West Virginia
Water Development Authority

Financial Report

June 30, 2024

BROWN EDWARDS
certified public accountants

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BROWNEDWARDS
certified public accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
West Virginia Water Development Authority
Charleston, West Virginia

Opinion

We have audited the accompanying financial statements of the West Virginia Water Development Authority (the Authority), a component unit of the State of West Virginia, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority, as of June 30, 2024, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Authority 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 opinion.

Responsibilities of Management for the Financial Statements

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

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 Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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 opinion. 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 generally accepted 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 generally accepted 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 Authority'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 Authority'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 matters, 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 require that the management's discussion and analysis, the schedule of the proportionate share of the net pension liability (asset), the schedule of contributions to the PERS, the schedule of the proportionate share of the net OPEB liability (asset), the schedule of contributions to the RHBT, and the notes to required supplementary information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Brown, Edwards & Company, L.L.P.

CERTIFIED PUBLIC ACCOUNTANTS

Charleston, West Virginia
October 4, 2024

INTRODUCTION

The West Virginia Water Development Authority (the "Authority") was established in 1972 by the West Virginia Legislature (WV 22C-1-14) as a governmental instrumentality of the State of West Virginia (the "State") and a body corporate and is considered a component unit of the State for financial reporting purposes. The Authority commenced operations in 1974 and is authorized to serve as a revenue bond bank that provides financial assistance to municipalities, public service districts and other political subdivisions to meet the requirements of State and federal water pollution control and safe drinking water laws, thereby helping to protect the health of the State's citizens, improving drinking water quality, upgrading infrastructure to attract economic development and protecting the environment. The Authority operates under the supervision of the West Virginia Water Development Board, which is comprised of seven members. The Authority, also serves as fiduciary agent for two other programs which are reported separately. The Authority is self-supporting and does not receive State appropriations for operating expenses or bond programs.

The Authority maintains a variety of programs to provide long-term, short-term and private-activity financing at favorable interest rates for design, construction and/or acquisition of wastewater and/or water systems. Generally, the Authority's programs are funded with proceeds from water development bonds issued by the Authority. Moneys in the various programs are loaned to municipalities, public service districts and other political subdivisions through the purchase of revenue bonds or notes issued by these local governmental agencies. The loans are repaid from the revenues of the wastewater and/or water systems or other permanent financing. Because the Authority's bonds are considered a moral obligation of the State, the aggregate principal amount of bonds and/or notes issued by the Authority may not exceed \$500 million outstanding at any time; provided that before the Authority issues bonds or notes in excess of \$400 million, the Legislature must pass a resolution authorizing this action. As of June 30, 2024, the Authority has \$191,938,000 in bonds principal outstanding.

The Authority's long-term planning is accomplished within the confines of its authorized borrowing limit. Additionally, the Authority has used and will use other available resources to fund loans, make grants, and issue bonds when a significant identifiable need arises.

During the 2022 West Virginia Legislature's Regular Session House Bill 4566 was passed and signed into law by the Governor. This legislation created the Economic Enhancement Grant Fund (EEGF). This fund is governed, administered and accounted for by the directors, officers, management, and staff of the Authority. The legislation authorized the Authority to make grants to cover all or a portion of the costs of water, sewer, economic development or tourism projects. At the 2022 Second Extraordinary Session, House Bill 217 was passed and signed into law by the Governor. This legislation provided the Authority an amount of \$250,000,000 from the Coronavirus State Fiscal Recovery Fund to fund the eligible projects. During the 2023 West Virginia Legislature's Regular Session House Bill 2883 was passed and signed into law by the Governor. This legislation increased the EEGF funding by \$177,000,000 for a total of \$427,000,000 as of June 30, 2023.

During the 2023 West Virginia Regular Session House Bill 2024 (Budget Bill) was passed and signed into law by the Governor. This legislation appropriated \$53 million to the EEGF from supplemental appropriations (surplus revenues). The funds became available in August 2023. During the 2024 West Virginia Regular Session Senate Bill 200 was passed and signed into law by the Governor. This legislation appropriated \$50 million to the EEGF from supplemental appropriations (surplus revenues). The Authority expects to receive the funds in August 2024.

(Continued)

INTRODUCTION (continued)

This discussion and analysis of the Authority's financial activities for the year ended June 30, 2024 is designed to assist the reader in focusing on significant financial issues and activities of the Authority and to identify significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 10.

USING THIS REPORT

This report consists of a series of financial statements. The Statement of Net Position and Statement of Revenues, Expenses, and Changes in Fund Net Position report the Authority's net position and the annual changes in net position. The Authority's net position, which is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, is one way to measure the Authority's financial health or financial position.

FINANCIAL HIGHLIGHTS

Total assets of the Authority increased a total of $27 million or 4%. Deferred outflows of resources decreased by $687 thousand or 14%. There was a decrease in total liabilities of $56.9 million or 10%. Deferred inflows of resources decreased $47 thousand or 9%. Total net position increased $83.3 million or 83%. Total revenues increased by $104.7 million or 324% from the previous year. This was primarily due to increases in investment revenue of $14.9 million from the prior year and $36.9 million in EEGF Revenue and $53 million in intergovernmental for appropriation from the State Legislature for the EEGF. Total operating expenses increased by $38 million or 369% from the prior year. This was primarily due to an increases of $38.9 million in EEGF grant expenses.

THE AUTHORITY AS A WHOLE

The analysis below focuses on Net Position (Table 1) and Changes in Net Position (Table 2):

Table 1
Net Position

	2024 WDA	2023 WDA	Increase (Decrease)
Assets			
Current assets	$ 531,233,744	$ 491,211,898	$ 40,021,846
Non-current assets	144,604,701	157,582,553	(12,977,852)
Total assets	**$ 675,838,445**	**$ 648,794,451**	**$ 27,043,994**
Deferred outflows of resources			
Deferred loss on bond refundings	$ 4,116,323	$ 4,755,420	$ (639,097)
Deferred outflows of resources from OPEB amounts	8,050	25,423	(17,373)
Deferred outflows of resources from pension amounts	85,097	115,929	(30,832)
Total deferred outflows of resources	**$ 4,209,470**	**$ 4,896,772**	**$ 687,302)**
Liabilities			
Current liabilities	$ 383,922,717	$ 429,925,624	$ (46,002,907)
Net OPEB liability	-	8,049	(8,049)
Net pension liability	-	41,647	(41,647)
Long-term debt outstanding	112,248,147	123,139,288	(10,891,141)
Total liabilities	**$ 496,170,864**	**$ 553,114,608**	**$ (56,943,744)**
Deferred inflows of resources			
deferred gain on refunding	$ 453,217	$ 477,038	$ ($23,821)
Deferred inflows of resources from OPEB amounts	19,858	42,766	(22,908)
Deferred inflows of resources from pension amounts	104	1,118	(1,014)
Total deferred inflows of resources	**$ 473,179**	**$ 520,922**	**$ (47,743)**
Net position			
Net investment in capital assets	$ 4,415,421	$ 4,076,706	$ 338,715
Restricted by revenue bond agreements	115,193,683	40,736,820	74,456,863
Restricted for OPEB and pension	11,840	-	11,840
Unrestricted	63,782,928	55,242,167	8,540,761
Total net position	**$ 183,403,872**	**$ 100,055,693**	**$ 83,348,179**

(Continued)

THE AUTHORITY AS A WHOLE (Continued)

Total assets increased by $27 million or 4%. Increase to assets was due mainly to an increase of cash of $41.7 million. This is primarily offset by a reduction of revenue bonds receivable in the amount of $14.7 million.

Deferred outflow of resources decreased by $687 thousand or 14% which was the result of current year amortizations of loss on refunding in the amount of $639 thousand, a decrease in deferred outflow of resources for pensions of $17 thousand, and a decrease in the deferred outflow of resources for OPEB in the amount of $31 thousand.

Total liabilities decreased by $56.9 million or 10% which primarily the result of unearned revenue decrease in the amount of $45.6 million and a $11.1 million decrease in bonds payable.

Deferred inflows of resources decreased $47.7 thousand or 9% due to a decrease in the deferred inflows of resources for pensions of $1,014, a decrease in the amortization of the deferred gain on refunding of $23.8 thousand, as well as a decrease in the deferred inflows of resources from OPEB of $22.9 thousand.

Unrestricted net position increased $8.5 million, primarily explained by a $12.4 increase in Cash and Cash Equivalents, primarily offset by $4 million decrease in bonds receivable.

Restricted net position increased $74.5 million Primarily due mainly to a reduction in bonds payable of $11.1 million, an increase of restricted cash of $29.3 million, and a reduction of unearned revenue of $45.6 million, which was primarily offset by a reduction of bonds receivable of $10.7 million.

(Continued)

Table 2
Changes in Net Position

	2024 WDA	2023 WDA	Increase (Decrease)
Revenues:			
Operating revenues:			
Charges for services	$ 8,874,106	$ 9,188,986	$ (314,880)
Economic Enhancement Grant Fund Revenue	45,573,134	8,627,497	36,945,637
Other	684,755	477,212	207,543
Total operating revenues	**55,131,995**	**18,293,695**	**36,838,300**
Nonoperating revenues:			
Interest and investment revenue, net of arbitrage	28,930,683	14,041,884	14,888,799
Intergovernmental	53,000,000	-	53,000,000
Total revenues	**137,062,678**	**32,335,579**	**104,727,099**
Expenses:			
Operating expenses	48,893,900	10,427,859	38,466,041
Nonoperating expenses:			
Interest expense	4,820,599	5,237,398	(416,799)
Total expenses	**53,714,499**	**15,665,257**	**38,049,242**
Change in net position	83,348,179	16,670,322	66,677,857
Beginning net position	100,055,693	83,385,371	16,670,322
Ending net position	**$ 183,403,872**	**$100,055,693**	**$ 83,348,179**

Charges for services decreased $315 thousand. This is primarily due to repayments of loans in the portfolio being applied to principal rather than interest as they are being paid down over time.

Economic Enhancement Grant Fund revenue increased by $36.9 million due to additional funds provided for the program.

Intergovernmental increased $53 million primarily due to revenue received from State appropriations for the EEGF.

(Continued)

THE AUTHORITY AS A WHOLE (Continued)

Interest and investment revenue increased by $14.9 million due to higher short-term interest rates available to the Authority from period to period on increased asset balances.

Operating expenses increased by $38.5 million due to increased grant payments for the EEGF.

