned	15,897,279	23,398,552	19,729,491	20,543,173	20,028,109	21,590,940	24,513,819	18,858,461	22,699,961	20,512,984
Total General Fund	$ 22,708,724	$ 29,118,660	$ 32,766,038	$ 34,230,734	$ 34,814,674	$ 40,694,978	$ 52,571,133	$ 49,015,323	$ 52,927,766	$ 52,776,249
All other governmental funds										
Nonspendable:										
Perpetual care	$ 897,998	$ 1,010,198	$ 1,116,511	$ 1,032,114	$ 1,195,015	$ 1,286,351	$ 1,225,195	$ 1,202,793	$ 1,305,064	$ 1,291,254
Restricted for:										
General government	118,186	134,743	140,179	117,942	117,439	116,934	44,006	44,075	44,478	44,893
Debt service	3,948,843	72,428	6	69,796	59,732	63,749	49,925	5,509,873	5,537,384	5,576,653
Community development	2,473,626	2,591,286	2,554,261	2,840,758	2,669,670	2,797,983	2,971,778	3,376,311	3,437,545	3,508,683
Perpetual care	606,658	657,879	748,567	885,180	835,864	945,224	1,026,359	1,035,141	1,056,833	1,157,466
Public safety	364,219	264,277	233,913	199,491	184,379	196,227	248,234	174,259	796,763	489,477
Culture & Recreation	-	-	-	-	127,415	113,681	121,820	98,964	91,711	241,454
Social services	-	-	16,220	-	-	-	15,657	-	15,601	15,602
Capital projects	-	6,137.00	1,294	10,814	-	-	24,533	81,710,209	46,020,681	6,989,518
Committed for:										
General government	1,840,757	-	-	-	24,593	50,383	30,948	-	31,169	-
Public safety	-	-	49,027	49,198	43,019	22,887	22,511	18,032	8,980	7,950
Community development	-	30,476	216,027	262,743	170,143	150,143	282,047	151,557	152,090	165,229
Streets & transportation	-	-	32,611	-	31,275	31,266	145,778	1,231,323	3,021,817	4,611,042
Health & Sanitation	378,063	318,383	430,070	421,358	376,241	351,089	386,223	510,152	445,117	416,655
Culture & Recreation	-	-	-	-	346,817	433,501	339,953	80,725	92,758	86,743
Debt service	-	-	74,371	-	-	-	-	-	-	-
Capital projects	3,941,227	2,826,676	2,610,542	2,897,456	3,046,007	5,125,807	5,324,603	9,205,146	7,790,662	6,777,068
Unassigned	-	-	-	-	-	(46,316)	(69,967)	1,503	6,851	-
Total all other governmental funds	$ 14,569,577	$ 7,912,483	$ 8,223,599	$ 8,786,850	$ 9,227,609	$ 11,638,909	$ 12,189,603	$ 104,350,063	$ 69,855,504	$ 31,379,687

The fund balance information for years 2009 through 2010 was restated from the previously reported reserved and unreserved to the new classifications required by GASB 54 which was implemented July 1, 2010.
The fund balances were restated to the various classifications based upon the information available which has resulted in some variances in the classifications over the years.
The fund balance from fiscal year 2017 was restated due to correction in accounts payable.

CITY OF CHARLESTON, WEST VIRGINIA
Table 4
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Revenues										
Taxes	$ 57,051,587	$ 55,577,494	$ 57,209,561	$ 59,653,667	$ 60,951,422	$ 70,823,001	$ 71,595,722	$ 78,170,310	$ 82,643,807	$ 81,331,851
Licenses and permits	1,731,941	1,601,720	1,624,147	1,727,040	1,980,033	2,314,548	1,951,906	1,785,106	2,101,210	1,573,618
Fines and forfeitures	1,189,702	731,521	865,220	889,523	682,139	607,189	597,295	822,135	415,455	388,268
Charges for services	16,141,496	16,659,106	17,172,031	17,196,859	17,378,425	17,083,347	17,605,092	18,172,250	18,730,115	19,342,380
Intergovernmental	8,423,241	11,857,013	9,231,083	8,360,571	9,043,036	8,438,015	6,553,675	6,777,791	8,880,884	8,579,350
Investment earnings	400,498	321,058	310,621	274,412	227,115	333,819	195,353	343,036	554,496	945,663
Other revenues	2,419,634	3,918,629	2,355,501	2,657,649	2,290,775	2,380,245	2,216,847	3,858,393	2,853,474	2,976,042
Total revenues	87,358,099	90,666,541	88,768,164	90,759,721	92,552,945	101,980,164	100,715,890	109,929,021	116,179,441	115,137,172
Expenditures										
General government	14,755,393	14,892,930	15,098,648	16,758,073	17,300,093	17,895,004	16,865,727	18,463,262	18,475,861	20,512,233
Public safety	38,850,635	41,180,127	41,258,476	43,270,217	45,244,968	43,177,644	41,064,211	44,496,338	49,212,795	50,256,844
Streets & transportation	8,269,936	8,495,674	9,283,553	9,344,871	9,885,764	9,695,257	8,604,396	8,659,689	8,043,992	9,046,170
Health & sanitation	5,639,276	5,666,817	5,700,048	5,910,632	5,743,792	5,935,792	5,242,341	5,541,497	5,389,924	5,663,160
Culture & recreation	6,421,350	6,194,436	6,226,957	6,495,293	6,606,428	6,371,573	6,230,982	6,374,973	8,560,967	6,988,108
Economic development	3,616,919	7,630,856	3,616,911	3,467,050	4,122,299	3,904,672	2,501,317	2,498,592	3,756,170	5,746,305
Social services	795,455	858,122	765,398	734,641	1,153,456	771,640	752,103	812,046	781,169	931,297
Capital outlay	3,269,518	4,077,111	2,583,511	2,435,895	1,903,430	5,468,283	7,367,534	26,747,478	46,146,996	47,815,185
Debt service:										
Principal	1,881,447	5,231,528	696,861	727,364	753,081	630,000	660,000	3,381,000	7,869,000	4,693,000
Issuance Costs	-	66,822	-	-	-	-	-	542,430	99,333	1,750
Interest	919,824	636,643	504,268	473,340	441,233	408,921	381,025	3,135,359	3,942,042	3,657,268
Total expenditures	84,419,753	94,931,066	85,734,631	89,617,376	93,154,544	94,258,786	89,669,636	120,652,664	152,278,249	155,311,320
Excess of revenues over (under) expenditures	2,938,346	(4,264,525)	3,033,533	1,142,345	(601,599)	7,721,378	11,046,254	(10,723,643)	(36,098,808)	(40,174,148)
Special item-legal settlement	-	-	-	-	-	-	-	-	-	-
Other financing sources (uses)										
Proceeds from borrowing	2,161,000	5,445,500	2,266,500	2,158,500	2,264,500	1,482,000	2,494,500	100,206,000	7,180,900	2,820,500
Transfers in	7,388,416	15,628,709	7,123,537	6,925,212	7,112,640	11,199,977	7,197,960	33,229,618	33,180,332	28,339,920
Transfers out	(9,301,832)	(17,076,640)	(8,630,764)	(8,348,929)	(8,443,345)	(12,320,360)	(8,520,478)	(34,601,335)	(35,089,381)	(30,293,752)
Other	94,936	19,799	165,688	150,819	692,501	208,609	208,613	486,286	245,003	680,146
Total other financing sources (uses)	342,520	4,017,368	924,961	885,602	1,626,296	570,226	1,380,595	99,320,569	5,516,854	1,546,814
Net change in fund balance	$ 3,280,866	$ (247,157)	$ 3,958,494	$ 2,027,947	$ 1,024,697	$ 8,291,604	$ 12,426,849	$ 88,596,926	$ (30,581,954)	$ (38,627,334)
Debt service as a percentage of noncapital expenditures	3%	6%	1%	1%	1%	1%	1%	7%	11%	8%

