



**bhm cpa group, inc.**  
CERTIFIED PUBLIC ACCOUNTANTS

RFP #24-172  
Mason County

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AUDIT REPORT OF  
MASON COUNTY COMMISSION MASON  
COUNTY, WEST VIRGINIA SINGLE AUDIT

For the Year Ended June 30, 2023  
Fiscal Year Audited Under GAGAS: 2023

**MASON COUNTY COMMISSION  
MASON COUNTY, WEST VIRGINIA  
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FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

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## **INTRODUCTORY SECTION**

**MASON COUNTY COMMISSION  
COUNTY OFFICIALS  
For the Fiscal Year Ended June 30, 2023**

<b>OFFICE</b>	<b>NAME</b>	<b>TERM</b>
	<u>Elective</u>	
County Commission:	Tracy Doolittle	01-01-19 / 12-31-24
	Richard Handley	01-01-21 / 12-31-26
	Sam Nibert	01-01-23 / 12-31-28
Clerk of the County Commission:	Diana N. Cromley	01-01-23 / 12-31-28
Clerk of the Circuit Court:	Elizabeth Jones	01-01-23 / 12-31-28
Sheriff:	Corey Miller	01-01-21 / 12-31-24
Prosecuting Attorney:	Seth Gaskins	01-01-21 / 12-31-24
Assessor:	Aimee J. Duncan	01-01-21 / 12-31-24

## **FINANCIAL SECTION**



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**Independent Auditor's Report**

Mason County Commission  
200 6th Street  
Point Pleasant, West Virginia 25550

To the County Commissioners:

***Report on the Audit of the Financial Statements***

***Opinions***

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Mason County Commission, (the County) West Virginia as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of Mason County Commission, West Virginia as of June 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Mason County Development Authority, and Mason County Public Library which represent 63 percent, 64 percent, and 66 percent, respectively, of the assets, net position, and revenues of the component units as of June 30, 2023, and the respective changes in financial position thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Mason County Development Authority and Mason County Public Library, are based solely on the report of other auditors.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may rise substantial doubt shortly thereafter.

***Auditor's Responsibility***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matter, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

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

Management 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 Standard Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion is not modified with respect to this matter.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Budgetary Comparison Schedule – Assessor's Valuation Fund, Schedule of State Grant Receipts and Expenditures as required by Chapter 12, Article 4, Section 14 of the West Virginia State Code and Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 Budgetary Comparison Schedule – Assessor's Valuation Fund, Schedule of State Grant Receipts and Expenditures as required by Chapter 12, Article 4, Section 14 of the West Virginia State Code and Schedule of Expenditures of Federal Awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 14, 2025, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



BHM CPA Group Inc.  
Huntington, West Virginia  
August 14, 2025

**Mason County, West Virginia**  
*Statement of Net Position*  
June 30, 2023

	Primary Government	Component Units		
	Governmental Activities	Board of Health	Development Authority	Public Library
<b>Assets</b>				
Current:				
Cash and cash equivalents	\$ 1,355,466	\$ 732,657	\$ 508,637	\$ 46,870
Investments	2,248,065	-		52,067
Receivables:				
Taxes	413,134	-	-	-
Accounts	-	-	-	232
Prepaid expenses	810,597	-	-	-
Total Current Assets	<u>4,827,262</u>	<u>732,657</u>	<u>508,637</u>	<u>99,169</u>
Capital assets:				
Nondepreciable:				
Land	249,410	-	153,490	-
Building held for resale	-	-	35,695	-
Construction in Progress	-	-	-	-
Depreciable:				
Buildings	4,905,705	-	-	781,228
Structures and improvements	2,638,349	-	-	-
Machinery and equipment	6,122,838	-	-	124,020
Books	-	-	-	79,290
Less: accumulated depreciation	(7,612,020)	-	-	(536,085)
Total Noncurrent Assets	<u>6,304,282</u>	<u>-</u>	<u>189,185</u>	<u>448,453</u>
<i>Total Assets</i>	<u>\$ 11,131,544</u>	<u>\$ 732,657</u>	<u>\$ 697,822</u>	<u>\$ 547,622</u>
<b>Deferred Outflows</b>				
Deferred outflows of resources related to pensions	\$ 1,441,274	\$ 51,991	\$ -	\$ 28,990
Deferred outflows of resources related to OPEB	280,302	32,981	-	6,645
<i>Total Deferred Outflows</i>	<u>\$ 1,721,576</u>	<u>\$ 84,972</u>	<u>\$ -</u>	<u>\$ 35,635</u>
<i>Total Assets and Deferred Outflows</i>	<u>\$ 12,853,120</u>	<u>\$ 817,629</u>	<u>\$ 697,822</u>	<u>\$ 583,257</u>
<b>Liabilities</b>				
Current liabilities payable from current assets:				
Accounts payable	\$ 368,794	\$ -	\$ -	\$ 21,990
Payroll payable	-	1,260	-	-
Credit card payable	-	-	-	4,045
Due to:				
Other governments	-	-	-	16,451
Noncurrent liabilities:				
Unearned federal grant revenue	2,121,629	-	-	-
Notes payable - due within one year	260,233	-	-	-
Notes payable-due in more than one year	1,233,877	-	-	-
Leases payable - due within one year	48,947	-	-	-
Leases payable - due in more than one year	566,795	-	-	-
Compensated absences payable	-	71,934	-	6,632
Net pension liability	800,451	16,750	-	3,243
Net OPEB liability	80,928	8,811	-	11,025
<i>Total Liabilities</i>	<u>\$ 5,481,654</u>	<u>\$ 98,755</u>	<u>\$ -</u>	<u>\$ 63,386</u>
<b>Deferred Inflows</b>				
Deferred inflows of resources related to pensions	\$ 78,057	\$ 51	\$ -	\$ 183
Deferred inflows of resources related to OPEB	423,486	41,567	-	18,307
<i>Total Deferred Inflows</i>	<u>\$ 501,543</u>	<u>\$ 41,618</u>	<u>\$ -</u>	<u>\$ 18,490</u>
<b>Net Position</b>				
Net investment in capital assets	\$ 4,194,430	\$ -	\$ 189,185	\$ 448,453
Restricted	-	-	1,000	-
Unrestricted	2,675,493	677,256	507,637	52,928
<i>Total Net Position</i>	<u>\$ 6,869,923</u>	<u>\$ 677,256</u>	<u>\$ 697,822</u>	<u>\$ 501,381</u>
<i>Total Liabilities, Deferred Inflows and Net Position</i>	<u>\$ 12,853,120</u>	<u>\$ 817,629</u>	<u>\$ 697,822</u>	<u>\$ 583,257</u>
See accompanying notes to the basic financial statements				

**Mason County, West Virginia**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2023

	Program Revenues				Net (Expense) Revenues and Changes in Net Position			
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Board of Health	Component Units Development Authority	Public Library
<b>Primary Government:</b>								
Governmental Activities:								
General government	\$ 4,687,149	\$ 2,999,961	\$ 343,462	\$ -	\$ (1,343,726)			
Public safety	8,517,391	-	306,157	1,082,424	(7,128,810)			
Health and sanitation	22,998	-	11,051	-	(11,947)			
Culture and recreation	128,153	-	-	-	(128,153)			
Total governmental activities	13,355,691	2,999,961	660,670	1,082,424	(8,612,636)			
<b>Total primary government</b>	<b>\$ 13,355,691</b>	<b>\$ 2,999,961</b>	<b>\$ 660,670</b>	<b>\$ 1,082,424</b>	<b>\$ (8,612,636)</b>			
<b>Component Units:</b>								
Board of Health	498,287	58,347	-	-	-	(439,940)	-	-
Development Authority	291,613	64,764	-	-	-	-	(226,849)	-
Public Library	367,962	6,232	231,613	-	-	-	-	(130,117)
<b>Total component units</b>	<b>\$ 1,157,862</b>	<b>\$ 129,343</b>	<b>\$ 231,613</b>	<b>\$ -</b>	<b>-</b>	<b>(439,940)</b>	<b>(226,849)</b>	<b>(130,117)</b>
<b>General Revenues:</b>								
Ad valorem property tax					5,501,832	-	-	-
Alcoholic beverage tax					2,592	-	-	-
Hotel occupancy tax					2,680	-	-	-
Animal tax					851,870	-	-	-
Gas and oil severance tax					110,666	-	-	-
Other taxes					560,010	-	-	-
Coal severance tax					87,863	-	-	-
Intergovernmental					-	438,636	523,012	77,350
Interest and unrestricted investment earnings					128,012	370	2,065	2,974
Contributions and donations					-	50	38,500	21,000
Refunds					399,378	-	-	-
Reimbursements					7,891	-	-	-
Miscellaneous					426,701	-	-	8,827
<i>Total General Revenues</i>					8,079,495	439,056	563,577	110,151
Change in Net Position					(533,141)	(884)	336,728	(19,966)
<i>Net Position Beginning of Year, as Previously Stated</i>					6,902,877	678,140	361,094	521,347
<i>Error Corrections</i>					500,187	-	-	-
<i>Net Position Beginning of Year, as Restated, see Note IV.I.</i>					7,403,064	678,140	361,094	521,347
<i>Net Position End of Year</i>					<u>\$ 6,869,923</u>	<u>\$ 677,256</u>	<u>\$ 697,822</u>	<u>\$ 501,381</u>

