

bhm cpa group, inc. certified public accountants

AUDIT REPORT OF BERKELEY COUNTY EMERGENCY AMBULANCE AUTHORITY BERKELEY COUNTY, WEST VIRGINIA SINGLE AUDIT

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

BERKELEY COUNTY EMERGENCY AMBULANCE AUTHORITY SCHEDULE OF FUNDS INCLUDED IN THE REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2020

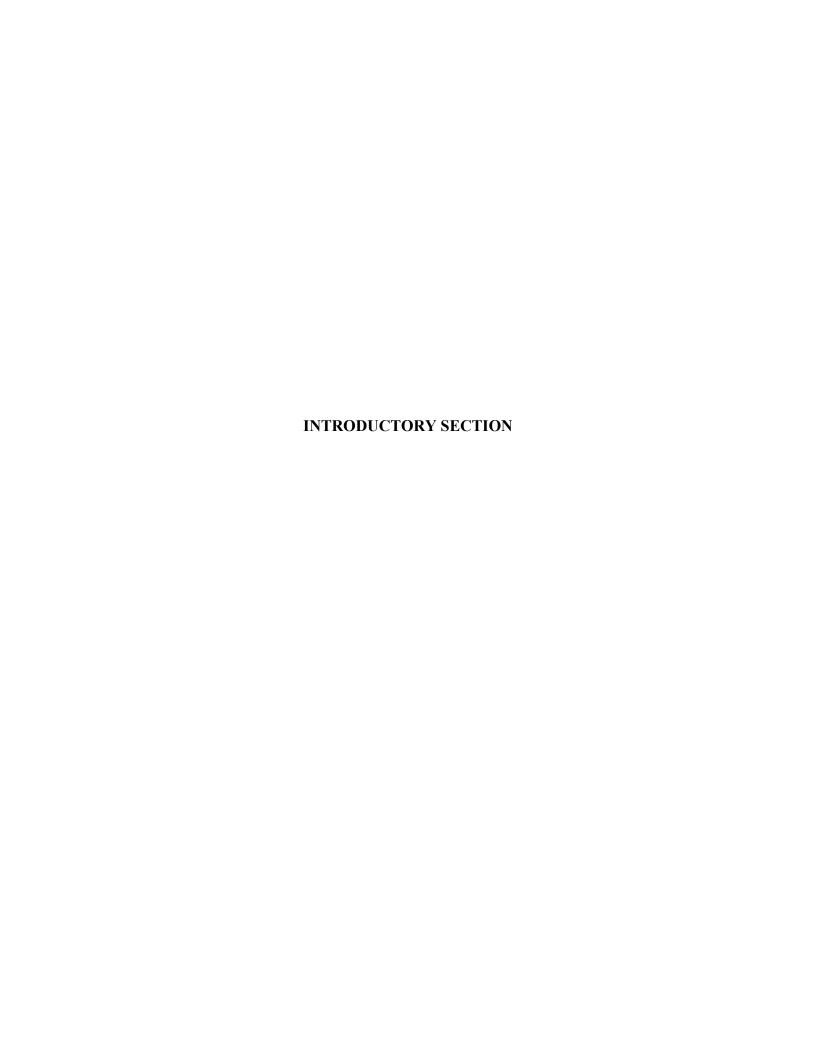
GOVERNMENTAL FUND TYPES

MAJOR FUNDS

General

BERKELEY COUNTY EMERGENCY AMBULANCE AUTHORITY TABLE OF CONTENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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BERKELEY COUNTY EMERGENCY AMBULANCE AUTHORITY **BOARD MEMBERS**

For the Fiscal Year Ended June 30, 2020

OFFICE NAME Appointive: David Irvin Vice President: Mike McGinnis Board Members:

Bill Polk John Taylor Nicholas Diehl Sandy Hamilton

Douglas Copenhaver, Jr. Brian Costello County Council Representative: EMS Director

President:





Independent Auditor's Report

Berkeley County Emergency Ambulance Authority 400 West Stephen Street Suite 207 Martinsburg, West Virginia 25401

To the Board of Directors:

Report on the Financial Statements

We have audited the accompanying financial statements of the Berkeley County Emergency Ambulance Authority, Berkeley County, West Virginia (the Authority), which comprise the statement of net position as of June 30, 2020, and the related statements of revenues, expenses and changes in fund net position, and cash flows for the year then ended and notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Authority's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

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

Board of Directors Berkeley County Emergency Ambulance Authority Berkeley County, West Virginia Independent Auditor's Report Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Berkeley County Emergency Ambulance Authority, Berkeley County, West Virginia, as of June 30, 2020, and the changes in its net position and cash flows, thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require this presentation to include Management's discussion and analysis and schedules of net pension liabilities and pension contributions, listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Authority considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

Supplementary and Other Information

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

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

The Schedule of Expenditure of Federal Awards (Schedule) also presents additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and is not a required part of the financial statements.

The Schedule is management's responsibility and derives from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this Schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling the Schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated in all material respects in relation to the basic financial statements taken 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.

Board of Directors Berkeley County Emergency Ambulance Authority Berkeley County, West Virginia Independent Auditor's Report Page 3

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 1, 2021, on our consideration of the Authority'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 Authority's internal control over financial reporting and compliance.

BHM CPA Group, Inc Huntington, West Virginia

BHM CPA Group

April 1, 2021

Berkeley County Emergency Ambulance Authority MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020 (Unaudited)

The discussion and analysis of the Berkeley County Emergency Ambulance Authority's (Authority) financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the Authority's financial statements.

FINANCIAL HIGHLIGHTS

The Authority's net position increased \$1.3 million as a result of this year's operations or 21 percent compared to the previous year.

The Authority's operating revenues increased \$1.3 million or 26 percent compared with the previous year and operating expenses increased by \$0.7 million or 16 percent compared to the previous year.

Operating income increased by \$0.6 million or 86 percent compared to the previous year.

The Authority purchased \$0.1 million of vehicles during 2020. The purchase consisted of 2 duty vehicles.. During 2019, the Authority purchased 4 ambulances and medical equipment for \$1.3 million. The Authority placed in service Station 97 during 2019. The facility cost \$2.3 million.