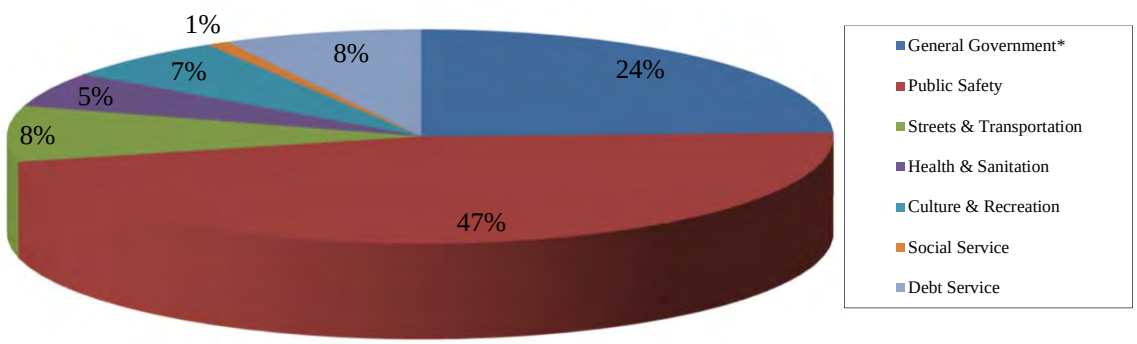
Some capital outlays are included in the activity or function. The capital outlay listed above is for capital project funds only.

CITY OF CHARLESTON, WEST VIRGINIA
Table 5
Expenditures By Function - Governmental Fund Types -
For the Last Ten Fiscal Years

Fiscal Years	General Government*	Public Safety	Streets & Transportation	Health & Sanitation	Culture & Recreation	Social Service	Debt Service	Total
2009	$ 18,372,312	$ 38,850,635	$ 8,269,936	$ 5,639,276	$ 6,421,350	$ 795,455	$ 2,801,271	$ 81,150,235
2010	$ 22,523,786	$ 41,180,127	$ 8,495,674	$ 5,666,817	$ 6,194,436	$ 858,122	$ 5,934,993	$ 90,853,955
2011	$ 18,715,559	$ 41,258,476	$ 9,283,553	$ 5,700,048	$ 6,226,957	$ 765,398	$ 1,201,129	$ 83,151,120
2012	$ 20,225,123	$ 43,270,217	$ 9,344,871	$ 5,910,632	$ 6,495,293	$ 734,641	$ 1,200,704	$ 87,181,481
2013	$ 21,422,392	$ 45,244,968	$ 9,885,764	$ 5,743,792	$ 6,606,428	$ 1,153,456	$ 1,194,314	$ 91,251,114
2014	$ 21,799,676	$ 43,177,644	$ 9,695,257	$ 5,935,792	$ 6,371,573	$ 771,640	$ 1,038,921	$ 88,790,503
2015	$ 19,367,044	$ 41,064,211	$ 8,604,396	$ 5,242,341	$ 6,230,982	$ 752,103	$ 1,041,025	$ 82,302,102
2016	$ 20,961,854	$ 44,496,338	$ 8,659,689	$ 5,541,497	$ 6,374,973	$ 812,046	$ 7,058,789	$ 93,905,186
2017	$ 22,232,031	$ 49,212,795	$ 8,043,992	$ 5,389,924	$ 8,560,967	$ 781,169	$ 11,910,375	$ 106,131,253
2018	$ 26,258,538	$ 50,256,844	$ 9,046,170	$ 5,663,160	$ 6,988,108	$ 931,297	$ 8,352,018	$ 107,496,135

Includes General Fund, Special Revenue Funds, Permanent Fund, and Debt Service Fund
*Includes expenditures for economic development
Excludes Capital Projects

