
BridgeValley Community and Technical College

Financial Statements
Years Ended June 30, 2024 and 2023
and
Independent Auditor's Reports



**Suttle &
Stalnaker**

Certified
Public
Accountants

A Professional Limited Liability Company



BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
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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, 2024 and 2023, 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, 2024 and 2023, 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.

The Virginia Center
1411 Virginia Street, East
Suite 100
Charleston, WV 25301

MAIN (304) 343-4126
FAX (304) 343-8008

The Rivers Office Park
200 Star Avenue
Suite 220
Parkersburg, WV 26101

MAIN (304) 485-6584
FAX (304) 485-0971

Suncrest Towne Centre
453 Suncrest Towne Centre Drive
Suite 201
Morgantown, WV 26505

MAIN (304) 554-3371
FAX (304) 554-3410

The Somerville Building
501 5th Avenue
Suite 1
Huntington, WV 25701

MAIN (304) 525-0301
FAX (304) 522-1569

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.

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 16, 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 68 through 76 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 October 1, 2024, 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.



Charleston, West Virginia
October 1, 2024

**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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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, 2024, 2023, and 2022, with a focus on 2024. A comparative analysis is presented for fiscal year 2024 compared to fiscal year 2023.

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.

**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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Financial Highlights

At June 30, 2024, BridgeValley's total net position was \$39,118,917 representing an increase of \$2,239,262. This increase in net position was primarily attributable to an increase in accounts receivables and reduction in OPEB liability and deferred inflows.

Total operating revenues increased approximately 21.5% over prior year primarily due to increases in federal and state grants and contracts and student tuition and fees. Total operating expenses increased approximately 10% over prior year mainly due to increases in supplies and other services, payroll costs, and scholarship expenses. Net nonoperating revenue increased approximately 4% primarily due to the increase in Pell grant and State Appropriations.

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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

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Condensed Schedules of Net Position
June 30,

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Assets and Deferred Outflows			
Current Assets	\$ 17,019,885	\$ 11,738,622	\$ 12,515,718
Noncurrent Assets	<u>30,258,717</u>	<u>32,298,951</u>	<u>32,816,075</u>
Total Assets	47,278,602	44,037,573	45,331,793
Deferred Outflows	<u>135,072</u>	<u>337,832</u>	<u>333,642</u>
Total	<u>\$ 47,413,674</u>	<u>\$ 44,375,405</u>	<u>\$ 45,665,435</u>
Liabilities, Deferred Inflows, and Net Position			
Current Liabilities	\$ 7,805,324	\$ 6,417,601	\$ 9,150,902
Noncurrent Liabilities	<u>89,768</u>	<u>253,388</u>	<u>56,104</u>
Total Liabilities	7,895,092	6,670,989	9,207,006
Deferred Inflows	<u>399,665</u>	<u>824,761</u>	<u>1,957,662</u>
Net Position			
Net Investment in Capital Assets	29,989,555	32,212,610	32,641,026
Restricted for:			
Nonexpendable	50,000	50,000	50,000
Unrestricted	<u>9,079,362</u>	<u>4,617,045</u>	<u>1,809,741</u>
Total Net Position	39,118,917	36,879,655	34,500,767
Total	<u>\$ 47,413,674</u>	<u>\$ 44,375,405</u>	<u>\$ 45,665,435</u>

Total 2024 assets and deferred outflows of resources increased by \$3,038,269 over 2023. Primary reasons for this increase in 2024 over 2023 are as follows:

- Amounts due from the Commission increased by \$155,730 due to timing of grant expenditures.
- Accounts receivable, net increased by \$880,116 primarily related to an increase in grant and student receivables.
- Due from state agencies increased by \$120,777 due to subrecipient receivables.
- Capital assets decreased by \$2,239,075 due to the disposal of land, building and equipment and continued depreciation.

Total liabilities and deferred inflows of resources in 2024 increased by \$799,007 compared with 2023. The primary reasons for this increase in 2024 compared with 2023 are as follows:

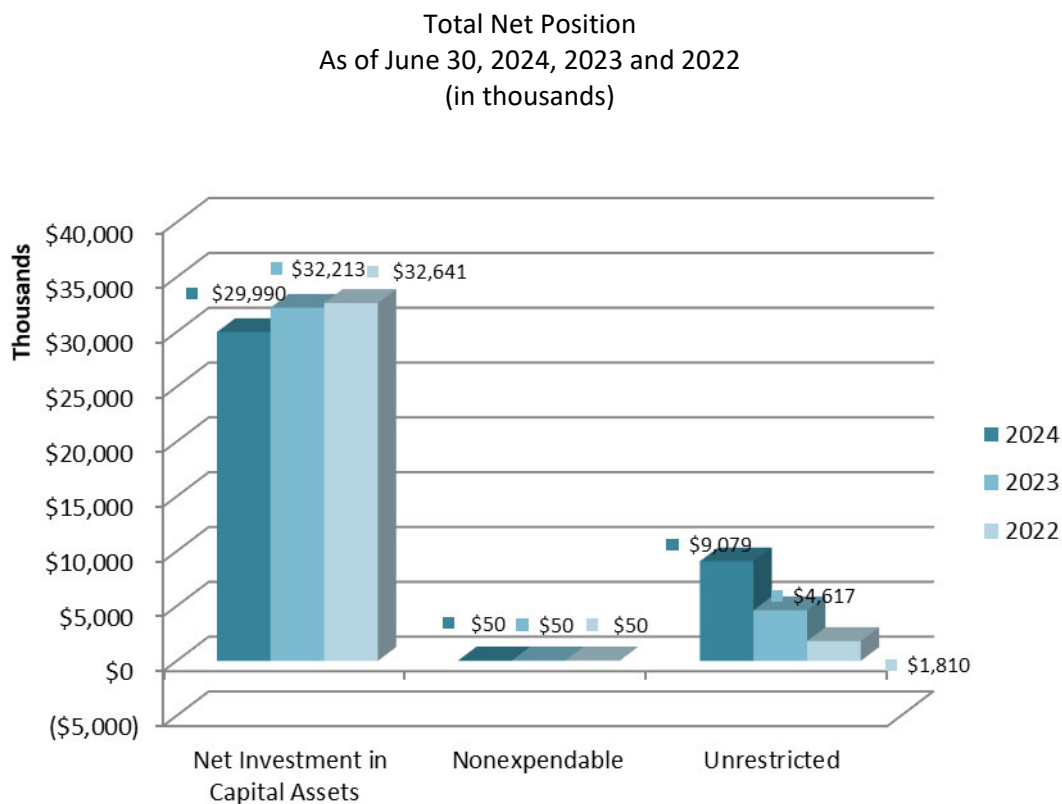
- Unearned revenue increased \$965,727 primarily attributable to increases in unspent grant funds and the new College Access Grant.
- The net change in other post-employment benefits (OPEB) liability/asset was \$364,873, comprised of a \$161,848 decrease in the OPEB liability and \$203,025 increase in the OPEB asset. The fluctuation is due to changes in estimates.

**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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- Due to the Commission increased by \$326,422 primarily due to grant activity and payroll reimbursement.
- Compensated absences increased by \$14,181 due to accrued leave balances.
- Accounts payable increased by \$78,901 due to timing of rental payments and learn and earn payments.
- Deferred inflows decreased \$425,096 due to market changes for OPEB.

The following is a comparative illustration of net position.



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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024

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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

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating Revenues	\$ 12,692,406	\$ 10,444,698	\$ 8,993,243
Operating Expenses	<u>24,435,642</u>	<u>22,181,983</u>	<u>25,294,848</u>
Operating Loss	(11,743,236)	(11,737,285)	(16,301,605)
Net Nonoperating Revenues	<u>13,548,842</u>	<u>12,980,537</u>	<u>16,160,304</u>
Increase (Decrease) in Net Position before Other Revenues, Expenses, Gains, or Losses	1,805,606	1,243,252	(141,301)
Capital Grants and Gifts, Capital Bond Proceeds and Payments on Behalf of the College	<u>433,656</u>	<u>1,135,636</u>	<u>438,280</u>
Increase (decrease) in Net Position	<u>2,239,262</u>	<u>2,378,888</u>	<u>296,979</u>
Net position at Beginning of Year	<u>36,879,655</u>	<u>34,500,767</u>	<u>34,203,788</u>
Net Position at End of Year	<u>\$ 39,118,917</u>	<u>\$ 36,879,655</u>	<u>\$ 34,500,767</u>

Operating revenue increased in fiscal year 2024 by \$2,247,708 over fiscal year 2023. Operating expenses increased by \$2,253,659 over fiscal year 2023, resulting in a fiscal year 2024 net operating loss increase of \$5,951 compared with fiscal year 2023. Net nonoperating revenue increased in fiscal year 2024 by \$568,305 compared with fiscal year 2023.

The pie charts following reflect the percentage allocation of total revenue from all sources in fiscal year 2024 compared with fiscal year 2023. Following these charts is a discussion regarding the changes in fiscal year 2024 revenue compared with fiscal year 2023.

