

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
CITY OF CHARLESTON, WEST VIRGINIA  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
CITY OF CHARLESTON, WEST VIRGINIA  
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Mayor: Amy Shuler Goodwin  
City Manager: Jonathan Storage, Esq.  
Finance Director: Andy Wood  
City Auditor (Controller): Tia Robertson, M.A.F.M., CICA

Prepared by the  
Charleston City Auditor's Office





CITY OF CHARLESTON  
OFFICE OF THE MAYOR

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December 20, 2019

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, 2019. 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](http://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,

Amy Shuler Goodwin  
Mayor

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## ACKNOWLEDGMENTS

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Report prepared by:

City of Charleston City Auditor's Office  
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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.



**CITY OF CHARLESTON, WEST VIRGINIA  
TABLE OF CONTENTS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2019**

**INTRODUCTORY SECTION**

	<u>Page(s)</u>
Letter of Transmittal. . . . .	1 - 7
GFOA Certificate of Achievement. . . . .	8
Organizational Chart. . . . .	9
City Officials. . . . .	10

**FINANCIAL SECTION**

Independent Auditor's Report. . . . .	13 - 14
Management's Discussion and Analysis . . . . .	15 - 26

Basic Financial Statements:

*Government-wide Financial Statements:*

Statement of Net Position. . . . .	29 - 31
Statement of Activities . . . . .	32

*Fund Financial Statements:*

Balance Sheet - Governmental Funds. . . . .	35
Reconciliation of the Balance Sheet-Governmental Funds to the Statement of Net Position. . . . .	36 - 37
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds . . . . .	39
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities. . . . .	40 - 41
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budgetary Basis) - General Fund . . . . .	42 - 44
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Coal Severance Tax Fund . . . . .	46
Statement of Net Position - Proprietary Funds. . . . .	48 - 49
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds. . . . .	50
Statement of Cash Flows - Proprietary Funds. . . . .	51 - 52
Statement of Fiduciary Net Position - Fiduciary Funds. . . . .	54
Statement of Changes in Fiduciary Net Position - Fiduciary Funds . . . . .	55

Notes to the Financial Statements. . . . .	56 - 113
--	----------

Required Supplementary Information:

Employer Defined Benefit Plans:

Schedules of Changes In the Net Pension Liability and Related Ratios . . . . .	115 - 116
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**CITY OF CHARLESTON, WEST VIRGINIA  
TABLE OF CONTENTS (CONTINUED)**

**FINANCIAL SECTION (Continued)**

	<u>Page(s)</u>
Schedules of Investment Returns . . . . .	117
Schedules of Contributions Multiyear . . . . .	117
Notes to Schedules . . . . .	118
Other Post-Employment Benefits:	
Schedules of Changes in Net OPEB Liability . . . . .	119
Notes to the Schedules . . . . .	120
Public Employees Retirement System:	
Schedule of the Government's Proportionate Share of the Net Pension Liability . . . . .	121
Schedule of Government Contributions . . . . .	122
Municipal Police Officers and Firefighters Retirement System:	
Schedule of the Government's Proportionate Share of the Net Pension Liability . . . . .	123
Schedule of Government Contributions . . . . .	124
Other Post-Employment Benefits PEIA:	
Schedule of Proportionate Share of the Net Other Post Employment Benefit Liability . . . . .	125
Schedule of Contributions . . . . .	126
Supplementary Information:	
Combining Financial Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds. . . . .	130
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds. . . . .	131
Combining Balance Sheet - Nonmajor Special Revenue Funds. . . . .	135 - 136
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds. . . . .	137 - 139
Combining Balance Sheet - Nonmajor Capital Projects Funds. . . . .	142
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Capital Projects Funds. . . . .	143
Combining Balance Sheet - Nonmajor Debt Service Funds. . . . .	146
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Debt Service Funds. . . . .	147
Combining Balance Sheet - Nonmajor Permanent Funds. . . . .	150
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Permanent Funds. . . . .	151
Combining Statement of Fiduciary Net Position - Pension Trust Funds. . . . .	154
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds. . . . .	155
Combining Statement of Fiduciary Net Position - Agency Funds. . . . .	158
Combining Statement of Changes in Assets and Liabilities - Agency Funds . . . . .	159



**CITY OF CHARLESTON, WEST VIRGINIA  
TABLE OF CONTENTS (CONTINUED)**

**STATISTICAL SECTION**

	<u>Page(s)</u>
Table 1 - Net Position By Component . . . . .	163
Table 2 - Changes in Net Position . . . . .	164 - 166
Table 3 - Fund Balances - Governmental Funds. . . . .	167
Table 4 - Changes in Fund Balances - Governmental Funds . . . . .	168
Table 5 - Expenditures By Function - Governmental Fund Types. . . . .	169
Table 6 - Revenues By Source - Governmental Fund Types . . . . .	170
Table 7 - Detailed Revenues From Taxes - Governmental Fund Types . . . . .	171
Table 8 - Property Tax Levies and Collections - General Fund. . . . .	171
Table 9 - Principal Revenue Source. . . . .	172 - 176
Table 10 - Ratio of Outstanding General Obligation Bonds to Assessed Value, Estimated Actual Taxable Value and Net Debt Per Capita . . . . .	177
Table 11 - Ratio of Outstanding Debt by Type . . . . .	178
Table 12 - Revenue Bond Coverage - Civic Center Revenue Bonds. . . . .	178
Table 13 - Revenue Bond Coverage - Parking System Revenue Bonds. . . . .	179
Table 14 - Demographic Statistics . . . . .	179
Table 15 - Legal Debt Margin Information. . . . .	180
Table 16 - Employment/Unemployment and Change. . . . .	181
Table 17 - Ten Largest Employers in the Capital City Region and Rank. . . . .	181
Table 18 - Operating Indicators by Function/Program. . . . .	182
Table 19 - Capital Asset Statistics by Function/Program. . . . .	183
Table 20 - Full-time Equivalent City Government Employees By Function/Program. . . . .	184

## **INTRODUCTORY SECTION**



CITY OF CHARLESTON  
PO BOX 2749  
CHARLESTON, WEST VIRGINIA 25330

December 19, 2019

The Honorable Amy Shuler Goodwin, 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 (the City) for the fiscal year ended June 30, 2019. 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, 2019. 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 2018 census, Charleston has a population of 47,215 and a total area of 32.7 square miles. The Charleston metropolitan area has a population of 211,037.

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.

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 4.5 percent at June 30th has remained largely the same since last year. The State and United States unemployment rates are 4.7 and 3.7 percent.

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. As of September 2019, the unemployment rate dropped to 4.2 percent, a decrease from 4.7 the prior year. The State and United States unemployment rates are 4.7 and 3.5 percent, respectively. West Virginia's 55.3% Labor Force Participation Rate continued to be the lowest in the country with the national average being 63.2%.

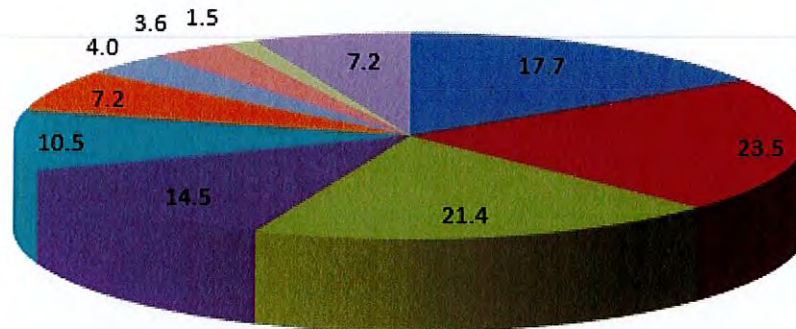
The latest Class A Office Tower Survey, conducted by Howard Swint, an associate broker with Colliers International, shows the market has rebounded from 20% to 16.2%. The vacancy rates took a dip with the collapse of the coal industry, coupled by a sharp downturn in the natural gas market. Vacancy rates have now stabilized and are expected to remain steady.

Uncertainty remains with the fate of big box retail stores as they compete against online shopping. The Charleston Town Center Mall (the Mall) is tied up in legal issues surrounding the filing for bankruptcy. The Mall will continue to struggle to find new tenants until the bankruptcy issues are resolved. That along with changes in the market, means the Mall will have to continue to reinvent and possibly repurpose itself.

New commercial construction is down with renovations and adaptive reuse of structures being the lion's share of construction. Elk City continues to experience a renaissance with the continued additions of small businesses locating there. Fiscal year 2019 also saw the completion of the \$100 million additions and renovations to the Charleston Coliseum & Convention Center.

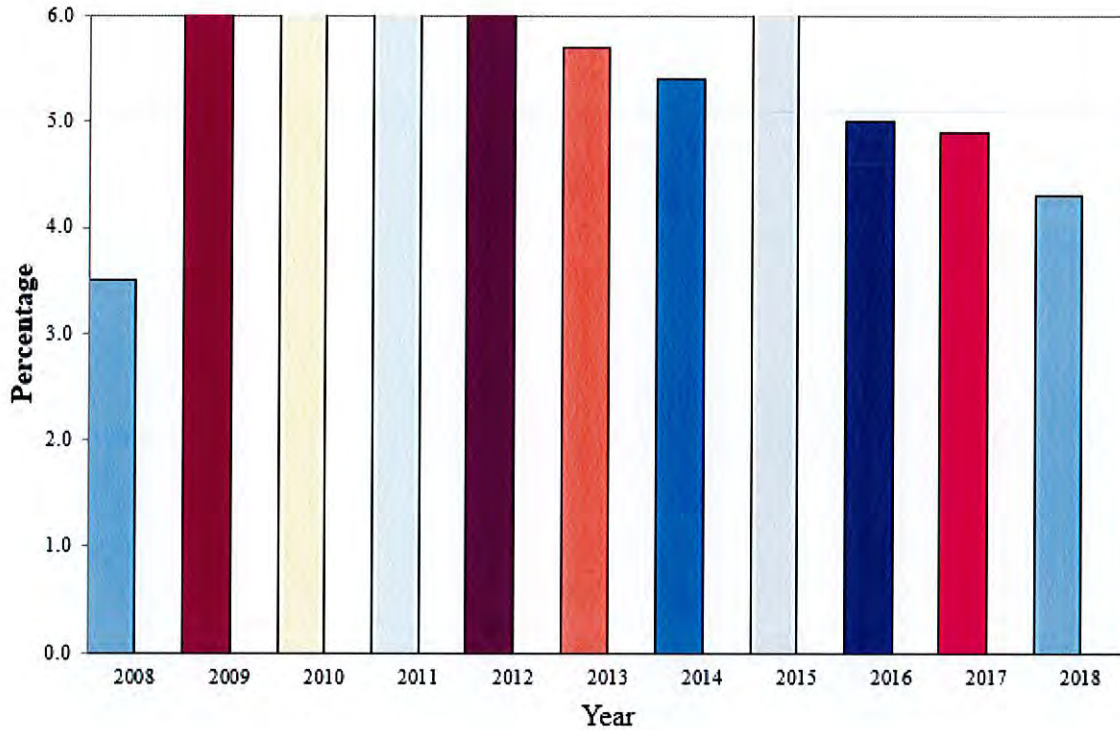
The Charleston Convention and Visitors Bureau (CVB) is charged with maximizing business and leisure tourism expenditures in the city of Charleston, thus increasing the tax base for its citizens. Over the past seven years the CVB has booked 200,000 hotel room nights through meetings, conventions and sporting events resulting in nearly \$150 million in economic impact. With an annual budget of approximately \$1.5 million, the CVB is the primary marketing organization for the city promoting Charleston as an optimum place to visit, work or start a business.

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



- Trade, Transportation & Utilities
- Government
- Education and Health
- Professional Services
- Leisure and Hospitality
- Mining and Construction
- Other Services
- Manufacturing
- Information Services
- Financial Services

### Unemployment Rate



#### *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 constructing 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 \$105,205,656. 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 \$428,446 at the end of fiscal year 2019.

#### *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, 2018. 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.



Transmittal Letter

Page 7

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,

A handwritten signature in blue ink that reads "Tia C. Robertson". The signature is written in a cursive, flowing style.

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

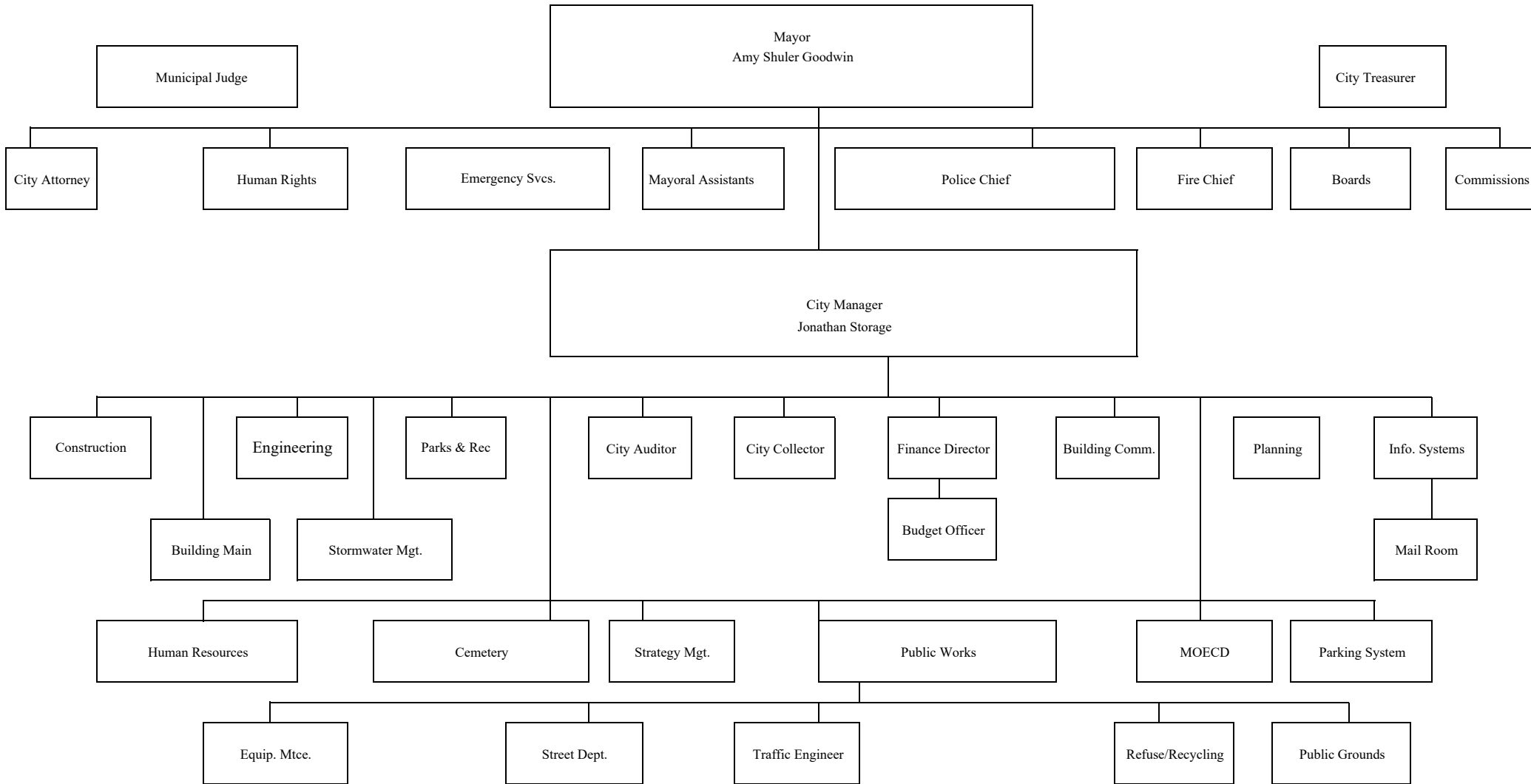
**June 30, 2018**

*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, 2019**

OFFICE	NAME	TERM
<u>Elective</u>		
Mayor:	Danny Jones	06/21/15 - 01/07/2019
	Amy Shuler Goodwin	1/07/2019-1/02/2023
Treasurer:	Victor Grigoraci	06/21/15 - 01/07/2019 1/07/2019-1/02/2023
Municipal Judge:	Anne Charnock	06/21/15 - 01/07/2019 1/07/2019-1/02/2023
<u>Council Members</u>		
At Large	Ben Adams	Ward 8 Robert Sheets
At Large	Becki Ceperley	Ward 9 Mary Beth Hoover
At Large	Naomi Bays	Ward 10 Keeley Steele
At Large	Jennifer Pharr	Ward 11 Shannon Snodgrass
At Large	Caitlin Cook	Ward 12 Joseph Jenkins
At Large	John Kennedy Bailey	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	Tiffany Wesley Plear	Ward 17 Bruce King
Ward 5	Jeanine Faegre	Ward 18 Will Laird
Ward 6	Deanna McKinney	Ward 19 Brady Campbell
Ward 7	Adam Knauff	Ward 20 Chad Robinson
<u>Appointive</u>		
City Manager:	Jonathan Storage	Chief of Staff: Matt Sutton
Finance Director:	Andy Wood	City Collector: Tonya Cotton
City Clerk:	Miles Cary	City Engineer: Chris Knox
Attorney:	Kevin Baker	Economic & Community Development
City Auditor:	Tia C. Robertson, M.A.F.M., CICA	Director: Larry Malone



## ***FINANCIAL SECTION***

## 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, 2019, 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 8 percent of the assets, 18 percent of the net position, and 8 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.

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## **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, 2019, 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.

## **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 15 through 26, the schedules of employer defined benefit plans information on pages 115 through 118, the schedules of other post employment benefit plan information on pages 119 through 120, the schedules of public employees retirement system on pages 121 through 122, the schedules of municipal police officers and firefighters retirement system on pages 123 through 124 and the schedules of other post employment benefits PEIA on pages 125 through 126 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.



Charleston, West Virginia  
December 19, 2019



CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

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, 2019. 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 \$469,249,194 in fiscal year 2019 and a deficit net position of \$451,251,576 in fiscal year 2018.

Of the net position in fiscal year 2019, a deficit balance of \$695,736,179 was reported as total unrestricted net position, which includes \$690,134,250 deficit balance in governmental activities and a \$5,601,929 deficit balance in business-type activities. Total net position decreased \$17,997,618 as a result of this year's operations.

Deferred outflows increased by \$35,742,987 in governmental activities and increased by \$402,989 in business-type activities. Deferred inflows decreased by \$7,956,294 in governmental activities and increased by \$697,932 in business-type activities.

The City's governmental activities reported total expenses of \$129,906,019, total revenues of \$114,657,906, and transfers out of \$103,578,373 for a net decrease of \$118,826,486. This net decrease is due to the transfer of the Civic Center Project from governmental activities to business type activities in the amount of \$100,489,664.

Business-type activities reported total expenses of \$9,535,985, program revenues of \$6,044,523, general revenues of \$606,933, capital grants and contributions of \$135,024 and transfers in of \$103,578,373 for a net increase of \$100,828,868.

*Fund Level*

Governmental funds reported a combined fund balance of \$80,342,292, a decrease of \$3,813,644 from the prior year.

The General Fund reported an unassigned fund balance of \$25,304,143, non-spendable fund balance of \$560,756, restricted fund balance of \$3,315,251, committed fund balance of \$30,352,834, and assigned fund balance of \$0, compared to \$20,512,984, \$547,986, \$2,237,529, \$28,094,605, and \$1,383,145, respectively, in the prior year.

Total governmental funds reported non-spendable fund balance of \$1,959,437, restricted of \$14,543,804, committed of \$38,534,908, and assigned fund balance of \$0, compared to \$1,839,240, \$20,261,275, \$40,159,292, and \$1,383,145, respectively, in the prior year. The total unassigned fund balance for the governmental funds was \$25,304,143, compared to unassigned fund balance of \$20,512,984 in prior year.

*Long-term Debt*

Total bonds and obligations under long-term liabilities at year end were \$97,610,889, a net decrease of \$4,897,481 over the prior year.

CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

## 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.

CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

*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 29 through 32 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 35 through 46 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 48 through 52 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.

CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

**Government-Wide Financial Analysis**

The City's combined net position (governmental and business-type activities) totaled (\$469,249,194) at the end of 2019 and (\$451,251,576) at the end of 2018. The largest portion of the City's net position, \$206,559,583, 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, \$19,921,673, 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 (\$695,736,179), reflects the City's deficit of remaining assets to remaining liabilities.

**CITY OF CHARLESTON'S NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current assets	\$ 86,506,010	\$ 99,967,772	\$ 8,446,712	\$ 9,162,435	\$ 94,952,722	\$ 109,130,207
Noncurrent assets	6,289,406	5,771,721	-	-	6,289,406	5,771,721
Capital assets	102,728,129	189,825,831	118,232,459	16,585,438	220,960,588	206,411,269
Total assets	195,523,545	295,565,324	126,679,171	25,747,873	322,202,716	321,313,197
Deferred Outflows of Resources						
Pensions	30,648,378	8,185,629	-	-	30,648,378	8,185,629
OPEB	19,193,078	5,908,242	610,094	187,926	19,803,172	6,096,168
Loss on refunding of debt	22,635	27,233	103,884	123,063	126,519	150,296
Total deferred outflows of resources	49,864,091	14,121,104	713,978	310,989	50,578,069	14,432,093
Long-term liabilities outstanding	772,458,167	722,459,273	12,390,074	12,515,679	784,848,241	734,974,952
Other liabilities	19,055,623	22,483,117	1,187,981	1,254,889	20,243,604	23,738,006
Total liabilities	791,513,790	744,942,390	13,578,055	13,770,568	805,091,845	758,712,958
Deferred Inflows of Resources						
OPEB	28,119,122	6,173,059	893,080	196,348	29,012,202	6,369,407
Unearned Revenue	-	-	2,300	1,100	2,300	1,100
Pensions	7,923,632	21,913,401	-	-	7,923,632	21,913,401
Total deferred inflows of resources	36,042,754	28,086,460	895,380	197,448	36,938,134	28,283,908
Net Position:						
Net Investment in capital assets	91,462,101	96,827,114	115,097,482	12,970,569	206,559,583	109,797,683
Restricted	16,503,241	22,207,490	3,424,161	4,351,703	19,927,402	26,559,193
Unrestricted	(690,134,250)	(582,377,026)	(5,601,929)	(5,231,426)	(695,736,179)	(587,608,452)
Total net position	\$ (582,168,908)	\$ (463,342,422)	\$ 112,919,714	\$ 12,090,846	\$ (469,249,194)	\$ (451,251,576)

**Governmental Activities.** Governmental activities decreased the City of Charleston's net position by \$118,826,486 which is primarily attributable to the transfer of the civic center project to business type activities.

As of June 30, 2019, per GASB 68 the net pension liability balance was \$384,224,703 of which \$380,700,854 was attributed to police and fire pension and \$3,523,849 was attributed general government. This was a decrease of \$49,490,404 from fiscal year end 2018.

CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

**Business-type Activities.** Total net position of the City's business-type activities increased \$100,828,868 (89 percent) over prior year. Total operating revenues increased \$989,225 over prior year. The Charleston Coliseum & Convention Center (CCCC) experienced an increase in operating revenues of \$824,373 and an increase in operating expenses \$2,162,695. The Civic Center Project was completed and operations return to normal during this fiscal year. The Parking System experienced a \$164,852 increase in operating revenues from the prior year. Parking violation revenue decreased \$14,060 (13 percent). The buildings are at full rental capacity with waiting lists with the exception of the Park Place Cinema building. The operating expenses for the CCCC and Parking System increased by \$2,415,229. The increase in operational expenses for the CCCC is contributed to the return to normal operations after the completion of the Civic Center Project. The increase in operational expenses for the Parking system is contributed to the other post employment benefit liability and related expenses. The CCCC total net position increased \$100,658,218 and Parking System net position increased \$170,650.

A Tax Incremental Financing District was established for the CCCC's future expansion and renovation. Collections during 2018 were \$263,926 and in 2019 \$428,446 (38 percent increase) which is restricted for future bond payments.

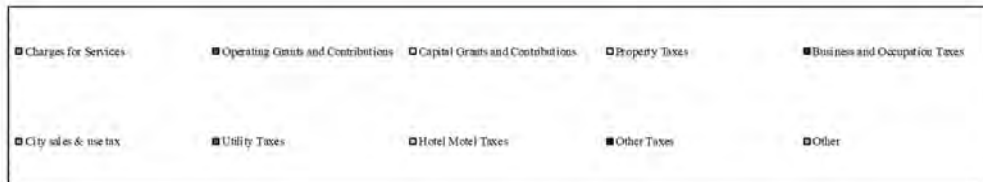
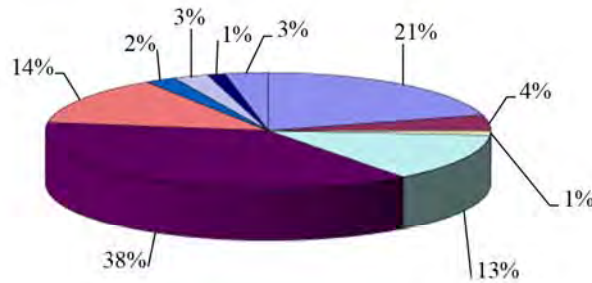
CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

**City of Charleston's Changes in Net Position**

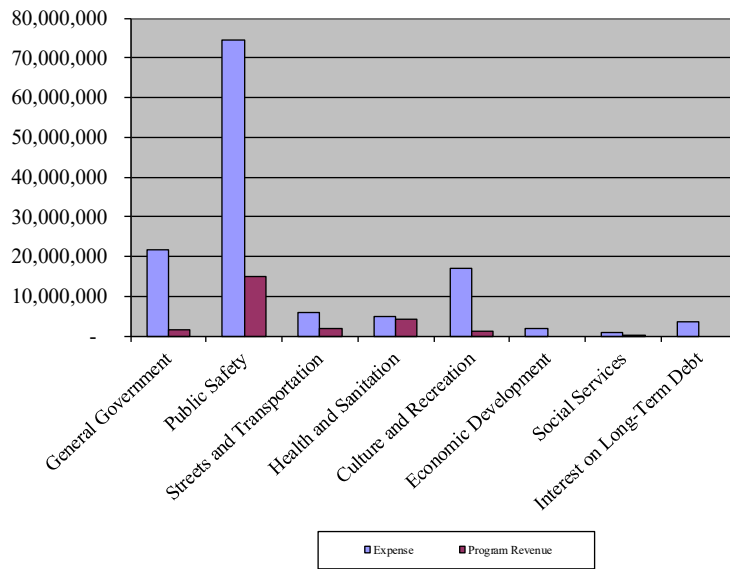
	Governmental		Business-type		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for Services	\$ 23,677,758	\$ 22,118,111	\$ 6,044,523	\$ 5,055,298	\$ 29,722,281	\$ 27,173,409
Operating Grants and Contributions	5,005,310	4,889,017	-	-	5,005,310	4,889,017
Capital Grants and Contributions	1,426,141	3,980,681	-	-	1,426,141	3,980,681
General Revenues:						
Property Taxes	15,373,413	14,899,309	-	-	15,373,413	14,899,309
Business and Occupation Taxes	43,082,465	44,553,692	-	-	43,082,465	44,553,692
City sales & use tax	15,547,188	14,702,552	-	-	15,547,188	14,702,552
Other Taxes	6,959,198	7,239,017	-	-	6,959,198	7,239,017
Other	3,586,433	3,045,203	606,933	340,724	4,193,366	3,385,927
<b>Total Revenues</b>	<b>114,657,906</b>	<b>115,427,582</b>	<b>6,651,456</b>	<b>5,396,022</b>	<b>121,309,362</b>	<b>120,823,604</b>
Expenses:						
General Government	21,807,049	24,034,075	-	-	21,807,049	24,034,075
Public Safety	74,448,613	65,804,965	-	-	74,448,613	65,804,965
Highways & Streets	5,902,128	10,133,769	-	-	5,902,128	10,133,769
Health & Sanitation	4,844,691	6,085,579	-	-	4,844,691	6,085,579
Economic Development	1,687,642	5,290,822	-	-	1,687,642	5,290,822
Culture & Recreation	16,818,240	8,351,128	-	-	16,818,240	8,351,128
Social Services	879,177	1,083,639	-	-	879,177	1,083,639
Capital Projects	-	-	-	-	-	-
Interest on Long-Term Debt	3,518,479	3,670,576	-	-	3,518,479	3,670,576
Civic Center	-	-	6,617,072	4,476,526	6,617,072	4,476,526
Parking System	-	-	2,918,913	2,666,379	2,918,913	2,666,379
<b>Total Expenses</b>	<b>129,906,019</b>	<b>124,454,553</b>	<b>9,535,985</b>	<b>7,142,905</b>	<b>139,442,004</b>	<b>131,597,458</b>
Increase in Net Position						
Before Transfers	(15,248,113)	(9,026,971)	(2,884,529)	(1,746,883)	(18,132,642)	(10,773,854)
Capital Contributions - Energy Rebates	-	-	135,024	24,507	135,024	24,507
Transfers	(103,578,373)	(1,943,832)	103,578,373	1,943,832	-	-
Increase in Net Position	(118,826,486)	(10,970,803)	100,828,868	221,456	(17,997,618)	(10,749,347)
Net Position- beginning	(463,342,422)	(452,371,619)	12,090,846	11,869,390	(451,251,576)	(440,502,229)
Net Position- ending	<b>\$(582,168,908)</b>	<b>\$(463,342,422)</b>	<b>\$ 112,919,714</b>	<b>\$ 12,090,846</b>	<b>\$(469,249,194)</b>	<b>\$(451,251,576)</b>

CITY OF CHARLESTON, WEST VIRGINIA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 For the Fiscal Year Ended June 30, 2019

**Revenue by Source-Governmental Activities**

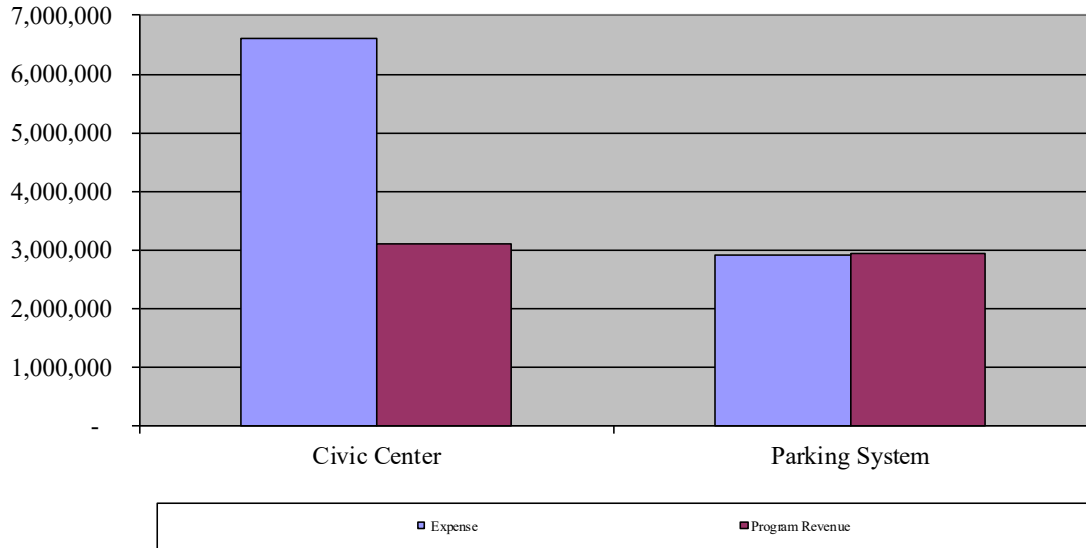


**Expenses and Program Revenues-Governmental Activities**

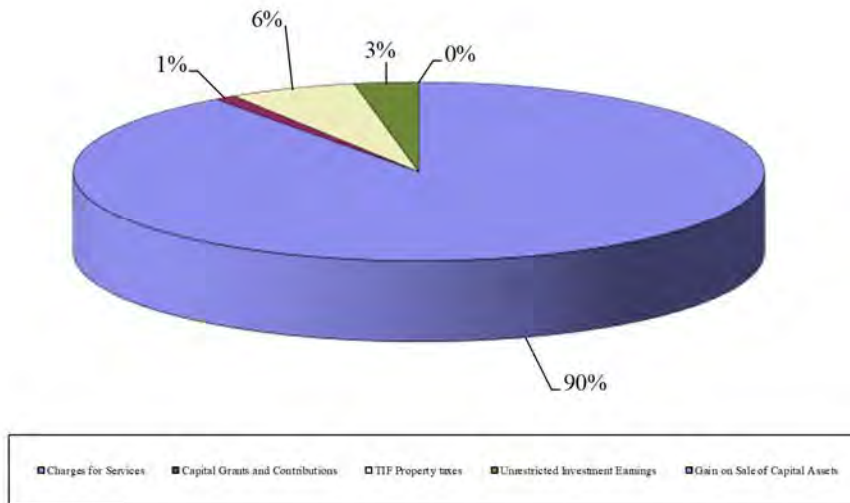


CITY OF CHARLESTON, WEST VIRGINIA  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 For the Fiscal Year Ended June 30, 2019

**Expenses and Program Revenues-Business-Type Activities**



**Revenues by Source-Business-Type Activities**





CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

**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 \$80,342,292, a decrease of \$3,813,644 in comparison with the prior year. Approximately 31 percent of the combined ending fund balances in the amount of \$25,304,143 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 \$1,959,437; restricted by external grants, contributors, and laws \$14,543,804; committed by the government's council \$38,534,908; and assigned by the government's council or administrative officials \$0.

