

City of Weirton, West Virginia

Financial Statements and Independent Auditor's Report

For the Fiscal Year Ended June 30, 2021

**CITY OF WEIRTON, WEST VIRGINIA
SCHEDULE OF FUNDS INCLUDED IN REPORT
For the Fiscal Year Ended June 30, 2021**

GOVERNMENTAL FUND TYPES

MAJOR FUNDS

General
Coal Severance Tax
TIF
ARPA

NONMAJOR FUNDS

Youth Job Program
Public Safety
CDBG

OTHER FUNDS

Internal Service Fund-Gasoline

PROPRIETARY FUND TYPES

MAJOR FUNDS

Water
Sewerage
Board of Park Commissions

NONMAJOR FUNDS

Parking

COMPONENT UNITS

Blended

Library

FIDUCIARY FUNDS

Policemen's Pension
Firemen's Pension

**CITY OF WEIRTON, WEST VIRGINIA
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Introductory Section

**CITY OF WEIRTON, WEST VIRGINIA
CITY OFFICIALS
For the Fiscal Year Ended June 30, 2021**

OFFICE	NAME	TERM ENDS
<u>Elected</u>		
Mayor:	Harold Miller	December 31, 2024
Council Members:		
Ward 1:	Tim Connell	December 31, 2024
Ward 2:	Michael Adams	December 31, 2024
Ward 3:	Fred Marsh	December 31, 2024
Ward 4:	George Ash, Sr.	December 31, 2024
Ward 5:	Flora Perrone	December 31, 2024
Ward 6:	Enzo Fracasso	December 31, 2024
Ward 7:	Terry Weigel	December 31, 2024
<u>Appointed</u>		
City Manager:	Joe DiBartolomeo	
Chief Code Official:	Matt Burskey	
City Attorney:	Vincent Gurrera	
City Clerk:	Kimberly Long	
City Judge:	Dean Makricostas	
Finance Director:	Diana Smoljanovich	
Fire Chief:	Kevin Himmelrick	
Library Director:	Richard Rekowski	
Planning and Development Director:	Jessica Gumm	
Police Chief:	Charlie Kush	
Public Works Director:	Rod Rosnick	
Utilities Director:	A.D. Butch Mastrantoni	

Financial Section

Ferrari & Associates, PLLC

616 Schubert Place | Morgantown, WV 26505

Independent Auditor's Report

Honorable Mayor and City Council
City of Weirton
200 Municipal Plaza
Weirton, West Virginia 26062

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weirton, West Virginia (the City), as of and for the year ended June 30, 2021 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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Weirton, West Virginia as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Ferrari & Associates, PLLC

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Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require this presentation to include the schedule of defined benefit pension trusts, schedules of net pension liabilities and pension contributions, schedules of net OPEB liabilities and OPEB contributions, and required budgetary comparison schedules, listed in the table of contents, to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to 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.

Supplementary and 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, the combining statements of individual nonmajor fund financial statements and fiduciary fund financial statements, and schedule of state grant receipts and expenditures are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor and fiduciary fund statements, the schedule of state grant receipts and expenditures, and the schedule of expenditures of federal awards are the responsibility of management and derive 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, the combining and individual nonmajor and fiduciary fund statements, the schedule of state grant receipts and expenditures, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Ferrari & Associates, PLLC

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 21, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Ferrari & Associates, PLLC

**Morgantown, West Virginia
March 21, 2022**

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF NET POSITION
June 30, 2021

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Assets			
Cash and cash equivalents	\$ 7,883,453	\$ 1,204,846	\$ 9,088,299
Investments	4,380,596	195,564	4,576,160
Receivables, net:			
Taxes	2,403,793	-	2,403,793
Charges for services	563,223	1,349,031	1,912,254
Intergovernmental	359,302	-	359,302
Other fees and proceeds	12	-	12
Internal balances	(649,118)	649,118	-
Due from fiduciary funds	41,334	-	41,334
Inventories	-	105,288	105,288
Other assets	1,960	7,958	9,918
Net pension asset	134,449	-	134,449
Restricted assets:			
Cash and cash equivalents	5,066,014	2,148,154	7,214,168
Capital assets:			
Land and construction in progress	1,965,690	2,277,530	4,243,220
Other capital assets, net of depreciation	21,952,672	30,588,888	52,541,560
Total assets	<u>44,103,380</u>	<u>38,526,377</u>	<u>82,629,757</u>
Deferred Outflows			
OPEB items	358,559	294,878	653,437
Pension items	2,546,565	542,785	3,089,350
Total deferred outflows of resources	<u>2,905,124</u>	<u>837,663</u>	<u>3,742,787</u>
Total assets and deferred outflows	<u>\$ 47,008,504</u>	<u>\$ 39,364,040</u>	<u>\$ 86,372,544</u>

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF NET POSITION
June 30, 2021

	Primary Government		Total
	Governmental Activities	Business-type Activities	
Liabilities			
Accounts payable	\$ 1,839,310	\$ 416,642	\$ 2,255,952
Wages and benefits payable	374,200	144,012	518,212
Notes payable, current	-	48,812	48,812
Capital lease obligations payable, current	254,061	66,656	320,717
Compensated absences	990,231	159,134	1,149,365
Unearned revenues	5,204,386	-	5,204,386
Security deposit	25,000	-	25,000
Grant advances	1,269	-	1,269
Due to fiduciary funds	78,221	-	78,221
Liabilities payable from restricted assets:			
Bonds payable, current	-	1,048,845	1,048,845
Accrued interest payable	-	127,053	127,053
Notes payable, non-current	-	414,162	414,162
Capital lease obligations payable, non-current	232,550	92,526	325,076
Bonds payable, non-current	-	13,216,694	13,216,694
Bond anticipation notes payable, non-current	-	1,600,487	1,600,487
Net OPEB liability	300,424	308,882	609,306
Net pension liability	23,387,329	726,351	24,113,680
Total liabilities	32,686,981	18,370,256	51,057,237
Deferred Inflows			
OPEB items	996,945	981,929	1,978,874
Pension items	10,321,129	95,983	10,417,112
Total deferred inflows of resources	11,318,074	1,077,912	12,395,986
Net Position			
Net investment in capital assets	23,431,751	16,378,236	39,809,987
Restricted for:			
Capital projects	3,033,629	-	3,033,629
Debt service	-	1,178,749	1,178,749
Net pension asset	134,449	-	134,449
Grant expenditures	192	-	192
Other purposes	2,408,931	969,406	3,378,337
Unrestricted	(26,005,503)	1,389,481	(24,616,022)
Total net position	3,003,449	19,915,872	22,919,321
Total liabilities, deferred inflows, and net position	\$ 47,008,504	\$ 39,364,040	\$ 86,372,544

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

	Expenses	Program Revenues			Net (Expense) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs							
Primary government:							
Governmental activities:							
General government	\$ 3,697,741	\$ 473,204	\$ 58,541	\$ -	\$ (3,165,996)	\$ -	\$ (3,165,996)
Public safety	5,024,111	2,428,131	4,281,890	11,205	1,697,115	-	1,697,115
Highway and streets	3,457,164	860,718	643,340	352,836	(1,600,270)	-	(1,600,270)
Health and sanitation	1,372,830	1,681,325	-	-	308,495	-	308,495
Culture and recreation	983,413	620	163,722	-	(819,071)	-	(819,071)
Social services	18,028	-	40,216	-	22,188	-	22,188
Interest	14,548	-	-	-	(14,548)	-	(14,548)
Total governmental activities	<u>14,567,835</u>	<u>5,443,998</u>	<u>5,187,709</u>	<u>364,041</u>	<u>(3,572,087)</u>	<u>-</u>	<u>(3,572,087)</u>
Business-type activities:							
Water board	3,570,796	4,717,613	21,000	5,250	-	1,173,067	1,173,067
Sanitary board	2,914,736	3,126,487	42,865	3,000	-	257,616	257,616
Board of park commissions	1,036,099	263,382	69,855	85,000	-	(617,862)	(617,862)
Total business-type activities	<u>7,521,631</u>	<u>8,107,482</u>	<u>133,720</u>	<u>93,250</u>	<u>-</u>	<u>812,821</u>	<u>812,821</u>
Total government	<u>\$ 22,089,466</u>	<u>\$ 13,551,480</u>	<u>\$ 5,321,429</u>	<u>\$ 457,291</u>	<u>(3,572,087)</u>	<u>812,821</u>	<u>(2,759,266)</u>
General revenues:							
Taxes:							
Property taxes					3,510,337	-	3,510,337
B & O taxes					4,531,029	-	4,531,029
Sales taxes					3,249,915	-	3,249,915
Excise tax on utilities					1,046,426	-	1,046,426
Other taxes					699,830	-	699,830
Video lottery and table gaming					485,394	-	485,394
Unrestricted investment earnings					21,860	4,770	26,630
Other					209,801	39,503	249,304
Gain (loss) on sale of assets					-	(14,845)	(14,845)
Transfers					(585,300)	585,300	-
Total general revenues and transfers					<u>13,169,292</u>	<u>614,728</u>	<u>13,784,020</u>
Changes in net position					9,597,205	1,427,549	11,024,754
Net position - beginning					<u>(6,593,756)</u>	<u>18,488,323</u>	<u>11,894,567</u>
Net position - ending					<u>\$ 3,003,449</u>	<u>\$ 19,915,872</u>	<u>\$ 22,919,321</u>

CITY OF WEIRTON, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2021

	General	Coal Severance Tax	TIF	ARPA	Nonmajor Governmental Funds	Total Governmental Funds
Assets						
Cash and cash equivalents	\$ 3,928,425	\$ 2,115	\$ 3,058,730	\$ -	\$ 620,186	\$ 7,609,456
Investments	4,380,596	-	-	-	-	4,380,596
Receivables, net						
Taxes	2,382,345	11,236	10,212	-	-	2,403,793
Charges for services	537,353	-	-	-	-	537,353
Intergovernmental	2,578	-	-	-	356,724	359,302
Other fees and proceeds	12	-	-	-	-	12
Due from other funds	20,457	-	-	-	-	20,457
Due from fiduciary funds	41,334	-	-	-	-	41,334
Prepaid expenses	-	-	-	-	1,960	1,960
Restricted cash and cash equivalents	51,320	-	-	5,014,654	40	5,066,014
Total assets	\$ 11,344,420	\$ 13,351	\$ 3,068,942	\$ 5,014,654	\$ 978,910	\$ 20,420,277
Liabilities, Deferred Inflows and Fund Balances						
Liabilities						
Accounts payable	\$ 1,436,363	\$ -	\$ 25,101	\$ -	\$ 356,776	\$ 1,818,240
Wages and benefits payable	360,799	-	-	-	13,401	374,200
Compensated absences	131,340	-	-	-	5,835	137,175
Due to other funds	703,004	-	-	-	13,260	716,264
Due to fiduciary funds	78,221	-	-	-	-	78,221
Security deposit	-	-	-	-	25,000	25,000
Unearned revenue	-	-	-	5,014,462	189,924	5,204,386
Grant Advances	-	-	-	-	1,269	1,269
Total liabilities	2,709,727	-	25,101	5,014,462	605,465	8,354,755
Deferred Inflows						
Unavailable revenue-taxes	60,099	-	10,212	-	-	70,311
Fund balances						
Non-spendable for:						
Prepaid expenses	-	-	-	-	1,960	1,960
Restricted for:						
Culture and recreation	2,408,931	-	-	-	-	2,408,931
Committed for:						
Capital projects	345,661	-	3,033,629	192	-	3,379,482
General expenditures	488,088	-	-	-	-	488,088
Assigned for:						
General expenditures	-	13,351	-	-	371,485	384,836
Unassigned for:						
Unassigned	5,331,914	-	-	-	-	5,331,914
Total fund balances	8,574,594	13,351	3,033,629	192	373,445	11,995,211
Total liabilities, deferred inflows, and fund balances	\$ 11,344,420	\$ 13,351	\$ 3,068,942	\$ 5,014,654	\$ 978,910	\$ 20,420,277

CITY OF WEIRTON, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2021

Total fund balance, governmental funds		\$ 11,995,211
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets of \$52,537,328 net of accumulated depreciation of \$28,618,966, used in governmental activities are not current financial resources and therefore are not reported in the fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		23,918,362
Certain other long-term assets are not available to pay current period expenditures and, therefore, are unearned in the funds. These consist of unearned property taxes and business and occupational taxes.		70,311
The net position of certain internal service funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		325,486
The portion of compensated absences that are not due and payable in the current period and are not reported in the funds, but are included in the governmental activities of the Statement of Net Position.		(853,056)
Deferred inflows and outflows related to OPEB and pension activity are not required to be reported in the funds but are required to be reported at the government - wide level:		
OPEB deferred outflows	358,559	
OPEB deferred inflows	<u>(996,945)</u>	(638,386)
Pension deferred outflows	2,546,565	
Pension deferred inflows	<u>(10,321,129)</u>	(7,774,564)
Long-term net pension liabilities (assets) and the Net OPEB liabilities are not due and payable in the current period and not reported in the funds.		
Net pension asset	134,449	
Net OPEB liability	(300,424)	
Net pension liability	<u>(23,387,329)</u>	(23,553,304)
Capital lease obligations do not require the use of current financial resources and therefore are reported only in the Statement of Net Position.		<u>(486,611)</u>
Net position of governmental activities in the Statement of Net Position		<u><u>\$ 3,003,449</u></u>

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2021

	General	Coal Severance Tax	TIF	ARPA	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 2,975,020	\$ -	\$ 403,080	\$ -	\$ 137,396	\$ 3,515,496
B&O taxes	4,535,090	-	-	-	-	4,535,090
Sales taxes	3,249,915	-	-	-	-	3,249,915
Excise tax on utilities	1,046,426	-	-	-	-	1,046,426
Other taxes	662,640	37,190	-	-	-	699,830
Fines and forfeitures	122,703	-	-	-	620	123,323
Licenses, permits, and fees	239,689	-	-	-	-	239,689
Intergovernmental	4,942,082	-	-	-	434,741	5,376,823
Charges for services	4,970,174	-	-	-	-	4,970,174
Video lottery and table gaming	485,394	-	-	-	-	485,394
Investment income	15,337	22	5,244	192	1,065	21,860
Contributions	-	-	-	-	174,927	174,927
Other	87,376	-	-	-	64,563	151,939
Total revenues	23,331,846	37,212	408,324	192	813,312	24,590,886
Expenditures						
Current:						
General government	3,839,436	-	126,585	-	41,867	4,007,888
Public safety	10,240,503	34,141	-	-	27,713	10,302,357
Highways and streets	4,248,030	-	-	-	352,836	4,600,866
Health and sanitation	1,309,103	-	-	-	-	1,309,103
Culture and recreation	164,786	-	-	-	679,567	844,353
Social services	1,574	-	-	-	16,454	18,028
Debt Service:						
Capital leases - principal	269,923	-	-	-	-	269,923
Capital leases - interest	14,548	-	-	-	-	14,548
Total expenditures	20,087,903	34,141	126,585	-	1,118,437	21,367,066
Excess (deficiency) of revenues over expenditures	3,243,943	3,071	281,739	192	(305,125)	3,223,820
Other Financing Sources (Uses)						
Proceeds from capital leases	116,000	-	-	-	-	116,000
Transfers from other funds	-	-	-	-	419,595	419,595
Transfers to other funds	(1,004,895)	-	-	-	-	(1,004,895)
Net other financing sources (uses)	(888,895)	-	-	-	419,595	(469,300)
Net changes in fund balances	2,355,048	3,071	281,739	192	114,470	2,754,520
Fund balances - beginning	6,219,546	10,280	2,751,890	-	258,975	9,240,691
Fund balances - ending	\$ 8,574,594	\$ 13,351	\$ 3,033,629	\$ 192	\$ 373,445	\$ 11,995,211

CITY OF WEIRTON, WEST VIRGINIA
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2021

Net change in fund balances - total governmental funds:	\$	2,754,520
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlays as expense. The outlays are allocated over their estimated useful lives and reported as depreciation expense for the period. This is the amount by which capital outlays of \$2,449,753 exceeded depreciation expense of \$1,384,671 in the current period.		
		1,065,082
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds. This consists of an increase in property taxes and a decrease in business and occupational taxes.		
		(9,220)
Governmental funds report capital lease proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of capital lease principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which capital lease payments of \$269,923 exceeded new capital leases of \$116,000.		
		153,923
Certain pension expenses in the statement of activities are recognized on the accrual basis of accounting in accordance with GASB Statement No. 68 and No. 75:		
Amount of pension expenditures at fund modified accrual level	3,544,230	
Amount of pension expenses recognized at government - wide level	1,574,613	
		5,118,843
Amount of OPEB expenditures at fund modified accrual level	129,738	
Amount of OPEB expenses recognized at government - wide level	294,610	
		424,348
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds. These result in a net increase in compensated absences of \$24,835.		
		(24,835)
An internal service fund is used by management to charge the cost of gasoline to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.		
		114,544
Change in net position of governmental activities	\$	9,597,205