See accompanying notes to the basic financial statements

**Mason County, West Virginia**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2023*

	General	Coal Severance Tax	American Rescue Plan	Ambulance Service	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>						
Current:						
Cash and cash equivalents	\$ 754,563	\$ 8,813	\$ (6,371)	\$ 13,466	\$ 584,995	\$ 1,355,466
Investments	-	-	2,227,087	-	20,978	2,248,065
Receivables:						
Taxes	376,641	-	-	-	36,493	413,134
Prepaid expenses	-	-	810,597	-	-	810,597
<i>Total Assets</i>	<u>\$ 1,131,204</u>	<u>\$ 8,813</u>	<u>\$ 3,031,313</u>	<u>\$ 13,466</u>	<u>\$ 642,466</u>	<u>\$ 4,827,262</u>
<b>Liabilities, Deferred Inflows and Fund Balances:</b>						
Liabilities:						
Accounts payable	\$ 368,794	\$ -	\$ -	\$ -	\$ -	\$ 368,794
Unearned Revenue - Federal Grants	-	-	2,121,629	-	-	2,121,629
<i>Total Liabilities</i>	<u>368,794</u>	<u>-</u>	<u>2,121,629</u>	<u>-</u>	<u>-</u>	<u>2,490,423</u>
Deferred Inflows:						
Unavailable revenue - taxes	334,670	-	-	-	29,906	364,576
<i>Total Deferred Inflows</i>	<u>334,670</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,906</u>	<u>364,576</u>
Fund Balances:						
Restricted	-	-	909,684	13,466	612,560	1,535,710
Assigned	-	8,813	-	-	-	8,813
Unassigned	427,740	-	-	-	-	427,740
<i>Total Fund Balances</i>	<u>427,740</u>	<u>8,813</u>	<u>909,684</u>	<u>13,466</u>	<u>612,560</u>	<u>1,972,263</u>
<i>Total Liabilities, Deferred Inflows and Fund Balances</i>	<u>\$ 1,131,204</u>	<u>\$ 8,813</u>	<u>\$ 3,031,313</u>	<u>\$ 13,466</u>	<u>\$ 642,466</u>	<u>\$ 4,827,262</u>

See accompanying notes to the basic financial statements

MASON COUNTY, WEST VIRGINIA  
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
June 30, 2023

Total fund balances on the governmental fund's balance sheet	\$ 1,972,263
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds. (Note IV.C)	6,304,282
Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds. (Note IV.B)	364,576
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred outflow- Changes in employer portion and differences between contributions and proportionate share of pension expense.	113,189
Deferred outflow- Changes in assumptions	359,434
Deferred outflow- Changes in assumptions - OPEB	51,899
Deferred outflow - Differences between projected and actual investment earnings	263,807
Deferred outflow - Differences between projected and actual investment earnings - OPEB	12,562
Deferred outflow - Changes in employer portion and differences between contributions and proportionate share of OPEB expense	149,201
Deferred outflow - Differences between expected and actual experience.	268,105
Deferred outflow - Employer contributions to pension plan subsequent to the measurement date.	436,739
Deferred outflow - Employer contributions to OPEB plan subsequent to the measurement date.	66,640
Deferred inflow- Changes in proportion and differences between employer contributions and proportionate share of contributions - pension	(53,172)
Deferred inflow-Changes in proportion and differences between employer contributions and proportionate share of contributions - OPEB.	(114,089)
Deferred inflow - Differences between expected and actual experience - pensions	(20,007)
Deferred inflow - Differences between expected and actual experience - OPEB.	-
Deferred inflow - Changes in assumptions - pensions	(4,878)
Deferred inflow - Changes in assumptions - OPEB	(205,624)
Deferred inflow - Reallocation of OPT-Out Employer change in proportionate share OPEB	(533)
Deferred inflow - Differences between projected and actual investment earnings - pensions	-
Deferred inflow - Differences between projected and actual investment earnings - OPEB.	(103,240)
	1,220,033
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. (Note II.A., IV.G.,H)	(2,991,231)
Net position of governmental activities	\$ <u>6,869,923</u>

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

**Mason County, West Virginia**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2023*

	General	Coal Severance Tax	American Rescue Plan	Ambulance Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>						
Taxes:						
Ad valorem property tax	\$ 5,480,550	\$ -	\$ -	\$ -	\$ -	\$ 5,480,550
Alcoholic beverage tax	2,592	-	-	-	-	2,592
Hotel occupancy tax	2,680	-	-	-	-	2,680
Animal tax	-	-	-	-	851,870	851,870
Gas and oil severance tax	110,666	-	-	-	-	110,666
Other taxes	292,327	-	-	-	267,683	560,010
Coal severance tax	-	87,863	-	-	-	87,863
Intergovernmental:						
Federal	173,948	-	1,060,596	-	23,509	1,258,053
State	321,575	-	-	-	14,495	336,070
Local	148,971	-	-	-	-	148,971
Charges for services	245,465	-	-	1,621,899	1,033,731	2,901,095
Fines and forfeits	27,412	-	-	-	71,454	98,866
Interest and investment earnings	26,794	21	98,144	-	3,053	128,012
Refunds	399,378	-	-	-	-	399,378
Reimbursements	-	-	-	-	7,891	7,891
Contributions and donations	-	-	-	-	8,027	8,027
Miscellaneous	392,098	-	-	-	26,576	418,674
<i>Total Revenues</i>	<u>7,624,456</u>	<u>87,884</u>	<u>1,158,740</u>	<u>1,621,899</u>	<u>2,308,289</u>	<u>12,801,268</u>
<b>Expenditures:</b>						
Current:						
General government	4,906,468	-	-	-	311,124	5,217,592
Public safety	6,170,899	97,513	2,048,778	23,968	832,084	9,173,242
Health and sanitation	12,500	-	-	-	-	12,500
Culture and recreation	127,989	-	-	-	164	128,153
<i>Total Expenditures</i>	<u>11,217,856</u>	<u>97,513</u>	<u>2,048,778</u>	<u>23,968</u>	<u>1,143,372</u>	<u>14,531,487</u>
<i>Excess (deficiency) of revenues over expenditures</i>	<u>(3,593,400)</u>	<u>(9,629)</u>	<u>(890,038)</u>	<u>1,597,931</u>	<u>1,164,917</u>	<u>(1,730,219)</u>
<b>Other Financing Sources (Uses):</b>						
Transfers in	2,670,433	-	-	-	-	2,670,433
Transfers out	-	-	-	(1,585,000)	(1,085,433)	(2,670,433)
Long-term debt issues (notes)	173,000	-	-	-	-	173,000
<i>Total Other Financing Sources (Uses)</i>	<u>2,843,433</u>	<u>-</u>	<u>-</u>	<u>(1,585,000)</u>	<u>(1,085,433)</u>	<u>173,000</u>
<i>Net Change in Fund Balances</i>	<u>(749,967)</u>	<u>(9,629)</u>	<u>(890,038)</u>	<u>12,931</u>	<u>79,484</u>	<u>(1,557,219)</u>
<i>Fund Balances Beginning</i>	<u>1,177,707</u>	<u>18,442</u>	<u>1,799,722</u>	<u>535</u>	<u>533,076</u>	<u>3,529,482</u>
<i>Fund Balances Ending</i>	<u>\$ 427,740</u>	<u>\$ 8,813</u>	<u>\$ 909,684</u>	<u>\$ 13,466</u>	<u>\$ 612,560</u>	<u>\$ 1,972,263</u>

See accompanying notes to the basic financial statements

MASON COUNTY, WEST VIRGINIA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO  
THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2023

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

Net change in fund balances - total governmental funds		\$ (1,557,219)
Capital outlays are reported as an expenditure in the governmental funds but are considered an asset at the government-wide level. This is the amount of capital assets that were purchased during the fiscal year. (Note IV.C)		596,357
Capital outlays are reported as an expenditure in the governmental funds. In the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount of depreciation expense charged during the year. (Note II.B., IV.C).		(584,868)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position. (Note IV.C)		(12,113)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the increase/(decrease) between prior and current year deferred revenues.		
Prior year deferred revenues:	343,294	
Current year deferred revenues:	<u>364,576</u>	21,282
County pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the County's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
County pension contributions	436,739	
County OPEB contributions	66,640	
Pension expense	(287,583)	
OPEB expense	<u>299,456</u>	515,252
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (Note II.B., IV.H)		<u>488,168</u>
Change in net position of governmental activities		\$ <u><u>(533,141)</u></u>

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

**Mason County, West Virginia**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Budgeted Amounts		Actual Modified Accrual Basis	Adjustments Budget Basis	Actual Amounts Budget Basis	Variance with Final Budget Positive (Negative)
	Original	Final				
<b>Revenues</b>						
<b>Taxes:</b>						
Ad valorem property taxes	\$ 5,273,316	\$ 5,279,316	\$ 5,480,550	\$ 1,764	\$ 5,482,314	\$ 202,998
Alcoholic beverage tax	2,000	2,000	2,592	-	2,592	592
Hotel occupancy tax	-	-	2,680	-	2,680	2,680
Gas and oil severance tax	35,000	110,000	110,666	-	110,666	666
Other taxes	125,800	222,300	292,327	-	292,327	70,027
Licenses and permits	3,000	3,000	-	-	-	(3,000)
Intergovernmental:						
Federal	70,000	125,000	173,948	-	173,948	48,948
State	250,000	313,000	321,575	-	321,575	8,575
Local	200,000	275,000	148,971	-	148,971	(126,029)
Charges for services	2,974,000	2,974,000	245,465	-	245,465	(2,728,535)
Fines and forfeits	-	-	27,412	-	27,412	27,412
Interest and investment earnings	50,000	50,000	26,794	(26,164)	630	(49,370)
Refunds	150,000	150,000	399,378	-	399,378	249,378
Payments in lieu of taxes	1,000	1,000	-	-	-	(1,000)
Miscellaneous	167,000	255,000	392,098	-	392,098	137,098
<b>Total revenues</b>	<b>9,301,116</b>	<b>9,759,616</b>	<b>7,624,456</b>	<b>(24,400)</b>	<b>7,600,056</b>	<b>(2,159,560)</b>
<b>Expenditures</b>						
Current:						
General government	4,124,516	4,881,245	4,906,468	(251,616)	4,654,852	226,393
Public safety	5,636,600	5,933,470	6,170,899	(216,150)	5,954,749	(21,279)
Health and sanitation	18,500	18,500	12,500	-	12,500	6,000
Culture and recreation	52,000	89,500	127,989	(2,803)	125,186	(35,686)
Social services	5,000	5,000	-	-	-	5,000
<b>Total Expenditures</b>	<b>9,836,616</b>	<b>10,927,715</b>	<b>11,217,856</b>	<b>(470,569)</b>	<b>10,747,287</b>	<b>180,428</b>
<b>Excess (deficiency of revenues over expenditures)</b>	<b>(535,500)</b>	<b>(1,168,099)</b>	<b>(3,593,400)</b>	<b>446,169</b>	<b>(3,147,231)</b>	<b>(1,979,132)</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	335,500	609,330	2,670,433	198,155	2,868,588	2,259,258
<b>Total Other Financing Sources (Uses)</b>	<b>335,500</b>	<b>609,330</b>	<b>2,670,433</b>	<b>198,155</b>	<b>2,868,588</b>	<b>2,259,258</b>
<b>Net Change in Fund Balance</b>	<b>(200,000)</b>	<b>(558,769)</b>	<b>(922,967)</b>	<b>644,324</b>	<b>(278,643)</b>	<b>280,126</b>
<b>Fund Balance Beginning of Year,</b>	<b>200,000</b>	<b>558,769</b>	<b>1,177,707</b>	<b>(618,938)</b>	<b>558,769</b>	<b>-</b>
<b>Fund Balance End of Year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 254,740</b>	<b>\$ 25,386</b>	<b>\$ 280,126</b>	<b>\$ 280,126</b>