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 \$25,304,143, while total fund balance reached \$59,532,984. 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 27 percent of total General Fund expenditures, while total fund balance represents 63 percent of that same amount.

The fund balance of the City of Charleston's General Fund increased \$6,756,735 during the current fiscal year. This is primarily attributable to increasing revenues. Expenditures decreased \$2,672,513 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 \$21,557 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 \$105,786 more in comparison to fiscal year 2018 due to an increase 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.

CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

**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 2019 the City, through budget amendments, increased the budget by \$353,800, on the basis of additional revenue from external and internal sources. The City also decreased the budgeted revenues by \$917,653 which amounts to a net decrease of \$563,853. Additionally, the City increased the fiscal year 2019 budget \$5,593,351 to effect the re-budgeting of the fiscal year 2018 ending fund balance.

The additional revenues from external sources of \$310,000 were from Contributions and Donations and the additional revenue from internal sources were \$43,800 of Reimbursements.

The fiscal year 2018 ending fund balance of \$5,593,351 was primarily re-budgeted to General Government Expenditures and Capital Projects Expenditures (\$342,259 and \$2,755,875, respectively). 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 \$600,000 for the Legal department Court Costs and Claims reserve.

**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, 2019, amounted to \$220,960,588 (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 Civic Center Expansion and Renovation Project \$104,317,249, New Fire Station on Oakwood Road (Station #3) \$1,361,699, Slack Plaza/Brawley Walkway \$2,149,083, SRTS – Piedmont Elementary \$571,469, Pipe Line and Lagging Project \$186,830, Gordon Drive Slip Project \$85,990, and various other capital projects were completed during the fiscal year in the amount of \$333,381.

Projects for the Emergency Streambank #14 Kanawha River & Greenbrier Street, 2018 Retaining Walls Repair Project, 2019 Concrete Sidewalk & Accessible Ramp Summer Project, South Side Bridge Inspection and Rehabilitation, Citywide Fiber Optics, and various other capital projects were remaining in construction in progress as of the end of the fiscal year in the amount of \$2,292,677.

CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

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

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 9,305,842	\$ 9,305,842	\$ 4,366,447	\$ 4,366,447	\$ 13,672,289	\$ 13,672,289
Construction in Progress	2,292,677	95,841,084	587,480	353,226	2,880,157	96,194,310
Buildings & Improvements	26,565,151	26,036,428	112,733,173	11,182,149	139,298,324	37,218,577
Other Improvements	16,358,385	15,089,960	-	-	16,358,385	15,089,960
Machinery & Equipment	8,947,050	10,286,045	545,359	683,616	9,492,409	10,969,661
Infrastructure	39,259,024	39,038,193	-	-	39,259,024	39,038,193
<b>Total</b>	<b>\$102,728,129</b>	<b>\$195,597,552</b>	<b>\$118,232,459</b>	<b>\$ 16,585,438</b>	<b>\$220,960,588</b>	<b>\$212,182,990</b>

Additional information on the City of Charleston's capital assets can be found in Note III.C. on pages 74 through 76 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	
	2019	2018	2019	2018	2019	2018
Revenue Bonds	\$ 84,477,341	\$ 88,691,499	\$ 3,238,861	\$ 3,737,932	\$ 87,716,202	\$ 92,429,431
<b>Total</b>	<b>\$ 84,477,341</b>	<b>\$ 88,691,499</b>	<b>\$ 3,238,861</b>	<b>\$ 3,737,932</b>	<b>\$ 87,716,202</b>	<b>\$ 92,429,431</b>

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 \$161,173,520.

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.

CITY OF CHARLESTON, WEST VIRGINIA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2019

**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. As of September 2019, the unemployment rate dropped to 4.2 percent, a decrease from 4.7 the prior year. The State and United States unemployment rates are 4.7 and 3.5 percent respectively. West Virginia's 55.3% Labor Force Participation Rate continued to be the lowest in the country with the national average being 63.2%.

The latest Class A Office Tower Survey, conducted by Howard Swint, an associate broker with Colliers International, shows the market has rebounded from the historic 20% low to 16.2%. The vacancy rates took a dip with the collapse of the coal industrial, coupled by a sharp downturn in the natural gas market. Vacancy rates have now stabilized and are expected to remain steady.

Uncertainty remains with the fate of big box retail stores as they compete against online shopping. The Charleston Town Center Mall is tied up in legal issues surrounding the filing for bankruptcy. The Mall will continue to struggle to find new tenants until the bankruptcy issues are resolved. That along with changes in the market, means the Mall will have to continue to reinvent and possible repurpose itself.

New commercial construction is down with renovations and adaptive reuse of structures being the lion's share of construction. Elk City continues experience a renaissance with the continued additions of small businesses locating there. 2019 also saw the completion of the \$100 million additions and renovations to the Charleston Coliseum & Convention Center.

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. Over the past seven years the CVB has booked 200,00 hotel room nights through meetings, conventions and sporting events resulting in nearly \$150 million in economic impact. With an annual budget of approximately \$1.5 million, the CVB is the primary marketing organization for the city promoting Charleston as an optimum place to visit, work or start a business.

**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 29 through 32. 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, 2019

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Sanitary Board	Urban Renewal Authority	Convention & Visitor's Bureau
<b>ASSETS</b>						
Current assets:						
Cash and cash equivalents	\$ 32,016,572	\$ 4,302,673	\$ 36,319,245	\$ 11,844,890	\$ 3,337,999	\$ 635,702
Investments	23,002,413	1,371,904	24,374,317	--	--	--
Receivables:						
Accounts	7,035,085	491,812	7,526,897	1,751,657	--	3,856
Accrued interest	17,841	--	17,841	--	--	--
Taxes	16,890,404	--	16,890,404	--	--	--
Other	--	--	--	14,821	--	--
Loans	4,986,577	--	4,986,577	--	2,583,422	--
Grants	2,021,676	--	2,021,676	--	--	--
Internal balances	( 65,065)	65,065	--	--	--	--
Due from:						
Primary government	--	--	--	77,552	--	219,498
Component units	22,513	--	22,513	--	--	--
Fiduciary Funds	17,238	--	17,238	--	--	--
Restricted :						
TIF district	--	33,077	33,077	--	--	--
TIF district taxes receivable	--	5,729	5,729	--	--	--
Regular account	--	1,762,559	1,762,559	--	--	--
Customer deposits	--	250,892	250,892	--	--	--
Inventory	--	--	--	1,056,020	--	--
Prepaid items	560,756	163,001	723,757	259,380	793	8,956
<b>Total current assets</b>	<b>86,506,010</b>	<b>8,446,712</b>	<b>94,952,722</b>	<b>15,004,320</b>	<b>5,922,214</b>	<b>868,012</b>
Noncurrent assets:						
Regular account	--	--	--	2,431,229	--	--
Reserve account	--	--	--	6,536,346	--	--
Renewal and replacement	--	--	--	12,547,541	--	--
Restricted cash	4,798,722	--	4,798,722	--	--	--
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	--	--	--	13,617	--	--
Reserve for construction	--	--	--	6,974,708	242,675	--
Capital assets:						
Nondepreciable:						
Land	9,305,842	4,366,447	13,672,289	2,654,021	8,686,118	--
Construction in progress	2,292,677	587,480	2,880,157	7,213,481	--	--
Depreciable:						
Buildings and improvements	84,620,662	149,560,406	234,181,068	--	231,067	--
Structures and improvements	--	--	--	50,059,233	--	--
Vehicles	22,014,864	--	22,014,864	--	--	--
Infrastructure	107,858,238	--	107,858,238	--	--	--
Collection System	--	--	--	96,823,838	--	--
Pumping System	--	--	--	3,070,121	--	--
Machinery and equipment	20,625,305	2,813,891	23,439,196	60,311,220	40,590	104,336
Less: accumulated depreciation	( 143,989,459)	( 39,095,765)	( 183,085,224)	( 88,697,402)	( 83,243)	( 90,912)
Net pension asset	1,490,684	--	1,490,684	--	--	--
<b>Total noncurrent assets</b>	<b>109,017,535</b>	<b>118,232,459</b>	<b>227,249,994</b>	<b>161,856,121</b>	<b>9,117,207</b>	<b>13,424</b>
<b>Total assets</b>	<b>195,523,545</b>	<b>126,679,171</b>	<b>322,202,716</b>	<b>176,860,441</b>	<b>15,039,421</b>	<b>881,436</b>

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, 2019

	Primary Government			Component Units		
	Governmental <u>Activities</u>	Business-type <u>Activities</u>	<u>Total</u>	Sanitary <u>Board</u>	Urban Renewal <u>Authority</u>	Convention & Visitor's <u>Bureau</u>
<b>DEFERRED OUTFLOWS</b>						
Loss on refunding of debt	22,635	103,884	126,519	--	--	--
Public Employees Retirement System (PERS):						
Contributions made after measurement date	1,855,299	--	1,855,299	420,228	12,779	45,892
Changes between projected and actual earnings	--	--	--	--	--	--
Changes between expected and actual experience	174,798	--	174,798	37,473	1,154	4,521
Changes in contributions	347,887	--	347,887	66,624	314	19,187
Municipal Police Officers and Firefighters Retirement System (MPFRS):						
Contributions made after measurement date	527,194	--	527,194	--	--	--
Changes in contributions	75,686	--	75,686	--	--	--
Changes in actual investment experience	176,560	--	176,560	--	--	--
Other Post Employment Benefits (OPEB)						
Changes in assumptions	14,454,304	459,753	14,914,057	906,345	--	--
Changes between expected and actual experience	4,726,594	150,341	4,876,935	--	--	--
Other Post Employment Benefits (OPEB) - PEIA						
Changes in contributions	--	--	--	620	4,267	33,225
Contributions made after measurement date	12,180	--	12,180	12,864	4,392	17,751
Defined Benefit Plans (DBP):						
Changes in actual investment experience	2,635,733	--	2,635,733	--	--	--
Changes in assumptions	24,855,221	--	24,855,221	--	--	--
Total deferred outflows of resources	49,864,091	713,978	50,578,069	1,444,154	22,906	120,576
<b>LIABILITIES</b>						
Current liabilities payable						
from current assets:						
Accounts payable	1,699,094	322,038	2,021,132	1,177,612	33,816	41,843
Insurance claims payable	--	76,837	76,837	--	--	--
Payroll payable	801,054	51,216	852,270	129,503	--	--
Other accrued expenses	98,089	13,867	111,956	229,823	6,843	9,897
Live on the Levee Charitable Raffle	2,786	--	2,786	--	--	--
Accrued interest payable	49,553	26,899	76,452	691,653	--	--
Compensated absences payable	1,408,959	98,210	1,507,169	--	--	--
Bonds payable	4,380,000	530,000	4,910,000	4,108,107	--	--
Leases payable	3,072,510	--	3,072,510	--	--	--
Reserve for future insurance claims	2,252,536	53,415	2,305,951	--	--	--
Due to:						
Primary government	--	--	--	22,513	--	--
Component unit	261,658	14,619	276,277	--	--	--
Other governments	4,864	880	5,744	--	--	--
Unearned revenue						
Grant advances	4,917,221	--	4,917,221	--	--	--
Customer prepaid fees	107,299	--	107,299	--	--	--
Total current liabilities	19,055,623	1,187,981	20,243,604	6,359,211	40,659	51,740
Noncurrent liabilities due in more than one year:						
Bonds payable	80,097,341	2,708,861	82,806,202	78,930,031	--	--
Leases payable	6,822,177	--	6,822,177	--	--	--
Other post employment benefits (OPEB)	297,260,315	9,681,213	306,941,528	--	--	--
Other post employment benefits (OPEB) - PEIA	127,876	--	127,876	21,056,758	44,599	196,980
Net pension liability -PERS	3,523,849	--	3,523,849	755,414	23,269	91,135
Net pension liability - Police and Fire	380,700,854	--	380,700,854	--	--	--
Claims and judgements	3,925,755	--	3,925,755	--	--	--
Total noncurrent liabilities	772,458,167	12,390,074	784,848,241	100,742,203	67,868	288,115
Total liabilities	791,513,790	13,578,055	805,091,845	107,101,414	108,527	339,855

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, 2019

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Sanitary Board	Urban Renewal Authority	Convention & Visitor's Bureau
<b>DEFERRED INFLOWS</b>						
Public Employees Retirement System (PERS):						
Changes in contributions	212,169	--	212,169	--	2,455	2,112
Changes in investment experience	8,719	--	8,719	--	--	--
Changes between projected and actual earnings	2,073,534	--	2,073,534	444,528	13,693	53,629
Changes in assumptions	--	--	--	--	--	--
Changes in expected and actual experience	--	--	--	1,869	58	225
Other Post Employment Benefits (OPEB)						
Changes in assumptions	4,938,447	157,078	5,095,525	297,585	--	--
Differences between expected and actual experience	23,139,392	736,002	23,875,394	2,101,287	--	--
Other Post Employment Benefits (OPEB) - PEIA						
Difference between expected and actual experience	1,892	--	1,892	1,998	660	2,914
Changes in assumptions	12,768	--	12,768	13,485	4,453	19,668
Changes in earnings	2,367	--	2,367	2,500	826	3,646
Changes in contributions	24,256	--	24,256	17,971	7,843	7,329
Defined Benefit Plans (DBP):						
Changes between projected and actual earnings	2,054,642	--	2,054,642	--	--	--
Changes in assumptions	1,651,158	--	1,651,158	--	--	--
Changes in actual investment experience	1,717,436	--	1,717,436	--	--	--
Municipal Police & Fire Retirement System (MPFRS):						
Changes in earnings	46,359	--	46,359	--	--	--
Changes in assumptions	87,876	--	87,876	--	--	--
Changes in contributions	71,739	--	71,739	--	--	--
Mayor's Contributions	--	--	--	--	--	7,020
Deferred Revenue	--	2,300	2,300	--	--	--
	<u>36,042,754</u>	<u>895,380</u>	<u>36,938,134</u>	<u>2,881,223</u>	<u>29,988</u>	<u>96,543</u>
<b>NET POSITION</b>						
Net investment in capital assets	91,462,101	115,097,482	206,559,583	55,371,082	8,874,532	13,424
Restricted for:						
Culture and recreation	55,413	--	55,413	--	--	--
Debt service	6,075,526	3,134,463	9,209,989	21,515,116	--	--
Capital projects	2,907,927	--	2,907,927	--	--	--
General Government	702,780	--	702,780	--	13,000	--
Community development projects	299,460	--	299,460	--	--	--
Public safety	334,213	--	334,213	--	--	--
Health & Sanitation	3,556,979	--	3,556,979	--	--	--
Social Services						
Expendable	1,172,262	--	1,172,262	--	--	--
Nonexpendable	1,398,681	--	1,398,681	--	--	--
TIF District	--	38,806	38,806	--	--	--
Customer deposits	--	250,892	250,892	--	--	--
Unrestricted	<u>( 690,134,250)</u>	<u>( 5,601,929)</u>	<u>( 695,736,179)</u>	<u>( 8,564,240)</u>	<u>6,036,280</u>	<u>552,190</u>
Total net position	<u>\$ ( 582,168,908)</u>	<u>\$ 112,919,714</u>	<u>\$ ( 469,249,194)</u>	<u>\$ 68,321,958</u>	<u>\$ 14,923,812</u>	<u>\$ 565,614</u>

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, 2019

	Program Revenues				Net (Expense) Revenues and Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activities	Total	Sanitary Board	Urban Renewal Authority	Convention & Visitor's Bureau
<b>Functions / Programs</b>										
<b>Primary government:</b>										
Governmental activities:										
General government	\$ 21,807,049	\$ 1,589,355	\$ --	\$ 321,746	\$ (19,895,948)	\$ --	\$ (19,895,948)	\$ --	\$ --	\$ --
Public safety	74,448,613	14,926,337	3,530,843	620,069	(55,371,364)	--	(55,371,364)	--	--	--
Streets and transportation	5,902,128	1,683,459	--	--	(4,218,669)	--	(4,218,669)	--	--	--
Health and sanitation	4,844,691	4,112,542	--	--	(732,149)	--	(732,149)	--	--	--
Culture and recreation	16,818,240	1,214,138	--	281,026	(15,323,076)	--	(15,323,076)	--	--	--
Interest on long-term debt	3,518,479	--	--	--	(3,518,479)	--	(3,518,479)	--	--	--
Social services	879,177	151,927	--	--	(727,250)	--	(727,250)	--	--	--
Capital projects	--	--	--	--	--	--	--	--	--	--
Economic development	1,687,642	--	1,474,467	203,300	(9,875)	--	(9,875)	--	--	--
Total governmental activities	129,906,019	23,677,758	5,005,310	1,426,141	(99,796,810)	--	(99,796,810)	--	--	--
Business-type activities:										
Civic Center	6,617,072	3,108,184	--	135,024	--	(3,373,864)	(3,373,864)	--	--	--
Parking System	2,918,913	2,936,339	--	--	--	17,426	17,426	--	--	--
Total business-type activities	9,535,985	6,044,523	--	135,024	--	(3,356,438)	(3,356,438)	--	--	--
Total primary government	\$ 139,442,004	\$ 29,722,281	\$ 5,005,310	\$ 1,561,165	(99,796,810)	(3,356,438)	(103,153,248)	--	--	--
<b>Component units:</b>										
Sanitary Board	\$ 20,145,707	\$ 23,028,858	\$ --	\$ 24,101	--	--	--	2,907,252	--	--
Urban Renewal Authority	808,561	379,913	--	--	--	--	--	--	(428,648)	--
Convention & Visitor's Bureau	1,604,260	24,768	--	1,585,864	--	--	--	--	--	6,372
Total component units	\$ 22,558,528	\$ 23,433,539	\$ --	\$ 1,609,965	--	--	--	2,907,252	(428,648)	6,372
General revenues:										
Ad valorem property taxes					15,373,413	--	15,373,413	--	--	--
Business & occupation tax					43,082,465	--	43,082,465	--	--	--
Alcoholic beverages tax					1,085,930	--	1,085,930	--	--	--
Utility services tax					2,573,491	--	2,573,491	--	--	--
Hotel occupancy tax					2,932,414	--	2,932,414	--	--	--
Animal tax					5,931	--	5,931	--	--	--
Gas & oil severance tax					107,966	--	107,966	--	--	--
Amusement tax					94,134	--	94,134	--	--	--
Sales and use tax					15,547,188	--	15,547,188	--	--	--
Coal severance tax					159,332	--	159,332	--	--	--
Unrestricted investment earnings					1,868,277	172,914	2,041,191	368,717	95,701	3,907
Refunds					84,975	--	84,975	--	--	--
Reimbursement					917,674	--	917,674	--	--	--
Insurance Proceeds					35,985	--	35,985	--	--	--
Gain(Loss) on sale of capital assets					160,853	5,573	166,426	--	--	--
Realized Gain / Loss					435	--	435	--	--	--
Miscellaneous & Other					518,234	428,446	946,680	410,305	2,817	--
Transfers					(103,578,373)	103,578,373	--	--	--	--
Total general revenues and transfers					(19,029,676)	104,185,306	85,155,630	779,022	98,518	3,907
Change in net position					(118,826,486)	100,828,868	(17,997,618)	3,686,274	(330,130)	10,279
Net position - beginning					(463,342,422)	12,090,846	(451,251,576)	64,635,684	15,253,942	555,335
Net position - ending					\$ (582,168,908)	\$ 112,919,714	\$ (469,249,194)	\$ 68,321,958	\$ 14,923,812	\$ 565,614

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 130.

CITY OF CHARLESTON, WEST VIRGINIA  
BALANCE SHEET - GOVERNMENTAL FUNDS  
June 30, 2019

	General	Coal Severance Tax	Community Development	HOME	Convention & Civic Center Project	Rail Trail Project	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS</b>								
<b>Assets:</b>								
<b>Current:</b>								
Cash and cash equivalents	\$ 24,006,392	\$ 64	\$ 205	\$ 13,684	\$ 57	\$ --	\$ 7,996,170	\$ 32,016,572
Investments	17,611,044	--	--	--	--	--	5,391,369	23,002,413
Receivables:								
Taxes	16,838,301	52,103	--	--	--	--	--	16,890,404
Accounts	6,540,667	--	--	--	--	--	494,418	7,035,085
Grants	--	--	136,546	14,639	--	1,288,385	582,106	2,021,676
Loans	--	--	2,188,650	2,553,618	--	--	244,309	4,986,577
Accrued interest	10,741	--	--	--	--	--	7,100	17,841
Due from:								
Other funds	2,883,001	--	--	--	--	--	3,206,964	6,089,965
Component units	5,901	--	--	--	--	--	16,612	22,513
Prepaid items	560,756	--	--	--	--	--	--	560,756
Restricted cash	407,324	--	--	--	--	--	4,391,398	4,798,722
<b>Total assets</b>	<b>68,864,127</b>	<b>52,167</b>	<b>2,325,401</b>	<b>2,581,941</b>	<b>57</b>	<b>1,288,385</b>	<b>22,330,446</b>	<b>97,442,524</b>
<b>Deferred Outflows:</b>								
Total deferred outflows of resources	--	--	--	--	--	--	--	--
<b>Total assets and deferred outflows of resources</b>	<b>\$ 68,864,127</b>	<b>\$ 52,167</b>	<b>\$ 2,325,401</b>	<b>\$ 2,581,941</b>	<b>\$ 57</b>	<b>\$ 1,288,385</b>	<b>\$ 22,330,446</b>	<b>\$ 97,442,524</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 1,027,872	\$ --	\$ 89,792	\$ 255	\$ --	\$ --	\$ 581,175	\$ 1,699,094
Payroll payable	801,054	--	--	--	--	--	--	801,054
Live on the Levee Charity Raffle	--	--	--	--	--	--	2,786	2,786
Other accrued expenditures	98,089	--	--	--	--	--	--	98,089
Reserve for future insurance claims	2,252,536	--	--	--	--	--	--	2,252,536
Due to:								
Component unit	261,658	--	--	--	--	--	--	261,658
Other funds	3,964,796	--	46,754	14,383	--	1,288,385	823,474	6,137,792
Other governments	--	--	--	--	--	--	4,864	4,864
Grant advances	--	--	2,188,650	2,567,303	--	--	161,268	4,917,221
Customer prepaid fees	107,299	--	--	--	--	--	--	107,299
<b>Total liabilities</b>	<b>8,513,304</b>	<b>--</b>	<b>2,325,196</b>	<b>2,581,941</b>	<b>--</b>	<b>1,288,385</b>	<b>1,573,567</b>	<b>16,282,393</b>
<b>Deferred Inflows:</b>								
Taxes	817,839	--	--	--	--	--	--	817,839
<b>Total deferred inflows of resources</b>	<b>817,839</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>817,839</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>9,331,143</b>	<b>--</b>	<b>2,325,196</b>	<b>2,581,941</b>	<b>--</b>	<b>1,288,385</b>	<b>1,573,567</b>	<b>17,100,232</b>
<b>Fund balances:</b>								
Nonspendable	560,756	--	--	--	--	--	1,398,681	1,959,437
Restricted	3,315,251	52,167	205	--	57	--	11,176,124	14,543,804
Committed	30,352,834	--	--	--	--	--	8,182,074	38,534,908
Assigned	--	--	--	--	--	--	--	--
Unassigned	25,304,143	--	--	--	--	--	--	25,304,143
<b>Total fund balances</b>	<b>59,532,984</b>	<b>52,167</b>	<b>205</b>	<b>--</b>	<b>57</b>	<b>--</b>	<b>20,756,879</b>	<b>80,342,292</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 68,864,127</b>	<b>\$ 52,167</b>	<b>\$ 2,325,401</b>	<b>\$ 2,581,941</b>	<b>\$ 57</b>	<b>\$ 1,288,385</b>	<b>\$ 22,330,446</b>	<b>\$ 97,442,524</b>

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, 2019

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Total fund balances on the governmental fund's balance sheet	\$	80,342,292
--	----	------------

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.).		102,728,129
--	--	-------------

Net Pension assets used in governmental activities are not financial resources and, therefore not reported in the funds.		1,490,684
--	--	-----------

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.).		817,839
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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		22,635
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*Public Employees Retirement System (PERS):*

Deferred outflows:

Contributions made after measurement date		1,855,299
Changes between expected and actual experience		174,798
Changes in contributions		347,887

Deferred inflows:

Changes in contributions		( 212,169)
Changes in investment experience		( 8,719)
Changes between projected and actual earnings		( 2,073,534)

*Defined Benefit Plans (DBP):*

Deferred outflows:

Changes in noninvestment experience		
Changes in actual investment experience		2,635,733
Changes in assumptions		24,855,221

Deferred inflows:

Changes in actual investment experience		( 2,054,642)
Changes in actual investment experience		( 1,717,436)
Changes in assumptions		( 1,651,158)

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, 2019

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MPFRS	
Deferred outflows:	
Contributions made after measurement date	527,194
Changes in contributions	75,686
Changes in actual investment experience	176,560
Deferred inflows:	
Changes in contributions	( 71,739)
Changes in earnings	( 46,359)
Changes in assumptions	( 87,876)
Deferred outflows:	
Changes in actual investment experience	4,726,594
Changes in assumptions	14,454,304
Deferred inflows:	
Changes in actual investment experience	( 23,139,392)
Changes in assumptions	( 4,938,447)
OPEB - PEIA	
Deferred outflows:	
Contributions made after measurement date	12,180
Deferred inflows:	
Difference between expected and actual experience	( 1,892)
Changes in assumptions	( 12,768)
Changes in earnings	( 2,367)
Changes in contributions	( 24,256)
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	( 9,894,687)
Compensated absences	( 1,408,959)
Net pension liability - PERS	( 3,523,849)
Net pension liability - Police & Fire	( 380,700,854)
Bonds payable (less bond discount of 33,659)	( 84,477,341)
Accrued interest payable	( 49,553)
Claims & judgements	( 3,925,755)
Other post employment benefits	( 297,260,315)
Other post employment benefits - PEIA	( 127,876)
Net position of governmental activities	\$ ( 582,168,908)