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2021

	Business-Type Activities - Enterprise Funds					Internal Service Fund-Gasoline
	Water Board	Sanitary Board	Board of Park Commissions	Nonmajor Enterprise Fund Parking	Total Enterprise Funds	
Assets						
Current assets						
Cash and cash equivalents	\$ 610,960	\$ 123,693	\$ 469,186	\$ 1,007	\$ 1,204,846	\$ 273,997
Investments	-	-	195,564	-	195,564	-
Accounts receivable, net	827,596	521,435	-	-	1,349,031	25,870
Due from other funds	45,106	568,093	51,525	-	664,724	46,689
Prepaid expenses	-	-	7,958	-	7,958	-
Inventories	105,288	-	-	-	105,288	-
Total current assets	<u>1,588,950</u>	<u>1,213,221</u>	<u>724,233</u>	<u>1,007</u>	<u>3,527,411</u>	<u>346,556</u>
Restricted assets						
Cash and cash equivalents	1,082,556	1,065,598	-	-	2,148,154	-
Total restricted assets	<u>1,082,556</u>	<u>1,065,598</u>	<u>-</u>	<u>-</u>	<u>2,148,154</u>	<u>-</u>
Non-current assets						
Capital assets						
Land and construction in progress	991,483	975,466	6,000	304,581	2,277,530	-
Other capital assets, net of accumulated depreciation	17,802,746	11,921,392	864,750	-	30,588,888	-
Total non-current assets	<u>18,794,229</u>	<u>12,896,858</u>	<u>870,750</u>	<u>304,581</u>	<u>32,866,418</u>	<u>-</u>
Total assets	<u>21,465,735</u>	<u>15,175,677</u>	<u>1,594,983</u>	<u>305,588</u>	<u>38,541,983</u>	<u>346,556</u>
Deferred outflows						
OPEB items	176,810	118,068	-	-	294,878	-
Pension items	263,527	229,143	50,115	-	542,785	-
Total deferred outflows of resources	<u>440,337</u>	<u>347,211</u>	<u>50,115</u>	<u>-</u>	<u>837,663</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 21,906,072</u>	<u>\$ 15,522,888</u>	<u>\$ 1,645,098</u>	<u>\$ 305,588</u>	<u>\$ 39,379,646</u>	<u>\$ 346,556</u>

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
June 30, 2021

	Business-Type Activities - Enterprise Funds					
	Water Board	Sanitary Board	Board of Park Commissions	Nonmajor Enterprise Fund Parking	Total Enterprise Funds	Internal Service Fund-Gasoline
Liabilities						
Current liabilities						
Accounts payable	\$ 352,576	\$ 33,784	\$ 30,282	\$ -	\$ 416,642	\$ 21,070
Wages and benefits payable	58,138	65,535	20,339	-	144,012	-
Due to other funds	7,482	6,979	1,145	-	15,606	-
Compensated absences	78,419	72,557	8,158	-	159,134	-
Note payable, current	48,812	-	-	-	48,812	-
Capital lease payable, current	-	66,656	-	-	66,656	-
Total current liabilities	<u>545,427</u>	<u>245,511</u>	<u>59,924</u>	<u>-</u>	<u>850,862</u>	<u>21,070</u>
Liabilities payable from restricted assets						
Bond interest payable, current	65,056	61,997	-	-	127,053	-
Bonds payable, current	550,576	498,269	-	-	1,048,845	-
Total liabilities payable from restricted assets	<u>615,632</u>	<u>560,266</u>	<u>-</u>	<u>-</u>	<u>1,175,898</u>	<u>-</u>
Non-current liabilities						
Net OPEB liability	187,650	121,232	-	-	308,882	-
Net pension liability	354,230	302,865	69,256	-	726,351	-
Note payable, non-current	414,162	-	-	-	414,162	-
Capital lease payable, non-current	-	92,526	-	-	92,526	-
Bond anticipation notes payable, non-current	757,953	842,534	-	-	1,600,487	-
Bonds payable, non-current	7,733,949	5,482,745	-	-	13,216,694	-
Total non-current liabilities	<u>9,447,944</u>	<u>6,841,902</u>	<u>69,256</u>	<u>-</u>	<u>16,359,102</u>	<u>-</u>
Total liabilities	<u>10,609,003</u>	<u>7,647,679</u>	<u>129,180</u>	<u>-</u>	<u>18,385,862</u>	<u>21,070</u>
Deferred inflows						
OPEB items	592,138	385,008	4,783	-	981,929	-
Pension items	46,813	38,250	10,920	-	95,983	-
Total deferred inflows of resources	<u>638,951</u>	<u>423,258</u>	<u>15,703</u>	<u>-</u>	<u>1,077,912</u>	<u>-</u>
Net Position						
Net investment in capital assets	9,288,777	5,914,128	870,750	304,581	16,378,236	-
Restricted for:						
Debt service	586,549	592,200	-	-	1,178,749	-
Other purposes	496,007	473,399	-	-	969,406	-
Unrestricted	286,785	472,224	629,465	1,007	1,389,481	325,486
Total net position	<u>10,658,118</u>	<u>7,451,951</u>	<u>1,500,215</u>	<u>305,588</u>	<u>19,915,872</u>	<u>325,486</u>
Total liabilities, deferred inflows, and net position	<u>\$ 21,906,072</u>	<u>\$ 15,522,888</u>	<u>\$ 1,645,098</u>	<u>\$ 305,588</u>	<u>\$ 39,379,646</u>	<u>\$ 346,556</u>

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
FUND NET POSITION - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds					Internal Service Fund-Gasoline
	Water Board	Sanitary Board	Board of Park Commissions	Nonmajor Enterprise Fund Parking	Total Enterprise Funds	
Operating Revenues						
Charges for services:						
Fees for services	\$ 4,717,613	\$ 3,126,487	\$ 224,758	\$ -	\$ 8,068,858	\$ -
Concessions, merchandise sales and commissions	-	-	38,624	-	38,624	-
Internal service charges	-	-	-	-	-	450,903
Total charges for services	<u>4,717,613</u>	<u>3,126,487</u>	<u>263,382</u>	<u>-</u>	<u>8,107,482</u>	<u>450,903</u>
Operating grants and contributions	21,000	42,865	69,855	-	133,720	-
Total operating revenues	<u>4,738,613</u>	<u>3,169,352</u>	<u>333,237</u>	<u>-</u>	<u>8,241,202</u>	<u>450,903</u>
Operating Expenses						
Personal services	1,374,703	1,504,522	485,471	-	3,364,696	-
Operations, maintenance, and contractual services	1,163,544	610,628	282,497	-	2,056,669	-
Materials and supplies	138,945	160,471	66,129	-	365,545	336,359
Depreciation	644,393	507,024	202,002	-	1,353,419	-
Total operating expenses	<u>3,321,585</u>	<u>2,782,645</u>	<u>1,036,099</u>	<u>-</u>	<u>7,140,329</u>	<u>336,359</u>
Operating income (loss)	<u>1,417,028</u>	<u>386,707</u>	<u>(702,862)</u>	<u>-</u>	<u>1,100,873</u>	<u>114,544</u>
Non-Operating Revenues (Expenses)						
Investment income	1,732	1,722	1,314	2	4,770	-
Interest on bonds and note obligations	(249,211)	(132,091)	-	-	(381,302)	-
Gain (losses) on disposal of capital assets	2,025	451	(17,321)	-	(14,845)	-
Other revenue	26,018	945	12,540	-	39,503	-
Total non-operating revenue (expenses)	<u>(219,436)</u>	<u>(128,973)</u>	<u>(3,467)</u>	<u>2</u>	<u>(351,874)</u>	<u>-</u>
Income (loss) before contributions and transfers	1,197,592	257,734	(706,329)	2	748,999	114,544
Capital grants and contributions	5,250	3,000	85,000	-	93,250	-
Transfers from other funds	-	-	585,300	-	585,300	-
Change in net position	1,202,842	260,734	(36,029)	2	1,427,549	114,544
Total net position - beginning	<u>9,455,276</u>	<u>7,191,217</u>	<u>1,536,244</u>	<u>305,586</u>	<u>18,488,323</u>	<u>210,942</u>
Total net position - ending	<u>\$ 10,658,118</u>	<u>\$ 7,451,951</u>	<u>\$ 1,500,215</u>	<u>\$ 305,588</u>	<u>\$ 19,915,872</u>	<u>\$ 325,486</u>

See accompanying notes and independent auditor's report.

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds					
	Water Board	Sanitary Board	Board of Park Commissions	Nonmajor Enterprise Fund Parking	Total Enterprise Funds	Internal Service Fund-Gasoline
Cash Flows from Operating Activities						
Cash received from customers	\$ 4,543,438	\$ 3,066,618	\$ 263,382	\$ -	\$ 7,873,438	\$ 96,858
Cash received for internal services	-	-	-	-	-	342,989
Cash payments to suppliers for goods and services	(1,441,801)	(775,998)	(346,533)	-	(2,564,332)	(335,664)
Cash payments to employees and professional contractors for services	(1,619,989)	(1,630,711)	(489,119)	-	(3,739,819)	-
Payments (to) for internal services	(30,156)	(20,593)	(3,065)	-	(53,814)	-
Other operating revenues and grants received	21,000	42,865	69,855	-	133,720	-
Net cash provided (used) by operating activities	<u>1,472,492</u>	<u>682,181</u>	<u>(505,480)</u>	<u>-</u>	<u>1,649,193</u>	<u>104,183</u>
Cash Flows from Non-Operating Activities						
Other non-operating revenues	26,018	947	12,540	-	39,505	-
Net cash provided by non-operating activities	<u>26,018</u>	<u>947</u>	<u>12,540</u>	<u>-</u>	<u>39,505</u>	<u>-</u>
Cash Flows from Non-Capital Financing Activities						
Transfers from other funds	-	-	533,775	-	533,775	-
Net cash provided by non-capital financing activities	<u>-</u>	<u>-</u>	<u>533,775</u>	<u>-</u>	<u>533,775</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities						
Acquisition and construction of capital assets	(608,163)	(591,485)	(67,117)	-	(1,266,765)	-
Proceeds from sale of capital assets	2,900	451	-	-	3,351	-
Proceeds from issue of bonds, bond anticipation notes, notes, and capital leases	491,834	533,044	-	-	1,024,878	-
Principal paid on bonds, notes and capital leases	(583,371)	(552,663)	-	-	(1,136,034)	-
Interest paid on bonds and notes	(217,101)	(96,617)	-	-	(313,718)	-
Capital contributions and grants received	5,250	3,000	85,000	-	93,250	-
Net cash provided (used) by capital and related financing activities	<u>(908,651)</u>	<u>(704,270)</u>	<u>17,883</u>	<u>-</u>	<u>(1,595,038)</u>	<u>-</u>
Cash Flows from Investing Activities						
Investment income	1,732	1,722	776	2	4,232	-
Net cash provided (used) by investing activities	<u>1,732</u>	<u>1,722</u>	<u>776</u>	<u>2</u>	<u>4,232</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	591,591	(19,420)	59,494	2	631,667	104,183
Cash and cash equivalents - beginning	1,101,925	1,208,711	409,692	1,005	2,721,333	169,814
Cash and cash equivalents - ending	<u>\$ 1,693,516</u>	<u>\$ 1,189,291</u>	<u>\$ 469,186</u>	<u>\$ 1,007</u>	<u>\$ 3,353,000</u>	<u>\$ 273,997</u>

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2021

	Business-Type Activities - Enterprise Funds					
	Water Board	Sanitary Board	Board of Park Commissions	Nonmajor Enterprise Fund Parking	Total Enterprise Funds	Internal Service Fund-Gasoline
Reconciliation of Operating Income (Loss) to Net Cash						
Provided (Used) by Operating Activities						
Operating income (loss)	\$ 1,417,028	\$ 386,707	\$ (702,862)	\$ -	\$ 1,100,873	\$ 114,544
Adjustment to reconcile operating income (loss) to net cash provided						
(used) by operating activities						
Depreciation	644,393	507,024	202,002	-	1,353,419	-
Changes in assets and liabilities:						
(Increase) decrease in accounts receivable	(174,175)	(1,574)	-	-	(175,749)	(16,291)
(Increase) decrease in due from other funds	(38,514)	(58,295)	-	-	(96,809)	5,235
(Increase) decrease in inventories	5,245	-	-	-	5,245	-
(Increase) decrease in prepaid expenses	-	-	(7,958)	-	(7,958)	-
(Increase) decrease in OPEB related deferred outflows of resources	9,512	26,149	-	-	35,661	-
(Increase) decrease in pension related deferred outflows of resources	(131,502)	(117,326)	(28,581)	-	(277,409)	-
Increase (decrease) in accounts payable	(84,715)	(22,547)	6,129	-	(101,133)	695
Increase (decrease) in wages and benefits payable	(563)	8,575	9,163	-	17,175	-
Increase (decrease) in due to other funds	(51,484)	(2,945)	857	-	(53,572)	-
Increase (decrease) in compensated absences	3,820	(7,812)	(368)	-	(4,360)	-
Increase (decrease) in net OPEB liability	(514,598)	(337,906)	-	-	(852,504)	-
Increase (decrease) in net pension liability	197,679	167,667	41,042	-	406,388	-
Increase (decrease) in OPEB related deferred inflows of resources	262,079	192,282	(4,924)	-	449,437	-
Increase (decrease) in pension related deferred inflows of resources	(71,713)	(57,818)	(19,980)	-	(149,511)	-
Net cash provided (used) by operating activities:	<u>\$ 1,472,492</u>	<u>\$ 682,181</u>	<u>\$ (505,480)</u>	<u>\$ -</u>	<u>\$ 1,649,193</u>	<u>\$ 104,183</u>
Reconciliation of Cash and Cash Equivalents						
Cash and cash equivalents	\$ 610,960	\$ 123,693	\$ 469,186	\$ 1,007	\$ 1,204,846	\$ 273,997
Restricted cash and cash equivalents	<u>1,082,556</u>	<u>1,065,598</u>	<u>-</u>	<u>-</u>	<u>2,148,154</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 1,693,516</u>	<u>\$ 1,189,291</u>	<u>\$ 469,186</u>	<u>\$ 1,007</u>	<u>\$ 3,353,000</u>	<u>\$ 273,997</u>

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
June 30, 2021

	Pension Trust Funds
Assets	
Cash and cash equivalents	\$ 660,133
Due from other funds	78,221
Investments, at fair value:	
Money markets	1,068,232
Corporate obligations	214,148
Mutual funds	10,106,233
Equities	15,381,476
Total investments	26,770,089
Total assets	27,508,443
Liabilities	
Due to other funds	41,312
Total liabilities	41,312
Net Position	
Net position held in trust	\$ 27,467,131

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION - FIDUCIARY FUNDS
For the Fiscal Year Ended June 30, 2021

	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 2,467,779
Plan members	326,191
Insurance premium tax allocation	712,047
Total contributions	3,506,017
Investment income	
Interest and dividends	409,939
Net realized and unrealized gains (losses)	4,538,390
Less: investment expense	(74,749)
Net investment income	4,873,580
Other income	510
Total additions	8,380,107
Deductions	
Benefits and refunds	2,447,414
Administrative	14,093
Total deductions	2,461,507
Change in net position	5,918,600
Net position held in trust for pension benefits	
Beginning of year	21,548,531
End of year	\$ 27,467,131

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting framework and the more significant accounting principles and practices of the City of Weirton, West Virginia (the City) conform to generally accepted accounting principles as applicable to governmental units and are discussed in subsequent sections of this Note. The remainder of the Notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ended June 30, 2021.

A. Reporting Entity

The City is a charter city in which citizens elect the mayor at large and seven council members by wards. The accompanying financial statements present the City's primary government and its component unit. This blended component unit, although a legally separate entity, is in substance part of the City's operations. The Library is reported as a blended component unit as a nonmajor governmental fund.

B. Related Organizations

Related organizations are excluded from the financial reporting entity because the City's accountability does not extend beyond making appointments. Financial statements are available from the respective organizations. Related organizations are described as follows:

City of Weirton Housing Authority

Administers federal funding and/or other financing for improvement of housing conditions in the City. The five citizens who serve as the governing board are approved by the City Council. The City has no significant influence over the management, budget, or policies of the Housing Authority. The Housing Authority reports independently.

City of Weirton Transit Authority

Administers federal funding and/or other financing for operating a bus transportation system in the City. The eleven citizens who serve as the governing board are approved by the City Council. The City has no significant influence over the management, budget, or policies of the Transit Authority. The Transit Authority reports independently.

City of Weirton Redevelopment Authority

Administers federal funding and/or other financing for the redevelopment of real estate within the City. The six citizens who serve as the governing board are approved by the City Council. The City has no significant influence over the management, budget, or policies of the Redevelopment Authority. The Redevelopment Authority reports independently.

C. Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financials. Governmental activities, which normally are supported by taxes, intergovernmental revenues and other nonexchange transactions, are reported separately from business-type activities, which rely, to a significant extent on fees and charges to external customers for support.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

D. Basis of Presentation, Measurement Focus, and Basis of Accounting

1. Basis of Presentation – Government – Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and the internal service fund, while the business-type activities incorporate data from the government's enterprise funds. 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. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

2. Basis of Presentation – Fund Financial Statements

The accounts of the City are organized on the basis of funds or group of accounts, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, deferred inflows of resources, fund balances, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate financial statements for each fund category - governmental, proprietary, and fiduciary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds in a single column.

The City reports the following major governmental fund types and funds:

General Fund - The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds - Special revenue funds are used to account for the specific revenue sources that are restricted, committed, or assigned to expenditure for specified purposes. The City reports the following as major special revenue funds:

Coal Severance Fund - This special revenue fund accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia municipalities.

TIF Fund - This special revenue fund accounts for revenues and expenditures from property tax levied with the TIF district.

ARPA Fund - This special revenue fund accounts for the federal funding received under the American Rescue Plan Act (ARPA) of 2021 for Covid-19 expenses and for necessary investments in infrastructure.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The City reports the following proprietary fund types and funds:

Enterprise funds – Enterprise funds are employed to report on activities financed primarily by revenues generated by the activities themselves.