Fixed debt obligations were \$2.1 million for 2020 and \$2.0 million for 2019. For 2020 and 2019, the Authority financed \$0.2 million and \$1.8 million respectively, of Station 97 construction costs with note payable proceeds.

During the year ended June 30, 2020, the Authority received funding in the amount of \$0.9 million to provide financial relief associated with the COVID-19 public health emergency. These funds represent reimbursements for payroll and related costs of the Authority.

USING THIS ANNUAL REPORT

1. Management's Discussion and Analysis

The Management's Discussion and Analysis is intended to serve as an introduction to the Authority's financial statements. The Authority's financial statements and notes to the financial statements included in this report were prepared in accordance with Generally Accepted Accounting Principles applicable to governmental entities in the United States of America for proprietary (enterprise) fund types.

2 Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to private-sector business. They consist of the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and Statement of Cash Flows.

The Statement of Net Position presents information on all the Authority's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Increases or decreases in net position will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Berkeley County Emergency Ambulance Authority MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020 (Unaudited)

USING THIS ANNUAL REPORT (continued)

<u>Financial Statements</u> (continued)

The Statement of Revenues, Expenses and Changes in Net Position presents information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in different fiscal periods (e.g., depreciation and earned but unused vacation leave).

The Statement of Cash Flows presents the Authority's sources and uses of cash and changes in cash balances between the current and prior year.

The basic financial statements report all Authority financial activities. The activities are primarily supported by direct billing and service fees. The Authority's mission is to provide emergency ambulance service to all residents of Berkeley County, West Virginia, and to provide basic and advanced life support and medical transport services.

3. Notes to Financial Statements

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the basic financial statements. The Notes to Financial Statements can be found in the financial statements mentioned above.

REPORTING THE AUTHORITY AS A WHOLE

The analyses below focuses on net position (Table 1) and changes in net position (Table 2) of the Authority's financial activities.

Table 1 - Net Position (in Millions)

	G€G€Á	G€FÏÁ
Current and other assets Capital assets	\$ HÈCÁ 5.7	\$ GÈÏÁ LIÈ€Á
Total assets	ÏÈÏÁ	îÈÏÁ
Deferred outflow of resources	<u>AHÁ</u>	ÀHÉ
Total assets and deferred outflows	\$ F€ÈĞÁ	\$

Berkeley County Emergency Ambulance Authority MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020 (Unaudited)

REPORTING THE AUTHORITY AS A WHOLE (continued)

Table 1 - Net Position (in Millions) (continued)

	G€G€Á	G€FÏÁ
Debt outstanding Other liabilities	\$ ŒFÁ €ÈHÁ	\$ ŒÆÁ €ÈĨÁ
Total liabilities	ŒĬÁ	<u>ŒÎÁ</u>
Deferred inflow of resources	€ÈČÁ	<u>€ÈČÁ</u>
Total liabilities and deferred inflows	ŒÎÁ	ČĚFÁ
Net position:		
Net investment in capital assets	ĞÈLÁ	ČÈÍÁ
Restricted		2
Unrestricted	<u>ČÈÏÁ</u>	ŒÌÁ
Total net position	<u>íÈIÁ</u>	
- 4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 - 4 - 4		
Total liabilities, deferred inflows and net position	\$ F€ÈĞÁ	<u>\$ ÏÈČÁ</u>

Net position of the Authority increased by 21 percent (\$1.3 million). Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased from \$2.5 million at June 30, 2019, to \$3.9 million at the end of this year.

The Authority's investment in capital assets was \$5.7 million for 2020. Investment in capital assets decreased by \$0.3 million or 5 percent compared to the previous year, primarily as a result of depreciation expense. The Authority uses these capital assets to provide ambulance, life support, and transport services to its users; consequently, these assets are not available for future spending.

The Authority's collective net pension (assets) liabilities decreased \$0.2 million compared to the previous year. Pension related deferred outflows remained constant at \$0.4 million compared to the previous year. Pension related deferred inflows remained constant at \$0.3 million compared to the previous year.

Berkeley County Emergency Ambulance Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020 (Unaudited)

REPORTING THE AUTHORITY AS A WHOLE (continued)

Table 2 - Changes in Net Position (in Millions)

	G€G€Á	G€FÏÁ
Operating revenues Operating expenses	\$ IJĒĞÁ IĒĢÁ	\$ IÀ€Á
Operating income Non-operating	Řím	€ÈÍÁ
revenues (expenses)	#:	Ç€ÈFDÁ
Changes in net position	\$ FEČÁ	<u>\$</u> €ÀÁ

The Authority's operating revenues increased \$1.3 million compared to the previous year, primarily from COVID-19 pandemic relief grant funds. Operating expenses increased by \$0.7 million compared to the previous year or 16 percent. Operating expenses increased as a result of costs associated with the COVID-19 pandemic.

BUDGETARY HIGHLIGHTS

For the year ended June 30, 2020, budgets were prepared by the Authority andwere approved by the Authority's Board of Directors. The budgets were primarily used as a management tool and have no legal stature. The budgets were prepared in accordance with the modified accrual basis of accounting which is different than generally accepted accounting principles used to prepare the basic financial statements.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2020, the Authority had \$5.7 million invested in a broad range of capital assets, including land, buildings, medical equipment, and medical transport and other vehicles (see Table 3 below). This amount represents a net decrease (including additions and disposals) of \$0.3 million, primarily as a result of depreciation expense and limited additions in 2020.

