BridgeValley Community and Technical College

Financial Statements
Years Ended June 30, 2023 and 2022
and
Independent Auditor's Reports

Suttle & Stalnaker Certified Public Accountants
A Professional Limited Liability Company

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE

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Suttle & Stalnaker PLLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Governors
BridgeValley Community and Technical College
South Charleston, West Virginia

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of BridgeValley Community and Technical College (BridgeValley or the College), a component unit of the West Virginia Council for Community and Technical College Education, as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements which collectively comprise the College's 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 College, as of June 30, 2023 and 2022, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of BridgeValley Community and Technical College Foundation, which is a discretely presented component unit of the College. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented financial statements of BridgeValley Community and Technical College Foundation, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 College 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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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 College'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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 College'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 College'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 on pages 6 through 17, the schedule of proportionate share of the net pension liability, schedule of pension contributions, the schedule of proportionate share of the net OPEB liability (asset), the schedule of OPEB contributions, and related footnotes on pages 58 through 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standard generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated September 29, 2023, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Suttle & Stalnaker, PLLC

Charleston, West Virginia
September 29, 2023

History

BridgeValley Community and Technical College (BridgeValley or the College), formed in 2014 with the consolidation of Bridgemont and Kanawha Valley Community and Technical Colleges, is accredited by the Higher Learning Commission as a higher education institution that awards associate and certificate degrees within the West Virginia Community and Technical College System. The service region for the multi-campus consolidated institution includes Fayette, Kanawha, Clay, Putnam, Nicholas, and Raleigh counties.

The new community college evolved in response to the educational and economic development needs for the State of West Virginia. Associate degree program offerings in the region began in the late 1940s and early 1950s at West Virginia State College and West Virginia Institute of Technology (WVU Tech). In the 1960s, each of these baccalaureate institutions created "community college components" on the respective campuses. In 1999, the state legislature created a separate community and technical college system. Community college components hosted by baccalaureate institutions began the process of becoming independent colleges.

In 2004, each community college achieved separate accreditation forming The Community and Technical College at West Virginia University Institute of Technology and West Virginia State Community and Technical College. Legislation in 2008 required that these new community colleges form their own respective Board of Governors and change their names by 2009 to emphasize their unique mission and create distinction from their "host" baccalaureate colleges. In 2009, The Community and Technical College at WVU Tech became Bridgemont Community and Technical College (Bridgemont); West Virginia State Community and Technical College became Kanawha Valley Community and Technical College (Kanawha Valley). The two colleges worked collaboratively to avoid duplication of programs in their overlapping service regions.

During the 2013 legislative session, passage of Senate Bill 438 approved the consolidation of Bridgemont and Kanawha Valley to form a stronger, more comprehensive multi-campus institution for the six-county region. A Board of Governors was appointed to oversee the consolidation; the name BridgeValley was selected to represent the fusion of the institutions. The Higher Learning Commission, at its February 27, 2014 meeting, approved the change of control request submitted, and the official founding date of BridgeValley, March 20, 2014, signified the completion of all accreditation requirements for the multi-campus institution.

Overview

The Management's Discussion and Analysis is required supplementary information and has been prepared in accordance with the requirements of Governmental Accounting Standards Board (GASB) standards. This section of BridgeValley's annual financial report provides an overview of the College's financial performance during the fiscal years ended June 30, 2023, 2022, and 2021, with a focus on 2023. A comparative analysis is presented for fiscal year 2023 compared to fiscal year 2022.

BridgeValley's annual report consists of three basic financial statements: the statement of net position, the statement of revenues, expenses, and changes in net position, and the statement of cash flows. These statements focus on the financial condition of the College, the results of operations, and cash flows of the College as a whole. Each of these statements is discussed below.

Financial Highlights

At June 30, 2023, BridgeValley's total net position was $36,879,655 representing an increase of $2,378,888. This increase in net position was primarily attributable to reduction in unearned revenue and accounts payable liabilities and a reduction in deferred inflows.

Total operating revenues increased approximately 16% over prior year primarily due to increases in state grants and contracts and student tuition and fees. Total operating expenses decreased approximately 12% over prior year mainly due to decreases in supplies and other services and scholarship expenses. Net nonoperating revenue decreased approximately 20% primarily due to the decrease in Higher Education Emergency Relief Funds (HEERF), which include funding under the Coronavirus Aid Relief Economic Security Act (CARES), the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSSA) and The American Rescue Plan (ARP).

Net Position

The statement of net position presents the assets (current and noncurrent), deferred outflows of resources, liabilities (current and noncurrent), deferred inflows of resources, and net position (assets and deferred outflows minus liabilities and deferred inflows) of the College as of the end of the fiscal year. Assets denote the resources available to continue the operations of the College. Liabilities indicate how much the College owes vendors, employees, and lenders. Net position measures the equity or the availability of funds of the College for future periods.

Net position is displayed in three major categories:

Net investment in capital assets. This category represents the College's total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position. This category includes net position, the use of which is restricted either due to externally imposed constraints or because of restrictions imposed by law. They are further divided into two additional components — nonexpendable and expendable. Nonexpendable restricted net position includes endowment and similar type funds for which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income, which may either be expended or added to principal. Expendable restricted net position includes resources for which the College is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

Unrestricted net position. This category includes resources that are not subject to externally imposed stipulations. Such resources are derived primarily from tuition and fees (not restricted as to use), state appropriations, and sales and services of educational activities. Unrestricted net position is used for transactions related to the educational and general operations of the College and may be designated for specific purposes by action of the College's management or the Board of Governors.

Condensed Schedules of Net Position
June 30,

	2023	2022	2021
Assets and Deferred Outflows			
Current Assets	$ 11,738,622	$ 12,515,718	$ 8,920,553
Noncurrent Assets	32,298,951	32,816,075	34,181,518
Total Assets	44,037,573	45,331,793	43,102,071
Deferred Outflows	337,832	333,642	578,805
Total	$ 44,375,405	$ 45,665,435	$ 43,680,876
Liabilities, Deferred Inflows, and Net Position			
Current Liabilities	$ 6,417,601	$ 9,150,902	$ 6,076,842
Noncurrent Liabilities	253,388	56,104	852,376
Total Liabilities	6,670,989	9,207,006	6,929,218
Deferred Inflows	824,761	1,957,662	2,547,870
Net Position			
Net Investment in Capital Assets	32,212,610	32,641,026	33,811,340
Restricted for:			
Nonexpendable	50,000	50,000	50,000
Unrestricted	4,617,045	1,809,741	342,448
Total Net Position	36,879,655	34,500,767	34,203,788
Total	$ 44,375,405	$ 45,665,435	$ 43,680,876

Total 2023 assets and deferred outflows of resources increased by $1,290,030 over 2022. Primary reasons for this increase in 2023 over 2022 are as follows:

- Amounts due from the Commission decreased by $61,924 due to timing of grant expenditures.
- Accounts receivable, net decreased by $220,312 primarily related to a decrease in grant receivables.
- Due from state agencies increased by $67,374 due to subrecipient receivables.
- Capital assets decreased by $464,414 due to the disposal of building and equipment and continued depreciation.

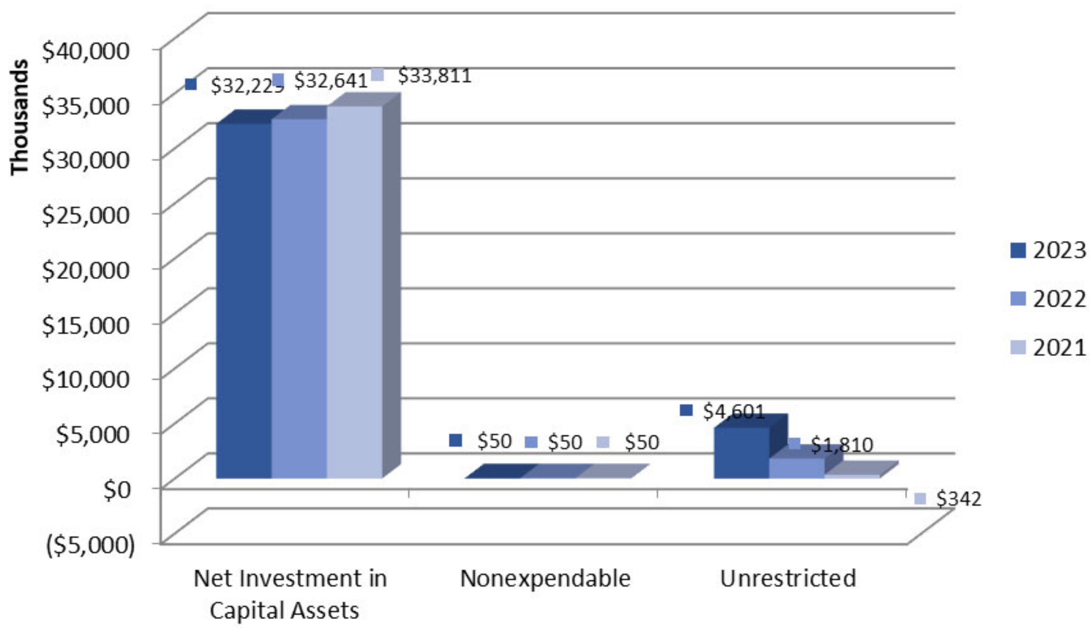
Total liabilities and deferred inflows of resources in 2023 decreased by $3,668,918 compared with 2022. The primary reasons for this decrease in 2023 compared with 2022 are as follows:

- Unearned revenue decreased $2,037,472 primarily attributable to decreases in unspent grant funds.
- Other post employment benefits (OPEB) liability/asset increased by $212,314 due to changes in estimates.
- Due to the Commission decreased by $89,031 primarily due to grant activity.

- Compensated absences increased by $38,644 due to accrued leave balances.
- Accounts payable decreased by $459,537 due to capital construction expenses from prior year.
- Accrued liabilities decreased by $156,328 primarily due to the reduction of accrued payroll.
- Deferred inflows decreased $1,132,901 due to market changes for OPEB.

The following is a comparative illustration of net position.

Total Net Position
As of June 30, 2023, 2022 and 2021
(in thousands)



Revenues, Expenses, and Changes in Net Position

The statement of revenues, expenses, and changes in net position presents the operating revenues, operating expenses, nonoperating revenues and expenses, and other revenues, expenses, gains, or losses of BridgeValley for each fiscal year.

State appropriations while budgeted for operations are considered and reported as nonoperating revenues. This is because State appropriations are provided by the Legislature to the College without the Legislature directly receiving commensurate goods and services for those revenues. Likewise, Pell grants are reported as nonoperating, because of specific guidance in the American Institute of Certified Public Accountants industry audit guide.

Student tuition and fees are reported net of scholarship discounts and allowances. Financial aid to students is reported using the National Association of College and University Business Officers alternative method. Under this method certain aid, such as loans and federal direct lending, is accounted for as a third party payment, while all other aid is reflected either as operating expenses or scholarship allowances, which reduce revenues. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Condensed Schedules of Revenues, Expenses, and Changes in Net Position
Years Ended June 30

	2023	2022	2021
Operating Revenues	$ 10,444,698	$ 8,993,243	$ 8,423,538
Operating Expenses	22,181,983	25,294,848	23,266,519
Operating Loss	**(11,737,285)**	**(16,301,605)**	**(14,842,981)**
Net Nonoperating Revenues	12,980,537	16,160,304	12,945,458
Decrease in Net Position before Other Revenues, Expenses, Gains, or Losses	**1,243,252**	**(141,301)**	**(1,897,523)**
Capital Grants and Gifts, Capital Bond Proceeds and Payments on Behalf of the College	1,135,636	438,280	3,171,754
Increase (decrease) in Net Position	**2,378,888**	**296,979**	**1,274,231**
Net position at Beginning of Year	**34,500,767**	**34,203,788**	**32,929,557**
Net Position at End of Year	**$ 36,879,655**	**$ 34,500,767**	**$ 34,203,788**

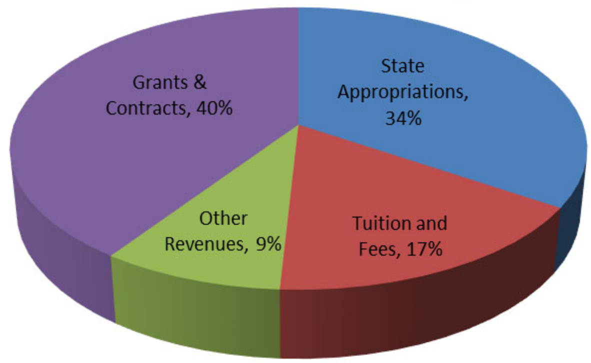
Operating revenue increased in fiscal year 2023 by $1,451,455 over fiscal year 2022. Operating expenses decreased by $3,112,865 over fiscal year 2022, resulting in a fiscal year 2023 net operating loss decrease of $4,564,320 compared with fiscal year 2022. Net nonoperating revenue decreased in fiscal year 2023 by $3,179,767 compared with fiscal year 2022.

The pie charts following reflect the percentage allocation of total revenue from all sources in fiscal year 2023 compared with fiscal year 2022. Following these charts is a discussion regarding the changes in fiscal year 2023 revenue compared with fiscal year 2022.