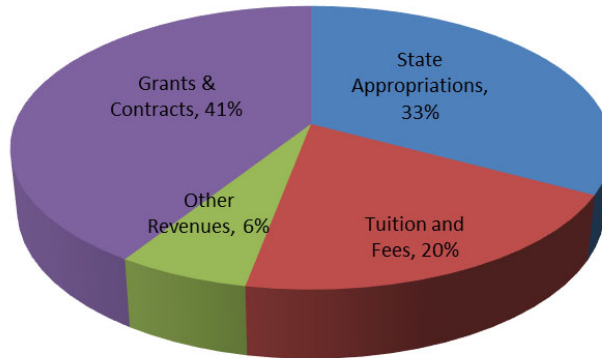
**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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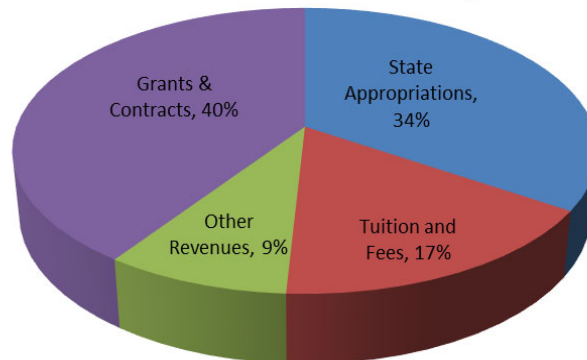
Revenues:

The following charts illustrate the composition of revenues by source for 2024 and 2023.

**Total Revenues
For the Year Ended June 30, 2024**



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



Some highlights of the changes in fiscal year 2024 revenues compared with fiscal year 2023 are as follows:

- Net tuition and fee revenue increased by \$1,142,807 primarily related to an enrollment increase and the removal of the tuition cap of twelve hours.
- Capital grants and gifts revenue decreased by \$871,507 due to fewer purchases of grant funded assets.

**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

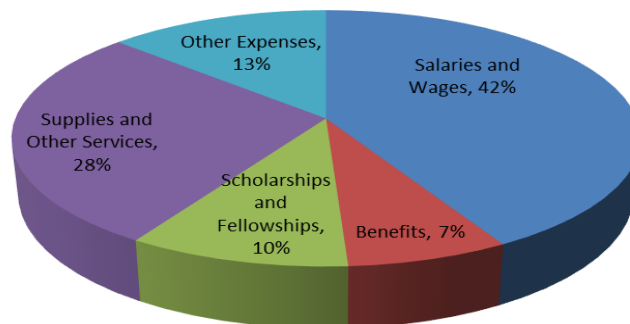
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- Grants and contracts increased by \$1,106,250. There was an increase in Federal grants and contracts revenue of \$1,022,435 primarily related the ARC Power, EDA and WORC grant activity. State grants and contracts increased by \$37,429 related to numerous Learn & Earn grants. Nongovernmental grants and contracts increased by \$46,386 due to a reduction in unearned revenue.
- Pell grants increased by \$1,266,061 related to increased enrollment and tuition costs.
- State Appropriations increased by \$639,549 due to supplemental appropriations.

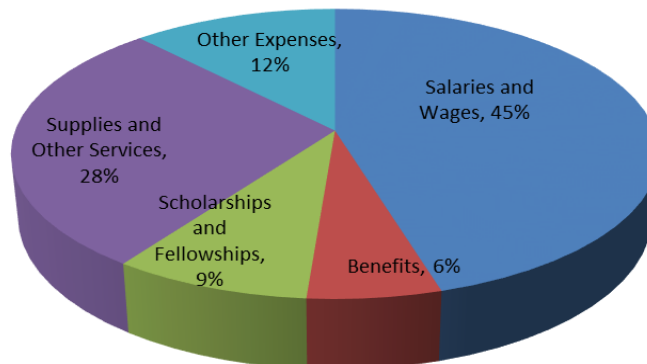
Expenses:

The following is a graphic illustration of total expenses by source for fiscal years 2024 and 2023.

**Total Expenses
For the Year Ended June 30, 2024**



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



**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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Total operating expenses for fiscal year 2024 were \$24,435,642 with an increase of \$2,253,659 over fiscal year 2023. Some highlights of the changes in fiscal year 2024 expenses compared with fiscal year 2023 are as follows:

- Salaries and wages increased by \$400,524 primarily related to merit raises and faculty promotions.
- Benefits increased by \$541,637 primarily related to the changes in the OPEB liability and related deferred outflows and inflows and increased salaries.
- Supplies and other services increased by \$712,566 due to increased grant activity and special projects.
- Scholarships and fellowships increased by \$586,615 due to increased Pell grants.
- Loss on disposal of capital assets increased by \$651,678 due to the sale of land, buildings and equipment.

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.

**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

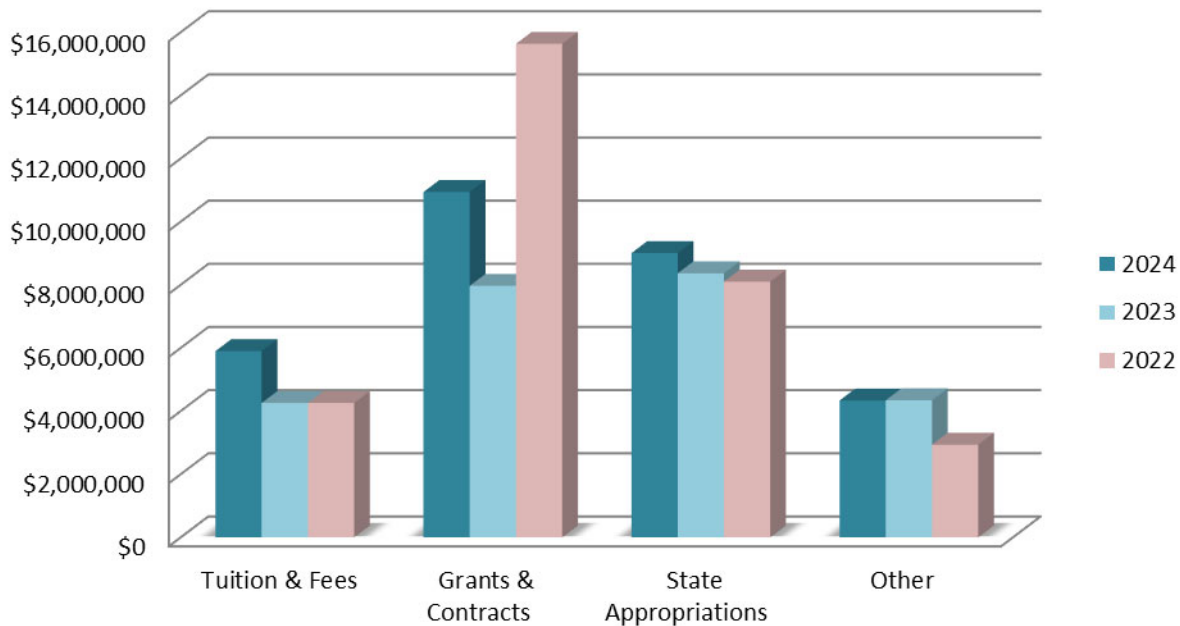
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**Condensed Statements of Cash Flows
Years Ended June 30,**

Cash Provided By (Used In):	<u>2024</u>	<u>2023</u>	<u>2022</u>
Operating Activities	\$(9,710,809)	\$(12,414,964)	\$(12,080,862)
Noncapital Financing Activities	13,691,628	12,981,355	16,524,257
Capital Financing Activities	(405,399)	(1,423,603)	(692,752)
Investing Activities	549,220	294,978	8,416
Increase (Decrease) in Cash and Cash Equivalents	4,124,640	(562,234)	3,759,059
Cash and Cash Equivalents, Beginning of Year	11,171,802	11,734,036	7,974,977
Cash and Cash Equivalents, End of Year	<u>\$15,296,442</u>	<u>\$11,171,802</u>	<u>\$11,734,036</u>

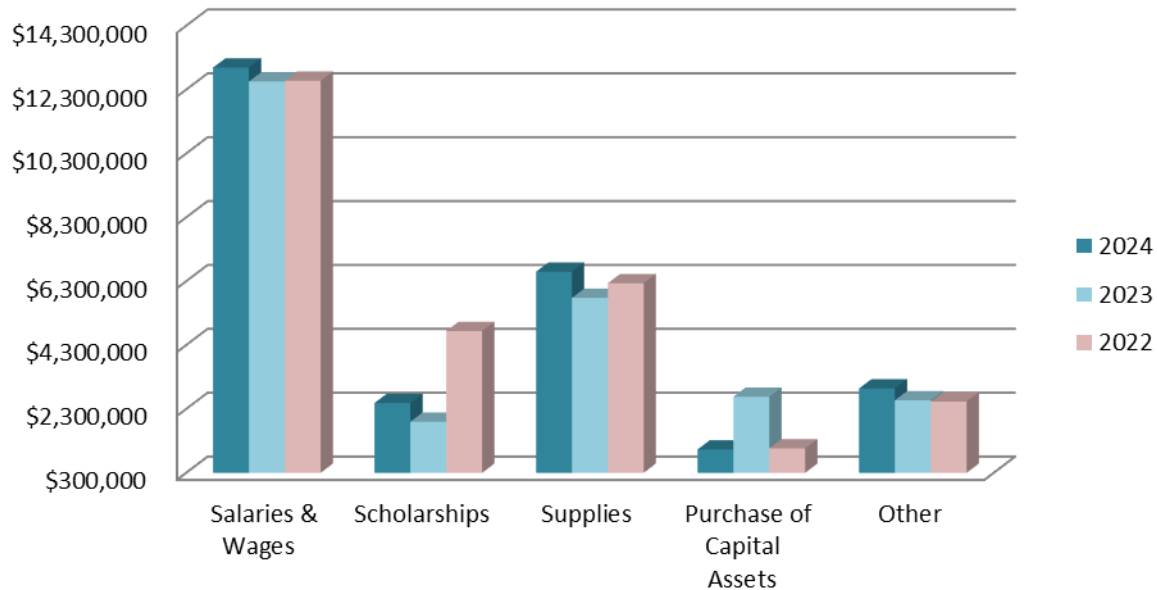
The following graphs illustrate the sources and uses of cash:

**SOURCES OF CASH
Fiscal Years 2024, 2023 and 2022**



USES OF CASH

Fiscal Years 2024, 2023 and 2022



Capital Asset and Long Term Debt Activity

During fiscal year 2024, BridgeValley Community and Technical College sold two pieces of property and the related buildings located on its Montgomery campus for \$261,030. Equipment was also sold through bid, which resulted in \$35,000. The decreases to capital assets were \$50,880 for land, \$1,004,600 for buildings and \$118,807 for equipment. The offsetting depreciation decreases were \$74,210 for buildings and \$103,615 for equipment. The net capital assets decrease totaled \$996,262. When netted against proceeds from the sale resulted in a loss of \$700,232.