Table 3 - Capital Assets at Year-End (Net of Depreciation, in Millions)

	G€G€Á	G€FÏÁ
Capital assets not depreciated - land Capital assets depreciated	\$ €ÈIÁ ÉHÁ	\$ €ÈIÁ ÍÈHÁ
Totals	ÍÈÏÁ	íÈÏÁ
Accumulated depreciation	ÀCEÉED,	ÇFÈÏDÁ
Capital assets, net of depreciation	\$ IÈÍÁ	\$ IJÈ€Á

Berkeley County Emergency Ambulance Authority MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020 (Unaudited)

CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Capital Assets (continued)

Major capital additions during the year ended June 30, 2020:

2 Duty Vehicles	\$	0.1
Total additions	\$	0.1
Major capital additions during the year ended June 30, 2019:		
Station 97 Construction Medical Equipment 4 Ambulances and 1 Duty Vehicle	\$	2.3 0.5 0.8
Total additions	\$	3.6
Major capital dispositions during the year ended June 30, 2020:		
Ambulance and Duty Vehicle	\$	0.1
Total dispositions	\$	0.1
Major capital dispositions during the year ended June 30, 2019:		
Medical equipment Land	\$	0.05
Total dispositions	\$	0.1

Debt

At year-end, the Authority had \$2.1 million in bank debt outstanding compared to \$2.0 million for the previous year.

The additional debt resulted from financing construction of Station 97.

Other long-term obligations include the earned but unused vacation leave and collective net pension liabilities. More detailed information about the Authority's liabilities is presented in the notes to the financial statements.

Berkeley County Emergency Ambulance Authority MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2020 (Unaudited)

ECONOMIC FACTORS

The Authority's appointed officials considered many factors when setting the fiscal-year 2020 budget. One of those factors was the economy. The County's population has a direct impact on the Authority's economic growth.

The Authority is optimistic about its potential for economic growth in the future. The increasing population and infrastructure improvements are all positive indicators for continued economic growth of the Authority.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, customers, and investors and creditors with a general overview of the Authority's finances and to show the Authority's accountability for the money its receives. If you have questions about this report or need additional financial information, contact the EMS Director at 304-264-1921, 400 W. Stephen Street, Suite 207, Martinsburg, WV 25401.

Berkeley County Emergency Ambulance Authority STATEMENT OF NET POSITION June 30, 2020

ASSETS AND DEFERRED OUTFLOWS

ASSETS

Current Assets		
Cash and cash equivalents	\$ 2,4	14,645
Accounts receivable, net	6	38,262
Grant receivable - CVRF	8	30,595
Inventory of medical supplies		5,000
Prepaid expenses and deposits		34,376
Total current assets	3,9	22,878
Property Plant & Equipment		
Land	5	36,210
Land improvements		81,478
Buildings		91,658
Medical transport and other vehicles	,	14,107
Medical equipment	,	35,069
Other equipment	•	74,242
Furniture and fixtures		77,221
Office equipment		25,797
		35,782
Accumulated depreciation and amortization		35,215)
Total property, plant and equipment	5,7	00,567
Other Assets		
Collective net pension assets	3	50,865
Total assets	9,9	74,310
Deferred Outflows of Resources		
Defined benefit pension plan contributions	2	64,380
Collective deferred outflows related to pensions		12,325
3		
Total deferred outflows	3	76,705
Total assets and deferred outflows	\$ 10,3	51,015

See notes to financial statements.

Berkeley County Emergency Ambulance Authority STATEMENT OF NET POSITION (continued) June 30, 2020

LIABILITIES, DEFERRED INFLOWS AND NET POSITION

LIABILITIES

Current Liabilities	
Accounts payable - trade	\$ 43,793
Compensation liabilities	145,953
Accrued interest expense	1,777
Notes payable (due within one year)	130,854
reces payable (and main one your)	
Total current liabilities	322,377
Long-term Liabilities	
Notes payable (less current portion above)	1,947,187
Accrued compensated absences	160,856
Collective net pension liabilities	31,117
·	
Total long-term liabilities	2,139,160
-	-
Total liabilities	2,461,537_
Deferred Inflows of Resources	
Collective deferred inflows related to pensions	324,865
Total liabilities and deferred inflows	2,786,402
NET POSITION	
Net investment in capital assets	3,622,526
Unrestricted	3,942,087
Total net position	7,564,613
Total liabilities, deferred inflows and net position	\$10,351,015
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Berkeley County Emergency Ambulance Authority STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITON For the year ended June 30, 2020

OPERATING REVENUES AND SUPPORT	
Direct billing fees	\$ 2,814,680
Service fees	2,588,945
Operating grants	901,724
Other	 37,277
Total operating revenues and support	 6,342,626
OPERATING EXPENSES	
Compensation and benefits	3,609,599
Transport, vehicle, and equipment expense	175,013
Facilities	85,543
Supplies	232,021
Insurance and taxes	131,277
Administration	254,811
Depreciation and amortization	 476,723
Total operating expenses	4,964,987
Operating support and revenues	
less operating expenses	 1,377,639
NON-OPERATING SUPPORT AND REVENUES(EXPENSES)	
Donations received	1,006
Gain on disposition of assets	14,500
Interest income	25,798
Interest and financing expense	 (78,694)
Total non-operating support and	
revenues (expenses)	(37,390)
, .	
Change in net position	1,340,249
NET POSITION AT BEGINNING OF YEAR	6,224,364
NET POSITION AT END OF YEAR	\$ 7,564,613

See notes to financial statements.

Berkeley County Emergency Ambulance Authority STATEMENT OF CASH FLOWS For the year ended June 30, 2020

CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from revenues and support	\$	5,374,620
Cash payments for goods and services		(874,334)
Cash payments for employee services		(3,752,096)
Net cash provided by operating activities		748,190
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received		25,798
Donations received		1,006
Net cash provided by investing activities		26,804
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from sale of capital assets		14,500
Expenditures for purchase of capital assets		(474,891)
Proceeds from notes payable		231,694
Note principal payments		(174,256)
Interest and financing costs paid		(76,916)
Net cash used in capital and related		(4=== ===)
financing activities		(479,869)
Net increase in cash		295,125
CASH AT BEGINNING OF YEAR		2,119,520
CASH AT END OF YEAR	<u>\$</u>	2,414,645

Berkeley County Emergency Ambulance Authority STATEMENT OF CASH FLOWS (continued) For the year ended June 30, 2020

RECONCILIATION OF OPERATING SUPPORT AND AND REVENUES LESS OPERATING EXPENSES TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating support and revenues less operating expenses	\$ 1,377,639
Adjustments to reconcile operating support and	
revenues less operating expenses to net cash	
provided by operating activities:	
Depreciation and amortization	476,723
Change in operating assets and liabilities:	
Decrease (increase) in accounts receivable	(137,411)
Decrease (increase) in grants receivable	(830,595)
Decrease (increase) in prepaid expenses and deposits	73,806
Decrease (increase) in pension deferred outflows	e 6,279
Increase (decrease) in accounts payable	(69,475)
Increase (decrease) in compensation liabilities	70,593
Increase (decrease) in net pension assets and liabilities	(227,125)
Increase (decrease) in pension deferred inflows	7,756
Net cash provided by operating activities	\$ 748,190

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION

Noncash investing, capital, and financing transactions: None

See notes to financial statements.