DEBT ADMINISTRATION

As a financing entity, the business of the Authority is debt issuance and administration, including servicing. By statute, the maximum amount of bonds the Authority is authorized to have outstanding includes debt issued for the Authority and by the Authority on behalf of the West Virginia Infrastructure and Jobs Development Council. While the redemption of bonds is economically prudent because of the resulting debt service savings, any reduction in the liability for long-term debt enables the Authority to manage debt capacity for future needs as well as for new programs. The Authority, therefore, continues to monitor its long-term outstanding debt for prepayment and refunding opportunities for debt service savings. At year end, the Authority had $115,858,000 in revenue and refunding bonds outstanding versus $126,280,000 in the prior year, a decrease of approximately 8.25%.

As of June 30, 2024, the 2012 Series A-I and B-I, 2012 Series B-II, 2013 Series A-II, 2016 Series A-II, and 2012 Series A-III and B-III had a Moody's rating of A1 and a Fitch rating of A+.

As of June 30, 2024 the 2018 Series A-IV, had a Standard & Poor's rating of A. The 2018 Series B-IV Bonds were privately placed and not rated by any rating agency.

The Authority's ratings from Moody's and Fitch reflect the State's moral obligation rating. Ultimately, rating strength is provided by the Authority's pledge to maintain a debt service reserve fund equal to the maximum annual debt service on all outstanding bonds and servicing of underlying loans. If the amount in the reserve funds falls below the required maximum annual debt service level, the Governor, on notification by the Authority, may request the State's Legislature to appropriate the necessary funds to replenish the reserve to its required level. The State's Legislature, however, is not legally required to make such appropriation.

CONTACTING THE AUTHORITY'S MANAGEMENT

This financial report is designed to provide a general overview of the Authority's finances and to show the Authority's accountability for the money it receives as well as its ability to pay debt service. If you have questions about this report or need additional information, contact the Executive Director or Chief Financial Officer, West Virginia Water Development Authority, 1009 Bullitt Street, Charleston, West Virginia 25301, call 304-414-6500; or visit the Authority's website (www.wvwda.org).

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION
June 30, 2024

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents (Note 3)	$	54,737,219
Receivables:		
Revenue bonds, net of unamortized discount of $41,323		10,752,149
Design loan program notes receivable (Note 5)		849,586
Interest		2,312,130
Administrative fees		1,876
Due from other agencies (Note 10)		309,896
Total unrestricted current assets		68,962,856
Restricted current assets:		
Cash and cash equivalents (Note 3)		462,267,229
Prepaid insurance		3,659
Total current assets		531,233,744
NONCURRENT ASSETS		
Revenue bonds		5,955,260
Capital assets, net (Note 5)		4,415,421
Total unrestricted noncurrent assets		10,370,681
Restricted noncurrent assets:		
Cash and cash equivalents (Note 3)		14,193,009
Revenue bonds, net of unamortized discount of $588,394		119,970,593
Net OPEB asset (Note 9)		10,462
Net pension asset (Note 8)		1,378
Prepaid insurance		58,578
Total restricted noncurrent assets		134,234,020
Total assets	$	675,838,445
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on bond refundings	$	4,116,323
Deferred outflows of resources from OPEB amounts (Note 9)		8,050
Deferred outflows of resources from pension amounts (Note 8)		85,097
Total deferred outflows of resources	$	4,209,470

(Continued)

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

STATEMENT OF NET POSITION
(Continued)
June 30, 2024

LIABILITIES	
CURRENT LIABILITIES	
Accounts payable	$ 35,927
Current portion of revenue bonds payable, including unamortized net premium of $688,603 (Note 7)	10,078,603
Accrued interest payable	1,008,818
Unearned revenue	372,799,369
Total current liabilities	383,922,717
NONCURRENT LIABILITIES	
Accrued employee benefits	112,779
Liabilities payable from restricted assets:	
Noncurrent portion of revenue bonds payable, including unamortized net premium of $5,667,368 (Note 7)	112,135,368
Total noncurrent liabilities	112,248,147
Total liabilities	$ 496,170,864
DEFERRED INFLOWS OF RESOURCES	
Deferred gain on refunding	$ 453,217
Deferred inflows of resources from OPEB amounts (Note 9)	19,858
Deferred inflows of resources from pension amounts (Note 8)	104
Total deferred inflows of resources	$ 473,179
NET POSITION	
Restricted by revenue bond agreements	$ 115,193,683
Restricted for OPEB and pension	11,840
Unrestricted	63,782,928
Net investment in capital assets	4,415,421
Total net position	$ 183,403,872

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

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year Ended June 30, 2024

OPERATING REVENUES	
Charges for services	$ 8,874,106
Economic Enhancement Grant Fund revenue	45,573,134
Miscellaneous	684,755
Total operating revenues	55,131,995
OPERATING EXPENSES	
Economic Enhancement Grant Fund expense	47,270,337
Depreciation and amortization	192,983
General and administrative (Note 11)	1,430,580
Total operating expenses	48,893,900
Operating income	6,238,095
NONOPERATING REVENUES (EXPENSES)	
Intergovernmental (Note 10)	53,000,000
Interest and investment revenue	28,930,683
Interest expense	(4,820,599)
Total nonoperating revenues	77,110,084
CHANGE IN NET POSITION	83,348,179
Total net position, beginning of year	100,055,693
Total net position, end of year	$ 183,403,872

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

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

STATEMENT OF CASH FLOWS
Year Ended June 30, 2024

OPERATING ACTIVITIES	
Receipts of principal on bonds receivable	$ 11,625,493
Receipts of interest on bonds receivable	8,982,657
Receipts of administrative fees on bonds receivable	684,820
Receipts of principal on design loan program notes receivable	3,161,612
Receipts of reimbursements from other agencies	5,484,090
Disbursements of grants	(47,270,337)
Disbursements from issuance of bonds receivable	(20,795)
Disbursements of general and administrative expense	(871,447)
Disbursements on behalf of employees	(727,130)
Disbursements on behalf of other agencies	(5,307,592)
Net cash used in operating activities	(24,258,629)
CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(528,039)
NONCAPITAL FINANCING ACTIVITIES	
Principal paid on revenue and refunding bonds	(10,422,000)
Interest paid on revenue and refunding bonds	(4,973,493)
Appropriation for Economic Enhancement Grant Fund	53,000,000
Net cash provided by noncapital financing activities	37,604,507
INVESTING ACTIVITIES	
Investment earnings	28,894,918
Net increase in cash and cash equivalents	41,712,757
CASH AND CASH EQUIVALENTS, beginning	489,484,700
CASH AND CASH EQUIVALENTS, ending	$ 531,197,457
Cash and cash equivalents consist of:	
Cash and cash equivalents	$ 54,737,219
Restricted cash and cash equivalents (current)	462,267,229
Restricted cash and cash equivalents (noncurrent)	14,193,009
	$ 531,197,457

(Continued)

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

STATEMENT OF CASH FLOWS
(Continued)
Year Ended June 30, 2024

Reconciliation of operating income to net cash used in operating activities:		
Operating income	$	6,238,095
Adjustments to reconcile operating income to net cash used in operating activities		
Depreciation and amortization expense		192,983
Changes in operating accounts:		
Due from other agencies		176,498
Revenue bonds receivable		11,563,375
Design loan program notes receivable		3,161,612
Accrued interest receivable		149,874
Administrative fees receivable		65
Net OPEB asset		(10,462)
Net Pension asset		(1,378)
Deferred outflows of resources from pension and OPEB		48,205
Accounts payable		(114,714)
Accrued employee benefits		(16,030)
Unearned revenue		(45,573,134)
Net OPEB liability		(8,049)
Net pension liability		(41,647)
Deferred inflows of resources from pension and OPEB		(23,922)
Net cash used in operating activities	$	(24,258,629)

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

Note 1. Reporting Entity

The West Virginia Water Development Authority (the Authority) is a governmental instrumentality of the State of West Virginia (the State) and a body corporate, created under the provisions of Chapter 22C, Article 1 of the Code of West Virginia, 1931, as amended, and known as the West Virginia Water Development Act. The Authority's mission is to provide West Virginia communities effective financial assistance for development of wastewater, water and economic infrastructure that will improve health, protect the streams of the State, improve drinking water quality and encourage economic growth. This is accomplished by administering and managing the West Virginia Water Development Revenue Bond Programs, serving as the State-designated fiduciary of the West Virginia Infrastructure Fund, managing the Department of Environmental Protection's Drinking Water Treatment Revolving Fund, administering the Department of Environmental Protection's Clean Water State Revolving Fund, and being an active member of the West Virginia Infrastructure and Jobs Development Council.

The Authority's Water Development Revenue Bond Programs are funded with proceeds of water development bonds issued by the Authority. Moneys in the programs are loaned to municipalities, public service districts and other political subdivisions through the purchase by the Authority of revenue bonds or notes issued by those entities, who repay the loans from the revenues of the systems or other permanent financing.

During the 2022 West Virginia Legislature's Regular Session, House Bill 4566 was passed and signed into law by the Governor. This legislation created the Economic Enhancement Grant Fund (EEGF). This fund is governed, administered and accounted for by the directors, officers and management of the Authority. The legislation authorized the Authority to make grants to cover all or a portion of the costs of water, sewer, economic development or tourism projects. During the 2023 West Virginia Legislative's Regular Session House Bill 2024 was passed and signed into law by the Governor, appropriating $53,000,000 to the Authority for the EEGF for fiscal year ended June 30, 2024. During the 2024 West Virginia Legislative's Regular Session Senate Bill 200 was passed and signed into law by the Governor, appropriating an additional $50,000,000 to the Authority for the EEGF for the fiscal year ending June 30, 2025.

The State is able to impose its will over the Authority, therefore the Authority is considered a component unit of the State.

In evaluating how to define the Authority for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in accounting principles generally accepted (GAAP) in the United States of America for governments. GAAP defines component units as those entities which are legally separate governmental organizations for which the appointed members of the Authority are financially accountable or other organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the Authority's financial statements to be misleading. Because no such organizations exist which meet the above criteria, the Authority has no component units.

Note 2. Significant Accounting Policies

Basis of presentation

The Authority is accounted for as a proprietary fund special purpose government engaged in business type activities. In accordance with GAAP, the financial statements are prepared on the accrual basis of accounting, using the flow of economic resources measurement focus. Under this basis of accounting, revenues are recognized when earned and expenses are recognized when incurred.

The Authority is included in the State's financial statements as a discretely presented component unit proprietary fund and business type activity. There may be differences between the amounts reported in these financial statements and the financial statements of the State as a result of major fund determination.

Cash and cash equivalents

Cash and cash equivalents include deposits with the West Virginia Treasurer's office, financial institutions, the West Virginia Board of Treasury Investments (BTI), West Virginia Money Market Pool, and investments in mutual funds with original maturities of less than ninety days and are carried at amortized costs.