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, 2019

	General	Coal Severance Tax	Community Development	HOME	Convention & Civic Center Project	Rail Trail Project	Other Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Taxes:								
Ad valorem property taxes	\$ 15,321,906	\$ --	\$ --	--	\$ --	\$ --	\$ --	\$ 15,321,906
Business & occupation tax	43,082,465	--	--	--	--	--	--	43,082,465
Alcoholic beverages tax	1,085,930	--	--	--	--	--	--	1,085,930
Utility services tax	2,573,491	--	--	--	--	--	--	2,573,491
Hotel occupancy tax	2,932,414	--	--	--	--	--	--	2,932,414
Animal tax	5,931	--	--	--	--	--	--	5,931
Gas and oil severance tax	107,966	--	--	--	--	--	--	107,966
Amusement tax	94,134	--	--	--	--	--	--	94,134
City sales tax	15,547,188	--	--	--	--	--	--	15,547,188
Coal severance tax	--	159,332	--	--	--	--	--	159,332
Licenses and permits	1,533,394	--	--	--	--	--	--	1,533,394
Intergovernmental:								
Federal	96,835	--	1,346,668	526,816	--	--	636,628	2,606,947
State	3,530,843	--	--	--	--	--	113,483	3,644,326
Local	--	--	--	--	--	--	33,726	33,726
Charges for services	16,525,268	--	--	--	--	--	4,131,008	20,656,276
Fines and forfeits	--	--	--	--	--	--	471,385	471,385
Interest and investment earnings	888,192	--	--	--	47,384	--	932,701	1,868,277
Payments in lieu of taxes	84,975	--	--	--	--	--	--	84,975
Reimbursements	917,674	--	--	--	--	--	--	917,674
IRP fees	1,016,703	--	--	--	--	--	--	1,016,703
Contributions and donations	310,187	--	--	--	--	--	314,985	625,172
Miscellaneous	470,407	--	45,129	--	--	--	2,698	518,234
<b>Total revenues</b>	<b>106,125,903</b>	<b>159,332</b>	<b>1,391,797</b>	<b>526,816</b>	<b>47,384</b>	<b>--</b>	<b>6,636,614</b>	<b>114,887,846</b>
<b>EXPENDITURES</b>								
Current:								
General government	18,795,873	--	--	--	--	--	119,442	18,915,315
Public safety	49,337,734	--	--	--	--	--	636,415	49,974,149
Streets and transportation	8,221,521	--	--	--	--	--	--	8,221,521
Health and sanitation	4,227,290	--	--	--	--	--	1,027,495	5,254,785
Culture and recreation	6,634,961	--	--	--	8,811,160	--	237,892	15,684,013
Social services	731,799	--	--	--	--	--	45,881	777,680
Capital projects	5,272,152	--	--	--	34,000	--	4,446,218	9,752,370
Economic development	720	--	1,394,995	526,816	--	1,787	173,779	2,098,097
Debt service:								
Principal	530,000	--	--	--	--	--	4,221,000	4,751,000
Interest & fiscal charges	81,425	--	--	--	--	--	3,406,014	3,487,439
Bond issuance costs	1,750	--	--	--	--	--	--	1,750
<b>Total expenditures</b>	<b>93,835,225</b>	<b>--</b>	<b>1,394,995</b>	<b>526,816</b>	<b>8,845,160</b>	<b>1,787</b>	<b>14,314,136</b>	<b>118,918,119</b>
Excess (deficiency) of revenues over expenditures	12,290,678	159,332	(3,198)	--	(8,797,776)	(1,787)	(7,677,522)	(4,030,273)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	18,106,693	--	--	--	1,809,899	1,787	11,284,638	31,203,017
Transfers (out)	(26,927,620)	(149,376)	--	--	(1,584)	--	(7,194,792)	(34,273,372)
Insurance Proceeds	35,985	--	--	--	--	--	--	35,985
Proceeds from the sale of assets	258,564	--	--	--	--	--	--	258,564
Realized Gain / Loss	435	--	--	--	--	--	--	435
Capital leases	2,992,000	--	--	--	--	--	--	2,992,000
<b>Total other financing sources (uses)</b>	<b>(5,533,943)</b>	<b>(149,376)</b>	<b>--</b>	<b>--</b>	<b>1,808,315</b>	<b>1,787</b>	<b>4,089,846</b>	<b>216,629</b>
Net change in fund balances	6,756,735	9,956	(3,198)	--	(6,989,461)	--	(3,587,676)	(3,813,644)
Fund balances - beginning	52,776,249	42,211	3,403	--	6,989,518	--	24,344,555	84,155,936
Fund balances - ending	\$ 59,532,984	\$ 52,167	\$ 205	\$ --	\$ 57	\$ --	\$ 20,756,879	\$ 80,342,292

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, 2019

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

Net change in fund balances - total governmental funds	\$ ( 3,813,644)
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 and constructed during the fiscal year (Note III.C.).	15,854,027
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.).	( 8,117,721)
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.) This is the amount that was transferred to the Business-type activities during the year.	( 100,508,018)
In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital assets sold (Note III.C.).	( 97,711)
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.).	51,507
Certain pension expenses and other post employment benefit in the statement of activities are recognized on the accrual basis of accounting in accordance with GASB 68 and 75 (Note V and IV.G.).	
<i>Public Employee Retirement System (PERS):</i>	
Contributions made after measurement date	1,855,299
Amount of pension expenses recognized at government-wide level - deferred outflows	( 2,634,498)
Amount of pension expenses recognized at government-wide level - deferred inflows	( 444,713)
<i>Defined Benefit Plans (DBP):</i>	
Amount of pension expenses recognized at government-wide level - deferred outflows	21,231,130
Amount of pension expenses recognized at government-wide level - deferred inflows	16,112,239
<i>Municipal Police Officer and Firefighter Retirement System (MPFRS):</i>	
Contributions made after measurement date	527,194
Amount of pension expenses recognized at government-wide level - deferred outflows	( 233,812)
Amount of pension expenses recognized at government-wide level - deferred inflows	39,679
<i>Other Post Employment Benefits (OPEB):</i>	
Amount of OPEB expenses recognized at government-wide level - deferred outflows	13,272,656
Amount of OPEB expenses recognized at government-wide level - deferred inflows	( 21,904,780)
<i>Other Post Employment Benefits (OPEB) - PEIA:</i>	
Amount of OPEB expenses recognized at government-wide level - deferred outflows	12,180
Amount of OPEB expenses recognized at government-wide level - deferred inflows	( 41,283)

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 (Continued)  
For the Fiscal Year Ended June 30, 2019

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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	4,221,000
Lease proceeds	( 2,992,000)
Lease principle payments	3,176,252
Net pension liability - PERS	2,601,582
Net pension liability - DBP	( 52,091,986)
Net pension asset - MPFRS	276,333
Claims and judgements	89,305
Other post employment benefits	( 5,260,090)
Other post employment benefits - PEIA	( 127,876)
Bond discount	( 6,842)
Interest Payable	( 22,447)

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.

	150,552
Change in net position of governmental activities	\$ <u><u>( 118,826,486)</u></u>

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, 2019**

	Budgeted Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final				
<b>REVENUES</b>						
Taxes:						
Property	\$ 15,251,588	\$ 15,251,588	\$ 15,321,906	\$ ( 1,799)	\$ 15,320,107	\$ 68,519
Business & occupation	43,500,000	42,582,347	43,082,465	( 42,810)	43,039,655	457,308
Utility	2,650,000	2,650,000	2,573,491	--	2,573,491	( 76,509)
Hotel motel	3,000,000	3,000,000	2,932,414	--	2,932,414	( 67,586)
City sales tax	--	--	15,547,188	( 15,547,188)	--	--
Alcoholic beverages	921,900	921,900	1,085,930	--	1,085,930	164,030
Amusement	165,000	165,000	94,134	--	94,134	( 70,866)
Animal	5,900	5,900	5,931	--	5,931	31
Gas & oil severance	75,000	75,000	107,966	--	107,966	32,966
Licenses and permits (includes IRP fees)	1,912,200	1,912,200	2,550,097	--	2,550,097	637,897
Charges for services	16,000,500	16,000,500	16,525,268	--	16,525,268	524,768
Intergovernmental:						
Federal	100,000	100,000	96,835	--	96,835	( 3,165)
State	--	--	3,530,843	( 3,530,843)	--	--
Interest and investment earnings	60,000	60,000	888,192	( 709,661)	178,531	118,531
Reimbursements	1,003,000	1,046,800	917,674	--	917,674	( 129,126)
Payments in lieu of taxes	75,000	75,000	84,975	--	84,975	9,975
Contributions and donations	225,000	535,000	310,187	--	310,187	( 224,813)
Miscellaneous	553,000	553,000	470,407	--	470,407	( 82,593)
Total revenues	85,498,088	84,934,235	106,125,903	( 19,832,301)	86,293,602	1,359,367
<b>EXPENDITURES</b>						
General government:						
Mayor's office	580,860	910,118	845,062	( 11,248)	833,814	76,304
City Council	391,618	650,212	598,487	--	598,487	51,725
City Manager	3,033,221	3,774,738	2,623,230	( 22,496)	2,600,734	1,174,004
City Treasurer	186,622	213,622	215,929	( 22,496)	193,433	20,189
City Collector	1,034,886	1,154,886	1,170,193	( 67,487)	1,102,706	52,180
City Clerk	180,855	205,855	199,269	--	199,269	6,586
Municipal Court	473,961	546,700	539,896	( 22,496)	517,400	29,300
City Attorney	1,119,450	1,761,450	885,452	--	885,452	875,998
City Auditor	475,616	517,616	542,378	( 22,496)	519,882	( 2,266)
Engineering	1,041,573	1,130,805	1,079,882	( 22,496)	1,057,386	73,419
MOECD	544,337	604,337	588,593	( 11,248)	577,345	26,992
Human Resources	821,565	891,565	813,358	--	813,358	78,207
Contributions to Main Street Program	80,000	80,000	80,000	--	80,000	--
Regional Intergovernmental Council	20,000	20,000	20,299	--	20,299	( 299)
Mail room	288,766	305,766	264,658	( 33,743)	230,915	74,851
Building commission	1,001,246	1,378,334	1,325,486	( 11,248)	1,314,238	64,096
Planning	600,626	647,708	632,985	( 33,743)	599,242	48,466
Elections	67,500	67,500	40,687	--	40,687	26,813

**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, 2019**

	Budgeted Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final				
Information systems	2,059,048	2,788,857	1,789,417	( 22,496)	1,766,921	1,021,936
Building maintenance	791,278	851,278	895,004	( 33,744)	861,260	( 9,982)
Regular Retiree Health Benefits	1,669,250	2,069,250	--	1,597,198	1,597,198	472,052
Internal audit	261,841	221,273	231,666	--	231,666	( 10,393)
Morris Square	431,737	431,737	358,397	--	358,397	73,340
Employee health clinic	865,500	865,500	999,474	--	999,474	( 133,974)
Public works	263,281	288,281	295,394	( 22,495)	272,899	15,382
Public grounds	1,557,756	1,854,756	1,760,677	( 78,735)	1,681,942	172,814
Contingency	114,000	114,000	--	--	--	114,000
Total general government	<u>19,956,393</u>	<u>24,346,144</u>	<u>18,795,873</u>	<u>1,158,531</u>	<u>19,954,404</u>	<u>4,391,740</u>
Public safety:						
Police	22,595,146	23,281,201	24,543,663	( 1,805,473)	22,738,190	543,011
Fire	24,202,713	22,076,213	23,124,514	( 1,815,353)	21,309,161	767,052
Traffic engineering	1,668,773	1,585,773	1,457,574	( 67,487)	1,390,087	195,686
C-K emergency services	225,516	242,516	211,983	( 11,248)	200,735	41,781
Total public safety	<u>48,692,148</u>	<u>47,185,703</u>	<u>49,337,734</u>	<u>( 3,699,561)</u>	<u>45,638,173</u>	<u>1,547,530</u>
Streets and transportation:						
Streets and transportation	4,552,509	4,849,509	4,723,793	( 382,428)	4,341,365	508,144
Equipment maintenance	3,438,290	3,438,290	3,497,728	( 168,718)	3,329,010	109,280
Total streets and transportation	<u>7,990,799</u>	<u>8,287,799</u>	<u>8,221,521</u>	<u>( 551,146)</u>	<u>7,670,375</u>	<u>617,424</u>
Health and sanitation:						
Refuse collection & recycling	4,175,030	4,243,030	4,027,290	( 191,214)	3,836,076	406,954
Kanawha-Charleston health department	125,000	125,000	125,000	--	125,000	--
CARES	75,000	75,000	75,000	--	75,000	--
Total health and sanitation	<u>4,375,030</u>	<u>4,443,030</u>	<u>4,227,290</u>	<u>( 191,214)</u>	<u>4,036,076</u>	<u>406,954</u>
Culture and recreation:						
Parks and recreation	2,996,142	3,102,201	3,038,295	( 191,214)	2,847,081	255,120
Convention and visitor's bureau	1,500,000	1,500,000	1,519,299	--	1,519,299	( 19,299)
Cultural/fairs/festivals	239,000	239,000	222,300	--	222,300	16,700
Festival Fund for the Arts	194,556	209,556	174,413	--	174,413	35,143
Municipal auditorium	260,170	286,170	272,013	--	272,013	14,157
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	350,415	--	350,415	42,085
Total culture and recreation	<u>6,640,594</u>	<u>6,787,653</u>	<u>6,634,961</u>	<u>( 191,214)</u>	<u>6,443,747</u>	<u>343,906</u>
Social services:						
Spring hill cemetery	758,610	798,610	731,879	( 56,239)	675,640	122,970
Human rights	--	--	( 80)	--	( 80)	80
Total social services	<u>758,610</u>	<u>798,610</u>	<u>731,799</u>	<u>( 56,239)</u>	<u>675,560</u>	<u>123,050</u>

**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, 2019**

	Budgeted Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts	Variance With Final Budget Positive (Negative)
	Original	Final				
<b>Economic Development:</b>						
Wayfinding commission	--	--	720	( 720)	--	--
Total economic development	--	--	720	( 720)	--	--
<b>Capital projects:</b>						
General government	1,007,266	1,111,440	730,849	--	730,849	380,591
Public safety	2,642,010	2,816,010	1,259,310	--	1,259,310	1,556,700
Streets and transportation	1,849,795	2,158,168	1,462,068	--	1,462,068	696,100
Health and sanitation	809,732	1,593,129	1,387,430	--	1,387,430	205,699
Culture and recreation	119,732	356,980	353,197	--	353,197	3,783
Social services	116,162	116,162	79,298	--	79,298	36,864
Total capital projects	6,544,697	8,151,889	5,272,152	--	5,272,152	2,879,737
<b>Debt service:</b>						
Principal	530,000	530,000	530,000	--	530,000	--
Interest	81,425	81,425	81,425	--	81,425	--
Bond Service Charges	1,750	1,750	1,750	--	1,750	--
Total debt service	613,175	613,175	613,175	--	613,175	--
Total expenditures	95,571,446	100,614,003	93,835,225	( 3,531,563)	90,303,662	10,310,341
Excess of revenues over (under) expenditures	( 10,073,358)	( 15,679,768)	12,290,678	( 16,300,738)	( 4,010,060)	11,669,708
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	11,728,413	11,741,472	18,106,693	( 7,862,971)	10,243,722	( 1,497,750)
Transfers out	( 5,042,274)	( 5,042,274)	( 26,927,620)	21,579,563	( 5,348,057)	( 305,783)
Capital lease proceeds	3,137,219	3,137,219	2,992,000	--	2,992,000	( 145,219)
Sale of capital assets	250,000	250,000	258,564	--	258,564	8,564
Insurance Proceeds	--	--	35,985	--	35,985	35,985
Realized Gain / Loss	--	--	435	--	435	435
Total other financing sources (uses)	10,073,358	10,086,417	( 5,533,943)	13,716,592	8,182,649	( 1,903,768)
Net change in fund balance	--	( 5,593,351)	6,756,735	( 2,584,146)	4,172,589	9,765,940
Fund balance-beginning	--	5,593,351	52,776,249	( 47,182,898)	5,593,351	--
Fund balance-ending	\$ --	\$ --	\$ 59,532,984	\$ ( 49,767,044)	\$ 9,765,940	\$ 9,765,940

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, 2019

	<u>Budgeted Amounts</u>		Actual Modified Accrual Basis	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
Coal severance tax	\$ 135,025	\$ 135,025	\$ 159,332	\$ 24,307
Interest earnings	25	25	--	(25)
Total revenues	<u>135,050</u>	<u>135,050</u>	<u>159,332</u>	<u>24,282</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	<u>(135,050)</u>	<u>(177,233)</u>	<u>(149,376)</u>	<u>27,857</u>
Total other financing sources (uses)	<u>(135,050)</u>	<u>(177,233)</u>	<u>(149,376)</u>	<u>27,857</u>
Net change in fund balance	--	(42,183)	9,956	52,139
Fund balance - beginning	<u>--</u>	<u>42,183</u>	<u>42,211</u>	<u>28</u>
Fund balance - ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 52,167</u>	<u>\$ 52,167</u>

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, 2019

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
<b>ASSETS</b>			
Current:			
Cash and cash equivalents	\$ 52,893	\$ 4,249,780	\$ 4,302,673
Investments	356,621	1,015,283	1,371,904
Receivables:			
Accounts	346,773	145,039	491,812
Due from:			
Other funds	113,029	450	113,479
Restricted:			
TIF district taxes receivable	5,729	--	5,729
TIF district	33,077	--	33,077
Regular account	--	1,762,559	1,762,559
Customer deposits	250,892	--	250,892
Prepaid items	95,834	67,167	163,001
Total current assets	<u>1,254,848</u>	<u>7,240,278</u>	<u>8,495,126</u>
Capital assets:			
Nondepreciable:			
Land	300,000	4,066,447	4,366,447
Construction in progress	11,000	576,480	587,480
Depreciable:			
Buildings & Improvements	125,924,284	23,636,122	149,560,406
Machinery and equipment	1,377,784	1,436,107	2,813,891
Less: accumulated depreciation	<u>( 19,042,246)</u>	<u>( 20,053,519)</u>	<u>( 39,095,765)</u>
Total capital assets (net of accumulated depreciation)	<u>108,570,822</u>	<u>9,661,637</u>	<u>118,232,459</u>
Total noncurrent assets	<u>108,570,822</u>	<u>9,661,637</u>	<u>118,232,459</u>
Total assets	<u>109,825,670</u>	<u>16,901,915</u>	<u>126,727,585</u>
<b>DEFERRED OUTFLOWS</b>			
OPEB Changes between expected and actual experience	88,716	61,625	150,341
OPEB Changes in assumptions	271,300	188,453	459,753
Loss on refunding of debt	103,884	--	103,884
Total deferred outflows of resources	<u>463,900</u>	<u>250,078</u>	<u>713,978</u>
Total assets and deferred outflows of resources	<u>110,289,570</u>	<u>17,151,993</u>	<u>127,441,563</u>

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, 2019

	Business-type Activities - Enterprise Funds		Totals
	Civic Center	Parking System	
<b>LIABILITIES</b>			
Current liabilities payable from current assets:			
Accounts payable	284,335	37,703	322,038
Insurance claims payable	23,612	53,225	76,837
Payroll payable	36,266	14,950	51,216
Other accrued expenses	50	13,817	13,867
Compensated absences payable	64,218	33,992	98,210
Customer deposits	53,415	--	53,415
Accrued revenue bond/note interest payable	26,899	--	26,899
Due to:			
Component unit	14,619	--	14,619
Other funds	24,987	23,427	48,414
Other governments	--	880	880
Bonds payable	530,000	--	530,000
 Total current liabilities payable from current assets	 <u>1,058,401</u>	 <u>177,994</u>	 <u>1,236,395</u>
Noncurrent liabilities			
Bonds payable	2,708,861	--	2,708,861
Other postemployment benefits payable	5,670,813	4,010,400	9,681,213
 Total noncurrent liabilities	 <u>8,379,674</u>	 <u>4,010,400</u>	 <u>12,390,074</u>
 Total liabilities	 <u>9,438,075</u>	 <u>4,188,394</u>	 <u>13,626,469</u>
<b>DEFERRED INFLOWS</b>			
OPEB Changes in assumptions	92,692	64,386	157,078
OPEB Changes in investment experience	434,314	301,688	736,002
Deferred revenue	2,300	--	2,300
 Total deferred inflows of resources	 <u>529,306</u>	 <u>366,074</u>	 <u>895,380</u>
 Total liabilities and deferred inflows of resources	 <u>9,967,381</u>	 <u>4,554,468</u>	 <u>14,521,849</u>
<b>NET POSITION</b>			
Net investment in capital assets	105,435,845	9,661,637	115,097,482
Restricted for debt service	356,621	2,777,842	3,134,463
Restricted for customer deposits	250,892	--	250,892
Restricted for TIF district	38,806	--	38,806
Unrestricted	( 5,759,975)	158,046	( 5,601,929)
 Total net position	 <u>\$ 100,322,189</u>	 <u>\$ 12,597,525</u>	 <u>\$ 112,919,714</u>

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, 2019

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
Operating revenues:			
Sales and services to customers	\$ 1,404,170	\$ 2,827,485	\$ 4,231,655
Rental fees	1,680,319	85,920	1,766,239
Miscellaneous	23,695	22,934	46,629
Total revenues	<u>3,108,184</u>	<u>2,936,339</u>	<u>6,044,523</u>
Operating expenses:			
Personal services	2,120,062	1,294,553	3,414,615
Contractual services	1,961,854	729,814	2,691,668
Materials and supplies	171,861	87,956	259,817
Depreciation	2,172,745	806,590	2,979,335
Total operating expenses	<u>6,426,522</u>	<u>2,918,913</u>	<u>9,345,435</u>
Operating income (loss)	<u>( 3,318,338)</u>	<u>17,426</u>	<u>( 3,300,912)</u>
Nonoperating revenues (expenses):			
Interest revenue	10,020	145,849	155,869
Investment earnings	17,045	--	17,045
Gain (loss) on sale of fixed assets	5,553	20	5,573
TIF property taxes	428,446	--	428,446
Interest & fiscal charges	( 190,550)	--	( 190,550)
Total nonoperating revenues (expenses)	<u>270,514</u>	<u>145,869</u>	<u>416,383</u>
Income (loss) before operating transfers and contributions	<u>( 3,047,824)</u>	<u>163,295</u>	<u>( 2,884,529)</u>
Capital contributions - Energy Rebates	135,024	--	135,024
Transfers in	105,386,637	18,355	105,404,992
Transfers(out)	( 1,815,619)	( 11,000)	( 1,826,619)
Change in net position	100,658,218	170,650	100,828,868
Net position at beginning of year	<u>( 336,029)</u>	<u>12,426,875</u>	<u>12,090,846</u>
Net position at end of year	<u>\$ 100,322,189</u>	<u>\$ 12,597,525</u>	<u>\$ 112,919,714</u>

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, 2019

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 3,152,069	\$ 2,934,108	\$ 6,086,177
Cash paid for goods and services	( 2,079,961)	( 1,083,712)	( 3,163,673)
Cash paid for interfund services	( 117,762)	30,177	( 87,585)
Cash paid to employees	( 1,728,403)	( 937,250)	( 2,665,653)
Net cash provided (used) by operating activities	<u>( 774,057)</u>	<u>943,323</u>	<u>169,266</u>
<b>Cash flows from noncapital financing activities:</b>			
Transfers in	4,820,896	18,355	4,839,251
Transfers (out)	<u>( 1,815,619)</u>	<u>( 11,000)</u>	<u>( 1,826,619)</u>
Net cash provided by noncapital financing activities	<u>3,005,277</u>	<u>7,355</u>	<u>3,012,632</u>
<b>Cash flows from capital and related financing activities:</b>			
Purchases of capital assets	( 3,470,523)	( 4,154)	( 3,474,677)
Acquisition and construction of capital assets	( 11,000)	( 574,937)	( 585,937)
Principal paid on capital debt	( 510,000)	--	( 510,000)
Proceeds from the sales of capital assets	5,553	20	5,573
Interest paid on capital debt	( 164,743)	--	( 164,743)
TIF district property taxes	428,446	--	428,446
Capital Contributions - Energy Rebates	<u>135,024</u>	<u>--</u>	<u>135,024</u>
Net cash used by capital and related financing activities	<u>( 3,587,243)</u>	<u>( 579,071)</u>	<u>( 4,166,314)</u>
<b>Cash flows from investing activities:</b>			
Interest received	<u>27,063</u>	<u>145,851</u>	<u>172,914</u>
Net cash provided by investing activities	<u>27,063</u>	<u>145,851</u>	<u>172,914</u>
Net increase (decrease) in cash and cash equivalents	( 1,328,960)	517,458	( 811,502)
Cash and cash equivalents, July 1, 2018 (including \$1,725,632 and \$1,603,416 and in restricted accounts)	<u>1,771,551</u>	<u>6,510,164</u>	<u>8,281,715</u>
Cash and cash equivalents, June 30, 2019 (including \$395,427 and \$2,777,842 and in restricted accounts)	<u>\$ 442,591</u>	<u>\$ 7,027,622</u>	<u>\$ 7,470,213</u>

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, 2019

	Business-type Activities - Enterprise Funds		
	Civic Center	Parking System	Totals
<b>Reconciliation of operating income to net cash provided (used) by operating activities:</b>			
Operating income (loss)	\$ (3,318,338)	\$ 17,426	\$ (3,300,912)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	2,172,745	806,590	2,979,335
Decrease (increase) in prepaid items	(46,370)	(1,434)	(47,804)
Decrease (increase) in accounts receivable	(68,551)	(2,904)	(71,455)
Decrease (increase) in due from other funds	(100,010)	11,556	(88,454)
Increase (decrease) in due to other funds	16,680	18,622	35,302
Increase (decrease) in insurance payable	(10,148)	43,066	32,918
Decrease (increase) in restricted deposits	76,631	--	76,631
Increase (decrease) in unearned revenue	1,200	673	1,873
Increase (decrease) in customer deposits	34,605	--	34,605
Increase (decrease) in accounts payable	109,548	(265,091)	(155,543)
Decrease (increase) in deferred outflows	(249,121)	(173,047)	(422,168)
Increase (decrease) in deferred inflows	411,141	285,590	696,731
Increase (decrease) in other postemployment benefits payable	190,119	203,347	393,466
Increase (decrease) in payroll payable	9,215	(118)	9,097
Increase (decrease) in other accrued expenses	(406)	--	(406)
Increase (decrease) in due to component unit & other entities	(9,018)	583	(8,435)
Increase (decrease) in compensated absences	6,021	(1,536)	4,485
Net cash provided (used) by operations	<u>\$ (774,057)</u>	<u>\$ 943,323</u>	<u>\$ 169,266</u>
Current cash and cash equivalents	\$ 52,893	\$ 4,249,780	\$ 4,302,673
Cash held in investments	356,621	1,015,283	1,371,904
Restricted	<u>33,077</u>	<u>1,762,559</u>	<u>1,795,636</u>
Total	<u>\$ 442,591</u>	<u>\$ 7,027,622</u>	<u>\$ 7,470,213</u>

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 154.

CITY OF CHARLESTON, WEST VIRGINIA  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
June 30, 2019

	Pension Trust Funds	Agency Funds
<b>ASSETS</b>		
Non-pooled cash	\$ 6,034,080	\$ 4,437,756
Total cash	6,034,080	4,437,756
Investments, at fair value:		
Federal government securities	6,984,310	--
Collateralized mortgage obligations	1,897,090	--
Managed bond funds	6,093,281	--
Managed stock funds	26,390,173	--
Total investments	41,364,854	--
Receivables:		
Interest	76,477	--
Accounts receivable	1,838	45,970
Due from other funds	--	36,702
Total receivables	78,315	82,672
Total assets	47,477,249	4,520,428
<b>DEFERRED OUTFLOWS</b>		
Total deferred outflows of resources	--	--
<b>LIABILITIES</b>		
Refunds payable and other	639,897	4,466,488
Due to: other funds	--	53,940
Due to: other governments	--	--
Total liabilities	639,897	4,520,428
<b>DEFERRED INFLOWS</b>		
Total deferred inflows of resources	--	--
<b>NET POSITION</b>		
Net position restricted for pension benefits	\$ 46,837,352	\$ --

(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  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the Fiscal Year Ended June 30, 2019

	<u>Pension Trust Funds</u>
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 8,815,761
Plan members	1,019,731
Insurance premium surtax	3,530,843
Additional transfers in	<u>3,202,807</u>
Total contributions	<u>16,569,142</u>
Investment income:	
Net increase (decrease) in fair value of investments	1,795,787
Interest and dividends	979,090
Less: investment expense	<u>( 200,270)</u>
Net investment income	<u>2,574,607</u>
Total additions	<u>19,143,749</u>
<b>DEDUCTIONS</b>	
Benefits	14,689,220
Administrative expenses	69,898
Refunds of contributions	<u>17,384</u>
Total deductions	<u>14,776,502</u>
Change in net position	4,367,247
Net position restricted for pension benefits:	
Beginning of year	<u>42,470,105</u>
End of year	<u>\$ 46,837,352</u>

(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  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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, 2019.

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, 2019, were as follows:

<u>Class of Property</u>	<u>Assessed Valuation for Tax Purposes</u>	<u>Current Expense</u>	<u>Excess Levy</u>	<u>Tax Increment Financing</u>
Class I	\$ -	10.37 cents	5.03 cents	10.37 cents
Class II	\$ 1,303,592,502	20.74 cents	10.06 cents	20.74 cents
Class IV	\$ 1,930,677,902	41.48 cents	20.12 cents	41.48 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.

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

**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.



CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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 \$1,959,437 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 \$14,543,804 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 \$38,534,908 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 no 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 \$25,304,143 of unassigned fund balance at fiscal yearend.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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 \$4,286,026.

## **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.

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

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
\$4,389,751	General Government Expenditure Increase
(1,506,445)	Public Safety Expenditure Decrease
297,000	Streets and Transportation Increase
68,000	Health and Sanitation Increase
147,059	Culture and Recreation Increase
40,000	Social Services Increase
1,607,192	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	\$ 6,756,735	\$ 9,765,940
Basis of Accounting Difference	(2,584,146)	49,767,044
GAAP Basis	\$ 4,172,589	\$ 59,532,984

Intergovernmental revenues - state and public safety expenditures both decreased by \$3,530,843, 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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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, 2019.