NOTE 1: DESCRIPTION OF REPORTING ENTITY

The Berkeley County Emergency Ambulance Authority (the Authority) is a public corporation, which was created by the Berkeley County Commission under the provisions of the Emergency Ambulance Service Act of 1975 (Chapter 7, Article 15 of the Code of the State of West Virginia, as amended).

The purpose of the Authority is to provide emergency ambulance service to all residents of Berkeley County, West Virginia. In addition, the Authority provides basic and advanced life support and medical transport services. The Authority grants credit to clients served on an individual basis and does not require collateral to secure credit granted.

The Authority complies with Governmental Accounting Standards Board (GASB) pronouncements pertaining to the financial reporting entity. These standards apply to defining and reporting on the financial reporting entity. It defines component units as legally separate organizations for which the elected officials of the primary government are financially accountable and other organizations for which the nature and significance of their relationship with a primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

In accordance with the criteria established by the GASB for defining a reporting entity, Berkeley County Emergency Ambulance Authority is considered to be a Component Unit of Berkeley County Council, West Virginia.

The Authority considered all potential component units in determining when organizations should be included in the Authority's financial statements. Based on the above criteria, there are no component units to be included in the Authority's financial statements.

The accompanying financial statements include all accounts of Authority operations.

NOTE 2: BASIS OF ACCOUNTING

Basis of Presentation

The Authority's sole fund is an enterprise fund. Enterprise funds are proprietary funds used to account for business-like activities provided to the general public. These activities are financed primarily by direct billing fees and service fees, and the measurement of financial activity focuses on change in net position (net income) measurement similar to the private sector.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded regardless of the measurement focus applied.

The proprietary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position.

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

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

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Authority conform to generally accepted accounting principles as applicable to governmental units. The GASS is the accepted standard setting body for establishing governmental accounting and reporting principles.

Public Body

The Authority is a public body corporate and politic pursuant to Laws of the State of West Virginia. The Authority is not subject to Federal or State income taxes, nor is it required to file Federal and State income tax returns.

Ambulance Service Fees

The Authority has implemented a Special Emergency Ambulance Service Fee as permitted by legislative authority under Chapter 7, Article 15, Section 17 of the Code of West Virginia, as amended.

The fee was established for the purpose of maintaining an adequate emergency ambulance system within the geographic boundaries of Berkeley County, West Virginia. An adequate emergency ambulance system is a necessary governmental responsibility to provide for the health and welfare of the citizens of Berkeley County.

Upon receipt of the Authority's estimated budget, the President of the Authority shall request the Assessor provide the Authority's office with a list of all residential "living units." The annual rate established by Ordinance was \$60 per residential living unit for the year ended June 30, 2020.

Ambulance service fees billed must be paid in full not later than September 30th. Fees paid after September 30th are as follows:

October 1st - December 31 st \$ 85 January 1st - March 31 st \$ 110

On or about April 1st, all delinquent accounts shall be turned over to an appropriate collection agency as engaged by the Authority and or submitted to the Berkeley County Magistrate Court for collection.

Allowance for Doubtful Accounts

The Authority uses the allowance method of providing for uncollectible accounts. The allowance amounted to \$2,212,681 at June 30, 2020.

Property, Plant and Equipment

Property, plant and equipment is stated at cost for purchased items and fair value for contributed items. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from 5-40 years.

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

When capital assets are retired, the cost and accumulated depreciation thereon are eliminated from their respective accounts and any gain or loss on the disposition is reflected in the statement of revenues, expenses, and changes in net position.

The Authority's policy is to generally capitalize property, plant and equipment costing \$10,000 or greater and less costly items that have significant management importance.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, Plant and Equipment (continued)

Interest incurred before the end of construction of an asset is recognized as an expense in the period in which the cost is incurred.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of reporting the statement of cash flows, the Authority considers all cash accounts and all highly liquid debt instruments purchased with an original maturity of three months or less, to be cash equivalents.

Contributions of Goods and Services

Contributions of facilities, goods and services, both volunteered and paid from other sources, are not recorded by the Authority.

Compensated Absences

It is the Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Authority does not have a policy to pay any amounts when employees separate from service with the Authority. All vacation pay is accrued when incurred and reflected in the financial statements.

Inventory

Inventory consists of medical supplies and is stated at cost, determined on the first-in first-out basis. Quantities are determined by physical measurement or count.

Net Position

Equity is classified as net position and displayed in three components:

- a. Net investment in capital assets Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. Restricted net position Consists of net position with constraints placed on its use either by (1) external groups, such as creditors, granters, contributors, or laws or regulations of other governments, or (2) laws through constitutional provisions or enabling legislation. There was no restricted net position at June 30, 2020.
- c. Unrestricted net position Net position that does not meet the definition of "restricted" or "net investment in capital assets."

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Deferred Outflows and Inflows of Resources

A deferred outflow of resources represents a consumption of net assets applicable to a future reporting period and will not be recognized as an expense until then. Deferred outflows related to the Authority's defined benefit pension plans will be recognized based on actuarial determinations.

A deferred inflow of resources represents an acquisition of net assets applicable to a future reporting period and will not be recognized as revenue until then. Deferred inflows related to the Authority's defined benefit pension plans will be recognized based on actuarial determinations.

Net Service Revenue

Net service revenue is reported at the estimated net realizable amounts from clients, third-party payers and others for services rendered.

