

Pierpont Community & Technical College

Budget Analysis

Covering the periods of FY2019, FY2020, FY2021, & FY2022 (through 3/31/2022)

(with Future Budget Projections for FY2023 – FY2027)

Per the request of Senate President Craig Blair, the State Auditor's Office (Budget Analysis Division) has performed a budget analysis of Pierpont Community & Technical College. This analysis includes a projection of annual revenue that would be necessary to cover Pierpont's long-term liabilities and their normal operating costs in future fiscal years. (See page 8).

In conducting our budget analysis, we reviewed and prepared summaries of cash revenues and cash expenditures of all funds accounted for in wvOASIS for FY2019, FY2020, FY2021, and FY2022 (through 3/31/2022). These revenues and expenditures were obtained from the State of West Virginia's accounting system wvOASIS. The summaries with analysis are shown on pages 1-3.

We also reviewed Pierpont Community & Technical College's last three Independent Audits. We have prepared summaries with analysis of Condensed Schedules of Net Position, Expense by Functional Classification, and Expense by Natural Classification. These summaries are shown on pages 4 and 5.

To determine trends and costs associated with salaries and related employee benefits, we reviewed Personal Services Schedules covering November of 2018, 2019, 2020, and 2021. These schedules were obtained from the West Virginia State Budget Office and we prepared summaries with analysis shown on page 6.

We have prepared charts to present trends of cash revenues, state appropriations, cash expenditures, and personal services and related employee benefits as they relate to student headcounts and Full-time Equivalent (FTE). See page 7.

In conclusion, we prepared future budget projections for FY2023 – FY2027, noting Pierpont's long-term debt and multi-year contracts' balances at the beginning of each fiscal year. We also include estimates for the revenue necessary to cover normal operating costs, service the long-term debt, and pay multi-year contracts during each fiscal year, and estimate how cash balances are affected by the various assumptions made. (See page 8).

Pierpont Community & Technical College
Cash Revenues - All Funding Sources (Restricted & Unrestricted)

Source	Source Name	FY 2019 Total	FY 2020 Total	FY 2021 Total	\$ Difference FY21-FY19	% Difference FY21-FY19		FY 2022 thru 3/31/2022 Total
n/a	STATE APPROPRIATION	\$ 7,244,243	\$ 7,820,129	\$ 7,820,129	\$ 575,886	8%		\$ 4,815,247
5523	INVESTMENT EARNINGS	113,916	63,161	11,367	(102,550)	-90%		1,850
6669	OTHER RENTAL INCOME	500	-	-	(500)	-100%		-
6670	GIFTS	12,980	8,270	20,000	7,020	54%		-
6671	NON- FED GRANTS	1,199,534	199,470	2,464,917	1,265,383	105%		5,643,573
6679	TUITION & FEES	6,442,584	9,135,587	8,116,914	1,674,331	26%		5,830,784
6696	OTHR COLL/FEES/LIC & INCM	271,170	403,618	932,676	661,506	244%		208,365
6697	OPERATING FUNDS TRANSFER	-	-	614,443	614,443	n/a		6,808,182
6861	INTERAGENCY FED PAYMENTS	-	-	-	-	n/a		160,560
6862	CLEARING-SPECIAL REVENUE	-	28,860	18,232	18,232	n/a		(29,155)
6902	AUXILIARY ENTERPRISE REVENUE	597,649	92,348	93,049	(504,600)	-84%		464,061
6907	HI ED INTER-AGENCY ADMIN SERVICE CONTRACT	83,230	-	-	(83,230)	-100%		-
6912	OTHER OPERATING REVENUE	-	650	310	310	n/a		100
7703	EDUCATIONAL DEPARTMENT (FEDERAL)	-	-	-	-	n/a		866,760
7737	FEDERAL GRANTS	418,781	753,572	12,961	(405,819)	-97%		83,303
7773	CARES ACT	-	204,108	909,035	909,035	n/a		-
	Total Cash Revenues	\$ 16,384,586	\$ 18,709,773	\$ 21,014,033	\$4,629,447	28%		\$ 24,853,631

Pierpont's largest revenues sources are Tuition & Fees and State Appropriations.