Expenditures by Function - Governmental Fund Types for the Current Year

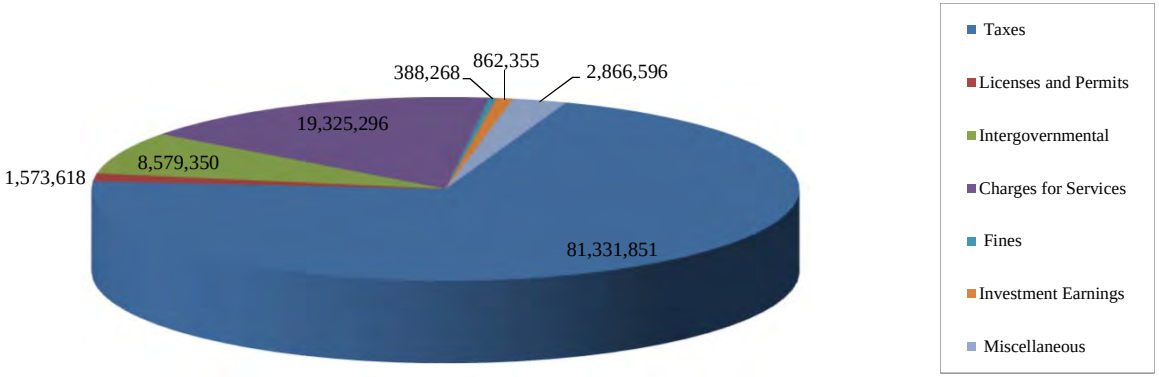


CITY OF CHARLESTON, WEST VIRGINIA
Table 6
Revenues By Source - Governmental Fund Types -
For the Last Ten Fiscal Years

Fiscal Years	Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fines	Investment Earnings	Miscellaneous	Total
2009	$ 57,051,587	$ 1,731,941	$ 8,423,241	$ 16,107,818	$ 1,189,702	$ 349,788	$ 2,359,774	$ 87,213,851
2010	$ 55,577,494	$ 1,601,720	$ 11,857,013	$ 16,638,335	$ 731,521	$ 311,374	$ 3,849,333	$ 90,566,790
2011	$ 57,209,561	$ 1,624,147	$ 9,231,083	$ 17,168,218	$ 865,220	$ 300,741	$ 2,205,837	$ 88,604,807
2012	$ 59,653,667	$ 1,727,040	$ 8,360,571	$ 17,169,861	$ 889,523	$ 265,855	$ 2,527,104	$ 90,593,621
2013	$ 60,951,422	$ 1,980,033	$ 9,043,036	$ 17,349,859	$ 682,139	$ 218,932	$ 2,218,519	$ 92,443,940
2014	$ 70,823,001	$ 2,314,548	$ 8,438,015	$ 17,076,699	$ 607,189	$ 325,760	$ 2,340,102	$ 101,925,314
2015	$ 71,595,722	$ 1,951,906	$ 6,553,675	$ 17,586,425	$ 597,295	$ 175,700	$ 1,856,011	$ 100,316,734
2016	$ 78,170,310	$ 1,785,106	$ 6,777,791	$ 18,172,250	$ 822,135	$ 343,036	$ 3,858,393	$ 109,929,021
2017	$ 82,643,807	$ 2,101,210	$ 8,880,884	$ 18,730,115	$ 415,455	$ 554,496	$ 2,853,474	$ 116,179,441
2018	$ 81,331,851	$ 1,573,618	$ 8,579,350	$ 19,325,296	$ 388,268	$ 862,355	$ 2,866,596	$ 114,927,334

Includes General Fund, Special Revenue Funds, Permanent Fund, and Debt Service Fund
Excludes Capital Projects -

Revenues by Source - Governmental Fund Type for the Current Year



CITY OF CHARLESTON, WEST VIRGINIA
Table 7
Detailed Revenues From Taxes - Governmental Fund Types -
For the Last Ten Fiscal Years

Fiscal Years	Property Tax	Business & Occupation Tax	City Sales & Use Tax	Utility Tax	Consumer Sales Tax Liquor	Hotel Occupancy Tax	Amusement Tax	Miscellaneous Taxes	Total
2009	$ 10,753,861	$ 39,691,857	$ -	$ 2,776,258	$ 778,890	$ 2,779,180	$ 203,751	$ 67,790	$ 57,051,587
2010	$ 11,169,099	$ 37,874,423	$ -	$ 2,693,921	$ 826,209	$ 2,767,690	$ 193,976	$ 52,176	$ 55,577,494
2011	$ 11,536,634	$ 38,852,038	$ -	$ 3,055,717	$ 821,111	$ 2,745,140	$ 150,312	$ 48,609	$ 57,209,561
2012	$ 12,063,990	$ 40,750,458	$ -	$ 2,701,790	$ 782,221	$ 3,117,547	$ 179,470	$ 58,191	$ 59,653,667
2013	$ 12,439,039	$ 41,355,598	$ -	$ 2,907,752	$ 977,270	$ 3,039,553	$ 176,634	$ 55,576	$ 60,951,422
2014	$ 13,128,890	$ 46,402,641	$ 4,507,057	$ 2,848,995	$ 855,825	$ 2,787,461	$ 191,837	$ 100,295	$ 70,823,001
2015	$ 13,348,700	$ 43,575,524	$ 7,400,475	$ 2,937,831	$ 921,639	$ 2,937,375	$ 185,084	$ 289,094	$ 71,595,722
2016	$ 13,676,413	$ 43,535,853	$ 14,240,163	$ 2,508,107	$ 922,499	$ 2,917,816	$ 172,886	$ 196,573	$ 78,170,310
2017	$ 14,363,448	$ 45,996,988	$ 15,034,244	$ 2,708,004	$ 942,479	$ 3,166,489	$ 228,370	$ 203,785	$ 82,643,807
2018	$ 14,836,590	$ 44,553,692	$ 14,702,552	$ 2,783,809	$ 902,586	$ 3,242,726	$ 166,343	$ 143,553	$ 81,331,851

CITY OF CHARLESTON, WEST VIRGINIA
Table 8
Property Tax Levies and Collections - General Fund -
For the Last Ten Fiscal Years