Operating Revenues

The Authority's Statements of Revenues, Expenses, and Changes in Net Position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing emergency ambulance services and basic life support and advanced life support services, the Authority's principal activities. Nonexchange revenues are reported as nonoperating revenues. Operating expenses are expenses incurred to provide emergency ambulance services and basic life support and advanced support services, other than financing costs.

Pensions

For purposes of measuring the net pension liabilities and deferred outflows/inflows of the resources related to pensions, and pension expense, information about the fiduciary net position of the Authority's Public Employee Retirement System (PERS) and Emergency Medical Services Retirement System (EMSRS) 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 EMSRS. 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.

NOTE 4: NEW ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 87, Leases, aims to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Statement 87 will be effective for the fiscal year ending June 30, 2022.

GASB Statement No. 91, *Conduit Debt Obligations* seeks to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. Statement 91 will be effective for fiscal year ending June 30, 2023.

NOTE 4: NEW ACCOUNTING PRONOUNCEMENTS (continued)

GASS Statement No. 92, *Omnibus 2020*, enhances comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASS pronouncements. The effective date for Statement No. 92 ranges from fiscal year ending June 30, 2021 to fiscal year ending June 30, 2023, depending upon the effective date of the specific GASS pronouncement being addressed.

GASS Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* aims to improve financial reporting by addressing issues related to public-private and financial reporting for availability payment arrangements. Statement 94 will be effective for fiscal year ending June 30, 2023.

The Authority has not yet determined the effect these Statements will have on its financial statements.

NOTE 5: CASH AND CASH EQUIVALENTS

Cash deposits in bank checking accounts	\$ 98,677
Money market accounts	2,314,968
Cash on hand	1,000
Total cash and cash equivalents	\$2,414,645

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority's deposits at June 30, 2020, were covered under federal depository insurance or fully collaterized by securities held by custodial banks in the Authority's name for deposits in excess of federal depository insurance limits.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Plan Descriptions, Contribution Information, and Funding Policies

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

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

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

Public Employees Retirement System (PERS)

Eligibility to participate:

All Authority full-time employees, except those

covered by other pension plans

Authority establishing contribution obligations and benefit provisions:

State Statute

Tier 1 Plan member's contribution rate:

4.50% (Employees hired before July 1, 2015)

Tier 2 Plan member's contribution rate:

6.00% (Employees hired after July 1, 2015)

Authority's contribution rate:

10.00% for fiscal year 2020

Period required to vest:

5 years for Tier 1 and 10 years for Tier 2

Benefits and eligibility for distribution:

Tier 1

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

Tier 2

Qualification for normal retirement is age 62 with 10 years of service or at least age 55 plus service years equal to 80 or greater. The final average salary is the average of the five consecutive highest annual earnings years out of the last fifteen years. The final average salary times the years of service times 2%

equals the annual retirement benefit.

Deferred retirement portion:

Pq"

Provisions for: Cost of living Death benefits

No Yes

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Plan Descriptions, Contribution Information, and Funding Policies (continued)

Emergency Medical Services Retirement System (EMSRS)

Eligibility to participate

Any emergency medical services officer first employed after the effective date and any emergency medical service officers hired prior to the effective

date who elect to become members.

Authority establishing contribution obligations and benefit provisions

State Statute

Plan member's contribution rate

8.5%

Authority's contribution rate

10.50%

Period required to vest

Five Years

Benefits and eligibility for distribution

A member who has attained age 50 and has earned 20 or more years of contributing service; or age 50 when age plus contributory service equals 70 while still in covered employment; or the attainment of age 60 and completion of 10 years contributory service while still in covered employment; or attainment of age 62 and completion of 5 years of contributory service. The final average salary is the average of the highest annual compensation received by the member during covered employment for any 5 consecutive plan years (January 1 - December 31) within the last 10 years of service.

Deferred retirement portion

No deferred retirement option is available.

Provisions for: Cost of living Death benefits

No Yes

Trend Information

	R	Public Emp etirement Sy ual Pension	oloyees stem (PERS)	Re	nergency Med tirement Syste nual Pension	ical Services em (EMSRS)
	Cor	ntractual	Percentage	Co	ontractual	Percentage
Fiscal Year		Cost	Contributed		Cost	Contributed
2020	\$	22,191	100%	\$	242,189	100%
2019	\$	21,347	100%	\$	218,803	100%
2018	\$	19,818	100%	\$	207,987	100%

PERS and EMSRS 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 25304.

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

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

At June 30, 2020, the Authority reported the following liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2020, the Authority reported the following proportion:

		PERS	 EMSRS
Amount for proportionate share of net pension (asset) liability	\$	31,117	\$ (350,865)
Percentage for proportionate share of net pension (asset) liability	C).014472%	7.724897%
Increase/(decrease) % from prior proportion measured		0.00143%	0.18021%

For the year ended June 30, 2020, the Authority recognized the following pension expenses:

	$\omega_i = \omega_i$	F	PERS	E	MS RS	
Pension expense		\$	11,293	\$	40,921	

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

Public Employees Retirement System (PERS)

	Deferred Outflows of Resources		Deferred Inflow	
Net difference between projected and actual earnings	•		•	44.047
on pension plan investments	\$:50	\$	11,247
Difference between expected and actual experience		1,204		2,718
Changes in proportion and differences between				
Authority contributions and proportionate share of				
contributions		5,333		890
Change in assumptions		-		5,712
Authority contributions subsequent to the				
measurement date		22,191		-
	\$	28,728	\$	20,567

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

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

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

Year ended June 30

2022	_	(1,908)
Total	\$	(14,030)

Emergency Medical Services Retirement System (EMSRS)

		ed Outflows esources	Deferred Inflows of Resources	
Net difference between projected and actual investment earnings on pension plan investments	\$	_	\$	69,601
Difference between expected and actual experience	Ψ	77,481	Ψ	194,436
Changes in proportion and differences between Authority contributions and proportionate share of				40.040
contributions		28,307		18,013
Changes in assumptions		-		22,248
Authority contributions subsequent to the				
measurement date		242,189	-	
	\$	347,977	\$	304,298