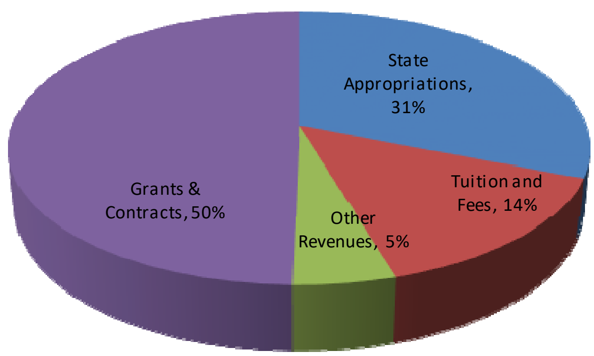
Revenues:

The following charts illustrate the composition of revenues by source for 2023 and 2022.

**Total Revenues
For the Year Ended June 30, 2023**



**Total Revenues
For the Year Ended June 30, 2022**



Some highlights of the changes in fiscal year 2023 revenues compared with fiscal year 2022 are as follows:

- Net tuition and fee revenue increased by $502,712 primarily related to a slight enrollment increase.

- Capital grants and gifts revenue increased by $747,038 due to additional grant funded assets.

- Grants and contracts increased by $948,148. There was a decrease in Federal grants and contracts revenue of $68,692 primarily related the ending of the ARC/EDA grants. State grants and contracts increased by $1,791,318 related to numerous Learn & Earn grants. Nongovernmental grants and contracts increased by $774,478 since there was no lost revenue to claim in the current year.

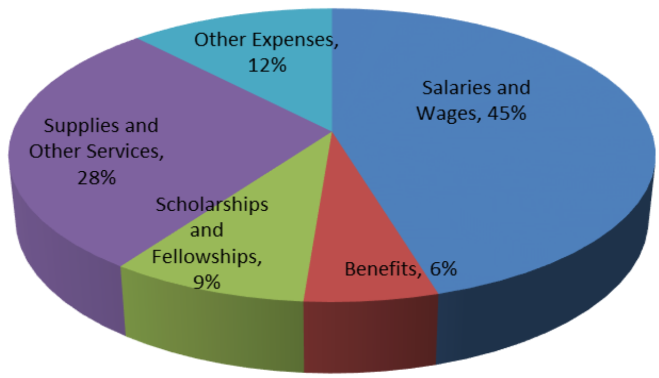
- Pell grants increased by $325,451 related to increased enrollment.

- HEERF funds: The student portion revenue decreased by $2,510,407 due to no additional awards in 2023 and the institutional portion decreased by $2,059,249 due to ending of the award.

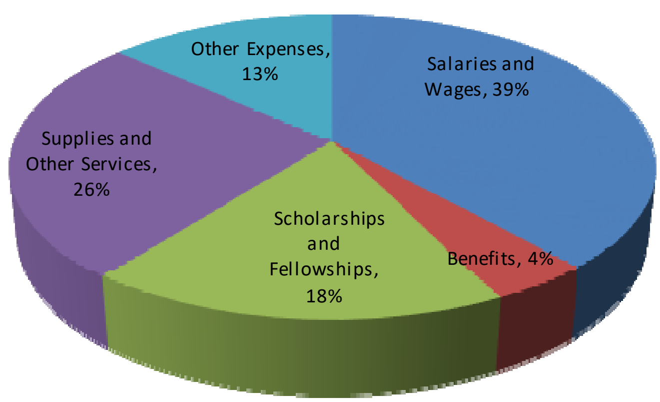
Expenses:

The following is a graphic illustration of total expenses by source for fiscal years 2023 and 2022.

Total Expenses
For the Year Ended June 30, 2023



Total Expenses
For the Year Ended June 30, 2022



Total operating expenses for fiscal year 2023 were $22,181,983 with an decrease of $3,112,865 over fiscal year 2022. Some highlights of the changes in fiscal year 2023 expenses compared with fiscal year 2022 are as follows:

- Salaries and wages increased by $146,233 primarily related to merit raises.
- Benefits increased by $132,251 primarily related to the changes in the OPEB liability and related deferred outflows and inflows and increased salaries.
- Supplies and other services decreased by $405,755 due to the ending of the HEERF awards to students.
- Depreciation increased by $40,829 related to additional assets.
- Scholarships and fellowships decreased by $2,839,885 due to the end of HEERF awards to students.
- Utilities decreased by $62,149 primarily related to decommissioning Montgomery buildings.
- Net service agreement decreased by $118,548 due to the payoff of the agreement.

Cash Flows

The statement of cash flows provides information about the cash receipts, cash payments, and net change in cash resulting from the operating, investing, and financing activities (capital and noncapital) of the College during the year. This statement helps users assess the College's ability to generate net cash flows, its ability to meet obligations as they come due, and its need for external financing.

The statement of cash flows is divided into five sections:

Cash flows from operating activities. This section shows the net cash used by the operating activities of the College.

Cash flows from noncapital financing activities. This section reflects the cash received and paid for nonoperating, noninvesting, and noncapital financing purposes.

Cash flows from capital financing activities. This section includes cash used for the acquisition and construction of capital and related items.

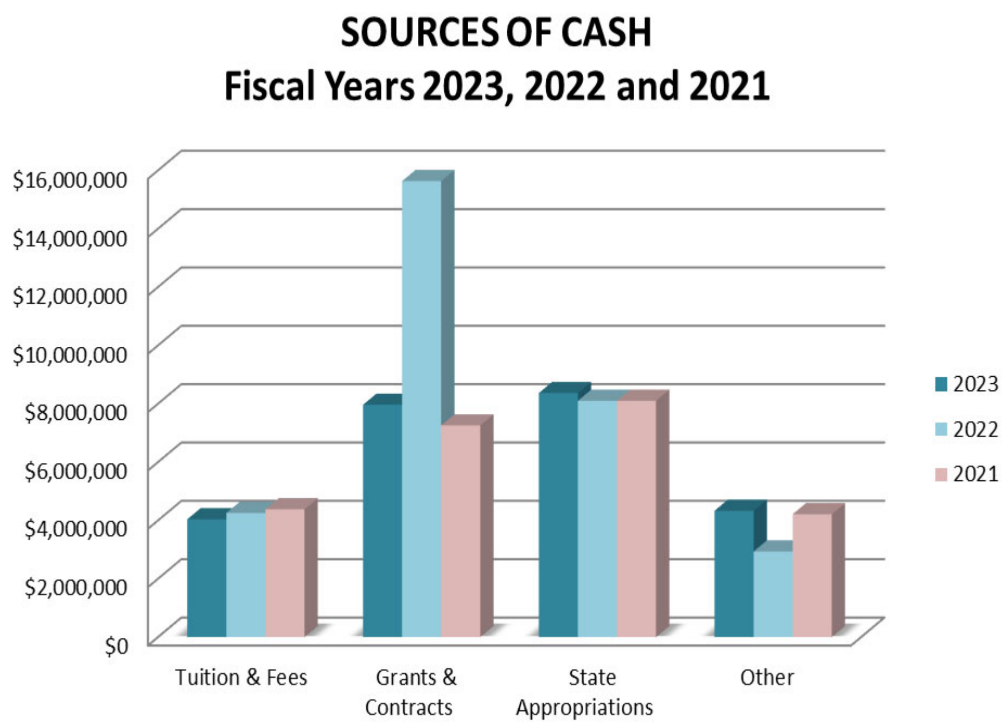
Cash flows from investing activities. This section shows the purchases, proceeds, and interest received from investing activities.

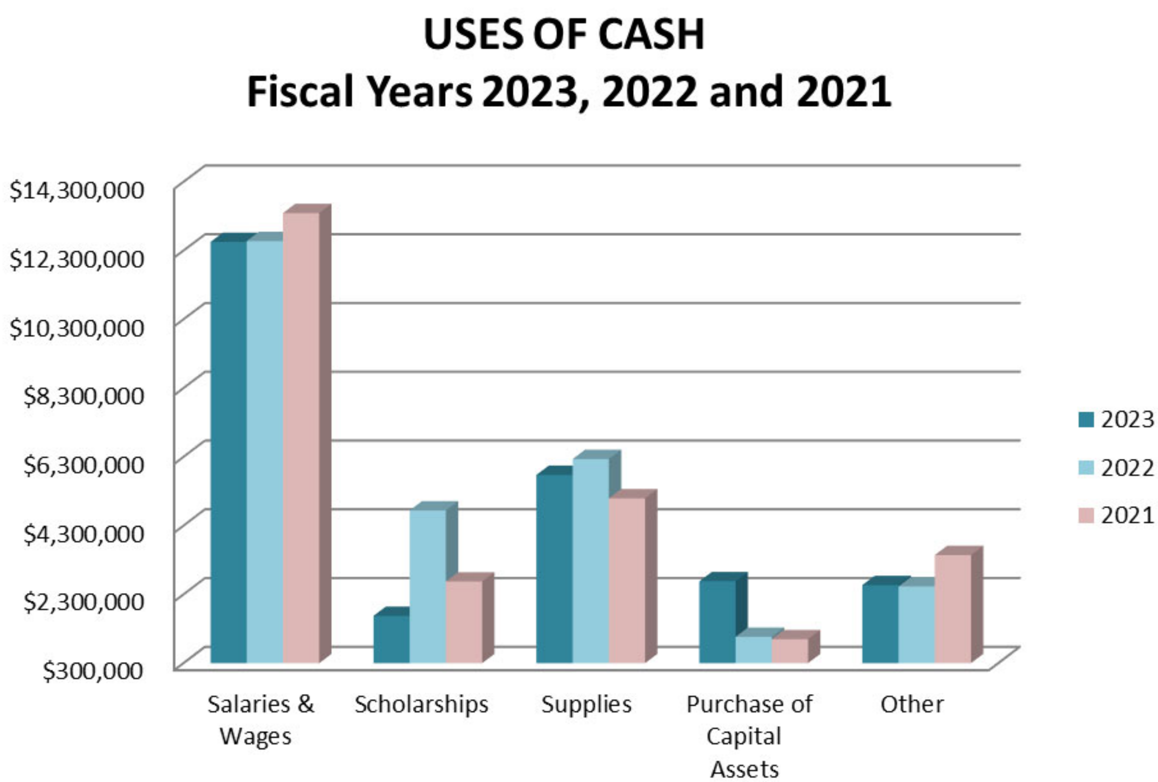
Reconciliation of operating loss to net cash used in operating activities. This section provides a schedule that reconciles the accrual-based operating income (loss) and net cash used in operating activities.

Condensed Statements of Cash Flows
Years Ended June 30,

Cash Provided By (Used In):	**2023**	**2022**	**2021**
Operating Activities	$(12,414,964)	$(12,080,862)	$(13,104,169)
Noncapital Financing Activities	12,981,355	16,524,257	13,012,535
Capital Financing Activities	(1,423,603)	(692,752)	(147,241)
Investing Activities	294,978	8,416	16,899
Increase (Decrease) in Cash and Cash Equivalents	(562,234)	3,759,059	(221,976)
Cash and Cash Equivalents, Beginning of Year	11,734,036	7,974,977	8,196,953
Cash and Cash Equivalents, End of Year	$11,171,802	$11,734,036	$ 7,974,977

The following graphs illustrate the sources and uses of cash:




USES OF CASH
Fiscal Years 2023, 2022 and 2021
$14,300,000
$12,300,000
$10,300,000
$8,300,000
$6,300,000
$4,300,000
$2,300,000
$300,000
Salaries & Wages
Scholarships
Supplies
Purchase of Capital Assets
Other
2023
2022
2021

Capital Asset and Long Term Debt Activity

During fiscal year 2017, the construction in progress projects were completed, transferred to capital assets, and the College began depreciating these assets. These projects were specific to each campus. Discussed previously in prior fiscal years as Bridgemont projects are now referenced as BridgeValley Montgomery campus projects. Additionally, the previously discussed Kanawha Valley projects will now be referenced as BridgeValley South Charleston campus projects.

BridgeValley South Charleston campus Building 2000 (Main Hall) renovations began during fiscal year 2012 with $1,334,596 spent for design and renovation of Main Hall located in the West Virginia Regional Technology Park. Renovations continued in 2014 and 2015 with final payment in 2016. The total amount of this project was $14,494,654. During fiscal year 2015, BridgeValley completed the previous Bridgemont project renovations on Building 704 (Annex) also at the West Virginia Regional Technology Park. These renovations, which totaled $735,619, included new HVAC to make the building more energy efficient and other renovations to allow BridgeValley to provide expanded academic and workforce programs at the South Charleston location.

Lottery funds are paying the system debt associated with the Council's $13.5 million bonds (South Charleston campus) and $3 million (Montgomery campus) projects. The $1.75 million (Montgomery campus expansion project) funded with special lottery revenue has no associated debt. BridgeValley incurred new College debt for the Montgomery campus totaling $410,000 to help fund additional renovations related to the Davis Hall Renovations Project. Payment of this debt includes a total of $340,000 paid over five years with final payment in 2016 and a total of $70,000 paid over ten years with final payment in 2022. For the South Charleston campus, the College entered into a new energy savings loan with the Commission in the amount of $500,000 in fiscal year 2014 and an additional $500,000 in fiscal year 2015 to help further fund construction. During fiscal year 2016 after the final reconciliation of the Main Hall renovations, the need for all of the second $500,000 was unnecessary and this loan was reduced by $279,280. This made the revised combined loan for the South Charleston campus a total of $720,720 to be paid over ten years with final payment in 2023.

The College applied for a grant to support a series of projects totaling $3,075,000 to enhance facilities and programs to meet the evolving needs of students and the community. The proposed projects include demolition, paving, accessibility upgrades, and safety updates, all of which will create a more conducive learning environment and improve the College's ability to provide high-quality workforce training opportunities.