In FY2021, **State Appropriations made-up 37%** of total cash revenues while **Tuition & Fees made-up 39%** of cash revenues.

These two revenue components combined made-up **76% of all cash revenues** during FY2021.

During an interview with Pierpont's CEO, it was stated that there are no plans to raise tuition in the upcoming FY2023.

The FY2023 State Appropriation increases by \$299,023 to \$8,119,152, with the increase used to fund FY2023 salary increases.

Total cash revenue growth from FY2019 to FY2021 increased by 28%. Cash revenues averaged \$18.7 million per year.

If we back-out the assumed one-time receipts in FY2021 ("Operating Funds Transfer" and "CARES Act" sources), total cash revenue growth from FY2019 to FY2021 increased by 19% and **averaged \$18.2 million per year**.

**Pierpont Community & Technical College
Cash Expenditures - All Funding Sources (Restricted & Unrestricted)**

Object	Object Name	FY 2019 Total	FY 2020 Total	FY 2021 Total	\$ Difference FY21-FY19	% Difference FY21-FY19	FY 2022 thru 3/31/2022 Total
1200	PERS SERV PERM POS(W/ PR DEDUC)	\$ 6,073,226	\$ 6,462,833	\$ 6,659,768	\$ 586,541	10%	\$ 5,020,366
1201	PERS SERV TEMP POS(W/O PR DEDUCT)	1,114,921	963,425	793,222	(321,700)	-29%	600,191
1203	OVERTIME	298	1,273	406	108	36%	371
1206	ANNUAL INCREMENT	60,696	64,418	63,212	2,516	4%	66,035
2200	PEIA FEES	450	5,650	5,350	4,900	1089%	5,050
2202	SOCIAL SECURITY MATCHING	526,304	549,392	549,391	23,087	4%	418,127
2203	PUBLIC EMPLOYEES INS	454,373	459,216	439,910	(14,463)	-3%	363,308
2204	OTHER HEALTH INSURANCE	-	-	253	253	n/a	-
2205	WORKERS COMPENSATION	11,161	20,963	52,044	40,883	366%	8,356
2206	UNEMPLOYMENT COMPENSATION	2,554	-	-	(2,554)	-100%	863
2207	PENSION AND RETIREMENT	379,959	401,551	414,431	34,471	9%	320,882
2208	WV OPEB CONTRIBUTION	194,046	171,498	158,596	(35,450)	-18%	74,528
3200	OFFICE EXPENSES	29,063	24,772	30,297	1,234	4%	19,238
3201	PRINTING AND BINDING	50,489	20,311	11,348	(39,141)	-78%	9,400
3202	RENT EXP (REAL PROP) BLDG	24,362	9,804	7,910	(16,452)	-68%	480
3203	UTILITIES	23,820	14,760	21,154	(2,666)	-11%	12,449
3204	TELECOMMUNICATIONS	53,604	55,077	117,675	64,071	120%	60,147
3205	INTERNET SERVICE	24,000	160	567	(23,433)	-98%	160
3206	CONTRACTUAL SERVICES	484,187	2,466,675	2,120,767	1,636,580	338%	2,476,813
3207	PROFESSIONAL SERVICES	108,838	326,395	128,646	19,808	18%	74,006
3208	CONSULTANTS AND CONSULTING FEES	27,604	66,247	3,696	(23,908)	-87%	98
3210	RESEARCH, EDUCATIONAL, MEDICAL CONTRACTS	6,350	3,645	2,565	(3,785)	-60%	-
3211	TRAVEL EMPLOYEE	152,534	91,725	8,645	(143,889)	-94%	17,054
3212	TRAVEL NON EMPLOYEE	7,591	2,779	58	(7,533)	-99%	3,344
3213	COMPUTER SERVICES INTERNAL	310,727	-	3,503	(307,224)	-99%	-
3214	COMPUTER SERVICES EXTERNAL	48,187	353,531	327,369	279,182	579%	247,470
3215	HI ED INTER-AGENCY CONTRACT AGREE/FEES	4,391,064	1,071,737	869,870	(3,521,194)	-80%	-
3216	VEHICLE RENTAL	9,700	5,734	216	(9,484)	-98%	708
3217	RENTAL (MACHINE & MISC)	83,045	73,490	60,206	(22,839)	-28%	47,334
3218	ASSOC DUES & PROF MEMBERS	76,466	83,749	75,240	(1,226)	-2%	62,186
3219	FIRE/AUTO/BOND/ & OTHR IN	80,196	79,458	77,218	(2,978)	-4%	55,081
3220	FOOD PRODUCTS	18	-	-	(18)	-100%	84
3221	SUPPLIES-CLOTHING	1,557	8,861	137	(1,420)	-91%	1,315
3222	SUPPLIES- HOUSEHOLD	2,839	25,283	37,866	35,026	1234%	11,142
3224	ADVERTISING & PROMOTIONAL	162,768	137,597	131,938	(30,830)	-19%	135,311
3225	VEHICLE OPERATING EXP	121	189	814	693	572%	514
3227	SUPPLIES-EDUCATIONAL	285,226	267,106	305,809	20,583	7%	137,089
3228	SUPPLIES-MEDICAL	66	5,808	2,150	2,085	3169%	248
3229	ROUTINE MAINT CONTRACTS	46,527	2,007	882	(45,645)	-98%	-
3233	HOSPITALITY	45,638	32,146	2,266	(43,373)	-95%	12,479
3235	ENERGY EXP MTR VEH/AIR.	4,124	3,262	396	(3,728)	-90%	1,979
3238	ENERGY EXPENSE UTILITIES	144,366	158,812	189,022	44,656	31%	154,171
3241	MISCELLANEOUS	26,787	3,364	1,074	(25,713)	-96%	3,752
3242	TRAINING & DEV - IN STATE	10,651	12,971	12,866	2,215	21%	16,017
3243	TRAINING & DEV - OUT OF STATE	33,053	25,240	2,484	(30,569)	-92%	7,386
3244	POSTAL	12,246	11,689	44,830	32,584	266%	4,848
3245	FREIGHT	3,668	6,541	1,602	(2,067)	-56%	2,977
3246	SUPPLIES-COMPUTER	30,791	22,477	20,308	(10,483)	-34%	23,474
3247	SOFTWARE LICENSES	42,546	101,092	176,713	134,167	315%	193,423
3248	COMPUTER EQUIPMENT	87,661	128,239	194,838	107,177	122%	11,785