Allowance for uncollectible loans and service charges

The Authority established an allowance for uncollectible revolving loans and service charges based on the estimated age of revolving loans and service charges and their anticipated collectability. The Authority has not established an allowance for uncollectible loans in the Water Development Revenue Bond Programs because of remedies available to it in the loan agreements that exist between the Authority and the various entities.

Restricted assets

Proceeds of revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by bond covenants. When both restricted and unrestricted resources are available for use, it is generally the Authority's policy to use restricted resources first, and then unrestricted resources as they are needed.

Capital assets

Capital assets are stated at cost. Depreciation and amortization are computed using the straight-line method over an estimated economic useful life. The table below details the capital asset categories and related economic useful lives for assets in excess of $1,000 with useful lives in excess of 1 year.

Furniture and equipment	5 years
Building	40 years
Building improvements	10 years
Intangible assets	5 years
Land improvements	15 years

Note 2. Significant Accounting Policies (Continued)

Unearned revenue

Unearned revenue represents grant funds received in advance for the funding of future qualifying eligible grant project expenses.

Accrued employee benefits

In accordance with State policy, the Authority permits employees to accumulate earned but unused vacation benefits. A liability for vacation pay is accrued when earned.

Bond premiums, discounts, and issuance costs

Bond premiums and discounts are amortized using the straight-line method over the varying terms of the bonds issued. The straight-line method is not in accordance with GAAP, but the difference in amortization using the straight-line method, versus the effective interest method which is in accordance with GAAP, is not material to the financial statements as a whole. Bond issuance costs are expensed as incurred.

Arbitrage rebate payable

The United States Internal Revenue Code of 1986, as amended (the "Code"), prescribes restrictions applicable to the Authority as issuer of Water Development Revenue and Refunding Bonds. Among those include restrictions on earnings on the bond proceeds. The Code requires payment to the federal government of investment earnings on certain bond proceeds in excess of the amount that would have been earned if the proceeds were invested at a rate equal to the yield on the bonds. As of June 30, 2024, the Authority is not liable to the federal government as a result of arbitrage.

Deferred outflows of resources / deferred inflows of resources

The statement of net position reports a separate financial statement element called *deferred outflows of resources*. This financial statement element represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense) until that time. The Authority reports losses on bond refunding as deferred outflows of resources and deferred outflows of resources related to pensions and OPEB.

The statement of net position reports a separate financial statement element called *deferred inflows of resources*. This financial statement element represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority reports gains on bond refundings as deferred inflows of resources and deferred inflows of resources related to pensions and OPEB.

Note 2. Significant Accounting Policies (Continued)

Pension

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

Postemployment benefits other than pensions (OPEB)

For purposes of measuring the net OPEB asset, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the West Virginia Retiree Health Benefit Trust OPEB Plan (RHBT) and additions to/deductions from RHBT's fiduciary net position have been determined on the same basis as they are reported by RHBT. For this purpose, RHBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for certain pooled investments, money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at amortized cost.

Net position

Net position is presented as unrestricted, restricted, or as the net investment in capital assets. The net investment in capital assets consists of all capital assets, less accumulated depreciation. Restricted net position represents assets restricted for the repayment of bond proceeds, by bond covenants, for retirement of other long-term obligations, or for the payment of pension and OPEB amounts. All remaining net position is considered unrestricted. When an expense is incurred for purposes for which both restricted and unrestricted net position is available, restricted resources are applied first.

Note 3. Deposit and Investment Risk Disclosures

The General Revenue Bond Resolutions and the Authority's investment guidelines authorize the Authority to invest all bond proceeds in obligations of the United States and certain of its agencies, certificates of deposit, public housing bonds, direct and general obligations of states which are rated in either of the two highest categories by Standard & Poor's Corporation, advance-refunded municipal bonds and repurchase agreements relating to certain securities.

The Authority participates in the BTI West Virginia Money Market Pool, which is an amortized cost pool in accordance with GAAP and the criteria specifying that the pool must transact with their participants at a stable net asset value per share and meet requirements for portfolio maturity, portfolio quality, portfolio diversification, portfolio liquidity, and shadow pricing. The BTI does not place limitations or restrictions on participant withdrawals from the pool, such as redemption notice

Note 3. Deposit and Investment Risk Disclosures (Continued)

periods, maximum transaction amounts, and any authority to impose liquidity fees or redemption gates. Investment income earned is pro-rated to the Authority at rates specified by the BTI based on the balance of the deposits maintained in relation to the total deposits of all state agencies participating in the pool. Such funds are available to the Authority with overnight notice. The deposited funds are invested in accordance with investment guidelines of the BTI. The Authority's balance, which is included in its cash and cash equivalents, reports a carrying value of $484,700,466 as of June 30, 2024.

Interest rate risk - West Virginia Money Market Pool

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The West Virginia Money Market Pool is subject to interest rate risk.

The overall weighted average maturity of the investments of the West Virginia Money Market Pool cannot exceed 60 days. Maximum maturity of individual securities cannot exceed 397 days from date of purchase, except for government floating rate notes, which can be up to 762 days. The following table provides information on the weighted average maturities for the various asset types in the WV Money Market Pool:

Security Type	Carrying Value (In Thousands)	WAM (Days)
Commercial paper	$ 7,263,293	36
Negotiable certificates of deposit	1,553,998	50
Repurchase agreements	785,000	3
Money market funds	2,820	3
	$ 9,605,111	36

Interest rate risk - all other investments

As of June 30, 2024, the Authority had the following investments outside of the BTI deposits (which include certain cash equivalents) and maturities:

	Maturities (in Years)			
Type	Carrying Value	Less Than 1	1-5	6-10
Money market	$ 44,810,571	$ 44,810,571	$ -	$ -

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority's investment guidelines limit the maturities of investments not matched to a specific debt or obligation of the Authority to five years or less, unless otherwise approved by the Board.

Note 3. Deposit and Investment Risk Disclosures (Continued)

Concentration of credit risk - West Virginia Money Market Pool

Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single corporate issuer. The BTI investment policy prohibits the West Virginia Money Market Pool and accounts permitted to hold corporate securities from investing more than 5% of their assets in any one corporate name or one corporate issue.

Concentration of credit risk – all other investments

As of June 30, 2024, the Authority had no other deposit and investment balances outside of BTI deposits, which were greater than or equal to 5 percent of the deposit and investment balances presented in the statement of net position.

Authority's investment guidelines manage concentration of credit risk by limiting its investment activity so that at any time its total deposit and investment portfolio will not exceed the percentage limits as to the permitted investments as follows:

	Permitted Investments	Maximum % of Portfolio
(a)	Direct Federal Obligations	100%
(b)	Federally Guaranteed Obligations	100%
(c)	Federal Agency Obligations	90%
(d)	Money Markets	90%
(e)	Repurchase Agreements/Investment Contracts	90%
(f)	Time Deposits/Certificates of Deposit	90%
(g)	Demand Deposits	30%
(h)	Corporate Obligations	15%
(i)	Other State/Local Obligations	15%
(j)	West Virginia Obligations	15%
(k)	Housing Bonds - Secured by Annual Contributions Contracts	5%

With the exception of money markets, repurchase agreements/investment contracts, time deposits/certificates of deposit and demand deposits, investments that comprise more than 15% of the investment portfolio must be direct federal, federal agency or federally guaranteed obligations.

Any investments listed above that comprise more than 15% of the investment portfolio must be either provided by an institution with a rating of at least A/A by Moody's and/or Standard and Poor's, invested in a money market fund rated AAAm or AAAm-G or better by Standard and Poor's, secured by obligations of the United States, or not exceed the insurance limits established by the FDIC unless adequate collateral is provided.

(Continued)

Note 3. Deposit and Investment Risk Disclosures (Continued)

Credit risk – West Virginia Money Market Pool

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The WV Money Market Pool has been rated AAAm by Standard & Poor's. A fund rated AAAm has extremely strong capacity to maintain principal stability and to limit exposure to principal losses due to credit, market and/or liquidity risks. AAAm is the highest principal stability fund rating assigned by Standard & Poor's. The BTI itself has not been rated for credit risk by any organization.

The BTI limits the exposure to credit risk in the WV Money Market Pool by requiring all long-term corporate debt to be rated A+ or higher by Standard & Poor's (or its equivalent) and short-term corporate debt be rated at A-1 or higher by Standard & Poor's (or its equivalent). The following table provides information on the credit ratings of the WV Money Market Pool's investments:

Security Type	Rating	Carrying Value (in Thousands)	Percent of Pool Assets
Commercial paper	A-1+	$ 3,626,718	37.76
	A-1	3,636,575	37.85
Negotiable certificates of deposit	A-1+	844,998	8.80
	A-1	709,000	7.38
Money market funds	AAAm	2,820	0.03
Repurchase agreements (underlying securities):			
U.S. Treasury bonds and notes*	AA+	134,000	1.40
U.S. agency bonds and notes	AA+	651,000	6.78
		$ 9,605,111	100.00%

*U.S. Treasury issues are explicitly guaranteed by the United States government and are not considered to have credit risk.

Credit Risk – all other investments

The following table provides information on the credit ratings of the Authority's deposits and short-term investments outside of BTI deposits as of June 30, 2024:

Security Type	Fitch	Moody's	Standard & Poor's	Carrying Value
Money market	AAAmmF	Aaa-mf	AAAm	$ 44,810,571

Note 3. Deposit and Investment Risk Disclosures (Continued)

Custodial credit risk - West Virginia Money Market Pool

The custodial credit risk for the WV Money Market Pool is the risk that, in the event of the failure of the counterparty to a transaction, the BTI will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Repurchase agreements are required to be collateralized by at least 102% of their value, and the collateral is held in the name of the BTI. The BTI or its agent does not release cash or securities until the counterparty delivers its side of the transaction.

Custodial credit risk – all other investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Cash consisted of the following at June 30, 2024:

Cash on deposit with State Treasurer	$ 327,539
Cash on deposit with financial institution	1,358,881
	$ 1,686,420

The Authority has no securities that are subject to foreign currency risk.

A reconciliation of the amounts disclosed as cash and investments included in this Note to cash and cash equivalents, restricted cash and cash equivalents, and investments in the Statement of Net Position as of June 30, 2024, is as follows:

Deposits and Investments:	
Cash and cash equivalents as reported on the Statement of Net Position	$ 54,737,219
Add: restricted cash and cash equivalents (current)	462,267,229
Add: restricted cash and cash equivalents (noncurrent)	14,193,009
Less: cash equivalents and restricted cash equivalents disclosed as investments in this Note	(529,511,037)
Total cash as disclosed in this Note	$ 1,686,420

Note 4. Revenue Bonds Receivable

As of June 30, 2024, the face value of revenue bonds of municipalities, public service districts and other political subdivisions purchased with proceeds from Water Development Revenue Bonds was $128,803,100. Management's intentions are to hold such bonds until maturity; therefore, management believes the face amount of the bonds is fully collectible.