Economic Outlook

The financial position of BridgeValley is closely tied to that of the State of West Virginia. During 2022-2023, state revenue collections remained stable and no reductions were imposed. Fiscal year 2023 state appropriations increased slightly. The State Budget Office projections for fiscal year 2024 are being closely monitored. Should these projections for fiscal year 2024 change and BridgeValley experiences a reduction in state appropriations, the College has developed plans to address the reductions.

Projections for Fall 2023 enrollment are anticipated to be slightly up for both headcount and full-time equivalent enrollment. The College is dependent upon tuition and fee revenue to maintain the large percentage of high-cost allied health and technical programs; for Fiscal Year 2024, BridgeValley's Board of Governors approved charging a per credit hour price for all hours taken and not capped at twelve hours as in previous years.

External funding, primarily State grants and contracts and federal grants, are providing important dollars to initiate new academic programs and workforce initiatives. New projects are consistently proposed for the use of State grants available for community and technical college education through legislative appropriations to the West Virginia Council for Community and Technical College Education.

Another external revenue enhancement is the BridgeValley Community and Technical College Foundation (Foundation); contributions to the Foundation continues to grow. The Foundation provides scholarship dollars to attract and retain students as well as to support select academic programs.

College leadership is engaged in solution-focused dialogue to meet future economic challenges. Through strategic planning and facilities master planning, the college anticipates targeted growth in a number of program areas. That growth will help provide greater financial stability for BridgeValley. As part of the planning process, the College is focused on efficiently using facilities, cost containment, careful deliberation on personnel decisions, grant activity, encouraging external gifting through the college Foundation, and focusing on student recruitment and retention. The College remains focused on expanding enrollment in program areas that demonstrate large labor market demand in the next 3-5 years in the Advantage Valley region. Strategic growth means continued development of industry partnerships such as the Toyota Advanced Manufacturing program and customized training through the Workforce Development Division for area employers.

Requests for Information

The design of this financial report is to provide an overview of the finances of the College for those with an interest in this organization. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to BridgeValley Community and Technical College at 2001 Union Carbide Drive - South Charleston, West Virginia 25303.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
STATEMENTS OF NET POSITION
JUNE 30, 2023 AND 2022

	2023	2022
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 11,121,802	$ 11,684,036
Accounts receivable, net of allowance for doubtful accounts	372,496	592,808
Due from State agencies	134,178	66,804
Due from the Council/Commission	110,146	172,070
Total current assets	11,738,622	12,515,718
NONCURRENT ASSETS:		
Cash and cash equivalents	50,000	50,000
Other receivables	20,321	22,565
Net other post employment benefits (OPEB) asset	-	50,466
Capital assets, net	32,228,630	32,693,044
Total noncurrent assets	32,298,951	32,816,075
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows relating to the net pension liability	33,588	33,882
Deferred outflows relating to OPEB	304,244	299,760
Total deferred outflows of resources	337,832	333,642
TOTAL	$ 44,375,405	$ 45,665,435
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable	$ 379,721	$ 839,258
Due to State agencies	28,369	42,579
Accrued liabilities	975,842	1,132,170
Unearned revenue	4,643,223	6,680,695
Due to the Council/Commission	13,459	102,490
Compensated absences	376,987	338,343
Debt payable to the Commission — current portion	-	15,367
Total current liabilities	6,417,601	9,150,902
NONCURRENT LIABILITIES:		
Other post employment benefits liability	161,848	-
Net pension liability	91,540	56,104
Total noncurrent liabilities	253,388	56,104
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows relating to the net pension liability	11,619	131,024
Deferred inflows relating OPEB	813,142	1,826,638
Total deferred inflows of resources	824,761	1,957,662
NET POSITION:		
Net investment in capital assets	32,212,610	32,641,026
Restricted for—nonexpendable	50,000	50,000
Unrestricted	4,617,045	1,809,741
Total net position	36,879,655	34,500,767
TOTAL	$ 44,375,405	$ 45,665,435

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
OPERATING REVENUES:		
Student tuition and fees — net of scholarship allowances of $2,426,177 and $3,081,390 in 2023 and 2022, respectively	$ 4,258,119	$ 3,755,407
Federal grants and contracts	310,205	378,897
State grants and contracts	4,489,493	2,698,175
Nongovernmental grants and contracts	708,202	1,482,680
Sales and services of educational departments	31,866	53,406
Auxiliary enterprises — net of scholarship allowances of $127,694 and $162,178 in 2023 and 2022, respectively	633,244	595,596
Other operating revenues	13,569	29,082
Total operating revenues	10,444,698	8,993,243
OPERATING EXPENSES:		
Salaries and wages	10,108,479	9,962,246
Benefits	1,277,701	1,145,450
Scholarships and fellowships	1,901,423	4,741,308
Utilities	368,452	430,601
Supplies and other services	5,923,759	6,329,514
Depreciation	2,523,225	2,482,396
Assessments by the Commission for operations	78,944	84,785
Net service agreement expense to WVSU	-	118,548
Total operating expenses	22,181,983	25,294,848
OPERATING LOSS	(11,737,285)	(16,301,605)
NONOPERATING REVENUES (EXPENSES):		
State appropriations	8,364,587	8,098,811
Federal Pell grants	3,428,549	3,103,098
Investment income	327,892	14,755
Higher Education Emergency Relief Fund (HEERF) revenue	916,660	5,486,316
Fees assessed by the Commission	(7,440)	(6,465)
Interest on capital asset-related debt	(1,157)	(1,961)
Loss on disposal of capital and other assets	(48,554)	(534,250)
Net nonoperating revenues	12,980,537	16,160,304
DECREASE IN NET POSITION BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	1,243,252	(141,301)
CAPITAL GRANTS AND GIFTS	1,226,603	479,565
PAYMENTS MADE AND EXPENSES INCURRED ON BEHALF OF THE COLLEGE - STATE OF WV	(90,967)	(41,285)
INCREASE IN NET POSITION	2,378,888	296,979
NET POSITION - Beginning of year	34,500,767	34,203,788
NET POSITION - End of year	$ 36,879,655	$ 34,500,767

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Student tuition and fees	$ 4,254,111	$ 4,253,889
Grants and contracts	3,340,485	7,198,953
Payments to and on behalf of employees	(12,553,623)	(12,580,050)
Payments to suppliers	(5,777,863)	(6,237,740)
Payments to utilities	(376,387)	(452,823)
Payments for scholarships and fellowships	(1,901,422)	(4,741,309)
Auxiliary enterprise charges	633,244	595,597
Sales and service of educational departments	31,866	56,871
Payments of operating expenses to WVU	-	(118,548)
Fees retained by the Commission	(78,944)	(84,785)
Other payments	13,569	29,083
Net cash used in operating activities	(12,414,964)	(12,080,862)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	8,364,587	8,098,811
Federal Pell grants	3,428,549	3,103,098
Higher Education Emergency Relief Fund (HEERF) revenue	1,195,659	5,328,813
Federal student loan program — direct lending receipts	2,070,755	1,781,083
Federal student loan program — direct lending payments	(2,070,755)	(1,781,083)
Fees assessed by the Commission	(7,440)	(6,465)
Net cash provided by noncapital financing activities	12,981,355	16,524,257
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Payments on Commission debt	(15,367)	(68,479)
Capital gifts and grants received	1,226,603	463,545
Purchases of capital assets	(2,683,660)	(1,066,028)
Payments from HEPC for capital project	70,609	-
Payments on capital debt	(20,631)	(19,829)
Interest paid on capital debt	(1,157)	(1,961)
Net cash used in capital financing activities	(1,423,603)	(692,752)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income	294,978	8,416
Net cash provided by investing activities	294,978	8,416
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(562,234)	3,759,059
CASH AND CASH EQUIVALENTS - Beginning of year	11,734,036	7,974,977
CASH AND CASH EQUIVALENTS - End of year	$ 11,171,802	$ 11,734,036
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	$ (11,737,285)	$ (16,301,605)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	2,523,225	2,482,396
Pension expense - special funding situation	(178,449)	(46,199)
OPEB expense - special funding situation	16,873	(2,136)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Accounts receivable — net	(125,556)	386,779
Due from the Council/Commission	94,362	(59,014)
Other receivables	2,244	6,367
Other assets	-	15,510
Deferred outflows of resources	(4,190)	245,163
Accounts payable	116,728	82,008
Accrued liabilities	(156,327)	(165,442)
Unearned revenue	(2,037,472)	2,778,349
Due to State Agencies	6,421	2,377
Due to the Council/Commission	(89,031)	19,750
Net other postemployment benefits	212,314	(773,550)
Net pension liability	35,436	(57,821)
Compensated absences	38,644	(103,586)
Deferred inflows of resources	(1,132,901)	(590,208)
Net cash used in operating activities	$ (12,414,964)	$ (12,080,862)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION:		
Cash and cash equivalents classified as current	$ 11,121,802	$ 11,684,036
Cash and cash equivalents classified as noncurrent	50,000	50,000
	$ 11,171,802	$ 11,734,036

BRIDGEVALLEY COMMUNITY & TECHNICAL COLLEGE FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

ASSETS				
	JUNE 30,			
		2023		2022
CURRENT ASSETS:				
Cash and Cash Equivalents	$	111,414	$	260,460
Accounts Receivable		3,277		-
Investments		1,441,358		1,326,241
Accrued Interest Receivable		9,938		6,057
Prepaid Expenses		545		-
Total Current Assets	$	1,566,532	$	1,592,758
LONG-TERM ASSETS:				
Investments - Endowment		750,602		745,278
TOTAL ASSETS	**$**	**2,317,134**	**$**	**2,338,036**

LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts Payable	$	25,853	$	16,908
Amounts Held on Behalf of Others		11,010		10,510
Total Current Liabilities	$	36,863	$	27,418
NET ASSETS:				
Without Donor Restrictions	$	6,706	$	10,782
With Donor Restrictions:				
Purpose Restrictions		1,540,721		1,566,992
Perpetual in Nature		732,844		732,844
Total Net Assets	$	2,280,271	$	2,310,618
TOTAL LIABILITIES AND NET ASSETS	**$**	**2,317,134**	**$**	**2,338,036**

The accompanying Notes to Financial Statements are an integral part of these statements.

BRIDGEVALLEY COMMUNITY & TECHNICAL COLLEGE FOUNDATION, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2023

	Net Assets		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, LOSSES AND OTHER SUPPORT:			
Contributions - In-kind	$ 23,126	$ -	$ 23,126
Contributions	1,327	66,619	67,946
Investment Income, net of investment expenses $12,381	27,119	2,501	29,620
Special Events, Less Direct Expenses of $19,995	(2,757)	-	(2,757)
Net Assets Released from Restrictions:			
Purpose Restrictions Accomplished	95,391	(95,391)	-
Total Revenues, Gains, Losses and Other Support	$ 144,206	$ (26,271)	$ 117,935
EXPENSES:			
Program Services - College and Student Support	$ 100,017	$ -	$ 100,017
Supporting Services:			
Management and General	41,806	-	41,806
Fundraising	6,459	-	6,459
Total Expenses	$ 148,282	$ -	$ 148,282
CHANGES IN NET ASSETS	**$ (4,076)**	**$ (26,271)**	**$ (30,347)**
NET ASSETS, JULY 1	**10,782**	**2,299,836**	**2,310,618**
NET ASSETS, JUNE 30	**$ 6,706**	**$ 2,273,565**	**$ 2,280,271**

The accompanying Notes to Financial Statements are an integral part of these statements.

BRIDGEVALLEY COMMUNITY & TECHNICAL COLLEGE FOUNDATION, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2022

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
REVENUES, GAINS, LOSSES AND OTHER SUPPORT:			
Contributions - In-kind	$ 16,846	$ -	$ 16,846
Contributions	-	28,287	28,287
Investment (Loss), net of investment expenses $17,447	(83,979)	(127,508)	(211,487)
Special Events, Less Direct Expenses of $11,255	4,670	-	4,670
Net Assets Released from Restrictions:			
Purpose Restrictions Accomplished	179,491	(179,491)	-
Total Revenues, Gains, Losses and Other Support	$ 117,028	$ (278,712)	$ (161,684)
EXPENSES:			
Program Services - College and Student Support	$ 188,714	$ -	$ 188,714
Supporting Services:			
Management and General	33,875	-	33,875
Fundraising	4,167	-	4,167
Total Expenses	$ 226,756	$ -	$ 226,756
CHANGES IN NET ASSETS	**$ (109,728)**	**$ (278,712)**	**$ (388,440)**
NET ASSETS, JULY 1	**120,510**	**2,578,548**	**2,699,058**
NET ASSETS, JUNE 30	**$ 10,782**	**$ 2,299,836**	**$ 2,310,618**

BRIDGEVALLEY COMMUNITY & TECHNICAL COLLEGE FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

	FOR THE YEARS ENDED JUNE 30, 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	$ (30,347)	$ (388,440)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Net Unrealized and Realized (Gains) on Investments	9,003	244,481
Change in Operating Assets and Liabilities:		
(Increase) Decrease In:		
Accounts and Grants Receivable	(3,277)	-
Accrued Interest Receivable	(3,881)	(1,765)
Prepaid Expenses	(545)	-
Increase (Decrease) In:		
Accounts Payable	8,945	13,419
Amounts Held for Others	500	443
Net Cash (Used) by Operating Activities	$ (19,602)	$ (131,862)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investments and Certificates of Deposit	$ (2,446,575)	$ (874,301)
Sales of Investments	2,332,475	231,385
(Increase) Decrease in Investment Cash	(15,344)	15,666
Net Cash Provided (Used) by Investing Activities	$ (129,444)	$ (627,250)
Net (Decrease) in Cash and Cash Equivalents	$ (149,046)	$ (759,112)
CASH AND CASH EQUIVALENTS, JULY 1	**260,460**	**1,019,572**
CASH AND CASH EQUIVALENTS, JUNE 30	**$ 111,414**	**$ 260,460**

The accompanying Notes to Financial Statements are an integral part of these statements.