Proprietary Funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The City reports the following major proprietary funds.

Water Board Fund - This fund accounts for the revenues and expenses generated by water services provided to the residents of the City as well as other entities.

Sanitary Board Fund - This fund accounts for the revenues and expenses generated by sewage services provided to the residents of the City as well as other entities.

Board of Park Commissions Fund - This fund accounts for the revenues and expenses generated by recreational facilities and services provided to the residents of the City.

Internal Service Fund - The internal service fund is used to account for operations that provide, on a user charge basis, services to other departments. The City's only internal service fund is the Gasoline Fund. As a general rule, the effect of internal service activity has been eliminated from the governmental-wide financial statements. However, it is reported as a proprietary fund in the fund financial statements.

The City reports the following fiduciary funds types and funds:

Pension Trust Funds - Report fiduciary resources held in trust and the receipt, investment, and distribution of retirement benefits. The City's pension trust funds are limited to uniformed employees (policemen and firemen).

During the course of operations, the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in preparation of the government-wide financial statements.

Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In the fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

3. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and pending litigation are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, business and occupation taxes, utility excise taxes, hotel/motel taxes, wine/liquor sales taxes, other miscellaneous tax revenue, video lottery proceeds, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. 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. All other revenue items are considered to be measurable and available only when the government receives cash.

The proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

E. Assets, Deferred Outflows, Liabilities, Deferred Inflows and Net Position/Fund Balance

1. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents. Cash and cash equivalents in governmental funds include cash on hand, deposits with financial institutions or fiscal agents, and money market deposits with trust departments.

2. Investments

The City reports its investments at fair value as determined primarily by quoted market prices and matrix pricing of similar debt securities, except for 1) non-participating investment contracts (nonnegotiable certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair market value and 2) investments held by 2a-7 like external investment pools such as the WV Money Market and WV Government Money Market pools, which are measured at amortized cost, as permissible under Governmental Accounting Standards Board (GASB) Statement No. 31, as amended by GASB Statements No. 72 and 79. All investment income, including changes in fair market value of investments, are recognized as revenue in the operating statement. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

CITY OF WEIRTON, WEST VIRGINIA
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The investment policy for the City, including the Pension funds, follows the guidelines established under Section 8-22-22a of the West Virginia State Code. State statutes authorize the City to invest in the Municipal Bond Commission, obligations of the United States or any agency thereof, obligations of the state, and high graded debt of private corporations. In addition to the above, the Pension funds can also invest in equities and mutual funds. The City does not have a policy for concentration of credit, interest, and credit risk in addition to the state's governing statutes.

3. Restricted Assets

Certain proceeds of the proprietary funds revenue bonds, as well as certain resources set aside for their bond repayment, maintenance and construction, are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond covenants and/or public service commission requirements.

Total restricted assets, which consist of interest-bearing checking accounts and deposits with the West Virginia Municipal Bond Commission, amounted to \$7,214,168.

4. Trade Receivables

All trade receivables are shown at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

5. Inventories

All funds, except the Water Board, consider inventories as expenditures at the time of purchase; therefore, they do not appear on the City's financial statements. Inventory for the Water Board is stated at cost.

6. Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net position and or fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that time.

7. Capital Assets and Depreciation

The City's property, plant, equipment, and proprietary fund infrastructure and governmental fund infrastructure purchased or constructed after June 30, 1980 with useful lives of more than one year are stated at historical cost, or estimated historical cost, if actual cost is unavailable, and are comprehensively reported in the government-wide financial statements. Proprietary capital assets are also reported in their respective fund financial statements. Donated assets are stated at fair value on the date donated. The City generally capitalizes assets with a cost of \$5,000 or more as acquisition and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Infrastructure recorded by the City includes roads/streets, alleys, bridges, trails, and trail bridges.

CITY OF WEIRTON, WEST VIRGINIA
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Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset-type</u>	<u>Years</u>
Land Improvements	5-70
Building and improvements	5-70
Infrastructure	10-50
General plant	20-50
Furniture, machinery, and equipment	4-45

8. Capitalized Interest

The City capitalizes net interest costs on funds borrowed to finance the construction of capital assets. During the year ended June 30, 2021, there was \$46,806 and \$52,029 from the Water Board and Sanitary Board, respectively in interest which required capitalization.

9. Compensated Absences

Full-time, permanent employees are granted vacation, other paid time off and comp time benefits in varying amounts to specified maximums depending on tenure with the City. Employees are entitled to their accrued vacation leave upon termination. The estimated liabilities include required salary-related payments. Compensated absences are reported as accrued in the government-wide and proprietary financial statements. The current portion of this debt is estimated based on historical trends. Governmental funds report only the compensated absences liability payable from expendable, available financial resources in the fund financial statements.

10. Long – Term Debt

In the government-wide and proprietary financial statements, outstanding debt is reported as liabilities. Bond discounts and premiums are amortized over the terms of the respective bonds using the straight-line method. Debt discounts and premiums are netted against the respective portions of current and non-current bonds payable on the government-wide statement of net position. 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 are expensed as incurred.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

11. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position and or fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

12. Net Position

Net position presents the difference between assets and liabilities in the statement of net position. Net position is reported as restricted when there are legal limitations imposed on their use by external restrictions by creditors, grantors, laws or regulations of other governments. Net position is reported as invested in capital assets for the portion of net position related to the historical cost of capital assets less any accumulated depreciation and less any debt that remains outstanding that was used to finance those capital assets. All other net position is reported as unrestricted. When an expense is incurred that can be paid using either restricted or unrestricted resources, the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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13. Fund Balance

The City's fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable	The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact.
Restricted	A fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or are imposed by law through constitutional provisions or enabling legislation.
Committed	The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action. The City's highest level of decision-making authority is City Council. Formal action is required to be taken to establish, modify or rescind a fund balance commitment is through an ordinance.
Assigned	Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts are intended uses established by City Council or a City official delegated with that authority.
Unassigned	Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications.

The City applies restricted resources first when expenditures are incurred for the purposes for which either restricted, committed, assigned, or unassigned amounts are available. Similarly, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these fund balance classifications could be used.

14. Estimates

The presentation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from these estimates.

15. Pension

For purposes of measuring the net pension asset and liability and deferred outflows/inflows of the resources related to pensions, and pension expense, information about the fiduciary net positions of the West Virginia Public Employee Retirement System (PERS) and the West Virginia Municipal Police Officer and Firefighter Retirement System (MPFRS) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the PERS and MPFRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

16. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/inflows of the resources related to OPEB, and OPEB expense, information about the fiduciary net position of the West Virginia Retiree Health Benefits Trust Fund (RHBT) and additions to/deductions from the RHBT's fiduciary net position have been determined on the same basis as they are reported by the RHBT. RHBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

17. Change in Accounting Principle

Effective July 1, 2020, the City adopted GASB Statement No. 84, *Fiduciary Activities*. The objective of the requirements of this statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The City's previously reported Agency Fund no longer meets the criteria of a fiduciary activity and is included with the General Fund. There is no effect on beginning net position or fund balance.

F. Revenues and Expenditures/Expenses

1. Program Revenues

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.

2. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Sanitary Board, Water Board, Board of Park Commissions Fund, and Internal Service Fund are charges to customers for sales and services. Operating expenses for the enterprise funds and the internal service fund include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE II - TRANSFERS

Transfers and payments within the reporting entity are primarily for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis. Resources are accumulated in a fund to support and simplify the administration of various projects or programs.

Substantial operating subsidies are provided by the General Fund to the Board of Park Commissions as well as during the year the Gasoline fund transferred capital assets to the General Fund. Such payments are reported as transfers in the accompanying financial statements. These payments are detailed in the schedule below.

The government-wide statement of activities eliminates transfers as reported within the segregated governmental and business-type activities columns. Only transfers between the two columns appear in this statement.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The following schedule reports transfers and payments within the primary government reporting entity for the year ended June 30, 2021:

	Major governmental fund
	General fund
Governmental activities	
Nonmajor governmental funds	\$ 419,595
Business – type activities	
Major enterprise funds	
Board of park commissions	585,300
Total transfers	\$ 1,004,895

NOTE III – PROPERTY TAXES

Real property taxes attach as an enforceable lien on all real property on which taxes are assessed on July first. There is no lien denominated as such on personal property. However, statutes provide that the sheriff of a county may distrain for delinquent taxes any goods and chattels belonging to a person assessed. All current taxes assessed on real and personal property may be paid in two installments; the first installment is payable on September first of the year for which the assessment is made and becomes delinquent on October first, and the second installment is payable on the first day of the following March and becomes delinquent on April first.

Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If taxes are not paid on or before the date on which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until paid.

The sheriff of each county, as ex officio county treasurer, collects all taxes levied in that particular county. Each month the sheriff is required to pay all monies collected for any municipal corporation into the respective treasury of that municipality, payment to be made on or before the tenth day of each month for all monies collected during the preceding month. After the sheriff has collected eighty-five percent of the combined total of all taxes assessed on real and personal property, the sheriff is allowed a commission of two and one-half percent, not to exceed \$15,000, on the remainder of the taxes actually collected, exclusive of interest and charges thereon. The commission so allowed is charged against the various funds for which the taxes are collected.

All municipalities within the state are authorized to levy taxes not in excess of the following maximum levies per \$100 of assessed valuation: Class I property, twelve and five-tenths cents (12.5 cents); on Class II property, twenty-five cents (25.0 cents); and on class IV property, fifty cents (50.0 cents). In addition, counties may provide for an election to lay an excess levy, the rates not to exceed statutory limitations, provide that at least sixty percent of the votes cast ballots in favor of the excess levy.

The levy rates of the City for the fiscal year ended June 30, 2021 were assessed as follows:

Assessed class of property	Assessed valuation for tax purposes	Current expense
Class I	\$ -	12.5 cents
Class II	300,870,100	25.0 cents
Class IV	445,911,450	50.0 cents

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

NOTE IV – BUDGETARY INFORMATION

The General Fund and Coal Severance Tax Fund appropriated budgets are prepared on a detailed line-item basis. This detail is then submitted to the West Virginia State Auditor’s Office, Chief Inspector Division, for approval. Revenues are budgeted by source. Expenditures are budgeted by department. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions require approval by the City Council. Revisions that change a “departmental total” must also have approval of the West Virginia State Auditor, Chief Inspector. Revisions to the budget were made throughout the year.

The budgets for the General Fund and Coal Severance Tax Fund are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be issued. The budget and actual financial statements are reported on this basis. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end.

NOTE V – STABILIZATION FUND

City Council has established, through ordinance, a stabilization fund to set aside amounts to be used in emergency situations or for short-term cash flow purposes. The City maintains the stabilization fund within the general fund. As of June 30, 2021, the balance of the stabilization fund is \$4,978,097.

NOTE VI – DEPOSITS AND INVESTMENTS

1. Custodial Credit Risk

Deposits - The City has \$16,154,283 in deposits with financial institutions collateralized by securities held by pledging financial institutions or their agents in the City's name as of June 30, 2021.

Investments - As of June 30, 2021, the City held the following investments:

	Level (Note VII)	Governmental	Fiduciary	Business – type activities	Total
Money markets	1	\$ 4,380,596	\$ 1,068,232	-	\$ 5,448,828
Certificate of deposits	*	-	-	195,564	195,564
Corporate obligations	2	-	214,148	-	214,148
Mutual funds	1	-	10,106,233	-	10,106,233
Equities	1	-	15,381,476	-	15,381,476
Municipal bond commission	**	-	-	1,178,747	1,178,747
Total Investments		<u>\$ 4,380,596</u>	<u>\$ 26,770,089</u>	<u>\$ 1,374,311</u>	<u>\$ 32,524,996</u>

**Certificate of Deposits*: The City has determined that certificates of deposit held by the City do not meet the definition of a security as defined by Statement No. 72 of the Governmental Accounting Standards Board, *Fair Value Measurement and Application*, and are therefore not subject to the disclosure requirements.

***Municipal Bond Commission*: The City’s business-type activities investments include funds held at the WV Municipal Bond Commission (MBC) for the revenue bond issuances. The funds held by the MBC are invested in the WV Government Money Market Pool at the WV Board of Treasury Investments (BTI), through the West Virginia State Treasury. The investment of the WV Government Money Market Pool is carried at amortized cost and measured at amortized cost for financial reporting purposes. Additional information regarding the pool as well as the most recent financial statements can be found at www.wvbti.org.

CITY OF WEIRTON, WEST VIRGINIA
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The West Virginia Legislature created the MBC to act as the fiscal agent/trustee for bond issuances of the State and its political subdivisions. The oversight of the MBC 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 sinking fund accounts. Standard and Poor's has recognized this annual Legislative appropriation and the MBC's management as a Credit Enhancement Program.

2. Concentration of Credit, Interest Rate, and Credit Risks

Governmental and Proprietary Funds – On the Statement of Net Position and Balance Sheet, the governmental and proprietary money market funds, certificates of deposit, and mutual funds are included in investments and the Municipal Bond Commission is included in restricted cash and cash equivalents. All of the governmental and proprietary investments are insured or registered securities held by the City or its agent in the City's name. The governmental and proprietary investments are rated using Standard & Poor's and Moody's Investment Services.

The interest rate and credit risk ratings of these investments are as follows:

	Interest Rate and Credit Risk Ratings	
	Maturity Range	Credit Quality Rating Range
Money markets and certificates of deposit	Less than 1 year	N/A
Bond mutual funds	Not available	Not rated
Municipal bond commission pool	Less than 1 year	Not rated

In accordance with GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, external investment pools are excluded from the requirements of concentration of credit risk.

Fiduciary Funds – On the Statement of Fiduciary Net Position, the fiduciary money market funds, government agency obligations, municipal obligations, corporate obligations, mutual funds, and common stock are included in investments. All of the fiduciary funds' investments are insured or registered securities held by the City or its agent in the City's name. The fiduciary investments are rated using Moody's Investment Services. The credit risk ratings of these investments are as follows:

At year end, the City Policemen's Pension Fund had the following investments:

	Level (Note III.A.4)	Fair Value	Credit Risk Rating
Wesbanco Bank Inc. Premium Yield	1	\$ 830,560	
Total Mutual Funds	1	4,440,825	
Total Equities	1	6,127,439	
Total Investments		\$ 11,398,824	

At year end, the City Firemen's Pension Fund had the following investments:

	Level (Note III.A.4)	Fair Value	Credit Risk Rating
Federated U.S. Treasury Cash Reserves	1	\$ 237,672	
Corporate Obligations –			
Wells Fargo	2	107,821	A2
Bristol – Myers Squibb	2	106,327	A2
Total Corporate Obligations		214,148	
Total Mutual Funds	1	5,665,408	
Total Equities	1	9,254,037	
Total Investments		\$ 15,371,265	

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

NOTE VII – FAIR VALUE

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Methodologies

The following is a description of the valuation methodologies used by the City. There have been no changes in the methodologies of the City's investments.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the City are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the City are actively traded.

Equities and money market funds: Valued at the closing price in the active market in which the security is traded.

Corporate Obligations: Valued at closing price in the active market in which the security is traded.

NOTE VIII – RECEIVABLES AND UNCOLLECTIBLE ACCOUNTS

Governmental Funds

Taxes receivable include business and occupation taxes, municipal sales tax, property taxes, utility excise taxes, wine and liquor taxes, and hotel and motel taxes. Charges for services include amounts due from customers for police and fire service fees and sanitation services. These receivables are due within one year. Certain funds report accounts receivable net of an allowance for uncollectible accounts and revenues net of uncollectibles. Related amounts are shown in the following table:

<u>Receivable Type</u>	<u>General Fund</u>	<u>Coal Severance</u>	<u>TIF</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Taxes	\$ 2,480,284	\$ 11,236	\$ 10,212	\$ -	\$ 2,501,732
Charges for services	1,758,119	-	-	-	1,758,119
Fees and other receivables	12	-	-	-	12
Intergovernmental	2,578	-	-	356,724	359,302
Less: Allowance for uncollectible accounts	<u>(1,318,705)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,318,705)</u>
Net accounts receivable	<u>\$ 2,922,288</u>	<u>\$ 11,236</u>	<u>\$ 10,212</u>	<u>\$ 356,724</u>	<u>\$ 3,300,460</u>
Uncollectible amounts netted with revenues	<u>\$ 17,853</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,853</u>

Proprietary Funds

Receivables include amounts due from customers primarily for water and sewer services. These receivables are due within one year. Certain enterprise funds report accounts receivable net of an allowance for uncollectible accounts and revenues net of uncollectibles. The allowance amount is estimated using accounts receivable past due more than 90 days. Related amounts are shown in the following table:

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

	<u>Water Board</u>	<u>Sanitary Board</u>	<u>Total</u>
Accounts receivable	\$ 901,188	\$ 587,182	\$ 1,488,370
Less: Allowance for uncollectible accounts	<u>(73,592)</u>	<u>(65,747)</u>	<u>(139,339)</u>
Net accounts receivable	<u>\$ 827,596</u>	<u>\$ 521,435</u>	<u>\$ 1,349,031</u>
Uncollectible amounts netted with revenues	<u>\$ 24,800</u>	<u>\$ (18,991)</u>	<u>\$ 5,809</u>

NOTE IX – MINIMUM LEASE OBLIGATION

Governmental Activities

The City has five outstanding lease agreements which were made for the purchase of general equipment, a street truck, two dump trucks, and a sanitation truck. The cost and accumulated depreciation for assets under capital lease were \$833,368 and \$187,438, respectively.