Although not required, the Authority purchased supplemental bonds of municipalities and public service districts using other available funds. As of June 30, 2024, the face value of supplemental bonds was $8,504,619.

Note 5. Design Loan Program Notes Receivable

The Design Loan Program provides funding to governmental agencies for the cost of the design of water and wastewater projects around the state. As of June 30, 2024, financing has been made available to close twenty-one (21) design loans in the amount of $10,639,459. Disbursements are made to the local governmental agencies from the program based on approved requisitions. As of June 30, 2024, the cumulative total of $8,713,642 was disbursed to local government agencies under the Design Loan program. The balance of remaining program notes receivable was $849,586, which is presented as current assets in the statement of net position.

Note 6. Capital Assets

Capital asset activity for the year ended June 30, 2024, was as follows:

	Beginning Balance	Additions	Disposals	Ending Balance
Capital assets not being depreciated:				
Land	$ 526,194	$ -	$ -	$ 526,194
Construction work in progress	359,535	-	358,085	1,450
Total capital assets not being depreciated	885,729	-	358,085	527,644
Furniture and equipment	7,295,806	1,370	-	7,297,176
Land improvements	22,650	884,754	-	907,404
Building	4,100,298	-	-	4,100,298
Total capital assets, being depreciated	11,418,754	886,124	-	12,304,878
Less accumulated depreciation for:				
Furniture and equipment	7,124,076	60,729	-	7,184,805
Land improvements	7,000	26,087	-	33,087
Building	1,096,701	102,508	-	1,199,209
Total accumulated depreciation	8,227,777	189,324	-	8,417,101
Total capital assets, net	$ 4,076,706	$ 338,715	$ -	$ 4,415,421

Note 7. Revenue Bonds Payable

The following is a summary of the Authority's bond transactions for the year ended June 30, 2024:

	Balance at June 30, 2023	Bonds issued	Bonds retired	Bonds refunded	Balance at June 30, 2024
Revenue bonds	$ 120,130,000	$ -	$10,040,000	$ -	$ 110,090,000
Revenue bonds from direct placements	6,150,000	-	382,000	-	5,768,000
	$ 126,280,000	$ -	$10,422,000	$ -	$ 115,858,000

Revenue and refunding bonds outstanding at June 30, 2024, were as follows:

Series	Final Maturity	Interest Rates %	Balance
2012 A-I	11/1/25	2.000-3.000	$ 345,000
2012 B-I	11/1/26	3.000-4.500	4,180,000
2012 B-II	11/1/33	2.000-4.000	8,110,000
2012 A-III	7/1/39	3.000-4.000	11,370,000
2012 B-III	7/1/40	2.000-3.750	6,990,000
2013 A-II	11/1/29	2.000-5.000	14,260,000
2016 A-II	11/1/39	2.000-5.000	38,310,000
2018 A-IV	11/1/44	2.500-5.000	26,525,000
2018 B-IV*	11/1/35	3.500	5,768,000
			$ 115,858,000

*Direct placement bonds

Loan Program I includes Series 2012 A-I and 2012 B-I Water Development Revenue Refunding Bonds. Loan Program II includes Series 2012 B-II, 2013 A-II, and 2016 A-II Water Development Revenue Refunding Bonds. Loan Program III includes Series 2012 A-III and 2012 B-III Water Development Revenue Refunding Bonds. Loan Program IV includes Series 2018 A-IV Water Development Revenue Refunding Bonds and Series 2018 B-IV Direct Placement Bonds.

Total future maturities of bond principal and interest on Authority indebtedness at June 30, 2024, are as follows:

(Continued)

Note 7. Revenue Bonds Payable (Continued)

Loan Program I

	Principal	Interest	Total
2025	$ 1,505,000	$ 146,244	$ 1,651,244
2026	1,570,000	87,869	1,657,869
2027	1,450,000	29,000	1,479,000
	$ 4,525,000	$ 263,113	$ 4,788,113

Loan Program II

	Principal	Interest	Total
2025	$ 5,770,000	$ 2,426,475	$ 8,196,475
2026	6,000,000	2,186,700	8,186,700
2027	6,080,000	1,916,650	7,996,650
2028	6,165,000	1,654,425	7,819,425
2029	6,395,000	1,422,700	7,817,700
	30,410,000	9,606,950	40,016,950
2030 – 2034	20,100,000	4,084,000	24,184,000
2035 – 2039	8,690,000	1,188,000	9,878,000
2040	1,480,000	29,600	1,509,600
	30,270,000	5,301,600	35,571,600
	$ 60,680,000	$ 14,908,550	$ 75,588,550

Loan Program III

	Principal	Interest	Total
2025	$ 855,000	$ 636,753	$ 1,491,753
2026	890,000	609,488	1,499,488
2027	910,000	581,363	1,491,363
2028	945,000	552,378	1,497,378
2029	975,000	520,550	1,495,550
	4,575,000	2,900,532	7,475,532
2030 – 2034	5,380,000	2,059,463	7,439,463
2035 – 2039	6,440,000	990,000	7,430,000
2040 – 2041	1,965,000	56,906	2,021,906
	13,785,000	3,106,369	16,891,369
	$ 18,360,000	$ 6,006,901	$ 24,366,901

Note 7. Revenue Bonds Payable (Continued)

Loan Program IV

	Bonds		Bonds from Direct Placement		
	Principal	Interest	Principal	Interest	Total
2025	$ 865,000	$ 1,163,619	$ 395,000	$ 194,968	$ 2,618,587
2026	905,000	1,119,369	409,000	180,898	2,614,267
2027	815,000	1,076,369	423,000	166,338	2,480,707
2028	855,000	1,034,619	438,000	151,270	2,478,889
2029	895,000	990,869	453,000	135,678	2,474,547
	4,335,000	5,384,845	2,118,000	829,152	12,666,997
2030 – 2034	5,215,000	4,215,844	2,516,000	424,620	12,371,464
2035 – 2039	6,720,000	2,734,219	1,134,000	40,040	10,628,259
2040 – 2044	8,390,000	1,119,944	-	-	9,509,944
2045	1,865,000	33,803	-	-	1,898,803
	22,190,000	8,103,810	3,650,000	464,660	34,408,470
	$26,525,000	$ 3,488,655	$ 5,768,000	$ 1,293,812	$ 47,075,467

	Revenue bonds	Direct Placement Bonds	Total
Total all loan programs	$ 110,090,000	$ 5,768,000	$ 115,858,000
Add: unamortized net premium	6,355,971	-	6,355,971
Total all loan programs, net	116,445,971	5,768,000	122,213,971
Less: current portion of revenue bonds payable	9,683,603	395,000	10,078,603
Noncurrent portion of revenue bonds payable	$ 106,762,368	$ 5,373,000	$ 112,135,368

Note 7. Revenue Bonds Payable (Continued)

The proceeds from the Authority's Revenue Bond Program provide financial assistance to municipalities, public service districts and other public subdivisions to meet the requirements of state and federal water pollution control and safe drinking water laws. All bonds are considered a moral obligation of the state of West Virginia. All assets of the Authority except capital assets have been pledged to fulfill the commitments of the bonds over the life of the debt. The Direct Placement Bonds are secured by revenues from Loan Program IV Local Bonds of the governmental agency. Principal and interest paid on bonds payable for the year ended June 30, 2024, was $10,422,000 and $4,973,493, respectively, and principal payments and interest received on pledged notes receivable were $11,625,493 and $8,982,657, respectively, at June 30, 2024.

Note 8. Pension Plan

<u>Plan description</u>

The Authority contributes to the Public Employees' Retirement System (PERS), a cost-sharing multiple-employer defined benefit pension plan administered by the West Virginia Consolidated Public Retirement Board (CPRB). PERS covers substantially all employees of the State and its component units, as well as employees of participating non-state governmental entities who are not participants of another state or municipal retirement system. Benefits under PERS include retirement, death and disability benefits, and have been established and may be amended by action of the State Legislature. The CPRB issues a publicly available financial report that includes financial statements for PERS that may be obtained at www.wvretirement.com.

<u>Benefits provided</u>

PERS provides retirement benefits as well as death and disability benefits. For employees hired prior to July 1, 2015, qualification for normal retirement at age 60 with five years of service or at least age 55 with age and service equal to 80 or greater. For all employees hired July 1, 2015 and later, qualification for normal retirement is age 62 with 10 years of service. The straight-life annuity retirement benefit is equivalent to 2% of average salary multiplied by years of service. For employees hired prior to July 1, 2015, final average salary is the average annual salary from the highest 36 consecutive months within the last fifteen years of employment. For all employees hired July 1, 2015 and later, final average salary is the average annual salary of the highest 60 consecutive months within the last fifteen years of employment. For employees hired prior to July 1, 2015, terminated members with at least five years of contributory service who do not withdraw their accumulated contributions may elect to receive their retirement annuity beginning at age 62. For all employees hired July 1, 2015 and later, this age increases to 64 with 10 years of service.

Note 8. Pension Plan (Continued)

Contributions

Contributions as a percentage of payroll for members are established by statutes, subject to legislative limitations and are not actuarially determined. Contributions as a percentage of payroll for employees are established by the CPRB. Current funding policy requires consistency of member contributions of 4.5% of annual earnings, and employer contributions of 9.0%, 9.0%, and 10% of covered payroll for the years ended June 30, 2024, 2023, and 2022, respectively. All members hired July 1, 2015 and later will contribute 6% of annual earnings.

During the years ended June 30, 2024, 2023, and 2022, the Authority's contributions to PERS required and made were approximately \$55,603, \$47,400, and \$50,356, respectively.