In the summer of 2023, the Governor's Office provided guidance for applying for Deferred Maintenance Projects Funding. The WV Community & Technical College System staff will oversee the projects for two-year institutions. Bridge Valley Community and Technical College was awarded funding for three projects totaling \$2,475,000. The Montgomery campus projects include: demolishing two buildings and paving the demo sites, modifying the Workforce Training Center for restroom accessibility and garage bay expansion, and updating the stair tower railings in Davis Hall. At year-end, the projects have been evaluated by architects but no demolition or modifications had started.

**BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

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Economic Outlook

The financial position of BridgeValley is closely tied to that of the State of West Virginia. During 2023-2024, state revenue collections remained stable and no reductions were imposed. Fiscal year 2024 state appropriations increased slightly and a supplemental appropriation was received for operational costs. The State Budget Office projections for fiscal year 2025 are being closely monitored. Should these projections for fiscal year 2025 change and BridgeValley experiences a reduction in state appropriations, the College has developed plans to address the reductions.

Projections for Fall 2024 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 2025, BridgeValley's Board of Governors approved the continuation of 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, 2024 AND 2023

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	2024	2023
ASSETS AND DEFERRED OUTFLOWS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 15,246,442	\$ 11,121,802
Accounts receivable, net of allowance for doubtful accounts	1,252,612	372,496
Due from State agencies	254,955	134,178
Due from the Council/Commission	265,876	110,146
Total current assets	<u>17,019,885</u>	<u>11,738,622</u>
NONCURRENT ASSETS:		
Cash and cash equivalents	50,000	50,000
Other receivables	16,137	20,321
Net other post employment benefits (OPEB) asset	203,025	-
Capital assets, net	29,989,555	32,228,630
Total noncurrent assets	<u>30,258,717</u>	<u>32,298,951</u>
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows relating to the net pension liability	33,508	33,588
Deferred outflows relating to OPEB	101,564	304,244
Total deferred outflows of resources	<u>135,072</u>	<u>337,832</u>
TOTAL	<u>\$ 47,413,674</u>	<u>\$ 44,375,405</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
CURRENT LIABILITIES:		
Accounts payable	\$ 458,622	\$ 379,721
Due to State agencies	30,738	28,369
Accrued liabilities	975,965	975,842
Unearned revenue	5,608,950	4,643,223
Due to the Council/Commission	339,881	13,459
Compensated absences	391,168	376,987
Total current liabilities	<u>7,805,324</u>	<u>6,417,601</u>
NONCURRENT LIABILITIES:		
Other post employment benefits liability	-	161,848
Net pension liability	89,768	91,540
Total noncurrent liabilities	<u>89,768</u>	<u>253,388</u>
DEFERRED INFLOWS OF RESOURCES:		
Deferred inflows relating to the net pension liability	704	11,619
Deferred inflows relating OPEB	398,961	813,142
Total deferred inflows of resources	<u>399,665</u>	<u>824,761</u>
NET POSITION:		
Net investment in capital assets	29,989,555	32,212,610
Restricted for—nonexpendable	50,000	50,000
Unrestricted	9,079,362	4,617,045
Total net position	<u>39,118,917</u>	<u>36,879,655</u>
TOTAL	<u>\$ 47,413,674</u>	<u>\$ 44,375,405</u>

The Accompanying Notes Are An Integral
Part Of These Financial Statements

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2024 AND 2023

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	<u>2024</u>	<u>2023</u>
OPERATING REVENUES:		
Student tuition and fees — net of scholarship allowances of \$3,272,566 and \$2,426,177 in 2024 and 2023, respectively	\$ 5,400,926	\$ 4,258,119
Federal grants and contracts	1,332,640	310,205
State grants and contracts	4,526,922	4,489,493
Nongovernmental grants and contracts	754,588	708,202
Sales and services of educational departments	37,590	31,866
Auxiliary enterprises — net of scholarship allowances of \$172,240 and \$127,694 in 2024 and 2023, respectively	626,991	633,244
Other operating revenues	12,749	13,569
Total operating revenues	<u>12,692,406</u>	<u>10,444,698</u>
OPERATING EXPENSES:		
Salaries and wages	10,509,003	10,108,479
Benefits	1,819,338	1,277,701
Scholarships and fellowships	2,488,038	1,901,423
Utilities	364,497	368,452
Supplies and other services	6,636,325	5,923,759
Depreciation	2,534,305	2,523,225
Assessments by the Commission for operations	84,136	78,944
Total operating expenses	<u>24,435,642</u>	<u>22,181,983</u>
OPERATING LOSS	<u>(11,743,236)</u>	<u>(11,737,285)</u>
NONOPERATING REVENUES (EXPENSES):		
State appropriations	9,004,136	8,364,587
Federal Pell grants	4,694,610	3,428,549
Investment income	557,767	327,892
Higher Education Emergency Relief Fund (HEERF) revenue	-	916,660
Fees assessed by the Commission	(7,118)	(7,440)
Interest on capital asset-related debt	(321)	(1,157)
Loss on disposal of capital and other assets	(700,232)	(48,554)
Net nonoperating revenues	<u>13,548,842</u>	<u>12,980,537</u>
INCREASE IN NET POSITION BEFORE OTHER REVENUES, EXPENSES, GAINS, OR LOSSES	1,805,606	1,243,252
CAPITAL GRANTS AND GIFTS	355,096	1,226,603
PAYMENTS MADE AND EXPENSES INCURRED ON BEHALF OF THE COLLEGE - STATE OF WV	(124,878)	(90,967)
CAPITAL PAYMENTS MADE AND EXPENSES INCURRED ON BEHALF OF THE COLLEGE	<u>203,438</u>	<u>-</u>
INCREASE IN NET POSITION	2,239,262	2,378,888
NET POSITION - Beginning of year	<u>36,879,655</u>	<u>34,500,767</u>
NET POSITION - End of year	<u>\$ 39,118,917</u>	<u>\$ 36,879,655</u>

The Accompanying Notes Are An Integral
Part Of These Financial Statements

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

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	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Student tuition and fees	\$ 5,897,406	\$ 4,254,111
Grants and contracts	6,242,491	3,340,485
Payments to and on behalf of employees	(12,989,501)	(12,553,623)
Payments to suppliers	(6,597,154)	(5,777,863)
Payments to utilities	(366,435)	(376,387)
Payments for scholarships and fellowships	(2,488,038)	(1,901,422)
Auxiliary enterprise charges	624,219	633,244
Sales and service of educational departments	37,590	31,866
Fees retained by the Commission	(84,136)	(78,944)
Other receipts	12,749	13,569
Net cash used in operating activities	<u>(9,710,809)</u>	<u>(12,414,964)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State appropriations	9,004,136	8,364,587
Federal Pell grants	4,694,610	3,428,549
Higher Education Emergency Relief Fund (HEERF) revenue	-	1,195,659
Federal student loan program — direct lending receipts	2,763,116	2,070,755
Federal student loan program — direct lending payments	(2,763,116)	(2,070,755)
Fees assessed by the Commission	(7,118)	(7,440)
Net cash provided by noncapital financing activities	<u>13,691,628</u>	<u>12,981,355</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Payments on Commission debt	-	(15,367)
Capital gifts and grants received	347,096	1,226,603
Purchases of capital assets	(1,032,184)	(2,683,660)
Payments from HEPC for capital project	296,030	70,609
Payments on capital debt	(16,020)	(20,631)
Interest paid on capital debt	(321)	(1,157)
Net cash used in capital financing activities	<u>(405,399)</u>	<u>(1,423,603)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income	549,220	294,978
Net cash provided by investing activities	<u>549,220</u>	<u>294,978</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,124,640	(562,234)
CASH AND CASH EQUIVALENTS - Beginning of year	11,171,802	11,734,036
CASH AND CASH EQUIVALENTS - End of year	<u>\$ 15,296,442</u>	<u>\$ 11,171,802</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH USED		
IN OPERATING ACTIVITIES:		
Operating loss	\$ (11,743,236)	\$ (11,737,285)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	2,534,305	2,523,225
Pension expense - special funding situation	21,689	16,873
OPEB expense - special funding situation	(146,567)	(178,449)
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
Accounts receivable — net	(1,000,833)	(125,556)
Due from the Council/Commission	(147,243)	94,362
Other receivables	4,184	2,244
Deferred outflows of resources	202,760	(4,190)
Accounts payable	31,031	116,728
Accrued liabilities	123	(156,327)
Unearned revenue	965,727	(2,037,472)
Due to State Agencies	18,389	6,421
Due to the Council/Commission	326,422	(89,031)
Net other postemployment benefits	(364,873)	212,314
Net pension liability	(1,772)	35,436
Compensated absences	14,181	38,644
Deferred inflows of resources	(425,096)	(1,132,901)
Net cash used in operating activities	<u>\$ (9,710,809)</u>	<u>\$ (12,414,964)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT		
OF NET POSITION:		
Cash and cash equivalents classified as current	\$ 15,246,442	\$ 11,121,802
Cash and cash equivalents classified as noncurrent	50,000	50,000
	<u>\$ 15,296,442</u>	<u>\$ 11,171,802</u>
NONCASH TRANSACTIONS:		
Capital payments made on behalf of the College	\$ 203,438	\$ -
Capital expenses in accounts payable	<u>\$ 47,870</u>	<u>\$ -</u>