Object	Object Name	FY 2019 Total	FY 2020 Total	FY 2021 Total	\$ Difference FY21-FY19	% Difference FY21-FY19		FY 2022 thru 3/31/2022 Total
3249	OFFICE EQUIPMENT-CURRENT EXPENSES	13,151	5,123	34,248	21,096	160%		45,122
3250	ATTY LEGAL SERVICE PYMTS	-	-	4,631	4,631	n/a		4,469
3252	MISC EQUIPMENT PURCHASES	147,349	35,363	22,824	(124,525)	-85%		9,152
3253	STUDENT ACTIVITIES	12,487	11,234	24,135	11,648	93%		6,839
3254	PAYMENT OF TAXES	3	-	-	(3)	-100%		-
3255	PAYMENT OF CLAIMS	25,000	-	-	(25,000)	-100%		-
3257	AWARDS	560,239	2,414,870	2,545,017	1,984,779	354%		1,959,229
3259	LOANS	-	743	-	-	n/a		-
3263	BANK COSTS	602	40,674	22,692	22,090	3672%		20,386
3270	FUND TRANSFERS	32,438	49,854	583,186	550,748	1698%		6,978,023
3296	IMPREST FUNDS	-	-	(500)	(500)	n/a		-
3308	FEES ASSESSED BY COMMISSION FOR OTHER	558	-	-	(558)	-100%		-
3321	REFUNDS TO GRANTORS	-	-	1,000	1,000	n/a		-
3324	STATE TREASURER'S OFFICE FEES	8,787	-	-	(8,787)	-100%		-
5203	RESEARCH AND EDUCATIONAL	493,676	60,699	47,695	(445,981)	-90%		74,286
5205	BUILDING EQUIPMENT	113	-	-	(113)	-100%		-
5206	VEHICLES	102	-	-	(102)	-100%		-
5208	BOOKS AND PERIODICALS	-	139	-	-	n/a		698
5209	OTHER CAPITAL EQUIPMENT	-	720,768	55,078	55,078	n/a		40,000
5210	COMPUTER EQUIPMENT	5,351	-	155,578	150,226	2807%		-
6100	OFFICE REPAIRS	-	-	400	400	n/a		-
6101	COMMUNICATION EQUIPMENT REPAIRS	-	-	2,728	2,728	n/a		-
6102	RESRCH/ED & MED EQPT REPA	9,876	5,643	5,956	(3,920)	-40%		13,312
6103	BLDNG/HSEHLD EQUIP REPAIR	1,539	139	3,871	2,332	151%		17,551
6104	ROUTINE MAINT OF BLDGS	9,873	27,731	41,211	31,337	317%		122,994
6106	ROUTINE MAINT OF GROUNDS	585	1,192	-	(585)	-100%		-
6106	ROUTINE MAINT OF GROUNDS	-	9,337	249	249	n/a		16,613
6108	OTHER REPAIRS AND ALT	-	68	2,249	2,249	n/a		110
6201	LAND IMPROVEMENTS	-	6,970	-	-	n/a		-
6202	LAND PURCHASES	-	-	-	-	n/a		30
7401	BUILDING IMPROVEMENTS	-	-	-	-	n/a		26,805
7402	BUILDING PURCHASES	-	-	38,500	38,500	n/a		346,526
8202	CNSLT PMT FOR CAP ASST PR	-	-	578	578	n/a		-
8203	COMPUTER SOFTWARE	11,995	11,995	15,900	3,905	33%		-
Total Cash Expenditures		\$ 17,084,193	\$ 18,205,491	\$ 17,736,752	\$ 652,559	4%		\$ 20,364,180