Encumbrance Description	General Fund
Professional Services	\$ 263,331
Contributions To Other Entities	51,376
Court Costs & Damages	738,181
Comprehensive Plan	2,550
Stormwater Project	14,233
Police Department	21,153
Fire Department	954,222
	\$ 2,045,046

**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:

	Fair Value	Credit Risk Rating	
		Standard & Poor's and Fitch	Moody's Investment Services
<b>Primary Government</b>			
West Virginia Municipal Bond Commission, at amortized cost	\$ 1,554,888	Not Rated	Not Rated
WVBTI Short Term Bond Pool	2,930,855	Not Rated	Not Rated
WV Money Market Pool	17,428,060	AAAm	Not Rated
	21,913,803		
US Treasury N/B 2.25%	100,129	AA+	Not Rated
US Treasury N/B 2.5%	101,047	AA+	Not Rated
US Treasury N/B 1.25%	99,703		
US Treasury N/B 2%	100,945		
Total Rated Securities	401,824		
Common Stock	162,711	Not Rated	Not Rated
Mutual Funds	1,359,260	Not Rated	Not Rated
Exchange Traded Products	83,037		
Certificates of Deposit	453,682	Not Rated	Not Rated
Total Unrated Securities	2,058,690	Not Rated	Not Rated
Total Primary Government	\$ 24,374,317		

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

	<u>Fair Value</u>	<u>Credit Risk Rating</u>	
		<u>Standard &amp; Poor's and Fitch</u>	<u>Moody's Investment Services</u>
<b>Policemen's Pension and Relief</b>			
<b>U.S. Government Securities</b>			
Federal Home Ln MTG Corp MTN	\$ 499,545	AA+	Aaa
Federal Farm Cr Bks Bonds	495,740	AA+	Aaa
Federal Farm Cr Bks Bonds	499,075	AA+	Aaa
Federal Farm Cr Bks Bonds	497,435	AA+	Aaa
Federal Home Loan Banks	198,518	AA+	Aaa
Federal Farm Cr Bks Cons	500,010	AA+	Aaa
Federal Home Loan Banks	500,015	AA+	Aaa
Fed Home Ln Mtg Corp Mtn	500,000	AA+	Aaa
<b>Corporate Bonds</b>			
Ebay Inc	99,967	BBB+	Baa1
Ryder Sys MTN BE	99,984	BBB+	Baa1
JP Morgan Chase	99,967	A-	A2
Merck & Co Inc	99,759	AA+	A1
Chevron Corp	99,800	AA+	Aa2
Exxon Mobil Corp	99,831	AA+	Aaa
Consolidated Edison Inc	99,667	BBB+	Baa1
Ally Finl Inc	100,967	BB+	Not rated
Ebay Inc	99,752	BBB+	Baa1
Royal BK CDA	100,204	AA-	AA2
General Electric Capital Corp	98,312	BBB+	Baa1
Bank of Montreal MTN	198,662	Not Rated	AA2
Johnson & Johnson	99,423	AAA	Aaa
Caterpillar Finl Svcs	99,225	A	A3
United Technologies	99,195	BBB+	Baa1
Goldman Sachs Group	99,900	BBB+	A3
HSBC USA	99,890	A	Not rated
Ebay Inc	100,214	BBB+	Baa1
Fedex Corp	100,694	BBB	Baa2
Keybank National Association	100,138	A-	A3
Wast Mgmt Inc	102,596	A-	Baa1
Amazon	100,894	AA-	A3
Johnson & Johnson	99,756	AAA	Aaa
Goldman Sachs Group	99,968	BBB+	A3
Express Scripts	101,227	A-	Baa2
Kellogg Co	101,111	BBB	Baa2
Credit Suisse London	100,540	Not Rated	A1
Marriot Intl Inc	100,027	BBB	Baa2
3M Co MTN	97,999	AA-	A1
Bank of America Corp MTN	98,369	A-	A2
Total Rated Securities	<u>6,788,376</u>		
Common Stock	4,160,626		
Exchange Traded Products	9,606,288		
Certificates of Deposit	999,481		
Total Unrated Securities	<u>14,766,395</u>		
Total Policemen's Pension and Relief	<u>\$ 21,554,771</u>		

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

	<u>Fair Value</u>	<u>Credit Risk Rating</u>	
		<u>Standard &amp; Poor's and Fitch</u>	<u>Moody's Investment Services</u>
<b>Firemen's Pension and Relief</b>			
<b>U.S. Government Securities</b>			
Federal Natl Mtg Assn	\$ 99,374	AA	Not rated
Federal Home Ln MTG Corp MTN	499,545	AA+	Aaa
Federal Farm Cr Bks Cons	499,075	AA+	Aaa
Federal Farm Cr Bks Cons	497,435	AA+	Aaa
Federal Home Loan Banks	198,518	AA+	Aaa
Federal Farm Cr Bks Cons	500,010	AA+	Aaa
Federal Home Loan Banks	500,015	AA+	Aaa
Federal Home Ln MTG Corp MTN	500,000	AA+	Aaa
<b>Corporate Bonds</b>			
Ebay	99,967	BBB+	Baa1
JP Morgan Chase & Co	99,967	A-	A2
Merck & Co	99,759	AA	A1
Chevron Corp	99,800	AA	Aa2
Exxon Mobil Corp	99,831	AA+	Aaa
Consolidated Edison Inc	99,667	BBB+	Baa1
Ally Finl Inc	100,967	BB+	Not rated
Ebay	99,752	BBB+	Baa1
Royal Bk CDA	100,204	AA-	Aa2
General Electric Capital Corp	98,312	BBB+	Baa1
Bank of Montreal	198,662	Not Rated	Aa2
Johnson & Johnson	99,423	AAA	Aaa
Caterpillar Finl Svcs S BE	99,225	A	A3
United Technologies Corp	99,195	BBB+	Baa1
Goldman Sachs Group Inc	99,900	BBB+	A3
HSBC USA Inc	99,890	A	Not rated
Ebay Inc	100,214	BBB+	Baa1
Fedex Corp	100,694	BBB	Baa2
Keybank National Association	100,138	A-	A3
Waste Mgmt Inc	102,596	A-	Baa1
Amazon Com	100,894	AA-	A3
Johnson & Johnson	99,756	AAA	Aaa
Goldman Sachs Group Inc	99,968	BBB+	A3
Express Scripts HLDG Co	101,227	A-	Baa2
Kellogg Co	101,111	BBB	Baa2
Marriott Intl Inc	100,027	BBB	Baa2
3M Co	97,999	AA-	A1
Bank of America Corp	98,369	A-	A2
JP Morgan Chase & Co	97,729	A-	A2
Total Rated Securities	<u>6,289,215</u>		
Common Stock	3,827,319		
Exchange Traded Products	8,795,940		
Certificates of Deposit	897,609		
Total Unrated Securities	<u>13,520,868</u>		
Total Firemen's Pension and Relief	<u>\$ 19,810,083</u>		

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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, 2019 was \$2,930,855. The City also has an investment in the West Virginia Money Market Pool in the amount of \$17,428,060.

*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, 2019, 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, 2019, the City's investments had the following maturities.

Security Type	Fair Value	Less than 1 Year	1-5	6-10	More than 10 Years
<b>Primary Government:</b>					
West Virginia Municipal Bond Commission, at amortized cost	\$ 1,554,888	\$ 1,554,888	\$ -	\$ -	\$ -
WVBTI Short Term Bond Pool	2,930,855	2,930,855	-	-	-
West Virginia Money Market Pool	17,428,060	17,428,060	-	-	-
US Treasury N/B 2.25%	100,129	100,129	-	-	-
US Treasury N/B 2.5%	101,047	-	101,047	-	-
US Treasury N/B 1.25%	99,703	99,703	-	-	-
US Treasury N/B 2%	100,945	-	100,945	-	-
Common Stock	162,711	162,711	-	-	-
Mutual Funds	1,359,260	1,359,260	-	-	-
Exchange Traded Products	83,037	83,037	-	-	-
Certificates of Deposit	453,682	453,682	-	-	-
	<u>\$ 24,374,317</u>	<u>\$ 24,172,325</u>	<u>\$ 201,992</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

Security Type	Fair Value	Less than 1 Year	1-5	6-10	More than 10 Years
<b>Policemen's Pension and Relief:</b>					
<b>U.S. Government Securities</b>					
Federal Home Ln MTG Corp MTN	\$ 499,545	\$ -	\$ 499,545	\$ -	\$ -
Federal Farm Cr Bks Bonds	495,740	-	495,740	-	-
Federal Farm Cr Bks Bonds	499,075	-	-	499,075	-
Federal Farm Cr Bks Bonds	497,435	-	-	497,435	-
Federal Home Loan Banks	198,518	-	-	198,518	-
Federal Farm Cr Bks Cons	500,010	-	-	500,010	-
Federal Home Loan Banks	500,015	-	-	500,015	-
Fed Home Ln Mtg Corp Mtn	500,000	-	-	500,000	-
<b>Corporate Bonds</b>					
Ebay Inc	99,967	99,967	-	-	-
Ryder Sys MTN BE	99,984	99,984	-	-	-
JP Morgan Chase	99,967	99,967	-	-	-
Merck & Co Inc	99,759	99,759	-	-	-
Chevron Corp	99,800	99,800	-	-	-
Exxon Mobil Corp	99,831	99,831	-	-	-
Consolidated Edison Inc	99,667	99,667	-	-	-
Ally Finl Inc	100,967	100,967	-	-	-
Ebay Inc	99,752	99,752	-	-	-
Royal BK CDA	100,204	-	100,204	-	-
General Electric Capital Corp	98,312	-	98,312	-	-
Bank of Montreal MTN	198,662	-	198,662	-	-
Johnson & Johnson	99,423	-	99,423	-	-
Caterpillar Finl Svcs	99,225	-	99,225	-	-
United Technologies	99,195	-	99,195	-	-
Goldman Sachs Group	99,900	-	99,900	-	-
HSBC USA	99,890	-	99,890	-	-
Ebay Inc	100,214	-	100,214	-	-
Fedex Corp	100,694	-	100,694	-	-
Keybank National Association	100,138	-	100,138	-	-
Wast Mgmt Inc	102,596	-	102,596	-	-
Amazon	100,894	-	100,894	-	-
Johnson & Johnson	99,756	-	99,756	-	-
Goldman Sachs Group	99,968	-	99,968	-	-
Express Scripts	101,227	-	-	101,227	-
Kellogg Co	101,111	-	-	101,111	-
Credit Suisse London	100,540	-	-	100,540	-
Marriot Intl Inc	100,027	-	-	100,027	-
3M Co MTN	97,999	-	-	97,999	-
Bank of America Corp MTN	98,369	-	-	-	98,369
Exchange Traded Products	9,606,288	9,606,288	-	-	-
Common Stock	4,160,626	4,160,626	-	-	-
Certificates of Deposit	999,481	999,481	-	-	-
	<u>\$21,554,771</u>	<u>\$ 15,666,089</u>	<u>\$ 2,594,356</u>	<u>\$ 3,195,957</u>	<u>\$ 98,369</u>



CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

Security Type	Fair Value	Less than 1 Year	1-5	6-10	More than 10 Years
<b>Firemen's Pension &amp; Relief:</b>					
<b>U.S. Government Securities</b>					
			-		
Federal Natl Mtg Assn	\$ 99,374	\$ 99,374	\$ -	\$ -	\$ -
Federal Home Ln MTG Corp MTN	499,545	-	499,545	-	-
Federal Farm Cr Bks Cons	499,075	-	-	499,075	-
Federal Farm Cr Bks Cons	497,435	-	-	497,435	-
Federal Home Loan Banks	198,518	-	-	198,518	-
Federal Farm Cr Bks Cons	500,010	-	-	500,010	-
Federal Home Loan Banks	500,015	-	-	500,015	-
Federal Home Ln MTG Corp MTN	500,000	-	-	500,000	-
<b>Corporate Bonds</b>					
Ebay	99,967	99,967	-	-	-
JP Morgan Chase & Co	99,967	99,967	-	-	-
Merck & Co	99,759	99,759	-	-	-
Chevron Corp	99,800	99,800	-	-	-
Exxon Mobil Corp	99,831	99,831	-	-	-
Consolidated Edison Inc	99,667	99,667	-	-	-
Ally Finl Inc	100,967	100,967	-	-	-
Ebay	99,752	99,752	-	-	-
Royal Bk CDA	100,204	-	100,204	-	-
General Electric Capital Corp	98,312	-	98,312	-	-
Bank of Montreal	198,662	-	198,662	-	-
Johnson & Johnson	99,423	-	99,423	-	-
Caterpillar Finl Svcs S BE	99,225	-	99,225	-	-
United Technologies Corp	99,195	-	99,195	-	-
Goldman Sachs Group Inc	99,900	-	99,900	-	-
HSBC USA Inc	99,890	-	99,890	-	-
Ebay Inc	100,214	-	100,214	-	-
Fedex Corp	100,694	-	100,694	-	-
Keybank National Association	100,138	-	100,138	-	-
Waste Mgmt Inc	102,596	-	102,596	-	-
Amazon Com	100,894	-	100,894	-	-
Johnson & Johnson	99,756	-	99,756	-	-
Goldman Sachs Group Inc	99,968	-	99,968	-	-
Express Scripts HLDG Co	101,227	-	101,227	-	-
Kellogg Co	101,111	-	101,111	-	-
Marriott Intl Inc	100,027	-	-	100,027	-
3M Co	97,999	-	-	97,999	-
Bank of America Corp	98,369	-	-	-	98,369
JP Morgan Chase & Co	97,729	-	-	-	97,729
Exchange Traded Products	8,795,940	8,795,940	-	-	-
Common Stock	3,827,319	3,827,319	-	-	-
Certificates of Deposit	897,609	897,609	-	-	-
	<u>\$ 19,810,083</u>	<u>\$ 14,419,952</u>	<u>\$ 2,300,954</u>	<u>\$ 2,893,079</u>	<u>\$ 196,098</u>
Totals for interest rate risk	<u>\$ 41,364,854</u>	<u>\$ 30,086,041</u>	<u>\$ 4,895,310</u>	<u>\$ 6,089,036</u>	<u>\$ 294,467</u>

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

*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, Ishares Russell Midcap Growth, Ishares Core S&P Mid-Cap ETF, Ishares Russell 2000 Value, and SPDR S&P 500 ETF Trust Unit Ser 1 S&P that had six percent, six percent, five percent, five percent, and five percent respectively; the Firemen's Pension Fund had five mutual fund investments in Ishares Russell Midcap Value, Ishares Russell Midcap Growth, 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 six percent, six percent, five percent, five percent and five percent respectively, of the total portfolio; and Spring Hill Cemetery had four mutual fund investments in Vanguard High Yield Dividend, , Vanguard Growth Index Fund, Baird Aggregate Bond Fund, Pimco Investment Grade Corp, that were eight percent, five percent, twelve percent, six percent, respectively, of the total portfolio at June 30, 2019.

*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, 2019.

*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, 2019, the City had the following recurring fair value measurements.

Investments by fair value level - Police Pension	Total	Quoted Price	Significant	Significant
		in Active Markets for Identical Assets	Other Observable Inputs	Unobservable Inputs
		Level 1	Level 2	Level 3
Exchange Traded Products (ETPs)	\$ 9,606,288	\$ 9,606,288	\$ -	\$ -
Common Stock	4,160,626	4,160,626	-	-
Corporate Bonds	3,098,038	3,098,038	-	-
US Treasury	3,690,338	3,690,338	-	-
Certificate of Deposit	999,481	-	999,481	-
<b>Total</b>	<b>\$ 21,554,771</b>	<b>\$ 20,555,290</b>	<b>\$ 999,481</b>	<b>\$ -</b>

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

Investments by fair value level - Fire Pension	<u>Total</u>	Fair Value Measurements Using		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
		Quoted Price in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
Exchange Traded Products (ETPs)	\$ 8,795,940	\$ 8,795,940	-	-
Common Stock	3,827,319	3,827,319	-	-
Corporate Bonds	2,995,243	2,995,243	-	-
US Treasury	3,293,972	3,293,972	-	-
Certificate of Deposit	897,609	-	897,609	-
<b>Total</b>	<b>\$ 19,810,083</b>	<b>\$ 18,912,474</b>	<b>\$ 897,609</b>	<b>\$ -</b>

**B. Receivables**

	<u>General</u>	<u>Coal Severance</u>	<u>Community Development</u>	<u>HOME</u>	<u>Rail Trail</u>
Receivables:					
Accounts	\$ 6,621,798	\$ -	\$ -	\$ -	\$ -
Accrued interest	10,741	-	-	-	-
Taxes	16,838,301	52,103	-	-	-
Loans	-	-	2,918,200	2,553,618	-
Grants	-	-	136,546	14,639	1,288,385
Gross receivables	<u>23,470,840</u>	<u>52,103</u>	<u>3,054,746</u>	<u>2,568,257</u>	<u>1,288,385</u>
Less: allowance for uncollectible	<u>(81,131)</u>	<u>-</u>	<u>(729,550)</u>	<u>-</u>	<u>-</u>
Net total receivables	<u>\$ 23,389,709</u>	<u>\$ 52,103</u>	<u>\$ 2,325,196</u>	<u>\$ 2,568,257</u>	<u>\$ 1,288,385</u>

	<u>Civic Center</u>	<u>Parking System</u>	<u>Nonmajor Funds and Fiduciary Funds</u>	<u>Total</u>
Receivables:				
Accounts	\$ 346,773	\$ 167,039	\$ 542,226	\$ 7,677,836
Accrued interest	-	-	83,577	94,318
Taxes	5,729	-	-	16,896,133
Loans	-	-	294,357	5,766,175
Grants	-	-	582,106	2,021,676
Gross receivables	<u>352,502</u>	<u>167,039</u>	<u>1,502,266</u>	<u>32,456,138</u>
Less: allowance for uncollectible	<u>-</u>	<u>(22,000)</u>	<u>(50,048)</u>	<u>(882,729)</u>
Net total receivables	<u>\$ 352,502</u>	<u>\$ 145,039</u>	<u>\$ 1,452,218</u>	<u>\$ 31,573,409</u>

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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	\$ 817,839	\$ -
Prepaid License Fees, Advance Office Rental, and Prepaid Cemetery Burial Fees (general fund)	-	107,299
Grant draw downs prior to meeting all eligibility requirements	-	4,917,221
Total	\$ 817,839	\$ 5,024,520

**C. Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2019, was as follows:

	Primary Government						
	Beginning	Increases	Transfers In	Decreases	Transfers Out		Ending
	Balance						Balance
<b>Governmental activities:</b>							
Capital assets, not being depreciated:							
Land	\$ 9,305,842	\$ -	\$ -	\$ -	\$ -	\$ 9,305,842	
Construction in progress	95,841,084	11,654,906	-	(4,695,295)	(100,508,018)	2,292,677	
Total capital assets not being depreciated	105,146,926	11,654,906	-	(4,695,295)	(100,508,018)	11,598,519	
Capital assets being depreciated:							
Buildings and improvements	52,415,131	1,720,891	-	-	-	54,136,022	
Structures and improvements	28,147,528	2,337,112	-	-	-	30,484,640	
Machinery and equipment	20,161,384	716,217	-	(592,306)	-	20,285,295	
Vehicles	21,743,449	1,666,802	-	(1,395,387)	-	22,014,864	
Furniture	340,010	-	-	-	-	340,010	
Infrastructure	105,404,844	2,453,394	-	-	-	107,858,238	
Total capital assets being depreciated	228,212,346	8,894,416	-	(1,987,693)	-	235,119,069	
Less accumulated depreciation:							
Buildings and improvements	(26,378,703)	(1,192,168)	-	-	-	(27,570,871)	
Structures and improvements	(13,057,568)	(1,068,687)	-	-	-	(14,126,255)	
Machinery and equipment	(16,241,143)	(1,254,145)	-	586,825	-	(16,908,463)	
Vehicles	(15,377,391)	(2,370,158)	-	1,303,157	-	(16,444,392)	
Furniture	(340,264)	-	-	-	-	(340,264)	
Infrastructure	(66,366,651)	(2,232,563)	-	-	-	(68,599,214)	
Total accumulated depreciation	(137,761,720)	(8,117,721)	-	1,889,982	-	(143,989,459)	
Total capital assets being depreciated, net	90,450,626	776,695	-	(97,711)	-	91,129,610	
Governmental activities capital assets, net	\$ 195,597,552	\$ 12,431,601	\$ -	\$ (4,793,006)	\$ (100,508,018)	\$ 102,728,129	

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

	Beginning Balance	Increases	Transfers In	Decreases	Transfers Out	Ending Balance
<b>Business-type activities:</b>						
Capital assets, not being depreciated:						
Land	\$ 4,366,447	\$ -	\$ -	\$ -	\$ -	4,366,447
Construction in progress	353,226	567,583	100,508,018	(100,841,347)	-	587,480
Total capital assets not being depreciated	<u>4,719,673</u>	<u>567,583</u>	<u>100,508,018</u>	<u>(100,841,347)</u>	<u>-</u>	<u>4,953,927</u>
Capital assets being depreciated:						
Buildings and improvements	69,001,884	104,353,936	-	(23,795,414)	-	149,560,406
Machinery and equipment	2,779,055	38,166	-	(3,330)	-	2,813,891
Total capital assets being depreciated	<u>71,780,939</u>	<u>104,392,102</u>	<u>-</u>	<u>(23,798,744)</u>	<u>-</u>	<u>152,374,297</u>
Less accumulated depreciation:						
Buildings and improvements	(57,819,735)	(2,802,913)	-	23,795,414	-	(36,827,234)
Machinery and equipment	(2,095,439)	(176,422)	-	3,330	-	(2,268,531)
Total accumulated depreciation	<u>(59,915,174)</u>	<u>(2,979,335)</u>	<u>-</u>	<u>23,798,744</u>	<u>-</u>	<u>(39,095,765)</u>
Total capital assets being depreciated, net	<u>11,865,765</u>	<u>101,412,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>113,278,532</u>
Business type activities capital assets, net	<u>\$ 16,585,438</u>	<u>\$ 101,980,350</u>	<u>\$ 100,508,018</u>	<u>\$ (100,841,347)</u>	<u>\$ -</u>	<u>\$ 118,232,459</u>

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

Governmental activities:	
General government	\$ 3,021,539
Public safety	2,105,351
Highways and streets, including depreciation of general infrastructure assets	1,141,333
Health and sanitation	605,504
Culture and recreation	1,170,674
Social services	<u>73,320</u>
Total depreciation expense-governmental activities	<u>\$ 8,117,721</u>
Business-type activities:	
Civic Center	\$ 2,172,745
Parking System	<u>806,590</u>
Total depreciation expense-business-type activities	<u>\$ 2,979,335</u>

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

*Construction in Progress*

The government has active construction projects as of June 30, 2019. The projects include retaining wall repairs, emergency streambanks at Kanawha River and Greenbrier Street, South Side Bridge inspection, and Parking buildings structural engineering consultations. At year end, the amounts for governmental and business-type activities spent-to-date are as follows:

<u>Project</u>	<u>Spent-to-Date</u>	<u>Funded</u>
Retaining Walls Repair Project	\$ 334,870	General Fund
Concrete Sidewalk & Accessible Ramp Project	68,146	General Fund
Fiber Optics City Wide	99,704	General Fund
Emergency Streambank - Kan. River & Greenbrier St.	1,660,050	General Fund
South Side Bridge Inspection & Rehabilitation	121,968	General Fund
Community Center Remodels	3,654	General Fund
Painting Overlook Haddad Park	4,285	General Fund
Parking Garage Repairs	11,000	Civic Center
Parking Buildings Structural Engineering	576,480	Parking
Total	<u>\$ 2,880,157</u>	

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**D. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2019, is as follows:

*Interfund receivables/payables:*

Receivable Fund	Payable Fund	Purpose	Amount
General	Civic Center	Reimbursements Insurance/Fuel	\$ 3,328
General	Parking	Reimbursements Insurance/Fuel	23,427
General	CDBG	Reimbursement Salary & Utilities	46,754
General	Home	Reimbursement Salary & Utilities	14,384
General	Nonmajor Governmental Fund	Reimbursements Salaries, loans, and transfer of fines	312,567
General	Rail Trail Project Fund	Loans for grant reimbursement	462,750
Civic Center	Nonmajor Governmental Fund	Capital Improvement Fees	21,658
Civic Center	General Fund & Civic Center Proj	Insurance reimbursements, and computer	113,030
Parking	General	Insurance expenditure reimbursement	450
Nonmajor Governmental Funds	General Fund	Endowment and Loans	1,832,307
Nonmajor Governmental Funds	Rail Trail Project Fund	Loans for grant reimbursement	825,636
Nonmajor Governmental Funds	Nonmajor Governmental Fund	Loans & Transfers	510,908
Nonmajor Governmental Funds	Agency Fund	Reimbursements	17,238
Agency Fund	Agency Fund	Reimbursements	36,702
	Total		<u>\$ 4,221,139</u>

*Interfund transfers:*

	Transfers In							Total Transfers Out
	General Fund	Civic Center Project Fund	Rail Trail	Springhill Cemetery	Nonmajor Governmental	Civic Center	Parking System	
Transfers out:								
General fund	\$ 11,065,778	\$ -	\$ -	\$ 21,000	\$ 11,156,377	\$ 4,684,465	\$ -	\$ 26,927,620
Coal severance tax	-	-	-	-	-	149,376	-	149,376
Nonmajor govern- mental funds	7,040,915	76,291	1,787	-	25,250	50,549	-	7,194,792
Parking	-	-	-	-	-	11,000	-	11,000
Civic Center Project Fund	-	-	-	-	-	1,584	-	1,584
Governmental Activities	-	-	-	-	-	100,489,663	18,355	100,508,018
Civic Center	-	1,733,608	-	-	82,011	-	-	1,815,619
Total Transfers								
In	<u>\$ 18,106,693</u>	<u>\$ 1,809,899</u>	<u>\$ 1,787</u>	<u>\$ 21,000</u>	<u>\$ 11,263,638</u>	<u>\$ 105,386,637</u>	<u>\$ 18,355</u>	<u>\$ 136,608,009</u>

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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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 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:

Asset	Governmental Activities	Civic Center	Parking System
Appalachian Power Park	\$ 21,438,651	\$ -	\$ -
Machinery, equipment and vehicles	16,577,656	-	196,998
Less: accumulated depreciation	(20,212,931)	-	(196,998)
Total	<u>\$ 17,803,376</u>	<u>\$ -</u>	<u>\$ -</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019, were as follows:

Year Ending June 30	Governmental Activities
2020	\$ 3,282,824
2021	2,611,826
2022	1,860,255
2023	1,261,301
2024	767,155
2025-2028	<u>677,100</u>
Total minimum lease payments	10,460,461
Less: amount representing interest	(565,774)
Present value of minimum lease payments	<u>\$ 9,894,687</u>

**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 \$8,765,717 for a total of \$30,204,368 with accumulated depreciation of \$8,428,759 at June 30, 2019. Rents totaled \$780,771 for the fiscal year 2019. The rents are generally based upon square footage and are payable in monthly, quarterly, or annual installments in accordance with the respective lease agreements.



CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

Minimum future rentals to be received on non-cancelable leases have remaining terms in excess of one year as of June 30, 2019 for each of the next five years and thereafter and in the aggregate are as follows:

<b>June 30,</b>	<u><b>Amount</b></u>
2020	\$ 792,963
2021	778,243
2022	717,127
2023	656,755
2024	654,155
2025 – 2028	<u>790,036</u>
	<u>\$ 4,389,279</u>

**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, 2019 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, 2019:

*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 \$480,000 and interest in the amount of \$64,580 on the bonds when due until bond maturity in 2024. During the fiscal year 2019 lease payments in the principal amount of \$85,000 and interest in the amount of \$24,330 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 \$925,000 and interest in the amount of \$122,219 on the bonds when due until bond maturity in 2024. During the fiscal year 2019 lease payments in the principal amount of \$170,000 and interest in the amount of \$45,944 were used to pay the debt service on the bonds.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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 \$3,966,000 and interest amount of \$3,330,751.

*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 \$1,110,000 and interest in the amount of \$175,695 until bond maturity in 2023. During the fiscal year 2019 these pledged revenues were used to pay the principal amount of \$190,000 and interest amount of \$66,300 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 \$1,565,000 and interest amount of \$213,050 until bond maturity in 2024. During the fiscal year 2019 these pledged revenues were used to pay the principal amount of \$230,000 and interest amount of \$72,000 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 \$620,000 and interest of \$83,820 until bond maturity in 2024. During the fiscal year 2019 lease payments in the principal amount of \$90,000 and interest amount of \$28,500 were used to pay the debt service on these bonds.