Fiscal Years	Total Tax Levy	Current Tax Collections	Percent Current Taxes Collected	Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Ratio of Delinquent Taxes to Total Tax Levy
2009	$ 9,440,524	$ 8,738,117	92.56%	$ 462,489	$ 9,200,606	97.46%	$ 231,842	2.46%
2010	$ 10,028,680	$ 9,271,727	92.45%	$ 376,955	$ 9,648,682	96.21%	$ 466,928	4.66%
2011	$ 11,893,824	$ 10,941,052	91.99%	$ 595,582	$ 11,536,634	97.00%	$ 521,966	4.39%
2012	$ 12,294,171	$ 11,543,435	93.89%	$ 520,555	$ 12,063,990	98.13%	$ 422,483	3.44%
2013	$ 12,855,184	$ 11,902,083	92.59%	$ 536,956	$ 12,439,039	96.76%	$ 571,126	4.44%
2014	$ 13,520,304	$ 12,546,273	92.80%	$ 582,617	$ 13,128,890	97.10%	$ 454,131	3.36%
2015	$ 13,925,782	$ 11,675,684	83.84%	$ 552,063	$ 12,227,747	87.81%	$ 425,683	3.06%
2016	$ 14,328,627	$ 12,020,502	83.89%	$ 476,761	$ 12,497,263	87.22%	$ 522,366	3.65%
2017	$ 14,757,622	$ 12,598,820	85.37%	$ 499,600	$ 13,098,420	88.76%	$ 703,613	4.77%
2018	$ 15,398,625	$ 12,644,881	82.12%	$ 698,932	$ 13,343,813	86.66%	$ 766,332	4.98%

CITY OF CHARLESTON, WEST VIRGINIA
Table 9
Principal Revenue Source
Business and Occupation Tax Revenue Filers By Class -

For the Last Ten Fiscal Years

		Fiscal Year 2018				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	11	0.22%	$ 104,605	0.26%
2	Manufacturing	0.30%	1	0.02%	7	0.00%
3	Retailers	0.50%	1,006	20.37%	7,319,186	17.91%
4	Wholesalers	0.15%	394	7.98%	1,481,550	3.63%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	2	0.04%	2,157,043	5.28%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,148,575	2.81%
7	Natural Gas Companies	2.00%	1	0.02%	597,812	1.46%
8	Water Companies	4.00%	1	0.02%	808,231	1.98%
9	All Other Public Utilities	2.00%	9	0.18%	70,165	0.17%
10	Contracting	2.00%	538	10.89%	4,938,262	12.08%
11	Amusement	0.50%	27	0.55%	496,325	1.21%
12	Service & All Other Businesses	1.00%	1,833	37.11%	17,105,745	41.86%
13	Rents and Royalties	1.00%	1,059	21.44%	2,550,043	6.24%
14	Banking and Other Financial Institutions	1.00%	56	1.13%	2,087,730	5.11%
	Totals		4,939	100.00%	$ 40,865,279	100.00%

		Fiscal Year 2017				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	10	0.21%	$ 36,538	0.09%
2	Manufacturing	0.00%	-	0.00%	-	0.00%
3	Retailers	0.50%	1,011	20.84%	7,629,686	18.60%
4	Wholesalers	0.15%	373	7.69%	1,392,464	3.39%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	1	0.02%	2,126,576	5.18%
6	Electric Power Companies (All Other Sales and Demand Charges)	0.03%	1	0.02%	1,172,142	2.86%
7	Natural Gas Companies	0.03%	1	0.02%	245,574	0.60%
8	Water Companies	4.00%	1	0.02%	823,066	2.01%
9	All Other Public Utilities	2.00%	7	0.14%	43,204	0.11%
10	Contracting	2.00%	595	12.26%	5,602,188	13.66%
11	Amusement	0.50%	22	0.45%	453,630	1.11%
12	Service & All Other Businesses	1.00%	1,829	37.70%	17,102,583	41.70%
13	Rents and Royalties	1.00%	950	19.58%	2,545,297	6.21%
14	Banking and Other Financial Institutions	1.00%	51	1.05%	1,842,681	4.49%
	Totals		4,852	100.00%	$ 41,015,630	100.00%

CITY OF CHARLESTON, WEST VIRGINIA
Table 9 (Continued)
Principal Revenue Source
Business and Occupation Tax Revenue Filers By Class

		Fiscal Year 2016				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	8	0.17%	$ 27,096	0.07%
2	Manufacturing	0.00%	-	0.00%	-	0.00%
3	Retailers	0.50%	978	20.29%	7,572,212	18.23%
4	Wholesalers	0.15%	386	8.01%	1,337,740	3.22%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	1	0.02%	1,977,322	4.76%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,140,973	2.75%
7	Natural Gas Companies	3.00%	1	0.02%	525,030	1.26%
8	Water Companies	4.00%	1	0.02%	773,708	1.86%
9	All Other Public Utilities	2.00%	8	0.17%	104,496	0.25%
10	Contracting	2.00%	549	11.39%	5,729,306	13.79%
11	Amusement	0.50%	22	0.46%	344,021	0.83%
12	Service & All Other Businesses	0.10%	1,848	38.35%	17,424,576	41.96%
13	Rents and Royalties	0.10%	962	19.96%	2,645,642	6.37%
14	Banking and Other Financial Institutions	0.10%	54	1.12%	1,930,419	4.65%
	Totals		4,819	100.00%	$ 41,532,541	100.00%

		Fiscal Year 2015				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	8	0.14%	$ 18,776	0.05%
2	Manufacturing	0.30%	1	0.02%	32	0.00%
3	Retailers	0.50%	1,059	18.54%	8,018,668	19.44%
4	Wholesalers	0.15%	430	7.53%	1,424,071	3.45%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	2	0.04%	1,433,267	3.48%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,518,637	3.68%
7	Natural Gas Companies	3.00%	2	0.04%	749,896	1.82%
8	Water Companies	4.00%	2	0.04%	723,330	1.75%
9	All Other Public Utilities	2.00%	6	0.11%	15,933	0.04%
10	Contracting	2.00%	544	9.52%	4,881,720	11.84%
11	Amusement	0.50%	32	0.56%	403,113	0.98%
12	Service & All Other Businesses	1.00%	2,031	35.53%	17,487,274	42.39%
13	Rents and Royalties	1.00%	1,532	26.82%	2,589,707	6.28%
14	Banking and Other Financial Institutions	1.00%	63	1.10%	1,979,139	4.80%
	Totals		5,713	100.00%	$ 41,243,563	100.00%