Obtained from wvOASIS report GL-004

Pierpont's largest expenditure group is Personal services and related employee benefits. These expenditure components made-up **51%** of all cash expenditures during FY2021.

Contractual Services and Awards components made-up **26%** of all cash expenditures during FY2021.

During an interview with Pierpont's CEO, he stated that there are plans to raise salaries and associated employee benefits in the upcoming FY2023 by \$299,083, which is the amount that the FY2023 state appropriation was increased.

Total cash expenditure growth from FY2019 to FY2021 only increased by **4%**. Cash expenditures **averaged \$17.7 million per year** during this period.

Expense by Functional Classification							
	% of		% of		% of		\$ Difference
	FY 2019	Total	FY 2020	Total	FY 2021	Total	FY21-FY19
Auxiliary	\$ 591,456	3%	\$ 429,868	2%	\$ 405,549	2%	\$ (185,907)
Instruction	7,233,091	38%	7,174,559	39%	6,669,055	35%	(564,036)
Public Service	62,827	0%	1,094	0%	8,819	0%	(54,008)
Academic Support	756,753	4%	148,069	1%	196,725	1%	(560,028)
Student Services	1,236,018	7%	1,362,929	7%	1,407,481	7%	171,463
General Institutional Support	4,249,823	22%	4,900,107	26%	4,725,260	24%	475,437
Operation & Maintenance	1,355,762	7%	91,033	0%	491,959	3%	(863,803)
Student Financial Aid	1,492,999	8%	2,174,123	12%	2,967,385	15%	1,474,386
Depreciation	1,763,753	9%	1,743,526	9%	1,841,189	10%	77,436
Loan Cancellations & Write-offs	155,929	1%	469,133	3%	606,194	3%	450,265
Total	<u>\$ 18,898,411</u>	<u>100%</u>	<u>\$ 18,494,441</u>	<u>100%</u>	<u>\$ 19,319,616</u>	<u>100%</u>	<u>\$ 421,205</u>