The Accompanying Notes Are An Integral
Part Of These Financial Statements

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

STATEMENTS OF FINANCIAL POSITION

ASSETS		
	JUNE 30,	
	2024	2023
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 228,411	\$ 111,414
Accounts Receivable	4,867	3,277
Investments	1,528,637	1,441,358
Accrued Interest Receivable	18,253	9,938
Prepaid Expenses	-	545
Total Current Assets	1,780,168	1,566,532
LONG-TERM ASSETS:		
Investments - Endowment	812,754	750,602
Investments - Non-Endowment	178,080	-
Total Long-Term Assets	990,834	750,602
TOTAL ASSETS	\$ 2,771,002	\$ 2,317,134
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts Payable	\$ 27,640	\$ 25,853
Amounts Held on Behalf of Others	16,972	11,010
Total Current Liabilities	44,612	36,863
NET ASSETS:		
Without Donor Restrictions	192,121	6,706
With Donor Restrictions:		
Purpose/Time Restrictions	1,801,425	1,540,721
Perpetual in Nature	732,844	732,844
Total Net Assets	2,726,390	2,280,271
TOTAL LIABILITIES AND NET ASSETS	\$ 2,771,002	\$ 2,317,134

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, 2024

	Net Assets		
	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS, LOSSES AND OTHER SUPPORT:			
Contributions - In-kind	\$ 25,092	\$ -	\$ 25,092
Contributions	109,531	223,837	333,368
Investment Income, net of investment expenses \$12,475	87,885	69,135	157,020
Special Events, Less Direct Expenses of \$24,198	23,811	-	23,811
Miscellaneous Revenue	2,582	-	2,582
Net Assets Released from Restrictions:			
Purpose Restrictions Accomplished	32,268	(32,268)	-
	<u>281,169</u>	<u>260,704</u>	<u>541,873</u>
Total Revenues, Gains, Losses and Other Support			
EXPENSES:			
Program Services - College and Student Support	48,953	-	48,953
Supporting Services:			
Management and General	38,121	-	38,121
Fundraising	8,680	-	8,680
	<u>95,754</u>	<u>-</u>	<u>95,754</u>
Total Expenses			
CHANGES IN NET ASSETS	185,415	260,704	446,119
NET ASSETS, JULY 1	6,706	2,273,565	2,280,271
NET ASSETS, JUNE 30	\$ 192,121	\$ 2,534,269	\$ 2,726,390

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.**

STATEMENTS OF CASH FLOWS

	FOR THE YEARS ENDED JUNE 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$ 446,119	\$ (30,347)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Net Unrealized and Realized (Gains) Losses on Investments	(80,557)	9,003
Change in Operating Assets and Liabilities:		
(Increase) Decrease In:		
Accounts and Grants Receivable	(1,590)	(3,277)
Accrued Interest Receivable	(8,315)	(3,881)
Prepaid Expenses	545	(545)
Increase (Decrease) In:		
Accounts Payable	1,787	8,945
Amounts Held for Others	5,962	500
Net Cash Provided (Used) by Operating Activities	<u>\$ 363,951</u>	<u>\$ (19,602)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investments and Certificates of Deposit	\$ (1,023,561)	\$ (2,446,575)
Sales of Investments	824,543	2,332,475
(Increase) in Investment Cash	<u>(47,936)</u>	<u>(15,344)</u>
Net Cash (Used) by Investing Activities	<u>\$ (246,954)</u>	<u>\$ (129,444)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 116,997	\$ (149,046)
CASH AND CASH EQUIVALENTS, JULY 1	<u>111,414</u>	<u>260,460</u>
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 228,411</u>	<u>\$ 111,414</u>
SUPPLEMENTAL SCHEDULE OF NON-CASH TRANSACTIONS:		
Unrealized Gains (Losses) on Investments	<u>\$ 52,918</u>	<u>\$ (96,201)</u>

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

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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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 10 and 12).

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, 2024 and 2023, 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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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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.wvbt.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 8.)

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 \$2.8 million and \$2.1 million, respectively, during fiscal years 2024 and 2023 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 2024 and 2023, BridgeValley received and disbursed approximately \$4.7 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 GASB - The College implemented GASB Statement No. 99, *Omnibus 2022*, which has varying effective dates based upon each provision ranging from being effective immediately to fiscal years beginning after June 15, 2023. The requirements of this Statement address a variety of items, including specific provisions regarding the following topics: (1) guidance and terminology updates on reporting derivative instruments that do not meet the definition of either an investment derivative or hedging derivative, but are within the scope of GASB Statement No. 53; (2) clarification of provisions of GASB Statement Nos. 87, 94, and 96; (3) extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate; (4) accounting for Supplemental Nutrition Assistance Program (SNAP) benefits; (5) non-monetary transactions; (6) clarification related to the focus of government-wide financial statements under GASB Statement No. 34; and (7) terminology updates related to GASB Statement No. 63. The provisions effective during the current fiscal year did not have an impact on the financial statements.

Recent Statements Issued by the Governmental Accounting Standards Board – 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.

GASB has also issued Statement No. 102, *Certain Risk Disclosures*, which is effective for fiscal years beginning after June 15, 2024. The objective of this statement is to provide financial statement users with information about risks due to concentrations or constraints common in a governmental environment. The standard requires an assessment of whether any concentrations or constraints increase the government's vulnerability to significant impacts, and whether events associated with concentrations and/or constraints have occurred or are more likely than not to occur within one year of issuance of the financial statements. Further, additional detailed disclosures may be required in certain situations. The College has not yet determined the effect that the adoption of GASB Statement No. 102 may have on its financial statements.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
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YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB has also issued Statement No. 103, *Financial Reporting Model Improvements*, which is effective for fiscal years beginning after June 15, 2025. The focus of the improvements are to the presentation of (1) management's discussion and analysis, (2) unusual or infrequent items, (3) proprietary fund statement of revenues, expenses, and changes in net position, (4) major component unit information, and (5) budgetary comparison information. The statement aims to improve financial reporting. It clarifies that management's discussion and analysis should be limited to only topics in the existing sections and stresses that the detailed analyses section should provide clear explanation of why balances or results changed rather than simply presenting the amounts of the change. The descriptions of unusual or infrequent items will make it clearer which items need to be separately reported. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from government to government, to improve comparability. The changes to presentation of major component unit information and budgetary comparison information are also geared towards enhancing comparability. The College has not yet determined the effect that the adoption of GASB Statement No. 103 may have on its financial statements.

NOTE 3 - CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents at June 30, 2024 and 2023, is as follows:

	2024		
	Current	Noncurrent	Total
Cash on deposit with the Treasurer/BTI			
Nonauxiliaries	\$ 14,415,201	\$ 50,000	\$ 14,465,201
Auxiliaries	305,377	-	305,377
Cash on hand	600	-	600
Cash in bank	<u>525,264</u>	<u>-</u>	<u>525,264</u>
	<u>\$ 15,246,442</u>	<u>\$ 50,000</u>	<u>\$ 15,296,442</u>

	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	<u>357,819</u>	<u>-</u>	<u>357,819</u>
	<u>\$ 11,121,802</u>	<u>\$ 50,000</u>	<u>\$ 11,171,802</u>

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 3 - CASH AND CASH EQUIVALENTS

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, 2024 and 2023, respectively.

The combined carrying amount of cash in the bank at June 30, 2024 and 2023, was \$525,264 and \$357,819, respectively, as compared with the combined bank balance of \$528,697 and \$357,819 for the years ended June 30, 2024 and 2023, respectively. 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 \$14,770,578 and \$10,813,383 as of June 30, 2024 and 2023, respectively. Of these amounts, \$10,420,793 and \$9,170,810 were invested in the WV Money Market Pool and the WV Short Term Bond Pool as of June 30, 2024 and 2023, respectively. The remainder of the cash held with the State Treasurer was not invested at June 30, 2024 and 2023.

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:

External Pool	2024		2023	
	Carrying Value	S & P Rating	Carrying Value	S & P Rating
WV Money Market Pool	\$ 10,184,630	AAAm	\$ 8,962,832	AAAm
WV Short Term Bond Pool	236,163	Not Rated	207,978	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:

External Pool	2024		2023	
	Carrying Value	WAM (Days)	Carrying Value	WAM (Days)
WV Money Market Pool	\$ 10,184,630	36	\$ 8,962,832	29

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
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NOTE 3 - CASH AND CASH EQUIVALENTS (Continued)

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

External Pool	2024		2023	
	Carrying Value	Effective Duration (Days)	Carrying Value	Effective Duration (Days)
WV Short Term Bond Pool	\$ 236,163	645	\$ 207,978	609

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.