Business-Type Activities

The City has two outstanding lease agreements which were made for the purchase of one vacuum truck and one dump truck. The cost and accumulated depreciation for assets under capital lease were \$384,713 and \$182,850, respectively.

The total lease payments less interest costs are as follows:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
2022	\$ 265,856	\$ 71,412
2023	174,247	71,319
2024	30,528	23,934
2025	30,257	-
Total capital leases payable	<u>500,888</u>	<u>166,665</u>
Less: Interest costs	<u>(14,277)</u>	<u>(7,483)</u>
Present value of future minimum lease payments	<u>486,611</u>	<u>159,182</u>
Less: Current portion	<u>(254,061)</u>	<u>(66,656)</u>
Capital leases, non-current	<u>\$ 232,550</u>	<u>\$ 92,526</u>

**CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

NOTE X – CAPITAL ASSETS

Construction in progress

Active construction in progress is composed of the following:

	Expended	Remaining Commitment
<i>Governmental Activities</i>		
Development	\$ 1,052,544	\$ -
 <i>Business – Type Activities</i>		
Water Board		
Water Plant Expansion	\$ 873,595	\$ 426,405
Sanitary Board		
Sanitary Plant Expansion	925,990	374,010
Total Business-Type Activities	\$ 1,799,585	\$ 800,415

Business-type activities include construction funded with user charges, capital contributions, and BAN or bond proceeds.

Depreciation

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

<i>Governmental activities</i>		<i>Business – type activities</i>	
General Government	\$ 206,943	Water Board	\$ 644,393
Public Safety	379,243	Sanitary Board	507,024
Highways and Streets	557,290	Board of Park Commissions	202,002
Health and Sanitation	89,669		\$ 1,353,419
Culture and Recreation	151,526		
	\$ 1,384,671		

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

A summary of changes in fixed assets for the fiscal year ended June 30, 2021 is as follows:

Governmental Activities	Balance 06/30/2020	Additions	Deductions	Balance 06/30/2021	Accumulated Depreciation Prior Years	Depreciation Expense Current Year	Deductions	Net Balance 6/30/2021
Non-Depreciable capital assets								
Land	\$ 913,146	\$ -	\$ -	\$ 913,146	\$ -	\$ -	\$ -	\$ 913,146
Construction in progress	1,027,445	25,099	-	1,052,544	-	-	-	1,052,544
Depreciable capital assets								
Land improvements	1,900,098	-	-	1,900,098	1,894,051	4,271	-	1,776
Infrastructure	20,345,311	1,559,313	-	21,904,624	6,083,389	372,622	-	15,448,613
Buildings and improvements	9,201,664	245,908	-	9,447,572	6,883,726	201,991	-	2,361,855
Vehicle and equipment	16,699,911	619,433	-	17,319,344	12,373,129	805,787	-	4,140,428
Total Governmental	<u>\$ 50,087,575</u>	<u>\$ 2,449,753</u>	<u>\$ -</u>	<u>\$ 52,537,328</u>	<u>\$ 27,234,295</u>	<u>\$ 1,384,671</u>	<u>\$ -</u>	<u>\$ 23,918,362</u>
Business- Type Activities								
Non-Depreciable capital assets								
Land	\$ 477,945	\$ -	\$ -	\$ 477,945	\$ -	\$ -	\$ -	\$ 477,945
Construction in progress	558,379	1,241,206	-	1,799,585	-	-	-	1,799,585
Depreciable capital assets								
Land improvements	194,131	-	(42,885)	151,246	176,440	2,500	(42,885)	15,191
Infrastructure	51,917,182	-	-	51,917,182	31,811,906	632,017	-	19,473,259
Buildings and improvements	10,239,757	7,894	(11,415)	10,236,236	6,150,913	288,594	(8,512)	3,805,241
Vehicle and equipment	6,115,905	121,142	(205,152)	6,031,895	3,029,642	307,646	(189,703)	2,884,310
General plant facilities	6,515,529	-	-	6,515,529	1,981,980	122,662	-	4,410,887
Total Business-Type	<u>\$ 76,018,828</u>	<u>\$ 1,370,242</u>	<u>\$ (259,452)</u>	<u>\$ 77,129,618</u>	<u>\$ 43,150,881</u>	<u>\$ 1,353,419</u>	<u>\$ (241,100)</u>	<u>\$ 32,866,418</u>

**CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

NOTE XI – SHORT TERM DEBT

Note Payable

On April 30, 2020, the City received a loan in the amount \$64,563 under the Paycheck Protection Program (PPP) through the Small Business Administration (SBA).

The PPP, established as part of the Coronavirus Aid Relief and Economic Security Act (CARES Act), provides loans to qualifying entities for an amount up to two and one-half times of the average monthly payroll expenses. The loan and accrued interest are forgivable after a twenty-four-week period as long as the entity uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of the loan forgiveness will be reduced if the entity terminates employees or reduces salaries during the twenty-four-week period.

The City met the conditions for forgiveness of the loan and the loan has been forgiven as of June 30, 2021.

NOTE XII – LONG TERM DEBT

Revenue Bonds

Revenue bonds outstanding as of June 30, 2021 consist of debt issued by the City for its water and sewer treatment facilities. The debt is payable solely from and secured by a pledge of the gross revenues to be derived from the operation of the treatment facilities.

Bond indentures contain significant requirements for annual debt service and flow of funds through various restricted accounts. The general bond indentures and their supplements for the bonds require the use of revenue, depreciation, operations and maintenance, reserve, construction, renewal and replacement, rebate and sinking fund accounts.

The annual debt service requirements to maturity for bond debt as of June 30, 2021 are as follows:

<u>Year Ending June 30</u>	<u>Water Board</u>		<u>Sanitary Board</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 550,576	\$ 214,666	\$ 498,269	\$ 115,899
2023	564,486	200,755	508,308	105,858
2024	578,572	186,670	518,552	95,616
2025	593,431	171,813	528,999	85,169
2026	608,493	156,750	539,661	74,507
2027-2031	2,841,621	556,586	2,010,875	230,321
2032-2036	2,051,861	222,133	1,376,350	59,224
2037-2039	495,485	14,035	-	-
Total	<u>\$ 8,284,525</u>	<u>\$ 1,723,408</u>	<u>\$ 5,981,014</u>	<u>\$ 766,594</u>

Additional Debt Disclosure

	<u>Amount of Original Issue</u>	<u>Ranges of Final Maturity Date</u>	<u>Ranges of Interest Rates</u>
Water Board	\$ 11,951,208	2028-2038	2% - 3.52% plus .50-1% administration fee
Sanitary Board	<u>10,103,404</u>	2028-2035	2% plus 1% administration fee
Total	<u>\$ 22,054,612</u>		

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Bond Anticipation Notes (BANs)

The City issued \$2,600,000 of BANs on April 29, 2020 through the West Virginia Development Authority to finance the cost of the design of expansion to the existing public combined waterworks and sanitary system. The BANs mature on May 1, 2022. The City plans to issue long-term revenue bonds prior to the maturity date of the BANs to finance the remainder of the expansion projects. Prior to the issuance of the bonds, the City will be required to adopt a rate increase. Semiannual interest payments at a fixed rate of 2.90% are required based on the amount of principal advanced. The outstanding balances as of June 30, 2021 were \$757,593 and \$842,534 for the Water Board and Sanitary Board, respectively, as the BANs had not been fully drawn down yet. There were no principal payments in the current year. Interest payments were capitalized as part of the project costs.

	Payable at June 30, 2020	Additions	Deductions	Payable at June 30, 2021
Business Type Activities				
Major enterprise funds				
Water Board	\$ 217,369	\$ 540,584	\$ -	\$ 757,953
Sanitary Board	254,919	587,615	-	842,534
Total Business Type Activities	<u>\$ 472,288</u>	<u>\$ 1,128,199</u>	<u>\$ -</u>	<u>\$ 1,600,487</u>

Notes Payable – Direct Borrowing

The City entered into a loan agreement with a local bank to finance improvements to water facilities. A description of this loan activity is as follows:

	Maturity Date	Issued	Retired	Balance
Business - Type Activities				
United Bank	7/28/2029	\$550,000	87,026	\$462,974

Interest Rate – The interest rate on this note is 4.5% per annum from January 29, 2019 until January 29, 2023. The rate may change on January 29, 2023 and every 5 years thereafter based on the Federal Home Loan Bank rate – 5 year amortizing in effect on the date of change plus 2.5 percentage points. The interest rate will never be greater than 8.0% or less than 3.5%.

Significant Default and Termination Events with Finance Related Consequences

The note contains provisions in the agreement with the lender which provide for the security (collateral) for the borrowing as well as default provisions and/or termination events with finance-related consequences for the City. Furthermore, the agreement may have subjective loan acceleration clauses. The following provides a description of the significant conditions present in the agreement.

Covenants

- **Notices of Claims and Litigation/Notice of Adverse Events** - City will promptly notify Lender in writing of all threatened and actual litigation, governmental proceeding, default, and every other occurrence that may have a material adverse effect on City's business, financial condition, or the property.
- **Insurance** - City will maintain adequate fire and extended risk insurance coverage, business interruption, workers' compensation, commercial general liability, and other insurance required by law or as may be required by Lender. If the City fails to maintain required insurance, the absence of the required insurance will be an Event of Default.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

- **Confirmatory Documents and Actions** - City agrees that on Lender's request, City will do any act or execute any additional documents that are or may be required to make the terms of the Loan conform to the conditions contained in Lender's commitment to City.
- **Payment of taxes** - City will pay all taxes, levies, and assessments required by all local, state, and federal agencies. City's failure to promptly pay any tax, levy, or assessment due will be an Event of Default unless City is diligently disputing the amount and City has established a reserve account for the payment of the taxes if City does not prevail in the dispute.
- **Business Existence and Operations** - City will keep City's existence in its current organizational form in full force and effect unless Lender gives prior written consent to City's proposed change. City will not sell or merge City's business or any part of City's business without the Lender's prior written consent, City will continue its business as currently conducted. City will not change its name, its identification number, or its place of organization without Lender's prior written consent. City will keep its books and records at the address in this Agreement. City will promptly notify Lender in writing of any planned change in City's principal place of business.
- **Environmental Compliance** - City will comply with all laws affecting the environment.
- **Use of Proceeds** - City will use the Loan proceeds in its business.
- **No Encumbrances or Transfer of Assets** - City will not mortgage, assign, hypothecate, or encumber any of the Property except to Lender without Lender's prior written permission. City will not sell, transfer, or assign any of the Property without Lender's prior written permission. City will not merge, consolidate, sell, transfer, license, lease, encumber or otherwise dispose of City's Property or City's business.
- **Other Information** - City will submit Annual Financial Statements within 120 days after the end of each fiscal Year in form acceptable to Lender.

Default Events

- **Noncompliance with Lender Agreements** - Default by City under any provision of this Agreement, the Related Documents, or any other agreement with Lender.
- **False Statements** - If a Party made or makes a false or misleading misrepresentation in this Agreement, in the Related Documents, in any supporting material submitted to Lender or to third parties providing reports to Lender, or in Financial Statements given or to be given to Lender
- **Material Adverse Change** - Any material adverse change in the City's business, financial condition, or the Property has occurred or is imminent; if the full performance of the obligations of any Party is materially impaired; or if the Collateral and its value or Lender's rights with respect thereto are materially impaired in any way.
- **Insolvency or Liquidation** - A Party voluntarily suspends transaction of its business or does not generally pay debts as they mature.
- **Default on Unrelated Debt** - If City materially defaults under a provision of an agreement with a third party or if the indebtedness under such an agreement is accelerated.
- **Judgements or Attachments** - If there is entered against the City a judgment that materially affects the City's business, financial condition, or the property, or if a tax lien, levy, writ of attachment, garnishment, execution, or similar item is or will be issued against the Collateral.
- **Collateral Impairment** - Lender has a good-faith belief that Lender's rights in the collateral are or will soon be impaired or that the collateral itself is or soon will be impaired.
- **Termination of Existence or Change of Control** - If the City is sold or merged or if the City's suspends business or ceases to exist.
- **Insecurity** - If Lender has a good-faith belief that City is unable or will soon be unable to perform duties.
- **Default of Insurance and Payment of taxes covenants**, as described above.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Default Remedies

- **Acceleration, Set Off** - Upon an Event of Default, the Loan and the Indebtedness may, at Lender's sole option, be declared immediately due and payable. Lender may apply the Parties' bank accounts and any other property held by Lender against the Indebtedness.

The annual debt service requirements to maturity for notes payable as of June 30, 2021 are as follows:

Year Ending June 30	Principal	Interest
2022	\$ 48,812	\$ 19,807
2023	51,055	17,565
2024	53,400	15,220
2025	55,853	12,766
2026	58,419	10,200
2027-2029	195,435	14,000
Total	<u>\$ 462,974</u>	<u>\$ 89,558</u>

The following is a summary of changes in long – term debt for the year ended June 30, 2021:

	Payable at June 30, 2020	Additions	Deductions	Payable at June 30, 2021
Governmental Activities				
Capital leases payable	\$ 640,534	\$ 116,000	\$ (269,923)	\$ 486,611
Compensated absences	964,013	65,116	(38,898)	990,231
Net OPEB liability	932,095	-	(631,671)	300,424
Net pension liability	31,713,999	631,048	(8,957,718)	23,387,329
Total Governmental Activities	<u>\$ 34,250,641</u>	<u>\$ 812,164</u>	<u>\$ (9,898,210)</u>	<u>\$ 25,164,595</u>
Business - Type Activities				
Compensated absences	\$ 163,494	\$ -	\$ (4,360)	\$ 159,134
Notes payable				
- Direct borrowing	509,325	-	(46,351)	462,974
Capital leases payable	223,420	-	(64,238)	159,182
BANs payable	472,288	1,128,199	-	1,600,487
Revenue bonds payable	15,290,984	-	(1,025,445)	14,265,539
Net OPEB liability	1,161,386	-	(852,504)	308,882
Net pension liability	319,963	406,388	-	726,351
Total Business - Type Activities	<u>\$ 18,140,860</u>	<u>\$ 1,534,587</u>	<u>\$ (1,992,898)</u>	<u>\$ 17,682,549</u>

NOTE XIII – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft, or damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

In order to manage its risk of loss, the City purchases commercial insurance for liability, property and casualty losses as well as for employee health and basic life coverage. In addition, the City participates in the West Virginia Workers' Compensation Fund for coverage against injuries to employees. The West Virginia Workers' Compensation Fund risk pool retains the risk of loss under the program.

**CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

NOTE XIV – REVENUES AND EXPENDITURES – BENEFITS FUNDED BY THE STATE OF WEST VIRGINIA

For the year ended June 30, 2021, the State of West Virginia contributed payments on behalf of City employees as follows:

City of Weirton Policemen’s Pension and Relief Fund	\$	446,653
City of Weirton Firemen’s Pension and Relief Fund		265,394
Total		\$ 712,047

State contributions are funded by allocations of the state’s insurance premium tax. The City is not legally responsible for these contributions.

NOTE XV – INTERFUND RECEIVABLES AND PAYABLES

Generally, outstanding balances between funds reported as “due to/from other funds” are related to purposes described in Note 1 as well as for other miscellaneous receivables/payables between funds.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

The following schedule reports receivables and payables within the Primary Government reporting entity at fiscal year-end:

	Governmental funds	Proprietary funds				Total due from
	General Fund	Water Board	Sanitary Board	Board of Park Commissions	Internal Service Fund	
Governmental activities						
Major governmental funds						
General Fund	\$ -	\$ 45,106	\$ 568,093	\$ 51,525	\$ 38,280	\$ 703,004
Non-major governmental funds						
Library	9,372	-	-	-	-	9,372
CDBG	3,888	-	-	-	-	3,888
Business-type activities						
Major enterprise funds						
Water Board	3,236	-	-	-	4,246	7,482
Sanitary Board	3,961	-	-	-	3,018	6,979
Board of Park Commissions	-	-	-	-	1,145	1,145
Total due to	\$ 20,457	\$ 45,106	\$ 568,093	\$ 51,525	\$ 46,689	\$ 731,870

NOTE XVI – RETIREMENT PLANS

The City reporting entity participates in two single-employer, defined benefit, public employee retirement plans. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans.

The City also participates in two state-wide cost sharing, multi-employer defined benefit public employee retirement systems which covers employees of the State of West Virginia and its participating political subdivisions. Both systems are administered by the State of West Virginia and are funded by contributions from participants, employers, and state appropriations, as necessary.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Actuarially Determined Contribution

Information used to determine the actuarially determined contribution for the two single-employer plans are located in the Required Supplementary Information section of the report.

Defined Benefit Plans

Policemen's Pension and Relief Fund and Firemen's Pension Relief Fund

Plan Descriptions:

Unless otherwise indicated, The Policemen's Pension and Relief Fund (PPRF) and Firemen's Pension and Relief Fund (FPRF) information in this Note is provided as of the latest actuarial valuation, July 1, 2020 and GASB Statement Nos. 67 and 68 Plan Reporting and Accounting Schedules at measurement date of June 30, 2021.

All permanent full-time police department personnel hired prior to February 1, 2019 and permanent full-time fire department personnel hired prior to October 1, 2016 are covered by these plans which is being funded in accordance with Chapter 8, Article 22 of the West Virginia Code.

Members are eligible for normal retirement at the earlier of age 50 with 20 years of credited service or age 65. Annual retirement pension benefits commence upon retirement or upon the member attaining age fifty, whichever is later, payable in twelve monthly installments. The annual retirement 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 years 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 4 years. The maximum benefit is limited to 75% of average annual compensation. Benefits continue for life.