NOTE 1 - ORGANIZATION

BridgeValley Community and Technical College (BridgeValley or the College) is governed by BridgeValley Community and Technical College Board of Governors (the Board). The Board was established by Senate Bill 438, effective June 30, 2014, which approved the consolidation of the previous Bridgemont and Kanawha Valley Community and Technical Colleges. The previous Boards for each college were established by House Bill 3215 (H.B. 3215), effective July 1, 2008, which clarified and redefined relationships between and among certain higher education boards and institutions.

Powers and duties of the Board include, but are not limited to, the power to determine, control, supervise, and manage the financial, business, and educational policies and affairs of BridgeValley under its jurisdiction, the duty to develop a master plan for BridgeValley, the power to prescribe the specific functions and BridgeValley's budget request, the duty to review at least every five years all academic programs offered at BridgeValley, and the power to fix tuition and other fees for the different classes or categories of students enrolled at BridgeValley.

Senate Bill 448 gives the West Virginia Council for Community and Technical College Education (the Council) the responsibility of developing, overseeing, and advancing the State of West Virginia (the State) public policy agenda as it relates to community and technical college education.

As a requirement of Governmental Accounting Standards Board standards (GASB), the College has included information from the BridgeValley Community College Foundation, Inc. (the Foundation).

Although the College benefits from the activities of the Foundation, the Foundation is independent of the College in all respects. The Foundation is not a subsidiary of the College and is not directly or indirectly controlled by the College. The Foundation has its own separate, independent Board of Directors. Moreover, the assets of the Foundation are the exclusive property of the Foundation and do not belong to the College. The College is not accountable for, and does not have ownership of, any of the financial and capital resources of the Foundation. The College does not have the power or authority to mortgage, pledge, or encumber the assets of the Foundation. The Board of Directors of the Foundation is entitled to make all decisions regarding the business and affairs of the Foundation, including, without limitation, distributions made to the College. Under State law, neither the principal nor income generated by the assets of the Foundation can be taken into consideration in determining the amount of State-appropriated funds allocated to the College. Third parties dealing with the College, the Board, and the State of West Virginia (the State) (or any agency thereof) should not rely upon the financial statements of the Foundation for any purpose without consideration of all the foregoing conditions and limitations.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of BridgeValley have been prepared in accordance with generally accepted accounting principles as prescribed by Governmental Accounting Standards Board standards (GASB). The financial statement presentation required by GASB provides a comprehensive, entity-wide perspective of BridgeValley's assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, changes in net position, and cash flows.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity - BridgeValley is a blended component unit of the West Virginia Higher Education Fund and represents separate funds of the State that are not included in the State's general fund. BridgeValley is a separate entity, which, along with all State institutions of higher education, the Council, and the Commission (which includes West Virginia Network for Educational Telecomputing (WVNET)) forms the Higher Education Fund of the State. The Higher Education Fund is considered a component unit of the State and its financial statements are discretely presented in the State's annual comprehensive financial report.

The accompanying financial statements present all funds under the authority of BridgeValley. The basic criterion for inclusion in the accompanying financial statements is the exercise of oversight responsibility derived from BridgeValley's ability to significantly influence operations and accountability for fiscal matters of related entities.

The audited financial statements of the Foundation are presented here as a discrete component unit with the College financial statements in accordance with GASB. The Foundation is a private non-profit organization that reports under FASB standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's audited financial information as it is presented herein (see also Notes 11 and 13).

Financial Statement Presentation - GASB standards for external financial reporting for public colleges and universities require that financial statements be presented on a basis to focus on BridgeValley as a whole. Net position is classified according to external donor restrictions or availability of assets for satisfaction of BridgeValley's obligations. BridgeValley's net position is classified as follows:

Net investment in capital assets - This represents BridgeValley's total investment in capital assets, net of accumulated depreciation and outstanding debt obligations related to those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

Restricted net position, expendable - This includes resources in which BridgeValley is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

The West Virginia Legislature, as a regulatory body outside the reporting entity, has restricted the use of certain funds by Article 10, *Fees and Other Money Collected at State Institutions of Higher Education* of the West Virginia State Code. House Bill 101, passed in March 2004, simplified the tuition and fees restrictions to auxiliaries and capital items. These activities are fundamental to the normal ongoing operations of BridgeValley. These restrictions are subject to change by future actions of the West Virginia Legislature. At June 30, 2023 and 2022, BridgeValley had no restricted balances remaining in these funds.

Restricted net position, nonexpendable - This includes endowment and similar type funds in which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unrestricted net position - Unrestricted net position includes resources that are not subject to externally imposed stipulations. Such resources represent those derived from student tuition and fees (not restricted as to use), state appropriations, and sales and services of educational activities. Unrestricted net position is used for transactions relating to the educational and general operations of BridgeValley and may be designated for specific purposes by action of the Board.

Basis of Accounting - For financial reporting purposes, BridgeValley is considered a special-purpose government engaged only in business-type activities. Accordingly, BridgeValley's financial statements have been prepared on the accrual basis of accounting with a flow of economic resources measurement focus. Revenues are reported when earned and expenses are reported when materials or services are received.

Cash and Cash Equivalents - For purposes of the statement of net position, BridgeValley considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Cash and cash equivalents balances on deposit with the State of West Virginia Treasurer's Office (the Treasurer) are pooled by the Treasurer with other available funds of the State for investment purposes by the West Virginia Board of Treasury Investments (the BTI). These funds are transferred to the BTI, and the BTI is directed by the Treasurer to invest the funds in specific external investment pools in accordance with West Virginia Code, policies set by the BTI, provisions of bond indentures, and the trust agreements when applicable. Balances in the investment pools are recorded at fair value or amortized cost, which approximates fair value. Fair value is determined by a third-party pricing service based on asset portfolio pricing models and other sources. The BTI was established by the West Virginia Legislature (the State Legislature) and is subject to oversight by the State Legislature. Fair value and investment income are allocated to participants in the pools based upon the funds that have been invested. The amounts on deposit are available for immediate withdrawal or on the first day of each month for the West Virginia Short Term Bond Pool and, accordingly, are presented as cash and cash equivalents in the accompanying financial statements.

The BTI maintains the Consolidated Fund investment fund which consists of eight investment pools and participant-directed accounts, three of which the College may invest in. These pools have been structured as multi-participant variable net asset funds to reduce risk and offer investment liquidity diversification to the Fund participants. Funds not required to meet immediate disbursement needs are invested for longer periods. A more detailed discussion of the BTI's investment operations pool can be found in the BTI's annual audited financial report. A copy of the BTI's annual report can be obtained from the following address: 315 70th Street SE, Charleston, WV 25304 or http://www.wvbti.org.

Cash and cash equivalents also include all outside bank accounts and cash on hand.

Permissible investments for all agencies include those guaranteed by the United States of America, its agencies and instrumentalities (U.S. government obligations); corporate debt obligations, including commercial paper, which meet certain ratings; certain money market funds; repurchase agreements; reverse repurchase agreements; asset-backed securities; certificates of deposit; state and local government securities; and other investments. Other investments consist primarily of investments in accordance with the Linked Deposit Program, a program using financial institutions in West Virginia to obtain certificates of deposit, loans approved by the Legislature, and any other program investments authorized by the Legislature.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Appropriations Due from Primary Government - For financial reporting purposes, appropriations due from the State are presented separate from cash and cash equivalents, as amounts are not specific deposits with the State Treasurer but are obligations of the State.

Allowance for Doubtful Accounts - It is BridgeValley's policy to provide for future losses on uncollectible accounts and loans receivable based on an evaluation of the underlying account and loan balances, the historical collectability experienced by BridgeValley on such balances, and such other factors which, in BridgeValley's judgment, require consideration in estimating doubtful accounts.

Noncurrent Cash, Cash Equivalents, and Investments - Cash and cash equivalents that are (1) externally restricted to make debt service payments or long-term loans to students or to purchase capital or other noncurrent assets and (2) permanently restricted net position are classified as a noncurrent asset in the statement of net position.

Capital Assets - Capital assets include property, plant, and equipment. Capital assets are stated at cost at the date of acquisition or construction, or fair market value at the date of donation in the case of gifts. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 15 to 50 years for buildings and land improvements, and 3 to 15 years for furniture and equipment. BridgeValley's capitalization threshold is $5,000.

Unearned Revenue - Revenue for programs or activities to be conducted primarily in the next fiscal year are classified as unearned revenue, including items such as tuition, orientation fees, financial aid deposits, and advance payments on sponsored awards. Financial aid deposits are separately classified.

Compensated Absences and Other Post employment Benefits (OPEB) - GASB provides for the measurement, recognition, and display of OPEB expenditures, assets, and liabilities, including applicable note disclosures and required supplementary information. During fiscal year 2006, House Bill No. 4654 was established to create a trust fund for postemployment benefits for the State. The College is required to participate in this multiple-employer, cost-sharing plan, the West Virginia Retiree Health Benefit Trust Fund, sponsored by the State of West Virginia. Details regarding this plan and its stand alone financials can be obtained by contacting the West Virginia Public Employees Insurance Agency (PEIA), State Capitol Complex, Building 5, Room 1001, 1900 Kanawha Boulevard, East, Charleston, WV 25305-0710 or https://peia.wv.gov.

GASB requires entities to accrue for employees' rights to receive compensation for vacation leave or payments in lieu of accrued vacation or sick leave as such benefits are earned and payment becomes probable. The College's full-time employees earn up to two vacation leave days for each month of service and are entitled to compensation for accumulated, unpaid vacation leave upon termination.

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by West Virginia Retiree Health Benefit Trust Fund (RHBT). For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. See Note 7 for further discussion.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The estimated expense and expense incurred for the vacation leave or OPEB benefits are recorded as a component of benefits expense in the combined statements of revenues, expenses, and changes in net position.

Net Pension Liability - For purposes of measuring the net pension liability, 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 Teachers' Retirement System (STRS), administered by the West Virginia Consolidated Public Retirement Board (CPRB), and additions to/reductions from the STRS fiduciary net position have been determined on the same basis as they are reported in the STRS financial statements, which can be found at https://www.wvretirement.com/Publications.html# CAFR. The plan schedules of STRS are prepared using the accrual basis of accounting and economic resources measurement focus in accordance with U.S. GAAP as prescribed by GASB. Employer contributions are recognized when due and the employer has a legal requirement to provide the contributions. Investments are reported at fair value. Detailed information on investment valuation can be found in the STRS financial statements. Management of STRS has made certain estimates and assumptions relating to employer allocation schedules, and actual results could differ. (See Note 9.)

Deferred Outflows of Resources - Consumption of net position by the College that is applicable to a future fiscal year is reported as a deferred outflow of resources on the statement of net position.

Deferred Inflows of Resources - An acquisition of net position by the College that is applicable to a future fiscal year is reported as a deferred inflow of resources on the statement of net position.

Risk Management - The State's Board of Risk and Insurance Management (BRIM) provides general liability, property, and auto insurance coverage, to BridgeValley and its employees. Such coverage is provided to BridgeValley by BRIM through a self-insurance program maintained by BRIM for general liability and auto insurance coverage. BRIM maintains a self-insurance program to pay the first $1,000,000 of each property insurance claim and purchases excess property insurance from the commercial insurance market to cover individual claims that exceed $1,000,000. The BRIM self-insurance programs may involve experience and exposure related premiums.

BRIM engages an independent actuary to assist in the determination of its premiums so as to minimize the likelihood of premium adjustments to BridgeValley or other participants in BRIM's insurance programs. As a result, management does not expect significant differences between the premiums BridgeValley is currently charged by BRIM and the ultimate cost of that insurance based on BridgeValley's actual loss experience. In the event such differences arise between estimated premiums currently charged by BRIM to BridgeValley and BridgeValley's ultimate actual loss experience, the difference will be recorded, as the change in estimate becomes known.

In addition, through its participation in the West Virginia Public Employees Insurance Agency (PEIA) and a third-party insurer, the College has obtained health, life, prescription drug coverage, and coverage for job related injuries for its employees. In exchange for payment of premiums to PEIA and the third-party insurer, the College has transferred its risks related to health, life, prescription drug coverage, and job related injuries.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

West Virginia had a single private insurance company, Encova Insurance, which provided workers' compensation coverage to all employers in the state. Other private insurance companies began to offer coverage to private-sector employers beginning July 1, 2009 and to government employers beginning July 1, 2010. Nearly every employer in the State, who has payroll must have coverage. The cost of all coverage is paid by the employers. Encova retains the risk related to the compensation of injured employees under the program.

Classification of Revenues - BridgeValley has classified its revenues according to the following criteria:

Operating Revenues - Operating revenues include activities that have the characteristics of exchange transactions, such as (1) student tuition and fees, net of scholarship discounts and allowances, (2) most federal, state, local, and nongovernmental grants and contracts, and (3) sales and services of educational activities.

Nonoperating Revenues - Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as gifts and contributions, and other revenues that are defined as nonoperating revenues by GASB, such as state appropriations, federal Pell grants and investment income, and gains on the sale of capital assets (including natural resources).

Other Revenues - Other revenues consist primarily of capital grants and gifts.

Use of Restricted Net Position - BridgeValley has not adopted a formal policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Generally, BridgeValley attempts to utilize restricted net position first when practicable.