See accompanying notes to the basic financial statements

**Mason County, West Virginia**  
*Statement of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget and Actual*  
*Coal Severance Tax Fund*  
*For the Fiscal Year Ended June 30, 2023*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
<b>Revenues</b>				
Taxes:				
Coal severance tax	\$ 35,000	\$ 49,000	\$ 87,863	\$ 38,863
Interest and investment earnings	-	-	21	21
<i>Total revenues</i>	<u>35,000</u>	<u>49,000</u>	<u>87,884</u>	<u>38,884</u>
<b>Expenditures</b>				
Public Safety	<u>40,000</u>	<u>67,442</u>	<u>97,513</u>	<u>(30,071)</u>
<i>Total expenditures</i>	<u>40,000</u>	<u>67,442</u>	<u>97,513</u>	<u>(30,071)</u>
<i>Net change in fund balance</i>	(5,000)	(18,442)	(9,629)	8,813
<i>Fund balance beginning of year</i>	<u>5,000</u>	<u>18,442</u>	<u>18,442</u>	<u>-</u>
<i>Fund balance end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,813</u>	<u>\$ 8,813</u>

See accompanying notes to the basic financial statements

**MASON COUNTY, WEST VIRGINIA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
June 30, 2023

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	Custodial Funds
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 1,605,585
Total assets	<u>\$ 1,605,585</u>
 <b>NET POSITION :</b>	
Net position, held for individuals, other governments, organizations	\$ 1,605,585
Total net position	<u>\$ 1,605,585</u>

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

**MASON COUNTY, WEST VIRGINIA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
June 30, 2023

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	Custodial Funds
<b>Additions:</b>	
Property tax collections for other governments	\$ 18,015,934
County office collections	1,477,295
License fee collections	9,235
Miscellaneous	2,493,503
Total additions	<u>\$ 21,995,967</u>
<b>Deductions:</b>	
Payments of property tax to other governments	18,414,492
Payments of county office collections	3,808,384
Payments of license fee collections	650
Miscellaneous	2,805,687
Total deductions	<u>25,029,213</u>
 Changes in net position	 (3,033,246)
 Net position, beginning of year	 <u>4,638,831</u>
 Net position, end of year	 <u><u>\$ 1,605,585</u></u>

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

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

Mason County is one of fifty-five counties established under the Constitution and the Laws of the State of West Virginia. There are six offices elected county-wide, which are: County Commission, County Clerk, Circuit Clerk, Assessor, Sheriff, and Prosecuting Attorney.

The County Commission is the legislative body for the government, and as such budgets and provides all the funding used by the separate Constitutional Offices except for the offices of the Assessor and the Sheriff, which also have additional revenue sources. The County Clerk's office maintains the accounting system for the County's operations. The operations of the County as a whole, however, including all the Constitutional offices have been combined in these financial statements.

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

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

*Discretely Presented Component Units*

Discretely presented component units are entities which are legally separate from the County, but are financially accountable to the County, or whose relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Because of the nature of services they provide and the County's ability to impose its will on them or a financial benefit/burden relationship exists, the following component units are discretely presented in accordance with GASB Statement No. 14 (as amended by GASB Statement 39). The discretely presented component units are presented on the government-wide statements.

The Mason County Board of Health serves citizens of Mason County and is governed by a five-member board appointed by the County Commission. The Board of Health is responsible for directing, supervising and carrying out matters related to public health of the County. West Virginia statute dictates the County is legally obligated to provide financial support to the board.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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The Mason County Economic Development Authority serves Mason County, West Virginia, and is governed by a board comprised of 21 members appointed by the County Commission for a term of 3 years each. The Mason County Economic Development Authority develops property on behalf of the County and also provides services to external parties.

The Mason County Public Library serves all citizens of Mason County and is governed by a five member board appointed by the County Commission. The County provides financial support to the library annually.

The Mason County Building Commission serves Mason County, West Virginia, and is governed by a board comprised of three members appointed by the County Commission for a term of five years each. The Building Commission acquires property and debt on behalf of the County and also provides services to external parties.

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

**B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

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

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

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

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

The government reports the following major governmental funds:

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

The *Coal Severance Tax fund*, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia counties. The State Auditor's Office requires an annual budget be submitted for approval for this fund.

The *American Rescue Plan fund*, a special revenue fund, accounts for revenues and expenditures from the federal American Rescue Plan Act.

The *Ambulance Service fund*, a special revenue fund, accounts for ambulance service in the country.

Additionally, the government reports the following fund types:

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

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

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.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**D. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position**

**1. Deposits and Investments**

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

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the County reports its investments at fair value, except for non-participating investment contracts (certificates of deposit and repurchase agreements) which are reported at cost, which approximates fair value. All investment income, including changes in fair value of investments, are recognized as revenue in the operating statement. Fair value is determined by quoted market prices.

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

If it is determined that the available interest rate offered by an acceptable depository in the county is less than the interest rate, net of administrative fees referred to in article six, chapter twelve of the West Virginia Code, offered it through the state board of investments, the county treasurer may, with the approval of each fiscal body whose funds are involved, make such funds available to the state board of investments for investment in accordance with the provisions of article six, chapter twelve of the code.

State statutes authorize the government to enter into agreements with the State Treasurer for the investment of monies. Authority is provided for investment in the Investment Management Board, the West Virginia Board of Treasury or the Municipal Bond Commission, or to invest such funds in the following classes of securities: Any investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. §80a, the portfolio of which is limited: (i) To obligations issued by or guaranteed as to the payment of both principal and interest by the United States of America or its agencies or instrumentalities; and (ii) to repurchase agreements fully collateralized by obligations of the United States government or its agencies or instrumentalities: Provided, That the investment company or investment trust takes delivery of the collateral either directly or through an authorized custodian: Provided, however, That the investment company or investment trust is rated within one of the top two rating categories of any nationally recognized rating service such as Moody's or Standard & Poor's.

**2. Receivables and Payables**

*Interfund Transactions*

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

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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*Property Tax Receivable*

The property tax receivable allowance is equal to 80 percent of the property taxes outstanding at June 30, 2023.

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; the second installment is payable on the first day 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 the taxes are not paid on or before the date in which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until the date they are paid. Taxes paid on or before the due date are allowed a two and one-half percent discount. A tax lien is issued for all unpaid real estate taxes as of the date of the sheriff's sale and these liens are sold between October 14th and November 23rd of each year. Sixty days of estimated property tax collections are recorded in revenues at the end of each fiscal year.

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

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

<u>Class of Property</u>	<u>Assessed Valuation For Tax Purposes</u>	<u>Current Expense</u>	<u>Excess Levy</u>
Class II	\$ 479,056,562	28.60 cents	4.50 cents
Class III	544,186,808	57.20 cents	9.00 cents
Class IV	103,782,875	57.20 cents	9.00 cents

### **3. Inventories**

There are no material inventories maintained; therefore they do not appear on the financial statements.

### **4. Capital Assets and Depreciation**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$2,500 or more and estimated to have a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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

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

Asset	Straight-line Years	Inventory Purposes	Capitalize/ Depreciate
Land	not applicable	\$ 1	\$ Capitalize only
Land improvement	20 to 30 years	1	12,500.00
Building	40 years	1	25,000.00
Building improvements	20 to 25 years	1	25,000.00
Construction in progress	not applicable	1	Capitalize only
Equipment	5 to 10 years	1,000	2,500.00
Vehicles	5 to 10 years	1,000	15,000.00
Infrastructure	40 to 50 years	50,000	100,000.00

#### **5. Compensated Absences**

It is the government's policy to require employees to use all earned vacation time by the end of the fiscal year; therefore, no liability is reported for vacation leave. No liability is reported for unpaid accumulated sick leave.

#### **6. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position.

#### **7. Deferred Outflows/inflows of Resources**

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

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

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**8. Fund Balances**

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

Non-spendable fund balance	Inventories and prepaid amounts represent fund balance amounts that are not in spendable form.
Restricted	The restricted category is the portion of fund balance that is externally imposed by creditors, grantors, contributors or laws or regulations. It also is imposed by law through constitutional provisions or enabling legislation.
Committed	The committed category is the portion of fund balance whose use is constrained by limitations have been approved by an order (the highest level of formal action) of the County Commission, and that remain binding unless removed in the same manner. The approval does not automatically lapse at the end of the fiscal year.
Assigned	The assigned category is the portion of fund balance that has been approved by formal action of the County Commission/other official authorized to assign amounts for any amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed.
Unassigned	The unassigned category is the portion of fund balance that has not been reported in any other classification. Only the general fund can report a positive amount of unassigned fund balance. However, any governmental fund in a deficit position could report a negative amount of unassigned fund balance.

The County Commission is the government's highest level of decision-making authority. The Commission would take formal action to establish, and modify or rescind, a fund balance commitment or to assign fund balance amounts to a specific purpose. The Commission has adopted a revenue spending policy that provides guidance for programs with multiple revenue sources. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Commission has the authority to deviate from this policy if it is in the best interest of the County.

The Commission has not adopted a minimum fund balance policy that requires management to maintain a total spendable general fund balance.

**9. Stabilization Arrangements**

The Commission has created a stabilization arrangement in accordance with West Virginia Code § 7-21-3. The Commission may appropriate a sum to the arrangement from any surplus in the general fund at the end of each fiscal year or from other money available. The amount of money committed to the arrangement may not exceed thirty percent of the Commission's most recent general fund budget. The stabilization balance at fiscal year-end was \$474,437.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**10. Pensions**

For purposes of measuring net pension liability and deferred outflows/inflows of the resources related to pensions, and pension expense, information about the fiduciary net position of Mason County's Public Employment Retirement System (PERS) and Deputy Sheriff's Retirement System (DSRS) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by the PERS and DSRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**11. Net Other Post-Employment Benefits (OPEB) Liability**

For purposes of measuring net OPEB liability and deferred outflows/inflows of the resources related to other post-employment benefits, and other post-employment benefit expense, information about the fiduciary net position of Mason County's Other Post-Employment Benefits Plan (OPEB) of the West Virginia Retiree Health Benefit Trust Fund (RHBT) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the RHBT. 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.