Members are eligible for disability retirement after earning five years of service. There is no service requirement if disability is service related. The monthly disability benefit equals the greater of 60% of monthly salary at disability or \$500. Employees serving in the military are eligible for an additional benefit of 1% of monthly salary at disability for each year of military service up to four years. Disability benefits, when aggregated with monthly state workers compensation benefits, shall not exceed 100% of the member's monthly compensation at the time of disability. Benefits continue for life or until recovery.

Members are eligible for death benefits after earning five years of service. There is no service requirement if death is service related. Retirees and terminated vested participants are also eligible. The benefit is equal to 60% of the participant's benefit, but not less than \$300 per month, payable to the spouse until death or remarriage. Other dependents (children, parents, brothers and sisters) are also eligible for death benefits. To each child, twenty percent of the participant's benefit until the child attains eighteen or marries; to each dependent orphaned child, twenty-five percent of the participant's benefit until the child attains eighteen or marries; to each dependent parent, ten percent of the participant's benefit for life, and to each dependent brother or sister, the sum of fifty dollars per month (but a total not to exceed \$100 per month) until such individual attains the age of eighteen or marries. In no case shall the payments to the surviving spouse and children be reduced below sixty-five percent of the total amount paid to all dependents.

All retirees, surviving beneficiaries and disability pensioners are eligible for automatic cost-of-living benefits commencing on the first day of July following two years of retirement. The benefit equals the percentage increase in the Consumer Price Index, limited to 4% (2% for some disability retirees), and multiplied by the sum of the allowable amount which is the first \$15,000 of the total annual benefits paid and the accumulated supplemental pension amounts for prior years.

Any member who terminates employment prior to retirement will be entitled to a refund of contributions without interest.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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As of July 1, 2020, membership of the plan is as follows:

	PPRF	FPRF
Retirees and Beneficiaries	48	21
Inactive, Non retired Members	-	-
Active Members	32	20
Total	80	41

Funding Policies:

Eligible policemen hired prior to January 1, 2010 contribute 9% of their monthly salary. Eligible policemen hired between January 1, 2010 and February 1, 2019 contribute 9.5% of their monthly salary. The total covered payroll for fiscal year ended June 30, 2021 was \$2,061,163. The total employee contribution was \$199,731.

Eligible firemen hired prior to January 1, 2010 contribute 7% of their monthly salary. Eligible firemen hired between January 1, 2010 and October 1, 2016 contribute 9.5% of their monthly salary. The total covered payroll for fiscal year ended June 30, 2021 was \$1,254,930. The total employee contribution was \$126,460.

The City does not contribute to the PPRF or the FPRF based upon the latest actuarial study. The City's contributions are based upon a fifteen-year solvency plan which stipulates the minimum contribution the City may make to this plan. This contribution method has been approved by the West Virginia legislature and projects the PPRF and the FPRF to be solvent under this method for the next consecutive fifteen-year period. This solvency plan must be actuarially updated on an annual basis.

Policemen's Pension and Relief Fund - The minimum required contribution of the City and State, according to the July 1, 2020 actuarial report, was \$2,498,485. Actual contributions were \$2,534,036 for the year ended June 30, 2021.

Firemen's Pension and Relief fund - The minimum required contribution of the City and State, according to the July 1, 2020 actuarial report, was \$599,764. Actual contributions were \$645,790 for the year ended June 30, 2021.

Net Pension Liability:

The components of net pension liability are as follows:

	PPRF	FPRF
Total pension liability	\$ 33,121,249	\$ 16,750,105
Less – Plan fiduciary net position	12,067,862	15,399,269
Plan net pension liability	\$ 21,053,387	\$ 1,350,836

Plan fiduciary net position as a percentage of total pension liability	36.44%	91.94%
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Single discount rate	5.50%	6.50%
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Single Discount Rate

PPRF - A single discount rate of 5.50% was used to measure the total pension liability as of June 30, 2021. This single discount rate was based on the expected rate of return on pension plan investments of 5.50%, and the municipal bond rate of 1.92%.

FPRF - A single discount rate of 6.50% was used to measure the total pension liability as of June 30, 2021. This single discount rate was based on the expected rate of return on pension plan investments of 6.50%, and the municipal bond rate of 1.92%.

CITY OF WEIRTON, WEST VIRGINIA
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Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability (asset), calculated using the single discount rate, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage-point lower or 1-percentage-point higher:

PPRF	1% Decrease 4.500%	Discount Rate Assumption 5.500%	1% Increase 6.500%
\$	25,687,201	\$ 21,053,387	\$ 17,302,839
FPRF	1% Decrease 5.500%	Discount Rate Assumption 6.500%	1% Increase 7.500%
\$	3,475,621	\$ 1,350,836	\$ (406,411)

Changes in Net Pension Liability:

At fiscal year-end, the government reported the following net pension liability related to the PPRF and FPRF. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020 and rolled forward to June 30, 2021 using the actuarial assumptions and methods described in the appropriate section of this note.

<u>PPRF</u>	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a – b)</u>
Balances at June 30, 2020	\$ 36,656,636	\$ 9,043,561	\$ 27,613,075
Service costs	1,000,699	-	1,000,699
Interest on total pension liability	1,791,997	-	1,791,997
Difference between expected and actual experience	(5,420)	-	(5,420)
Changes of assumptions	(4,685,948)	-	(4,685,948)
Employer contributions	-	2,087,383	(2,087,383)
State contributions	-	446,653	(446,653)
Employee contributions	-	199,731	(199,731)
Net investment income	-	1,937,562	(1,937,562)
Benefit payments	(1,636,715)	(1,636,715)	-
Administrative expense	-	(10,313)	10,313
Balances at June 30, 2021	<u>\$ 33,121,249</u>	<u>\$ 12,067,862</u>	<u>\$ 21,053,387</u>

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

<u>FPRF</u>	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability (a – b)</u>
Balances at June 30, 2020	\$ 16,253,836	\$ 12,504,970	\$ 3,748,866
Service costs	423,225	-	423,225
Interest on total pension liability	1,031,478	-	1,031,478
Difference between expected and actual experience	704,086	-	704,086
Changes of assumptions	(851,821)	-	(851,821)
Employer contributions	-	380,396	(380,396)
State contributions	-	265,394	(265,394)
Employee contributions	-	126,460	(126,460)
Net investment income	-	2,936,528	(2,936,528)
Benefit payments	(810,699)	(810,699)	-
Administrative expense	-	(3,780)	3,780
Balances at June 30, 2021	<u>\$ 16,750,105</u>	<u>\$ 15,399,269</u>	<u>\$ 1,350,836</u>

The City recognized government-wide pension expense related to the PPRF of \$(4,160,539) and contribution revenue of \$446,653 for support provided to the plan by the State of West Virginia.

The City recognized government-wide pension expense related to the FPRF of \$(869,016) and contribution revenue of \$265,394 for support provided to the plan by the State of West Virginia.

Deferred Outflows and Deferred Inflows of Resources:

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

<u>PPRF</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 786,768	\$ 573,624
Changes in actuarial assumptions	-	5,683,110
Net difference between projected and actual earnings on pension plan investments	-	1,341,265
	<u>\$ 786,768</u>	<u>\$ 7,597,999</u>

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

FPRF	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 850,996	\$ 123,351
Changes in actuarial assumptions	-	638,866
Net difference between projected and actual earnings on pension plan investments	-	1,806,765
	\$ 850,996	\$ 2,568,982

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

Year Ended June 30	PPRF	PPRF
2022	\$ (3,364,300)	\$ (413,365)
2023	(2,836,775)	(391,273)
2024	(320,503)	(475,858)
2025	(289,653)	(437,490)
Total	\$ (6,811,231)	\$ (1,717,986)

The target allocation and best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2021, are summarized in the following table:

Asset Class	Target Allocation Percentage	Expected Annualized Returns
Common Stocks – Large Cap	38.00%	6.00%
Common Stocks – Mid Cap	6.00%	7.50%
Common Stocks – Small Cap	6.00%	7.50%
International Equity	10.00%	6.50%
Alternatives	5.00%	4.00%
Fixed Income	35.00%	1.25%

Actuarial Methods and Assumptions:

The net pension liability is the actuarial present value of credited projected benefits. It is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step-rate benefits, estimated to be payable in the future as a result of employee service to date.

PPFR: According to the most recent actuarial report as of July 1, 2020, the average annual salary for benefits was \$68,788. There were 48 pensioners as of June 30, 2021 receiving an average of \$34,098 in pension benefits with expected cost-of-living increases up to 2.75%.

FPRF: According to the most recent actuarial report as of July 1, 2020, the average annual salary for benefits was \$68,100. There were 21 pensioners as of June 30, 2021 receiving an average of \$38,605 in pension benefits with expected cost-of-living increases up to 2.75%.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The actuarial assumptions and other information used to determine the net pension liability are as follows:

	<u>PPRF</u>	<u>FPRF</u>
General inflation rate:	2.50%	2.50%
Expected salary increase:	3.75% general and wage inflation adjustment plus service-based increase of 20.0% for one year of service, 6.5% for two years of service, 3.5% for three years of service, 2.75% for four years of service, 2.5% for five to nine years of service, 2.0% for ten to twenty-nine years of service, 1.25% for thirty to thirty-four years of service, and 0% thereafter.	
Discount rate:		
July 1, 2019	5.00%	6.50%
July 1, 2020	5.50%	6.50%
Investment rate of return:		
July 1, 2019	5.00%	6.50%
July 1, 2020	5.50%	6.50%
	<i>Net of pension plan expense, including inflation</i>	
Mortality:	<p><i>Pre-Retirement</i> SOA PubS-2010(B) Employee Mortality Table with the 2010 base rates projected generationally from 2010 using the SOA Mortality Improvement Scale MP-2019. (Assumes 10% of deaths are duty related and 90% are non-duty related)</p> <p><i>Post Retirement</i> For Healthy Retirees and Beneficiaries: SOA PubS-2010(B) Healthy Retiree Mortality Table with the 2010 base rates projected generationally from 2010 using the SOA Mortality Improvement Scale MP-2019.</p> <p><i>For Disabled Retirees:</i> SOA PubS-2010 Disabled Retiree Mortality Table with the 2010 base rates set forward five years and projected generationally from 2010 using the SOA Mortality Improvement Scale MP-2019.</p> <p>Mortality improvement projections to the valuation date represent current mortality and mortality improvement projections beyond the valuation date represent future mortality improvement.</p>	
Year fund is projected to be fully funded:	2050	2042
Changes in assumptions:	<p>The discount rate changed from 5.00% to 5.50%. Changes were made to salary scale assumptions, pay spiking assumptions, inflation, cost-of-living increases, mortality rates, retirement rates, termination rates, disability rates, marital status, non-spouse beneficiary loads and administrative expense</p> <p>Changes were made to salary scale assumptions, pay spiking assumptions, inflation, cost-of-living increases, mortality rates, retirement rates, termination rates, disability rates, marital status, non-spouse beneficiary loads and administrative expense</p>	

Money Weighted Rate of Return:

<u>PPRF</u>	<u>FPRF</u>
20.20%	24.10%

**CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

Investment Details:

The following represents the investment details for the Policemen’s and Firemen’s Pension and Relief Funds:

Investment Policy – The investment policy covering the allocation of invested assets for the City is established by the Board of Trustees and is subject to the limitations defined in West Virginia Code 8-22-22 and 8-22-22a.

Concentration of Credit Risk – Except for investments in a mutual fund, no individual investments in any one issuer represents more than 5% of the total investments for the pension funds and, within each pension fund, no individual investment in any one issuer represents more than 5% of the total investments for that fund.

Credit Risk – The City’s investment policy does not specify that investments must be rated at a specified level. As of June 30, 2021, the City’s investments were rated using Moody’s Investor Services, when available.

Interest Rate Risk – The City’s pension plans follow West Virginia State Code 8-22-22. The City does not have a policy for interest rate risk in addition to the governing West Virginia statutes.

West Virginia Public Employees Retirement System (PERS)

Plan Description, Contribution Information, and Funding Policies:

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

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

Eligibility to participate	All City of Weirton full-time employees, except those covered by other pension plans.	
Authority establishing contribution obligations and benefit provisions	West Virginia State Code §5-10d discusses the Consolidated Public Retirement Board, which administers all public retirement plans in the state of West Virginia.	
	Tier I <u>(hired before</u> <u>7/1/2015)</u>	Tier II <u>(hired after</u> <u>7/1/2015)</u>
Plan member’s contribution rate	4.50%	6.00%
City of Weirton’s contribution rate	10.00%	10.00%
Period required to vest	Five years	Ten years

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Benefits and eligibility for distribution

Tier I

A member who has attained age 60 and had earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 15) times the years of service times 2% equals the annual retirement benefit.

Tier II

A member who has attained age 62 and has earned 10 years or more of contributing service, between ages 60 and 62, with credited service of 10 years, between ages 57 and 62, with credited service of 20 years, or between ages 55 and 62, with credited service of 30 years. The final average salary (five highest consecutive years in the last 15) 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

Trend Information:

Fiscal Year	Annual Pension Cost	Percentage Contributed
2021	\$ 509,076	100%
2020	\$ 520,057	100%
2019	\$ 457,959	100%

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

At fiscal year-end, the City reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 using the actuarial assumptions and methods described in the appropriate section of this note.

The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2021, the City reported the following proportion and increases/decreases from its proportion measured as of June 30, 2020:

Amount for proportionate share of net pension liability	\$	1,709,457
Percentage for proportionate share of net pension liability		0.3234%
Increase / (decrease) % from prior proportion measured		3.4389%

For the year ended June 30, 2021, the government recognized the following pension expense:

	Government Activities	Business-Type Activities
Government – wide pension expense	\$ (14,430)	\$ 213,500

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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The City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<u>Governmental activities</u>		<u>Business-type activities</u>	
	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>	<u>Deferred outflows of resources</u>	<u>Deferred inflows of resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ 311,595	\$ -	\$ 230,217	\$ -
Net changes in proportion and differences between employer contributions and proportionate share of contributions	65,662	1,918	854	49,003
Differences between expected and actual experience with regard to economic or demographic factors	144,674	20,267	106,889	14,975
Changes in assumptions	-	43,317	-	32,005
Employer contributions to pension plan subsequent to the measurement date	<u>304,252</u>	<u>-</u>	<u>204,825</u>	<u>-</u>
	<u>\$ 826,183</u>	<u>\$ 65,502</u>	<u>\$ 542,785</u>	<u>\$ 95,983</u>

The amount reported as deferred outflows of resources related to the pension plan resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

<u>Year ended June 30</u>	<u>Governmental activities</u>	<u>Business-type activities</u>
	<u>Pension expense</u>	<u>Pension expense</u>
2022	\$ (9,769)	\$ (59,794)
2023	166,088	92,004
2024	187,948	126,903
2025	112,156	82,864
2026	<u>6</u>	<u>-</u>
Total	<u>\$ 456,429</u>	<u>\$ 241,977</u>

Annual money-weighted rate of return:

Money-weighted rate of return, net of investment expenses, for the year ended June 30, 2021, based on the measurement date of June 30, 2020 was 3.16%.

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 for the pension plan, using the following actuarial assumptions, applied to all periods included in the measurement.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Actuarial cost method	Individual entry age normal cost with level percentage of payroll
Asset valuation method	Fair value
Amortization method	Level dollar, fixed period
Amortization period	Through fiscal year 2035
Inflation rate	3.00%
Discount rate	7.50%
Salary increases	State - 3.10% - 5.30%
	Nonstate – 3.35% - 6.50%
Investment rate of return	7.50%, net of pension plan investment expense
Mortality rates	Active – 100% of Pub-2010 General Employees table, below median, headcount weighted, projected with scale MP-2018
	Retired healthy males – 108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected with scale MP-2018
	Retired healthy females – 122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected with scale MP-2018
	Disabled males – 118% of Pub-2010 General / Teachers Disabled Male table, below-median, headcount weighted, projected with scale MP-2018
	Disabled females – 118% of Pub-2010 General / Teachers Disabled Female table, below-median, headcount weighted, projected with scale MP-2018
Withdrawal rates	State 2.28% - 45.63%
	Nonstate 2.00% - 35.88%
Disability rates	0.005% - 0.540%
Retirement rates	2.00% - 100%

The actuarial assumptions used in the July 1, 2019 PERS valuation were based on the results of an actuarial experience study for the period July 1, 2013 to June 30, 2018.

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

The target allocation and best estimates of arithmetic real rates of return for each major asset class included are summarized in the following chart:

<u>Investment</u>	<u>PERS Target Asset Allocation</u>	<u>Long – term Expected Real Rate of Return</u>	<u>Weighted Average Expected Real Rate of Return</u>
Fixed income	15.0%	2.2%	0.50%
Domestic equity	27.5%	5.5%	1.60%
International equity	27.5%	7.0%	2.12%
Real Estate	10.0%	6.6%	0.61%
Private Equity	10.0%	8.5%	0.88%
Hedge Funds	10.0%	4.0%	0.44%
Total	<u>100%</u>		6.15%
Inflation			<u>2.00%</u>
			<u>8.15%</u>

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Discount Rate:

The discount rate used to measure the total pension liability was 7.50% for the pension plan. The projection of the cash flows used to determine the discount rate assumed that employer contributions will continue to follow in the current funding policies. Based on those assumptions, the fiduciary net position for the pension plan was projected to be available to make all projected future benefit payments of current 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 for the plan.