Federal Financial Assistance Programs – The College makes loans to students under the Federal Direct Student Loan Program. Under this Program, the U.S. Department of Education makes interest subsidized and nonsubsidized loans directly to students, through colleges. Direct Loan student receivables are not included in BridgeValley's statement of net position, as the loans are repayable directly to the U.S. Department of Education. BridgeValley received and disbursed approximately $2.1 million and $1.8 million, respectively, during fiscal years 2023 and 2022 under the Direct Loan Program on behalf of the U.S. Department of Education. These amounts are not included as revenues and expenses on the statement of revenues, expenses, and changes in net position.

BridgeValley also distributes student financial assistance funds on behalf of the federal government to students under the federal Pell Grant, Supplemental Educational Opportunity Grant, Academic Competitive Grant, and College Work Study programs. The activity of these programs is recorded in the accompanying financial statements. In 2023 and 2022, BridgeValley received and disbursed approximately $3.4 million and $3.5 million, respectively, under these federal student aid programs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Scholarship Allowances - Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship allowances in the statement of revenues, expenses, and changes in net position. Scholarship allowances are the difference between the stated charge for goods and services provided by BridgeValley, and the amount that is paid by students and/or third parties making payments on the student's behalf.

Financial aid to students is reported in the financial statements under the alternative method as prescribed by the National Association of College and University Business Officers (NACUBO). Certain aid such as loans, funds provided to students as awarded by third parties, and Federal Direct Lending is accounted for as a third-party payment (credited to the student's account as if the student made the payment). All other aid is reflected in the financial statements as operating expenses or scholarship allowances, which reduce revenues. The amount reported as operating expense represents the portion of aid that was provided to the student in the form of cash. Scholarship allowances represent the portion of aid provided to the student in the form of reduced tuition. Under the alternative method, these amounts are computed on a college basis by allocating the cash payments to students, excluding payments for services, on the ratio of total aid to the aid not considered to be third-party aid.

Government Grants and Contracts - Government grants and contracts normally provide for the recovery of direct and indirect costs, subject to audit. BridgeValley recognizes revenue associated with direct costs as the related costs are incurred. Recovery of related indirect costs is generally recorded at fixed rates negotiated for a period of one to three years.

Income Taxes - BridgeValley is exempt from income taxes, except for unrelated business income, as a nonprofit organization under federal income tax laws and regulations of the Internal Revenue Service (IRS).

Cash Flows - Any cash and cash equivalents escrowed, restricted for noncurrent assets, or in funded reserves have been included as cash and cash equivalents for the purpose of the statement of cash flows.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Risks and Uncertainties - Investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain securities, it is reasonably possible that changes in risk and values will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Reclassification - Certain amounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Newly Adopted Statements Issued by the Governmental Accounting Standards Board – The College implemented GASB Statement No. 91, *Conduit Debt Obligations*, which is effective for fiscal years beginning after December 15, 2021. The requirements of this Statement eliminate the existing option for issuers to report conduit debt obligations as their own liabilities, thereby ending significant diversity in practice. The clarified definition will resolve stakeholders' uncertainty as to whether a given financing is a conduit debt obligation. Requiring issuers to recognize liabilities associated with additional commitments extended by issuers and to recognize assets and deferred inflows of resources related to certain arrangements associated with conduit debt obligations also will eliminate diversity or inconsistency. This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period. The adoption of GASB Statement No. 91 did not have a significant impact on the financial statements.

The College also implemented GASB Statement No. 94, *Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)*, which is effective for fiscal years beginning after June 15, 2022. The requirements of this Statement establish the definitions of PPPs and APAs and providing uniform guidance on accounting and financial reporting for transactions that meet those definitions, but are outside of the scope of Lease or Service Concession Arrangement Guidance. That uniform guidance will provide more relevant and reliable information for financial statement users and create greater consistency in practice. This Statement will require governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The required disclosures will allow users to understand the scale and important aspects of a government's PPPs and evaluate a government's future obligations and assets resulting from PPPs. The adoption of GASB Statement No. 94 did not have a significant impact on the financial statements.

The College also implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, which is effective for fiscal years beginning after June 15, 2022. The requirements of this Statement establish a definition for SBITA, which is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. Generally, this Statement will require a government to recognize a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability. The Statement also establishes guidance for the treatment of costs related to SBITA activities other than subscription payments. Those activities are: Preliminary Project Stage, Initial Implementation Stage, and Operation and Additional Implementation Stage. This Statement also requires a government to disclose essential information about the arrangement such as the amount of the subscription asset, accumulated amortization, other payments not included in the measurement of a subscription liability, principal and interest requirements for the subscription liability. The adoption of GASB Statement No. 96 did not have a significant impact on the financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recent Statements Issued by the Governmental Accounting Standards Board – GASB has issued Statement No. 100, *Accounting Changes and Error Corrections- an Amendment of GASB Statement No. 62*, which is effective for fiscal years beginning after June 15, 2023. This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. Those changes include things like: certain changes in accounting principles, certain changes in estimates that result from a justified or preferable change in measurement or new methodology. This statement requires that changes in accounting principles and error corrections be reported retroactively by restating prior periods; changes to or within the reporting entity be reported by adjusting beginning balances of the current period; and changes in accounting estimates be reported prospectively by recognizing the change in the current period. If the change in accounting principle is the result of a new pronouncement the requirements only apply absent specific transition guidance in the pronouncement. Under this standard it is also necessary to display the total adjustment to beginning net position, fund balance, or fund net position on the face of the financial statements, by reporting unit. This statement also specifies both qualitative and quantitative disclosure requirements. Lastly, this statement provides guidance for if and how these changes should be reflected in required supplementary information and supplementary information. The College has not yet determined the effect that the adoption of GASB Statement No. 100 may have on its financial statements.

GASB has issued Statement No. 101, *Compensated Absences,* which is effective for fiscal years beginning after December 15, 2023. This statement modifies the criteria requiring a liability for compensated absences to be recognized. Under this statement a liability must be recognized for leave that has not been used, or leave that has been used but not yet paid in cash or settled through noncash means. Furthermore, the liability for leave that has not been used is recognized if the leave is attributed to services already rendered, that accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. If the leave is considered more likely than not to be settled through conversion to a defined benefit post-employment benefit it should not be included in the liability for compensated absences. This statement also specifies certain types of benefits where the liability is not recognized until leave commences or where the liability is not recognized until the leave is used. The statement also provides guidance for measuring the liability and modifies the disclosure requirements allowing for disclosure of only the net change in the liability, and no longer requiring disclosure of which governmental funds have been used to liquidate the liabilities. The College has not yet determined the effect that the adoption of GASB Statement No. 101 may have on its financial statements.

NOTE 3 - CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents at June 30, 2023 and 2022, is as follows:

	2023		
	Current	Noncurrent	Total
Cash on deposit with the Treasurer/BTI			
Nonauxiliaries	$ 10,564,530	$ 50,000	$ 10,614,530
Auxiliaries	198,853	-	198,853
Cash on hand	600	-	600
Cash in bank	357,819	-	357,819
	$ 11,121,802	$ 50,000	$ 11,171,802

	2022		
	Current	Noncurrent	Total
Cash on deposit with the Treasurer/BTI			
Nonauxiliaries	$ 11,328,062	$ 50,000	$ 11,378,062
Auxiliaries	150,700	-	150,700
Cash on hand	600	-	600
Cash in bank	204,674	-	204,674
	$ 11,684,036	$ 50,000	$ 11,734,036

These bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized by securities held as collateral by the bank in the name of the State. Cash held by the Treasurer includes $50,000 and $50,000 of restricted cash at June 30, 2023 and 2022, respectively.

The combined carrying amount of cash in the bank at June 30, 2023 and 2022, was $357,819 and $204,674, respectively, as compared with the combined bank balance of $357,819 and $241,477 for the years ended June 30, 2023 and 2022. The difference is primarily caused by outstanding checks and items in transit. The bank balances were covered by federal depository insurance as noted below or were collateralized by securities held by the State's agent. Regarding federal depository insurance, accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000.

Amounts with the State Treasurer were $10,813,383 and $11,528,762 as of June 30, 2023 and 2022, respectively. Of these amounts $9,170,810 and $8,133,388 were invested in the WV Money Market Pool and the WV Short Term Bond Pool as of June 30, 2023 and 2022, respectively. The remainder of the cash held with the State Treasurer was not invested at June 30, 2023 and 2022.

NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The following table provides information on the Standard & Poor's rating of the investment pools as of June 30:

	2023		2022	
External Pool	Carrying Value	S & P Rating	Carrying Value	S & P Rating
WV Money Market Pool	$ 8,962,832	AAAm	$ 7,944,793	AAAm
WV Short Term Bond Pool	207,978	Not Rated	188,595	Not Rated

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.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. All the amounts with the State Treasurer are subject to interest rate risk. The following table provides information on the weighted-average maturities for the WV Money Market Pool and the WV Government Money Market Pool:

	2023		2022	
External Pool	Carrying Value	WAM (Days)	Carrying Value	WAM (Days)
WV Money Market Pool	$ 8,962,832	29	$ 7,944,793	21

The following table provides information on the effective duration for the WV Short Term Bond Pool:

	2023		2022	
External Pool	Carrying Value	Effective Duration (Days)	Carrying Value	Effective Duration (Days)
WV Short Term Bond Pool	$ 207,978	609	$ 188,595	584

Other Investment Risks - Other investment risks include concentration of credit risk, custodial credit risk, and foreign currency risk. None of the BTI's Consolidated Fund's investment pools or accounts is exposed to these risks as described below.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the College will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a consolidated fund pool or account investment in a single corporate issuer. The BTI's investment policy prohibits these pools and accounts, permitted to hold corporate securities, from investing more than 5% of their assets in any one corporate name or one corporate issue.

NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)

Foreign Currency Risk **-** Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The College has no securities with foreign currency risk.

NOTE 4 - ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2023 and 2022, are as follows:

	2023	2022
Student tuition and fees, net of allowances for doubtful accounts of $505,446 and $204,335 in 2023 and 2022, respectively	$ 152,227	$ 113,739
Grants and contracts receivable	207,485	479,069
Due from third party for payment of tuition & fees	12,784	-
	$ 372,496	$ 592,808

NOTE 5 - CAPITAL ASSETS

The following, as of June 30, 2023 and 2022, is a summary of capital assets transactions for BridgeValley:

	2023			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets not being depreciated:				
Land	$ 980,353	$ -	$ -	$ 980,353
Construction in progress	652,800	-	(645,750)	7,050
Total capital assets not being depreciated	$ 1,633,153	$ -	$ 645,750	$ 987,403
Other capital assets:				
Buildings	$ 29,490,117	$ -	$ (358,802)	$ 29,131,315
Leasehold improvements	13,812,159	1,756,107	-	15,568,266
Equipment	12,397,578	997,008	(115,714)	13,278,872
Total other capital assets	55,699,854	2,753,115	(474,516)	57,978,453
Less accumulated depreciation for:				
Buildings	(8,896,727)	(814,557)	315,844	(9,395,440)
Leasehold improvements	(6,746,643)	(740,020)	-	(7,486,663)
Equipment	(8,996,593)	(968,648)	110,118	(9,855,123)
Total accumulated depreciation	(24,639,963)	(2,523,225)	425,962	(26,737,226)
Other capital assets - net	$ 31,059,891	$ 229,890	$ (48,554)	$ 31,241,227
Capital asset summary:				
Capital assets not being depreciated	$ 1,633,153	$ -	$ (645,750)	$ 987,403
Other capital assets	55,699,854	2,753,115	(474,516)	57,978,453
Total cost of capital assets	57,333,007	2,753,115	(1,120,266)	58,965,856
Less accumulated depreciation	(24,639,963)	(2,523,225)	425,962	(26,737,226)
Capital assets, net	$ 32,693,044	$ 229,890	$ (694,304)	$ 32,228,630

NOTE 5 - CAPITAL ASSETS (Continued)

	2022			
	Beginning Balance	Additions	Reductions	Ending Balance
Capital assets not being depreciated:				
Land	$ 980,353	$ -	$ -	$ 980,353
Construction in progress	-	652,800	-	652,800
Total capital assets not being depreciated	$ 980,353	$ 652,800	$ -	$ 1,633,153
Other capital assets:				
Buildings	$ 30,035,476	$ -	$ (545,359)	$ 29,490,117
Leasehold improvements	13,812,159	-	-	13,812,159
Equipment	11,660,125	969,815	(232,362)	12,397,578
Total other capital assets	55,507,760	969,815	(777,721)	55,699,854
Less accumulated depreciation for:				
Buildings	(8,229,286)	(830,357)	162,916	(8,896,727)
Leasehold improvements	(6,056,036)	(690,607)	-	(6,746,643)
Equipment	(8,258,125)	(961,432)	222,964	(8,996,593)
Total accumulated depreciation	(22,543,447)	(2,482,396)	385,880	(24,639,963)
Other capital assets - net	$ 32,964,313	$ 1,512,581	$ 391,841	$ 31,059,891
Capital asset summary:				
Capital assets not being depreciated	$ 980,353	$ 652,800	$ -	$ 1,633,153
Other capital assets	55,507,760	969,815	(777,721)	55,699,854
Total cost of capital assets	56,488,113	1,622,615	(777,721)	57,333,007
Less accumulated depreciation	(22,543,447)	(2,482,396)	385,880	(24,639,963)
Capital assets, net	$ 33,944,666	$ 859,781	$ 391,841	$ 32,693,044

BridgeValley maintains certain collections of inexhaustible assets to which no value can be practically determined. Accordingly, such collections are not capitalized or recognized for financial statement purposes. Such collections include contributed works of art, historical treasures, and literature that are held for exhibition, education, research, and public service. These collections are neither disposed of for financial gain nor encumbered in any means.