Pension assets, pension expense (revenue), and deferred outflows of resources and deferred inflows of resources related to pensions

At June 30, 2024, the Authority reported an asset of \$1,378 for its proportionate share of the net pension asset. The net pension asset reported at June 30, 2024 was measured as of June 30, 2023, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of July 1, 2022, rolled forward to the measurement date of June 30, 2023. The Authority's proportion of the net pension asset was based on the Authority's share of contributions to the pension plan relative to the contributions of all employers participating in PERS for the year ended June 30, 2023. At June 30, 2023, the Authority's proportion was 0.030721 percent, which was an increase of 0.002755 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Authority recognized pension expense of \$42,395. At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 8,367	\$ -
Changes in proportion and differences between the Authority's contributions and proportionate share of contributions	559	104
Difference in assumptions	8,906	-
Differences between expected and actual experience	11,662	-
The Authority's contributions made subsequent to the measurement date of June 30, 2023	55,603	-
Total	\$ 85,097	\$ 104

Note 8. Pension Plan (Continued)

Pension assets, pension expense (revenue), and deferred outflows of resources and deferred inflows of resources related to pensions (continued)

The amount of $55,603 above reported as deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date will be recognized as an increase in the net pension asset in the year ended June 30, 2025. 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	
2025	$ (394)
2026	(31,654)
2027	67,220
2028	(5,782)

Actuarial assumptions

The total pension liability in the July 1, 2022 actuarial valuation, which was used for the measurement date of June 30, 2023, was determined using the following actuarial assumptions:

Inflation	2.75 percent
Salary increases	2.75-6.75 percent, average, including inflation
Investment rate of return	7.25 percent, net of pension plan investment expense

Mortality rates were based on 100% of Pub-2010 General Employees table, below-median, headcount weighted, projected generationally with scale MP-2018 for active employees, 108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected generationally with scale MP-2018 for retired healthy males, 122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected generationally with scale MP-2018 for retired healthy females, 118% of Pub-2010 General / Teachers Disabled Male table, headcount weighted, projected generationally with scale MP-2018 for disabled males, and 117% of Pub-2010 General / Teachers Disabled Female table, headcount weighted, projected generationally with scale MP-2018 for disabled females.

Experience studies, which were based on the years 2015 through 2020 for economic assumptions and 2013 through 2018 for all other assumptions, were used for the 2022 actuarial valuation.

Note 8. Pension Plan (Continued)

Actuarial assumptions (continued)

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

Asset Class	Target Allocation	Long-term Expected Rate of Return
Domestic equity	27.5%	6.5%
International equity	27.5%	9.1%
Fixed income	15.0%	4.3%
Real estate	10.0%	5.8%
Private equity	10.0%	9.2%
Hedge funds	10.0%	4.6%

Discount rate

The discount rate used to measure the total pension liability was 7.25 percent. 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 these assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension asset.

Note 8. Pension Plan (Continued)

Actuarial assumptions (continued)

Sensitivity of the Authority's proportionate share of the net pension asset (liability) to changes in the discount rate

The following presents the Authority's proportionate share of the net pension asset (liability) calculated using the discount rate of 7.25 percent, as well as what the Authority's proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Authority's proportionate share of the net pension asset (liability)	$ (285,413)	$ 1,378	$ 243,375

Note 9. Other Postemployment Benefits

The West Virginia Other Postemployment Benefit Plan (the OPEB Plan) is a cost-sharing, multiple-employer, defined benefit other post-employment benefit plan and covers the retirees of State agencies, colleges and universities, county boards of education, and other government entities as set forth in the West Virginia Code Section 5-16D-2 (the Code). The financial activities of the OPEB Plan are accounted for in the West Virginia Retiree Health Benefit Trust Fund (RHBT), a fiduciary fund of the State of West Virginia. The OPEB Plan is administered by a combination of the West Virginia Public Employees Insurance Agency (PEIA) and the RHBT staff. OPEB Plan benefits are established and revised by PEIA and the RHBT management with approval of their Finance Board. The PEIA issues a publicly available financial report of the RHBT that can be obtained at www.peia.wv.gov or by writing to the West Virginia Public Employees Insurance Agency, 601 57th Street, SE Suite 2, Charleston, WV 25304.

Benefits provided

Authority employees who retire are eligible for PEIA health and life benefits, provided they meet the minimum eligibility requirements of the PERS or meet certain other eligibility requirements of other CPRB sponsored retirement plans. RHBT provides medical and prescription drug insurance and life insurance benefits to those qualified participants. Life insurance is provided through a vendor and is primarily funded by member contributions. The medical and prescription drug insurance is provided through two options; Self-Insured Preferred Provider Benefit Plan – primarily for non-Medicare-eligible retirees and spouses or External Managed Care Organizations – primarily for Medicare-eligible retirees and spouses.

Note 9. Other Postemployment Benefits (Continued)

Benefits provided (continued)

The RHBT Medicare-eligible retired employees and their Medicare-eligible dependents receive medical and drug coverage from a Medicare Advantage Prescription Drug Plan (MAPD) administered by a vendor. Under this arrangement, the vendor assumes the financial risk of providing comprehensive medical and drug coverage with limited copayments. Non-Medicare retirees continue enrollment in PEIA's Preferred Provider Benefit or the Managed Care Option. The RHBT collects employer contributions for Managed Care Organization (MCO) participants and remits capitation payments to the MCO. Survivors of retirees have the option of purchasing the medical and prescription drug coverage.

Eligible participants hired after June 30, 2010, will be required to fully fund premium contributions upon retirement. The Plan is a closed plan to new entrants.

Contributions

West Virginia Code section 5-16D-6 assigns to the PEIA Finance Board the authority to establish and amend contribution requirements of the plan members and the participating employers. Participating employers are required by statute to contribute at a rate assessed each year by the RHBT. The annual contractually required rate is the same for all participating employers. Employer contributions represent what the employer was billed during the respective year for their portion of the pay as you go premiums, commonly referred to as paygo, retiree leave conversion billings, and other matters, including billing adjustments. The annual contractually required per active policyholder per month rates for State non-general funded agencies and other participating employers effective June 30, 2024, 2023 and 2022, respectively, were:

	2024	2023	2022 2/1/22-6/30/22	2022 7/1/21-1/31/22
Paygo Premium	$ -	$ 70	$ 48	$ 116

Contributions to the OPEB plan from the Authority were $0, $5,940, and $8,481 for the years ended June 30, 2024, 2023, and 2022, respectively.

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

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

- Members hired before July 1, 1988, may convert accrued sick or leave days into 100% of the required retiree healthcare contribution.

Note 9. Other Postemployment Benefits (Continued)

Contributions (continued)

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

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

Contributions by nonemployer contributing entities in special funding situations

The State of West Virginia is a nonemployer contributing entity that provides funding through SB 419, effective July 1, 2012, amended by West Virginia Code §11-21-96. The State provides a supplemental pre-funding source dedicating $30 million annually to the RHBT Fund from annual collections of the Personal Income Tax Fund and dedicated for payment of the unfunded liability of the RHBT. The $30 million transferred pursuant to this Code shall be transferred until the Governor certifies to the Legislature that an independent actuarial study has determined that the unfunded liability of RHBT has been provided for in its entirety or July 1, 2037, whichever date is later. This funding is to the advantage of all RHBT contributing employers.

The State is a nonemployer contributing entity that provides funding through SB 469, which was passed February 10, 2012, granting OPEB liability relief to the 55 County Boards of Education effective July 1, 2012. The public school support plan (PSSP) is a basic foundation allowance program that provides funding to the local school boards for “any amount of the employer’s annual required contribution allocated and billed to the county boards for employees who are employed as professional employees, employees who are employed as service personnel and employees who are employed as professional student support personnel”, within the limits authorized by the State Code. This special funding under the school aid formula subsidizes employer contributions of the county boards of education.

OPEB assets, OPEB expense (revenues), and deferred outflows of resources and deferred inflows of resources related to OPEB

At June 30, 2024, the Authority reported an asset for its proportionate share of the RHBT net OPEB asset that reflected a reduction for State OPEB support provided to the Authority. The amount recognized by the Authority as its proportionate share of the net OPEB asset, the related State support, and the total portion of the net OPEB asset that was associated with the Authority was as follows:

Note 9. Other Postemployment Benefits (Continued)

OPEB assets, OPEB expense (revenues), and deferred outflows of resources and deferred inflows of resources related to OPEB (continued)

	2024
Authority's proportionate share of the net OPEB asset	$ 10,462
State's special funding proportionate share of the net OPEB asset associated with the Authority	4,466
Total portion of net OPEB asset associated with the Authority	$ 14,928

The net OPEB asset reported at June 30, 2024 was measured as of June 30, 2023, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of June 30, 2022, and rolled forward to a measurement date of June 30, 2023. The Authority's proportion of the net OPEB asset was based on its proportionate share of employer and non-employer contributions to the OPEB Plan for the fiscal year ended on the measurement date. At June 30, 2023, the Authority's proportion was .006611 percent, which is a decrease of .000567 percent from its proportion measured as of June 30, 2022.

For the year ended June 30, 2024, the Authority recognized OPEB expense of $(29,193) and for support provided by the State under special funding situations revenue of $(5,146). At June 30, 2024, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 6,090
Changes in assumptions	2,885	5,837
Net difference between projected and actual earnings on OPEB plan investments	-	174
Changes in proportion and differences between Authority's contributions and proportionate share of contributions	5,165	7,757
Total	$ 8,050	$ 19,858

Note 9. Other Postemployment Benefits (Continued)

OPEB assets, OPEB expense (revenues), and deferred outflows of resources and deferred inflows of resources related to OPEB (continued)

There were no contributions subsequent to the measurement date that will be recognized as an increase in the net OPEB asset in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending:		
2025	$	(4,321)
2026		(7,148)
2027		53
2028		392

Actuarial assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2022, and rolled forward to a measurement date of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	Rates based on 2015-2020 OPEB experience study and dependent on pension plan participation and attained age, and range from 2.75% to 5.18%, including inflation
Investment rate of return	7.40%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rates	Trend rate for pre-Medicare and Medicare per capita costs of 7.0% medical and 8.0% drug. The trends increase over four years to 9.0% and 9.5%, respectively. The trends then decrease linearly for 5 years until ultimate trend rate of 4.50% is reached in plan year-end 2032.
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll
Remaining amortization period	20 years closed period beginning June 30, 2017

Note 9. Other Postemployment Benefits (Continued)

Actuarial assumptions (continued)

Mortality Rates

Post-retirement mortality retirement rates were based on Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females for Teachers' Retirement System (TRS), Pub-2010 General Below-Median Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 106% for males and 113% for females for PERS, and Pub-2010 Public Safety Healthy Retiree Mortality Tables projected with scale MP-2021 and scaling factors of 100% for males and females for West Virginia Death, Disability, and Retirement Fund (Trooper A) and West Virginia State Police Retirement System (Trooper B). Pre-retirement mortality rates were based on Pub-2010 General Employee Mortality Tables projected with MP-2021 and scaling factors of 100% for males and females for TRS, Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2021 for PERS, and Pub-2010 Public Safety Employee Mortality Tables projected with scale MP-2021 for Troopers A and B.

The actuarial assumptions used in the June 30, 2022 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 - June 30, 2020.

The actuarial valuation as of June 30, 2022, reflects updates to the following assumptions which are reviewed at each measurement date:

- Per capita claim costs;
- Healthcare trend rates;
- Aging factors;
- Participation rates

The long-term expected rate of return of 7.40% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.60% for long-term assets invested with the West Virginia Investment Management Board (WVIMB) and an expected short-term rate of return of 2.75% for assets invested with the BTI. Long-term pre-funding assets are invested with the WVIMB. The strategic asset allocation consists of 45% equity, 15% fixed income, 6% private credit and income, 12% private equity, 10% hedge fund and 12% real estate invested. Short-term assets used to pay current year benefits and expenses are invested with the BTI.