Revenue bonds outstanding, net of unamortized discounts of \$89,798 (Public Safety Center \$10,044; Center for the Arts & Sciences \$23,617; and Civic Center of \$56,139) at year end are as follows:

Purpose	Maturity Dates	Interest Rates	Issued	Retired	Balance June 30, 2019
<b>Governmental activities:</b>					
Public Safety Center Refunding Series 2009	2024	3.00-4.40%	\$ 1,180,000	\$ (700,000)	\$ 480,000
Center for the Arts & Sciences Refunding Series 2010	2024	3.10-4.375%	2,280,000	(1,355,000)	925,000
Civic Center Project Series 2015	2035	4%	97,250,000	(14,144,000)	83,106,000
Less: Bond discount			(163,895)	130,236	(33,659)
Total governmental activities			<u>\$ 100,546,105</u>	<u>\$ (16,068,764)</u>	<u>\$ 84,477,341</u>
<b>Business-type activities:</b>					
Civic Center Improvement Series 1998	2023	4.60-5.10%	\$ 3,635,000	\$ (2,525,000)	\$ 1,110,000
Civic Center Improvement Refunding Series 2009	2024	3.00-4.40%	3,275,000	(1,710,000)	1,565,000
Civic Center Lease Revenue Series 1999 Series 2009	2024	3.00-4.40%	1,325,000	(705,000)	620,000
Less: Bond discount			(1,061,733)	1,005,594	(56,139)
Total revenue bonds			<u>\$ 7,173,267</u>	<u>\$ (3,934,406)</u>	<u>\$ 3,238,861</u>

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

Revenue bond debt service requirements to maturity are as follows:

Year Ended	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
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	5,105,000	2,509,124	635,000	38,675
2025-2029	26,960,000	9,520,882	400,000	8,800
2030-2034	26,806,000	4,169,205	-	-
2035-2038	7,072,000	213,560	-	-
Totals	<u>\$ 84,511,000</u>	<u>\$ 28,303,325</u>	<u>\$ 3,295,000</u>	<u>\$ 472,565</u>

**Changes in Long-term Liabilities**

	Governmental Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds	\$ 88,732,000	\$ -	\$ (4,221,000)	\$ 84,511,000	\$ 4,380,000
Less deferred amounts:					
Bond discount	(40,501)	-	6,842	(33,659)	-
Total bonds payable	<u>88,691,499</u>	<u>-</u>	<u>(4,214,158)</u>	<u>84,477,341</u>	<u>4,380,000</u>
Capital leases	10,078,938	2,992,000	(3,176,251)	9,894,687	3,072,510
Net OPEB obligation	292,000,225	5,387,966	-	297,388,191	-
Net pension liability	334,734,299	49,490,404	-	384,224,703	-
Compensated absences	1,559,511	954,430	(1,104,982)	1,408,959	1,408,959
Claims and judgments	<u>4,015,060</u>	<u>-</u>	<u>(89,305)</u>	<u>3,925,755</u>	<u>-</u>
Governmental activities					
Long-term liabilities	<u>\$ 731,079,532</u>	<u>\$ 58,824,800</u>	<u>\$ (8,584,696)</u>	<u>\$ 781,319,636</u>	<u>\$ 8,861,469</u>

	Business-type Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds payable	\$ 3,805,000	\$ -	\$ (510,000)	\$ 3,295,000	\$ 530,000
Less: deferred amounts:					
Bond discount	(67,068)	-	10,929	(56,139)	-
Total bonds payable	<u>3,737,932</u>	<u>-</u>	<u>(499,071)</u>	<u>3,238,861</u>	<u>530,000</u>
Total OPEB obligation	9,287,747	393,466	-	9,681,213	-
Compensated absences	<u>93,726</u>	<u>99,276</u>	<u>(94,792)</u>	<u>98,210</u>	<u>98,210</u>
Business-type activities					
Long-term liabilities	<u>\$ 13,119,405</u>	<u>\$ 492,742</u>	<u>\$ (593,863)</u>	<u>\$ 13,018,284</u>	<u>\$ 628,210</u>

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

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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	\$ -	\$ 250,892
Cash - contractual agreement	617,327	-
Debt service	4,181,395	-
WV Board of Treasury short term bond pool - investment	2,930,855	-
WV Board of Treasury money market pool - investment	17,428,060	-
Endowment fund - investments	2,460,514	-
West Virginia Municipal Bond Commission	182,984	1,371,904
TIF District account	-	33,077
Revenue bond operations and maintenance account	-	1,762,559
	\$ 27,801,135	\$ 3,418,432
Total restricted assets and investments		

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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:								
Prepays-Insurance	\$ 560,756	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 560,756
Perpetual Care Cemetery	--	--	--	--	--	--	1,398,681	1,398,681
Restricted:								
Civic Center capital improvements	--	--	--	--	57	--	--	57
Police protection	--	--	--	--	--	--	334,213	334,213
Public trusts lands	--	--	--	--	--	--	55,708	55,708
Human Rights	--	--	--	--	--	--	15,602	15,602
Ball Park	--	--	--	--	--	--	55,356	55,356
Perpetual Care Cemetery	--	--	--	--	--	--	1,172,262	1,172,262
Equipment lease purchases	2,907,927	--	--	--	--	--	--	2,907,927
Debt service	407,324	52,167	--	--	--	--	5,616,035	6,075,526
Economic Development	--	--	205	--	--	--	94,682	94,887
Municipal Court	--	--	--	--	--	--	126,422	126,422
Public Arts	--	--	--	--	--	--	146,264	146,264
Recreational Trails & Facilities	--	--	--	--	--	--	--	--
Landfill Closure	--	--	--	--	--	--	3,556,979	3,556,979
Historic Preservation	--	--	--	--	--	--	2,601	2,601
Committed:								
Highway beautification	--	--	--	--	--	--	32,149	32,149
Police fines training	--	--	--	--	--	--	--	--
Civic Center debt & pension reserve	24,121,594	--	--	--	--	--	--	24,121,594
Public Safety	--	--	--	--	--	--	11,378	11,378
Low-Income Housing Projects	--	--	--	--	--	--	150,143	150,143
Sanitation	--	--	--	--	--	--	661,467	661,467
Bridges, highways & infrastructure	--	--	--	--	--	--	2,817,526	2,817,526
Civic Center capital improvements	--	--	--	--	--	--	540,366	540,366
Municipal Auditorium capital improvements	--	--	--	--	--	--	159,938	159,938
City facilities capital improvements	--	--	--	--	--	--	3,755,324	3,755,324
Employee Insurance	6,157,613	--	--	--	--	--	--	6,157,613
Culture and Recreation	--	--	--	--	--	--	35,692	35,692
Community development	73,627	--	--	--	--	--	18,091	91,718
Ball Park	--	--	--	--	--	--	--	--
Unassigned	25,304,143	--	--	--	--	--	--	25,304,143
<b>Total fund balances</b>	<b>\$ 59,532,984</b>	<b>\$ 52,167</b>	<b>\$ 205</b>	<b>\$ --</b>	<b>\$ 57</b>	<b>\$ --</b>	<b>\$ 20,756,879</b>	<b>\$ 80,342,292</b>

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**J. Benefits Funded by the State of West Virginia**

For the year ended June 30, 2019, 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	\$ 1,749,234
Firemen's Pension and Relief Fund	<u>1,781,609</u>
Total	<u>\$ 3,530,843</u>

**IV. OTHER INFORMATION**

**A. Risk Management**

The government is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government 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, 2019. 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 6/30/2019	Year Ended 6/30/2018
Unpaid claims, beginning of fiscal year	\$ 4,015,060	\$ 3,945,896
Incurred claims (including IBNRs)	1,709,609	1,865,405
Claims paid	<u>(1,798,914)</u>	<u>(1,796,241)</u>
Unpaid claims, end of fiscal year	<u>\$ 3,925,755</u>	<u>\$ 4,015,060</u>

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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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 \$1,172,262 since the inception may be spent for the general maintenance of the cemetery. This amount is reported in the government's net position as restricted for perpetual care-expendable.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**F. Unrestricted Net Position (Deficit)**

Total unrestricted net position before OPEB liability, net pension liability, and bond debt	\$ 67,098,748
Less: OPEB liability	(306,941,528)
Less: OPEB - PEIA liability	(127,876)
Less: Net pension liability - PERS	(3,523,849)
Less: Net pension liability - Police and Fire	(380,700,854)
Less: Bonds payable	(84,477,341)
Less: Deferred inflows of resources - OPEB	(28,970,919)
Add: Deferred outflows of resources - OPEB	19,790,992
Less: Deferred inflows of resources - OPEB - PEIA	(41,283)
Add: Deferred outflows of resources - OPEB - PEIA	12,180
Less: Deferred inflows of resources - net pension liability - PERS	(2,294,422)
Add: Deferred outflows of resources - net pension liability - PERS	2,377,984
Less: Deferred inflows of resources - net pension liability - Police and Fire	(5,423,236)
Add: Deferred outflows of resources - net pension liability - Police & Fire	27,490,954
Total unrestricted deficit	\$ (695,730,450)

**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 The Health Plan, 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 Fund, and Parking System 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, 2019 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.



CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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, 2019 the monthly retiree contribution for non-tobacco users is as follows:

Date of Hire	Under 65		Over 65	
	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 became self-insured for all participants (pre-Medicare and post-Medicare retirees).

The monthly COBRA rates effective on January 1, 2019 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, 2019 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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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, 2019 interim 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 no changes to the actuarial methods and assumptions since the previous GASB valuation for fiscal year ending June 30, 2018.

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 current full valuation uses a discount rate of 3.87% as of June 30, 2018 and 3.51% in the interim valuation as of June 30, 2019. 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 remains RPH-2017 Total Dataset Mortality Table fully generational using ScaleMP-2017.

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 2019 and no material modifications were made to the census data.

**Measurement Date** June 30, 2019

**Discount Rate** 3.87 % as of July 1, 2018 and 3.51% as of June 30, 2019

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

**Disability** None.

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

**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.

**Health Care Trend Rates:** FYE 2020 8.5% current, 8.5% prior; FYE 2021 8.00% current, 8.00% prior; FYE 2022 7.5% current, 7.5% prior; FYE 2023 7.00% current, 7.00% prior; FYE 2024 6.5% current, 6.5 % prior; FYE 2025 6.00% current, 6.00% prior; FYE 2026 5.50%, 5.50% 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, 2019, were as follows:

	Governmental Activities	Business-type Activities
Total OPEB liability	\$ 297,260,315	\$ 9,681,213
Plan fiduciary net position	-	-
Plan net OPEB liability	<u>\$ 297,260,315</u>	<u>\$ 9,681,213</u>
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%
Discount Rate	3.510%	3.510%

In accordance with GASB No. 75, the discount rate is 3.87% as of July 1, 2018 and 3.51% as of June 30, 2019. 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 <u>2.51%</u>	Discount Rate Assumption <u>3.51%</u>	1% Increase <u>4.51%</u>
\$ 366,158,382	\$ 306,941,528	\$260,863,746

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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

Other Post-Employment Benefits Liability:

1% Decrease 7.5%	Discount Rate Assumption 8.5%	1% Increase 9.5%
\$ 255,301,570	\$ 306,941,528	\$ 374,496,277

**Changes in the Net OPEB Liability - Governmental & Business-type Activities**

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a-b)
Balances at June 30, 2018	\$ 301,287,972	\$ --	\$ 301,287,972
Changes for the year:			
Service cost	11,717,752	--	11,717,752
Interest	11,973,708	--	11,973,708
Differences between expected & actual experience	( 28,650,473)	--	( 28,650,473)
Changes of assumptions or other inputs	17,896,868	--	17,896,868
Contributions - employer	--	7,284,299	( 7,284,299)
Contributions - employee	--	--	--
Net investment income	--	--	--
Benefit payments, including refunds of employee contributions	( 7,284,299)	( 7,284,299)	--
Administrative expense	--	--	--
Net changes	5,653,556	--	5,653,556
Balances at June 30, 2019	\$ 306,941,528	\$ --	\$ 306,941,528

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

For the year ended June 30, 2019, the government recognized the following other post employment benefit expenses.

OPEB expense	\$21,844,544
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CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

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	\$ 4,876,935	\$ (23,875,394)
Changes of assumptions	14,914,057	(5,095,525)
	\$ 19,790,992	\$ (28,970,919)

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

<b>Year Ended June 30:</b>	
2020	\$ (1,846,916)
2021	(1,846,916)
2022	(1,846,916)
2023	(1,846,915)
2024	(1,792,264)
<b>Total</b>	\$ (9,179,927)

**IV: G.4. Plan Descriptions, Contribution Information, and Funding Policies**

As related to GASB 75, following are the City of Charleston’s net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, revenues, and the OPEB expense and expenditures for the fiscal year ended June 30, 2019:

Net OPEB liability	\$ 127,876
Deferred outflows of resources	12,180
Deferred inflows of resources	(41,283)
OPEB expense	169,159
Contributions made by the City of Charleston	12,180

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

*Plan Description* - The West Virginia Other Postemployment Benefit (OPEB) Plan (the Plan) is a cost-sharing, multiple employer, defined benefit other postemployment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code. Financial activities of the Plan are accounted for in the West Virginia Retiree Health Benefit Trust Fund (RHBT), a fiduciary fund of the State established July 1, 2006 as an irrevocable trust. The Plan is administered by a combination of the West Virginia Public Employees Insurance Agency (PEIA) and the RHBT staff. Plan benefits are established and revised by PEIA and the RHBT management with the approval of the PEIA Finance Board. The plan provides medical and prescription drug insurance, as well as life insurance, benefits to certain retirees of State agencies, colleges and universities, county boards of education, and other government entities who receive pension benefits under the PERS, STRS, TDCRS, TIAA-CREF, Plan G, Troopers Plan A, or Troopers Plan B pension systems, as administered by the West Virginia Consolidated Public Retirement Board (CPRB). The plan is closed to new entrants.

*Plan fiduciary net position* - The Plan’s fiduciary net position has been determined on the same basis used by the Plan. The RHBT is accounted for as a fiduciary fund, and its financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with GAAP for fiduciary funds as prescribed or permitted by the GASB. The primary sources of revenue are plan members and employer contributions. Members’ contributions are recognized in the period in which the contributions are due. Employer contributions and related receivables to the trust are recognized pursuant to a formal commitment from the employer or statutory or contractual requirement, when there is a reasonable expectation of collection. Benefits and refunds are recognized when due and payable.

RHBT is considered a component unit of the State of West Virginia for financial reporting purposes, and, as such, its financial report is also included in the State of West Virginia’s Comprehensive Annual Financial Report. RHBT issues publicly available financial statements and required supplementary information for the OPEB plan. Details regarding this plan and a copy of the RHBT financial report may be obtained by contacting PEIA at 601 57th Street SE, Suite 2, Charleston, West Virginia 25304-2345, or by calling (888) 680-7342.

*Benefits provided* - The Plan provides the following benefits:

- Medical and prescription drug insurance
- Life insurance

The medical and prescription drug insurance is provided through two options:

- Self-Insured Preferred Provider Benefit Plan – primarily for non-Medicare-eligible retirees and spouses
- External Managed Care Organizations – primarily for Medicare-eligible retirees and spouses

*Contributions* - Employer contributions from the RHBT billing system represent what the employer was billed during the respective year for its portion of the pay-as-you-go (paygo) premiums, retiree leave conversion billings, and other matters, including billing adjustments.

Paygo premiums are established by the PEIA Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The paygo rates related to the measurement date of June 30, 2018 were:

	July 2018- June 2018 2018	July 2016- December 2016 2017	January 2017- June 2017 2017
Paygo premium	\$ 177	\$ 196	\$ 135

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

Members retired before July 1, 1997 pay retiree healthcare contributions at the highest sponsor subsidized rate, regardless of their actual years of service. Members retired after July 1, 1997 or hired before June 30, 2010 pay a subsidized rate depending on the member's years of service. Members hired on or after July 1, 2010 pay retiree healthcare contributions with no sponsor provided implicit or explicit subsidy.

Retiree leave conversion contributions from the employer depend on the retiree's date of hire and years of service at retirement as described below:

- Members hired before July 1, 1988 may convert accrued sick or annual leave days into 100% of the required retiree healthcare contribution.
- Members hired from July 1, 1988 to June 30, 2001 may convert accrued sick or annual leave days into 50% of the required retiree healthcare contribution.

The conversion rate is two days of unused sick and annual leave days per month for single healthcare coverage and three days of unused sick and annual leave days per month for family healthcare coverage.

The City of Charleston's contributions to the OPEB plan for the years ended June 30, 2019, were \$12,180, respectively.

*Actuarial Assumptions and Methods* - The total OPEB liability for financial reporting purposes was determined by an actuarial valuation as of July 1, 2017 and rolled forward to June 30, 2018. The following actuarial assumptions were used and applied to all periods included in the measurement, unless otherwise specified:

- Actuarial cost method: Entry age normal cost method.
- Asset valuation method: Investments are reported at fair (market) value.
- Amortization method: Level percentage of payroll over a 20-year closed period
- Remaining amortization period: 20 years closed as of June 30, 2018.
- Investment rate of return: 7.15%, net of OPEB plan investment expense, including inflation.
- Healthcare cost trend rates: Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.0% and 10.0% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend of 4.50%. Excess trend rate of 0.13% and 0.00% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims cost beginning in 2022 to account for the Excise Tax.
- Projected salary increases: Dependent upon pension system ranging from 3.0-6.5%, including inflation.
- Inflation rate: 2.75%.
- Mortality rates based on RP-2000 Mortality Tables.

Experience studies are performed at least once in every five-year period. The most recent experience study covered the period from July 1, 2010 to June 30, 2015. These assumptions will remain in effect for valuation purposes until such time as the RHBT adopts revised assumptions.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

The projections of the net OPEB liability are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The projection of the net OPEB liability does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost-sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial estimated liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. However, the preparation and any estimate of future postemployment costs requires consideration of a broad array of complex social and economic events. Future changes in the healthcare reform, changes in reimbursement methodology, the emergence of new and expensive medical procedures and prescription drugs options, changes in the investment rate of return, and other matters increase the level of uncertainty in such estimates. As such, the estimate of postemployment program costs contains considerable uncertainty and variability, and actual experience may vary significantly from the current estimated net OPEB liability.

Long-term expected rates of return - The long-term expected rate of return of 7.15% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.50% for long-term assets invested with the WV Investment Management Board and an expected short-term rate of return of 3.00% for assets invested with the BTI.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of the long-term geometric rates of return for each major asset class included in RHBT's target asset allocation as of June 30, 2018, are summarized below.

Asset Class	Target Allocation
Domestic equity	27.5%
International equity	27.5%
Fixed income	15.0%
Real estate	10.0%
Private equity	10.0%
Hedge funds	10.0%

Asset Class	Long-term Expected Real Rate of Return
Large cap domestic	17.0%
Non-large cap domestic	22.0%
International qualified	24.6%
International non-qualified	24.3%
International equity	26.2%
Short-term fixed	0.5%
Total return fixed income	6.7%
Core fixed income	0.1%
Hedge fund	5.7%
Private equity	19.6%
Real estate	8.3%
Opportunistic income	4.8%
Cash	0.0%



CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

*Discount rate* - The discount rate used to measure the total OPEB liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that RHBT contributions will continue to follow the current funding policies. Based on those assumptions and that the OPEB plan is expected to be fully funded by the fiscal year ended June 30, 2036, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

*Sensitivity of the net OPEB liability to changes in the discount rate* - The following presents the City of Charleston's proportionate share of the net OPEB liability as of June 30, 2019 calculated using the discount rate of 7.15%, as well as what the City of Charleston's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.15%) or one percentage point higher (8.15%) than the current rate.

	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Net OPEB liability	\$ (150,293)	\$ (127,876)	\$ (109,189)

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rate* - The following presents the City of Charleston's proportionate share of the net OPEB liability as of June 30, 2019 calculated using the healthcare cost trend rate, as well as what the City of Charleston's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	\$ (105,811)	\$ (127,876)	\$ (154,762)

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

The June 30, 2019 net OPEB liability was measured as of June 30, 2018, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2017, rolled forward to the measurement date of June 30, 2018.

At June 30, 2019, the City of Charleston's proportionate share of the net OPEB liability was \$127,876.

The allocation percentage assigned to each participating employer and non-employer contributing entity is based on its proportionate share of employer and non-employer contributions to OPEB for each of the fiscal years ended June 30, 2018. Employer contributions are recognized when due. At the June 30, 2018 measurement date, the City of Charleston's proportion was .005960380%.

For the year ended June 30, 2019, the City of Charleston recognized OPEB expense of \$169,159.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

At June 30, 2019, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows:

<u>June 30, 2019</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 1,892
Changes in assumptions	-	12,768
Changes in proportion and difference between employer contributions and proportionate share of contributions	-	24,256
Net difference between projected and actual investment earnings	-	2,367
Contributions after the measurement date	<u>12,180</u>	<u>-</u>
Total	<u>\$ 12,180</u>	<u>\$ 41,283</u>

The City of Charleston will recognize the \$12,180 reported as deferred outflows of resources resulting from OPEB contributions after the measurement date as a reduction of the net OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amortization</u>
2020	\$ (10,321)
2021	(10,321)
2022	(10,321)
2023	(10,320)
	<u>-</u>
	<u>\$ (41,283)</u>

Payables to the OPEB Plan - The City of Charleston's did not report any amounts payable for normal contributions to the OPEB plan as of June 30, 2019.

**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, 2018 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, 2019.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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, 2018 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, 2019.

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 54 - 55. The combined pension fund statements can be found on pages 154 and 155. 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, 2018 memberships of the plans are as follows:

Group	PPRF	FPRF	Totals
Active Employees	102	109	211
Vested Terminated Benefits	7	2	9
Former Members Due Refunds	2	1	3
Retirees and Beneficiaries Currently Receiving Benefits	215	243	458
Total	326	355	681

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:

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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 \$5,961,492 for the plan year ending June 30, 2020, to a high of \$11,498,542 for the plan year ending June 30, 2038. Employer contributions for the Firemen's Pension and Relief Fund are expected to increase from \$6,609,273 for the plan year ending June 30, 2020, to a high of \$11,409,253 for the plan year ending June 30, 2037. For the Policemen's Pension Fund the funded ratio is projected to increase from 14.06% in 2020 to 48.99% in 2038, and ultimately to 100% in 2046. For the Firemen's Pension Fund the funded ratio is projected to increase from 12.30% in 2020 to 43.91% in 2037, 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](http://www.GASB.org)).

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

*Actuarial Methods and Assumptions*

	<u>PPRF</u>	<u>FPRF</u>
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	7% 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:	<u>PPRF</u>	<u>FPRF</u>
Disability Benefits	Yes	Yes
Death Benefits	Yes	Yes
Valuation Date	7/1/2018 and projected to the measurement date of June 30, 2019.	7/1/2018 and projected to the measurement date of June 30, 2019.
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Amortization Method/Period	40-Year Closed Level-Percentage-of-Pay 31.5 years remaining as of July 1, 2018	40-Year Closed Level-Percentage-of-Pay 31.5 years remaining as of July 1, 2018
	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	4.5% per year before 2047

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

Projected Salary Increases	Service Based Increase		Service Based Increase	
	<u>Years of Service</u>	<u>Increase</u>	<u>Years of Service</u>	<u>Increase</u>
	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	2.75%		2.75%	
Increase in State Insurance Premium Tax Allocation	2.75% on and after year 1		2.75% on and after year 1	
Retirement	Age Rates		Age Rates	
	50 45%		50 45%	
	51-55 30%		51-55 30%	
	56-59 35%		56-59 35%	
	60 100%		60 100%	
Percent Married	90%		90%	
Spouse Age	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%.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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, 2019 was 6.33 percent for the Policemen’s Pension and Relief Fund. For the year ended June 30, 2019, the annual money-weighted rate of return on pension plan investments, net of pension plan expense, was 6.26% 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, 2019, were as follows:

	PPRF	FPRF
Total pension liability	\$ 209,117,290	\$ 218,420,916
Plan fiduciary net position	(24,603,586)	(22,233,766)
Plan net pension liability	\$ 184,513,704	\$ 196,187,150
Plan fiduciary net position as a percentage of total pension liability	11.77%	10.18%
Discount Rate	3.730%	3.710%

In accordance with GASB No. 67 & GASB No. 68 a single discount rate of 3.730% for the Policemen’s Pension and 3.710% for the Firemen’s Pension was used to measure the total pension liability as of June 30, 2019. These single discount rates were based on the expected rate of return on pension plan investments of 4.5% before 2046 and 6.0% after 2046, and the municipal bond rate of 3.13%. 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 3.730% for the Policemen’s Pension and 3.710% 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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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 \$212,587,367 and \$216,722,481, respectively.

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

Policemen's Pension and Relief Fund:

1% Decrease	Discount Rate Assumption	1% Increase
<u>2.73%</u>	<u>3.73%</u>	<u>4.73%</u>
\$ 221,430,574	\$ 184,513,704	\$ 155,600,388

Firemen's Pension and Relief Fund:

1% Decrease	Discount Rate Assumption	1% Increase
<u>2.71%</u>	<u>3.71%</u>	<u>4.71%</u>
\$ 234,410,709	\$ 196,187,150	\$ 166,233,783

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

	Increase (Decrease)		
	Total	Plan	Net
	Pension Liability (a)	Fiduciary Net Position (b)	Pension Liability (a-b)
Balances at June 30, 2018	\$ 179,287,576	\$ 22,407,738	\$ 156,879,838
Changes for the year:			
Service cost	4,337,479	--	4,337,479
Interest	7,761,028	--	7,761,028
Differences between expected & actual experience	3,780,602	--	3,780,602
Changes of assumptions or other inputs	21,109,488	--	21,109,488
Contributions - employer	--	7,514,119	( 7,514,119)
Contributions - employee	--	510,010	( 510,010)
Net investment income	--	1,342,285	( 1,342,285)
Benefit payments, including refunds of employee contributions	( 7,158,883)	( 7,158,883)	--
Administrative expense	--	( 7,349)	7,349
Other changes	--	( 4,334)	4,334
Net changes	<u>29,829,714</u>	<u>2,195,848</u>	<u>27,633,866</u>
Balances at June 30, 2019	<u>\$ 209,117,290</u>	<u>\$ 24,603,586</u>	<u>\$ 184,513,704</u>



CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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

	Increase (Decrease)		
	Total	Plan	Net
	Pension Liability (a)	Fiduciary Net Position (b)	Pension Liability (a-b)
Balances at June 30, 2018	\$ 191,791,397	\$ 20,062,367	\$ 171,729,030
Changes for the year:			
Service cost	4,191,779	--	4,191,779
Interest	8,242,853	--	8,242,853
Differences between expected & actual experience	230,664	--	230,664
Changes of assumptions or other inputs	21,564,458	--	21,564,458
Contributions - employer	--	8,035,292	( 8,035,292)
Contributions - employee	--	509,721	( 509,721)
Net investment income	--	1,232,322	( 1,232,322)
Benefit payments, including refunds of employee contributions	( 7,600,235)	( 7,600,235)	--
Administrative expense	--	( 301)	301
Other changes	--	( 5,400)	5,400
Net changes	26,629,519	2,171,399	24,458,120
Balances at June 30, 2019	\$ 218,420,916	\$ 22,233,766	\$ 196,187,150

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

For the year ended June 30, 2019, the government recognized the following pension expenses.

	PPRF	FPRF
Pension expense	\$13,378,872	\$16,918,992

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 between expected and actual experience	\$ 2,520,401	\$ 1,408,329
Changes of assumptions	14,072,992	1,233,007
Net difference between projected and actual earnings on pension plan investments	-	1,047,858
	\$ 16,593,393	\$ 3,689,194

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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

<b>Year Ended</b>	
<b>June 30:</b>	
2020	\$ 5,271,219
2021	7,889,163
2022	(193,235)
2023	(62,948)
<b>Total</b>	<b>\$ 12,904,199</b>

**Firemen's Pension and Relief Fund**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 115,332	\$ 309,107
Changes of assumptions	10,782,229	418,151
Net difference between projected and actual earnings on pension plan investments	--	1,006,784
	<b>\$ 10,897,561</b>	<b>\$ 1,734,042</b>

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

<b>Year Ended</b>	
<b>June 30:</b>	
2020	\$ 9,792,211
2021	(382,863)
2022	(184,152)
2023	(61,677)
<b>Total</b>	<b>\$ 9,163,519</b>

**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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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**

**Public Employees Retirement System (PERS)**

Fiscal Year	Annual Pension Cost	Percentage Contributed
2019	\$ 1,855,299	100%
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%

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.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018 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, 2019, the government reported the following proportions and increase/decrease from its proportion measured as of June 30, 2018:

	PERS
Amount for proportionate share of net pension liability	\$ 3,523,849
Percentage for proportionate share of net pension liability	1.364436%
Increase/(decrease) % from prior proportion measured	-0.054616%

For the year ended June 30, 2019, the government recognized the following pension expense.

	PERS
Government-wide pension expense	\$ 515,223

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
Net difference between projected and actual earnings on pension plan investments	\$ - -	\$ (2,073,534)
Difference between expected and actual experience	174,798	(8,719)
Changes in proportion and differences between government contributions and proportionate share of contributions	347,887	(212,169)
Government contributions subsequent to the measurement date	1,855,299	- -
	\$ 2,377,984	\$ (2,294,422)

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

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:**

2020	\$	380,895
2021		(240,552)
2022		(1,554,845)
2023		(357,235)
Total	\$	(1,771,737)

**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:

$$\text{Final Average Salary} \times \text{Years of Credited Service} \times \text{Benefit Percentage}$$

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

	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
2019	\$ 302,026	100%
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
2019	\$ 225,168	100%
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 Public Retirement Board, 4101 MacCorkle Avenue. S.E., Charleston, West Virginia 25304.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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, 2018, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of June 30, 2017 and rolled forward to June 30, 2018 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, 2019, the government reported the following proportions and increase/decrease from its proportion measured as of June 30, 2018:

	<u>MPFRS - Police</u>	<u>MPFRS - Fire</u>
Amount for proportionate share of net pension asset	\$ 899,107	\$ 591,577
Percentage for proportionate share of net pension asset	24.313262%	15.997212%
Increase/(decrease) % from prior proportion measured	-1.881540%	-1.054109%

For the year ended June 30, 2019, the government recognized the following pension expense.

	<u>MPFRS - Police</u>	<u>MPFRS - Fire</u>
Government-wide pension expense	<u>\$ (46,483)</u>	<u>\$ 35,102</u>

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**

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ --	\$ (27,962)
Difference between expected and actual experience	106,492	--
Changes in assumptions	--	(53,002)
Changes in proportion and differences between government contributions and proportionate share of contributions	39,889	(24,149)
Government contributions subsequent to the measurement date	302,026	--
	<u>\$ 448,407</u>	<u>\$ (105,113)</u>

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

**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	\$ --	\$ (15,397)
Differences between expected and actual experience	70,068	--
Changes in assumptions	--	(37,874)
Changes in proportion and differences between government contributions and proportionate share of contributions	35,797	(47,590)
Government contributions subsequent to the measurement date	225,168	--
	\$ 331,033	\$ (100,861)

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:

<u>Fiscal Year Ended</u>	<u>Police</u>	<u>Fire</u>
June 30, 2020	\$ 5,833	\$ (140)
June 30, 2021	5,830	(136)
June 30, 2022	1,833	(2,636)
June 30, 2023	(4,290)	(6,464)
June 30, 2024	7,932	1,234
June 30, 2025	16,868	10,609
June 30, 2026	7,522	4,339
June 30, 2027	(217)	(1,505)
June 30, 2028	(43)	(297)
Total	\$ 41,268	\$ 5,004

**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	3.05% - 6.00%
Investment Rate of Return	7.50%



CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

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
<b>Primary Government:</b>			
Domestic Equity	4.5%	27.5%	1.24%
International Equity	8.6%	27.5%	2.37%
Fixed Income	3.3%	15.0%	0.50%
Real Estate	6.0%	10.0%	0.60%
Private Equity	6.4%	10.0%	0.64%
Hedge Funds	4.0%	10.0%	0.40%
Total		100.00%	5.75%
Inflation (CPI)			2.10%
			<u>7.85%</u>

CITY OF CHARLESTON, WEST VIRGINIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Fiscal Year Ended June 30, 2019

*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	\$ 14,190,585	\$ 3,523,849	\$ (5,500,369)
Government's proportionate share of MPFRS Police net pension asset	\$ (612,208)	\$ (899,107)	\$ (1,112,332)
Government's proportionate share of MPFRS Fire net pension asset	\$ (402,810)	\$ (591,577)	\$ (731,872)

*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](http://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**

GASB has issued Statement No. 83, *Certain Asset Retirement Obligations*, effective for fiscal years beginning after June 30, 2019. 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 determined that GASB Statement No. 83 will have no material effect on the financial statements.