NOTE 6 - LONG-TERM LIABILITIES

A summary of long-term obligation transactions for BridgeValley for the years ended June 30, 2023 and 2022, is as follows:

	2023				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Compensated absences	$ 338,343	$ 38,644	$ -	$ 376,987	$ 376,987
Net other postemployment benefits (asset)/ liability	(50,466)	1,292,164	(1,079,850)	161,848	-
Debt payable to the Commission	15,367	-	(15,367)	-	-
Net pension liability	56,104	123,118	(87,682)	91,540	-
Total long-term liabilities	$ 359,348	$ 1,453,926	$ (1,182,899)	$ 630,375	$ 376,987

	2022				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Compensated absences	$ 441,929	$ -	$ (103,586)	$ 338,343	$ 338,343
Net other postemployment benefits (asset)/ liability	723,084	882,469	(1,656,019)	(50,466)	-
Debt payable to the Commission	76,846	-	(61,479)	15,367	15,367
Net pension liability	113,925	83,695	(141,516)	56,104	-
Total long-term liabilities	$ 1,355,784	$ 966,164	$ (1,962,600)	$ 359,348	$ 353,710

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS

Following are the College's net OPEB liability (asset), deferred outflows of resources and deferred inflows of resources related to OPEB, revenues, and the OPEB expense and expenditures for the fiscal years ended June 30, 2023 and 2022:

	2023	2022
Net OPEB liability (asset)	$ 161,848	$ (50,466)
Deferred outflows of resources	304,244	299,760
Deferred inflows of resources	813,142	1,826,638
Revenues	(178,449)	(46,199)
OPEB expense	(855,955)	(981,076)
Contributions made by the College	129,352	172,215

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Plan Description

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

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

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

Benefits Provided

The Plan provides the following benefits:

- Medical and prescription drug insurance
- Life insurance

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

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

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Contributions

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

Paygo premiums are established by the PEIA Finance Board annually. All participating employers are required by statute to contribute this premium to the RHBT at the established rate for every active policyholder per month. The paygo rates related to the measurement date of June 30, 2022 and 2021 were:

	February 2022-June 2022 2022	July 2021-January 2022 2022	July 2020-June 2021 2021
Paygo premium	$ 48	$ 116	$ 160

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

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

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

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

The College's contributions to the OPEB plan for the years ended June 30, 2023, 2022, and 2021, were $129,352, $172,215, and $307,110, respectively.

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Assumptions

The June 30, 2023 OPEB liability (asset) for financial reporting purposes was determined by an actuarial valuation as of June 30, 2021 and a measurement date of June 30, 2022. The following actuarial assumptions were used and applied to all periods included in the measurement, unless otherwise specified:

- Inflation rate: 2.25%.
- Salary increase: Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation.
- Investment rate of return: 6.65%, net of OPEB plan investment expense, including inflation.
- Healthcare cost trend rates: 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 end 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.
- Actuarial cost method: Entry age normal cost method.
- Amortization method: Level percentage of payroll over a 20-year closed period beginning June 30, 2017.
- Wage inflation: 2.75%.
- Retirement age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2020 actuarial valuation.
- Aging factors: Based on the 2013 SOA Study “Health Care Costs – From Birth to Death”.
- Expenses: Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of the annual expense.
- Mortality post retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females.
- Mortality pre-retirement: Pub-2010 General Employee Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 100% for females.

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

The actuarial valuation as of June 30, 2021, reflects updates to the following assumptions which are reviewed at each measurement date:

- Projected capped subsidies;
- Per capita claim costs;
- Healthcare trend rates;
- Coverage and continuance;
- Percentage eligible for tobacco-free premium discount; and
- Retired employee assistance program participation

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

The long-term expected rate of return of 6.65% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.00% for long-term assets invested with the WV Investment Management Board and an expected short-term rate of return of 2.50% for assets invested with the BTI.

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

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

Asset Class	Target Allocation	Long-term Expected Real Return
Global equity	55.0%	4.8%
Core plus fixed income	15.0%	2.1%
Core real estate	10.0%	4.1%
Hedge fund	10.0%	2.4%
Private equity	10.0%	6.8%

Single discount rate. A single discount rate of 6.65% was used to measure the total OPEB liability (asset). This single discount rate was based on the expected rate of return on OPEB plan investments of 6.65%. The projection of cash flows used to determine this single discount rate assumed that employer contributions will be made in accordance with the prefunding and investment policies. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability (asset).

Sensitivity of the net OPEB liability (asset) to changes in the discount rate. The following presents the College's proportionate share of the net OPEB liability (asset) as of June 30, 2023 and 2022 calculated using a discount rate that is one percentage point lower (5.65%) or one percentage point higher (7.65%) than the current rate.

Net OPEB liability (asset)	1% Decrease (5.65%)	Current Discount Rate (6.65%)	1% Increase (7.65%)
2023	$ 416,011	$ 161,848	$ (56,195)
2022	270,805	(50,466)	(317,212)

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Sensitivity of the net OPEB liability (asset) to changes in the healthcare cost trend rate. The following presents the College's proportionate share of the net OPEB liability (asset) as of June 30, 2023 and 2022 calculated using the healthcare cost trend rate, as well as what the College's net OPEB liability (asset) would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate.

Net OPEB liability (asset)	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
2023	$ (92,014)	$ 161,848	$ 462,233
2022	(372,612)	(50,466)	329,832

OPEB Liabilities (Assets), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The June 30, 2023 net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022. The June 30, 2022 net OPEB liability (asset) was measured as of June 30, 2021, and the total OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2020, rolled forward to the measurement date of June 30, 2021.

At June 30, 2023, the College's proportionate share of the net OPEB liability (asset) was $217,291. Of this amount, the College recognized $161,848 as its proportionate share on the statement of net position. The remainder of $55,443 denotes the College's proportionate share of net OPEB liability (asset) attributable to the special funding.

At June 30, 2022, the College's proportionate share of the net OPEB liability (asset) was $(60,403). Of this amount, the College recognized $(50,466) as its proportionate share on the statement of net position. The remainder of $(9,937) denotes the College's proportionate share of net OPEB liability (asset) attributable to the special funding.

The allocation percentage assigned to each participating employer and non-employer contributing entity is based on its proportionate share of employer and non-employer contributions to OPEB for each of the fiscal years ended June 30, 2022 and 2021. Employer contributions are recognized when due. At the June 30, 2022 measurement date, the College's proportion was 0.1454%, a decrease of 0.0243% from its proportion of 0.1697% calculated as of June 30, 2021. At the June 30, 2021 measurement date, the College's proportion was 0.1697%, an increase of 0.0060% from its proportion of 0.1637% calculated as of June 30, 2020.

For the year ended June 30, 2023, the College recognized OPEB expense of $(855,955). Of this amount, $(677,506) was recognized as the College's proportionate share of OPEB expense and $(178,449) as the amount of OPEB expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of $(178,449) for support provided by the State.

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

For the year ended June 30, 2022, the College recognized OPEB expense of $(981,076). Of this amount, $(934,877) was recognized as the College's proportionate share of OPEB expense and $(46,199) as the amount of OPEB expense attributable to special funding from a non-employer contributing entity. The Collee also recognized revenue of $(46,199) for support provided by the State.

At June 30, 2023 and 2022, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows.

June 30, 2023	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and difference between employer contributions and proportionate share of contributions	$ 45,976	$ 194,353
Net difference between projected and actual investment earnings	25,122	-
Changes in assumptions	103,794	411,227
Differences between expected and actual non-investment experience	-	206,469
Reallocation of opt-out employer change in proportionate share	-	1,093
Contributions after the measurement date	129,352	-
Total	$ 304,244	$ 813,142

June 30, 2022	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and difference between employer contributions and proportionate share of contributions	$ 127,545	$ 44,601
Net difference between projected and actual investment earnings	-	348,278
Changes in assumptions	-	1,067,879
Differences between expected and actual non-investment experience	-	347,634
Reallocation of opt-out employer change in proportionate share	-	18,246
Contributions after the measurement date	172,215	-
	$ 299,760	$ 1,826,638

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

The College will recognize the $129,352 reported as deferred outflows of resources resulting from OPEB contributions after the measurement date as a reduction of the net OPEB liability (asset) in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30,	Amortization
2024	$ (581,148)
2025	(70,131)
2026	(59,104)
2027	72,133
	$ (638,250)

Payables to the OPEB Plan

The College did not report any amounts payable for normal contributions to the OPEB plan as of June 30, 2023 and 2022.

NOTE 8 - STATE SYSTEM OF HIGHER EDUCATION INDEBTEDNESS

BridgeValley is a State institution of higher education. It receives a State appropriation in partial support of its operations. In addition, BridgeValley is subject to the legislative and administrative mandates of State government. Those mandates affect all aspects of BridgeValley's operations, its tuition and fee structure, its personnel policies, and its administrative practices.

The State has chartered the Commission with the responsibility to construct or renovate, finance, and maintain various academic and other facilities of the State's universities and colleges, including certain facilities of BridgeValley. Financing for these facilities was provided through revenue bonds issued by either the former Board of Regents, the former University System of West Virginia, the former State College System of West Virginia, or the former Interim Governing Board (collectively the Boards). These obligations administered by the Commission are the direct and total responsibility of the Municipal Bond Commission, as successor to the former Boards.

The Municipal Bond Commission has the authority to assess each public institution of higher education for funds to meet the payment of debt service on these various bonds. Certain tuition and registration fees (referred to as system fees) of the members of the former State University System are generally pledged as collateral for the Commission's bond indebtedness. Student fees collected by an institution in excess of the debt service allocation are retained by the institution for internal funding of capital projects and maintenance. The bonds remain a capital obligation of the Commission; however, effective June 30, 2002, an amount of principal related to each institution was reported as debt service assessment payable to the Commission by each institution and as a receivable by the Commission. These system bonds were fully paid off by what was then Bridgemont and Kanawha Valley in prior years.

NOTE 8 - STATE SYSTEM OF HIGHER EDUCATION INDEBTEDNESS (Continued)

During December 2009, the Commission, on behalf of the Council, issued $78,295,000 of Community and Technical Colleges Improvement Revenue Bonds, 2009 Series A (the 2009 Bonds). Lottery funds are paying the system debt associated with the Council's $13.5 million bonds (South Charleston campus) and $3 million (Montgomery campus) projects.

The $1.75 million (Montgomery campus expansion project) funded with special lottery revenue has no associated debt. BridgeValley incurred new College debt for the Montgomery campus totaling $410,000 to help fund additional renovations related to the Davis Hall Renovations Project. Payment of this debt includes a total of $340,000 paid over five years with final payment in 2016 and a total of $70,000 paid over ten years with final payment in 2021. For the South Charleston campus, the College entered into a new energy savings loan with the Commission in the amount of $500,000 in fiscal year 2013 and an additional $500,000 in fiscal year 2015 to help further fund construction. During fiscal year 2015 after the final reconciliation of the Main Hall renovations, the need for all of the second $500,000 was unnecessary and this loan was reduced by $279,280. This made the revised combined loan for the South Charleston campus a total of $720,720 to be paid over ten years. The final payment was made in 2022.

NOTE 9 - RETIREMENT PLANS

Substantially all full-time employees of the College participate in either the West Virginia Teachers' Retirement System (the STRS) or the Teachers' Insurance and Annuities Association-College Retirement Equities Fund (the TIAA-CREF). Previously, upon fulltime employment, all employees were required to make an irrevocable selection between the STRS and TIAA-CREF. Current participants in the STRS are permitted to make a one-time election to cease their participation in that plan and commence contributions to the West Virginia Teachers' Defined Contribution Plan. Contributions to and participation in the West Virginia Teachers' Defined Contribution Plan by College employees have not been significant to date.

Effective January 1, 2003, higher education employees enrolled in the basic 401(a) retirement plan with TIAA-CREF have an option to switch to the Educators Money 401(a) basic retirement plan (Educators Money). New hires have the choice of either plan.

DEFINED BENEFIT PENSION PLAN

Some employees of the College are enrolled in a defined benefit pension plan, the STRS plan, which is administered by the CPRB.

NOTE 9 - RETIREMENT PLANS (Continued)

Following are the College's pension liability, deferred outflows of resources, and deferred inflows of resources related to pensions, revenues, and the pension expense and expenditures for the fiscal year ended June 30, 2023 and 2022, respectively:

	2023	2022
Net pension liability	$ 91,540	$ 56,104
Deferred outflows of resources	33,588	33,882
Deferred inflows of resources	11,619	131,024
Revenues	16,873	(2,136)
Pension expense	(48,475)	(61,853)
Contributions made by the College	16,129	14,991

Plan Description

STRS is a multiple employer defined benefit cost sharing public employee retirement system providing retirement benefits as well as death and disability benefits. It covers all full-time employees of the 55 county public school systems in the State of West Virginia (the State) and certain personnel of the 13 State-supported institutions of higher education, State Department of Education and the Higher Education Policy Commission hired prior to July 1, 1991. Employees of the State-supported institutions of higher education and the Higher Education Policy Commission hired after June 30, 1991 are required to participate in the Higher Education Retirement System. STRS closed membership to new hires effective July 1, 1991. However, effective July 1, 2005, all new employees hired for the first time are required to participate in STRS.