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

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

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

Year ended June 30

2021		(71,811)
2022		(30,182)
2023		(16,309)
Total	\$ ((198,510)

Summary of Deferred Outflow/Inflow Balances

	Total	ŞÓÞUÁ	ÓRUÞUÁ
1 1 X 20 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			
Difference between expected and actual experience	\$ (118,469)	\$ (1,514)	\$ (116,955)
Changes in assumptions	(27,960)	(5,712)	(22,248)
Net difference between projected and actual earnings			
on pension plan investments	(80,848)	(11,247)	(69,601)
Changes in proportion and differences between			
Authority contributions and proportionate			
share of contributions	14,737	4,443	10,294
Contributions subsequent to the measurement			
date	264,380	22,191	242,189
	\$ 51,840	\$ 8,161	\$ 43,679
	φ 51,840 ========	φ 0,101	φ 43,679 ========

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Actuarial Assumptions and Methods

The total pension liability was determined by an actuarial valuation as of July 1, 2018, and rolled forward to June 30, 2019, which is the measurement date, using the following actuarial assumptions, applied to all periods included in the measurement.

PERS

percentage of payroll

Asset valuation method Fair value

Amortization method Level dollar, fixed period
Amortization period Through Fiscal Year 2035

Actuarial assumptions:

Investment rate of return 7.50%

Projected salary increases 3.10-6.50%%, including inflation

Inflation rate 3.00% Discount rate 7.50%

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-201 OGeneral Retiree Male table, below-median, headcount weighted, projected with scale MP-2018 Retired healthy females - 122% of Pub-2010

General Retiree Male table, below-median,

headcount weighted, projected with scale MP-2018

Disabled males - 118% of Pub 2010 General/ Teachers Disabled Male table, below-median headcount weighted, projected with scale MP-2018

Disabled females - 118% of Pub 2010 General/
Teachers Disabled Female table, below-median headcount weighted, projected with scale MP-2018
Disabled Apputant, Scale AA fully generational

Disabled Annuitant, Scale AA fully generational

Date range in most recent

experience study 2013-2018

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Actuarial Assumptions and Methods (continued)

EMSRS

Actuarial cost method

Individual entry age normal cost with level

percentage of payroll

Asset valuation method

Fair value

Amortization method
Amortization period

Level dollar, fixed period Through Fiscal Year 2038

Actuarial assumptions:

7.50%

Investment rate of return Projected salary increases:

By age from 4.75% at age 30;

declining to 3.25% at age 65

Inflation rate

3.00%

Discount rate Mortality rates 7.50%

Active-100% of RP-2014 Non-Annuitant tables

(sex-distinct), Scale MP-2016 fully generational Healthy Male Retirees - 103% of RP-2014 Male Healthy Annuitant table, Scale MP-2016 full

generational

Healthy Female Retirees - 100-% of RP-2014 Female Healthy Annuitant tables, Scale MP-

2016 fully generational

Disabled Males - 100% of RP-2014 Male

Disabled Annuitant table, Scale MP-2016 fully

generational

Disabled Females - 100% of RP-2014 Female Disabled Annuitant table, Scale MP-2016 fully

generational

Date range in most recent

experience study/review

2011-2016

NOTE 6: EMPLOYEE RETIREMENT SYSTEMS AND PLANS (continued)

Actuarial Assumptions and Methods (continued)

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 as of June 30, 2019, include the inflation component and were used for the defined benefit plan:

	Long-Term		
	Expected	PERS	EMSRS
	Real Rate	Target Asset	Target Asset
Investment	of Return	Allocation	Allocation
		9	
US Equity	5.80%	27.50%	27.50%
International Equity	7.70%	27.50%	27.50%
Private Equity	8.80%	10.00%	10.00%
Fixed Income	3.30%	15.00%	15.00%
Real Estate	6.10%	10.00%	10.00%
Hedge Funds	4.40%	10.00%	10.00%
		100.00%	100.00%
4.5.4		<u> </u>	

Discount Rate

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

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

		Current	
	1%	Discount	1%
	Decrease	Rate	Increase
	6.5%	7.5%	8.5%
	-		
Authority's proportionate share of PERS's net pension liability	\$ (144,945)	\$ (31,117)	\$ 65,175
Authority's proportionate share of EMSRS's net pension asset	\$ (571,488)	\$350,865	\$ 1,099,562

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

NOTE 7: RISK MANAGEMENT AND CONTINGENCIES

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters, injuries to employees, and employee health and life. The Authority reduces its exposure to risk of loss by a variety of insurance programs, some of which are purchased from commercial insurance carriers or state agencies.

The Authority is occasionally involved in legal proceedings. Although the outcome of these proceedings often is not determinable, it is the opinion of the Authority's counsel that resolution of these matters will not have a material effect on the financial condition of the Authority.

NOTE 8: PROPERTY, PLANT & EQUIPMENT

Changes in the Authority's capital assets consisted of the following for the year ended June 30, 2020:

	Beginning	Additions	Disposals	Ending
Capital assets not being depreciated				
Land	\$ 536,210	\$ -	\$ -	\$ 536,210
Total capital assets				
not being depreciated	536,210	<u>u</u>	*	536,210
Conital assets being degree inten		4 4 5 6		200
Capital assets being depreciated Land improvements	404 470			404 470
Buildings	481,478 2,768,751	22,907	-	481,478 2,791,658
Medical transport and	2,700,731	22,907		2,791,000
other vehicles	2,462,701	52,118	(100,712)	2,414,107
Medical equipment	1,348,323	86,746	·	1,435,069
Other equipment	74,242	-	<u>*</u>	74,242
Furniture and fixtures	177,221	141	4	177,221
Office equipment	25,797		*	25,797
Total	7,338,513	161,771	(100,712)	7,399,572
Accumulated depreciation	(1,859,204)	(476,723)	100,712	(2,235,215)
Total capital assets				
being depreciated, net	5,479,309	(314,952)	I¥	5,164,357
Total capital assets	\$ 6,015,519	\$ (314,952)	\$ -	\$ 5,700,567