GASB has also issued Statement No. 84, *Fiduciary Activities*, effective for fiscal years beginning after December 31, 2019. 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 determined that GASB Statement No. 84 will have no material effect on the financial statements.

CITY OF CHARLESTON, WEST VIRGINIA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2019

GASB 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.

GASB has also issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, effective for fiscal years beginning after June 30, 2019. The requirements of this Statement will improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The City of Charleston has not yet determined the effect that the adoption of GASB Statement No. 88 may have on its financial statements.

GASB has also issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, effective for fiscal years beginning after December 31, 2020. The requirements of this Statement will enhance the relevance and comparability about capital assets and the cost of borrowing for a reporting period and will simplify accounting for interest cost incurred before the end of a construction period. The City of Charleston has not yet determined the effect that the adoption of GASB Statement No. 89 may have on its financial statements.

GASB has also issued Statement No. 90, *Majority Equity Interest – an amendment to GASB Statements No. 14 and No. 16.*, effective for fiscal years beginning after December 31, 2019. The requirements of this Statement will improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statements for certain component units. The City of Charleston has not yet determined the effect that the adoption of GASB Statement No. 90 may have on its financial statements.

***REQUIRED SUPPLEMENTARY INFORMATION***

CITY OF CHARLESTON, WEST VIRGINIA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 For the Fiscal Year Ended June 30, 2019

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

**Policemen's Pension and Relief Fund (PPRF)**

	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>						
Service cost	\$ 4,337,479	\$ 3,766,725	\$ 4,344,855	\$ 3,313,221	\$ 3,292,778	\$ 3,209,021
Interest	7,761,028	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	3,780,602	(4,059,168)	(3,481,866)	(2,127,001)	(1,897,115)	--
Changes in assumptions	21,109,488	(1,852,553)	(14,823,343)	26,684,740	8,006,116	6,439,110
Benefits payments, including refunds of member contributions	(7,158,883)	(7,068,435)	(7,008,249)	(7,059,677)	(7,035,461)	(6,688,132)
Net change in total pension liability	29,829,714	(1,601,381)	(13,713,359)	28,021,255	9,699,317	10,421,047
Total pension liability-beginning	179,287,576	180,888,957	194,602,316	166,581,061	156,881,744	146,460,696
Total pension liability-ending (a)	<u>\$ 209,117,290</u>	<u>\$ 179,287,576</u>	<u>\$ 180,888,957</u>	<u>\$ 194,602,316</u>	<u>\$ 166,581,061</u>	<u>\$ 156,881,743</u>
<b>Plan fiduciary net position</b>						
Contributions-employer	\$ 7,514,119	\$ 7,380,065	\$ 7,498,088	\$ 6,858,876	\$ 6,530,016	\$ 6,448,555
Contributions-members	510,010	525,513	574,939	556,799	592,173	648,924
Net investment income	1,342,285	1,540,163	1,864,923	695,811	766,556	1,415,864
Benefit payments, including refunds of member contributions	(7,158,883)	(7,068,435)	(7,008,249)	(7,059,677)	(7,035,461)	(6,688,132)
Administrative expenses	(7,349)	(11,765)	(10,119)	(13,087)	(12,349)	(22,264)
Other	(4,334)	196	--	--	--	--
Net change in plan fiduciary net position	2,195,848	2,365,737	2,919,582	1,038,722	840,935	1,802,947
Plan fiduciary net position - beginning	22,407,738	20,042,001	17,122,419	16,083,697	15,242,762	13,439,815
Plan fiduciary net position-ending (b)	<u>\$ 24,603,586</u>	<u>\$ 22,407,738</u>	<u>\$ 20,042,001</u>	<u>\$ 17,122,419</u>	<u>\$ 16,083,697</u>	<u>\$ 15,242,762</u>
Net pension liability - ending (a) - (b)	<u>\$ 184,513,704</u>	<u>\$ 156,879,838</u>	<u>\$ 160,846,956</u>	<u>\$ 177,479,897</u>	<u>\$ 150,497,364</u>	<u>\$ 141,638,981</u>
Plan fiduciary net position as a percentage of the total pension liability	11.77%	12.50%	11.08%	8.80%	9.66%	9.72%
Covered payroll	\$ 6,815,851	\$ 6,805,977	\$ 6,876,181	\$ 7,194,432	\$ 7,849,996	\$ 8,257,284
Net pension liability as a percentage of covered payroll	2707.13%	2305.03%	2339.19%	2466.91%	1917.16%	1715.32%

Notes to PPRF'S Schedule:

*Changes in assumptions.* In 2019 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 4.3847% to 3.7100%. For purposes of the accounting valuation, we assumed a discount rate based on the municipal bond rate of 3.62% prior to 2046 and a discount rate of 4.5% for plan years after 2046 which resulted in a blended discount rate of 3.13%.

Mortality rates, both pre-retirement and post-retirement, 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 used 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. Post-retirement projections with MP-2014 to the valuation date represent current mortality and projections using scale MP-2014 beyond the valuation date represent future mortality improvement.

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

CITY OF CHARLESTON, WEST VIRGINIA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 For the Fiscal Year Ended June 30, 2019

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

**Firemen's Pension and Relief Fund (FPRF)**

	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>						
Service cost	\$ 4,191,779	\$ 3,812,937	\$ 4,558,952	\$ 3,402,390	\$ 3,160,914	\$ 3,139,576
Interest	8,242,853	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	230,664	(1,328,621)	(352,450)	(1,147,647)	(3,217,247)	--
Changes in assumptions	21,564,458	(1,797,321)	(15,608,155)	27,065,406	8,277,173	6,693,190
Benefits payments, including refunds of member contributions	(7,600,235)	(7,425,842)	(7,238,403)	(7,075,905)	(6,859,784)	(6,943,758)
Net change in total pension liability	26,629,519	1,344,770	(11,076,071)	29,671,026	8,877,423	10,604,353
Total pension liability-beginning	191,791,397	190,446,627	201,522,698	171,851,672	162,974,249	152,369,897
Total pension liability-ending (a)	<u>\$ 218,420,916</u>	<u>\$ 191,791,397</u>	<u>\$ 190,446,627</u>	<u>\$ 201,522,698</u>	<u>\$ 171,851,672</u>	<u>\$ 162,974,250</u>
<b>Plan fiduciary net position</b>						
Contributions-employer	\$ 8,035,292	\$ 7,843,092	\$ 7,685,081	\$ 6,906,802	\$ 6,561,849	\$ 6,735,846
Contributions-members	509,721	525,870	574,505	580,188	592,996	603,333
Net investment income	1,232,322	1,409,712	1,717,125	695,679	622,444	1,317,995
Benefit payments, including refunds of member contributions	(7,600,235)	(7,425,842)	(7,238,403)	(7,075,905)	(6,859,784)	(6,943,758)
Administrative expenses	(301)	(6,890)	(7,603)	(9,741)	(5,864)	(8,132)
Other	(5,400)	203	--	--	--	--
Net change in plan fiduciary net position	2,171,399	2,346,145	2,730,705	1,097,023	911,641	1,705,284
Plan fiduciary net position - beginning	20,062,367	17,716,222	14,985,517	13,888,494	12,976,853	11,271,569
Plan fiduciary net position-ending (b)	<u>\$ 22,233,766</u>	<u>\$ 20,062,367</u>	<u>\$ 17,716,222</u>	<u>\$ 14,985,517</u>	<u>\$ 13,888,494</u>	<u>\$ 12,976,853</u>
Net pension liability - ending (a) - (b)	<u>\$ 196,187,150</u>	<u>\$ 171,729,030</u>	<u>\$ 172,730,405</u>	<u>\$ 186,537,181</u>	<u>\$ 157,963,178</u>	<u>\$ 149,997,397</u>
Plan fiduciary net position as a percentage of the total pension liability	10.18%	10.46%	9.30%	7.44%	8.08%	7.96%
Covered payroll	\$ 6,419,737	\$ 6,725,992	\$ 7,038,745	\$ 7,273,171	\$ 7,364,910	\$ 7,872,875
Net pension liability as a percentage of covered payroll	3056.00%	2553.21%	2453.99%	2564.73%	2144.81%	1905.24%

Notes to FPRF'S Schedule:

*Changes in assumptions.* In 2019 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 4.4170 to 3.7300%. For purposes of the accounting valuation, we assumed a discount rate based on the municipal bond rate of 3.62% prior to 2046 and a discount rate of 4.5% for plan years after 2046 which resulted in a blended discount rate of 3.13%.

Mortality rates, both pre-retirement and post-retirement, 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 used 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. Post-retirement projections with MP-2014 to the valuation date represent current mortality and projections using scale MP-2014 beyond the valuation date represent future mortality improvement.

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

CITY OF CHARLESTON, WEST VIRGINIA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 For the Fiscal Year Ended June 30, 2019

**II. SCHEDULES OF INVESTMENT RETURNS**

**Policemen's Pension and Relief Fund (PPRF)**

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	6.33%	8.08%	11.14%	4.75%	6.50%	10.65%

**Firemen's Pension and Relief Fund (FPRF)**

	2019	2018	2017	2016	2015	2014
Annual money-weighted rate of return, net of investment expense	6.26%	8.07%	11.25%	5.15%	5.04%	11.17%

Only six 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)**

	2019	2018	2017	2016	2015	2014
Actuarially determined contribution (a)	\$ 11,932,575	\$ 10,273,775	\$ 10,113,252	\$ 9,998,469	\$ 8,371,076	\$ 8,290,897
Employer contribution (b)	5,764,885	5,642,434	5,799,404	5,226,466	4,977,472	4,919,728
State contribution (c)	1,749,234	1,698,684	1,698,684	1,632,410	1,552,544	1,528,827
Contribution deficiency (excess)	\$ 4,418,456	\$ 2,932,657	\$ 2,615,164	\$ 3,139,593	\$ 1,841,060	\$ 1,842,342
Covered payroll (f)	6,815,851	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	110%	108%	109%	95%	83%	78%

**Firemen's Pension and Relief Fund (FPRF)**

	2019	2018	2017	2016	2015	2014
Actuarially determined contribution (a)	\$ 12,736,724	\$ 10,930,487	\$ 10,712,117	\$ 10,373,813	\$ 8,533,617	\$ 8,544,824
Employer contribution (b)	6,253,683	6,107,953	5,974,752	5,300,143	5,004,065	5,191,340
State contribution (c)	1,781,609	1,735,139	1,710,329	1,606,659	1,557,784	1,544,506
Contribution deficiency (excess)	\$ 4,701,432	\$ 3,087,395	\$ 3,027,036	\$ 3,467,011	\$ 1,971,768	\$ 1,808,978
Covered payroll (f)	6,419,737	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	125%	117%	109%	95%	89%	86%

CITY OF CHARLESTON, WEST VIRGINIA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 For the Fiscal Year Ended June 30, 2019

**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 <u>6/30/2019</u>	Firemen's Pension & Relief Fund <u>6/30/2019</u>
Valuation Date	Entry Age Normal	Entry Age Normal
Actuarial Cost Method	Level Percentage-of-Pay	Level Percentage-of-Pay
Amortization Method	40 Years Closed (Level Percentage)	40 Years Closed (Level Percentage)
Amortization Period	Market Value	Market Value
Actuarial Asset Valuation Method		
Actuarial Assumptions:		
Investment Rate of Return	4.500%	4.500%
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 pre- retirement and post-retirement, for both plans were based on the RP-2014 Blue Collar Healthy Annuitant Mortality table, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. The disabled mortality assumption used the RP-2014 Blue Collar Healthy Annuitant Mortality table, set forward 4 years, with projected generational mortality improvement using the MP-2014 2-dimensional mortality improvement scales. Post-retirement projections with MP-2014 to the valuation date represent current mortality and projections using scale MP-2014 beyond the valuation date represent future mortality improvement.	



CITY OF CHARLESTON, WEST VIRGINIA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 For the Fiscal Year Ended June 30, 2019

**I. SCHEDULES OF CHANGES IN THE NET OPEB LIABILITY**

**Other Post Employment Benefits (OPEB)**

	2019	2018
<b>Total OPEB Liability</b>		
Service Cost	\$ 11,717,752	\$ 11,106,811
Interest	11,973,708	10,565,286
Changes of benefit terms	--	--
Changes in assumptions	17,896,868	(7,643,289)
Differences between expected and actual experience	(28,650,473)	7,315,402
Benefits payments	(7,284,299)	(8,067,334)
Net change in total OPEB liability	5,653,556	13,276,876
Total pension liability-beginning (restated for Fiscal Year 2017)	301,287,972	288,011,096
Total pension liability-ending (a)	\$ 306,941,528	\$ 301,287,972
 <b>Plan fiduciary net position</b>		
Contributions-employer	\$ 7,284,299	\$ 8,067,334
Contributions-active employees	--	--
Net investment income	--	--
Benefit payments	(7,284,299)	(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)	\$ 306,941,528	\$ 301,287,972
 Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
 Covered payroll	\$ 29,931,917	\$ 33,255,922
Net OPEB liability as a percentage of covered payroll	1025.47%	905.97%

Notes to OPEB'S Schedule:

*Changes in assumptions.* In 2019 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 on AA/Aa or higher (or equivalent quality on another rating scale). The current valuation used a discount rate of 3.87% as of July 1, 2018 and 3.51% as of June 30, 2019.

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

CITY OF CHARLESTON, WEST VIRGINIA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 For the Fiscal Year Ended June 30, 2019

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**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
	<u>6/30/2019</u>
Valuation Date	Entry Age Normal
Actuarial Cost Method	Level Percentage-of-Pay
Amortization Method	30 Years Closed (Level Percentage)
Amortization Period	Market Value
Actuarial Asset Valuation Method	
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, 2019**

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

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Government's proportion of the net pension liability (asset) (percentage)	1.364436%	1.419052%	1.327175%	1.285736%	1.301165%	1.266242%
Government's proportionate share of the net pension liability (asset)	\$ 3,523,849	\$ 6,125,266	\$ 12,198,303	\$ 7,179,766	\$ 4,802,144	\$ 11,543,445
Government's covered payroll	\$ 19,519,308	\$ 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	18.05%	30.51%	66.02%	40.20%	26.55%	65.94%
Plan fiduciary net position as a percentage of the total pension liability	96.33%	93.67%	86.11%	91.29%	93.98%	79.70%

\* - The amounts presented for each fiscal year were determined as of June 30, 2018.  
 Only six 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, 2019**

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

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Contractually required contribution	\$ 1,855,299	\$ 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
Contributions in relation to the contractually required contribution	<u>(1,855,299)</u>	<u>(2,043,729)</u>	<u>(2,238,435)</u>	<u>(2,513,283)</u>	<u>(2,456,565)</u>	<u>(2,526,476)</u>	<u>(2,372,689)</u>	<u>(2,399,128)</u>	<u>(2,046,007)</u>	<u>(1,799,608)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Government's covered payroll	\$ 19,596,039	\$ 19,519,308	\$ 20,073,697	\$ 18,475,776	\$ 17,860,017	\$ 18,084,241	\$ 17,506,391	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll.	9.47%	10.47%	11.15%	13.60%	13.75%	13.97%	13.55%	**	**	**

\*\*Only six 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, 2019**

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

	<b>Police Officers Retirement System</b>					
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Government's proportion of the net pension liability (asset) (percentage)	24.313262%	26.194802%	26.159244%	25.359714%	21.403699%	19.176794%
Government's proportionate share of the net pension liability (asset)	\$ (899,107)	\$ (735,550)	\$ (369,892)	\$ (244,721)	\$ (145,331)	\$ (50,819)
Government's covered payroll	\$ 2,540,250	\$ 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	-35.39%	-35.55%	-25.79%	-25.50%	-37.04%	-27.43%
Plan fiduciary net position as a percentage of the total pension liability	184.45%	203.46%	174.30%	189.27%	230.08%	200.40%

\* - The amounts presented for each fiscal year were determined as of June 30, 2018.  
Only six years are presented due to the availability of the information in the application of the reporting requirements prospectively.

	<b>Firefighters Retirement System</b>					
	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Government's proportion of the net pension liability (asset) (percentage)	15.997212%	17.051321%	15.823930%	13.222939%	16.780704%	5.739737%
Government's proportionate share of the net pension liability (asset)	\$ (591,577)	\$ (478,801)	\$ (223,751)	\$ (127,601)	\$ (113,941)	\$ (15,210)
Government's covered payroll	\$ 1,671,389	\$ 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	-35.39%	-35.55%	-25.79%	-25.50%	-37.04%	-27.43%
Plan fiduciary net position as a percentage of the total pension liability	184.45%	203.46%	174.30%	189.27%	230.08%	200.40%

\* - The amounts presented for each fiscal year were determined as of June 30, 2018.  
Only six 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, 2019**

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

**Police Officers Retirement System**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 302,026	\$ 264,399	\$ 222,403	\$ 168,547	\$ 105,816	\$ 59,623	\$ 28,547	\$ 17,434
Contributions in relation to the contractually required contribution	<u>(302,026)</u>	<u>(264,399)</u>	<u>(222,403)</u>	<u>(168,547)</u>	<u>(105,816)</u>	<u>(59,623)</u>	<u>(28,547)</u>	<u>(17,434)</u>
Contribution deficiency (excess)	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>
Government's covered payroll	\$ 3,576,509	\$ 2,540,250	\$ 2,068,865	\$ 1,434,311	\$ 959,612	\$ 392,330	\$ 185,248	\$ **
Plan fiduciary net position as a percentage of the total pension liability	8.44%	10.41%	10.75%	11.75%	11.03%	15.20%	15.41%	**

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

**Firefighters Retirement System**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Contractually required contribution	\$ 225,168	\$ 173,967	\$ 144,771	\$ 102,014	\$ 55,174	\$ 46,744	\$ 8,544	\$ --
Contributions in relation to the contractually required contribution	<u>(225,168)</u>	<u>(173,967)</u>	<u>(144,771)</u>	<u>(102,014)</u>	<u>(55,174)</u>	<u>(46,744)</u>	<u>(8,544)</u>	<u>--</u>
Contribution deficiency (excess)	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>	\$ <u>--</u>
Government's covered payroll	\$ 2,649,414	\$ 1,671,389	\$ 1,346,713	\$ 867,626	\$ 500,356	\$ 307,590	\$ 55,446	\$ **
Plan fiduciary net position as a percentage of the total pension liability	8.50%	10.41%	10.75%	11.76%	11.03%	15.20%	15.41%	**

Only six 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 OTHER POST-EMPLOYMENT LIABILITY**  
**For the Fiscal Year Ended June 30, 2019**

**West Virginia Retiree Health Benefit Trust Fund**  
 Last 10 Fiscal Years\*

	<u><b>2018</b></u>
Government's proportion of the net pension liability (asset) (percentage)	0.00596038%
Government's proportionate share of the net pension liability (asset)	\$ 127,876
Government's covered payroll	\$ 122,226
Government's proportionate share of the net other-post employment liability (asset) as a percentage of its covered payroll	104.62%
Plan fiduciary net position as a percentage of the total other post-employment liability	30.98%

\* - The amounts presented for each fiscal year were determined as of June 30, 2018.  
 Only one year is 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, 2019**

**West Virginia Retiree Health Benefit Trust Fund  
 Last 10 Fiscal Years**

	<u><b>2019</b></u>
Contractually required contribution	\$ 12,180
Contributions in relation to the contractually required contribution	<u>(12,180)</u>
Contribution deficiency (excess)	<u><u>\$ -</u></u>
Government's covered payroll	\$ -
Contributions as a percentage of covered payroll.	**

\*\*Only one year is 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, 2019

	Special Revenue	Capital Projects	Debt Service	Permanent	Total Nonmajor Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS</b>					
<b>Assets:</b>					
<b>Current:</b>					
Cash and cash equivalents	\$ 1,452,644	\$ 6,424,671	\$ 18,176	\$ 100,679	\$ 7,996,170
Investments	2,930,855	--	--	2,460,514	5,391,369
Receivables:					
Accounts	494,418	--	--	--	494,418
Grants	582,106	--	--	--	582,106
Loans	244,309	--	--	--	244,309
Accrued interest	--	--	--	7,100	7,100
Due from:					
Other funds	22,325	1,358,201	1,823,788	2,650	3,206,964
Component units	16,612	--	--	--	16,612
Restricted cash	617,327	--	3,774,071	--	4,391,398
	6,360,596	7,782,872	5,616,035	2,570,943	22,330,446
	--	--	--	--	--
	--	--	--	--	--
Total deferred outflows of resources					
	--	--	--	--	--
	--	--	--	--	--
Total assets and deferred outflows of resources	\$ 6,360,596	\$ 7,782,872	\$ 5,616,035	\$ 2,570,943	\$ 22,330,446
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 126,813	\$ 454,362	\$ --	\$ --	\$ 581,175
Live on the Levee Charity Raffle	2,786	--	--	--	2,786
Due to:					
Other funds	823,474	--	--	--	823,474
Other governments	4,864	--	--	--	4,864
Customer advances	161,268	--	--	--	161,268
	1,119,205	454,362	--	--	1,573,567
Total liabilities					
	--	--	--	--	--
	--	--	--	--	--
Total deferred inflows of resources					
	--	--	--	--	--
	--	--	--	--	--
Total liabilities and deferred inflows of resources	1,119,205	454,362	--	--	1,573,567
<b>Fund balances:</b>					
Reserved for:					
Nonspendable	--	--	--	1,398,681	1,398,681
Restricted	4,332,471	55,356	5,616,035	1,172,262	11,176,124
Committed	908,920	7,273,154	--	--	8,182,074
	5,241,391	7,328,510	5,616,035	2,570,943	20,756,879
Total fund balances					
	5,241,391	7,328,510	5,616,035	2,570,943	20,756,879
Total liabilities, deferred inflows and fund balances	\$ 6,360,596	\$ 7,782,872	\$ 5,616,035	\$ 2,570,943	\$ 22,330,446

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, 2019

	Special Revenue	Capital Projects	Debt Service	Permanent	Total Nonmajor Governmental Funds
<b>REVENUES</b>					
Taxes:					
Ad valorem property taxes	\$ --	\$ --	\$ --	\$ --	\$ --
Intergovernmental:					
Federal	636,628	--	--	--	636,628
State	113,483	--	--	--	113,483
Local	33,726	--	--	--	33,726
Charges for services	4,112,542	18,466	--	--	4,131,008
Fines and forfeits	471,385	--	--	--	471,385
Interest earnings	521,241	177,900	86,637	146,923	932,701
Reimbursements	--	--	--	--	--
Contributions and donations	303,426	11,403	--	156	314,985
Miscellaneous	2,673	--	--	25	2,698
	<u>6,195,104</u>	<u>207,769</u>	<u>86,637</u>	<u>147,104</u>	<u>6,636,614</u>
<b>EXPENDITURES</b>					
Current:					
General government	119,442	--	--	--	119,442
Public safety	636,415	--	--	--	636,415
Streets and transportation	--	--	--	--	--
Health and sanitation	1,027,495	--	--	--	1,027,495
Culture and recreation	237,892	--	--	--	237,892
Social services	--	--	--	45,881	45,881
Capital projects	77,207	4,369,011	--	--	4,446,218
Economic development	173,779	--	--	--	173,779
Debt service:					
Principal	--	--	4,221,000	--	4,221,000
Interest	--	--	3,406,014	--	3,406,014
Bond issuance costs	--	--	--	--	--
	<u>2,272,230</u>	<u>4,369,011</u>	<u>7,627,014</u>	<u>45,881</u>	<u>14,314,136</u>
Excess (deficiency) of revenues over expenditures	3,922,874	(4,161,242)	(7,540,377)	101,223	(7,677,522)
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	32,150	3,609,518	7,621,970	21,000	11,284,638
Transfers (out)	<u>(3,587,638)</u>	<u>(3,607,154)</u>	<u>--</u>	<u>--</u>	<u>(7,194,792)</u>
Total other financing sources (uses)	<u>(3,555,488)</u>	<u>2,364</u>	<u>7,621,970</u>	<u>21,000</u>	<u>4,089,846</u>
Net change in fund balance	367,386	(4,158,878)	81,593	122,223	(3,587,676)
Fund balances - beginning	<u>4,874,005</u>	<u>11,487,388</u>	<u>5,534,442</u>	<u>2,448,720</u>	<u>24,344,555</u>
Fund balances - ending	<u>\$ 5,241,391</u>	<u>\$ 7,328,510</u>	<u>\$ 5,616,035</u>	<u>\$ 2,570,943</u>	<u>\$ 20,756,879</u>



# 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.

***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 infrastructure-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.

***Home Ownership Zone Property*** This fund provides forgivable loans of up to \$20,000 to homeowners occupying houses within the Home-ownership Zone of the West Side Community Renewal Plan to make improvements to their homes.