STRS is considered a component unit of the State of West Virginia for financial reporting purposes, and, as such, its financial report is also included in the State of West Virginia's Annual Comprehensive Financial Report. STRS issues a publicly available annual comprehensive financial report that includes financial statements and required supplementary information for the plan. A copy of the report may be obtained from the STRS website at https://www.wvretirement.com/Publications.html#ACFR.

Benefits Provided

STRS provides retirement, death, and disability benefits. A member is eligible for normal retirement at age 60 with five years of service, age 55 with 30 years of service or any age with 35 years of service. A member may retire with 30 years of credited service at any age with the pension reduced actuarially if the member retires before age 55. Terminated members with at least five, but less than 20, years of credited service who do not withdraw their accumulated contributions are entitled to a deferred retirement commencing at age 62. Retirement benefits are equivalent to 2% of average annual salary multiplied by years of service. Average salary is the average of the five highest fiscal years of earnings during the last 15 fiscal years of earnings. Chapter 18, Article 7A of the West Virginia State Code assigns the authority to establish and amend the provisions of the plan, including contribution rates, to the State Legislature.

NOTE 9 - RETIREMENT PLANS (Continued)

Contributions

The funding objective of the CPRB pension trust funds is to meet long-term benefit requirements through contributions, which remain relatively level as a percent of member payroll over time, and through investment earnings. Contribution requirements are set by CPRB. A member who withdraws from service for any cause other than death or retirement may request that the accumulated employee contributions plus interest be refunded.

Member Contributions: STRS funding policy provides for member contributions based on 6% of members' gross salary. Contributions as a percentage of payroll for members and employers are established by State law and are not actuarially determined.

Employer Contributions: The State (including institutions of higher education) contributes:

- 15% of gross salary of their State-employed members hired prior to July 1, 1991;
- 7.5% of the gross salary of their STRS covered employees hired for the first time after July 1, 2005 and for those TDCRS members who elected to transfer to STRS effective July 1, 2008;
- a certain percentage of fire insurance premiums paid by State residents; and
- under WV State code section 18-9-A-6a, an amount determined by the State Actuary as being needed to eliminate the STRS unfunded liability within 40 years of June 30, 1994. As of June 30, 2023 and 2022, the College's proportionate share attributable to this special funding subsidy was $16,873 and $(2,136), respectively.

The College's contributions to STRS for the years ended June 30, 2023, 2022, and 2021, were $16,129, $14,991, and $14,982, respectively.

NOTE 9 - RETIREMENT PLANS (Continued)

Assumptions

The total pension liabilities for financial reporting purposes were determined by actuarial valuations as of July 1, 2021 and 2020 and rolled forward to June 30, 2022 and 2021, respectively. The following actuarial assumptions were used and applied to the current period measurement:

- Actuarial cost method: Entry age normal cost with level percentage of payroll.
- Asset valuation method: Investments are reported at fair (market) value.
- Amortization method and period: Level dollar, fixed period over 40 years, from July 1, 1994 through fiscal year 2034.
- Investment rate of return of 7.25%, net of pension plan administrative and investment expenses.
- Projected salary increases: Teachers 2.75-5.90% and non-teachers 2.75-6.50%, based on age.
- Inflation rate of 2.75%.
- Discount rate of 7.25%.
- Mortality rates based on Pub-2010 Mortality Tables.
- Withdrawal rates: Teachers 7.00-35.00% and non-teachers 2.30-18.00%.
- Disability rates: 0.004-0.563%.
- Retirement age: An age-related assumption is used for participants not yet receiving payments.
- Retirement rates: 15.00-100.00%.
- *Ad hoc* cost-of-living increases in pensions are periodically granted by the State Legislature. However, the retirement system makes no automatic provision for such increases.

Experience studies are performed at least once in every five-year period. The most recent experience study covered the period from July 1, 2014 to June 30, 2019. These assumptions will remain in effect for valuation purposes until such time as the CPRB adopts revised assumptions.

The long-term expected rate of return on pension plan investments was determined using the building-block method in which best-estimate ranges 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 percentage and by adding expected inflation. Best estimates of the long-term geometric real rates of return for each major asset class included in STRS' target asset allocation as of June 30, 2022 and 2021, are summarized below.

	June 30, 2022	
Asset Class	Long-term Expected Real Rate of Return	Target Allocation
Domestic equity	5.3%	27.5%
International equity	6.1%	27.5%
Fixed income	2.2%	15.0%
Real estate	6.5%	10.0%
Private equity	9.5%	10.0%
Hedge funds	3.8%	10.0%

NOTE 9 - RETIREMENT PLANS (Continued)

June 30, 2021		
Asset Class	Long-term Expected Real Rate of Return	Target Allocation
Domestic equity	5.5%	27.5%
International equity	7.0%	27.5%
Fixed income	2.2%	15.0%
Real estate	6.6%	10.0%
Private equity	8.5%	10.0%
Hedge funds	4.0%	10.0%

Discount rate. The discount rate used to measure the total STRS pension liability was 7.25% for fiscal years 2022 and 2021. The projection of cash flows used to determine the discount rate assumed that State contributions will continue to follow the current funding policy. Based on those assumptions, STRS' 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 STRS' investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate. The following presents the College's proportionate share of the STRS net pension liability as of June 30, 2023 and 2022 calculated using the discount rate of 7.25%, as well as what the College's STRS net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
2023	$ 134,644	$ 91,540	$ 54,932
2022	$ 99,139	$ 56,104	$ 19,534

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

The June 30, 2023 STRS net pension liability was measured as of June 30, 2022, and the total pension liability was determined by an actuarial valuation as of July 1, 2021, rolled forward to the measurement date of June 30, 2022. The June 30, 2022 STRS net pension liability was measured as of June 30, 2021, and the total pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to the measurement date of June 30, 2021.

At June 30, 2023, the College's proportionate share of the STRS net pension liability was $295,477. Of this amount, the College recognized $91,540 as its proportionate share on the statement of net position. The remainder of $203,937 denotes the College's proportionate share of net pension liability attributable to the special funding.

NOTE 9 - RETIREMENT PLANS (Continued)

At June 30, 2022, the College's proportionate share of the STRS net pension liability was $181,538. Of this amount, the College recognized $56,104 as its proportionate share on the statement of net position. The remainder of $125,434 denotes the College's proportionate share of net pension liability attributable to the special funding.

The allocation percentage assigned to each participating employer and non-employer contributing entity is based on its proportionate share of employer and non-employer contributions to STRS for each of the fiscal years ended June 30, 2022 and 2021. Employer contributions are recognized when due. At the June 30, 2022 measurement date, the College's proportion was 0.003559%, a decrease of 0.000031% from its proportion of 0.003590% calculated as of June 30, 2021. At the June 30, 2021 measurement date, the College's proportion was 0.003590%, an increase of 0.000053% from its proportion of 0.003537% calculated as of June 30, 2020.

For the year ended June 30, 2023, the College recognized STRS pension expense of $(48,475). Of this amount, $(65,348) was recognized as the College's proportionate share of the STRS expense and $16,873 as the amount of pension expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of $16,873 for support provided by the State.

For the year ended June 30, 2022, the College recognized STRS pension expense of $(61,853). Of this amount, $(59,717) was recognized as the College's proportionate share of the STRS expense and $(2,136) as the amount of pension expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of $(2,136) for support provided by the State.

At June 30, 2023 and 2022, deferred outflows of resources and deferred inflows of resources related to the STRS pension are as follows:

	2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,801	$ 747
Changes in proportion and differences in pension contributions	4,773	10,872
Net difference between projected and actual investment earnings	3,713	-
Changes in assumptions	5,172	-
Contributions after the measurement date	16,129	-
Total	$ 33,588	$ 11,619

NOTE 9 - RETIREMENT PLANS (Continued)

	2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,571	$ 1,643
Changes in proportion and differences in pension contributions	7,355	84,542
Net difference between projected and actual investment earnings	-	44,839
Changes in assumptions	6,965	-
Contributions after the measurement date	14,991	-
Total	$ 33,882	$ 131,024

The College will recognize the $16,229 reported as deferred outflows of resources resulting from pension contributions after the measurement date as a reduction of the STRS net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in STRS pension expense as follows.

Year Ended June 30,	Amortization
2024	$ (5,618)
2025	3,572
2026	(1,576)
2027	9,462
Total	$ 5,840

Payables to the pension plan

The College did not report any amounts payable for normal contributions to the STRS as of June 30, 2023 and 2022.

DEFINED CONTRIBUTION BENEFIT PLANS

The TIAA-CREF and Educators Money are defined contribution plans in which benefits are based upon amounts contributed, plus investment earnings. Each employee who elects to participate in these plans is required to make a contribution equal to 6% of total annual compensation. BridgeValley simultaneously matches the employees’ 6% contribution. Contributions are immediately and fully vested.

NOTE 9 - RETIREMENT PLANS (Continued)

Total contributions to the TIAA-CREF for the years ended June 30, 2023, 2022, and 2021 were approximately $1,117,516, $1,082,456, and $1,162,260, respectively, which consisted of approximately $558,758, $541,228, and $581,130, respectively, from BridgeValley and approximately $558,758, $541,228, and $581,130, respectively, from covered employees.

BridgeValley's total payroll for the years ended June 30, 2023, 2022, and 2021 was approximately $9.4 million, $9.1 million, and $9.8 million, respectively, and total covered employees' salaries in the TIAA-CREF were approximately $9.3 million, $9.0 million, and $9.7 million for the years ended June 30, 2023, 2022, and 2021, respectively.

NOTE 10 - AFFILIATED ORGANIZATIONS AND OTHER STATE AGENCIES

Kanawha Valley shared a campus with West Virginia State University (WV State) until 2012 when the College moved its campus to the West Virginia Regional Technology Park. BridgeValley continues to make payments on WV State's Student Union building as student tuition from both institutions were obligated per the bond agreements. The final payments occurred in fiscal year 2022.

In addition to the relationships and transactions previously described, BridgeValley receives funding or grants from and provides services to other state agencies, and utilizes services, supplies and equipment provided by other state agencies. Amounts due from and due to other state agencies at June 30, are as follows:

	2023	2022
Due from:		
Division of Highways	$ 32,481	$ 37,323
Department of Health & Human Resources	39,826	29,337
Department of Veterans Affairs	61,727	-
Board of Treasury Investments	144	144
	$ 134,178	$ 66,804
Due to:		
Department of Administration	$ 75	$ -
Department of Labor	-	181
Mountwest CTC	5,768	5,551
New River CTC	6,282	-
Attorney General	217	78
State Treasurer's Office	7	118
West Virginia University	16,020	36,651
	$ 28,369	$ 42,579

NOTE 11 - BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE FOUNDATION, INCORPORATED

BridgeValley Community and Technical College Foundation, Incorporated (Foundation) is a separate non-profit organization incorporated in the State of West Virginia as a tax exempt 501(c)(3) entity. During fiscal year 2015 Boards for both the Bridgemont and Kanawha Valley Community and Technical College Foundations approved the consolidation of the respective foundations into BridgeValley Community and Technical College Foundation, Inc. and amended the federal and state organizational documents for the change.

NOTE 12 - CONTINGENCIES

The nature of the educational industry is such that, from time to time, claims will be presented against colleges and universities on account of alleged negligence, acts of discrimination, breach of contract, or disagreements arising from the interpretation of laws or regulations. While some of these claims may be for substantial amounts, they are not unusual in the ordinary course of providing educational services in a higher education system. In the opinion of management, all known claims are covered by insurance or are such that an award against BridgeValley would not impact seriously on the financial status of BridgeValley.

Under the terms of federal grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. Management believes disallowances, if any, would not have a significant financial impact on BridgeValley's financial position.

BridgeValley owns various buildings that are known to contain asbestos. BridgeValley is not required by Federal, State, or Local Law to remove the asbestos from the buildings. BridgeValley is required by Federal Environmental, Health, and Safety Regulations to manage the presence of asbestos in the buildings in a safe condition. Significant problems of dangerous asbestos conditions are abated as the condition becomes known. BridgeValley also addresses the presence of asbestos as building renovation or demolition projects are undertaken and through asbestos operation and maintenance programs directed at containing, managing, or operating with the asbestos in a safe condition.