The long-term rate of return on OPEB plan investments are determined using a building block method in which best estimate ranges of expected future rates of return 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 rates of return by the target asset allocation percentage. Target asset allocations, capital market assumptions, and forecast returns were provided by the plan's investment advisors, including the WVIMB. The projected return for the Money Market Pool held with the BTI was estimated based on the WVIMB assumed inflation of 2.50% plus a 25 basis point spread. The target allocation and estimates of annualized long-term expected real returns assuming a 10-year horizon are summarized below:

Note 9. Other Postemployment Benefits (Continued)

Actuarial assumptions (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity	45.0%	7.4%
Fixed Income	15.0%	3.9%
Private Credit and Income	6.0%	7.4%
Private Equity	12.0%	10.0%
Hedge Funds	10.0%	4.5%
Real Estate	12.0%	7.2%

Discount rate

A single discount rate of 7.40% 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 7.40%. 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 rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Other key assumptions

Members hired on or after July 1, 2010, pay 100% of the costs of coverage, resulting in no implicit or explicit employer cost. Consequently, these members are excluded from the actuarial valuation.

OPEB subsequent event

RHBT had significant savings with the Humana (a key Plan vendor) contract renewal beginning fiscal years 2022 through 2025. In addition to the Humana contract savings, RHBT experienced favorable investment returns in fiscal year 2021, resulting in an excess in the premium stabilization reserve. RHBT is passing on these savings to PEIA active employers and as a result, there was no PAYGO billed in fiscal year 2024. The 5-year financial plan, which was passed by the PEIA Finance Board in December 2021, originally had PAYGO to be billed at $20M for fiscal year 2024.

For the fiscal year ending June 30, 2025 financial reporting, many OPEB eligible employers will see $0 OPEB contributions and a $0 net OPEB liability (asset) on the GASB 75 Schedules of Employer OPEB Allocations and OPEB Amounts by Employer.

The net OPEB liability (asset) is allocated to all OPEB eligible employers based on OPEB contributions. These contributions include PAYGO, retiree leave conversion (health & life) and non-participating billings for a given fiscal year. For fiscal year 2024, there were $0 billed in PAYGO leaving only the remaining contribution types to be allocated. Many OPEB eligible employers are billed PAYGO only. These employers will have $0 OPEB contributions resulting in a $0 net OPEB liability (asset) on the schedules for fiscal year 2025 (based on FY 2024 contributions), resulting in the remaining employers that do have other types of OPEB contributions absorbing the entire net OPEB liability (asset). Based off the current year schedules, approximately 413 out of the 700+ employers have only PAYGO billings as contributions.

(Continued)

Note 9. Other Postemployment Benefits (Continued)

Sensitivity of the Authority's proportionate share of the net OPEB asset to changes in the discount rate

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

	1% Decrease 6.40%	Current Discount Rate 7.40%	1% Increase 8.40%
Authority's proportionate share of the net OPEB asset	$ 1,770	$ 10,462	$ 19,996

Sensitivity of the Authority's proportionate share of net OPEB asset (liability) to changes in the healthcare cost trend rates

The following presents the Authority's proportionate share of the net OPEB asset (liability), as well as what the Authority's proportionate share of the net OPEB asset (liability) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Authority's proportionate share of the net OPEB asset (liability)	$ 26,652	$ 10,462	$ (8,790)

Note 10. Transactions with State of West Virginia Agencies

The Council received $53 million of appropriated transfers from the State's Department of Economic Development for the EEGF during the year ended June 30, 2024.

Certain agencies of the State were indebted to the Authority at June 30, 2024, in connection with services performed by the Authority on behalf of the agencies. Amounts due the Authority at June 30, 2024 are as follows:

West Virginia Infrastructure and Jobs Development Council, net	$ 162,605
Department of Environmental Protection Clean Water State Revolving Fund	62,391
Department of Environmental Protection Drinking Water Treatment Revolving Fund	84,900
	$ 309,896

Note 11. General and Administrative Expenses

General and administrative expenses for the year ended June 30, 2024, are as follows:

Personal services	$	659,856
Legal		163,634
Professional		91,308
Trustee		37,206
Employee benefits		13,991
Public employees insurance		75,580
Office supplies/printing		41,207
Advertising		35
Repairs and maintenance		49,887
Travel		9,126
Utilities		41,448
Telecommunications		54,858
Payroll taxes		9,370
Computer supplies/services		135,899
Janitorial		10,400
Miscellaneous		7,755
Rental		5,366
Administrative		3,193
Insurance		18,248
Training and development		2,213
	$	1,430,580

Note 12. Risk Management

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

The Authority has obtained coverage for job-related injuries of employees and health coverage for its employees from a commercial insurance provider and the WVPEIA, respectively. In exchange for the payment of premiums to the commercial insurance provider and WVPEIA, the Authority has transferred its risk related to job-related injuries and health coverage for employees.

The Authority participates in the West Virginia Board of Risk and Insurance Management to obtain coverage for general liability, property damage, business interruption, errors and omissions, and natural disasters. Coverage is offered in exchange for an annual premium. There were no changes in coverage or claims in excess of coverage for the year ended June 30, 2024.

Note 13. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following Statements, which are not yet effective.

In June 2022, the GASB issued Statement No. 101, Compensated Absences. This Statement updates the recognition and measurement guidance for compensated absences and amends certain previously required disclosures. The requirements of this Statement are effective for reporting periods beginning after December 15, 2023.

In December 2023, the GASB issued Statement No. 102, Certain Risk Disclosures. This Statement defines and requires governments to disclose the risks related to constraints and concentrations of inflows or outflows of resources. The objective is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024.

In April 2024, The GASB issued Statement No. 103, Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement specifically addresses changes to elements impacting Management's Discussion and Analysis, Unusual or Infrequent Items, the presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position, Major Component Unit Information, Budgetary Comparison Information, and addresses certain application issues. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Management has not determined the impact of these new GASB Statements on the prospective financial statements of the Authority.

Note 14. Segment Information

The presentation of segment information for the Authority, which follows, and conforms with GAAP is comprised of the following segments:

Loan Program I includes Series 2012 A-I and 2012 B-I Water Development Revenue Refunding Bonds. Loan Program II includes Series 2016 A-II Water Development Revenue Refunding Bonds, 2012 B-II, and 2013 A-II Water Development Revenue Refunding Bonds. Loan Program III includes Series 2012 A-III and 2012 B-III Water Development Revenue Refunding Bonds. Loan Program IV includes Series 2018 A-IV and 2018 B-IV Water Development Revenue Bonds.

Note 14. Segement Information (Continued)

	Loan Program I	Loan Program II	Loan Program III
ASSETS			
Current - unrestricted	$ 3,454,574	$ 8,904,675	$ 918,973
Noncurrent - unrestricted	-	-	-
Restricted - current and noncurrent	6,073,038	72,780,730	20,523,717
Capital assets, net	-	-	-
Total assets	$ 9,527,612	$ 81,685,405	$ 21,442,690
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pension and OPEB	$ -	$ -	$ -
Deferred loss on bond refundings	581,690	3,298,266	236,367
Total deferred outflows of resources	$ 581,690	$ 3,298,266	$ 236,367
LIABILITIES			
Current	$ 1,718,216	$ 6,590,697	$ 1,191,041
Long-term	3,245,923	58,335,315	17,659,447
Total liabilities	$ 4,964,139	$ 64,926,012	$ 18,850,488
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pension and OPEB	$ -	$ -	$ -
Deferred gain on refunding	-	-	-
Total deferred inflows of resources	$ -	$ -	$ -
NET POSITION			
Restricted by revenue bond agreements	$ 3,408,805	$ 17,743,681	$ 3,100,637
Restricted for OPEB and Pension	-	-	-
Unrestricted	1,736,358	2,313,978	(272,068)
Net investment in capital assets	-	-	-
Total net position	$ 5,145,163	$ 20,057,659	$ 2,828,569
OPERATING REVENUE	$ 542,915	$ 4,893,367	$ 1,264,804
OPERATING EXPENSES			
Depreciation and amortization	-	-	-
Economic Enhancement Grant Fund expense	-	-	-
General and administrative	-	-	-
Allocation of general and administrative	55,977	683,249	188,759
OPERATING INCOME (LOSS)	486,938	4,210,118	1,076,045
NONOPERATING REVENUES (EXPENSES):			
Intergovernmental	-	-	-
Interest and investment revenue	87,096	418,949	110,413
Interest expense	(262,144)	(2,625,556)	(654,420)
Transfers (net)	(897,602)	(2,579,892)	(946,466)
Change in net position	(585,712)	(576,381)	(414,428)
Beginning net position	5,730,875	20,634,040	3,242,997
Ending net position	$ 5,145,163	$ 20,057,659	$ 2,828,569
Net cash provided by (used in):			
Operating activities	$ 1,288,730	$ 8,147,318	$ 840,904
Capital and related financing activities	-	-	-
Noncapital financing activities	(1,652,100)	(9,618,924)	(1,498,160)
Investing activities	87,873	421,779	113,171
Beginning cash and cash equivalents	2,490,905	10,282,286	3,344,488
Ending cash and cash equivalents	$ 2,215,408	$ 9,232,459	$ 2,800,403

Note 14. Segement Information (Continued)