The following table presents the sensitivity of the net pension liability (asset) to changes in the discount rate, calculated using the current discount rate as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
City's proportionate share of PERS's net pension liability (asset)	\$ 4,355,480	\$ 1,709,457	\$ (527,801)

Pension Plan Fiduciary Net Position:

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

West Virginia Municipal Police Officers and Firefighters Retirement System (MPFRS)

Plan Description, Contribution Information, and Funding Policies:

The City participates in the Municipal Police Officers and Firefighters Retirement System, a state-wide, cost-sharing, multiple-employer defined benefit plan, on behalf of City employees for firefighters hired after October 1, 2016 and police officers hired after February 1, 2019. The system is administered by agencies of the State of West Virginia and funded by contributions from participants, employers, and State appropriations, as necessary.

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

Eligibility to participate	All City of Weirton firefighters hired after October 1, 2016 and police officers hired after February 1, 2019.
Authority establishing contribution obligations and benefit provisions	State statute.
Plan member's contribution rate	8.50%
City of Weirton's contribution rate	8.50%
Period required to vest	Five years

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Benefits and eligibility for distribution

A MPFRS member is eligible for “normal” retirement when one of the following occurs:

- Attainment of age 50 and the completion of 20 years of contributory service; or
- Attainment of age 50 when age plus contributory service equals 70 while still in covered employment; or
- Attainment of age 60 and completion of 10 years contributory service while still in covered employment; or
- Attainment of age 62 and completion of 5 years of contributory service.

The final average salary or FAS (5 highest consecutive years in the last 10 years of service) times the years of service times the benefit percentage equals the annual retirement benefit. The accrued benefit on behalf of any member is calculated as follows, not to exceed 67%:

- 2.6% x FAS x Years of Credited Service for years 1- 20
- 2.0% x FAS x Years of Credited Service for years 21- 25
- 1.0% x FAS x Years of Credited Service for years 26- 30

Deferred retirement portion No

Provisions for:

Cost of living No
 Death benefit Yes
 Disability benefit Yes

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

Trend Information:

Fiscal Year	Annual Pension Cost	Percentage Contributed
2021	\$ 60,152	100%
2020	\$ 38,449	100%
2019	\$ 7,660	100%

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

At fiscal year-end, the City reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 using the actuarial assumptions and methods described in the appropriate section of this note.

The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2021, the City reported the following proportion and increases/decreases from its proportion measured as of June 30, 2020:

Amount for proportionate share of net pension liability (asset)	\$	(134,449)
Percentage for proportionate share of net pension liability		2.1498%
Increase / (decrease) % from prior proportion measured		3,910.8%

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

For the year ended June 30, 2021, the government recognized the following pension expense:

	Governmental Activities
Government – wide pension expense	\$ (74,858)

The City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	Governmental activities	
	Deferred outflows of resources	Deferred inflows of resources
Net difference between projected and actual earnings on pension plan investments	\$ 9,911	\$ -
Net changes in proportion and differences between employer contributions and proportionate share of contributions	-	79,423
Changes in actuarial assumptions	-	2,494
Differences between expected and actual experience with regard to economic or demographic factors	12,55	6,729
Employer contributions to pension plan subsequent to the measurement date	60,152	-
	\$ 82,618	\$ 88,646

The amount reported as deferred outflows of resources related to the pension plan resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022.

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

	Governmental activities Pension expense
Year ended June 30	
2022	\$ (13,126)
2023	(11,922)
2024	(11,026)
2025	(11,560)
2026	(14,454)
Thereafter	(4,092)
Total	\$ (66,180)

Annual money-weighted rate of return:

Money-weighted rate of return, net of investment expenses, for the year ended June 30, 2021, based on the measurement date of June 30, 2020 was 3.49%.

Actuarial Assumptions:

The total pension liability was determined by an actuarial valuation as of July 1, 2019 and rolled forward to June 30, 2020 for the pension plan, using the following actuarial assumptions, applied to all periods included in the measurement.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
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Actuarial cost method	Individual entry age normal cost with level percentage of payroll
Asset valuation method	Fair value
Amortization method	Level dollar, fixed period
Amortization period	-
Investment rate of return	7.50%
Projected salary increases	By age from 4.75% at age 30 declining to 3.25% at age 65
Inflation rate	3.00%
Discount rate	7.50%
Mortality rate	Active – 100% of RP-2014 Non-Annuitant tables (sex-distinct), Scale MP-2016 fully generational. Healthy male retirees – 103% of RP-2014 Male Healthy Annuitant table, Scale MP-2016 fully generational. Healthy female retirees – 100% of RP-2014 Female Healthy Annuitant table, Scale MP-2016 fully generational. Disabled males – 100% of RP-2014 Male Disabled Annuitant table, Scale MP-2016 fully generational. Disabled females – 100% of RP-2014 Female Disabled Annuitant table, Scale MP-2016 fully generational.
Withdrawal rates	3.00% – 28.00%
Disability rates	0.04% – 0.60%
Retirement rates	25% - 100%

The actuarial assumptions used in the July 1, 2019 MPFRS valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2016.

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

The target allocation and best estimates of long-term geometric rates of return for each major asset class included are summarized in the following chart:

<u>Investment</u>	<u>PERS Target Asset Allocation</u>	<u>Long – term Expected Real Rate of Return</u>	<u>Weighted Average Expected Real Rate of Return</u>
Fixed income	15.0%	2.2%	0.50%
Domestic equity	27.5%	5.5%	1.60%
International equity	27.5%	7.0%	2.12%
Real Estate	10.0%	6.6%	0.61%
Private Equity	10.0%	8.5%	0.88%
Hedge Funds	10.0%	4.0%	0.44%
Total	<u>100%</u>		6.15%
Inflation			<u>2.00%</u>
			<u>8.15%</u>

**CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

Discount rate:

The discount rate used to measure the total pension liability was 7.50% for the pension plan. The projection of the cash flows used to determine the discount rate assumed that employer contributions will continue to follow in the current funding policies. Based on those assumptions, the fiduciary net position for the pension plan was projected to be available to make all projected future benefit payments of current 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 for the plan.

The following table presents the sensitivity of the net pension liability (asset) to changes in the discount rate, calculated using the current discount rate of 7.5% as used in the actuarial evaluation, and what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
City's proportionate share of MPFRS's net pension liability (asset)	\$ (86,186)	\$ (134,449)	\$ (170,544)

Pension plan fiduciary net position:

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

NOTE XVII – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

West Virginia Public Employees Insurance Agency (WV PEIA)

General Information about the OPEB Plan

Plan description – The City participates in PERS. Although the City is a non-participating agency with the WV PEIA, eligible retirees have the option of obtaining health insurance benefits through WV PEIA under PERS. The West Virginia Other Postemployment Benefit Plan (the Plan), is a cost-sharing, multiple-employer defined benefit postemployment healthcare plan. The financial activities of the Plan are accounted for in the West Virginia Retiree Health Benefit Trust Fund (RHBT), a fiduciary fund of the State of West Virginia. The Plan is administered by a combination of the WV PEIA and the RHBT staff. Plan benefits are established and revised by WV PEIA and the RHBT management with approval of the Finance Board. The Finance Board is comprised of nine members. Finance Board members are appointed by the Governor, serve a term of four years and are eligible for reappointment. The State Department of Administration cabinet secretary serves as Chairman of the Board. Four members represent labor, education, public employees and public retirees. The four remaining members represent the public at large.

The RHBT audited financial statements and actuarial reports can be found on the WV PEIA website at www.peia.wv.gov. You can also submit your questions in writing to the West Virginia Public Employees Insurance Agency, 601 57th. Street, SE, Suite 2, Charleston, WV, 25304.

Benefits provided - The Plan provides medical and prescription drug insurance and life insurance. The medical and prescription drug insurance is provided through two options: 1) Self-Insured Preferred Provider Benefit Plan (primarily for non-Medicare-eligible retirees and spouses) and 2) External Managed Care Organizations (primarily for Medicare-eligible retirees and spouses).

CITY OF WEIRTON, WEST VIRGINIA
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As noted above, because the City participates in the PERS, retirees have the option of choosing to participate in the WV PEIA. The retiree's insurance premium is dependent on the number of years worked. Since the City is not a participant in PEIA, a fee is charged for each of the retirees who choose this option. This fee also is based on the number of years worked. The State of West Virginia bears the remaining costs to fund this program. The City's retirees' insurance fees were as follows:

<u>Governmental activities</u>		<u>Business-type activities</u>	
General	\$ 129,738	Water Board	\$ 86,988
Total	<u>\$ 129,738</u>	Sanitary Board	<u>50,100</u>
		Total	<u>\$ 137,088</u>

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

At fiscal year-end, the City reported a liability of \$609,306 for its proportionate share of the net OPEB liability. The net OPEB liability, deferred inflows and outflows of resources and OPEB expense were determined by an actuarial valuation date as of June 30, 2019, rolled forward to June 30, 2020, which is the measurement date. The City's proportion of the net OPEB liability was based on a projection of the City's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating governments, actuarially determined.

	OPEB
Amount for proportionate share of net OPEB liability	\$ 609,306
Percentage for proportionate share of net OPEB liability	0.13794%
Increase/(decrease) % from prior proportion measured	9.32154%

For the year ended June 30, 2021, the City recognized the following OPEB expense:

	Government activities	Business-type activities
Government – wide pension expense	\$ (294,610)	\$ (230,318)

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

	Governmental activities		Business-type activities	
	Deferred outflows of resources	Deferred inflows of resources	Deferred outflows of resources	Deferred inflows of resources
Net difference between projected and actual investment earnings on OPEB plan investments	\$ 22,805	\$ -	\$ 23,445	\$ -
Changes in proportion and differences between employer contributions and proportionate share of contributions	206,016	109,005	134,345	65,803
Difference between expected and actual experience	-	194,789	-	200,253
Changes in assumptions	-	678,119	-	697,142
Reallocation of opt-out employer change in proportionate share	-	15,032	-	18,731
Employer contributions subsequent to the measurement date	129,738	-	137,088	-
	\$ 358,559	\$ 996,945	\$ 294,878	\$ 981,929

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

The amount reported as deferred outflows of resources related to OPEB resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2022.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30	Governmental activities OPEB expense	Business-type activities OPEB expense
2022	\$ (355,062)	\$ (317,306)
2023	(258,590)	(280,108)
2024	(154,639)	(223,682)
2025	167	(3,043)
Total	\$ (768,124)	\$ (824,139)

Actuarial assumptions:

The total OPEB liability was determined by an actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Public Employees Insurance Agency (WV PEIA)

Actuarial assumptions:

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll over a 20 year closed period, beginning June 30, 2017.
Remaining amortization period	20 years closed as of June 30, 2017.
Asset valuation method	Market value
Investment Rate of Return	6.65%, net of OPEB plan investment expense, including inflation.
Inflation rate	2.25%
Wage inflation	2.75%
Salary increases	Ranging from 2.75% to 5.18%, for PERS, including inflation.
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for June 30, 2020 actuarial valuation.
Mortality	Post-Retirement: RP-2010 Below-Median Income General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 106% for males and 113% for females. Pre-Retirement: Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2019.
Healthcare cost trend rates	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2022, 6.50% for plan year end 2023, decreasing by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year 2032. Trend rate for Medicare per capita costs of 31.1% for plan year end 2022. 9.15% for plan year end 2023, 8.40% for plan year ending 2024, decreasing gradually each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.
Aging factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death".
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the annual expense.

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

**CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021**

The long-term rates of return on OPEB plan investments are determined using a building-block method in which estimates of expected future real rates of returns (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages. Target asset allocations, capital market assumptions and a forecast of returns were provided by the plan's investment advisors, including the West Virginia Investment Management Board (WV-IMB). The projected return for the Money Market Pool held with the West Virginia Board of Treasury Investments (WV-BTI) was estimated based on the WV-IMB assumed inflation of 2.0% plus a 25 basis point spread.

The target allocation and estimates of annualized long-term expected real returns assuming a 10-year horizon are summarized below:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>	<u>Target Allocation</u>
Global equity	4.8%	6.8%
Core plus fixed income	2.1%	4.1%
Core real estate	4.1%	6.1%
Hedge fund	2.4%	4.4%
Private equity	6.8%	8.8%
Global equity	4.8%	6.8%

Real returns by asset class, as shown in the above table, were estimated using a static inflation assumption of 2.0%. Consequently, real returns may not reflect the potential volatility of inflation by asset class.

Discount rate:

A single discount rate of 6.65% was used to measure the total OPEB liability. This single discount rate was based on the expected rate of return on OPEB plan investments of 6.65% and a tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date to the extent benefits are effectively financed on a pay-as-you-go basis. The long-term municipal bond rate used to develop the single discount rate was 3.15% as of the beginning of the year and 2.45% as of the end of the year. The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made in accordance with prefunding and investment policies. Future pre-funding assumptions include a \$30 million annual contribution from the State through 2037. Based on those assumptions, and that the Plan is expected to be fully funded by fiscal year ended June 30, 2025, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. Discount rates are subject to change between measurement dates.

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the discount rate:

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

	1% Decrease 5.65%	Current Discount Rate 6.65%	1% Increase 7.65%
City's proportionate share of net OPEB liability	\$ 868,951	\$ 609,306	\$ 391,949

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates:

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

	1% Decrease	Health Care Cost Trend Rates	1% Increase
City's proportionate share of the net OPEB liability	\$ 366,625	\$ 609,306	\$ 902,416

OPEB plan fiduciary net position:

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued financial report available at the West Virginia Public Employee Insurance Agency's website at peia.wv.gov. That information can also be obtained by writing to the West Virginia Public Employee Insurance Agency, 601 57th. Street, Suite 2, Charleston, WV, 25304.

NOTE XVIII – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position and or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. All of the City's deferred outflows on the statement of net position are related to its defined benefit pension plans and OPEB plan.

In addition to liabilities, the statement of financial position and or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. All of the City's deferred inflows on the statement of net position are related to the defined benefit pension plans and OPEB plan.

On the governmental funds balance sheet, the portion of the City's property taxes and business and occupational taxes receivable expected to be collected more than 60 days after the end of the fiscal year qualify for reporting in this category, as follows:

Property taxes	\$ 68,296
Business and occupational taxes	2,015
Total	\$ 70,311

NOTE XIX – CONTINGENCIES

Litigation:

The City is a defendant in a number of lawsuits arising principally in the normal course of operations. All claims are protected by insurance, up to a certain amount, and would not likely have a material effect on the municipality's financial statements. The city attorney aggressively defends each case filed against the City.

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2021

Federal and State Grants:

In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by the granting authorities for the purpose of ensuring compliance with the conditions of the awards. Any liability for reimbursement which may arise as a result of these audits is not believed to be material.

NOTE XX – CONCENTRATION OF CREDIT RISK

The General Fund charges Weirton residents and businesses a police and fire service fee and a refuse fee. The Water and Sanitary Boards are suppliers of water and sewer services to the residents and businesses of Weirton. The Gasoline Fund supplies gas and oil to various entities in addition to other departments of the City. These services and goods are provided on a credit basis without requiring collateral or any other security. At June 30, 2021, the City's accounts receivable on the statement of net position pertaining to these goods and services were \$1,890,964.

NOTE XXI – RISKS AND UNCERTAINTIES

The City's Pension Trust Funds invest in various investment securities and mutual funds. Investment securities and mutual funds are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statement of fiduciary net position.

The actuarial present values of pension benefit obligations in Note XVI are reported based on certain assumptions pertaining to interest rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

NOTE XXII – SUBSEQUENT EVENTS

The spread of the novel coronavirus (COVID-19) has severely impacted many local economies around the world. In many countries, businesses and organizations are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Governments and financial institutions have responded with monetary and fiscal interventions to try to stabilize economic conditions. The Municipality has determined that these events are non-adjusting subsequent events. Accordingly, the financial net position, fund balances, changes in net position, and changes in fund balances as of and for the year ended June 30, 2021 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and financial responses remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial net position, fund balances, and results of the Municipality for future periods.

The City's management has evaluated the effect that subsequent events would have on the City's financial statements through March 21, 2022, which is the date the financial statements were available to be released.