CITY OF CHARLESTON, WEST VIRGINIA
Table 9 (Continued)
Principal Revenue Source
Business and Occupation Tax Revenue Filers By Class

		Fiscal Year 2014				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	9	0.19%	$ 23,727	0.06%
2	Manufacturing	3.00%	35	0.73%	184,147	0.44%
3	Retailers	0.50%	969	20.19%	7,682,364	18.49%
4	Wholesalers	0.15%	388	8.09%	1,504,936	3.62%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	1	0.02%	1,899,680	4.57%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,115,156	2.68%
7	Natural Gas Companies	3.00%	1	0.02%	640,263	1.54%
8	Water Companies	4.00%	1	0.02%	666,563	1.60%
9	All Other Public Utilities	2.00%	6	0.13%	5,324	0.01%
10	Contracting	2.00%	547	11.40%	6,145,407	14.79%
11	Amusement	0.50%	24	0.50%	473,516	1.14%
12	Service & All Other Businesses	1.00%	1,800	37.50%	16,845,733	40.57%
13	Rents and Royalties	1.00%	955	19.90%	2,372,929	5.71%
14	Banking and Other Financial Institutions	1.00%	62	1.29%	1,984,452	4.78%
	Totals		4,799	100.00%	$ 41,544,197	100.00%

		Fiscal Year 2013				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	7	0.12%	$ 7,543	0.02%
2	Manufacturing	3.00%	43	0.74%	306,438	0.78%
3	Retailers	0.50%	1,075	18.41%	7,695,611	19.64%
4	Wholesalers	0.15%	437	7.48%	1,395,630	3.56%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	1	0.02%	1,933,103	4.93%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,140,254	2.91%
7	Natural Gas Companies	3.00%	3	0.05%	483,340	1.23%
8	Water Companies	4.00%	1	0.02%	749,718	1.91%
9	All Other Public Utilities	2.00%	6	0.10%	21,430	0.05%
10	Contracting	2.00%	545	9.33%	4,641,987	11.85%
11	Amusement	0.50%	34	0.58%	387,842	0.99%
12	Service & All Other Businesses	1.00%	1,980	33.91%	15,861,239	40.50%
13	Rents and Royalties	1.00%	1,637	28.04%	2,476,009	6.32%
14	Banking and Other Financial Institutions	1.00%	69	1.18%	2,079,652	5.31%
	Totals		5,839	100.00%	$ 39,179,796	100.00%

CITY OF CHARLESTON, WEST VIRGINIA
Table 9 (Continued)
Principal Revenue Source
Business and Occupation Tax Revenue Filers By Class

		Fiscal Year 2012				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	11	0.19%	$ 96,366	0.25%
2	Manufacturing	3.00%	45	0.77%	323,130	0.84%
3	Retailers	0.50%	1,081	18.47%	7,567,150	19.59%
4	Wholesalers	0.15%	460	7.86%	1,418,628	3.67%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	1	0.02%	1,932,223	5.00%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,140,342	2.95%
7	Natural Gas Companies	3.00%	2	0.03%	568,317	1.47%
8	Water Companies	4.00%	1	0.02%	757,268	1.96%
9	All Other Public Utilities	2.00%	6	0.10%	56,098	0.15%
10	Contracting	2.00%	516	8.81%	4,216,039	10.92%
11	Amusement	0.50%	37	0.63%	306,350	0.79%
12	Service & All Other Businesses	1.00%	1,991	34.01%	15,790,193	40.89%
13	Rents and Royalties	1.00%	1,631	27.86%	2,446,095	6.33%
14	Banking and Other Financial Institutions	1.00%	71	1.21%	2,004,234	5.19%
	Totals		5,854	100.00%	$ 38,622,433	100.00%

		Fiscal Year 2011				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	8	0.14%	$ 19,584	0.05%
2	Manufacturing	3.00%	47	0.81%	355,563	0.96%
3	Retailers	0.50%	1,059	18.34%	7,278,769	19.58%
4	Wholesalers	0.15%	469	8.12%	1,185,723	3.19%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	1	0.02%	1,829,175	4.92%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,069,228	2.88%
7	Natural Gas Companies	3.00%	2	0.03%	693,354	1.87%
8	Water Companies	4.00%	1	0.02%	715,867	1.93%
9	All Other Public Utilities	2.00%	1	0.02%	44,248	0.12%
10	Contracting	2.00%	515	8.92%	3,529,749	9.49%
11	Amusement	0.50%	33	0.57%	289,647	0.78%
12	Service & All Other Businesses	1.00%	1,978	34.25%	15,766,732	42.40%
13	Rents and Royalties	1.00%	1,597	27.65%	2,528,263	6.80%
14	Banking and Other Financial Institutions	1.00%	63	1.09%	1,870,713	5.03%
	Totals		5,775	100.00%	$ 37,176,615	100.00%

CITY OF CHARLESTON, WEST VIRGINIA
Table 9 (Continued)
Principal Revenue Source
Business and Occupation Tax Revenue Filers By Class

		Fiscal Year 2010				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	5	0.11%	$ 18,420	0.05%
2	Manufacturing	3.00%	32	0.72%	317,725	0.90%
3	Retailers	0.50%	913	20.47%	7,105,802	20.14%
4	Wholesalers	0.15%	366	8.20%	1,003,969	2.85%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	2	0.04%	1,584,404	4.49%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	932,584	2.64%
7	Natural Gas Companies	3.00%	2	0.04%	835,828	2.37%
8	Water Companies	4.00%	2	0.04%	738,629	2.09%
9	All Other Public Utilities	2.00%	3	0.07%	30,143	0.09%
10	Contracting	2.00%	564	12.64%	3,230,548	9.16%
11	Amusement	0.50%	21	0.47%	307,393	0.87%
12	Service & All Other Businesses	1.00%	1,681	37.68%	15,249,924	43.23%
13	Rents and Royalties	1.00%	826	18.52%	2,170,226	6.15%
14	Banking and Other Financial Institutions	1.00%	43	0.96%	1,753,561	4.97%
	Totals		4,461	100.00%	$ 35,279,156	100.00%