NOTE 9: NOTES PAYABLE

Notes payable consist of the following:

	Balance	Due Within One Year
Term note payable to Citizen's National Bank, dated November 30, 2017, in the original amount of \$310,000, repayable in 36 monthly installments of \$8,875 including interest at 1.97% per annum, secured by commercial security agreement on ambulances.	\$ 44,019	\$ 44,019
Term note payable to City National Bank, dated December 28, 2017, in the original amount of \$2,103,750. The note is for a 20-year term and interest is payable at 2.9% per annum. The note was used to finance the construction of Station 97. Beginning July 28, 2019, monthly principal and interest payments of \$12,056 are required through December 28, 2037, secured by deed of trust on Station 97 real estate.	2,034,022	86,835
Total	\$2,078,041	\$ 130,854

Maturities of Notes Payable are as follows:

Year	F	Principal		Interest		Total	
2021	\$	130,854		\$ 58,055		\$	188,909
2022		89,387		55,287			144,674
2023		92,014		52,660			144,674
2024		94,718		49,956			144,674
2025		97,502		47,172			144,674
2026-2030		532,213		191, 155			723,368
2031-2035		615,152		108,216			723,368
2036-2039	_	426,201		19,852	-		446,053
	\$	2,078,041		\$582,353	=	\$	2,660,394

Changes in notes payable are as follows:

Balance at					Е	Balance at
July 1, 2019	Α	dditions	Pa	ayments	Jur	ne 30, 2020
			_			
\$ 2,020,603	\$	231,694	\$	174,256	\$	2,078,041

NOTE 10: CHANGES IN LONG-TERM LIABILITIES

Changes in long-term liabilities are as follows:

	Balance at July1,2019	Additions	Reductions	Balance at June 30, 2020	
Compensated absences Collective net pension (assets) liabilities	\$ 125,454 (92,623)	\$ 35,402 163,548	\$ (390,673)	\$ 160,856 (319,748)	
	\$ 32,831	\$ 198,950	\$ (390,673)	\$ (158,892)	

NOTE 11: UNCERTAINTIES RELATED TO THE GLOBAL PANDEMIC

During the year ended June 30, 2020, local, U.S. and world governments encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease (COVID-19), by mandating temporary work stoppage in many sectors and imposing limitations on travel, size and duration of group meetings. Most industries have, and continue to, experience disruption to business operations and the impact of reduced consumer spending, including the Authority. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while it is difficult to quantify the effects on the Authority, it is reasonably possible there will be an effect on the Authority's operations in fiscal year 2021 and beyond.

Federal and state governments have passed legislation, promulgated regulations, and taken other administrative actions intended to assist health care providers in providing care to COVID-19 and other patients during the public health emergency. Sources of relief include the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, which was enacted on March 27, 2020, which included, among other programs, the Coronavirus Relief Fund and Provider Relief Fund.

The government funding received by the Authority, and the corresponding accounting for the funding is outlined below:

Coronavirus Relief Funds

During the year ended June 30, 2020, the Authority had \$830,595 of qualified expenses that are reimbursable through the coronavirus relief fund program established by the CARES Act. According to guidance provided by the Department of the Treasury, funding can be used to meet payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVI D-19 public health emergency. Funds are passed through the State of West Virginia to the Authority.

Based on the Authority's calculation of qualifying expenses, the Authority has recognized, \$830,595 of funds as operating grants on the statement of revenues, expenses, and changes in net position during the year ended June 30, 2020. The Authority received \$830,595 after the year ended and recorded the amount as grant receivables on the statement of net position as of June 30, 2020.

The Authority received \$72, 129 of other COVI 0-19 relief funds during the year ended June 30, 2020 to provide for costs associated with the COVID-19 pandemic. These funds are reported as operating grants in the statement of revenues, expenses, and changes in net position.

While the Authority has utilized all available current information in determining the proper utilization and accounting for these funds, additional regulatory guidance is expected that could have a material impact on how the Authority has recognized pandemic relief funds.

Berkeley County Emergency Ambulance Authority NOTES TO FINANCIAL STATEMENTS (continued) For the year ended June 30, 2020

NOTE 12: SUBSEQUENT EVENTS

The Authority has evaluated all subsequent events through April 1, 2021, the date the financial statements were available to be issued.



Berkeley County Emergency Ambulance Authority SCHEDULES OF THE AUTHORITY'S PROPORTIONATE SHARE OF THE COLLECTIVE NET PENSION LIABILITIES June 30, 2020

Public Employees Retirement System Last 10 Fiscal Years

		2020		2019		2018		2017		2016	_	2015	_	2014
Authority's proportionate share of the net pension liability(%)		0.014472%		0.013039%	0	0.012535%	C	0.012839%	0	.015334%		0.018348%		0.017276%
Authority's proportionate share of the net pension liability (\$)	\$	31,117	\$	33,675	\$	54,107	\$	118,001	\$	85,626	\$	67,715	\$	157,489
Authority's covered-employee payroll	\$	221,911	\$	212,464	\$	180,162	\$	172,091	\$	176,911	\$	207,947	\$	245,695
Authority's proportionate share of net pension liability as a % of its covered-employee payroll		14.02%		15.85%		30.03%		68.57%		48.40%		32.56%		64.10%
Plan fiduciary net position as a percentage of the total pension liability		96.99%		96.33%		93.67%		86.11%		91.29%		93.98%		79.70%
	Emergency Medical Services Retirer Last 10 Fiscal Years			nent	t System									
		2020	_	2019		2018	_	2017		2016	_	2015		2014
Authority's proportionate share of the net pension (asset) liability(%)		7.544689%		7.544689%	6	5.357137%	(6.335516%	6	5.475347%		6.294714%		6.961634%
Authority's proportionate share of the net pension (asset) liability (\$)	\$	(350,865)	\$	(126,298)	\$	20,152	\$	428,281	\$	203,067	\$	153,969	\$	560,203
Authority's covered-employee payroll	\$	2,306,559	\$	2,083,830	\$1	1,980,833	\$	1,730,267	\$1	,655,510	\$	1,608,051	\$	1,469,698
Authority's proportionate share of net pension (asset) liability as a % of its covered-employee payroll		-15.21%		-6.06%		1.02%		24.75%		12.27%		9.57%		38.12%
Plan fiduciary net position as a percentage of the total pension (asset) liability		105.65%		102.16%		99.56%		89.77%		94.78%		95.64%		84.20%

Note: This data will be presented prospectively until ten years is accumulated.