**II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position**

The governmental fund Balance Sheet includes a reconciliation between fund balance total governmental funds and net position-governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

Capital leases payable	\$ (615,742)
Notes payable	(1,494,110)
Net OPEB obligation	(80,928)
Net pension obligation	<u>(800,451)</u>
Net adjustment to decrease fund balance – total governmental funds to arrive at net position – governmental activities	<u><u>\$(2,991,231)</u></u>

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities**

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount that capital outlays exceeded depreciation for the current period". The details of the difference are as follows:

Depreciation expense	\$ (584,868)
Capital outlays	<u>596,357</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at changes in net position – governmental activities	<u>\$11,489</u>

Another element of that reconciliation states that "Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds". The details of this difference are as follows:

Notes	\$237,312
Leases	<u>250,856</u>
Net adjustment to increase net change in fund balance – total governmental funds to arrive at changes in net position – governmental activities	<u>\$488,168</u>

**III STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**A. Budgetary Information**

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

Mason County, West Virginia prepares its budget on the cash basis of accounting except that the Stabilization Fund is removed from the cash balance of the General County Fund. Therefore, a reconciliation has been performed on the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for both the General and Coal Severance Tax Funds.

Prior to March 2nd of each year, the various elected officials submit to the County Commission proposed requests for their respective offices for the fiscal year commencing July 1. Upon review and approval of these requests, the County Commission prepares proposed budgets on forms prescribed by the State Auditor and submits them to the State Auditor by March 28 for approval. The County Commission then reconvenes on the third Tuesday in April to hear objections from the public and to formally lay the levy.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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

Description	General Fund Amount	Coal Severance Fund Amount
General government expenditure increase	\$756,729	\$ -
Public safety expenditure increase	296,870	27,442
Culture and recreation expenditure increase	37,500	-

#### **IV. DETAILED NOTES ON ALL FUNDS**

##### **A. Deposits and Investments**

At year-end, the Commission had the following investments:

	Fair Value	Credit Risk Rating Standard & Poor's And Fitch
State Investment Management Board Pool	\$ 2,248,065	AAA
Total	<u>\$ 2,248,065</u>	

##### *Interest Rate Risk*

The County could be exposed to interest rate risk within debt securities due to fluctuations in the market and the length of the weighted average to maturity. The County does not have a policy for interest rate risk. All of the County's investments were in the WV Money Market Pool, which has a policy that investment managers cannot exceed 60 days weighted average maturity, and the maximum maturity for individual securities cannot exceed 397 days from the date of purchase.

##### *Credit Risk*

State law limit investments as described in Note I.D.1. The government does not have a policy for credit risk in addition to state regulations. As of June 30, 2023, the government's investments were rated using Standard & Poor's and Fitch and Moody's Investment Services.

##### *Concentration of Credit Risk*

The government does not have a policy for concentration of credit risk. GASB Statement No. 40, "Deposit and Investment Risk Disclosures", requires disclosure when the investment in any one issuer equals or exceeds 5% of the total amount of investments. All of the government's investment was in the WV Money Market Pool, which has a restriction that only a maximum of 5% of the Pool may be invested in any one corporate name and only 3% may be invested in any one issuer of USD denominated non-US Issuer Securities.

**MASON COUNTY, WEST VIRGINIA**  
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*Custodial Credit Risk*

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

At year end, the carrying value of the Commission's bank balances were \$5,247,027. The bank balance was collateralized by federal depository insurance or with securities held by the pledging financial institution's trust department or agent in the Commission's name.

For investments, the government could be exposed to risk in the event of the failure of the counterparty where the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The government's entire investment is in the WV Money Market Pool Fund. Per GASB 40, money market funds are a type of open-ended mutual fund that is not subject to custodial credit risk disclosures.

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

Cash and cash equivalents	\$ 2,961,051
Investments – collateralized and secured	<u>2,248,065</u>
Total	<u><u>\$ 5,209,116</u></u>
 Cash and cash equivalents	 \$ 1,355,466
Cash and cash equivalents-restricted	1,605,585
Investments	<u>2,248,065</u>
Total	<u><u>\$ 5,209,116</u></u>

**B. Receivables**

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

	<u>General</u>	<u>OGF</u>	<u>Total</u>
Receivables:			
Taxes	<u>\$ 470,801</u>	<u>\$ 45,616</u>	<u>\$ 516,417</u>
Gross Receivables	<u>470,801</u>	<u>45,616</u>	<u>516,417</u>
Less: Allowance			
For Uncollectible	<u>(94,160)</u>	<u>(9,123)</u>	<u>(103,283)</u>
Net Total Receivables	<u><u>\$ 376,641</u></u>	<u><u>\$ 36,493</u></u>	<u><u>\$ 413,134</u></u>

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

	Unearned
Delinquent property taxes receivable (General Fund)	\$ 334,670
Delinquent property taxes receivable (EMS/Fire Fund)	29,906
Total deferred/unearned revenue for governmental funds	<u>\$ 364,576</u>

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**C. Capital Assets**

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

<b>Governmental activities:</b>	<b>Primary Government</b>			
	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 249,410	\$ -	\$ -	\$ 249,410
Construction in progress	302,549	-	(302,549)	-
Total capital assets not being depreciated	551,959	-	(302,549)	249,410
Capital assets being depreciated:				
Buildings and improvements	4,905,705	-	-	4,905,705
Structures and improvements	1,999,485	638,864	-	2,638,349
Vehicles and equipment	5,955,804	260,042	(93,008)	6,122,838
Less: accumulated depreciation	(7,108,047)	(584,868)	80,895	(7,612,020)
Total capital assets being depreciated, net	5,752,947	314,038	(12,113)	6,054,872
Governmental activities capital assets, net	<u>\$6,304,906</u>	<u>\$314,038</u>	<u>\$(314,662)</u>	<u>\$6,304,282</u>

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

Governmental Activities:	
General government	\$ 131,704
Public safety	442,666
Health and sanitation	<u>10,498</u>
Total depreciation expense-governmental activities	<u>\$584,868</u>

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**D. Interfund Receivables, Payables, and Transfers**

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

*Interfund Transfers:*

<u>Transferred from:</u>	<u>Transferred to:</u>	<u>Purpose</u>	<u>Amount</u>
Dog and Kennel	General County	Reimbursement	\$ 20,300
Home Confinement	General County	Reimbursement	43,000
Emergency 911	General County	Reimbursement	960,000
Assessor Valuation	General County	Reimbursement	62,093
Voter's Registration	General County	Reimbursement	40
Ambulance Service	General County	Reimbursement	<u>1,585,000</u>
Total			<u><u>\$ 2,670,433</u></u>

**E. Fund Balance Detail**

At year-end, the detail of the Commission's fund balances were as follows:

	<u>General</u>	<u>Coal Severance</u>	<u>American Rescue Plan</u>	<u>Ambulance Service</u>
Restricted:				
General Government	\$ -	\$ -	\$ -	\$ -
Public safety	-	-	909,684	13,466
Culture and Recreation	-	-	-	-
Assigned:				
Budget carryover	-	8,813	-	-
Unassigned	<u>427,740</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u><u>\$427,740</u></u>	<u><u>\$ 8,813</u></u>	<u><u>\$ 909,684</u></u>	<u><u>\$ 13,466</u></u>

	<u>Non-Major Funds</u>	<u>Total</u>
Restricted:		
General Government	\$ 352,114	\$ 352,114
Public safety	259,853	1,183,003
Culture and Recreation	593	593
Assigned:		
Budget carryover	-	8,813
Unassigned	<u>-</u>	<u>427,740</u>
Total fund balances	<u><u>\$ 612,560</u></u>	<u><u>\$ 1,972,263</u></u>

**MASON COUNTY, WEST VIRGINIA**  
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**F. Notes Payable**

The Mason County Building Commission, a blended component unit, entered into note payable agreements to finance the construction of an emergency services building and improvements for the family court facility. Notes payable currently outstanding are as follows:

<b>Governmental Activities</b>					
<b>Purpose</b>	<b>Maturity Date</b>	<b>Interest Rates</b>	<b>Issued</b>	<b>Retired</b>	<b>Balance June 30, 2023</b>
Blended Component Unit					
Emergency service building	6/18/2034	4.35%	\$1,526,031	\$306,462	\$1,219,569
Family court facility	12/5/2022	4.325%	325,000	325,000	--
Sheriff Vehicles	09/20/2026	5.49%	173,000	29,577	143,423
Voting equipment	12/15/2023	2.39%	564,533	433,415	131,118
			<u>\$2,558,564</u>	<u>\$1,094,454</u>	<u>\$1,494,110</u>

The Mason County Building Commission, a blended component unit, entered into a note payable agreement with Ohio Valley Bank to finance the construction of an emergency service building. On October 4, 2006, the Building Commission entered into an agreement to borrow up to \$1,700,000. bearing interest at 4.35% with a maturity date of March 4, 2026. On November 5, 2014, the Building Commission entered into a re-advance agreement for \$450,000 extending the maturity date to June 18, 2034. Payments made this fiscal year totaling \$139,779 have been made directly to Ohio Valley Bank by the Mason County Commission, through the General County fund.

The Mason County Building Commission, a blended component unit, entered into a note payable agreement with Ohio Valley Bank to finance the family court facility improvements. On December 5, 2007, the Building Commission entered into an agreement to borrow \$325,400 bearing interest at 4.325% with a maturity date of December 5, 2022. Payments made this fiscal year totaling \$14,80 have been made directly to Ohio Valley Bank by the Mason County Commission, through the General County fund.

The Mason County Commission approved a promissory note for the purpose of acquiring voting equipment. The note was originally issued for \$564,532.67 at 2.39 percent interest. Annual payments in the amount of \$118,302 will begin on December 15, 2019 and will continue until December 15, 2023.