NOTE 13 - COMPONENT UNIT DISCLOSURES

The following are the notes taken directly from the Foundation's financial statements starting on the following page:

NOTE 14 - FUNCTIONAL CLASSIFICATION OF EXPENSES

BridgeValley's operating expenses by functional and natural classification are as follows:

2023

	Salaries and Wages	Benefits	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation	Assessments by the Commission	Net Service Agreement Expense	Total
Instruction	$ 5,590,015	$ 1,224,354	$ -	$ -	$ 2,773,741	$ -	$ -	$ -	$ 9,588,110
Public service	541,089	89,991	-	-	583,155	-	-	-	1,214,235
Academic support	719,609	181,672	-	-	462,558	-	-	-	1,363,839
Student services	686,874	154,963	-	-	186,981	-	-	-	1,028,818
Operation and maintenance of plant	489,283	137,729	-	367,510	328,030	-	-	-	1,322,552
General institutional support	2,039,259	(511,008)	-	942	1,589,294	-	-	-	3,118,487
Student financial aid	42,350	-	1,901,423	-	-	-	-	-	1,943,773
Depreciation	-	-	-	-	-	2,523,225	-	-	2,523,225
Fees assessed by the Commission	-	-	-	-	-	-	78,944	-	78,944
Net service agreement expense	-	-	-	-	-	-	-	-	-
Total expenses	$ 10,108,479	$ 1,277,701	$ 1,901,423	$ 368,452	$ 5,923,759	$ 2,523,225	$ 78,944	$ -	$ 22,181,983

2022

	Salaries and Wages	Benefits	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation	Assessments by the Commission	Net Service Agreement Expense	Total
Instruction	$ 5,157,878	$ 1,160,449	$ -	$ 21	$ 1,760,695	$ -	$ -	$ -	$ 8,079,043
Public service	998,471	182,723	-	1,161	1,290,075	-	-	-	2,472,430
Academic support	471,266	117,632	-	-	288,379	-	-	-	877,277
Student services	758,322	195,462	-	-	112,654	-	-	-	1,066,438
Operation and maintenance of plant	505,034	147,438	-	423,216	339,117	-	-	-	1,414,805
General institutional support	2,030,616	(658,254)	-	6,203	2,528,769	-	-	-	3,907,334
Student financial aid	40,659	-	4,741,308	-	9,825	-	-	-	4,791,792
Depreciation	-	-	-	-	-	2,482,396	-	-	2,482,396
Fees assessed by the Commission	-	-	-	-	-	-	84,785	-	84,785
Net service agreement expense	-	-	-	-	-	-	-	118,548	118,548
Total expenses	$ 9,962,246	$ 1,145,450	$ 4,741,308	$ 430,601	$ 6,329,514	$ 2,482,396	$ 84,785	$ 118,548	$ 25,294,848

REQUIRED SUPPLEMENTARY INFORMATION

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
June 30, 2023

State Teachers' Retirement System
Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
BridgeValley's proportion of the net pension liability (percentage)	0.003559%	0.003590%	0.003537%	0.003381%	0.003160%	0.005536%	0.015699%	0.013300%	0.012705%	
BridgeValley's proportionate share of the net pension liability	$ 91,540	$ 56,104	$ 113,925	$ 100,591	$ 98,663	$ 191,267	$ 645,185	$ 463,976	$ 438,284	
State's proportionate share of the net pension liability	203,937	125,434	247,516	71,128	71,188	422,977	1,228,906	1,051,622	990,323	
Total proportionate share of the net pension liability	$ 295,477	$ 181,538	$ 361,441	$ 171,719	$ 169,851	$ 614,244	$ 1,874,091	$ 1,515,598	$ 1,428,607	
BridgeValley's covered payroll	$ 99,940	$ 99,880	$ 99,705	$ 97,634	$ 95,540	$ 152,785	$ 405,739	$ 403,194	$ 392,000	
BridgeValley's proportionate share of the net pension liability as a percentage of its covered payroll	91.59%	56.17%	114.26%	103.03%	103.27%	125.19%	159.01%	115.08%	111.81%	
Plan fiduciary net position as a percentage of the total pension liability	77.78%	86.38%	70.89%	72.64%	71.20%	67.85%	61.42%	66.25%	65.95%	

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

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
June 30, 2023

State Teachers' Retirement System
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 16,129	$ 14,991	$ 14,982	$ 14,956	$ 14,645	$ 14,331	$ 22,918	$ 60,861	$ 60,479	
Contributions in relation to the contractually required contribution	(16,129)	(14,991)	(14,982)	(14,956)	(14,645)	(14,331)	(22,918)	(60,861)	(60,479)	
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Government's covered payroll	$ 107,527	$ 99,940	$ 99,880	$ 99,705	$ 97,634	$ 95,540	$ 152,785	$ 405,739	$ 403,194	
Contributions as a percentage of covered payroll	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	

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

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
JUNE 30, 2023

Last 10 Fiscal Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
BridgeValley's proportion of the net OPEB liability (asset) (percentage)	0.145417455%	0.169719996%	0.163707891%	0.166058333%	0.168886231%	0.152321576%				
BridgeValley's proportionate share of the net OPEB liability (asset)	$ 161,848	$ (50,466)	$ 723,084	$ 2,755,127	$ 3,623,346	$ 3,745,571				
State's proportionate share of the net OPEB liability (asset)	55,443	(9,937)	159,885	563,822	748,849	769,344				
Total proportionate share of the net OPEB liability (asset)	$ 217,291	$ (60,403)	$ 882,969	$ 3,318,949	$ 4,372,195	$ 4,514,915				
BridgeValley's covered-employee payroll	$ 7,512,857	$ 7,859,176	$ 7,364,781	$ 7,415,424	$ 7,239,356	$ 7,233,271				
BridgeValley's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	2.15%	-0.64%	9.82%	37.15%	50.05%	51.78%				
Plan fiduciary net position as a percentage of the total OPEB liability	93.59%	101.81%	73.49%	39.69%	30.98%	25.10%				

* - The amounts presented for each fiscal year were determined as of June 30th of the previous year (measurement date).

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

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OPEB CONTRIBUTIONS
JUNE 30, 2023

Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Statutorily required contribution	$ 129,352	$ 172,215	$ 307,110	$ 316,711	$ 342,206	$ 348,283				
Contributions in relation to the statutorily required contribution	(129,352)	(172,215)	(307,110)	(316,711)	(342,206)	(348,283)				
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -				
BridgeValley's covered-employee payroll	$ 7,402,737	$ 7,512,857	$ 7,859,176	$ 7,364,781	$ 7,415,524	$ 7,239,356				
Contributions as a percentage of covered-employee payroll	1.75%	2.29%	3.91%	4.30%	4.61%	4.81%				

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

Amounts reported reflect changes in assumptions to more closely reflect actual experience. Significant changes in assumptions are related to projected salary increases, inflation rate, and mortality tables.

	Inflation	Salary Increases	Investment Rate of Return	Mortality	Discount Rate
2022	2.75%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 2.75 to 5.90%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 2.75 to 6.50%.	7.25%, net of pension plan investment expense, including inflation.	Active: Pub-2010, General Employees table, headcount weighted, projected generationally with scale MP-2019. Retired: Healthy males – 100% of Pub-2010 General Retiree Male table, headcount weighted, projected generationally with scale MP-2019; Retired healthy females – 112% of Pub-2010 General Retiree Female table, headcount weighted, projected generationally with scale MP-2019; Disabled males – 107% of Pub-2010 General/Teacher Disabled Male table, headcount weighted, projected generationally with scale MP-2019; Disabled females – 113% of Pub-2010 General/Teacher Disabled Female table, headcount weighted, projected generationally with scale MP-2019; Beneficiary males-101% of Pub-2010 Contingent Survivor Male table, headcount weighted, projected generationally with Scale MP-2019; Beneficiary females-113% of Pub-2010 Contingent Survivor Female table, headcount weighted, projected generationally with Scale MP-2019	7.25%
2021	2.75%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 2.75 to 5.90%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 2.75 to 6.50%.	7.25%, net of pension plan investment expense, including inflation.	Active: Pub-2010, General Employees table, headcount weighted, projected generationally with scale MP-2019. Retired: Healthy males – 100% of Pub-2010 General Retiree Male table, headcount weighted, projected generationally with scale MP-2019; Retired healthy females – 112% of Pub-2010 General Retiree Female table, headcount weighted, projected generationally with scale MP-2019; Disabled males – 107% of Pub-2010 General/Teacher Disabled Male table, headcount weighted, projected generationally with scale MP-2019; Disabled females – 113% of Pub-2010 General/Teacher Disabled Female table, headcount weighted, projected generationally with scale MP-2019.	7.25%

	Inflation	Salary Increases	Investment Rate of Return	Mortality	Discount Rate
2020	3.0%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.16%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.75%.	7.5%, net of pension plan investment expense, including inflation.	Active: Pub-2010, General Employees table, headcount weighted, projected generationally with scale MP-2019. Retired healthy males – 108% of Pub-2010 General Retiree Male table, headcount weighted, projected generationally with scale MP-2019; Retired healthy females – 112% of Pub-2010 General Retiree Female table, headcount weighted, projected generationally with scale MP-2019; Disabled males – 107% of Pub-2010 General/Teacher Disabled Male table, headcount weighted, projected generationally with scale MP-2019; Disabled females – 113% of Pub-2010 General/Teacher Disabled Female table, headcount weighted, projected generationally with scale MP-2019.	7.5%
2019	3.0%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%.	7.5%, net of pension plan investment expense, including inflation.	Active: RP2000, non-annuitant table, projected with Scale AA on a fully generational basis. Retired: Healthy males – 97% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; Healthy females – 94% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; Disabled males – 96% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis; Disabled females – 101% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis.	7.5%
2018	3.0%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%.	7.5%, net of pension plan investment expense, including inflation.	Active: RP2000, non-annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; healthy females – 94% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis; disabled females – 101% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis.	7.5%

	Inflation	Salary Increases	Investment Rate of Return	Mortality	Discount Rate
2017	3.0%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%.	7.5%, net of pension plan investment expense, including inflation.	Active: RP2000, non-annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; healthy females – 94% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis; disabled females – 101% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis.	7.5%
2016	3.0%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.00%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.00 to 6.50%.	7.5%, net of pension plan investment expense, including inflation.	Active: RP2000, non-annuitant table, projected with Scale AA on a fully generational basis. Retired: healthy males – 97% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; healthy females – 94% of RP2000 healthy annuitant table, projected with Scale AA on a fully generational basis; disabled males – 96% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis; disabled females – 101% of RP2000 disabled annuitant table, projected with Scale AA on a fully generational basis.	7.5%
2015	3.0%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.75 to 5.25%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.40 to 6.50%.	7.5%, net of pension plan investment expense, including inflation.	Active: RP2000, non-annuitant monthly mortality table. Retired: RP2000 healthy annuitant, scale AA; Disabled: RP2000 disabled annuitant mortality table, scale AA.	7.5%

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
YEARS ENDED JUNE 30, 2023 AND 2022

	Inflation	Salary Increases	Investment Rate of Return	Mortality	Discount Rate
2014	3.0%	For teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.75 to 5.25%. For non-teacher members, salary increases are based on member experience, dependent on age and gender, ranging from 3.40 to 6.50%.	7.5%, net of pension plan investment expense, including inflation.	Active: RP2000, non-annuitant monthly mortality table; Retired: RP2000 healthy annuitant, scale AA; Disabled: RP2000 disabled annuitant mortality table, scale AA.	7.5%

There are no other significant factors that affect trends in the amounts reported, such as a change of benefit terms or other assumptions. Additional information, if necessary, can be obtained from the CPRB Annual Comprehensive Financial Report for the corresponding year.

Actuarial Changes Other Postemployment Benefits Plan

The actuarial assumptions used in the total OPEB liability (asset) calculation can change from year to year. Please see table below which summarizes the actuarial assumptions used for the respective measurement dates.

	Inflation Rate	Salary Increases	Wage Inflation Rate	Investment Rate of Return & Discount Rate	Mortality	Retirement Age	Aging Factors	Expenses	Healthcare Cost Trend Rates
2022	2.25%	Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation	2.75%	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; Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with MP-2021	Experience-based table of rates that are specific to the type of eligibility condition	2013 SOA study "Health Care Costs - From Birth to Death"	Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of annual expense.	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.
2021	2.25%	Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation	2.75%	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; Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with MP-2019	Experience-based table of rates that are specific to the type of eligibility condition	2013 SOA study "Health Care Costs - From Birth to Death"	Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of annual expense.	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.
2020	2.25%	Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation	2.75%	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; Pre-Retirement: Pub-2010 General Employee Mortality Tables projected with MP-2019	Experience-based table of rates that are specific to the type of eligibility condition	2013 SOA study "Health Care Costs - From Birth to Death"	Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of annual expense.	Trend rate for pre-Medicare per capita costs of 7.0% for plan year end 2022, 6.5% for plan year end 2023, decreasing by 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.
2019	2.75%	Dependent upon pension system. Ranging from 3.0% to 6.5%, including inflation	4.00%	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 Pre-Retirement: RP– 2000 Non-Annuitant Mortality Table projected with Scale AA on a fully generational basis	Experience-based table of rates that are specific to the type of eligibility condition	2013 SOA study "Health Care Costs - From Birth to Death"	Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of annual expense.	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.
2018	2.75%	Dependent upon pension system. Ranging from 3.0% to 6.5%, including inflation	4.00%	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 Pre-Retirement: RP– 2000 Non-Annuitant Mortality Table projected with Scale AA on a fully generational basis	Experience-based table of rates that are specific to the type of eligibility condition.	2013 SOA study "Health Care Costs - From Birth to Death"	Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of annual expense.	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.
2017	2.75%	Dependent upon pension system. Ranging from 3.0% to 6.5%, including inflation	4.00%	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 Pre-Retirement: RP– 2000 Non-Annuitant Mortality Table projected with Scale AA on a fully generational basis	Experience-based table of rates that are specific to the type of eligibility condition.	2013 SOA study "Health Care Costs - From Birth to Death"	Health administrative expenses are included in the development of the per capita claims cost. Operating expenses are included as a component of annual expense.	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.

Suttle & Stalnaker PLLC
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Governors
BridgeValley Community and Technical College
South Charleston, West Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and discretely presented component unit of BridgeValley Community and Technical College (the College), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated September 29, 2023 which states reliance on other auditors for the discretely presented component unit. Our report includes a reference to other auditors who audited the financial statements of The BridgeValley Community and Technical College Foundation, Inc., as described in our report on the College's financial statements. The financial statements of the BridgeValley Community and Technical College Foundation, Inc. were not audited in accordance with *Government Auditing Standards*, and accordingly this report does not include reporting on internal control over financial reporting or instances of noncompliance associated with the BridgeValley Community and Technical College Foundation, Inc.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Suttle & Stalnaker, PLLC

Charleston, West Virginia
September 29, 2023