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 Beautification	Municipal Court	Police & Fire Donation	Police Grants	Public Arts Grant
<b>ASSETS AND DEFERRED OUTFLOWS</b>											
<b>Assets:</b>											
<b>Current:</b>											
Cash and cash equivalents	\$ 267,369	\$ --	\$ 45,531	\$ 77	\$ 13,078	\$ 176,793	\$ 32,149	\$ 198,552	\$ 11,378	\$ 192,735	\$ 146,264
Investments	--	--	--	--	--	--	--	--	--	--	--
Receivables:											
Accounts	19,719	--	--	--	--	--	--	56,436	--	--	--
Grants	--	--	--	--	--	--	--	--	--	42,294	--
Loans	--	--	--	--	--	--	--	--	--	--	--
Due from:											
Other funds	20,563	--	--	--	--	--	--	--	--	1,762	--
Component units	--	--	--	--	--	--	--	--	--	--	--
Restricted cash	--	--	--	--	--	--	--	--	--	--	--
<b>Total assets</b>	<b>307,651</b>	<b>--</b>	<b>45,531</b>	<b>77</b>	<b>13,078</b>	<b>176,793</b>	<b>32,149</b>	<b>254,988</b>	<b>11,378</b>	<b>236,791</b>	<b>146,264</b>
<b>Deferred Outflows:</b>											
	--	--	--	--	--	--	--	--	--	--	--
<b>Total deferred outflows of resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 307,651</b>	<b>\$ --</b>	<b>\$ 45,531</b>	<b>\$ 77</b>	<b>\$ 13,078</b>	<b>\$ 176,793</b>	<b>\$ 32,149</b>	<b>\$ 254,988</b>	<b>\$ 11,378</b>	<b>\$ 236,791</b>	<b>\$ 146,264</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>											
<b>Liabilities:</b>											
Accounts payable	\$ 1,036	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 46,984	\$ --	\$ 7,387	\$ --
Live on the Levee Charity Raffle	--	--	--	--	--	--	--	--	--	--	--
Due to:											
Other funds	9,228	--	--	--	13,078	--	--	81,582	--	192,578	--
Other governments	--	--	--	--	--	--	--	--	--	--	--
Unearned revenue	--	--	--	--	--	--	--	--	--	--	--
License fees	--	--	--	--	--	--	--	--	--	--	--
Charges for services	--	--	--	--	--	--	--	--	--	--	--
Grant advances	--	--	--	77	--	161,191	--	--	--	--	--
<b>Total liabilities</b>	<b>10,264</b>	<b>--</b>	<b>--</b>	<b>77</b>	<b>13,078</b>	<b>161,191</b>	<b>--</b>	<b>128,566</b>	<b>--</b>	<b>199,965</b>	<b>--</b>
<b>Deferred Inflows:</b>											
	--	--	--	--	--	--	--	--	--	--	--
<b>Total deferred inflows of resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>10,264</b>	<b>--</b>	<b>--</b>	<b>77</b>	<b>13,078</b>	<b>161,191</b>	<b>--</b>	<b>128,566</b>	<b>--</b>	<b>199,965</b>	<b>--</b>
<b>Fund balances:</b>											
Restricted	297,387	--	45,531	--	--	15,602	--	126,422	--	36,826	146,264
Committed	--	--	--	--	--	--	32,149	--	11,378	--	--
<b>Total fund balances</b>	<b>297,387</b>	<b>--</b>	<b>45,531</b>	<b>--</b>	<b>--</b>	<b>15,602</b>	<b>32,149</b>	<b>126,422</b>	<b>11,378</b>	<b>36,826</b>	<b>146,264</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 307,651</b>	<b>\$ --</b>	<b>\$ 45,531</b>	<b>\$ 77</b>	<b>\$ 13,078</b>	<b>\$ 176,793</b>	<b>\$ 32,149</b>	<b>\$ 254,988</b>	<b>\$ 11,378</b>	<b>\$ 236,791</b>	<b>\$ 146,264</b>

CITY OF CHARLESTON, WEST VIRGINIA  
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS (Continued)  
 JUNE 30, 2019

	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	Home Ownership Zone Property	Total Nonmajor Special Revenue Funds
<b>ASSETS AND DEFERRED OUTFLOWS</b>												
<b>Assets:</b>												
<b>Current:</b>												
Cash and cash equivalents	\$ --	\$ 288,325	\$ 18,091	\$ --	\$ 10,177	\$ 516	\$ 2,601	\$ --	\$ --	\$ 48,978	\$ 30	\$ 1,452,644
Investments	--	2,930,855	--	--	--	--	--	--	--	--	--	2,930,855
Receivables:												
Accounts	--	418,263	--	--	--	--	--	--	--	--	--	494,418
Grants	--	--	--	12,804	--	--	16,100	--	510,908	--	--	582,106
Loans	150,143	--	--	--	--	94,166	--	--	--	--	--	244,309
Due from:												
Other funds	--	--	--	--	--	--	--	--	--	--	--	22,325
Component units	--	16,612	--	--	--	--	--	--	--	--	--	16,612
Restricted cash	--	617,327	--	--	--	--	--	--	--	--	--	617,327
<b>Total assets</b>	<b>150,143</b>	<b>4,271,382</b>	<b>18,091</b>	<b>12,804</b>	<b>10,177</b>	<b>94,682</b>	<b>18,701</b>	<b>--</b>	<b>510,908</b>	<b>48,978</b>	<b>30</b>	<b>6,360,596</b>
<b>Deferred Outflows:</b>												
	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total deferred outflows of resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 150,143</b>	<b>\$ 4,271,382</b>	<b>\$ 18,091</b>	<b>\$ 12,804</b>	<b>\$ 10,177</b>	<b>\$ 94,682</b>	<b>\$ 18,701</b>	<b>\$ --</b>	<b>\$ 510,908</b>	<b>\$ 48,978</b>	<b>\$ 30</b>	<b>\$ 6,360,596</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>												
<b>Liabilities:</b>												
Accounts payable	\$ --	\$ 48,072	\$ --	\$ 12,804	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 10,500	\$ 30	\$ 126,813
Live on the Levee Charity Raffle	--	--	--	--	--	--	--	--	--	2,786	--	2,786
Due to:												
Other funds	--	--	--	--	--	--	16,100	--	510,908	--	--	823,474
Other governments	--	4,864	--	--	--	--	--	--	--	--	--	4,864
Unearned revenue	--	--	--	--	--	--	--	--	--	--	--	--
License fees	--	--	--	--	--	--	--	--	--	--	--	--
Charges for services	--	--	--	--	--	--	--	--	--	--	--	--
Grant advances	--	--	--	--	--	--	--	--	--	--	--	161,268
<b>Total liabilities</b>	<b>--</b>	<b>52,936</b>	<b>--</b>	<b>12,804</b>	<b>--</b>	<b>--</b>	<b>16,100</b>	<b>--</b>	<b>510,908</b>	<b>13,286</b>	<b>30</b>	<b>1,119,205</b>
<b>Deferred Inflows:</b>												
	--	--	--	--	--	--	--	--	--	--	--	--
<b>Total deferred inflows of resources</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>--</b>	<b>52,936</b>	<b>--</b>	<b>12,804</b>	<b>--</b>	<b>--</b>	<b>16,100</b>	<b>--</b>	<b>510,908</b>	<b>13,286</b>	<b>30</b>	<b>1,119,205</b>
<b>Fund balances:</b>												
Restricted	--	3,556,979	--	--	10,177	94,682	2,601	--	--	--	--	4,332,471
Committed	150,143	661,467	18,091	--	--	--	--	--	--	35,692	--	908,920
<b>Total fund balances</b>	<b>150,143</b>	<b>4,218,446</b>	<b>18,091</b>	<b>--</b>	<b>10,177</b>	<b>94,682</b>	<b>2,601</b>	<b>--</b>	<b>--</b>	<b>35,692</b>	<b>--</b>	<b>5,241,391</b>
<b>Total liabilities, deferred inflows and fund balances</b>	<b>\$ 150,143</b>	<b>\$ 4,271,382</b>	<b>\$ 18,091</b>	<b>\$ 12,804</b>	<b>\$ 10,177</b>	<b>\$ 94,682</b>	<b>\$ 18,701</b>	<b>\$ --</b>	<b>\$ 510,908</b>	<b>\$ 48,978</b>	<b>\$ 30</b>	<b>\$ 6,360,596</b>

CITY OF CHARLESTON, WEST VIRGINIA  
 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 Beautification	Municipal Court
<b>REVENUES</b>								
Intergovernmental:								
Federal	\$ --	\$ 138,898	--	\$ --	\$ 31,765	\$ --	\$ --	\$ --
State	113,483	--	--	--	--	--	--	--
Local	--	--	--	--	--	--	--	--
Charges for services	--	--	--	--	--	--	--	--
Fines and forfeits	--	--	--	--	--	--	--	471,385
Interest and investment earnings	6,256	--	989	--	--	--	690	--
Contributions and donations	--	--	1,440	--	--	--	--	--
Miscellaneous	--	--	--	--	--	--	--	--
<b>Total revenues</b>	<b>119,739</b>	<b>138,898</b>	<b>2,429</b>	<b>--</b>	<b>31,765</b>	<b>--</b>	<b>690</b>	<b>471,385</b>
<b>EXPENDITURES</b>								
Current:								
General government	--	--	--	--	--	--	--	119,442
Public safety	150,177	138,898	--	--	31,765	--	--	--
Streets and transportation	--	--	--	--	--	--	--	--
Health and sanitation	--	--	--	--	--	--	--	--
Administrative and general	--	--	--	--	--	--	--	--
Culture and recreation	--	--	--	--	--	--	--	--
Benefits paid	--	--	--	--	--	--	--	--
Insurance premiums	--	--	--	--	--	--	--	--
Social services	--	--	--	--	--	--	--	--
Capital projects	--	--	--	--	--	--	--	--
Education	--	--	--	--	--	--	--	--
Economic development	--	--	1,791	--	--	--	--	--
Debt service:	--	--	--	--	--	--	--	--
Principal	--	--	--	--	--	--	--	--
Interest	--	--	--	--	--	--	--	--
Bond issuance costs	--	--	--	--	--	--	--	--
<b>Total expenditures</b>	<b>150,177</b>	<b>138,898</b>	<b>1,791</b>	<b>--</b>	<b>31,765</b>	<b>--</b>	<b>--</b>	<b>119,442</b>
Excess (deficiency) of revenues over expenditures	( 30,438)	--	638	--	--	--	690	351,943
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	--	--	--	--	--	--	--	--
Transfers (out)	--	--	--	--	--	--	--	( 350,347)
Issuance of bonds	--	--	--	--	--	--	--	--
Proceeds from the sale of assets	--	--	--	--	--	--	--	--
Issuance of capital leases	--	--	--	--	--	--	--	--
<b>Total other financing sources (uses)</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>( 350,347)</b>
Net change in fund balance	( 30,438)	--	638	--	--	--	690	1,596
Fund balances - beginning	327,825	--	44,893	--	--	15,602	31,459	124,826
Fund balances - ending	\$ 297,387	\$ --	\$ 45,531	\$ --	\$ --	\$ 15,602	\$ 32,149	\$ 126,422

CITY OF CHARLESTON, WEST VIRGINIA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR SPECIAL REVENUE FUNDS (Continued)  
 For the Fiscal Year Ended June 30, 2019

	Police & Fire Donation	Police Grants	Public Arts Grant	Rental Rehabilitation	Solid Waste	Special Demolition	Supportive Housing
<b>REVENUES</b>							
Intergovernmental:							
Federal	\$ --	\$ 276,565	\$ --	\$ --	\$ --	\$ --	\$ 96,093
State	--	--	--	--	--	--	--
Local	--	33,726	--	--	--	--	--
Charges for services	--	--	--	--	4,112,542	--	--
Fines and forfeits	--	--	--	--	--	--	--
Interest and investment earnings	212	--	--	--	511,872	332	--
Contributions and donations	8,500	--	128,132	--	--	--	--
Miscellaneous	--	--	--	--	--	2,673	--
Total revenues	<u>8,712</u>	<u>310,291</u>	<u>128,132</u>	<u>--</u>	<u>4,624,414</u>	<u>3,005</u>	<u>96,093</u>
<b>EXPENDITURES</b>							
Current:							
General government	--	--	--	--	--	--	--
Public safety	5,284	310,291	--	--	--	--	--
Streets and transportation	--	--	--	--	--	--	--
Health and sanitation	--	--	--	--	1,027,495	--	--
Administrative and general	--	--	--	--	--	--	--
Culture and recreation	--	--	42,737	--	--	--	--
Benefits paid	--	--	--	--	--	--	--
Insurance premiums	--	--	--	--	--	--	--
Social services	--	--	--	--	--	--	--
Capital projects	--	--	--	--	--	--	--
Education	--	--	--	--	--	--	--
Economic development	--	--	--	--	--	--	96,093
Debt service:	--	--	--	--	--	--	--
Principal	--	--	--	--	--	--	--
Interest	--	--	--	--	--	--	--
Bond issuance costs	--	--	--	--	--	--	--
Total expenditures	<u>5,284</u>	<u>310,291</u>	<u>42,737</u>	<u>--</u>	<u>1,027,495</u>	<u>--</u>	<u>96,093</u>
Excess (deficiency) of revenues over expenditures	3,428	--	85,395	--	3,596,919	3,005	--
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	--	--	--	--	--	--	--
Transfers (out)	--	--	( 87,291)	--	( 3,150,000)	--	--
Issuance of bonds	--	--	--	--	--	--	--
Proceeds from the sale of assets	--	--	--	--	--	--	--
Issuance of capital leases	--	--	--	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>( 87,291)</u>	<u>--</u>	<u>( 3,150,000)</u>	<u>--</u>	<u>--</u>
Net change in fund balance	3,428	--	( 1,896)	--	446,919	3,005	--
Fund balances - beginning	<u>7,950</u>	<u>36,826</u>	<u>148,160</u>	<u>150,143</u>	<u>3,771,527</u>	<u>15,086</u>	<u>--</u>
Fund balances - ending	<u>\$ 11,378</u>	<u>\$ 36,826</u>	<u>\$ 146,264</u>	<u>\$ 150,143</u>	<u>\$ 4,218,446</u>	<u>\$ 18,091</u>	<u>\$ --</u>

CITY OF CHARLESTON, WEST VIRGINIA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
 NONMAJOR SPECIAL REVENUE FUNDS (Continued)  
 For the Fiscal Year Ended June 30, 2019

	U.S. Small Business Administration	Project West Invest	Historic Preservation	Safe Routes to School Program	Slack Plaza	Live on the Levee	Home Ownership Zone Property	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>								
Intergovernmental:								
Federal	\$ --	\$ --	\$ 16,100	\$ 77,207	\$ --	\$ --	\$ --	\$ 636,628
State	--	--	--	--	--	--	--	113,483
Local	--	--	--	--	--	--	--	33,726
Charges for services	--	--	--	--	--	--	--	4,112,542
Fines and forfeits	--	--	--	--	--	--	--	471,385
Interest and investment earnings	--	188	--	--	--	702	--	521,241
Contributions and donations	--	30,000	--	--	--	135,196	158	303,426
Miscellaneous	--	--	--	--	--	--	--	2,673
Total revenues	<u>--</u>	<u>30,188</u>	<u>16,100</u>	<u>77,207</u>	<u>--</u>	<u>135,898</u>	<u>158</u>	<u>6,195,104</u>
<b>EXPENDITURES</b>								
Current:								
General government	--	--	--	--	--	--	--	119,442
Public safety	--	--	--	--	--	--	--	636,415
Streets and transportation	--	--	--	--	--	--	--	--
Health and sanitation	--	--	--	--	--	--	--	1,027,495
Administrative and general	--	--	--	--	--	--	--	--
Culture and recreation	--	--	23,000	--	24,202	147,953	--	237,892
Benefits paid	--	--	--	--	--	--	--	--
Insurance premiums	--	--	--	--	--	--	--	--
Social services	--	--	--	--	--	--	--	--
Capital projects	--	--	--	77,207	--	--	--	77,207
Education	--	--	--	--	--	--	--	--
Economic development	--	75,737	--	--	--	--	158	173,779
Debt service:	--	--	--	--	--	--	--	--
Principal	--	--	--	--	--	--	--	--
Interest	--	--	--	--	--	--	--	--
Bond issuance costs	--	--	--	--	--	--	--	--
Total expenditures	<u>--</u>	<u>75,737</u>	<u>23,000</u>	<u>77,207</u>	<u>24,202</u>	<u>147,953</u>	<u>158</u>	<u>2,272,230</u>
Excess (deficiency) of revenues over expenditures	--	( 45,549)	( 6,900)	--	( 24,202)	( 12,055)	--	3,922,874
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	--	--	6,900	--	24,202	1,048	--	32,150
Transfers (out)	--	--	--	--	--	--	--	( 3,587,638)
Issuance of bonds	--	--	--	--	--	--	--	--
Proceeds from the sale of assets	--	--	--	--	--	--	--	--
Issuance of capital leases	--	--	--	--	--	--	--	--
Total other financing sources (uses)	<u>--</u>	<u>--</u>	<u>6,900</u>	<u>--</u>	<u>24,202</u>	<u>1,048</u>	<u>--</u>	<u>( 3,555,488)</u>
Net change in fund balance	--	( 45,549)	--	--	--	( 11,007)	--	367,386
Fund balances - beginning	<u>10,177</u>	<u>140,231</u>	<u>2,601</u>	<u>--</u>	<u>--</u>	<u>46,699</u>	<u>--</u>	<u>4,874,005</u>
Fund balances - ending	<u>\$ 10,177</u>	<u>\$ 94,682</u>	<u>\$ 2,601</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 35,692</u>	<u>\$ --</u>	<u>\$ 5,241,391</u>



# 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.

***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 for improvements for the Ball Park Stadium.

CITY OF CHARLESTON, WEST VIRGINIA  
 COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS  
 June 30, 2019

	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
<b>ASSETS AND DEFERRED OUTFLOWS</b>											
<b>Assets:</b>											
Current:											
Cash and cash equivalents	\$ 55,356	\$ 3,176,322	\$ 367,307	\$ 305,606	\$ 2,208,741	\$ 151,401	\$ 159,938	\$ --	\$ --	\$ --	\$ 6,424,671
Due from:											
Other funds	--	--	21,658	192,048	1,144,495	--	--	--	--	--	1,358,201
Total assets	<u>55,356</u>	<u>3,176,322</u>	<u>388,965</u>	<u>497,654</u>	<u>3,353,236</u>	<u>151,401</u>	<u>159,938</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,782,872</u>
<b>Deferred Outflows:</b>											
	--	--	--	--	--	--	--	--	--	--	--
Total deferred outflows of resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total assets and deferred outflows of resources	<u>\$ 55,356</u>	<u>\$ 3,176,322</u>	<u>\$ 388,965</u>	<u>\$ 497,654</u>	<u>\$ 3,353,236</u>	<u>\$ 151,401</u>	<u>\$ 159,938</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,782,872</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>											
<b>LIABILITIES</b>											
Accounts payable	\$ --	\$ 358,796	\$ --	\$ 15,699	\$ 79,867	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 454,362
Due to:											
Other funds	--	--	--	--	--	--	--	--	--	--	--
Total liabilities	<u>--</u>	<u>358,796</u>	<u>--</u>	<u>15,699</u>	<u>79,867</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>454,362</u>
<b>Deferred Inflows:</b>											
	--	--	--	--	--	--	--	--	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total liabilities and deferred inflows of resources	<u>--</u>	<u>358,796</u>	<u>--</u>	<u>15,699</u>	<u>79,867</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>454,362</u>
<b>FUND BALANCES</b>											
Reserved for:											
Restricted	55,356	--	--	--	--	--	--	--	--	--	55,356
Committed	--	2,817,526	388,965	481,955	3,273,369	151,401	159,938	--	--	--	7,273,154
Total fund balances	<u>55,356</u>	<u>2,817,526</u>	<u>388,965</u>	<u>481,955</u>	<u>3,273,369</u>	<u>151,401</u>	<u>159,938</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,328,510</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 55,356</u>	<u>\$ 3,176,322</u>	<u>\$ 388,965</u>	<u>\$ 497,654</u>	<u>\$ 3,353,236</u>	<u>\$ 151,401</u>	<u>\$ 159,938</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,782,872</u>



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, 2019

	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
<b>REVENUES</b>											
Charges for services	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 18,466	\$ --	\$ --	\$ --	\$ 18,466
Fines and forfeits	--	--	--	--	--	--	--	--	--	--	--
Interest and investment earnings	1,857	77,648	7,291	48,069	36,115	3,250	3,145	--	69	456	177,900
Refunds	--	--	--	--	--	--	--	--	--	--	--
Reimbursements	--	--	--	--	--	--	--	--	--	--	--
Payments in lieu of taxes	--	--	--	--	--	--	--	--	--	--	--
Contributions and donations	--	--	--	6,403	5,000	--	--	--	--	--	11,403
Miscellaneous	--	--	--	--	--	--	--	--	--	--	--
<b>Total revenues</b>	<b>1,857</b>	<b>77,648</b>	<b>7,291</b>	<b>54,472</b>	<b>41,115</b>	<b>3,250</b>	<b>21,611</b>	<b>--</b>	<b>69</b>	<b>456</b>	<b>207,769</b>
<b>EXPENDITURES</b>											
Current:											
Capital projects	62,194	3,691,554	--	311,183	304,080	--	--	--	--	--	4,369,011
<b>Total expenditures</b>	<b>62,194</b>	<b>3,691,554</b>	<b>--</b>	<b>311,183</b>	<b>304,080</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>4,369,011</b>
Excess (deficiency) of revenues over expenditures	(60,337)	(3,613,906)	7,291	(256,711)	(262,965)	3,250	21,611	--	69	456	(4,161,242)
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers in	25,000	2,000,000	82,012	430,000	1,072,506	--	--	--	--	--	3,609,518
Transfers (out)	--	--	(36,688)	(3,512,522)	(17,375)	--	--	(3,081)	(10,000)	(27,488)	(3,607,154)
Proceeds from issuance of bonds	--	--	--	--	--	--	--	--	--	--	--
<b>Total other financing sources (uses)</b>	<b>25,000</b>	<b>2,000,000</b>	<b>45,324</b>	<b>(3,082,522)</b>	<b>1,055,131</b>	<b>--</b>	<b>--</b>	<b>(3,081)</b>	<b>(10,000)</b>	<b>(27,488)</b>	<b>2,364</b>
<b>Net change in fund balance</b>	<b>(35,337)</b>	<b>(1,613,906)</b>	<b>52,615</b>	<b>(3,339,233)</b>	<b>792,166</b>	<b>3,250</b>	<b>21,611</b>	<b>(3,081)</b>	<b>(9,931)</b>	<b>(27,032)</b>	<b>(4,158,878)</b>
Fund balances - beginning	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
<b>Fund balances - ending</b>	<b>\$ 55,356</b>	<b>\$ 2,817,526</b>	<b>\$ 388,965</b>	<b>\$ 481,955</b>	<b>\$ 3,273,369</b>	<b>\$ 151,401</b>	<b>\$ 159,938</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 7,328,510</b>



# 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, 2019

	<u>Debt Service Sinking Fund</u>	<u>Civic Center Project Debt Service Fund</u>	<u>Total Nonmajor Debt Service Funds</u>
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>Assets</b>			
Current:			
Cash and cash equivalents	\$ --	\$ 18,176	\$ 18,176
Due from:			
Other funds	--	1,823,788	1,823,788
Restricted cash	<u>1,737</u>	<u>3,772,334</u>	<u>3,774,071</u>
 Total assets	 <u>1,737</u>	 <u>5,614,298</u>	 <u>5,616,035</u>
<b>Deferred Outflows:</b>			
	<u>--</u>	<u>--</u>	<u>--</u>
 Total deferred outflows of resources	 <u>--</u>	 <u>--</u>	 <u>--</u>
 Total assets and deferred outflows of resources	 <u>\$ 1,737</u>	 <u>\$ 5,614,298</u>	 <u>\$ 5,616,035</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
 Total liabilities	 <u>\$ --</u>	 <u>\$ --</u>	 <u>\$ --</u>
<b>Deferred Inflows:</b>			
	<u>--</u>	<u>--</u>	<u>--</u>
 Total deferred inflows of resources	 <u>--</u>	 <u>--</u>	 <u>--</u>
 Total liabilities and deferred inflows of resources	 <u>--</u>	 <u>--</u>	 <u>--</u>
<b>FUND BALANCES</b>			
Reserved for:			
Restricted	<u>1,737</u>	<u>5,614,298</u>	<u>5,616,035</u>
 Total fund balances	 <u>1,737</u>	 <u>5,614,298</u>	 <u>5,616,035</u>
 Total liabilities, deferred inflows and fund balances	 <u>\$ 1,737</u>	 <u>\$ 5,614,298</u>	 <u>\$ 5,616,035</u>

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, 2019

	Debt Service Sinking Fund	Civic Center Project Debt Service Fund	Total Nonmajor Debt Service Funds
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES</b>			
Interest and investment earnings	\$ 5,590	\$ 81,047	\$ 86,637
	<u>          </u>	<u>          </u>	<u>          </u>
Total revenues	5,590	81,047	86,637
	<u>          </u>	<u>          </u>	<u>          </u>
<b>EXPENDITURES</b>			
Current:			
Principal	255,000	3,966,000	4,221,000
Interest	75,263	3,330,751	3,406,014
Bond issuance costs	--	--	--
	<u>          </u>	<u>          </u>	<u>          </u>
Total expenditures	330,263	7,296,751	7,627,014
	<u>          </u>	<u>          </u>	<u>          </u>
Excess (deficiency) of revenues over expenditures	( 324,673)	( 7,215,704)	( 7,540,377)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	325,274	7,296,696	7,621,970
Transfers (out)	--	--	--
	<u>          </u>	<u>          </u>	<u>          </u>
Total other financing sources (uses)	325,274	7,296,696	7,621,970
	<u>          </u>	<u>          </u>	<u>          </u>
Net change in fund balance	601	80,992	81,593
	<u>          </u>	<u>          </u>	<u>          </u>
Fund balances - beginning	1,136	5,533,306	5,534,442
	<u>          </u>	<u>          </u>	<u>          </u>
Fund balances - ending	\$ 1,737	\$ 5,614,298	\$ 5,616,035
	<u>          </u>	<u>          </u>	<u>          </u>



# 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, 2019

	<u>Spring Hill Cemetery</u>
<b>ASSETS AND DEFERRED OUTFLOWS</b>	
<b>Assets:</b>	
Current:	
Cash and cash equivalents	\$ 100,679
Investments	2,460,514
Receivables:	
Accrued interest	7,100
Due from:	
Other funds	<u>2,650</u>
Total assets	<u>2,570,943</u>
<b>Deferred Outflows:</b>	
	<u>--</u>
Total deferred outflows of resources	<u>--</u>
Total assets and deferred outflows of resources	<u>\$ 2,570,943</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	
<b>LIABILITIES</b>	
Due to:	
Other funds	<u>\$ --</u>
Total liabilities	<u>--</u>
<b>Deferred Inflows:</b>	
	<u>--</u>
Total deferred inflows of resources	<u>--</u>
Total liabilities and deferred inflows of resources	<u>--</u>
<b>FUND BALANCES</b>	
Reserved for:	
Nonspendable	1,398,681
Restricted	<u>1,172,262</u>
Total fund balances	<u>2,570,943</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 2,570,943</u>



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, 2019

	<u>Spring Hill Cemetery</u>
<b>REVENUES</b>	
Interest and investment earnings	\$ 146,923
Refunds	--
Contributions & Donations	156
Miscellaneous	<u>25</u>
Total revenues	<u>147,104</u>
<b>EXPENDITURES</b>	
Current:	
Social services	<u>45,881</u>
Total expenditures	<u>45,881</u>
Excess (deficiency) of revenues over expenditures	101,223
<b>OTHER FINANCING SOURCES (USES)</b>	
Transfers in	21,000
Transfers (out)	<u>--</u>
Total other financing sources (uses)	<u>21,000</u>
Net change in fund balance	122,223
Fund balances - beginning	<u>2,448,720</u>
Fund balances - ending	<u>\$ 2,570,943</u>



# 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, 2019

	Pension Trust Funds		Totals
	Policemen's Pension and Relief	Firemen's Pension and Relief	
<b>ASSETS</b>			
Non-pooled cash	\$ 3,006,233	\$ 3,027,847	\$ 6,034,080
Total cash	3,006,233	3,027,847	6,034,080
Investments, at fair value:			
Federal government securities	3,690,338	3,293,972	6,984,310
Certificates of Deposit	999,481	897,609	1,897,090
Managed bond funds	3,098,038	2,995,243	6,093,281
Managed stock funds	13,766,914	12,623,259	26,390,173
Total investments	21,554,771	19,810,083	41,364,854
Receivables:			
Interest receivable	40,744	35,733	76,477
Accounts receivable	1,838	--	1,838
Total receivables	42,582	35,733	78,315
Total assets	24,603,586	22,873,663	47,477,249
<b>DEFERRED OUTFLOWS</b>			
Total deferred outflows of resources	--	--	--
<b>LIABILITIES</b>			
Benefits payable	--	639,897	639,897
Total liabilities	--	639,897	639,897
<b>DEFERRED INFLOWS</b>			
Total deferred inflows of resources	--	--	--
<b>NET POSITION</b>			
Net position held in trust for pension benefits	\$ 24,603,586	\$ 22,233,766	\$ 46,837,352

(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, 2019

	Pension Trust Funds		Totals
	Policemen's Pension and Relief	Firemen's Pension and Relief	
<b>ADDITIONS</b>			
Contributions:			
Employer	\$ 4,324,997	\$ 4,490,764	\$ 8,815,761
Plan members	510,010	509,721	1,019,731
Insurance premium surtax	1,749,234	1,781,609	3,530,843
Additional transfers in	1,439,888	1,762,919	3,202,807
	<u>8,024,129</u>	<u>8,545,013</u>	<u>16,569,142</u>
Investment income:			
Net increase (decrease) in fair value of investments	936,875	858,912	1,795,787
Interest and dividends	508,981	470,109	979,090
Less: investment expense	<u>( 103,571)</u>	<u>( 96,699)</u>	<u>( 200,270)</u>
Net investment income	<u>1,342,285</u>	<u>1,232,322</u>	<u>2,574,607</u>
Total additions	<u>9,366,414</u>	<u>9,777,335</u>	<u>19,143,749</u>
<b>DEDUCTIONS</b>			
Benefits	7,088,985	7,600,235	14,689,220
Administrative expenses	69,898	--	69,898
Refunds of contributions	11,683	5,701	17,384
	<u>7,170,566</u>	<u>7,605,936</u>	<u>14,776,502</u>
Change in net position	2,195,848	2,171,399	4,367,247
Net position held in trust for pension benefits:			
Beginning of year	<u>22,407,738</u>	<u>20,062,367</u>	<u>42,470,105</u>
End of year	<u>\$ 24,603,586</u>	<u>\$ 22,233,766</u>	<u>\$ 46,837,352</u>

(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, 2019**

	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
<b>ASSETS</b>							
Cash and cash equivalents	\$ 1,466,454	\$ 6,675	\$ 773,862	\$ 899,728	\$ 1,261,037	\$ 30,000	\$ 4,437,756
Receivables:							
Accounts	--	--	8,325	37,645	--	--	45,970
Due from other funds	--	--	36,702	--	--	--	36,702
	<u>1,466,454</u>	<u>6,675</u>	<u>818,889</u>	<u>937,373</u>	<u>1,261,037</u>	<u>30,000</u>	<u>4,520,428</u>
Total assets							
	<u>1,466,454</u>	<u>6,675</u>	<u>818,889</u>	<u>937,373</u>	<u>1,261,037</u>	<u>30,000</u>	<u>4,520,428</u>
<b>DEFERRED OUTFLOWS</b>							
Total deferred outflows of resources	--	--	--	--	--	--	--
Total assets and deferred outflows of resources	<u>\$ 1,466,454</u>	<u>\$ 6,675</u>	<u>\$ 818,889</u>	<u>\$ 937,373</u>	<u>\$ 1,261,037</u>	<u>\$ 30,000</u>	<u>\$ 4,520,428</u>
<b>LIABILITIES</b>							
Due to other governments	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
Due to other funds	--	--	14,816	39,124	--	--	53,940
Refunds payable and others	<u>1,466,454</u>	<u>6,675</u>	<u>804,073</u>	<u>898,249</u>	<u>1,261,037</u>	<u>30,000</u>	<u>4,466,488</u>
	<u>1,466,454</u>	<u>6,675</u>	<u>818,889</u>	<u>937,373</u>	<u>1,261,037</u>	<u>30,000</u>	<u>4,520,428</u>
Total liabilities							
	<u>1,466,454</u>	<u>6,675</u>	<u>818,889</u>	<u>937,373</u>	<u>1,261,037</u>	<u>30,000</u>	<u>4,520,428</u>
<b>DEFERRED INFLOWS</b>							
Total deferred inflows of resources	--	--	--	--	--	--	--
Total liabilities and deferred inflows of resources	<u>\$ 1,466,454</u>	<u>\$ 6,675</u>	<u>\$ 818,889</u>	<u>\$ 937,373</u>	<u>\$ 1,261,037</u>	<u>\$ 30,000</u>	<u>\$ 4,520,428</u>



**CITY OF CHARLESTON, WEST VIRGINIA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -**  
**AGENCY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