The Mason County Commission approved a promissory note for the purpose of acquiring sheriff vehicles. The note was originally issued for \$173,000 at 5.49 percent interest. Annual payments in the amount of \$4,028.69 began on October 20, 2022 and will continue until September 20, 2026.

**MASON COUNTY, WEST VIRGINIA**  
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Notes payable debt service requirements to maturity are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 260,233	\$ 62,427
2025	177,620	50,974
2026	115,593	44,062
2027	100,299	39,481
2028	104,719	35,061
2029-2033	599,153	99,744
2034	136,493	3,288
Total	<u>\$ 1,494,110</u>	<u>\$ 335,037</u>

**G. Leases Payable**

*Leases Payable*

The Mason County Commission entered into a lease which contains a non-appropriation of funds clause with Ohio Valley Bank on October 8, 2013 in the amount of \$1,000,000 for building renovations. Interest will accrue at an annual rate of 3.99% with monthly installments of principal and interest of \$6,085.13 payable through October 8, 2033. The principal amount remaining due is \$615,742.

The Mason County Commission entered into a lease which contains a non-appropriation of funds clause with Ohio Valley Bank on March 12, 2022 in the amount of \$400,000 for prosecuting attorney's office renovations.. Interest will accrue at an annual rate of 3.79% with monthly installments of principal and interest of \$9,004.93 payable through March 22, 2026. The principal amount remaining due is \$0.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The assets acquired through the leases payable are as follows:

<u>Assets:</u>	<u>Governmental Activities</u>
Capital assets	\$ 4,387,508
Less: accumulated depreciation	<u>( 1,229,808)</u>
Total	<u>\$ 3,157,700</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of the fiscal year ended June 30 were as follows:

<u>Year ending June 30,</u>	<u>Governmental Activities</u>
2024	\$ 73,022
2025	73,022
2026	73,022
2027	73,022
2028	73,022
2029 – 2033	365,108
2034 - 2038	<u>24,340</u>
Total minimum lease payments	754,558
Less: amount representing interest	<u>(138,816)</u>
Present value of minimum lease payments	<u>\$ 615,742</u>

## H. Long-term Debt

### Changes in Long-term Liabilities

	Governmental Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One year
Notes payable	\$1,558,422	\$173,000	\$ (237,312)	\$1,494,110	\$260,233
Leases payable	1,039,598	-	(423,856)	615,742	48,947
Net OPEB obligation	-	80,928	-	80,928	-
Net Pension obligation	-	800,451	-	800,451	-
Total long-term liabilities	\$2,598,020	\$1,054,379	\$(661,168)	\$2,991,231	\$319,180

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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*Conduit Debt Obligations*

The County has issued Lease Revenue and Refunding Bond, Series 2005 to provide financial assistance to the Marshall University Mid-Ohio Valley Educational Center for the acquisition, construction and equipping of certain additions, renovations and improvements for the existing Marshall University Mid-Ohio Valley Educational Center in Point Pleasant, Mason County, West Virginia deemed to be in the public interest. The notes are secured by an Indenture of Trust and are payable solely from lease payments. Upon repayment of the notes, ownership of the acquired equipment and facilities transfers to the Marshall University Mid-Ohio Valley Educational Center. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the notes. Accordingly, the notes are not reported as liabilities in the accompanying financial statements.

As of June 30, 2023, Mason County Building Commission Lease Revenue and Refunding Bond, Series 2005 was outstanding with a principal amount payable of \$513,826.

**I. Prior Period Adjustment**

	Governmental Activities
Beginning net position as previously reported at June 30, 2022	\$ 6,902,877
Error Corrections:	
Ambulance Service Capital Assets Added	530,000
Ambulance Service Depreciation on Assets Added	(29,813)
Net position as restated July 1, 2022	<u>\$ 7,403,064</u>

**V. OTHER INFORMATION**

**A. Risk Management**

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

Workers' Compensation Fund (WCF): West Virginia utilizes a single private insurance company, Brick Street Insurance, to provide workers' compensation coverage to all employers in the state. Other private insurance companies may begin to offer coverage to private sector employees beginning July 1, 2008 and to government employers beginning July 1, 2010. For the most part, all employers in the state, including governmental entities, must have coverage. The cost of all coverage, as determined by Brick Street, is paid by the employers. The WCF risk pool retains the risk related to the compensation of injured employees under the program.

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

**B. Contingent Liabilities**

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

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

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

**C. Deferred Compensation Plan**

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

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

**VI. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

***General Information about the OPEB Plan***

*Plan Description* The government contributes to the West Virginia Other Postemployment Benefit Plan (the Plan), 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 West Virginia Public Employees Insurance Agency (PEIA) and the RHBT staff. Plan benefits are established and revised by PEIA and 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 PEIA website at [www.peia.wv.gov](http://www.peia.wv.gov). You can also submit your questions in writing to the West Virginia Public Employees Insurance Agency, 601 57<sup>th</sup> 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).

***Contributions:***

Paygo premiums are established by the Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The active premiums subsidized the retirees' health care by approximately \$75 million for the fiscal year ending June 30, 2022. The Plan had approximately 43,000 policyholders and 64,000 covered lives at June 30, 2022.

Contributions to the OPEB plan from the County were \$66,640 for the current fiscal year.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

The net OPEB liability, deferred inflows and outflows of resources and OPEB expense were determined by an actuarial valuation date as of June 30, 2022, which is the measurement date. The County's proportion of the net OPEB liability was based on a projection of the County's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2023, the County's reported the following proportions and increases/decreases from its proportion measured as of June 30, 2022:

Amount for proportionate share of net OPEB liability	\$80,928
Percentage for proportionate share of net OPEB liability	0.072712%
Increase/(decrease) % from prior proportion measured	(0.011341932)%

For the year ended June 30, 2023, the County recognized the following OPEB expenses:

	<u>OPEB</u>
OPEB Expense	<u><u>\$(299,456)</u></u>

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	51,899	205,624
Differences between expected and non-investment experience	-	103,240
Net difference between expected and actual earnings on OPEB plan investments	12,562	-
Changes in proportion and differences between government contributions and proportionate share of contributions	149,201	114,089
Reallocation of OPT-Out Employer change in proportionate share	-	533
Contributions subsequent to the measurement date	66,640	-
	<u><u>\$ 280,302</u></u>	<u><u>\$ 423,486</u></u>

**MASON COUNTY, WEST VIRGINIA**  
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The amount reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	
2024	\$(249,856)
2025	41,513
2026	(73,904)
2027	112,006
2028	(39,583)
	<u>\$(209,824)</u>

**Actuarial Assumptions**

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

<i>Inflation</i>	2.25%
<i>Salary increases</i>	Dependent upon pension system. Ranging from 2.75% to 5.18% including inflation
<i>Investment rate of return</i>	6.65%, net of OPEB plan investment expense, including inflation
<i>Discount rate</i>	6.65%
<i>Healthcare cost trend rates</i>	Trend rate for pre-medicare per capita costs of 7.0% for plan year end 2022, 6.5% for plan year end 2023, decreasing by .25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032. Trend rate for Medicare per capita costs of 31.11% for plan year end 2022. 9.15% for plan year end 2023, 8.4% for plan year end 2024, decreasing gradually each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.
<i>Mortality rates</i>	Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables, (100% males, 108% females) projected with MP-2019 for TRS. Pub-2010 General Below Median Healthy Retiree Tables (106% males, 113% females) projected with MP-2019 for PERS. Pub-2010 Public Safety Healthy Retiree Mortality Tables (100% males, 100% females) projected with Scale MP-2019 for Troopers A and B. Pre-Retirement: Pub-2010 General Employee Mortality Tables (100% males, 100% females) projected with Scale MP-2019 for TRS. Pub-2010 Below-Median Income General Employee Mortality Tables projected with Scale MP-2019 for PERS. Pub-2010 Public Safety Employee Mortality Tables projected with Scale MP-2019 for Troopers A & B.

**MASON COUNTY, WEST VIRGINIA**  
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**For the Fiscal Year Ended June 30, 2023**

The actuarial assumptions used in the June 30, 2021 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2020.

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 ("CMA"), and forecast returns were provided by the Plan's investment advisors, including West Virginia Investment Management Board ("WV-BTI") was estimated based on WV-IMB assumed inflation of 2.0% plus a 25 basis point spread.

Asset Class	Long-term Expected Real Rate of Return
Global Equity	4.8%
Core Plus Fixed Income	2.1%
Core Real Estate	4.4%
Hedge Fund	2.4%
Private Equity	6.8%

*Discount Rate.* The 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%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. Based on these assumptions, 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 rates of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the County's proportionate share of the net OPEB liability calculated using the discount rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1% Decrease 5.65%	Discount Rate 6.65%	1% Increase 7.65%
Net OPEB liability (asset)	<u>\$208,016</u>	<u>\$80,928</u>	<u>\$(28,099)</u>

The following table presents the County's proportionate share of its net OPEB liability calculated using the healthcare cost trend rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB liability (asset)	<u>\$(46,009)</u>	<u>\$80,928</u>	<u>\$231,128</u>

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

**VII. EMPLOYEE RETIREMENT SYSTEMS AND PLANS**

*Plan Descriptions, Contribution Information, and Funding Policies*

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

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

Public Employees' Retirement System (PERS)	
Eligibility to participate	All county full-time employees, except those covered by other pension plans.
Authority establishing contribution obligations and benefit provisions	West Virginia Code §5-10d discusses the Consolidated Public Retirement Board, which administers all public retirement plans in the State of West Virginia
Plan member's contribution rate	4.5%-6.0%
County's contribution rate	9.00%
Period required to vest	Five Years
Benefits and eligibility for distribution	<p>Tier I Normal retirement if member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 15) times the years of service times 2% equals the annual retirement benefit.</p> <p>Tier II Normal retirement if member who has attained age 62 and has earned 10 years or more of contributing service. The final average salary (five highest consecutive years in the last 15) times the years of service times 2% equals the annual retirement benefit.</p>
Deferred retirement portion	No
Provisions for:	
Cost of living	No
Death benefits	Yes

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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West Virginia Deputy Sheriff Retirement System (WVDRS)

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Eligibility to participate	West Virginia deputy sheriffs first employed after the effective date and any deputy sheriffs hired prior to the effective date who elect to become members.
Authority establishing contribution obligations and benefit provisions	West Virginia Code §5-10d discusses the Consolidated Public Retirement Board, which administers all public retirement plans in the State of West Virginia. The WVDRS is also discussed in West Virginia State Code §7-14d.
Funding policy and contributions	Certain fees for reports generated by sheriffs offices are paid to this plan in accordance with West Virginia State Code. WVDRS members are required to contribute 8.5% of their annual covered salary and the county is required to contribute 12.0%. The contribution requirements of WVDRS members are established and may be amended only by the State of West Virginia Legislature.
Period required to vest	Five Years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contribution service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 70. The final average salary (five highest consecutive years in the last 10) times the years of service times 2.25% equals the annual retirement benefit.
Deferred retirement option	No deferred retirement option is available.
Provisions for cost of living adjustments or death benefits.	This plan has no provisions for cost of living adjustments. There are provisions for death benefits.
Annual pension cost and amount contributed	For the current fiscal year ended, the annual cost was \$99,097 for all covered employees with a contributed percentage of 100%

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

*Trend Information*

Fiscal Year	Public Employees Retirement System (PERS)		West Virginia Deputy Sheriff Retirement System (WVDRS)	
	Annual Pension Cost	Percentage Contributed	Annual Pension Cost	Percentage Contributed
2023	\$ 337,642	100%	\$ 99,097	100%
2022	\$ 395,801	100%	\$ 90,822	100%
2021	\$ 368,746	100%	\$ 120,462	100%

PERS and WVDRS issue a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees' Retirement System, 4101 MacCorkle Avenue, SE, Charleston, WV 252304.