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, 2024 and 2023, are as follows:

	2024	2023
Student tuition and fees, net of allowances for doubtful accounts of \$876,379 and \$505,446 in 2024 and 2023, respectively	\$ 187,749	\$ 152,227
Grants and contracts receivable	949,226	207,485
Due from third party for payment of tuition & fees	115,637	12,784
	<u>\$ 1,252,612</u>	<u>\$ 372,496</u>

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 5 - CAPITAL ASSETS

The following, as of June 30, 2024 and 2023, is a summary of capital assets transactions for BridgeValley:

	2024		
	Beginning Balance	Additions	Ending Balance
Capital assets not being depreciated:			
Land	\$ 980,353	\$ -	\$ (50,880)
Construction in progress	<u>7,050</u>	<u>-</u>	<u>7,050</u>
Total capital assets not being depreciated	<u>\$ 987,403</u>	<u>\$ -</u>	<u>\$ (50,880)</u>
Other capital assets:			
Buildings	\$ 29,131,315	\$ -	\$ (1,004,600)
Leasehold improvements	15,568,266	-	-
Equipment	<u>13,278,872</u>	<u>1,291,492</u>	<u>(118,607)</u>
Total other capital assets	<u>57,978,453</u>	<u>1,291,492</u>	<u>(1,123,207)</u>
Less accumulated depreciation for:			
Buildings	(9,395,440)	(780,895)	74,210
Leasehold improvements	(7,486,663)	(778,413)	-
Equipment	<u>(9,855,123)</u>	<u>(974,997)</u>	<u>103,615</u>
Total accumulated depreciation	<u>(26,737,226)</u>	<u>(2,534,305)</u>	<u>177,825</u>
Other capital assets - net	<u>\$ 31,241,227</u>	<u>\$ (1,242,813)</u>	<u>\$ (945,382)</u>
Capital asset summary:			
Capital assets not being depreciated	\$ 987,403	\$ -	\$ (50,880)
Other capital assets	<u>57,978,453</u>	<u>1,291,492</u>	<u>(1,123,207)</u>
Total cost of capital assets	58,965,856	1,291,492	(1,174,087)
Less accumulated depreciation	<u>(26,737,226)</u>	<u>(2,534,305)</u>	<u>177,825</u>
Capital assets, net	<u>\$ 32,228,630</u>	<u>\$ (1,242,813)</u>	<u>\$ (996,262)</u>

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 5 - CAPITAL ASSETS (Continued)

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

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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
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NOTE 6 - LONG-TERM LIABILITIES

A summary of long-term obligation transactions for BridgeValley for the years ended June 30, 2024 and 2023, is as follows:

	2024				
	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Compensated absences	\$ 376,987	\$ 14,181	\$ -	\$ 391,168	\$ 391,168
Net other postemployment benefits (asset)/ liability	161,848	417,567	(782,440)	(203,025)	-
Net pension liability	<u>91,540</u>	<u>20,010</u>	<u>(21,782)</u>	<u>89,768</u>	-
Total long-term liabilities	<u>\$ 630,375</u>	<u>\$ 451,758</u>	<u>\$ (804,222)</u>	<u>\$ 277,911</u>	<u>\$ 391,168</u>

	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	<u>56,104</u>	<u>123,118</u>	<u>(87,682)</u>	<u>91,540</u>	-
Total long-term liabilities	<u>\$ 359,348</u>	<u>\$ 1,453,926</u>	<u>\$ (1,182,899)</u>	<u>\$ 630,375</u>	<u>\$ 376,987</u>

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, 2024 and 2023:

	2024	2023
Net OPEB liability (asset)	\$ (203,025)	\$ 161,848
Deferred outflows of resources	101,564	304,244
Deferred inflows of resources	398,961	813,142
Revenues	(146,567)	(178,449)
OPEB expense	(698,414)	(855,955)
Contributions made by the College	25,218	129,352

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, colleges 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

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
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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, 2023 and 2022 were:

	July 2022-June 2023 2023	February 2022-June 2022 2022	July 2021-January 2022 2022
Paygo premium	\$ 70	\$ 48	\$ 116

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, 2024, 2023, and 2022, were \$25,218, \$129,352, and \$172,215, respectively.

NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

Assumptions

The June 30, 2024 OPEB liability (asset) for financial reporting purposes was determined by an actuarial valuation as of June 30, 2022 and a measurement date of June 30, 2023. The following actuarial assumptions were used and applied to all periods included in the measurement, unless otherwise specified:

- Inflation rate: 2.50%.
- Salary increase: Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation.
- Investment rate of return: 7.40%, net of OPEB plan investment expense, including inflation.
- Healthcare cost trend rates: Trend rate for pre-Medicare and Medicare per capita costs of 7.0% medical and 8.0% drug. The trends increase over four years to 9.0% and 9.5%, respectively. The trends then decrease linearly for 5 years until ultimate trend rate of 4.50% is reached in plan year end 2032.
- Actuarial cost method: Entry age normal cost method.
- Amortization method: Level percentage of payroll over a 20-year closed period as of 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, 2022 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, 2022, reflects updates to the following healthcare related assumptions, which include:

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

The long-term expected rate of return of 7.40% on OPEB plan investments was determined by a combination of an expected long-term rate of return of 7.60% for long-term assets invested with the WV Investment Management Board and an expected short-term rate of return of 2.75% for assets invested with the BTI.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

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 2.50% 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:

June 30, 2023		
Asset Class	Target Allocation	Long-term Expected Real Return
Equity	45.0%	7.4%
Fixed income	15.0%	3.9%
Private credit and income	6.0%	7.4%
Private equity	12.0%	10.0%
Real estate	12.0%	7.2%
Hedge funds	10.0%	4.5%

June 30, 2022		
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 funds	10.0%	2.4%
Private equity	10.0%	6.8%

Single discount rate. The discount rate used to measure the total OPEB liability (asset) was 7.40% and 6.65% for fiscal years 2024 and 2023, respectively. This single discount rate was based on the expected rate of return on OPEB plan investments of 7.40% and 6.65% for those fiscal years. 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).

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

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, 2024 and 2023 calculated using a discount rate that is one percentage point lower (6.40% in 2024; 5.65% in 2023) or one percentage point higher (8.40% in 2024; 7.65% in 2023) than the current rate (7.40% in 2024; 6.65% in 2023).

Net OPEB liability (asset)	1% Decrease	Current Discount Rate	1% Increase
2024	\$ (34,353)	\$ (203,025)	\$ (388,019)
2023	416,011	161,848	(56,195)

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, 2024 and 2023 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
2024	\$ (517,190)	\$ (203,025)	\$ 170,576
2023	(92,014)	161,848	462,233

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

The June 30, 2024 net OPEB liability (asset) was measured as of June 30, 2023, and the total OPEB liability (asset) was determined by an actuarial valuation as of June 30, 2022, rolled forward to the measurement date of June 30, 2023. 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.

At June 30, 2024, the College's proportionate share of the net OPEB liability (asset) was \$(289,683). Of this amount, the College recognized \$(203,025) as its proportionate share on the statement of net position. The remainder of \$(86,658) denotes the College's proportionate share of net OPEB liability (asset) attributable to the special funding.

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.

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, 2023 and 2022. Employer contributions are recognized when due. At the June 30, 2023 measurement date, the College's proportion was 0.1283%, a decrease of 0.0171% from its proportion of 0.1454% calculated as of June 30, 2022. 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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

For the year ended June 30, 2024, the College recognized OPEB expense of \$(698,414). Of this amount, \$(551,847) was recognized as the College's proportionate share of OPEB expense and \$(146,567) as the amount of OPEB expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of \$(146,567) for support provided by the State.

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.

At June 30, 2024 and 2023, deferred outflows of resources and deferred inflows of resources related to OPEB are as follows.

<u>June 30, 2024</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and difference between employer contributions and proportionate share of contributions	\$ 20,363	\$ 164,121
Net difference between projected and actual investment earnings	-	3,386
Changes in assumptions	55,983	113,272
Differences between expected and actual non-investment experience	-	118,182
Contributions after the measurement date	<u>25,218</u>	<u>-</u>
Total	<u>\$ 101,564</u>	<u>\$ 398,961</u>
<u>June 30, 2023</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
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	<u>129,352</u>	<u>-</u>
	<u>\$ 304,244</u>	<u>\$ 813,142</u>

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 7 - OTHER POST EMPLOYMENT BENEFITS (Continued)

The College will recognize the \$25,218 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ended June 30,</u>	<u>Amortization</u>
2025	\$ (155,662)
2025	(144,635)
2026	(13,399)
2027	<u>(8,919)</u>
	<u>\$ (322,615)</u>

Payables to the OPEB Plan

The College did not report any amounts payable for normal contributions to the OPEB plan as of June 30, 2024 and 2023.

NOTE 8 - 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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 8 - 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, 2024 and 2023, respectively:

	<u>2024</u>	<u>2023</u>
Net pension liability	\$ 89,768	\$ 91,540
Deferred outflows of resources	33,508	33,588
Deferred inflows of resources	704	11,619
Revenues	21,689	16,873
Pension expense	26,876	(48,475)
Contributions made by the College	16,181	16,129

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 8 - 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, 2024 and 2023, the College's proportionate share attributable to this special funding subsidy was \$21,689 and \$16,873, respectively.

The College's contributions to STRS for the years ended June 30, 2024, 2023, and 2022, were \$16,181, \$16,129, and \$14,991, respectively.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 8 - RETIREMENT PLANS (Continued)

Assumptions

The total pension liabilities for financial reporting purposes were determined by actuarial valuations as of July 1, 2022 and 2021 and rolled forward to June 30, 2023 and 2022, 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 investment expense.
- 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, 2015 to June 30, 2020.

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, 2023 and 2022, are summarized below.