	Loan Program IV	Supplemental	Total
ASSETS			
Current - unrestricted	$ 282,317	$ 55,402,317	$ 68,962,856
Noncurrent - unrestricted	-	5,955,260	5,955,260
Restricted - current and noncurrent	33,640,219	463,487,204	596,504,908
Capital assets - net	-	4,415,421	4,415,421
Total assets	$ 33,922,536	$ 529,260,202	$ 675,838,445
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pension and OPEB	$ -	$ 93,147	$ 93,147
Deferred loss on bond refundings	-	-	4,116,323
Total deferred outflows of resources	$ -	$ 93,147	$ 4,209,470
LIABILITIES			
Current	$ 1,587,467	$ 372,835,296	$ 383,922,717
Long-term	32,894,683	112,779	112,248,147
Total liabilities	$ 34,482,150	$ 372,948,075	$ 496,170,864
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pension and OPEB	$ -	$ 19,962	$ 19,962
Deferred gain on refunding	453,217	-	453,217
Total deferred inflows of resources	$ 453,217	$ 19,962	$ 473,179
NET POSITION			
Restricted by revenue bond agreements	$ 292,319	$ 90,648,241	$ 115,193,683
Restricted for OPEB and Pension	-	11,840	11,840
Unrestricted	(1,305,150)	61,309,810	63,782,928
Net investment in capital assets	-	4,415,421	4,415,421
Total net position	$ (1,012,831)	$ 156,385,312	$ 183,403,872
OPERATING REVENUE	$ 1,824,061	$ 46,606,848	$ 55,131,995
OPERATING EXPENSES			
Depreciation and amortization	3,659	189,324	192,983
Economic Enhancement Grant Fund expense	-	47,270,337	47,270,337
General and administrative	-	1,430,580	1,430,580
Allocation of general and administrative	344,601	(1,272,586)	-
OPERATING INCOME (LOSS)	1,475,801	(1,010,807)	6,238,095
NONOPERATING REVENUES (EXPENSES):			
Intergovernmental	-	53,000,000	53,000,000
Interest and investment revenue	(4,687)	28,318,912	28,930,683
Interest expense	(1,278,479)	-	(4,820,599)
Transfers (net)	(376,960)	4,800,920	-
Change in net position	(184,325)	85,109,025	83,348,179
Beginning net position	(828,506)	71,276,287	100,055,693
Ending net position	$ (1,012,831)	$ 156,385,312	$ 183,403,872
Net cash provided by (used in):			
Operating activities	$ 2,360,910	$ (36,896,491)	$ (24,258,629)
Capital and related financing activities	-	(528,039)	(528,039)
Noncapital financing activities	(2,626,309)	53,000,000	37,604,507
Investing activities	(3,572)	28,275,667	28,894,918
Beginning cash and cash equivalents	332,863	473,034,158	489,484,700
Ending cash and cash equivalents	$ 63,892	$ 516,885,295	$ 531,197,457

REQUIRED SUPPLEMENTARY INFORMATION

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)

Public Employees Retirement System Plan

	Years Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Authority's proportion (percentage) of the net pension liability (asset)	0.030721%	0.027966%	0.028965%	0.031969%	0.038807%	0.034590%	0.038057%	0.039702%	0.043182%	0.040945%
Authority's proportionate share of the net pension liability (asset)	$ (1,378)	$ 41,647	$ (254,297)	$ 169,001	$ 83,440	$ 89,328	$ 164,270	$ 364,905	$ 241,080	$ 151,290
Authority's covered payroll	$ 526,667	$ 518,231	$ 494,467	$ 497,894	$ 567,261	$ 530,152	$ 530,764	$ 553,481	$ 587,420	$ 507,753
Authority's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	(0.262%)	8.036%	(51.429%)	33.945%	14.710%	16.850%	30.950%	65.929%	41.040%	29.796%
Plan fiduciary net position as a percentage of the total pension liability	100.05%	98.17%	111.07%	92.89%	96.99%	96.33%	93.67%	86.11%	91.29%	93.98%

Note: All amounts presented are as of the measurement date, which is one year prior to the fiscal year end date.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

SCHEDULE OF CONTRIBUTIONS TO THE PERS

	Years Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 55,603	$ 47,400	$ 50,356	$ 48,347	$ 49,789	$ 56,511	$ 57,366	$ 63,388	$ 74,720	$ 81,986
Contributions in relation to the statutorily required contribution	$ (55,603)	$ (47,400)	$ (50,356)	$ (48,347)	$ (49,789)	$ (56,511)	$ (57,366)	$ (63,388)	$ (74,720)	$ (81,986)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered payroll	$ 617,811	$ 526,667	$ 518,231	$ 494,467	$ 497,894	$ 567,261	$ 530,152	$ 530,764	$ 553,481	$ 587,420
Contributions as a percentage of covered payroll	9.00%	9.00%	9.72%	9.78%	10.00%	9.96%	11.00%	12.00%	13.50%	14.00%

See Independent Auditor's Report and accompanying Notes to Required Supplementary Information.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)

Retiree Health Benefit Trust

	Years Ended June 30,						
	2024	2023	2022	2021	2020	2019	2018
Authority's proportion (percentage) of the net OPEB liability (asset)	0.0066110%	0.0071790%	0.0065110%	0.0079146%	0.0098895%	0.0081246%	0.0064466%
Authority's proportionate share of the net OPEB liability (asset)	$ (10,462)	$ 8,049	$ (1,936)	$ 34,958	$ 164,080	$ 174,309	$ 158,520
State's proportionate share of the net OPEB liability (asset) associated with the Authority	(4,466)	2,737	(381)	7,730	33,578	36,025	32,560
Total proportionate share of the net OPEB liability (asset) associated with the Authority	$ (14,928)	$ 10,786	$ (2,317)	$ 42,688	$ 197,658	$ 210,334	$ 191,080
Authority's covered employee payroll	$ 190,376	$ 175,644	$ 131,859	$ 104,972	$ 131,838	$ 111,957	$ 214,103
Authority's proportionate share of the net OPEB liability (asset) as a percentage of its covered employee payroll	(5.495%)	4.5826%	(1.468%)	33.302%	124.460%	155.690%	74.040%
Plan fiduciary net position as a percentage of the total OPEB liability	109.66%	93.59%	101.81%	73.49%	39.69%	30.98%	25.10%

Note: All amounts presented are as of the measurement date, which is one year prior to the fiscal year end date.

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

SCHEDULE OF CONTRIBUTIONS TO THE RHBT

	Years Ended June 30,								
	2024	2023	2022	2021	2020	2019	2018	2017	2016
Statutorily required contribution	$ -	$ 5,940	$ 8,481	$ 16,277	$ 15,258	$ 17,733	$ 17,523	$ 8,604	$ 19,152
Contributions in relation to the statutorily required contribution	$ -	$ (5,940)	$ (8,481)	$ (16,277)	$ (15,258)	$ (17,733)	$ (17,523)	$ (8,604)	$ (19,152)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Authority's covered employee payroll	$ 201,275	$ 190,376	$ 175,644	$ 131,859	$ 104,972	$ 131,838	$ 111,957	$ 214,103	$ 247,855
Contributions as a percentage of covered employee payroll	0.00%	3.12%	4.83%	12.34%	14.54%	13.45%	15.65%	4.02%	7.73%

Note 1. Trend Information Presented

The accompanying schedules of the Authority's proportionate share of the net OPEB and pension liabilities (assets) and contributions to RHBT are required supplementary information to be presented for 10 years. However, until a full 10 year trend is compiled, information is presented in the schedules for those years for which information is available.

Note 2. Pension Plan Amendments

The PERS was amended to make changes, which apply, to new employees hired on or after July 1, 2015 as follows:

- For employees hired prior to July 1, 2015, qualification for normal retirement is age 60 with five years of service or at least age 55 with age and service equal to 80 or greater. A member may retire with the pension reduced actuarially if the member is at least age 55 and has at least 10 years of contributory service, or at any age with 30 years of contributory service. For employees hired July 1, 2015 and later, qualification for normal retirement is 62 with 10 years of service. A member hired after July 1, 2015 may retire with the pension reduced actuarially if the member is between ages 60 and 62 with at least ten years of contributory service, between ages 57 and 62 with at least twenty years of contributory service, or between ages 55 and 62 with at least thirty years of contributory service.
- The straight life annuity retirement benefit is equivalent to 2% of average salary multiplied by years of service. For employees hired prior to July 1, 2015, average salary is the average of the three consecutive highest annual earnings out of the last fifteen years of earnings. For all employees hired July 1, 2015 and later average salary is the average of the five consecutive highest annual earnings out of the last fifteen years of earnings.
- For employees hired prior to July 1, 2015, terminated members with at least five years of contributory service who do not withdraw their accumulated contributions may elect to receive their retirement annuity beginning at age 62. For all employees hired July 1, 2015 and later, this age increases to 64 with at least ten years of contributory service, or age 63 with at least twenty years of contributory service.
- For all employees hired prior to July 1, 2015, employees are required to contribute 4.5% of annual earnings. All employees hired July 1, 2015 and later, are required to contribute 6% of annual earnings.

Note 3. Pension Plan Changes in Assumptions

The information in the schedules of the proportionate share of the net pension liability (asset) was based on actuarial valuations rolled forward to measurement dates of June 30 of each year presented below using the following actuarial assumptions:

	Projected Salary Increases					Withdrawal rates			
	State	Nonstate	Inflation Rate	Discount Rate	Mortality Rates	State	Nonstate	Disability Rates	Experience Study
2023	2.75% - 5.55%	3.6% - 6.75%	2.75%	7.25%	Active-100% of Pub-2010 General Employees table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy males-108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy females-122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected generationally with Scale MP-2018; Disabled males-118% of Pub-2010 General / Teachers Disabled Male table, headcount weighted, projected generationally with scale MP-2018; Disabled females-118% of Pub-2010 General / Disabled Teachers Disabled Female table, below-median, headcount weighted, projected generationally with scale MP-2018	2.28 - 45.63%	2.50 - 35.88%	0.005 - 0.540%	2015-2020 - economic assumptions and 2013-2018 all other assumptions
2022	2.75% - 5.55%	3.6% - 6.75%	2.75%	7.25%	Active-100% of Pub-2010 General Employees table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy males-108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy females-122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected generationally with Scale MP-2018; Disabled males-118% of Pub-2010 General / Teachers Disabled Male table, headcount weighted, projected generationally with scale MP-2018; Disabled females-118% of Pub-2010 General / Disabled Teachers Disabled Female table, below-median, headcount weighted, projected generationally with scale MP-2018	2.28 - 45.63%	2.50 - 35.88%	0.005 - 0.540%	2015-2020 - economic assumptions and 2013-2018 all other assumptions
2021	2.75% - 5.55%	3.6% - 6.75%	2.75%	7.25%	Active-100% of Pub-2010 General Employees table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy males-108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy females-122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected generationally with Scale MP-2018; Disabled males-118% of Pub-2010 General / Teachers Disabled Male table, headcount weighted, projected generationally with scale MP-2018; Disabled females-118% of Pub-2010 General / Disabled Teachers Disabled Female table, below-median, headcount weighted, projected generationally with scale MP-2018	2.28 - 45.63%	2.50 - 35.88%	0.005 - 0.540%	2015-2020 - economic assumptions and 2013-2018 all other assumptions
2020	3.1% - 5.3%	3.35% - 6.5%	3.00%	7.50%	Active-100% of Pub-2010 General Employees table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy males-108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy females-122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected generationally with Scale MP-2018; Disabled males-118% of Pub-2010 General / Teachers Disabled Male table, headcount weighted, projected generationally with scale MP-2018; Disabled females-118% of Pub-2010 General / Disabled Teachers Disabled Female table, below-median, headcount weighted, projected generationally with scale MP-2018	2.28 - 45.63%	2.50 - 35.88%	0.005 - 0.540%	2013-2018