Required Supplementary Information

**CITY OF WEIRTON, WEST VIRGINIA
DEFINED BENEFIT PENSION TRUSTS
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021**

**Employer Defined Benefit Plans
Policemen's Pension and Relief Fund**

I. Schedules of Changes in the Net Pension Liability and Related Ratios - Multiyear

Fiscal year end June 30	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 1,000,699	\$ 1,039,528	\$ 1,101,726	\$ 1,269,051	\$ 1,375,945	\$ 855,645	\$ 774,528	\$ 692,087
Interest on the total pension liability	1,791,997	1,727,025	1,452,498	1,422,562	1,285,632	1,411,041	1,423,372	1,409,584
Difference between expected and actual experience	(5,420)	(1,059,582)	3,147,075	(484,433)	(1,925,042)	52,844	678,004	-
Assumption changes	(4,685,948)	(2,640,836)	(4,820,731)	(405,564)	(3,768,469)	8,829,277	1,564,166	1,226,117
Benefit payments	(1,636,715)	(1,563,689)	(1,590,800)	(1,495,095)	(1,519,854)	(1,526,035)	(1,453,587)	(1,368,711)
Net change in total pension liability	(3,535,387)	(2,497,554)	(710,232)	306,521	(4,551,788)	9,622,772	2,986,483	1,959,077
Total Pension Liability- beginning	36,656,636	39,154,190	39,864,422	39,557,901	44,109,689	34,486,917	31,500,434	29,541,357
Total Pension Liability- ending (a)	<u>\$ 33,121,249</u>	<u>\$ 36,656,636</u>	<u>\$ 39,154,190</u>	<u>\$ 39,864,422</u>	<u>\$ 39,557,901</u>	<u>\$ 44,109,689</u>	<u>\$ 34,486,917</u>	<u>\$ 31,500,434</u>
Plan Fiduciary Net Position								
Employer contributions	\$ 2,534,036	\$ 2,754,232	\$ 2,726,520	\$ 1,294,687	\$ 1,955,294	\$ 972,529	\$ 841,146	\$ 876,690
Employee contributions	199,731	199,231	186,200	194,206	175,462	163,095	166,071	158,156
Pension plan net investment income	1,937,562	506,241	410,827	361,868	433,149	(46,782)	192,027	641,466
Benefit payments	(1,636,715)	(1,563,689)	(1,590,800)	(1,495,095)	(1,519,854)	(1,523,831)	(1,456,339)	(1,368,711)
Pension plan administrative expense	(10,313)	(5,276)	(3,750)	(1,990)	(2,074)	(2,646)	(3,140)	(2,764)
Other	-	-	-	-	-	-	204,304	-
Net change in plan fiduciary net position	3,024,301	1,890,739	1,728,997	353,676	1,041,977	(437,635)	(55,931)	304,837
Plan fiduciary net position- beginning	9,043,561	7,152,822	5,423,825	5,070,149	4,028,172	4,465,807	4,521,738	4,216,901
Plan fiduciary net position- ending (b)	<u>\$ 12,067,862</u>	<u>\$ 9,043,561</u>	<u>\$ 7,152,822</u>	<u>\$ 5,423,825</u>	<u>\$ 5,070,149</u>	<u>\$ 4,028,172</u>	<u>\$ 4,465,807</u>	<u>\$ 4,521,738</u>
Net pension liability (a) - (b)	<u>\$ 21,053,387</u>	<u>\$ 27,613,075</u>	<u>\$ 32,001,368</u>	<u>\$ 34,440,597</u>	<u>\$ 34,487,752</u>	<u>\$ 40,081,517</u>	<u>\$ 30,021,110</u>	<u>\$ 26,978,696</u>
Plan fiduciary net position as a percentage of total pension liability	36.44%	24.67%	18.27%	13.61%	12.82%	9.13%	12.95%	14.35%
Covered employee payroll	2,061,163	2,062,336	2,133,389	1,907,577	1,740,164	1,658,979	1,607,962	1,622,175
Net pension liability as a percentage of covered employee payroll	1021.43%	1338.92%	1500.02%	1805.46%	1981.87%	2416.04%	1867.03%	1663.12%

II. Schedule of Net Pension Liability - Multiyear

Fiscal Year Ending June 30	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2021	\$ 33,121,249	\$ 12,067,862	\$ 21,053,387	36.44%	\$ 2,061,163	1021.43%
2020	\$ 36,656,636	\$ 9,043,561	\$ 27,613,075	24.67%	\$ 2,062,336	1338.92%
2019	\$ 39,154,190	\$ 7,152,822	\$ 32,001,368	18.27%	\$ 2,133,389	1500.02%
2018	\$ 39,864,422	\$ 5,423,825	\$ 34,440,597	13.61%	\$ 1,907,577	1805.46%
2017	\$ 39,557,901	\$ 5,070,149	\$ 34,487,752	12.82%	\$ 1,740,164	1981.87%
2016	\$ 44,109,689	\$ 4,028,172	\$ 40,081,517	9.13%	\$ 1,658,979	2416.04%
2015	\$ 34,486,917	\$ 4,465,807	\$ 30,021,110	12.95%	\$ 1,607,962	1867.03%
2014	\$ 31,500,434	\$ 4,521,738	\$ 26,978,696	14.35%	\$ 1,622,175	1663.12%

**CITY OF WEIRTON, WEST VIRGINIA
DEFINED BENEFIT PENSION TRUSTS
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021**

**Employer Defined Benefit Plans
Policemen's Pension and Relief Fund**

III. Schedule of Contributions - Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 2,498,485	\$ 2,797,576	\$ 2,726,520	\$ 2,412,280	\$ 2,298,887	\$ 2,228,433	\$ 1,639,294	\$ 1,536,682	\$ 1,477,051	\$ -
City contributions in relation to the actuarially determined contribution	(2,087,383)	(2,345,497)	(2,336,451)	(895,000)	(1,574,527)	(626,941)	(501,814)	(514,687)	(546,064)	-
State contributions in relation to the actuarially determined contribution	(446,653)	(408,735)	(390,069)	(399,687)	(380,767)	(345,588)	(339,332)	(362,002)	(363,021)	-
Contribution deficiency (excess)	\$ <u>(35,551)</u>	\$ <u>43,344</u>	\$ <u>-</u>	\$ <u>1,117,593</u>	\$ <u>343,593</u>	\$ <u>1,255,904</u>	\$ <u>798,148</u>	\$ <u>659,993</u>	\$ <u>567,966</u>	\$ <u>-</u>
Government's covered-employee payroll	\$ 2,061,163	\$ 2,062,336	\$ 2,133,389	\$ 1,907,577	\$ 1,740,164	\$ 1,658,979	\$ 1,607,962	\$ 1,622,175	\$ 1,593,506	\$ -
Employer contributions as a percentage of covered-employee payroll	101.27%	113.73%	109.52%	46.92%	90.48%	37.79%	30.03%	31.73%	34.27%	-
City and state contributions as a percentage of covered-employee payroll	122.94%	133.55%	127.80%	67.87%	112.36%	58.62%	50.34%	54.04%	57.05%	-

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF WEIRTON, WEST VIRGINIA
DEFINED BENEFIT PENSION TRUSTS
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021**

**Employer Defined Benefit Plans
Firemen's Pension and Relief Fund**

I. Schedules of Changes in the Net Pension Liability and Related Ratios - Multiyear

Fiscal year end June 30	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 423,225	\$ 416,158	\$ 452,415	\$ 371,654	\$ 414,783	\$ 305,455	\$ 262,275	\$ 275,216
Interest on the total pension liability	1,031,478	1,005,440	912,022	888,071	836,975	856,444	797,673	780,380
Difference between expected and actual experience	704,086	(246,457)	807,333	(2,930)	(910,435)	390,283	(58,032)	-
Assumption changes	(851,821)	-	-	-	(852,836)	2,057,993	-	-
Benefit payments	(810,699)	(747,498)	(737,747)	(679,743)	(649,622)	(651,642)	(612,845)	(600,032)
Net change in total pension liability	496,269	427,643	1,434,023	577,052	(1,161,135)	2,958,533	389,071	455,564
Total Pension Liability- beginning	16,253,836	15,826,193	14,392,170	13,815,118	14,976,253	12,017,720	11,628,649	11,173,085
Total Pension Liability- ending (a)	<u>\$ 16,750,105</u>	<u>\$ 16,253,836</u>	<u>\$ 15,826,193</u>	<u>\$ 14,392,170</u>	<u>\$ 13,815,118</u>	<u>\$ 14,976,253</u>	<u>\$ 12,017,720</u>	<u>\$ 11,628,649</u>
Plan Fiduciary Net Position								
Employer contributions	\$ 645,790	\$ 637,405	\$ 627,874	\$ 643,214	\$ 681,189	\$ 455,266	\$ 431,213	\$ 563,823
Employee contributions	126,460	105,687	95,312	97,251	85,170	82,461	84,967	80,120
Pension plan net investment income	2,936,528	769,939	791,908	771,192	1,015,378	(57,862)	347,248	1,162,109
Benefit payments	(810,699)	(747,498)	(737,747)	(679,743)	(649,622)	(643,235)	(615,116)	(600,032)
Pension plan administrative expense	(3,780)	(3,001)	(5,275)	(2,458)	(5,546)	(5,453)	(2,396)	(8,950)
Other	-	-	-	-	-	-	264,114	-
Net change in plan fiduciary net position	2,894,299	762,532	772,072	829,456	1,126,569	(168,823)	510,030	1,197,070
Plan fiduciary net position- beginning	12,504,970	11,742,438	10,970,366	10,140,910	9,014,341	9,183,164	8,673,134	7,476,064
Plan fiduciary net position- ending (b)	<u>\$ 15,399,269</u>	<u>\$ 12,504,970</u>	<u>\$ 11,742,438</u>	<u>\$ 10,970,366</u>	<u>\$ 10,140,910</u>	<u>\$ 9,014,341</u>	<u>\$ 9,183,164</u>	<u>\$ 8,673,134</u>
Net pension liability (a) - (b)	<u>\$ 1,350,836</u>	<u>\$ 3,748,866</u>	<u>\$ 4,083,755</u>	<u>\$ 3,421,804</u>	<u>\$ 3,674,208</u>	<u>\$ 5,961,912</u>	<u>\$ 2,834,556</u>	<u>\$ 2,955,515</u>
Plan fiduciary net position as a percentage of total pension liability	91.94%	76.94%	74.20%	76.22%	73.40%	60.19%	76.41%	74.58%
Covered employee payroll	1,254,930	1,178,596	1,264,119	1,039,842	1,026,836	1,115,043	958,555	983,476
Net pension liability as a percentage of covered employee payroll	107.64%	318.08%	323.05%	329.07%	357.82%	534.68%	295.71%	300.52%

II. Schedule of Net Pension Liability - Multiyear

Fiscal Year Ending June 30	Total Pension Liability	Plan Net Position	Net Pension Liability	Plan Net Position as a % of Total Pension Liability	Covered Payroll	Net Pension Liability as a % of Covered Payroll
2021	\$ 16,750,105	\$ 15,399,269	\$ 1,350,836	91.94%	\$ 1,254,930	107.64%
2020	\$ 16,253,836	\$ 12,504,970	\$ 3,748,866	76.94%	\$ 1,178,596	318.08%
2019	\$ 15,826,193	\$ 11,742,438	\$ 4,083,755	74.20%	\$ 1,264,119	323.05%
2018	\$ 14,392,170	\$ 10,970,366	\$ 3,421,804	76.22%	\$ 1,039,842	329.07%
2017	\$ 13,815,118	\$ 10,140,910	\$ 3,674,208	73.40%	\$ 1,026,836	357.82%
2016	\$ 14,976,253	\$ 9,014,341	\$ 5,961,912	60.19%	\$ 1,115,043	534.68%
2015	\$ 12,017,720	\$ 9,183,164	\$ 2,834,556	76.41%	\$ 958,555	295.71%
2014	\$ 11,628,649	\$ 8,673,134	\$ 2,955,515	74.58%	\$ 983,476	300.52%

**CITY OF WEIRTON, WEST VIRGINIA
DEFINED BENEFIT PENSION TRUSTS
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021**

**Employer Defined Benefit Plans
Firemen's Pension and Relief Fund**

III. Schedule of Contributions - Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Actuarially determined contribution	\$ 599,764	\$ 650,523	\$ 559,116	\$ 503,189	\$ 530,081	\$ 613,070	\$ 354,731	\$ 396,427	\$ 518,823	\$ -
City contributions in relation to the actuarially determined contribution	(380,396)	(395,103)	(400,000)	(425,000)	(467,280)	(247,273)	(231,096)	(215,978)	(201,850)	-
State contributions in relation to the actuarially determined contribution	(265,394)	(242,302)	(227,874)	(218,214)	(213,909)	(207,993)	(200,118)	(347,845)	(206,660)	-
Contribution deficiency (excess)	\$ (46,026)	\$ 13,118	\$ (68,758)	\$ (140,025)	\$ (151,108)	\$ 157,804	\$ (76,483)	\$ (167,396)	\$ 110,313	\$ -
Government's covered-employee payroll	\$ 1,254,930	\$ 1,178,596	\$ 1,264,119	\$ 1,039,842	\$ 1,026,836	\$ 1,115,043	\$ 958,555	\$ 983,476	\$ 918,877	\$ -
Employer contributions as a percentage of covered-employee payroll	30.31%	33.52%	31.64%	40.87%	45.51%	22.18%	24.11%	21.96%	21.97%	-
City and state contributions as a percentage of covered-employee payroll	51.46%	54.08%	49.67%	61.86%	66.34%	40.83%	44.99%	57.33%	44.46%	-

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF WEIRTON, WEST VIRGINIA
DEFINED BENEFIT PENSION TRUSTS
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021**

Employer Defined Benefit Plans

Policemen's and Firemen's Pension and Relief Fund

IV Money-Weighted Rates of Return - Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Policemen's Pension and Relief Fund	20.20%	6.50%	7.10%	7.10%	10.80%	(1.20)%	4.10%	15.80%	-	-
Firemen's Pension and Relief Fund	24.10%	6.60%	7.30%	7.60%	11.20%	(0.80)%	4.00%	15.70%	-	-

*This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

CITY OF WEIRTON, WEST VIRGINIA
COST SHARING MULTI - EMPLOYER PLANS - PENSIONS
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021

Cost Sharing Multi - Employer Plans

West Virginia Public Employee Retirement System (PERS)

I. Schedule of Government's Proportionate Share of the Net Pension Liability - Last 10 Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Government's proportion of the net pension liability (asset) (percentage)	0.3234%	0.3126%	0.3164%	0.3208%	0.2954%	0.3116%	0.3100%	0.2903%	-	-
Government's proportionate share of the net pension liability (asset)	\$ 1,709,457	\$ 672,021	\$ 816,465	\$ 1,384,557	\$ 2,715,379	\$ 1,740,061	\$ 1,144,273	\$ 2,646,569	\$ -	\$ -
Government's covered-employee payroll	\$ 5,200,570	\$ 4,579,590	\$ 4,268,618	\$ 4,295,958	\$ 4,085,289	\$ 4,285,371	\$ 4,151,848	\$ 3,885,621	\$ -	\$ -
Government's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	32.87%	14.67%	19.13%	32.23%	66.47%	40.60%	27.56%	68.11%	-	-
Plan fiduciary net position as a percentage of the total pension liability	92.89%	96.99%	96.33%	93.67%	86.11%	91.29%	98.98%	79.70%	-	-

II. Schedule of Government Contributions - Last 10 Fiscal Years

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution.	\$ 509,076	\$ 520,057	\$ 457,959	\$ 469,548	\$ 515,515	\$ 551,514	\$ 599,952	\$ 602,018	\$ 543,987	\$ 576,628
Contributions in relation to the contractually required contribution	<u>(509,076)</u>	<u>(520,057)</u>	<u>(457,959)</u>	<u>(469,548)</u>	<u>(515,515)</u>	<u>(551,514)</u>	<u>(599,952)</u>	<u>(602,018)</u>	<u>(543,987)</u>	<u>(576,628)</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-employee payroll	\$ 5,090,760	\$ 5,200,570	\$ 4,579,590	\$ 4,268,618	\$ 4,295,958	\$ 4,085,289	\$ 4,285,371	\$ 4,151,848	\$ 3,885,621	\$ 3,976,745
Contributions as a percentage of covered-employee payroll	10.00%	10.00%	10.00%	11.00%	12.00%	13.50%	14.00%	14.50%	14.00%	14.50%

* - The amounts presented for each fiscal year were determined as of June 30th. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**CITY OF WEIRTON, WEST VIRGINIA
COST SHARING MULTI - EMPLOYER PLANS - PENSIONS
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021**

Cost Sharing Multi - Employer Plans

West Virginia Municipal Police Officers and Firefighters Retirement System (MPFRS)

I. Schedule of Government's Proportionate Share of the Net Pension Liability - Last 10 Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Government's proportion of the net pension liability (asset) (percentage)	(2.149810%)	(0.535593%)	(0.315723%)	(0.018256%)	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Government's proportionate share of the net pension liability (asset)	\$ (134,449)	\$ (24,557)	\$ (11,675)	\$ (513)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government's covered-employee payroll	\$ 452,341	\$ 90,118	\$ 39,729	\$ 2,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	(29.72%)	(27.25%)	(29.39%)	(20.67%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability (asset)	(172.43%)	(168.31%)	(184.45%)	(203.46%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

II. Schedule of Government Contributions - Last 10 Fiscal Years *

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Contractually required contribution.	\$ 60,152	\$ 38,449	\$ 7,660	\$ 3,377	\$ 211	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in relation to the contractually required contribution	(60,152)	(38,449)	(7,660)	(3,377)	(211)	-	-	-	-	-
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Government's covered-employee payroll	\$ 707,671	\$ 452,341	\$ 90,118	\$ 39,729	\$ 2,482	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered-employee payroll	8.50%	8.50%	8.50%	8.50%	8.50%	0.00%	0.00%	0.00%	0.00%	0.00%

* - The amounts presented for each fiscal year were determined as of June 30th. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

CITY OF WEIRTON, WEST VIRGINIA
COST SHARING MULTI - EMPLOYER PLAN - OPEB
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021

Cost Sharing Multi - Employer OPEB Plan

West Virginia Public Employees Insurance Agency (WV PEIA)

I. Schedule of Government's Proportionate Share of the Net OPEB Liability - Last 10 Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
City's proportion of the net OPEB liability (asset) (percentage)	0.137940%	0.126178%	0.107460%	0.117770%	0.147370%
City's proportionate share of the net OPEB liability (asset)	\$ 609,306	\$ 2,093,481	\$ 2,642,486	\$ 2,895,979	\$ 3,659,668
City's covered-employee payroll	\$ N/A**	\$ N/A**	\$ N/A**	\$ N/A**	\$ N/A**
City's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	N/A**	N/A**	N/A**	N/A**	N/A**
Plan fiduciary net position as a percentage of the total OPEB liability	73.49%	39.69%	30.98%	25.10%	21.64%

II. Schedule of Government OPEB Contributions - Last 10 Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 266,826	\$ 256,303	\$ 259,965	\$ 251,690	\$ 241,900
Contributions in relation to the contractually required contribution	<u>(266,826)</u>	<u>(256,303)</u>	<u>(259,965)</u>	<u>(251,690)</u>	<u>(241,900)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$ N/A**	\$ N/A**	\$ N/A**	\$ N/A**	\$ N/A**
Contributions as a percentage of covered-employee payroll	N/A**	N/A**	N/A**	N/A**	N/A**

* - The amounts presented for each fiscal year were determined as of June 30th. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, City's should present information for those years for which information is available.