Asset Class	June 30, 2023	
	Long-term Expected Real Rate of Return	Target Allocation
Domestic equity	6.5%	27.5%
International equity	9.1%	27.5%
Fixed income	4.3%	15.0%
Real estate	5.8%	10.0%
Private equity	9.2%	10.0%
Hedge funds	4.6%	10.0%

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 8 - RETIREMENT PLANS (Continued)

Asset Class	June 30, 2022	
	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%

Discount rate. The discount rate used to measure the total STRS pension liability was 7.25% for fiscal years 2024 and 2023. 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, 2024 and 2023 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
2024	\$ 137,860	\$ 89,768	\$ 48,950
2023	134,644	91,540	54,932

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

The June 30, 2024 STRS net pension liability was measured as of June 30, 2023, and the total pension liability was determined by an actuarial valuation as of July 1, 2022, rolled forward to the measurement date of June 30, 2023. 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 June 30, 2021, rolled forward to the measurement date of June 30, 2022.

At June 30, 2024, the College's proportionate share of the STRS net pension liability was \$273,104. Of this amount, the College recognized \$89,768 as its proportionate share on the statement of net position. The remainder of \$183,336 denotes the College's proportionate share of net pension liability attributable to the special funding.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 8 - RETIREMENT PLANS (Continued)

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.

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, 2023 and 2022. Employer contributions are recognized when due. At the June 30, 2023 measurement date, the College's proportion was 0.003921%, an increase of 0.000362% from its proportion of 0.003559% calculated as of June 30, 2022. 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.

For the year ended June 30, 2024, the College recognized STRS pension expense of \$26,876. Of this amount, \$5,187 was recognized as the College's proportionate share of the STRS expense and \$21,689 as the amount of pension expense attributable to special funding from a non-employer contributing entity. The College also recognized revenue of \$21,689 for support provided by the State.

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.

At June 30, 2024 and 2023, deferred outflows of resources and deferred inflows of resources related to the STRS pension are as follows:

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 3,277	\$ 226
Changes in proportion and differences in pension contributions	8,681	478
Net difference between projected and actual investment earnings	1,581	-
Changes in assumptions	3,788	-
Contributions after the measurement date	<u>16,181</u>	<u>-</u>
Total	<u>\$ 33,508</u>	<u>\$ 704</u>

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 8 - RETIREMENT PLANS (Continued)

	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	<u>16,129</u>	<u>-</u>
Total	<u>\$ 33,588</u>	<u>\$ 11,619</u>

The College will recognize the \$16,181 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, 2025. 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	\$ 4,863
2025	(285)
2026	10,753
2027	<u>1,292</u>
Total	<u>\$ 16,623</u>

Payables to the pension plan

The College did not report any amounts payable for normal contributions to the STRS as of June 30, 2024 and 2023.

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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

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NOTE 8 - RETIREMENT PLANS (Continued)

Total contributions to the TIAA-CREF for the years ended June 30, 2024, 2023, and 2022 were approximately \$1,140,412, \$1,117,516, and \$1,082,456, respectively, which consisted of approximately \$570,206, \$558,758, and \$541,228, respectively, from BridgeValley and approximately \$570,206, \$558,758, and \$541,228, respectively, from covered employees.

BridgeValley's total payroll for the years ended June 30, 2024, 2023, and 2022 was approximately \$9.6 million, \$9.4 million, and \$9.1 million, respectively, and total covered employees' salaries in the TIAA-CREF were approximately \$9.5 million, \$9.3 million, and \$9.0 million for the years ended June 30, 2024, 2023, and 2022, respectively.

NOTE 9 - AFFILIATED ORGANIZATIONS AND OTHER STATE AGENCIES

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:

	<u>2024</u>	<u>2023</u>
Due from:		
Division of Highways	\$ 44,578	\$ 32,481
Department of Health & Human Resources	59,680	39,826
Department of Vocational Rehab	9,260	-
Mountwest CTC	4,624	-
National Guard	4,599	-
Division of Corrections	17,250	-
WVU Parkersburg	114,964	61,727
Board of Treasury Investments	-	144
	<u>\$ 254,955</u>	<u>\$ 134,178</u>
Due to:		
Department of Administration	\$ 4,071	\$ 75
Division of Natural Resources	2,869	-
Charter School Board	370	-
Mountwest CTC	-	5,768
New River CTC	22,896	6,282
Attorney General	225	217
State Treasurer's Office	307	7
West Virginia University	-	16,020
	<u>\$ 30,738</u>	<u>\$ 28,369</u>

NOTE 10 - 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 11 - 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 12 - COMPONENT UNIT DISCLOSURES

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

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Mission:

The BridgeValley Community & Technical College Foundation, Inc. is a private non-profit foundation whose mission is to promote the academic excellence, growth, progress, and general welfare of BridgeValley Community & Technical College by raising funds and providing support to strengthen and develop the College and its objectives.

Basis of Presentation:

The accompanying financial statements include only those accounts and transactions of BridgeValley Community & Technical College Foundation, Inc. (the Foundation). The accompanying statements have been prepared on the accrual basis of accounting.

Classification of Net Assets:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor or grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents:

The Foundation considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. Cash and highly liquid financial instruments restricted to endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Estimates:

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

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Income Taxes:

The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code; accordingly, the accompanying financial statements do not reflect a provision or liability for federal and state income taxes. The Foundation has determined that it does not have any material unrecognized tax benefits or obligations as of June 30, 2024 and 2023. Fiscal years on or after June 30, 2020 remain subject to examination by federal and state tax authorities.

Contributions made to the Foundation qualify for the charitable contribution deduction under Section 509(a)(1) and 170(b)(1)(A)(iv) of the Internal Revenue Code and the Foundation has been determined not to be a Private Foundation under IRC sections 509(a)(1) and (3), respectively.

Investments:

Investments in equity securities with readily determinable fair values and all debt securities are recorded at fair value based upon quoted market prices. Investments donated to the Foundation are initially recorded at fair value on the date of the gift. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the change in net assets without donor restrictions unless the income or loss is restricted by the donor or law.

Investment income is recorded net of investment expenses. Realized gains or losses on investments are determined by comparison of specific cost of acquisition to proceeds at the time of disposal. Unrealized gains or losses are calculated by comparing cost to market values at the statement of financial position date.

Risks and Uncertainties:

The Foundation invests in common stocks, mutual funds, U.S. Treasury obligations and corporate bonds that, in general, are exposed to various risks such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

Financial Instruments and Credit Risk:

In the regular course of business, the Foundation maintains cash balances at a financial institution located in West Virginia which may at times, exceed the federally insured amount. Accounts at the financial institution are insured to the limits established by the Federal Deposit Insurance Corporation. The Foundation has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk with respect to its cash and cash equivalents.

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Financial Instruments and Credit Risk: (Continued)

Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from corporations supportive of the Foundation's mission. Investments are made by diversified investment managers whose performance is monitored by management and the investment committee of the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the Foundation.

Revenue and Revenue Recognition:

The Foundation records special events revenue equal to the cost of direct benefits to donors, and contribution revenue for the difference. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. There was one conditional promises to give at June 30, 2024 (see Note 6) and no conditional promises to give at June 30, 2023.

Amounts Held on Behalf of Others:

Amounts held on behalf of others represent assets held by the Foundation as an agent for the BridgeValley Community & Technical College Alumni Association and other student groups. These funds are custodial by nature and do not affect the results of operations.

Promises to Give:

Unconditional promises to give are recognized as revenue when the donor commits the gift. Conditional promises to give are recognized as revenue when the specified conditions are substantially met and the promises become unconditional. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows, using a credit risk adjusted discount rate of return appropriate for the expected term of the promise to give. Amortization of the discounts is recorded as contribution revenue in accordance with donor restrictions on the contributions.

Expense Allocation:

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are charged to programs and supporting services on the basis of time and allocable expenses. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Donated Services, and In-Kind Contributions:

Contributions of services are recognized if the services received create or enhance nonfinancial assets, or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized. Contributed services which are recognized are valued at the estimated cost that would have been incurred by the Foundation to purchase similar services. Donated goods are recorded at fair value at the date of the donation.

NOTE 2 - RELATED PARTY TRANSACTIONS:

During the years ended June 30, 2024 and 2023, the Foundation made transfers of funds to BridgeValley Community & Technical College, a related party. Those transfers related to the scholarships, academic programs and community outreach programs and totaled \$48,953 and \$100,017, respectively. The amounts payable to BridgeValley Community & Technical College at June 30, 2024 and 2023 were \$18,350 and \$16,697, respectively.