		Fiscal Year 2009				
	Class	Rate per $1.00 Gross Revenue	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
1	Production of Natural Resources	1.00%	11	0.16%	$ 450	0.00%
2	Manufacturing	3.00%	48	0.72%	344,110	0.91%
3	Retailers	0.50%	1,200	17.96%	7,452,717	19.60%
4	Wholesalers	0.15%	485	7.26%	1,178,090	3.10%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	2	0.03%	1,428,790	3.76%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.01%	850,516	2.24%
7	Natural Gas Companies	3.00%	3	0.04%	1,139,275	3.00%
8	Water Companies	4.00%	1	0.01%	731,205	1.92%
9	All Other Public Utilities	2.00%	4	0.06%	46,358	0.12%
10	Contracting	2.00%	847	12.67%	3,197,120	8.41%
11	Amusement	0.50%	42	0.63%	81,854	0.22%
12	Service & All Other Businesses	1.00%	2,295	34.36%	17,119,132	45.01%
13	Rents and Royalties	1.00%	1,683	25.18%	2,450,421	6.44%
14	Banking and Other Financial Institutions	1.00%	61	0.91%	2,002,652	5.27%
	Totals		6,683	100.00%	$ 38,022,690	100.00%

CITY OF CHARLESTON, WEST VIRGINIA
Table 10
Ratio of Outstanding General Obligation Bonds to
Assessed Value, Estimated Actual Taxable Value and Net Debt Per Capita -
For the Last Ten Fiscal Years

Fiscal Years	Assessed Value	Estimated Actual Taxable Value of Property	Gross Bonded Debt	Debt Service Fund	Net Bonded Debt	Ratio of Bonded Debt to Assessed Value	Ratio of Net Bonded Debt to Estimated Actual Value	Net Bonded Debt Per Capita
2009	$ 2,771,067,257	$ 1,662,640,354	$ 1,370,000	$ 3,785,755	$ (2,415,755)	-0.09%	-0.15%	(19)
2010	$ 2,866,580,495	$ 1,719,948,297	$ -	$ 3,903,692	$ (3,903,692)	-0.14%	-0.23%	(48)
2011	$ 2,883,615,894	$ 1,730,169,536	$ -	$ -	$ -	0.00%	0.00%	(78)
2012	$ 2,931,967,620	$ 1,759,180,572	$ -	$ -	$ -	0.00%	0.00%	-
2013	$ 3,087,614,182	$ 1,852,568,509	$ -	$ -	$ -	0.00%	0.00%	-
2014	$ 3,191,495,380	$ 1,914,897,228	$ -	$ -	$ -	0.00%	0.00%	-
2015	$ 3,208,195,965	$ 1,924,917,579	$ -	$ -	$ -	0.00%	0.00%	-
2016	$ 3,246,792,017	$ 1,948,075,210	$ -	$ -	$ -	0.00%	0.00%	-
2017	$ 3,231,869,829	$ 1,939,121,897	$ -	$ -	$ -	0.00%	0.00%	-
2018	$ 3,243,460,913	$ 1,946,076,548	$ -	$ -	$ -	0.00%	0.00%	-

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. Assessed value does not include exempt property. The Kanawha County Assessor estimates actual taxable value of property at sixty percent. Population data can be found in the Table of Demographic Statistics. The City currently has no general obligation bond debt outstanding.

CITY OF CHARLESTON, WEST VIRGINIA
Table 11
Ratio of Outstanding Debt by Type -
For the Last Ten Fiscal Years

	Governmental Activities			Business-type Activities				
Fiscal Years	General Obligation Bonds	Revenue Bonds	Capital Leases	Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
2009	$ 1,370,000	$ 3,875,679	$ 11,232,515	$ 13,782,652	$ -	$ 30,260,846	18.51%	653
2010	$ -	$ 3,664,899	$ 11,156,673	$ 12,668,472	$ -	$ 27,490,044	16.20%	548
2011	$ -	$ 3,339,478	$ 11,068,526	$ 11,457,329	$ -	$ 25,865,333	14.23%	548
2012	$ -	$ 3,008,554	$ 10,786,372	$ 10,141,186	$ -	$ 23,936,112	13.33%	503
2013	$ -	$ 2,715,290	$ 10,147,127	$ 9,330,223	$ -	$ 22,192,640	12.21%	432
2014	$ -	$ 2,512,131	$ 9,055,434	$ 7,779,085	$ -	$ 19,346,650	10.97%	376
2015	$ -	$ 2,298,973	$ 9,069,295	$ 6,172,947	$ -	$ 17,541,215	8.89%	341
2016	$ -	$ 96,644,815	$ 9,464,294	$ 4,671,075	$ -	$ 110,780,184	1.95%	2,155
2017	$ -	$ 92,742,657	$ 10,316,103	$ 4,217,004	$ -	$ 107,275,764	2.02%	2,087
2018	$ -	$ 88,681,498	$ 10,078,938	$ 3,737,932	$ -	$ 102,498,368	2.11%	1,994

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The City has no overlapping debt.