The amounts presented for each fiscal year were determined as of June 30th.

Berkeley County Emergency Ambulance Authority SCHEDULES OF THE AUTHORITY'S PENSION PLAN CONTRIBUTIONS June 30, 2020

Public Employees · Retirement System Last 1o Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 22,191	\$ 21,247	\$ 19,818	\$ 20,651	\$ 23,883	\$ 29,113 \$	35,626	\$ 32,371	\$ 33,410	\$ 25,006
Contributions in relation to the contractually required contribution	(22,191)	(21,247)	(19,818)	(20,651)	(23,883)	(29,113)	(35,626)	(32,371)	(33,410)	(25,006)
Contribution deficiency (excess)	<u> </u>	\$ -	\$ -	\$ -	\$ -	\$ - \$	9	\$ -	\$ -	\$ -
Authority's covered-employee payroll	\$ 221,911	\$ 212,464	\$ 180,162	\$ 172,091	\$ 176,911	\$ 207,947	245,695	\$ 231,219	\$ 230,415	\$ 200,044
Contributions as a percentage of covered-employee payroll	10.0%	10.0%	11.0%	12.0%	13.5%	14.0%	14.5%	14.0%	14.5%	125%
				edical Services R Last 10 Fiscal Ye		m				
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Contractually required contribution	\$ 242,189	\$ 218,803	\$ 207,987	\$ 181,678	\$ 173,828	\$ 168,845 \$	154,318	\$ 161.590	\$ 146,814	\$ 142,161
Contributions in relation to the contractually required contribution	(218,803)	(218,803)	(207.987)	(181.678)	(173,828)_	(168,845)	(154,318)	(161,590)	(146,814)	(142,161)
Contribution deficiency (excess)	\$ 23,386	\$	<u>s</u> -	\$ -	<u> </u>	\$ - 4	:=:	\$ -	\$ -	\$ -
Authority's covered-employee payroll	\$ 2,306,559	\$ 2,083,830	S 1,980,833	\$ 1,730,267	\$ 1,655,510	\$ 1,608,051	1,469,698	\$ 1,538,952	\$ 1,398,225	\$ 1,353,914
Contributions as a percentage of										

Note: The amounts presented for each fiscal year were determined as of June 30th.

Berkeley County Emergency Ambulance Authority NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the year ended June 30, 2020

PERS

There were no significant actuarial assumption changes for PERS during the year.

EMSRS

There were no significant actuarial assumption changes made during the year.



BERKELEY COUNTY EMERGENCY AMBULANCE AUTHORITY

Berkeley County West Virginia

Schedule of Expenditures of Federal Awards For the Fiscal Year Ended June 30, 2020

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Disbursements
United States Department of the Treasury Passed through the State of West Virginia's Governor's Office	-		
Coronavirus Relief Fund	N/A	21.019	830,595
Total United States Department of the Treasury			830,595
United States Department of Health and Human Services Direct	-		
Provider Relief Fund	N/A	93.498	41,565
Total United States Department of Health and Human Services			41,565
Total Federal Financial Assistance			\$ 872,160

See Accompanying Notes to the Schedule of Federal Awards Expenditures

BERKELEY EMERGENCY AMBULANCE SERVICE AUTHORITY BERKELEY COUNTY, WEST VIRGINIA

Notes to the Schedule of Expenditures of Federal Awards 2 CFR 200.410(b)(6) For the Fiscal Year Ended June 30, 2020

NOTE A – BASIS OF PRESENTARION

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

NOTE B – SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The Authority has elected not to use the 10-percent de-minimis indirect cost rate as allowed under the uniform Guidance.





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

Berkeley County Emergency Ambulance Authority 400 West Stephen Street Suite 207 Martinsburg, West Virginia 25401

To the Board of Directors:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the Berkeley County Emergency Ambulance Authority, Berkeley County, West Virginia (the Authority) which comprise the statement of net position as of and for the year ended June 30, 2020, and the related statement of revenues, expenses and changes in fund net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated April 1, 2021.

Internal Control Over Financial Reporting

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

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

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

Board of Directors
Berkeley County Emergency Ambulance Authority
Berkeley County, West Virginia
Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Required by Government Auditing Standards
Page 2

Compliance and Other Matters

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

Purpose of this Report

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

BHM CPA Group, Inc Huntington, West Virginia

BHM CPA Group

April 1, 2021



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

Berkeley County Emergency Ambulance Authority 400 West Stephen Street Suite 207 Martinsburg, West Virginia 25401

To the Board of Directors:

Report on Compliance for the Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Berkeley County Emergency Ambulance Authority Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance Page 2

Opinion on the Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

BHM CPA Group, Inc Huntington, West Virginia

BHM CPA Group

April 1, 2021

Berkeley County Emergency Ambulance Authority Berkeley County, West Virginia

Schedule of Findings 2 CFR § 200.515 June 30, 2020

1.SUMMARY OF AUDITOR'S RESULTS

(d) (1) (i)	Type of Financial Statement Opinion	Unmodified
(d) (1) (ii)	Where there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d) (1) (ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d) (1) (iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d) (1) (iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d) (1) (iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d) (1) (vi)	Are there any reportable findings under 2 CFR §.510(a)?	No
(d) (1) (vii)	Major Programs (list):	US Department of Treasury – Coronavirus Relief Fund CFDA # 21.019
(d) (1) (viii)	Dollar Threshold: Type A\B Programs	Type A: >\$750,000 Type B: all others
(d) (1) (ix)	Low Risk Auditee?	No

Berkeley County Emergency Ambulance Authority Berkeley County, West Virginia

Schedule of Findings 2 CFR § 200.515 June 30, 2020

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

None Noted

3. FINDINGS FOR FEDERAL AWARDS

None Noted