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

At fiscal year end, the County reported the following liabilities for its proportionate share of the net pension liabilities. The net pension liabilities were measured as of June 30, 2022, and the total pension liability used to calculate the net pension liabilities were determined by an actuarial valuation as of that date. The County's proportion of the net pension liabilities was based on a projection of the County's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2023, the County reported the following proportions and increases/decreases from its proportion measured as of June 30, 2022:

	PERS	DSRS
Amount for proportionate share of net pension liability	\$364,105	\$436,346
Percentage for proportionate share of net pension liability	0.244499%	1.098666%
Increase/(decrease)% from prior portion measured	0.012941%	0.108792%
For the year ended June 30, 2023, the County recognized the following government-wide pension expense:	\$239,240	\$48,343

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

<b>Public Employees Retirement System (PERS)</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 239,646	\$ -
Net difference between projected and actual earnings on pension plan investments	219,553	-
Difference between expected and actual experience	139,682	-
Changes in proportion and differences between government contributions and proportionate share of contributions	96,070	3,080
County contributions subsequent to the measurement date	337,642	-
	<u>\$ 1,032,593</u>	<u>\$ 3,080</u>

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

The amount reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2024	\$ 172,968
2025	172,968
2026	172,968
2027	172,967
	<u>\$ 691,871</u>

<b>Deputy Sheriff Retirement System (DSRS)</b>	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of proportion and difference between governmental contributions and proportionate share of contributions	\$ 876	\$ 65,640
Net difference between projected and actual investment earnings on pension plan investments	-	397,157
Difference between expected and actual experience	68,707	34,497
Changes in assumptions	132,742	8,899
County contributions subsequent to the measurement date	99,097	-
	<u>\$ 301,422</u>	<u>\$ 506,193</u>

The amount reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30,</u>	
2024	\$ (91,035)
2025	(83,140)
2026	(68,965)
2027	(88,308)
2028	21,904
Thereafter	5,676
	<u>\$ (303,868)</u>

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation as of July 1, 2022 and rolled forward to June 30, 2023 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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**Public Employee Retirement System**

Actuarial assumptions:

Inflation rate	2.75%
Salary increases	State 2.75-5.55% Nonstate 3.60-6.75%
Investment Rate of Return	7.25%
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 MP2018 Retired Healthy females – 122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected with scale MP2018 Disabled males – 118% of Pub-2010 General/Teachers Disabled Male table, below-median, headcount weighted, projected with scale MP2018 Disabled females – 117% of Pub-2010 General/Teachers Disabled Female table, below-median, headcount weighted, projected with scale MP2018

The date range of the most recent actuarial experience study was from 2015-2020 – Economic assumptions 2013-2018 – all other assumptions.

**Deputy Sheriff Retirement System**

Actuarial assumptions:

Inflation rate	2.75%
Salary increases:	
For the first 2 years of service	5.25%
For the next 3 years of service	4.75%
For the next 3 years of service, and	4.25%
Thereafter	3.75%
Investment Rate of Return	7.25%
Mortality Rates	Active – 100% of Pub-2010 Safety Employee Table, Amount-weighted, projected generationally with Scale MP-2020  Healthy Male Retirees – 98% of Pub-2010 Safety Employee Table, Amount-weighted, projected generationally with Scale MP-2020  Healthy Female Retirees – 99% of Pub-2010 Safety Employee Table, Amount-weighted, projected generationally with Scale MP-2020  Disabled Males – 124% of Pub-2010 Safety Disabled Male Table, Amount-weighted, projected generationally with Scale MP-2020  Disabled Females -100% of Pub-2010 Safety Disabled Male Table, Amount-weighted, projected generationally with Scale MP-2020

The date range of the most recent actuarial experience study was from 2015-2020.

**MASON COUNTY, WEST VIRGINIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2023**

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

<b>Investment</b>	<b>Long-Term Expected Real Rate of Return</b>	<b>PERS Target Allocation</b>	<b>DSRS Target Allocation</b>
Domestic Equity	5.5%	27.5%	27.5%
International Equity	7.0%	27.5%	27.5%
Fixed Income	2.2%	15.0%	15.0%
Real Estate	6.6%	10.0%	10.0%
Private Equity	8.5%	10.0%	10.0%
Hedge Funds	4.0%	10.0%	10.0%
		<u>100.0%</u>	<u>100.0%</u>

*Discount rate.* The discount rate used to measure the total pension liability was 7.25 percent for all benefit plans. The projection of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position for each defined benefit pension plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liabilities of each plan.

The following chart presents the sensitivity of the net pension liability to changes in the discount rate, calculated using the discount rates as used in the actuarial valuation, and what the net pension liability would be if it were calculated using the discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<b>1% Decrease 6.25%</b>	<b>Current Discount Rate 7.25%</b>	<b>1% Increase 8.25%</b>
Proportionate share of PERS net pension liability	\$(24,528)	\$2,146,545	\$3,979,035
Proportionate share of DSRS net pension liability	(409,187)	66,206	458,023

*Pension plans' 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](http://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.

## **VIII. SUBSEQUENT EVENTS**

In preparing these financial statements, the County had evaluated any transactions for potential recognition or disclosure through August 14, 2025, the date the financial statements were available to be issued.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**MASON COUNTY, WEST VIRGINIA**  
**SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**For the Fiscal Year Ended June 30, 2023**

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

		<u><b>2023</b></u>		<u><b>2022</b></u>		<u><b>2021</b></u>		<u><b>2020</b></u>		<u><b>2019</b></u>		<u><b>2018</b></u>		<u><b>2017</b></u>		<u><b>2016</b></u>		<u><b>2015</b></u>
Government's proportion of the net pension liability (asset) (percentage)	\$	0.244499%	\$	0.231558%		0.158683%		0.163685%		0.181506%		0.181963%		0.181134%		0.184934%		0.185043%
Government's proportionate share of the net pension liability (asset)		364,105		(2,032,931)	\$	838,911	\$	351,946	\$	468,744	\$	785,433	\$	1,664,386	\$	1,032,679	\$	682,930
Government's covered-employee payroll	\$	3,958,009	\$	3,687,451	\$	2,465,840	\$	2,403,102	\$	2,507,817	\$	2,498,151	\$	2,496,001	\$	2,507,968	\$	2,477,926
Government's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	\$	9.20%	\$	-55.13%		34.02%		14.65%		18.69%		31.44%		66.68%		41.18%		27.56%
Plan fiduciary net position as a percentage of the total pension liability		98.17%		111.07%		92.89%		96.99%		96.33%		93.67%		86.11%		91.29%		93.98%

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.

**MASON COUNTY, WEST VIRGINIA**  
**SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

**For the Fiscal Year Ended June 30, 2023**  
**West Virginia Deputy Sheriff Retirement System**  
Last 10 Fiscal Years\*

	<u><b>2023</b></u>	<u><b>2022</b></u>	<u><b>2021</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>
Government's proportion of the net pension liability (asset) (percentage)	1.098666%	0.989874%	1.184667%	1.225514%	1.348046%	1.335779%	1.402072%	1.448627%	1.430339%
Government's proportionate share of the net pension liability (asset)	\$ 436,346	\$ (59,650)	\$ 424,739	\$ 246,279	\$ 72,363	\$ 50,052	\$ 446,364	\$ 297,142	\$ 243,887
Government's covered-employee payroll	\$ 698,635	\$ 587,616	\$ 645,695	\$ 651,888	\$ 666,456	\$ 659,350	\$ 658,457	\$ 663,557	\$ 662,595
Government's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	62.46%	-10.15%	65.78%	37.78%	10.86%	7.59%	67.79%	44.78%	36.81%
Plan fiduciary net position as a percentage of the total pension liability	88.11%	101.95%	87.01%	92.08%	102.50%	98.17%	84.48%	89.31%	90.52%

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.

**MASON COUNTY, WEST VIRGINIA**  
**SCHEDULE OF GOVERNMENT CONTRIBUTIONS**  
**For the Fiscal Year Ended June 30, 2023**

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 337,642	\$ 395,801	\$ 368,746	\$ 246,585	\$ 240,311	\$ 275,860	\$ 299,779	\$ 336,961	\$ 351,115	\$ 359,299
Contributions in relation to the contractually required contribution	<u>(337,642)</u>	<u>(395,801)</u>	<u>(368,746)</u>	<u>(246,585)</u>	<u>(240,311)</u>	<u>(275,860)</u>	<u>(299,779)</u>	<u>(336,961)</u>	<u>(351,115)</u>	<u>(359,299)</u>
Contribution deficiency (excess)	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Government's covered-employee payroll	\$ 3,751,567	\$ 3,958,009	\$ 3,687,451	\$ 2,465,840	\$ 2,403,102	\$ 2,507,817	\$ 2,498,151	\$ 2,496,001	\$ 2,507,968	\$ 2,477,926
Contributions as a percentage of covered-employee payroll	9.00%	10.00%	10.00%	10.00%	10.00%	11.00%	12.00%	13.50%	14.00%	14.50%

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.