(Continued)

WEST VIRGINIA WATER DEVELOPMENT AUTHORITY

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2024

Note 3. Pension Plan Changes in Assumptions (Continued)

	Projected Salary Increases					Withdrawal rates			
	State	Nonstate	Inflation Rate	Discount Rate	Mortality Rates	State	Nonstate	Disability Rates	Experience Study
2019	3.1% - 5.3%	3.35% - 6.5%	3.00%	7.50%	Active-100% of Pub-2010 General Employees table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy males-108% of Pub-2010 General Retiree Male table, below-median, headcount weighted, projected generationally with scale MP-2018; Retired healthy females-122% of Pub-2010 General Retiree Female table, below-median, headcount weighted, projected generationally with Scale MP-2018; Disabled males-118% of Pub-2010 General / Teachers Disabled Male table, headcount weighted, projected generationally with scale MP-2018; Disabled females-118% of Pub-2010 General / Disabled Teachers Disabled Female table, below-median, headcount weighted, projected generationally with scale MP-2018	2.28 - 45.63%	2.00 - 35.88%	0.005 - 0.540%	2013-2018
2018	3.0% - 4.6%	3.35% - 6.0%	3.00%	7.50%	Healthy males -110% of RP-2000 Non-Annuitant, Scale AA fully generational Healthy females - 101% of RP-2000 Non-Annuitant, Scale AA fully generational Retired healthy males-110% of RP-2000 Healthy Annuitant, Scale AA fully generational Retired healthy females-101 % of RP-2000 Healthy Annuitant, Scale AA fully generational Disabled Males-96% of RP-2000 Disabled Annuitant, Scale AA fully generational Disabled Females-107% of RP-2000 Disabled Annuitant, Scale AA fully generational	1.75 - 35.1%	2 - 35.8%	0. - 0.675%	2009-2014
2017	3.0% - 4.6%	3.35% - 6.0%	3.00%	7.50%	Healthy males -110% of RP-2000 Non-Annuitant, Scale AA fully generational Healthy females - 101% of RP-2000 Non-Annuitant, Scale AA fully generational Retired healthy males-110% of RP-2000 Healthy Annuitant, Scale AA fully generational Retired healthy females-101 % of RP-2000 Healthy Annuitant, Scale AA fully generational Disabled Males-96% of RP-2000 Disabled Annuitant, Scale AA fully generational Disabled Females-107% of RP-2000 Disabled Annuitant, Scale AA fully generational	1.75 - 35.1%	2 - 35.8%	0. - 0.675%	2009-2014
2016	3.0% - 4.6%	3.35% - 6.0%	3.00%	7.50%	Healthy males -110% of RP-2000 Non-Annuitant, Scale AA fully generational Healthy females - 101% of RP-2000 Non-Annuitant, Scale AA fully generational Retired healthy males-110% of RP-2000 Healthy Annuitant, Scale AA fully generational Retired healthy females-101 % of RP-2000 Healthy Annuitant, Scale AA fully generational Disabled Males-96% of RP-2000 Disabled Annuitant, Scale AA fully generational Disabled Females-107% of RP-2000 Disabled Annuitant, Scale AA fully generational	1.75 - 35.1%	2 - 35.8%	0. - 0.675%	2009-2014
2015	3.0% - 4.6%	3.35% - 6.0%	1.90%	7.50%	Healthy males - 110% of RP-2000 Non-Annuitant, Scale AA; Healthy females - 101% of RP-2000 Non-Annuitant, Scale AA; Disabled males - 96% of RP-2000 Disabled Annuitant, Scale AA; Disabled females - 107% of RP-2000 Disabled Annuitant, Scale AA	1.75 - 35.1%	2 - 35.8%	0. - 0.675%	2009-2014
2014	4.25% - 6.0%	4.25% - 6.0%	2.20%	7.50%	Healthy males - 1983 GAM; Healthy females-1971 GAM; Disabled males - 1971 GAM; Disabled females - Revenue ruling 96-7	1 - 26%	2 - 31.2%	0 - 0.8%	2004-2009

Note 4. OPEB Plan Changes in Assumptions

The information in the schedules of the proportionate share of the net OPEB liability (asset) was based on actuarial valuations rolled forward to measurement dates of June 30 of each year presented below using the following actuarial assumptions:

	Inflation	Salary Increases	Investment Rate of Return & Discount Rate	Mortality Rates	Healthcare Cost Trend Rates	Experience Study
2023	2.50%	Rates based on 2015-2020 OPEB experience study an dependent on pension plan participation and attained age and range from 2.75% to 5.18%, including inflation	7.40%, net of OPEB plan investment expense, including inflation	Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females for TRS; Pub-2010 General Below-Median Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 106% for males and 113% for females for PERS; Pub-2010 Public Safety Healthy Retiree Mortality Tables projected with scale MP-2021 and scaling factors of 100% for males and females for Trooper A and Trooper B; Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with MP-2021 for TRS; Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2021 for PERS; Pub-2010 Public Safety Employee Mortality Tables projected with scale MP-2021 for Trooper A and Trooper B	Trend rate for pre-Medicare per capita costs of 7.0% medical and 8.0% drug. The trends increase over four years to 9.0% and 9.5%, respectively. The trends then decrease linearly for 5 years until ultimate trend rate of 4.50% is reached in plan year end 2032.	2015-2020
2022	2.25%	Rates based on 2015-2020 OPEB experience study an dependent on pension plan participation and attained age and range from 2.75% to 5.18%, including inflation	6.65%, net of OPEB plan investment expense, including inflation	Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females for TRS; Pub-2010 Below-Median Income General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 106% for males and 113% for females for PERS; Pub-2010 Public Safety Healthy Retiree Mortality Tables projected with scale MP-2021 and scaling factors of 100% for males and females for Trooper A and Trooper B; Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with MP-2021 for TRS; Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2021 for PERS; Pub-2010 Public Safety Employee Mortality Tables projected with scale MP-2021 for Trooper A and Trooper B	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2023, decreasing by 0.50% for two years then by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year 2032. Trend rate for Medicare per capita costs of 8.83% for plan year end 2023, decreasing ratably each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2032.	2015-2020
2021	2.25%	Rates based on 2015-2020 OPEB experience study an dependent on pension plan participation and attained age and range from 2.75% to 5.18%, including inflation	6.65%, net of OPEB plan investment expense, including inflation	Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 100% for males and 108% for females for TRS; Pub-2010 Below-Median Income General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 106% for males and 113% for females for PERS; Pub-2010 Public Safety Healthy Retiree Mortality Tables projected with scale MP-2019 and scaling factors of 100% for males and females for Trooper A and Trooper B; Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with MP-2019 for TRS; Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2019 for PERS; Pub-2010 Public Safety Employee Mortality Tables projected with scale MP-2019 for Trooper A and Trooper B	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2020, decreasing by 0.50% for one year then by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year 2032. Trend rate for Medicare per capita costs of (31.11%) for plan year end 2022, 9.15% for plan year end 2023, decreasing ratably each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.	2015-2020
2020	2.25%	Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation	6.65%, net of OPEB plan investment expense, including inflation	Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 100% for males and 108% for females for TRS; Pub-2010 Below-Median Income General Healthy Retiree Mortality Tables projected with MP-2019 and scaling factors of 106% for males and 113% for females for PERS; Pub-2010 Public Safety Healthy Retiree Mortality Tables projected with scale MP-2019 and scaling factors of 100% for males and females for Trooper A and Trooper B; Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with MP-2019 for TRS; Pub-2010 Below-Median Income General Employee Mortality Tables projected with MP-2019 for PERS; Pub-2010 Public Safety Employee Mortality Tables projected with scale MP-2019 for Trooper A and Trooper B	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2022, decreasing by 0.25% each year thereafter, until ultimate trend rate of 4.25% is reached in plan year 2032. Trend rate for Medicare per capita costs of (31.11%) for plan year end 2022, 9.15% for plan year end 2023, 8.40% for plan year end 2024, decreasing gradually each year thereafter, until ultimate trend rate of 4.25% is reached in plan year end 2036.	2015-2020
2019	2.75%	Dependent upon pension system. Ranging from 3.0% to 6.5%, including inflation	7.15%, net of OPEB plan investment expense, including inflation	Post-Retirement: RP–2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generational basis for PERS and TRS; RP-2014 Healthy Annuitant Mortality Table projected with scale MP-2016 on a fuly generational basis for Trooper A and Trooper B); Pre-Retirement: RP–2000 Non-Annuitant Mortality Table projected with Scale AA on a fully generational basis for PERS and TRS; RP-2014 Employee Mortality Table projected to 2020 with Scale MP-2016 on a fully generational basis for Trooper A and Trooper B	Trend rate for pre-Medicare per capita costs of 8.5% for plan year end 2020, decreasing by 0.5% each year thereafter, until ultimate trend rate of 4.5% is reached in plan year 2028. Trend rate for Medicare per capita costs of 3.1% for plan year end 2020. 9.5% for plan year end 2021, decreasing by 0.5% each year thereafter, until ultimate trend rate of 4.5% is reached in plan year end 2031.	2013-2018
2018	2.75%	Dependent upon pension system. Ranging from 3.0% to 6.5%, including inflation	7.15%, net of OPEB plan investment expense, including inflation	Post-Retirement: RP–2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generational basis for PERS and TRS; RP-2014 Healthy Annuitant Mortality Table projected with scale MP-2016 on a fuly generational basis for Trooper A and Trooper B); Pre-Retirement: RP–2000 Non-Annuitant Mortality Table projected with Scale AA on a fully generational basis for PERS and TRS; RP-2014 Employee Mortality Table projected to 2020 with Scale MP-2016 on a fully generational basis for Trooper A and Trooper B	Actual trend used for fiscal year 2018. For fiscal years on and after 2019, trend starts at 8.0% and 10.0% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.13% and 0.00% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2022 to account for the Excise Tax	2010-2015
2017	2.75%	Dependent upon pension system. Ranging from 3.0% to 6.5%, including inflation	7.15%, net of OPEB plan investment expense, including inflation	Post-Retirement: RP–2000 Healthy Annuitant Mortality Table projected with Scale AA on a fully generational basis for PERS and TRS; RP-2000 Healthy Annuitant Mortality Table projected to 2025 with scale BB for Trooper A and Trooper B); Pre-Retirement: RP–2000 Non-Annuitant Mortality Table projected with Scale AA on a fully generational basis for PERS and TRS; RP-2000 Non-Annuitant Mortality Table projected to 2020 with Scale BB for Trooper A and Trooper B	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.5% and 9.75% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.50%. Excess trend rate of 0.14% and 0.29% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2020 to account for the Excise Tax.	2010-2015