NOTE 3 - INVESTMENTS:

A summary of investments held by the Foundation as of June 30, 2024 and 2023 is as follows:

	2024		
	Fair Value	Cost	Net Unrealized Gain (Loss)
Money Market Funds	\$ 71,795	\$ 71,795	\$ -
Mutual Funds-Equity Funds	157,511	140,506	17,005
Mutual Funds-Fixed Income Funds	50,730	55,129	(4,399)
Common Stock	603,811	548,478	55,333
Certificates of Deposit	197,268	200,000	(2,732)
Corporate Bonds	693,852	697,378	(3,526)
U.S. Government Obligations	744,504	747,159	(2,655)
	<u>\$ 2,519,471</u>	<u>\$ 2,460,445</u>	<u>\$ 59,026</u>

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 3 - INVESTMENTS: (Continued)

	2023		
	Fair Value	Cost	Net Unrealized Gain (Loss)
Money Market Funds	\$ 23,859	\$ 23,859	\$ -
Mutual Funds-Equity Funds	251,694	208,631	43,063
Mutual Funds-Fixed Income Funds	89,458	97,357	(7,899)
Common Stock	410,784	414,650	(3,866)
Certificates of Deposit	335,018	350,000	(14,982)
Corporate Bonds	537,635	543,208	(5,573)
U.S. Government Obligations	543,512	548,096	(4,584)
	<u>\$ 2,191,960</u>	<u>\$ 2,185,801</u>	<u>\$ 6,159</u>

Investments are presented as follows in the statements of financial position at June 30, :

	2024	2023
Current assets	\$ 1,528,637	\$ 1,441,358
Long term assets (Endowment)	812,754	750,602
Long term assets (Non-Endowment)	178,080	-
	<u>\$ 2,519,471</u>	<u>\$ 2,191,960</u>

Investment income for the years ended June 30, is as follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Interest and Dividends	\$ 60,588	\$ 28,350	\$ 88,938
Net Realized and Unrealized (Loss) on Investments	33,747	46,810	80,557
Investment Fees	(6,450)	(6,025)	(12,475)
Investment Income	<u>\$ 87,885</u>	<u>\$ 69,135</u>	<u>\$ 157,020</u>

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 3 - INVESTMENTS: (Continued)

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Interest and Dividends	\$ 33,053	\$ 17,951	\$ 51,004
Net Realized and Unrealized			
Gain on Investments	1,102	(10,105)	(9,003)
Investment Fees	(7,036)	(5,345)	(12,381)
Investment Income	<u>\$ 27,119</u>	<u>\$ 2,501</u>	<u>\$ 29,620</u>

NOTE 4 - FAIR VALUE MEASUREMENTS AND DISCLOSURES:

Certain assets and liabilities are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that management can access at the measurement date.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 - Unobservable inputs for the assets or liability. In these situations, inputs are developed using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to an assessment of the quality, risk, or liquidity profile of the asset or liability.

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 4 - FAIR VALUE MEASUREMENTS AND DISCLOSURES: (Continued)

A significant portion of the Foundation's investment assets are classified within Level 1 because they comprise common stocks and open-end mutual funds with readily determinable fair values based on daily redemption values. The Foundation invests in Certificates of Deposit and U.S. Government Obligations traded in the financial markets. Those Certificates of Deposit and U.S. Government Obligations are valued by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions, and are classified within Level 2.

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost as identified in the following, at June 30, 2024:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments:				
U.S. Government Obligations	\$ 568,569	\$ 568,569	\$ -	\$ -
Certificates of Deposit	197,268	-	197,268	-
Corporate Bonds	607,168	-	607,168	-
Mutual Funds	85,576	85,576	-	-
Common Stock	248,136	248,136	-	-
	<u>\$ 1,706,717</u>	<u>\$ 902,281</u>	<u>\$ 804,436</u>	<u>\$ -</u>
Endowment Investments:				
Cash	\$ 71,795	\$ -	\$ -	\$ -
U.S. Government Obligations	175,935	175,935	-	-
Corporate Bonds	86,684	-	86,684	-
Mutual Funds	122,665	122,665	-	-
Common Stock	355,675	355,675	-	-
	<u>\$ 812,754</u>	<u>\$ 654,275</u>	<u>\$ 86,684</u>	<u>\$ -</u>

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 4 - FAIR VALUE MEASUREMENTS AND DISCLOSURES: (Continued)

The following table presents assets and liabilities measured at fair value on a recurring basis, except those measured at cost as identified in the following, at June 30, 2023:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Operating Investments:				
Mutual Funds-Equity Funds	\$ 80,841	\$ 80,841	\$ -	\$ -
Mutual Funds-Fixed Income Funds	28,733	28,733	-	-
Common Stock	131,940	131,940	-	-
Corporate Bonds	439,215	-	439,215	-
U.S. Government Obligations	425,611	425,611	-	-
Certificates of Deposit	335,018	-	335,018	-
	<u>\$ 1,441,358</u>	<u>\$ 667,125</u>	<u>\$ 774,233</u>	<u>\$ -</u>
Endowment Investments:				
Cash	\$ 23,859	\$ -	\$ -	\$ -
Mutual Funds-Equity Funds	170,853	170,853	-	-
Mutual Funds-Fixed Income Funds	60,725	60,725	-	-
Common Stock	278,844	278,844	-	-
Corporate Bonds	98,420	-	98,420	-
U.S. Government Obligations	117,901	117,901	-	-
	<u>\$ 750,602</u>	<u>\$ 628,323</u>	<u>\$ 98,420</u>	<u>\$ -</u>

NOTE 5 - ENDOWMENT FUNDS:

The Foundation's endowment consists of several individual funds established for scholarships and are donor-restricted perpetual endowment funds. As required by generally accepted accounting principles in the United States of America, net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions and the Foundation's interpretation of relevant law.

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 5 - ENDOWMENT FUNDS: (Continued)

Interpretation of Relevant Law:

The Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift of the donor-restricted endowment funds. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions that are perpetual in nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the donor restricted perpetual endowment, and (c) accumulations to the donor restricted perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

Earnings from donor-restricted endowment funds are classified as net assets with donor restrictions that are purpose restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the Foundation and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Foundation
7. The investment policies of the Foundation

Changes in endowment net assets for the years ended June 30 2024 and 2023 are as follows:

	2024		
	Purpose Restrictions	Perpetual Restrictions	Total
Endowment Net Assets, Beginning of Year	\$ 30,923	\$ 732,844	\$ 763,767
Investment Income	69,135	-	69,135
Endowment Net Assets, End of Year	<u>\$ 100,058</u>	<u>\$ 732,844</u>	<u>\$ 832,902</u>
	2023		
	Purpose Restrictions	Perpetual Restrictions	Total
Endowment Net Assets, Beginning of Year	\$ 28,422	\$ 732,844	\$ 761,266
Investment Income	2,501	-	2,501
Endowment Net Assets, End of Year	<u>\$ 30,923</u>	<u>\$ 732,844</u>	<u>\$ 763,767</u>

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 5 - ENDOWMENT FUNDS: (Continued)

In addition to endowment net assets, the Foundation also manages other non-endowment funds. The following table summarizes all Foundation net assets with donor restrictions as of June 30, 2024 and 2023:

	2024	2023
Endowment Funds	\$ 832,902	\$ 763,267
Non-Endowment Funds	1,701,367	1,510,298
Total Net Assets with Restrictions	<u>\$ 2,534,269</u>	<u>\$ 2,273,565</u>

Funds with Deficiencies:

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the state UPMIFA requires the Foundation to retain as a fund of perpetual duration (underwater endowments). Deficiencies can result from unfavorable market fluctuations that occurred after the investment of contributions with donor restrictions that are perpetual in nature and continued appropriation for certain programs that was deemed prudent by the Board of Directors. Subsequent gains that restore the fair value of the assets of the endowment funds to the required level will be classified as an increase in net assets without donor restrictions or net assets with donor restrictions, as applicable.

At June 30, 2023, a fund with an original gift value of \$700,000, had a fair value of \$692,013, respectively and deficiency of \$7,987, respectively was reported in net assets with donor restrictions.

Return Objectives and Risk Parameter:

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the Investment Policy benchmark index, over short and long term periods, while assuming a moderate level of investment risk.

The Foundation expects its endowment funds, over time, to rise at least as rapidly as inflation, net of fees. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives:

To satisfy its long term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 5 - ENDOWMENT FUNDS: (Continued)

Spending Policy:

Subject to the terms of any Endowment agreement, contract, donor request, grant and/or West Virginia law, the amount that the Foundation makes available for grants and scholarships from each asset will be determined by the management of the Foundation.

Should the total market value of any fund fall below the initial corpus plus additional contributions to the corpus, no distributions will be made unless authorized by the fund agreement or the Board of Directors, as permitted by law.

The Foundation recognizes that extremely unusual circumstances with respect either to financial markets or to the needs of the communities it serves may, in rare instances, require temporary departures from the strict application of these Investment Policies.

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions are available for the following purposes as of June 30, 2024 and 2023:

Purpose Restrictions:	2024	2023
Academic Departments	\$ 145,115	\$ 140,161
Advanced Tech Capital Campaign	968,923	974,806
Donor Advised Endowments	95,174	30,922
Fiscal Agent Accounts	51,479	51,479
Major College Divisions	13,954	16,012
Non-Endowed Scholarships	263,988	262,708
Special Events or Purposes	79,830	64,633
Time Restriction:		
Challenge Grant	182,962	-
	\$ 1,801,425	\$ 1,540,721
Restricted in Perpetuity	732,844	732,844
Total	\$ 2,534,269	\$ 2,273,565

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS: (Continued)

Conditional Grant - Challenge Grant:

The Foundation received a multi-year Endowment Challenge Grant from BridgeValley Community and Technical College (passed through from the U.S. Department of Education). The purpose of the grant is to establish or increase endowment challenge funds, provide additional incentives to promote fund-raising activities; and foster increased independence and self-sufficiency. The grant is a 5 year program and is conditioned upon The Foundation matching the annual award with non-federal funds each grant year. The total award is \$445,200. The Foundation received the first award under the program of \$89,040 in the year ended June 30, 2024 and raised the required matching funds of \$89,040. Since the award is conditioned upon the Foundation matching the annual grant amount, no receivable for the remaining amount under this program has been recorded by the Foundation.

The grant requires that the funds be invested by The Foundation and have a duration of twenty years. During the grant period, The Foundation may not withdraw or spend any part of the endowment fund corpus. At the end of the grant period, the Foundation may use the endowment fund corpus for any educational purpose.

Also, during the endowment challenge period, The Foundation may spend up to 50% of the total aggregate endowment fund income earned prior to the date of expenditure. The allowable expenditures include costs necessary to operate the institution, including general operating and maintenance costs and costs to administer and manage the endowment fund..