**MASON COUNTY, WEST VIRGINIA**  
**SCHEDULE OF GOVERNMENT CONTRIBUTIONS**  
**For the Fiscal Year Ended June 30, 2023**  
**West Virginia Deputy Sheriff Retirement System**  
Last 10 Fiscal Years

	<u><b>2023</b></u>	<u><b>2022</b></u>	<u><b>2020</b></u>	<u><b>2019</b></u>	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>
Contractually required contribution	\$ 99,097	\$ 90,822	\$ 70,514	\$ 77,483	\$ 78,226	\$ 79,974	\$ 79,122	\$ 79,016	\$ 82,945	\$ 86,137
Contributions in relation to the contractually required contribution	<u>(99,097)</u>	<u>(90,822)</u>	<u>(70,514)</u>	<u>(77,483)</u>	<u>(78,226)</u>	<u>(79,974)</u>	<u>(79,122)</u>	<u>(79,016)</u>	<u>(82,945)</u>	<u>(86,137)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Government's covered-employee payroll	\$ 762,292	\$ 698,635	\$ 587,616	\$ 645,695	\$ 651,888	\$ 666,456	\$ 659,350	\$ 658,457	\$ 663,557	\$ 662,595
Contributions as a percentage of covered-employee payroll	13.00%	13.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.50%	13.00%

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.

**MASON COUNTY, WEST VIRGINIA**  
**SCHEDULE OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**For the Fiscal Year Ended June 30, 2023**

Last 10 Fiscal Years\*

<b>Public Employees Insurance Agency</b>	<b><u>2023</u></b>	<b><u>2022</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>	<b><u>2018</u></b>
Government's proportion of the net OPEB liability (asset) (percentage)	0.072712385%	0.084054317%	0.065275%	0.069992%	0.073104%	0.066824%
Government's proportionate share of the net OPEB liability (asset)	\$ 80,928	\$ (24,993)	\$ 288,312	\$ 1,161,266	\$ 1,568,404	\$ 1,643,202
Government's covered-employee payroll	\$ 3,705,406	\$ 3,378,743	\$ 2,437,155	\$ 2,486,098	\$ 2,665,547	\$ 2,620,753
Government's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	2.18%	-0.74%	11.83%	46.71%	58.84%	62.70%
Plan fiduciary net position as a percentage of the total OPEB liability	93.59%	101.81%	73.49%	39.69%	30.98%	25.10%

\*Information Prior to 2016 is not available

**MASON COUNTY, WEST VIRGINIA**  
**SCHEDULE OF GOVERNMENT CONTRIBUTIONS**  
**For the Fiscal Year Ended June 30, 2023**

Last 10 Fiscal Years\*

**Public Employees Insurance Agency**

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 66,640	\$ 85,492	\$ 153,280	\$ 126,504	\$ 144,204	\$ 149,919	\$ 137,256
Contributions in relation to the contractually required contribution	<u>(66,640)</u>	<u>(85,492)</u>	<u>(153,280)</u>	<u>(126,504)</u>	<u>(144,204)</u>	<u>(149,919)</u>	<u>(137,256)</u>
Contribution deficiency (excess)	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>
Government's covered-employee payroll	\$ 3,759,631	\$ 3,705,406	\$ 3,378,743	\$ 2,437,155	\$ 2,486,098	\$ 2,665,547	\$ 2,620,753
Plan fiduciary net position as a percentage of the total OPEB liability	1.77%	2.31%	4.54%	5.19%	5.80%	5.62%	5.24%

\*Information prior to 2016 is not available

## **SUPPLEMENTARY INFORMATION**

MASON COUNTY, WEST VIRGINIA  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - ASSESSOR'S VALUATION FUND  
For the Fiscal Year Ended June 30, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Budget</u>	<u>Final Budget</u>
			<u>Basis</u>	<u>Positive (Negative)</u>
<b>REVENUES:</b>				
Other taxes	\$ 235,378	\$ 235,378	\$ 267,683	\$ 32,305
Miscellaneous	7,000	7,000	--	( 7,000)
Map sales	150	150	96	( 54)
Interest	200	200	653	453
	<u>242,728</u>	<u>242,728</u>	<u>268,432</u>	<u>25,704</u>
Total revenues				
<b>EXPENDITURES:</b>				
Current:				
General government	194,048	194,048	192,111	1,937
Capital outlay	77,000	86,226	--	86,226
	<u>271,048</u>	<u>280,274</u>	<u>192,111</u>	<u>88,163</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>( 28,320)</u>	<u>( 37,546)</u>	<u>76,321</u>	<u>113,867</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	<u>( 183,680)</u>	<u>( 183,680)</u>	<u>( 62,093)</u>	<u>121,587</u>
Total other financing sources (uses)	<u>( 183,680)</u>	<u>( 183,680)</u>	<u>( 62,093)</u>	<u>121,587</u>
Net change in fund balance	( 212,000)	( 221,226)	14,228	235,454
Fund balance at beginning of year	<u>212,000</u>	<u>221,226</u>	<u>221,226</u>	<u>--</u>
Fund balance at end of year	\$ <u><u>--</u></u>	\$ <u><u>--</u></u>	\$ <u><u>235,454</u></u>	\$ <u><u>235,454</u></u>

**MASON COUNTY, WEST VIRGINIA**  
**SCHEDULE OF STATE GRANT RECEIPTS AND EXPENDITURES**

For the Year Ended June 30, 2023

Name of State Grant	Grant #	D-Direct P-Pass- Through	Grant provided to a sub- recipient	Award Amount	Under (Over) Expended Beginning of Year	Total Current Year Revenues	Total Current Year Expenditures	Under (Over) Expended End of Year
Community Criminal Justice	N/A	D	N	\$ 134,522	\$ -	\$ 134,522	\$ 134,522	\$ -
Justice Reinvestment	N/A	D	N	70,050	-	70,050	70,050	-
State Voca	N/A	D	N	19,327	-	19,327	19,327	-
Senate	N/A	D	N	40,000	-	40,000	18,353	21,647
Records Preservation	N/A	D	N	11,284	-	11,284	11,284	-
State Airport Grant	N/A	D	N	49,836	-	49,836	49,836	-
Spray and Neuter	N/A	D	N	11,051	-	11,051	11,051	-
Courthouse Facilities	N/A	D	N	100,000	-	100,000	100,000	-
4H Dining Hall	N/A	D	N	60,000	23,840	-	-	23,840
<b>Total State Awards</b>				<u>\$ 496,070</u>	<u>\$ 23,840</u>	<u>\$ 436,070</u>	<u>\$ 414,423</u>	<u>\$ 45,487</u>

MASON COUNTY, WEST VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2023

	Federal CFDA <u>Number</u>	Pass-Through Entity <u>Number</u>	Total <u>Expenditures</u>
<b>U. S. Department of Interior</b>			
Direct programs:			
<u>Program Title</u>			
Payments in Lieu of Taxes	15.226	\$	2,433
Partners for Fish and Wildlife	15.631		<u>275</u>
<b>Total U. S. Department of Interior</b>			<u>2,708</u>
<b>U. S. Department of Justice</b>			
Pass-through Programs From:			
West Virginia Department of			
Criminal Justice Services			
<u>Program Title</u>			
Crime Victim Assistance	16.575	19VA042	<u>32,109</u>
<b>Total U. S. Department of Justice</b>			<u>32,109</u>
<b>U.S. Department of Transportation</b>			
Pass-through Programs From:			
City of Huntington			
<u>Program Title</u>			
State and Community Highway Safety	20.600		1,121
National Priority Safety Programs	20.616		<u>986</u>
<b>Total U.S. Department of Transportation</b>			<u>2,107</u>

MASON COUNTY, WEST VIRGINIA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2023

	Federal Center <u>Number</u>	Pass-Through Entity <u>Number</u>	Total Grantor <u>Expenditures</u>
<b>U.S. Department of the Treasury</b>			
Coronavirus State and Local Fiscal Recovery Funds	21.027		2,048,778
Local Assistance and Tribal Consistency Fund	21.032		<u>50,000</u>
Pass-through Programs From:			
West Virginia Higher Education Policy Commission			
COVID-19-Coronavirus Relief Fund	20.019		<u>40,663</u>
<b>Total U.S. Department of the Treasury</b>			<u>2,139,441</u>
<b>U.S. Department of Homeland Security</b>			
Pass-through Programs From:			
West Virginia Office of Emergency Services			
<u>Program Title</u>			
Disaster Grants - Public Assistance	97.036		16,371
Emergency Management Performance Grants	97.042		<u>58,749</u>
<b>Total U.S. Department of Homeland Security</b>			<u>75,120</u>
<b>TOTAL FEDERAL AWARDS EXPENDITURES</b>			\$ <u><u>2,251,485</u></u>

The accompanying notes are an integral part of this schedule.

MASON COUNTY, WEST VIRGINIA  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2023

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**NOTE 1 - BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the County and is presented on the cash basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

## **ACCOMPANYING INFORMATION**



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

Mason County Commission  
200 6<sup>th</sup> Street  
Point Pleasant, West Virginia 25550

To the County Commission:

We have audited, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Mason County Commission, West Virginia (the County), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated August 14, 2025. Our report refers to other auditors who audited the financial statements of Mason County Development Authority, and Mason County Public Library, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 County'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County'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 financial statements. 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2023-002 and 2023-003.

***County's Response to Findings***

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs and corrective action plan. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

***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 results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

BHM CPA Group Inc.  
Huntington, West Virginia  
August 14, 2025



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

Mason County Commission  
200 6th Street  
Point Pleasant, West Virginia 25550

To the County Commissioners:

***Report on Compliance for the Major Federal Program***

***Qualified Opinion on the Major Federal program***

We have audited the Mason County Commission's, Mason County (the County) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on Mason County Commission's major federal program for the year ended June 30, 2023. Mason County Commission's major federal program is identified in the *Summary of Audit Results* section of the accompanying schedule of findings and questioned costs.

***Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds***

In our opinion, except for the noncompliance described in the *Basis for Qualified Opinion* section of our report, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on identify the AL#21.027 Coronavirus and Local Fiscal Recovery Funds for the year ended June 30, 2023.