CITY OF CHARLESTON, WEST VIRGINIA
Table 12
Revenue Bond Coverage - Civic Center Revenue Bonds -
For the Last Ten Fiscal Years

				Debt Service Requirements				
Fiscal Years	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Principal	Interest	Total	Coverage	General Fund & Coal Severance Transfers
2009	$ 2,823,229	$ 4,391,541	$ (1,568,312)	$ 280,000	$ 434,949	$ 714,949	-219.36%	$ 1,812,381
2010	$ 2,839,910	$ 4,314,792	$ (1,474,882)	$ 300,000	$ 397,689	$ 697,689	-211.40%	$ 1,432,678
2011	$ 2,547,456	$ 4,211,851	$ (1,664,395)	$ 315,000	$ 305,206	$ 620,206	-268.36%	$ 1,314,817
2012	$ 3,101,777	$ 4,335,808	$ (1,234,031)	$ 385,000	$ 289,458	$ 674,458	-182.97%	$ 1,301,836
2013	$ 2,936,164	$ 4,616,987	$ (1,680,823)	$ 390,000	$ 276,207	$ 666,207	-252.30%	$ 1,373,459
2014	$ 3,254,330	$ 4,593,226	$ (1,338,896)	$ 410,000	$ 259,250	$ 669,250	-200.06%	$ 1,203,704
2015	$ 3,232,637	$ 4,622,336	$ (1,389,699)	$ 425,000	$ 245,227	$ 670,227	-207.35%	$ 1,294,339
2016	$ 2,964,411	$ 5,054,297	$ (2,089,886)	$ 445,000	$ 228,620	$ 673,620	-310.25%	$ 1,399,714
2017	$ 2,962,180	$ 4,633,583	$ (1,671,403)	$ 465,000	$ 207,956	$ 672,956	-248.37%	$ 1,406,497
2018	$ 2,283,811	$ 4,263,827	$ (1,980,016)	$ 490,000	$ 212,699	$ 702,699	-281.77%	$ 1,660,362

The General Fund and Coal Severance Fund transfer specific revenue pledged for the Civic Center Debt Service. The General Fund also transfers funds for operational subsidy.

CITY OF CHARLESTON, WEST VIRGINIA
Table 13
Revenue Bond Coverage - Parking System Revenue Bonds -
For the Last Ten Fiscal Years

Fiscal Years	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements Principal	Interest	Total	Coverage
2009	$ 3,734,111	$ 2,546,844	$ 1,187,267	$ 970,000	$ 356,450	$ 1,326,450	89.51%
2010	$ 3,656,645	$ 2,471,699	$ 1,184,946	$ 995,000	$ 319,555	$ 1,314,555	90.14%
2011	$ 4,142,631	$ 2,493,365	$ 1,649,266	$ 1,025,000	$ 282,501	$ 1,307,501	126.14%
2012	$ 3,970,745	$ 2,529,183	$ 1,441,562	$ 1,060,000	$ 237,690	$ 1,297,690	111.09%
2013	$ 3,657,500	$ 2,590,134	$ 1,067,366	$ 925,000	$ 195,316	$ 1,120,316	95.27%
2014	$ 3,537,324	$ 2,694,571	$ 842,753	$ 1,175,000	$ 152,810	$ 1,327,810	63.47%
2015	$ 3,610,203	$ 2,739,890	$ 870,313	$ 1,215,000	$ 104,214	$ 1,319,214	65.97%
2016	$ 3,398,865	$ 3,259,416	$ 139,449	$ 1,085,000	$ 48,825	$ 1,133,825	12.30%
2017	$ 3,426,474	$ 2,948,302	$ 478,172	$ -	$ -	$ -	0.00%
2018	$ 2,771,487	$ 2,666,379	$ 105,108	$ -	$ -	$ -	0.00%

CITY OF CHARLESTON, WEST VIRGINIA
Table 14
Demographic Statistics -
Last Ten Fiscal Years

Fiscal Years	Population	Personal Income	Per Capita Income	Unemployment Rate
2009	50,478	$ 1,902,011	$ 37,687	6.6
2010	50,132	$ 1,921,031	$ 38,177	7.6
2011	51,400	$ 1,940,241	$ 38,673	7.4
2012	51,400	$ 1,959,643	$ 40,027	6.9
2013	51,400	$ 2,022,473	$ 41,228	5.7
2014	51,400	$ 2,175,248	$ 42,329	5.4
2015	51,400	$ 2,161,370	$ 42,046	6.8
2016	51,400	$ 2,161,370	$ 42,046	6.0
2017	51,400	$ 2,161,884	$ 42,063	4.6
2018	51,400	$ 2,161,884	$ 42,063	5.1

Bureau of Economic Analysis and Bureau of Labor Statistics - based on most current census results, and the Department of Numbers
Per Capita Income is based on an average annual growth rate of PCPI of 1.3% to 3.5% as information is updated as becomes available.

CITY OF CHARLESTON, WEST VIRGINIA
Table 15
Legal Debt Margin Information -
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed value	$ 3,243,460,913
Debt limit (5% of assessed value)	162,173,046
Debt applicable to limit:	
General obligation bonds	-
Less: amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	-
Legal debt margin	$ 162,173,046

	Fiscal Year									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Debt limit	$ 138,553,363	$ 143,329,025	$ 144,180,795	$ 146,598,381	$ 154,574,769	$ 159,574,769	$ 160,409,798	$ 162,339,601	$ 161,593,491	$ 162,173,046
Total debt applicable to limit	1,370,000	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 139,923,363	$ 143,329,025	$ 144,180,795	$ 146,598,381	$ 154,574,769	$ 159,574,769	$ 160,409,798	$ 162,339,601	$ 161,593,491	$ 162,173,046
Total net debt applicable to the limit as a percentage of debt limit	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%

Note: Under State finance law, WV State Code §13-1-3, the City's outstanding debt should not exceed 5 percent of total assessed property value.
By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation debt.