Following is summary of the Challenge Grant Program activity for the year ended June 30, 2024:

Balance at July 1, 2023	\$ -
Challenge grant award received	89,040
Matching contributions	89,040
Investment Income	5,226
Investment Expenses	<u>(344)</u>
Balance at June 30, 2024	<u>\$ 182,962</u>

NOTE 7 - EVALUATION OF SUBSEQUENT EVENTS:

The Foundation's management has evaluated subsequent events through the date of the auditors' report, which is the date the financial statements were available to be issued. No significant events were noted requiring adjustment to or disclosure in the financial statements.

**BRIDGEVALLEY COMMUNITY & TECHNICAL
COLLEGE FOUNDATION, INC.**

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

NOTE 8 - IN-KIND DONATIONS

The Foundation received in-kind contributions during the years ended June 30, as follows

	2024	2023
Professional fees- accounting and bookkeeping services	\$ 14,592	\$ 23,126
Medical equipment (ambulance and cot)	10,500	-
	<u>\$ 25,092</u>	<u>\$ 23,126</u>

The medical equipment was donated to BridgeValley Community and Technical College for use in its educational programs.

NOTE 9 - LIQUIDITY AND AVAILABILITY:

For the purposes of analyzing resources available to meet general expenditures over a 12-month period, the Foundation considers all expenditures related to its ongoing activities of providing support to the College, as well as the conduct of services undertaken to support those activities to be general expenditures.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the statement of financial position, comprise the following:

Cash and Cash Equivalents	\$ 228,411
Operating Investments	1,528,637
Accrued Interest Receivable	\$ 18,253
Less: accrued interest receivable-endowment and long-term	<u>(2,614)</u>
	<u>\$ 1,772,687</u>

The Foundation's endowment funds consist of donor-restricted endowments. Income from donor-restricted endowments is restricted for specific purposes. Donor-restricted endowment funds are not available for general expenditure.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

NOTE 13 - FUNCTIONAL CLASSIFICATION OF EXPENSES

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

2024								
	Salaries and Wages	Benefits	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation	Assessments by the Commission	Total
Instruction	\$ 5,721,012	\$ 1,284,718	\$ -	\$ -	\$ 2,892,258	\$ -	\$ -	\$ 9,897,988
Public service	529,251	100,537	-	-	401,611	-	-	1,031,399
Academic support	751,697	186,179	-	-	465,248	-	-	1,403,124
Student services	934,867	213,343	-	-	188,355	-	-	1,336,565
Operation and maintenance of plant	552,406	168,000	-	364,497	325,383	-	-	1,410,286
General institutional support	1,967,318	(133,439)	-	-	2,363,470	-	-	4,197,349
Student financial aid	52,452	-	2,488,038	-	-	-	-	2,540,490
Depreciation	-	-	-	-	-	2,534,305	-	2,534,305
Fees assessed by the Commission	-	-	-	-	-	-	84,136	84,136
Total expenses	<u>\$ 10,509,003</u>	<u>\$ 1,819,338</u>	<u>\$ 2,488,038</u>	<u>\$ 364,497</u>	<u>\$ 6,636,325</u>	<u>\$ 2,534,305</u>	<u>\$ 84,136</u>	<u>\$ 24,435,642</u>

2023								
	Salaries and Wages	Benefits	Scholarships and Fellowships	Utilities	Supplies and Other Services	Depreciation	Assessments by the Commission	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
Total expenses	<u>\$ 10,108,479</u>	<u>\$ 1,277,701</u>	<u>\$ 1,901,423</u>	<u>\$ 368,452</u>	<u>\$ 5,923,759</u>	<u>\$ 2,523,225</u>	<u>\$ 78,944</u>	<u>\$ 22,181,983</u>

REQUIRED SUPPLEMENTARY INFORMATION

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2024

State Teachers' Retirement System
Last 10 Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
BridgeValley's proportion of the net pension liability (percentage)	0.003921%	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	\$ 89,768	\$ 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	<u>183,336</u>	<u>203,937</u>	<u>125,434</u>	<u>247,516</u>	<u>71,128</u>	<u>71,188</u>	<u>422,977</u>	<u>1,228,906</u>	<u>1,051,622</u>	<u>990,323</u>
Total proportionate share of the net pension liability	<u>\$ 273,104</u>	<u>\$ 295,477</u>	<u>\$ 181,538</u>	<u>\$ 361,441</u>	<u>\$ 171,719</u>	<u>\$ 169,851</u>	<u>\$ 614,244</u>	<u>\$ 1,874,091</u>	<u>\$ 1,515,598</u>	<u>\$ 1,428,607</u>
BridgeValley's covered payroll	\$ 107,527	\$ 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	83.48%	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	80.42%	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)

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION CONTRIBUTIONS
JUNE 30, 2024

State Teachers' Retirement System
Last 10 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 16,181	\$ 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	<u>(16,181)</u>	<u>(16,129)</u>	<u>(14,991)</u>	<u>(14,982)</u>	<u>(14,956)</u>	<u>(14,645)</u>	<u>(14,331)</u>	<u>(22,918)</u>	<u>(60,861)</u>	<u>(60,479)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Government's covered payroll	\$ 107,873	\$ 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%	15.00%

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
JUNE 30, 2024

Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
BridgeValley's proportion of the net OPEB liability (asset) (percentage)	0.128294797%	0.145417455%	0.169719996%	0.163707891%	0.166058333%	0.168886231%	0.152321576%			
BridgeValley's proportionate share of the net OPEB liability (asset)	\$ (203,025)	\$ 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)	<u>(86,658)</u>	<u>55,443</u>	<u>(9,937)</u>	<u>159,885</u>	<u>563,822</u>	<u>748,849</u>	<u>769,344</u>			
Total proportionate share of the net OPEB liability (asset)	<u>\$ (289,683)</u>	<u>\$ 217,291</u>	<u>\$ (60,403)</u>	<u>\$ 882,969</u>	<u>\$ 3,318,949</u>	<u>\$ 4,372,195</u>	<u>\$ 4,514,915</u>			
BridgeValley's covered-employee payroll	\$ 7,402,737	\$ 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	-2.74%	2.15%	-0.64%	9.82%	37.15%	50.05%	51.78%			
Plan fiduciary net position as a percentage of the total OPEB liability	109.66%	93.59%	101.81%	73.49%	39.69%	30.98%	25.10%			

* - 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, 2024

Last 10 Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 25,218	\$ 129,352	\$ 172,215	\$ 307,110	\$ 316,711	\$ 342,206	\$ 348,283			
Contributions in relation to the statutorily required contribution	<u>(25,218)</u>	<u>(129,352)</u>	<u>(172,215)</u>	<u>(307,110)</u>	<u>(316,711)</u>	<u>(342,206)</u>	<u>(348,283)</u>			
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>			
BridgeValley's covered-employee payroll	\$ 7,497,247	\$ 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	0.34%	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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
YEARS ENDED JUNE 30, 2024 AND 2023

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.

	<u>Inflation</u>	<u>Salary Increases</u>	<u>Investment Rate of Return</u>	<u>Mortality</u>	<u>Discount Rate</u>
<u>2023</u>	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%
<u>2022</u>	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%

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
YEARS ENDED JUNE 30, 2024 AND 2023

	<u>Inflation</u>	<u>Salary Increases</u>	<u>Investment Rate of Return</u>	<u>Mortality</u>	<u>Discount Rate</u>
<u>2021</u>	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%
<u>2020</u>	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%
<u>2019</u>	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%

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PENSION
YEARS ENDED JUNE 30, 2024 AND 2023

	<u>Inflation</u>	<u>Salary Increases</u>	<u>Investment Rate of Return</u>	<u>Mortality</u>	<u>Discount Rate</u>
<u>2018</u>	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%
<u>2017</u>	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%
<u>2016</u>	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%
<u>2015</u>	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, 2024 AND 2023

	<u>Inflation</u>	<u>Salary Increases</u>	<u>Investment Rate of Return</u>	<u>Mortality</u>	<u>Discount Rate</u>
<u>2014</u>	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.

BRIDGEVALLEY COMMUNITY AND TECHNICAL COLLEGE
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-OPEB
YEARS ENDED JUNE 30, 2024 AND 2023

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
<u>2023</u>	2.50%	Specific to the OPEB covered group. Ranging from 2.75% to 5.18%, including inflation	2.75%	7.40%, net of OPEB plan investment expense, including inflation	Post-Retirement: Pub-2010 General Healthy Retiree Mortality Tables projected with MP-2021 and scaling factors of 100% for males and 108% for females; 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 and Medicare per capita costs of 7.0% medical and 8.0% drug. The trends increase over four year to 9.0% and 9.5%, respectively. The trends then decrease linearly for 5 years until ultimate trend rate of 4.50% is reached in plan year end 2032.
<u>2022</u>	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.
<u>2021</u>	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.
<u>2020</u>	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.
<u>2019</u>	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.
<u>2018</u>	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.
<u>2017</u>	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.

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, 2024, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated October 1, 2024 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.

The Virginia Center
1411 Virginia Street, East
Suite 100
Charleston, WV 25301

MAIN (304) 343-4126
FAX (304) 343-8008

The Rivers Office Park
200 Star Avenue
Suite 220
Parkersburg, WV 26101

MAIN (304) 485-6584
FAX (304) 485-0971

Suncrest Towne Centre
453 Suncrest Towne Centre Drive
Suite 201
Morgantown, WV 26505

MAIN (304) 554-3371
FAX (304) 554-3410

The Somerville Building
501 5th Avenue
Suite 1
Huntington, WV 25701

MAIN (304) 525-0301
FAX (304) 522-1569

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.



Charleston, West Virginia

October 1, 2024