***Basis for Qualified Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

*Matter(s) Giving Rise to Qualified Opinion on Coronavirus State and Local Fiscal Recovery Funds*

As described in finding 2023-004 in the accompanying schedule of findings and questioned costs, the County did not comply with requirements regarding activities allowed or unallowed applicable to AL#21.027 Coronavirus State and Local Fiscal Recovery Funds.

Compliance with such requirements is necessary, in our opinion, for the County to comply with requirements applicable to that program.

***Responsibilities of Management for Compliance***

The County's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying schedule of findings as item 2023-005. Our opinion on the major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and corrective action plan. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### ***Report on 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

County Commissioners  
Mason County Commission  
Independent Auditor's Report on Compliance with Requirements Applicable to the Major  
Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance  
Page 4

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 this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "BHM CPA Group". The letters are cursive and slightly slanted to the right.

BHM CPA Group, Inc  
Huntington, West Virginia  
August 14, 2025

**MASON COUNTY, WEST VIRGINIA**

*Schedule of Findings*

*2 CFR § 200.515*

*June 30, 2023*

**1. SUMMARY OF AUDITOR'S RESULTS**

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	Yes
(d)(1)(ii)	Were there any significant internal control deficiencies reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Qualified
(d)(1)(vi)	Are there any reportable findings under §200.516(a)?	Yes
(d)(1)(vii)	Major Programs (list):	Coronavirus State and Local Fiscal Recovery Funds ALN#21.027
(d)(1)(viii)	Dollar Threshold: Type A\B Programs	Type A: > \$750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	No

**MASON COUNTY, WEST VIRGINIA**

*Schedule of Findings*

*2 CFR § 200.515*

*June 30, 2023*

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

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**FINDING NUMBER 2023-001**

**Material Weakness – Segregation of Duties**

There is insufficient segregation of duties in the County. At times, the same employee of the County prepares checks, reconciles the bank accounts, records receipts, prepares deposits, collects fees, and prepares monthly reports for the respective office of the County.

Proper internal control procedures dictate the responsibility for approving, executing and recording transactions should rest with different individuals. Failure to maintain sufficient segregation of duties could allow errors and/or irregularities to go undetected without the knowledge of the County Commission.

We recommend the duties of writing receipts, preparing and making deposits, issuing checks, reconciling bank accounts, and preparing the monthly statements be segregated among different employees.

**Officials Response:**

It is nearly impossible for counties of our size with limited budgets and limited personnel to adequately segregate the above duties. However, we will always attempt to segregate these duties as much as possible.

**FINDING NUMBER 2023-002**

**Material Noncompliance – Budgetary Compliance – Coal Severance Fund**

We determined during our audit that the Mason County Commission incurred expenditures for certain items in the Coal Severance Fund in excess of the amounts allocated for those items in the official levy estimate (budget) as last revised. Specifically, expenditures in the Public Safety category exceeded budgeted amounts by \$30,071.

West Virginia Code Section 11-8-26 states in part that:

“...a local fiscal body shall not expend money or incur obligations:

- 1) In an unauthorized manner,
- 2) For an unauthorized purpose,
- 3) In excess of the amount allocated to the fund in the levy order
- 4) In excess of the funds available for current expenses...”

The Mason County Commission failed to implement policies and procedures which should regulate expenditures and insure that adequate revisions be made to the budget prior to actual disbursements being made.

By not having a sufficient controls in place, the County incurred expenditures in excess of budgeted amounts.

**MASON COUNTY, WEST VIRGINIA**

*Schedule of Findings*

*2 CFR § 200.515*

*June 30, 2023*

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We recommend the County officials implement budgetary controls to help insure compliance with budgetary requirements.

**Officials Response:**

The Commission will attempt to comply with budgetary standards in the future.

**FINDING NUMBER 2023-003**

**Material Noncompliance – Budgetary Compliance – General Fund**

We determined during our audit that the Mason County Commission incurred expenditures for certain items in the General Fund in excess of the amounts allocated for those items in the official levy estimate (budget) as last revised. Specifically, expenditures in the Public Safety category exceeded budgeted amounts by \$21,279 and expenditures in the Culture and Recreation category by \$35,686.

West Virginia Code Section 11-8-26 states in part that:

“...a local fiscal body shall not expend money or incur obligations:

- 1) In an unauthorized manner,
- 2) For an unauthorized purpose,
- 3) In excess of the amount allocated to the fund in the levy order
- 4) In excess of the funds available for current expenses...”

The Mason County Commission failed to implement policies and procedures which should regulate expenditures and insure that adequate revisions be made to the budget prior to actual disbursements being made.

By not having a sufficient controls in place, the County incurred expenditures in excess of budgeted amounts.

We recommend the County officials implement budgetary controls to help insure compliance with budgetary requirements.

**Officials Response:**

The Commission will attempt to comply with budgetary standards in the future.

**MASON COUNTY, WEST VIRGINIA**

*Schedule of Findings*

*2 CFR § 200.515*

*June 30, 2023*

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**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

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**Finding Number 2023-004**

**Material Noncompliance - Unallowable Activities**

Grant Title: Coronavirus State and Local Fiscal Recovery Funds

Federal Award Number and Year: 2023

Assistance Listing #: 21.027

Federal Agency: US Department of Treasury

During the course of our testing we identified payments that were made for the purpose of debt service.

Specifically, we noted a check written to Ohio Valley Bank to payoff loan account ending #0223 and a check written to West Union Bank to payoff loan account ending #0010. During fiscal year 2023, amounts paid related to debt service totaled \$383,544.78.

The 2023 Compliance Supplement for AL#21.027 Coronavirus State and Local Fiscal Recovery Funds Section III.A.2 lists unallowable activities as the following:

- a. Offset a reduction in net tax revenue (applicable to states and territories)
- b. Deposits into pension funds (applicable to all recipients except Tribes)
- c. Debt service or replenishing financial reserves (e.g., “rainy day funds”) (applicable to all recipients)
- d. Satisfaction of settlements and judgments (applicable to all recipients)
- e. Programs, services, or capital expenditures that include a term or condition that undermines efforts to stop the spread of COVID-19 (applicable to all recipients)

**Questioned Costs:**

\$383,544.78

Procedures were not in place to verify that disbursements aligned with allowable activities per the federal programs compliance supplement.

The County’s use of funds deviated from allowable activities.

Officials should contact the granting agency for AL#21.027 Coronavirus State and Local Fiscal Recovery Funds to come to a resolution regarding the questioned costs. Further we recommend the County implement controls that would prevent future noncompliance regarding allowable and unallowable activities.

**Repeat Finding:**

No

**Officials Response:**

The Commission will contact the granting agency and work on a resolution of the questioned expenses. The County will also implement controls to prevent future instances.

**MASON COUNTY, WEST VIRGINIA**

*Schedule of Findings*

*2 CFR § 200.515*

*June 30, 2023*

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**FINDING NUMBER 2023-005**

**Material Noncompliance – Timeliness of Single Audit**

We noted that the County did not submit the single audit reporting package to the Federal Audit Clearinghouse within the prescribed timeframe.

Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) section 200.512 states:

“The audit must be completed and the data collection form...and reporting package...must be submitted within the earlier of 30 calendar days after receipt of the auditor’s report, or nine months after the end of the audit period.

The federal awarding agency or pass-through entity may impose additional conditions, or take actions that could include in part: temporarily withhold cash payments, disallow all or part of the cost of the activity, wholly or partly suspend or terminate the Federal award, withhold further Federal awards for the project or program, or take other remedies that may be legally available.

For future single audits, the County should endeavor to ensure that their compiled financial statements are completed prior to the single audit deadline.

**Officials Response:**

The County will work to ensure that our compiled financial statements are completed prior to the single audit deadline.

RICK L. HANDLEY, President  
POINT PLEASANT, WV

DIANA N. CROMLEY, Clerk  
POINT PLEASANT, WV



CHRIS A. JOHNSON, Commissioner  
LETART, WV

SAM D. NIBERT, Commissioner  
GALLIPOLIS FERRY, WV

***THE COUNTY COMMISSION OF MASON COUNTY***  
***COURTHOUSE - 200 SIXTH STREET SUITE 2***  
***POINT PLEASANT, WEST VIRGINIA 25550***

PHONE (304) 675-1110  
FAX (304) 675-4982

**CORRECTIVE ACTION PLAN**  
**2 CFR § 200.511(c)**  
**June 30, 2023**

<b>Finding Number:</b>	2023-001
<b>Planned Corrective Action:</b>	It is nearly impossible for counties of our size with limited budgets and limited personnel to adequately segregate the above duties. However, we will always attempt to segregate these duties as much as possible.
<b>Anticipated Completion Date:</b>	07/01/2026
<b>Responsible Contact Person:</b>	Jason Bechtle
<b>Finding Number:</b>	2023-002
<b>Planned Corrective Action:</b>	The Commission will attempt to comply with budgetary standards in the future.
<b>Anticipated Completion Date:</b>	07/01/2026
<b>Responsible Contact Person:</b>	Jason Bechtle
<b>Finding Number:</b>	2023-003
<b>Planned Corrective Action:</b>	The Commission will attempt to comply with budgetary standards in the future.
<b>Anticipated Completion Date:</b>	07/01/2026
<b>Responsible Contact Person:</b>	Jason Bechtle
<b>Finding Number:</b>	2023-004
<b>Planned Corrective Action:</b>	The Commission will contact the granting agency and work on a resolution of the questioned expenses. The County will also implement controls to prevent future instances.
<b>Anticipated Completion Date:</b>	12/31/2025
<b>Responsible Contact Person:</b>	Jason Bechtle
<b>Finding Number:</b>	2023-005
<b>Planned Corrective Action:</b>	The County will work to ensure that our complied financial statements are completed prior to the single audit deadline.
<b>Anticipated Completion Date:</b>	12/31/2025
<b>Responsible Contact Person:</b>	Jason Bechtle

**Mason County, West Virginia**  
Schedule of Prior Audit Findings  
June 30, 2023

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<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; Explain:</b>
2022-001	Significant Deficiency – Segregation of Duties	No	Reissued as item 2023-001
2022-002	Material Noncompliance – Publication of Financial Statements	Yes	Corrective Action Taken
2022-003	Material Noncompliance – Budgetary Compliance – Coal Severance Fund	No	Reissued as item 2023-002