** - The City does not have covered-employee payroll as the participants of the plan are retired.

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis	Variance with with Final Budget - Positive (Negative)
Revenues						
Taxes:						
Property taxes	\$ 3,039,131	\$ 3,039,131	\$ 2,992,874	\$ (17,854)	\$ 2,975,020	\$ 46,257
B&O	4,300,000	4,185,250	4,320,281	214,809	4,535,090	(135,031)
Sales taxes	3,750,000	3,350,000	3,093,821	156,094	3,249,915	256,179
Excise tax on utilities	1,300,000	1,300,000	1,025,388	21,038	1,046,426	274,612
Other taxes	716,000	666,000	658,696	3,944	662,640	7,304
Total taxes	<u>13,105,131</u>	<u>12,540,381</u>	<u>12,091,060</u>	<u>378,031</u>	<u>12,469,091</u>	<u>449,321</u>
Fines and forfeitures	131,000	131,000	108,736	13,967	122,703	22,264
Licenses, permits, and fees	255,000	255,000	239,689	-	239,689	15,311
Intergovernmental	506,995	6,702,995	4,220,245	721,837	4,942,082	2,482,750
Charges for services	5,211,500	5,136,500	5,056,425	(86,251)	4,970,174	80,075
Video lottery and table gaming proceeds	470,000	470,000	484,043	1,351	485,394	(14,043)
Charges to other funds	87,500	87,500	81,552	(81,552)	-	5,948
Investment income	12,500	12,500	15,337	-	15,337	(2,837)
Reimbursements	50,000	50,000	20,339	(20,339)	-	29,661
Other	45,000	45,000	87,376	-	87,376	(42,376)
Total revenues before prior year fund balance	<u>19,874,626</u>	<u>25,430,876</u>	<u>22,404,802</u>	<u>927,044</u>	<u>23,331,846</u>	<u>3,026,074</u>
Prior year fund balance (1)	<u>1,586,902</u>	<u>1,154,400</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,154,400</u>
Total revenues and prior year fund balance	<u>21,461,528</u>	<u>26,585,276</u>	<u>22,404,802</u>	<u>927,044</u>	<u>23,331,846</u>	<u>4,180,474</u>
Expenditures						
Current:						
General government	4,542,538	8,176,598	3,906,963	(67,527)	3,839,436	4,269,635
Public safety	9,734,277	10,159,965	9,164,189	1,076,314	10,240,503	995,776
Highway and streets	4,356,421	4,835,421	4,074,124	173,906	4,248,030	761,297
Health and sanitation	1,605,697	1,703,697	1,266,424	42,679	1,309,103	437,273
Culture and recreation	1,222,595	1,709,595	164,786	-	164,786	1,544,809
Social services	-	-	1,574	-	1,574	(1,574)
Debt Service:						
Principal	-	-	-	269,923	269,923	-
Interest and other charges	-	-	-	14,548	14,548	-
Total expenditures	<u>21,461,528</u>	<u>26,585,276</u>	<u>18,578,060</u>	<u>1,509,843</u>	<u>20,087,903</u>	<u>8,007,216</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>3,826,742</u>	<u>(582,799)</u>	<u>3,243,943</u>	<u>(3,826,742)</u>
Other Financing Sources (Uses)						
Proceeds from capital leases	-	-	-	116,000	116,000	-
Transfers out	-	-	(1,019,895)	15,000	(1,004,895)	1,019,895
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,019,895)</u>	<u>131,000</u>	<u>(888,895)</u>	<u>1,019,895</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>2,806,847</u>	<u>(451,799)</u>	<u>2,355,048</u>	
Fund balances - beginning	<u>1,586,902</u>	<u>2,408,498</u>	<u>6,219,546</u>	<u>-</u>	<u>6,219,546</u>	
Less prior year fund balance budgeted	<u>(1,586,902)</u>	<u>(2,408,498)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,026,393</u>	<u>\$ (451,799)</u>	<u>\$ 8,574,594</u>	

(1) Budget includes fund balance carried over from prior years. It is not revenue of the current period but is presented as revenue only for budgeting purposes. Beginning budgetary fund balance, as restated has been reduced for carryover to reflect the budgetary ending fund balance projected.

CITY OF WEIRTON, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - COAL SEVERANCE TAX FUND
REQUIRED SUPPLEMENTARY INFORMATION
For the Fiscal Year Ended June 30, 2021

	Original Budget	Final Budget	Actual Amounts Budgetary Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis	Variance Actual Cash Basis with Final Budget - Positive (Negative)
Revenues						
Other taxes	\$ 61,000	\$ 38,000	\$ 34,574	\$ 2,616	\$ 37,190	\$ 3,426
Investment income	70	70	22	-	22	48
Total revenues before prior year fund balance	<u>61,070</u>	<u>38,070</u>	<u>34,596</u>	<u>2,616</u>	<u>37,212</u>	<u>3,474</u>
Prior year fund balance (1)	<u>14,500</u>	<u>20,535</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,535</u>
Total revenues and prior year fund balance	<u>75,570</u>	<u>58,605</u>	<u>34,596</u>	<u>2,616</u>	<u>37,212</u>	<u>24,009</u>
Expenditures						
General government	40,570	13,605	-	-	-	13,605
Culture and recreation	-	-	-	-	-	-
Public safety	25,000	35,000	34,141	-	34,141	859
Health and sanitation	-	-	-	-	-	-
Social services	10,000	10,000	-	-	-	10,000
Total expenditures	<u>75,570</u>	<u>58,605</u>	<u>34,141</u>	<u>-</u>	<u>34,141</u>	<u>24,464</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>455</u>	<u>2,616</u>	<u>3,071</u>	<u>(455)</u>
Fund balance, beginning	<u>14,500</u>	<u>20,535</u>	<u>10,280</u>	<u>-</u>	<u>10,280</u>	
Less prior year fund balance budgeted	<u>(14,500)</u>	<u>(20,535)</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,735</u>	<u>\$ 2,616</u>	<u>\$ 13,351</u>	

(1) Budget includes fund balance carried over from prior years. It is not revenue of the current period but is presented as revenue only for budgetary purposes. Beginning budgetary fund balance has been reduced for carryover to reflect the budgetary ending fund balance projected.

Supplementary Information

**CITY OF WEIRTON, WEST VIRGINIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2021**

	Youth Job Program	Public Safety	Library	CDBG	Total
Assets					
Cash and cash equivalents	\$ 309	\$ 79,633	\$ 538,975	\$ 1,269	\$ 620,186
Receivables, net					
Intergovernmental	-	-	-	356,724	356,724
Prepaid expenses	-	-	1,960	-	1,960
Restricted cash and cash equivalents	-	40	-	-	40
	<u>309</u>	<u>79,633</u>	<u>540,935</u>	<u>357,993</u>	<u>978,910</u>
Total assets	\$ 309	\$ 79,673	\$ 540,935	\$ 357,993	\$ 978,910
Liabilities and Fund Balances					
Accounts payable	\$ -	\$ -	\$ 3,940	\$ 352,836	\$ 356,776
Wages and benefits payable	-	-	13,401	-	13,401
Compensated absences	-	-	5,835	-	5,835
Due to other funds	-	-	9,372	3,888	13,260
Security deposit	-	25,000	-	-	25,000
Unearned revenue	-	121,387	68,537	-	189,924
Grant advances	-	-	-	1,269	1,269
	<u>-</u>	<u>146,387</u>	<u>101,085</u>	<u>357,993</u>	<u>605,465</u>
Total liabilities	-	146,387	101,085	357,993	605,465
Fund Balances					
Non-spendable for:					
Prepaid expenses	-	-	1,960	-	1,960
Assigned for:					
General expenditures	309	(66,714)	437,890	-	371,485
	<u>309</u>	<u>(66,714)</u>	<u>439,850</u>	<u>-</u>	<u>373,445</u>
Total fund balances	309	(66,714)	439,850	-	373,445
	<u>\$ 309</u>	<u>\$ 79,673</u>	<u>\$ 540,935</u>	<u>\$ 357,993</u>	<u>\$ 978,910</u>
Total liabilities and fund balances	\$ 309	\$ 79,673	\$ 540,935	\$ 357,993	\$ 978,910

CITY OF WEIRTON, WEST VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2021

	Youth Job Program	Public Safety	Library	CDBG	Total
Revenues					
Property taxes	\$ -	\$ -	\$ 137,396	\$ -	\$ 137,396
Fees and fines	-	-	620	-	620
Intergovernmental	-	-	-	434,741	434,741
Investment income	1	119	945	-	1,065
Contributions	-	11,205	163,722	-	174,927
Other	-	-	64,563	-	64,563
Total revenues	<u>1</u>	<u>11,324</u>	<u>367,246</u>	<u>434,741</u>	<u>813,312</u>
Expenditures					
Current:					
General government	-	-	-	41,867	41,867
Public safety	-	4,129	-	23,584	27,713
Highway and streets	-	-	-	352,836	352,836
Culture and recreation	-	-	679,567	-	679,567
Social services	-	-	-	16,454	16,454
Total expenditures	<u>-</u>	<u>4,129</u>	<u>679,567</u>	<u>434,741</u>	<u>1,118,437</u>
Excess (deficiency) of revenues over expenditures	<u>1</u>	<u>7,195</u>	<u>(312,321)</u>	<u>-</u>	<u>(305,125)</u>
Other Financing Sources (Uses)					
Transfers from other funds	<u>-</u>	<u>-</u>	<u>419,595</u>	<u>-</u>	<u>419,595</u>
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>419,595</u>	<u>-</u>	<u>419,595</u>
Net changes in fund balances	1	7,195	107,274	-	114,470
Fund balances - beginning	<u>308</u>	<u>(73,909)</u>	<u>332,576</u>	<u>-</u>	<u>258,975</u>
Fund balances - ending	<u>\$ 309</u>	<u>\$ (66,714)</u>	<u>\$ 439,850</u>	<u>\$ -</u>	<u>\$ 373,445</u>

CITY OF WEIRTON, WEST VIRGINIA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2021

	Pension Trust Funds		Total Pension Trust Funds
	Policemen's Pension Trust Funds	Firemen's Pension	
Assets			
Cash and cash equivalents	\$ 590,817	\$ 69,316	\$ 660,133
Due from other funds	78,221	-	78,221
Investments, at fair value:			
Money markets	830,560	237,672	1,068,232
Corporate obligations	-	214,148	214,148
Mutual funds	4,440,825	5,665,408	10,106,233
Equities	6,127,439	9,254,037	15,381,476
Total investments	11,398,824	15,371,265	26,770,089
Total assets	12,067,862	15,440,581	27,508,443
Liabilities			
Due to other funds	-	41,312	41,312
Total liabilities	-	41,312	41,312
Net Position			
Net position held in trust for pension benefits	\$ 12,067,862	\$ 15,399,269	\$ 27,467,131

CITY OF WEIRTON, WEST VIRGINIA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
For the Year Ended June 30, 2021

	Policemen's Pension	Firemen's Pension	Total Pension Trust
Additions			
Contributions:			
Employer	\$ 2,087,383	\$ 380,396	\$ 2,467,779
Plan members	199,731	126,460	326,191
Insurance premium tax allocation	446,653	265,394	712,047
Total contributions	<u>2,733,767</u>	<u>772,250</u>	<u>3,506,017</u>
Investment income:			
Interest and dividends	166,611	243,328	409,939
Net realized and unrealized gains (losses)	1,802,727	2,735,663	4,538,390
Less: investment expense	<u>(31,924)</u>	<u>(42,825)</u>	<u>(74,749)</u>
Net investment income	<u>1,937,414</u>	<u>2,936,166</u>	<u>4,873,580</u>
Other income	<u>148</u>	<u>362</u>	<u>510</u>
Total additions	<u>4,671,329</u>	<u>3,708,778</u>	<u>8,380,107</u>
Deductions			
Benefits	1,636,715	810,699	2,447,414
Administrative	<u>10,313</u>	<u>3,780</u>	<u>14,093</u>
Total deductions	<u>1,647,028</u>	<u>814,479</u>	<u>2,461,507</u>
Change in net position	3,024,301	2,894,299	5,918,600
Net position held in trust for pension benefits			
Beginning of year	<u>9,043,561</u>	<u>12,504,970</u>	<u>21,548,531</u>
End of year	<u>\$ 12,067,862</u>	<u>\$ 15,399,269</u>	<u>\$ 27,467,131</u>

CITY OF WEIRTON, WEST VIRGINIA
SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES
For the Fiscal Year Ended June 30, 2021

	Grant Number	Award Amount	Under (Over) Expended Beginning of Year	Total Current Year Revenues	Total Current Year Expenditures	Under (Over) Expended End of Year
West Virginia Department of Arts, Culture and History						
Fairs & Festivals	FF21-798	\$ 23,762	\$ -	\$ 23,762	\$ 23,762	\$ -
Total West Virginia Department of Arts, Culture and History		<u>23,762</u>	<u>-</u>	<u>23,762</u>	<u>23,762</u>	<u>-</u>
West Virginia Water Development Authority						
Loan Funding	2019S-1797/IL24	1,300,000	1,045,081	587,615	587,615	457,466
Loan Funding	2019W-1795/IL25	1,300,000	1,082,631	540,584	540,584	542,047
Total West Virginia Water Development Authority		<u>2,600,000</u>	<u>2,127,712</u>	<u>1,128,199</u>	<u>1,128,199</u>	<u>999,513</u>
Total State Awards		<u>\$ 2,623,762</u>	<u>\$ 2,127,712</u>	<u>\$ 1,151,961</u>	<u>\$ 1,151,961</u>	<u>\$ 999,513</u>

CITY OF WEIRTON, WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed through to Subrecipients	Total Federal Expenditures
Department of Housing and Urban Development				
CDBG-Entitlement Grants Cluster:				
Community Development Block Grant	14.218	N/A	\$ -	\$ 446,741
Total Department of Housing and Urban Development			-	446,741
Department of Justice				
<u>West Virginia Division of Justice and Community Services</u>				
Byrne Formula Grant	16.579	20-JAG	-	11,667
Total Department of Justice			-	11,667
Department of Transportation				
Federal Transit Cluster:				
Federal Transit Formula Grant	20.507	N/A	643,340	643,340
Highway Safety Cluster:				
State and Community Highway Safety	20.600	21-04	-	3,817
National Property Safety Programs	20.616	20-04	-	615
National Property Safety Programs	20.616	21-04	-	6,482
			-	10,914
Total Department of Transportation			643,340	654,254
Department of Treasury				
<u>West Virginia Governor's Office</u>				
Coronavirus Relief Fund	21.019	211697	8,000	3,568,427
Coronavirus Relief Fund	21.019	101833	-	42,492
Total Department of Treasury			8,000	3,610,919
Environmental Protection Agency				
Brownfields Assessment and Cleanup Cooperative Agreements	66.818	N/A	-	16,674
Total Environmental Protection Agency			-	16,674
Executive Office of the President				
<u>Laurel County Fiscal Court</u>				
High Intensity Drug Trafficking Areas Program	95.001	N/A	-	13,812
Total Executive Office of the President			-	13,812
Total Expenditures of Federal Awards			\$ 651,340	\$ 4,754,067

CITY OF WEIRTON, WEST VIRGINIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2021

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of the City of Weirton, West Virginia under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the City of Weirton, West Virginia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the City of Weirton, West Virginia.

2. Summary of Significant Accounting Policies

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

3. Indirect Cost Rate

The City of Weirton, West Virginia has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Ferrari & Associates, PLLC

616 Schubert Place | Morgantown, WV 26505

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor and City Council
City of Weirton
200 Municipal Plaza
Weirton, West Virginia 26062

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining information of the City of Weirton, West Virginia (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 21, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Ferrari & Associates, PLLC

616 Schubert Place | Morgantown, WV 26505

Purpose of this Report

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

Ferrari & Associates, PLLC

**Morgantown, West Virginia
March 21, 2022**

Ferrari & Associates, PLLC

616 Schubert Place | Morgantown, WV 26505

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

Honorable Mayor and City Council
City of Weirton
200 Municipal Plaza
Weirton, West Virginia 26062

Report on Compliance for Each Major Federal Program

We have audited the City of Weirton, West Virginia's (the City's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2021. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express our opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the City of Weirton, West Virginia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major programs for the year ended June 30, 2021.

Ferrari & Associates, PLLC

616 Schubert Place | Morgantown, WV 26505

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Ferrari & Associates, PLLC

**Morgantown, West Virginia
March 21, 2022**

**CITY OF WEIRTON, WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2021**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiencies identified that is not considered to be a material weakness? No

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? No
- Significant deficiencies identified that is not considered to be a material weakness? No

Type of auditor’s report issued on compliance for major programs: Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
21.019	Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

Section II – Financial Statement Findings

None

Section III – Federal Awards Findings and Questioned Costs

None

Section IV – Status of Prior Year Audit Findings

There were no audit findings in the prior year.