	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
<b>ASSETS</b>							
Cash and cash equivalents							
July 1, 2018	\$ 398,221	\$ 7,175	\$ 542,932	\$ 2,157,165	\$ 31,848	\$ 30,000	\$ 3,167,341
Receivables, July 1, 2018	--	--	15,000	59,073	--	--	74,073
Due from other funds, July 1, 2018	--	--	19,601	--	--	--	19,601
Additions-cash	5,839,277	133,850	812,995	617,646	1,245,999	--	8,649,767
Deductions-cash	(4,771,044)	(134,350)	(582,065)	(1,875,083)	(16,810)	--	(7,379,352)
Additions-receivable	--	--	8,325	37,645	--	--	45,970
Deductions-receivable	--	--	(15,000)	(59,073)	--	--	(74,073)
Additions-due from other funds	--	--	36,702	--	--	--	36,702
Deductions-due from other funds	--	--	(19,601)	--	--	--	(19,601)
Cash and cash equivalents							
June 30, 2019	1,466,454	6,675	773,862	899,728	1,261,037	30,000	4,437,756
Receivables, June 30, 2019	--	--	8,325	37,645	--	--	45,970
Due from other funds,							
June 30, 2019	--	--	36,702	--	--	--	36,702
Total assets, June 30, 2019	\$ 1,466,454	\$ 6,675	\$ 818,889	\$ 937,373	\$ 1,261,037	\$ 30,000	\$ 4,520,428
<b>LIABILITIES</b>							
Refunds payable and others							
July 1, 2018	\$ 398,221	\$ 7,175	\$ 573,026	\$ 2,182,005	\$ 31,848	\$ 20,000	\$ 3,212,275
Additions	5,839,277	133,850	557,276	589,327	1,245,999	10,000	8,375,729
Deductions	(4,771,044)	(134,350)	(326,229)	(1,873,083)	(16,810)	--	(7,121,516)
Due to other funds July 1, 2018	--	--	4,507	34,233	--	10,000	48,740
Additions	--	--	14,816	39,124	--	--	53,940
Deductions	--	--	(4,507)	(34,233)	--	(10,000)	(48,740)
Refunds payable and others							
June 30, 2019	1,466,454	6,675	804,073	898,249	1,261,037	30,000	4,466,488
Due to other funds June 30, 2019	--	--	14,816	39,124	--	--	53,940
Total liabilities, June 30, 2019	\$ 1,466,454	\$ 6,675	\$ 818,889	\$ 937,373	\$ 1,261,037	\$ 30,000	\$ 4,520,428



***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.

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### Contents

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#### **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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 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	\$ 91,462,101
Restricted	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	16,503,241
Unrestricted	(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)	(690,134,250)
Total governmental activities net position	\$ 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)	\$ (582,168,908)
Business-type activities										
Net investment in capital assets	\$ 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	\$ 115,097,482
Restricted	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	3,418,432
Unrestricted	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)	(5,596,200)
Total business-type activities	\$ 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	\$ 112,919,714
Primary government										
Net investment in capital assets	\$ 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	\$ 206,559,583
Restricted	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	19,921,673
Unrestricted	(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)	(695,730,450)
Total primary government net position	\$ 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)	\$ (469,249,194)

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

	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Expenses</b>										
<b>Governmental activities</b>										
General government	\$ 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	\$ 21,807,049
Public safety	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	74,448,613
Streets and transportation	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	5,902,128
Health and sanitation	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	4,844,691
Culture and recreation	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	16,818,960
Social services	858,632	726,284	371,124	511,436	860,187	829,925	887,105	807,524	1,083,639	879,177
Economic development	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	1,686,922
Capital Projects	-	-	-	-	-	1,263,916	1,211,863	-	-	-
Interest on long-term debt	779,600	680,588	680,342	559,472	491,682	384,551	3,142,060	4,032,697	3,670,576	3,518,479
<b>Total governmental activities</b>	<b>96,498,743</b>	<b>92,074,993</b>	<b>92,259,045</b>	<b>94,837,838</b>	<b>95,964,671</b>	<b>113,820,690</b>	<b>130,918,756</b>	<b>123,312,930</b>	<b>124,454,553</b>	<b>129,906,019</b>
<b>Business-type activities</b>										
Civic center	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	6,617,072
Parking system	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	2,918,913
<b>Total business-type activities</b>	<b>7,622,324</b>	<b>7,422,309</b>	<b>7,669,075</b>	<b>7,782,351</b>	<b>7,797,766</b>	<b>7,538,795</b>	<b>8,664,818</b>	<b>7,816,011</b>	<b>7,142,905</b>	<b>9,535,985</b>
<b>Total primary government</b>	<b>\$ 104,121,067</b>	<b>\$ 99,497,302</b>	<b>\$ 99,928,120</b>	<b>\$ 102,620,189</b>	<b>\$ 103,762,437</b>	<b>\$ 121,359,485</b>	<b>\$ 139,583,574</b>	<b>\$ 131,128,941</b>	<b>\$ 131,597,458</b>	<b>\$ 139,442,004</b>
<b>Program revenues</b>										
<b>Governmental activities</b>										
<b>Charges for services</b>										
General government	\$ 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	\$ 1,589,355
Public safety	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	14,926,337
Culture and recreation	103,740	101,352	1,038,368	993,673	530,410	943,363	1,013,627	1,202,284	1,227,688	1,214,138
Streets and transportation	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	1,683,459
Health and sanitation	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	4,112,542
Economic development	-	-	-	-	-	-	-	-	-	-
Social services	137,875	112,123	115,329	181,974	157,490	186,639	142,534	150,567	156,486	151,927
Operating grants and contributions	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	5,005,310
Capital grants and contributions	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	1,426,141
<b>Total governmental activities program revenues</b>	<b>\$ 35,525,777</b>	<b>\$ 30,460,870</b>	<b>\$ 30,074,069</b>	<b>\$ 31,128,020</b>	<b>\$ 30,340,243</b>	<b>\$ 26,473,252</b>	<b>\$ 28,125,775</b>	<b>\$ 30,381,891</b>	<b>\$ 30,987,809</b>	<b>\$ 30,109,209</b>

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

	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities:										
Charges for services										
Rentals and parking fees	\$ 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	\$ 3,353,396
Catering services	626,077	525,923	1,020,385	559,926	683,220	742,331	580,788	492,401	132,818	297,028
Parking violations	511,152	517,353	587,162	439,100	461,128	501,697	354,405	454,752	351,184	371,859
Parking meters	511,011	526,958	501,484	497,171	459,114	471,893	456,997	474,086	483,502	801,706
Other	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	1,220,534
Capital grants and contributions	20,240	439,181	152,000	42,470	18,272	93,553	21,870	15,103	24,507	135,024
<b>Total business-type activities program revenues</b>	<b>6,474,310</b>	<b>6,645,622</b>	<b>7,187,051</b>	<b>6,582,096</b>	<b>6,784,129</b>	<b>6,673,888</b>	<b>6,385,146</b>	<b>6,403,757</b>	<b>5,079,805</b>	<b>6,179,547</b>
Net (expense) revenue										
Governmental activities	(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)	(99,796,810)
Business-type activities	(1,148,014)	(776,687)	(482,024)	(1,200,255)	(1,013,637)	(864,907)	(2,279,672)	(1,412,254)	(2,063,100)	(3,356,438)
<b>Total primary government net (expense) revenue</b>	<b>\$ (62,120,980)</b>	<b>\$ (62,390,810)</b>	<b>\$ (62,667,000)</b>	<b>\$ (64,910,073)</b>	<b>\$ (66,638,065)</b>	<b>\$ (88,212,345)</b>	<b>\$ (105,072,653)</b>	<b>\$ (94,343,293)</b>	<b>\$ (95,529,844)</b>	<b>\$ (103,153,248)</b>
General revenues and other changes in net position										
Governmental activities:										
Taxes										
Property taxes	\$ 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	\$ 15,373,413
Business and occupation taxes	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	43,082,465
City Sales & Use taxes	-	-	-	-	4,507,057	7,400,475	14,240,163	15,034,244	14,702,552	15,547,188
Utility taxes	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	2,573,491
Hotel occupancy taxes	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	2,932,414
Other taxes	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	1,453,293
Unrestricted grants and contributions	-	-	-	-	-	-	-	-	-	-
Investment earnings	33,867	78,352	77,866	72,877	94,984	195,353	343,036	554,501	945,663	1,868,277
Gain (Loss) on sale of capital assets	164,158	110,918	137,994	246,638	177,517	198,735	450,522	138,646	231,259	160,853
Miscellaneous	-	-	-	-	-	490,181	1,607,876	902,034	858,584	639,629
Reimbursement	-	-	-	-	-	1,218,226	1,089,070	1,060,928	1,009,697	917,674
Transfers	(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)	(103,578,373)
<b>Total governmental activities</b>	<b>\$ 54,504,021</b>	<b>\$ 55,876,383</b>	<b>\$ 58,303,712</b>	<b>\$ 60,032,001</b>	<b>\$ 69,432,096</b>	<b>\$ 72,417,613</b>	<b>\$ 80,395,780</b>	<b>\$ 83,587,114</b>	<b>\$ 82,495,941</b>	<b>\$ (19,029,676)</b>

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

	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities										
Property taxes-TIF District	\$ -	\$ -	\$ -	\$ -	\$ 222,379	\$ 262,505	\$ 346,176	\$ 293,485	\$ 263,926	\$ 428,446
Investment earnings	13,356	11,416	10,685	11,553	11,809	13,949	15,929	21,676	76,798	172,914
Miscellaneous	8,889	33,049	1,434	15	(22,237)	6,706	41,682	5,735	-	5,573
Transfers	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	103,578,373
<b>Total business-type activities</b>	<b>1,563,142</b>	<b>1,578,758</b>	<b>1,469,701</b>	<b>1,376,056</b>	<b>1,758,362</b>	<b>1,535,316</b>	<b>1,765,504</b>	<b>2,214,945</b>	<b>2,284,556</b>	<b>104,185,306</b>
Total primary government	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	85,155,630
Change in net position										
Governmental activities	(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)	(118,826,486)
Business-type activities	415,128	802,071	987,677	175,801	744,725	670,409	(514,168)	802,691	221,456	100,828,868
<b>Total primary government</b>	<b>\$ (6,053,817)</b>	<b>\$ (4,935,669)</b>	<b>\$ (2,893,587)</b>	<b>\$ (3,502,016)</b>	<b>\$ 4,552,393</b>	<b>\$ (14,259,416)</b>	<b>\$ (22,911,369)</b>	<b>\$ (8,541,234)</b>	<b>\$ (10,749,347)</b>	<b>\$ (17,997,618)</b>



**CITY OF CHARLESTON, WEST VIRGINIA**

**Table 3**

**Fund Balances - Governmental Funds**

**Last Ten Fiscal Years**

*(modified accrual basis of accounting)*

	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund										
Nonspendable:										
Prepays	\$ 606,961	\$ 599,087	\$ 538,965	\$ 534,963	\$ 590,403	\$ 599,879	\$ 585,364	\$ 577,358	\$ 547,986	\$ 560,756
Restricted for:										
Debt service	205,344	218,305	225,834	235,836	245,844	260,847	270,851	419,583	369,667	407,324
Capital projects	418,980	763,483	916,027	1,045,534	383,464	1,801,415	1,310,266	925,489	1,867,862	2,907,927
Committed for:										
Public safety	26,037	30,112	20,128	13,348	11,029	-	5,481,327	10,287,425	12,282	-
OPEB	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	6,157,613
Civic Center & Pensions	-	-	-	-	-	-	7,025,170	7,261,426	21,984,113	24,121,594
Community development	-	62,811	55,593	55,778	4,242,439	9,133,138	32,061	52,198	72,757	73,627
Assigned for:										
General government	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	14,895	-	1,897	-	48,352	1,903,418	2,015,917	876,148	-	-
Social services	-	29,354	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Unassigned	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	25,304,143
<b>Total General Fund</b>	<b>\$ 29,118,660</b>	<b>\$ 32,766,038</b>	<b>\$ 34,230,734</b>	<b>\$ 34,814,674</b>	<b>\$ 40,694,978</b>	<b>\$ 52,571,133</b>	<b>\$ 49,015,323</b>	<b>\$ 52,927,766</b>	<b>\$ 52,776,249</b>	<b>\$ 59,532,984</b>
All other governmental funds										
Nonspendable:										
Perpetual care	\$ 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	\$ 1,398,681
Restricted for:										
General government	134,743	140,179	117,942	117,439	116,934	44,006	44,075	44,478	44,893	55,708
Debt service	72,428	6	69,796	59,732	63,749	49,925	5,509,873	5,537,384	5,576,653	5,668,202
Community development	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	3,651,866
Perpetual care	657,879	748,567	885,180	835,864	945,224	1,026,359	1,035,141	1,056,833	1,157,466	1,172,262
Public safety	264,277	233,913	199,491	184,379	196,227	248,234	174,259	796,763	489,477	460,635
Culture & Recreation	-	-	-	127,415	113,681	121,820	98,964	91,711	241,454	204,221
Social services	-	16,220	-	-	-	15,657	-	15,601	15,602	15,602
Capital projects	6,137.00	1,294	10,814	-	-	24,533	81,710,209	46,020,681	6,989,518	57
Committed for:										
General government	-	-	-	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	11,378
Community development	30,476	216,027	262,743	170,143	150,143	282,047	151,557	152,090	165,229	150,143
Streets & transportation	-	32,611	-	31,275	31,266	145,778	1,231,323	3,021,817	4,611,042	2,867,766
Health & Sanitation	318,383	430,070	421,358	376,241	351,089	386,223	510,152	445,117	416,655	661,467
Culture & Recreation	-	-	-	346,817	433,501	339,953	80,725	92,758	86,743	35,692
Debt service	-	74,371	-	-	-	-	-	-	-	-
Capital projects	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	4,455,628
Unassigned	-	-	-	-	(46,316)	(69,967)	1,503	6,851	-	-
<b>Total all other governmental funds</b>	<b>\$ 7,912,483</b>	<b>\$ 8,223,599</b>	<b>\$ 8,786,850</b>	<b>\$ 9,227,609</b>	<b>\$ 11,638,909</b>	<b>\$ 12,189,603</b>	<b>\$ 104,350,063</b>	<b>\$ 69,855,504</b>	<b>\$ 31,379,687</b>	<b>\$ 20,809,308</b>

The fund balance information for year 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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Taxes	\$ 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	\$ 80,910,757
Licenses and permits	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	1,533,394
Fines and forfeitures	731,521	865,220	889,523	682,139	607,189	597,295	822,135	415,455	388,268	471,385
Charges for services	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	20,656,276
Intergovernmental	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	6,284,999
Investment earnings	321,058	310,621	274,412	227,115	333,819	195,353	343,036	554,496	945,663	1,868,277
Other revenues	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	3,162,758
<b>Total revenues</b>	<b>90,666,541</b>	<b>88,768,164</b>	<b>90,759,721</b>	<b>92,552,945</b>	<b>101,980,164</b>	<b>100,715,890</b>	<b>109,929,021</b>	<b>116,179,441</b>	<b>115,137,172</b>	<b>114,887,846</b>
<b>Expenditures</b>										
General government	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	18,915,315
Public safety	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	49,974,149
Streets & transportation	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	8,221,521
Health & sanitation	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	5,254,785
Culture & recreation	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	15,684,013
Economic development	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	2,098,097
Social services	858,122	765,398	734,641	1,153,456	771,640	752,103	812,046	781,169	931,297	777,680
Capital outlay	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	9,752,370
Debt service:										
Principal	5,231,528	696,861	727,364	753,081	630,000	660,000	3,381,000	7,869,000	4,693,000	4,751,000
Issuance Costs	66,822	-	-	-	-	-	542,430	99,333	1,750	1,750
Interest	636,643	504,268	473,340	441,233	408,921	381,025	3,135,359	3,942,042	3,657,268	3,487,439
<b>Total expenditures</b>	<b>94,931,066</b>	<b>85,734,631</b>	<b>89,617,376</b>	<b>93,154,544</b>	<b>94,258,786</b>	<b>89,669,636</b>	<b>120,652,664</b>	<b>152,278,249</b>	<b>155,311,320</b>	<b>118,918,119</b>
Excess of revenues over (under) expenditures	(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)	(4,030,273)
Special item-legal settlement	-	-	-	-	-	-	-	-	-	-
<b>Other financing sources (uses)</b>										
Proceeds from										
borrowing	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	2,992,000
Transfers in	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	31,203,017
Transfers out	(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)	(34,273,372)
Other	19,799	165,688	150,819	692,501	208,609	208,613	486,286	245,003	680,146	294,984
<b>Total other financing sources (uses)</b>	<b>4,017,368</b>	<b>924,961</b>	<b>885,602</b>	<b>1,626,296</b>	<b>570,226</b>	<b>1,380,595</b>	<b>99,320,569</b>	<b>5,516,854</b>	<b>1,546,814</b>	<b>216,629</b>
<b>Net change in fund balance</b>	<b>\$ (247,157)</b>	<b>\$ 3,958,494</b>	<b>\$ 2,027,947</b>	<b>\$ 1,024,697</b>	<b>\$ 8,291,604</b>	<b>\$ 12,426,849</b>	<b>\$ 88,596,926</b>	<b>\$ (30,581,954)</b>	<b>\$ (38,627,334)</b>	<b>\$ (3,813,644)</b>
Debt service as a percentage of noncapital expenditures	6%	1%	1%	1%	1%	1%	7%	11%	8%	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**

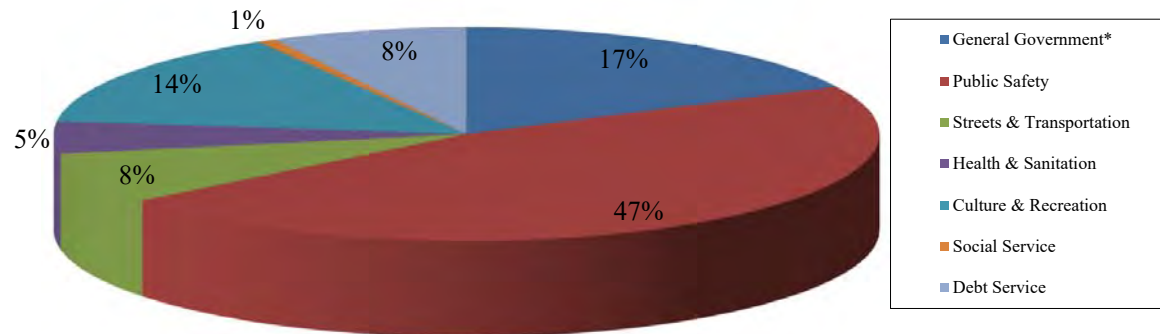
Fiscal Years	General Government*	Public Safety	Streets & Transportation	Health & Sanitation	Culture & Recreation	Social Service	Debt Service	Total
2010	\$ 22,523,786	\$ 41,180,127	\$ 8,495,674	\$ 5,666,817	\$ 6,194,436	\$ 858,122	\$ 5,934,993	\$ 90,853,955
2011	\$ 18,715,559	\$ 41,258,476	\$ 9,283,553	\$ 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
2019	\$ 18,915,315	\$ 49,974,149	\$ 8,221,521	\$ 5,254,785	\$ 15,684,013	\$ 777,680	\$ 8,240,189	\$ 107,067,652

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**

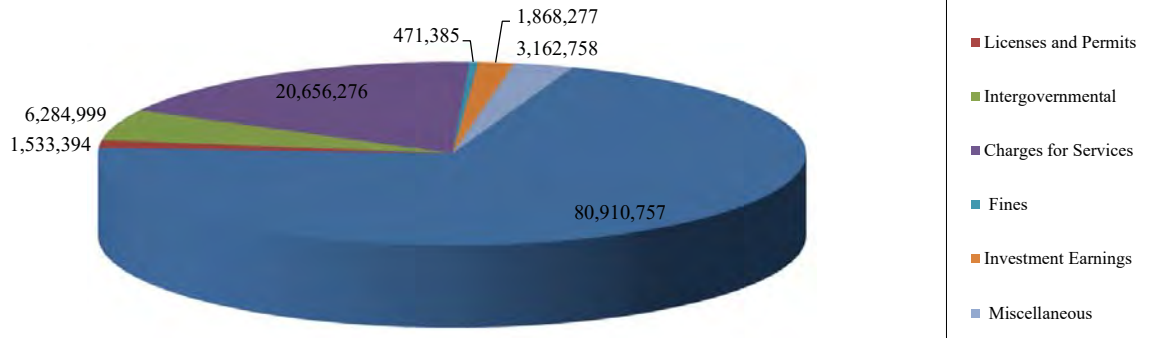


**CITY OF CHARLESTON, WEST VIRGINIA**  
**Table 6**  
**Revenues By Source - Governmental Fund Types -**  
**For the Last Ten Fiscal Years**

Fiscal Years	Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fines	Investment Earnings	Miscellaneous	Total
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
2019	\$ 80,910,757	\$ 1,533,394	\$ 6,284,999	\$ 20,656,276	\$ 471,385	\$ 1,868,277	\$ 3,162,758	\$ 114,887,846

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
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
2019	\$ 15,321,906	\$ 43,082,465	\$ 15,547,188	\$ 2,573,491	\$ 1,085,930	\$ 2,932,414	\$ 94,134	\$ 273,229	\$ 80,910,757

**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
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%
2019	\$ 15,908,041	\$ 13,050,308	82.04%	\$ 627,586	\$ 13,677,894	85.98%	\$ 817,839	5.14%

**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 2019				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	Total	
1	Production of Natural Resources	1.00%	8	0.16%	\$ 20,482	0.05%
2	Manufacturing	0.30%	-	0.00%	-	0.00%
3	Retailers	0.50%	995	20.21%	7,581,198	18.71%
4	Wholesalers	0.15%	401	8.14%	1,341,262	3.31%
5	Electric Power Companies (Domestic Purposes and Commercial Lighting)	4.00%	1	0.02%	2,039,768	5.03%
6	Electric Power Companies (All Other Sales and Demand Charges)	3.00%	1	0.02%	1,102,312	2.72%
7	Natural Gas Companies	2.00%	1	0.02%	551,820	1.36%
8	Water Companies	4.00%	1	0.02%	823,054	2.03%
9	All Other Public Utilities	2.00%	5	0.10%	63,686	0.16%
10	Contracting	2.00%	541	10.99%	4,449,784	10.98%
11	Amusement	0.50%	27	0.55%	389,128	0.96%
12	Service & All Other Businesses	1.00%	1,845	37.47%	17,299,092	42.69%
13	Rents and Royalties	1.00%	1,047	21.26%	2,453,771	6.05%
14	Banking and Other Financial Institutions	1.00%	51	1.04%	2,411,549	5.95%
Totals			<u>4,924</u>	<u>100.00%</u>	<u>\$ 40,526,906</u>	<u>100.00%</u>

		Fiscal Year 2018				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	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			<u>4,939</u>	<u>100.00%</u>	<u>\$ 40,865,279</u>	<u>100.00%</u>

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

		Fiscal Year 2017				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	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		<u>4,852</u>	<u>100.00%</u>	<u>\$ 41,015,629</u>	<u>100.00%</u>	

		Fiscal Year 2016				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	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		<u>4,819</u>	<u>100.00%</u>	<u>\$ 41,532,541</u>	<u>100.00%</u>	

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

Class	Fiscal Year 2015				
	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of
	Gross Revenue	Filers	Total	Liability	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		<u>5,713</u>	<u>100.00%</u>	<u>\$ 41,243,563</u>	<u>100.00%</u>

Class	Fiscal Year 2014				
	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of
	Gross Revenue	Filers	Total	Liability	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		<u>4,799</u>	<u>100.00%</u>	<u>\$ 41,544,197</u>	<u>100.00%</u>



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

		Fiscal Year 2013				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	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			<u>5,839</u>	<u>100.00%</u>	<u>\$ 39,179,796</u>	<u>100.00%</u>

		Fiscal Year 2012				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	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			<u>5,854</u>	<u>100.00%</u>	<u>\$ 38,622,433</u>	<u>100.00%</u>

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

		Fiscal Year 2011				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	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		<u>5,775</u>	<u>100.00%</u>	<u>\$ 37,176,615</u>	<u>100.00%</u>	

		Fiscal Year 2010				
Class	Rate per \$1.00	Number of	Percentage of	Tax	Percentage of	
	Gross Revenue	Filers	Total	Liability	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		<u>4,461</u>	<u>100.00%</u>	<u>\$ 35,279,156</u>	<u>100.00%</u>	

**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
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%	-
2019	\$ 3,234,270,404	\$ 1,940,562,242	\$ -	\$ -	\$ -	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**

Fiscal Years	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation	Revenue	Capital	Revenue	Capital				
	Bonds	Bonds	Leases	Bonds	Leases				
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
2019	\$ -	\$ 84,477,341	\$ 9,894,687	\$ 3,238,861	\$ -	\$ -	97,610,889	2.29%	1,899

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**

Fiscal Years	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage	General Fund & Coal Severance Transfers
				Principal	Interest	Total		
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
2019	\$ 3,108,184	\$ 6,426,522	\$ (3,318,338)	\$ 510,000	\$ 190,550	\$ 700,550	-473.68%	\$ 1,455,430

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			Coverage
				Principal	Interest	Total	
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%
2019	\$ 2,936,339	\$ 2,918,913	\$ 17,426	\$ -	\$ -	\$ -	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
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
2019	51,400	\$ 2,233,844	\$ 43,457	4.7

Bureau of Economic Analysis ([www.bea.gov](http://www.bea.gov)) 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 2019**

Assessed value	<u>\$ 3,234,270,404</u>
Debt limit (5% of assessed value)	161,713,520
Debt applicable to limit:	
General obligation bonds	-
Less: amount set aside for repayment of general obligation debt	<u>-</u>
Total net debt applicable to limit	<u>-</u>
Legal debt margin	<u>\$ 161,713,520</u>

	<b>Fiscal Year</b>									
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Debt limit	\$ 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	\$ 161,713,520
Total debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 143,329,025</u>	<u>\$ 144,180,795</u>	<u>\$ 146,598,381</u>	<u>\$ 154,574,769</u>	<u>\$ 159,574,769</u>	<u>\$ 160,409,798</u>	<u>\$ 162,339,601</u>	<u>\$ 161,593,491</u>	<u>\$ 162,173,046</u>	<u>\$ 161,713,520</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	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		Unemployment	
	Total	% Change Year Ago	Rate	Unit Change Year Ago
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
2019	90,700	-0.01	4.7	-0.4

U.S. Bureau of Labor Statistics

**CITY OF CHARLESTON, WEST VIRGINIA**

**Table 17**

**Regional  
Ten Largest Employers in Capital City Region and Rank -  
June 30, 2019**

2019			
Rank	Company Name	Total Employees	Employee Percentage
1	Local Government	12,429	29%
2	State Government	11,800	28%
3	Charleston Area Medical Center	6,800	16%
4	Kanawha County Schools	3,750	9%
5	Federal Government	2,600	6%
6	Thomas Memorial Hospital	1,300	3%
7	Toyota Motor Manufacturing	1,300	3%
8	Frontier Communications	1,250	3%
9	City of Charleston	871	2%
10	Capital Area Service Company	725	2%
	Total	42,825	100%

Information found at [charlestonarealliance.org/workforce](http://charlestonarealliance.org/workforce).

**CITY OF CHARLESTON, WEST VIRGINIA**

**Table 18**

**Operating Indicators by Function/Program -  
Last Ten Fiscal Years**

Function/Program	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Police</b>										
Physical arrest	5,704	7,435	6,945	8,106	7,781	5,287	5,482	4,797	5,064	6,002
Citations written	10,438	18,710	14,891	15,115	15,845	6,868	8,243	5,368	5,692	5,886
Offenses charged	6,626	7,454	8,458	10,232	10,010	8,474	7,059	8,435	6,626	5,178
<b>Fire</b>										
Emergency medical responses	12,538	13,106	13,379	13,325	12,843	13,311	13,887	14,453	13,667	14,117
Fire responses	16,417	16,272	16,867	11,327	10,392	15,604	16,518	9,277	9,360	8,981
Inspections	897	854	1,415	1,526	849	1,146	1,765	1,223	1,235	1,124
<b>Refuse collection</b>										
Refuse collected (tons annually)	13,228	26,659	12,772	26,541	26,894	26,315	24,282	25,648	24,526	24,709
Recyclables collected (tons annually)	991	3,410	502	985	956	918	839	840	778	2,468
Yard waste collected (tons annually)	454	1,031	402	1,580	1,725	1,456	1,398	1,314	992	1,265
Sludge (tons annually)	1,250	5,938	Unavailable	Unavailable	Unavailable	Unavailable	4651	4,307	4,226	4,793
<b>Other public works</b>										
Streets resurfaced (Miles)	5.14	6.96	8.47	7.11	6.8	15.0	11.6	9.9	10.53	16.9
Potholes repaired	82	77	83	71	200	218	179	210	306	352
<b>Parking systems</b>										
Parking violations	43,316	44,159	49,313	45,975	42,607	38,362	37,155	36,458	29,709	25,077
<b>Civic center</b>										
Number of events (annual average)	2,000	2,000	2,000	2,000	2,000	1,150	2,397	1,717	605	606
<b>Municipal auditorium</b>										
events (number of days annual average)	115-120	115-120	115-120	115-120	115-120	80	56	77	41	50

Sources: Various City of Charleston departments



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

Function/Program	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Zone offices	5	4	4	4	4	4	4	4	4	4
Patrol units	92	88	88	88	88	88	88	88	88	88
Fire stations	9	9	8	8	8	8	8	8	8	8
Refuse collection										
Collection trucks	30	30	30	30	30	30	30	30	32	32
Other public works										
Street (miles)	300	325	325	325	325	325	325	325	325	325
Traffic signals	152	148	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	1	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	4	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	4	4
Number of parking meters	1,150	1,150	1,059	1,035	1,035	1,035	1,155	1,155	1,155	1,535
Civic center										
Types of facilities	6	6	6	6	6	6	6	6	8	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**

Function/Program	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General government										
Management	52	50	42	41	42	42	43	45	44	36
Accounting & Finance	20	29	23	23	23	23	23	24	25	24
Planning	17	21	21	20	21	21	20	21	20	20
Building	30	26	25	24	25	25	29	29	28	25
Engineering	9	8	9	10	10	10	11	11	11	11
Other	42	55	70	95	132	132	132	68	98	84
Police										
Officers	179	160	159	153	155	159	171	162	172	158
Civilians	26	27	27	26	26	24	21	26	24	21
Fire										
Officers	199	174	161	153	152	159	151	155	163	162
Civilians	2	2	2	2	2	2	2	2	2	2
Other public safety	8	8	8	2	2	2	2	2	2	1
Refuse collection	65	68	67	65	64	64	67	66	64	63
Public works	126	129	140	131	126	126	126	98	99	98
Parks and recreation	83	91	85	93	95	95	98	115	105	101
Social services	10	9	9	7	7	8	8	21	21	18
Civic center	21	21	23	24	25	23	23	22	23	18
Parking system	24	26	25	26	30	23	23	22	26	29
Total	913	904	896	895	937	938	950	889	927	871

Sources: City of Charleston Payroll