CITY OF CHARLESTON, WEST VIRGINIA
Table 16
Employment/Unemployment and Change -
Last Ten Fiscal Years

Fiscal Years	Employment Total	Employment % Change Year Ago	Unemployment Rate	Unemployment Unit Change Year Ago
2009	129,331	-4.5	6.6	-0.3
2010	126,017	-2.6	8.1	3.1
2011	129,142	2.5	7.6	1.5
2012	130,329	0.9	6.9	-0.5
2013	130,500	0.1	5.7	-0.7
2014	131,100	0.5	5.4	-1.2
2015	94,400	28	6.8	-0.3
2016	94,700	0.32	6	1.4
2017	93,800	-0.96	4.6	-1.4
2018	91,800	-2.13	5.1	0.5

U.S. Bureau of Labor Statistics

CITY OF CHARLESTON, WEST VIRGINIA
Table 17
Kanawha County
Ten Largest Employers in Kanawha County and Rank -
June 30, 2018 and 2008

	2018		
Rank	**Company Name**	**Total Employees**	**Employee Percentage**
1	Charleston Area Medical Center, Inc.	6,800	0% **
2	Kanawha County Board of Education	3,750	19% **
3	Federal Government	2,600	13% **
4	Herbert J. Thomas Memorial Hospital Association	1,300	7% **
5	Frontier Communications	1,250	6% **
6	Walmart	1,100	6% **
7	City of Charleston Municipality	927	5%
8	West Virginia Department of Health and Human Resources	720	4% **
9	West Virginia Department of Administration	700	4% **
10	Dow Chemical & Gestamp Manufacturing	400	2% **
	Total	19,547	66%

Workforce West Virginia, an agency of the Department of Commerce
**This information is unavailable for these organizations for fiscal year 2018, consequently, the number of employees is estimated based upon prior years.

CITY OF CHARLESTON, WEST VIRGINIA
Table 18
Operating Indicators by Function/Program -
Last Ten Fiscal Years

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Function/Program										
Police										
Physical arrest	6,812	5,704	7,435	6,945	8,106	7,781	5,287	5,482	4,797	5,064
Citations written	16,217	10,438	18,710	14,891	15,115	15,845	6,868	8,243	5,368	5,692
Offenses charged	18,887	6,626	7,454	8,458	10,232	10,010	8,474	7,059	8,435	6,626
Fire										
Emergency medical responses	12,709	12,538	13,106	13,379	13,325	12,843	13,311	13,887	14,453	13,667
Fire responses	17,424	16,417	16,272	16,867	11,327	10,392	15,604	16,518	9,277	9,360
Inspections	1,138	897	854	1,415	1,526	849	1,146	1,765	1,223	1,235
Refuse collection										
Refuse collected (tons annually)	13,816	13,228	26,659	12,772	26,541	26,894	26,315	24,282	25,648	24,526
Recyclables collected (tons annually)	1,031	991	3,410	502	985	956	918	839	840	778
Yard waste collected (tons annually)	455	454	1,031	402	1,580	1,725	1,456	1,398	1,314	992
Sludge (tons annually)	2,701	1,250	5,938	Unavailable	Unavailable	Unavailable	Unavailable	4651	4,307	4,226
Other public works										
Streets resurfaced (Miles)	9.40	5.14	6.96	8.47	7.11	6.8	15.0	11.6	9.9	10.53
Potholes repaired	57	82	77	83	71	200	218	179	210	306
Parking systems										
Parking violations	45,545	43,316	44,159	49,313	45,975	42,607	38,362	37,155	36,458	29,709
Civic center										
Number of events (annual average)	2,000	2,000	2,000	2,000	2,000	2,000	1,150	2,397	1,717	605
Municipal auditorium										
events (number of days annual average)	115-120	115-120	115-120	115-120	115-120	115-120	80	56	77	41

Sources: Various City of Charleston departments

CITY OF CHARLESTON, WEST VIRGINIA
Table 19
Capital Asset Statistics by Function / Program -
Last Ten Fiscal Years

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Function/Program										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	5	5	4	4	4	4	4	4	4	4
Patrol units	94	92	88	88	88	88	88	88	88	88
Fire stations	9	9	9	8	8	8	8	8	8	8
Refuse collection										
Collection trucks	30	30	30	30	30	30	30	30	30	32
Other public works										
Street (miles)	300	300	325	325	325	325	325	325	325	325
Traffic signals	152	152	148	148	148	148	148	148	148	148
Parks and recreation										
Community centers	3	3	3	3	3	3	3	3	3	3
Neighborhood centers	3	3	3	3	3	3	3	1	1	1
Parks	6	6	6	6	6	6	6	6	6	6
Parks acreage	115	115	115	115	115	115	115	115	115	115
Swimming pools	5	5	5	5	5	5	5	4	4	4
Tennis courts	16	16	16	16	16	16	16	16	16	16
Parking system										
Number of parking garages	6	6	6	6	6	6	6	6	6	4
Number of parking meters	1,150	1,150	1,150	1,059	1,035	1,035	1,035	1,155	1,155	1,155
Civic center										
Types of facilities	6	6	6	6	6	6	6	6	6	8

Sources: Various City of Charleston Departments

CITY OF CHARLESTON, WEST VIRGINIA

Table 20

Full-Time Equivalent City Government Employees By Function / Program

Last Ten Fiscal Years

	Fiscal Years									
	2009	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
Function/Program										
General government										
Management	49	52	50	42	41	42	42	43	45	44
Accounting & Finance	22	20	29	23	23	23	23	23	24	25
Planning	17	17	21	21	20	21	21	20	21	20
Building	20	30	26	25	24	25	25	29	29	28
Engineering	9	9	8	9	10	10	10	11	11	11
Other	31	42	55	70	95	132	132	132	68	98
Police										
Officers	183	179	160	159	153	155	159	171	162	172
Civilians	24	26	27	27	26	26	24	21	26	24
Fire										
Officers	188	199	174	161	153	152	159	151	155	163
Civilians	3	2	2	2	2	2	2	2	2	2
Other public safety	8	8	8	8	2	2	2	2	2	2
Refuse collection	66	65	68	67	65	64	64	67	66	64
Public works	121	126	129	140	131	126	126	126	98	99
Parks and recreation	108	83	91	85	93	95	95	98	115	105
Social services	10	10	9	9	7	7	8	8	21	21
Civic center	22	21	21	23	24	25	23	23	22	23
Parking system	25	24	26	25	26	30	23	23	22	26
Total	906	913	904	896	895	937	938	950	889	927

Sources: City of Charleston Payroll