Obtained from Pierpont C&T Independent Auditor's Report (FY21 audit)

Expense by Natural Classification							
	% of		% of		% of		\$ Difference
	FY 2019	Total	FY 2020	Total	FY 2021	Total	FY21-FY19
Salaries & Wages	\$ 7,329,167	39%	\$ 7,622,463	41%	\$ 7,496,221	39%	\$ 167,054
Benefits	1,611,114	9%	1,434,117	8%	1,697,199	9%	86,085
Supplies & Other Services	2,777,722	15%	4,183,997	23%	4,024,528	21%	1,246,806
Utilities	161,029	1%	169,148	1%	196,573	1%	35,544
Scholarships & Fellowships	1,463,055	8%	2,333,699	13%	2,941,857	15%	1,478,802
Depreciation	1,763,753	9%	1,743,526	9%	1,841,189	10%	77,436
Assessment for Student Activity Costs	22,362	0%	-	0%	-	0%	(22,362)
Assessment for Auxiliary Fees & Debt Service	591,456	3%	429,868	2%	405,549	2%	(185,907)
Assessment for Faculty Services	9,955	0%	-	0%	-	0%	(9,955)
Assessment for Operating Costs	1,500,375	8%	-	0%	-	0%	(1,500,375)
Assessment for Support Services	1,412,262	7%	-	0%	-	0%	(1,412,262)
Loan Cancellations & Write-offs	155,929	1%	469,133	3%	606,194	3%	450,265
Fees Assessed by the Commission	100,232	1%	108,490	1%	110,306	1%	10,074
Total	<u>\$ 18,898,411</u>	<u>100%</u>	<u>\$ 18,494,441</u>	<u>100%</u>	<u>\$ 19,319,616</u>	<u>100%</u>	<u>\$ 421,205</u>

Obtained from Pierpont C&T Independent Auditor's Report (FY21 audit)

Condensed Schedules of Net Position	FY2019	FY2020	FY2021	\$ Difference FY21-FY19	% Difference FY21-FY19
Total Assets	\$ 48,987,108	\$ 49,119,418	\$ 38,316,346	\$ (10,670,762)	-22%
Deferred Outflows of Resources	390,501	286,422	1,746,754	1,356,253	347%
	<u>\$ 49,377,609</u>	<u>\$ 49,405,840</u>	<u>\$ 40,063,100</u>	<u>\$ (9,314,509)</u>	<u>-19%</u>
Total Liabilities	\$ 8,427,496	\$ 8,006,846	\$ 23,504,154	\$ 15,076,658	179%
Deferred Inflows of Resources	754,007	1,060,789	1,181,906	427,899	57%
Net Investment in Capital Assets	38,529,785	38,052,588	26,370,501	(12,159,284)	-32%
Total Restricted	2,500,748	2,263,038	1,436,875	(1,063,873)	-43%
Unrestricted (Deficit)	(834,427)	22,579	(12,430,336)	(11,595,909)	1390%
	<u>\$ 49,377,609</u>	<u>\$ 49,405,840</u>	<u>\$ 40,063,100</u>	<u>\$ (9,314,509)</u>	<u>-19%</u>
Net Position	\$ 40,196,106	\$ 40,338,205	\$ 15,377,040	\$ (24,819,066)	-62%

Obtained from Pierpont C&T Independent Auditor's Report (FY21 audit)

In April 2021, Pierpont Community & Technical College and Fairmont State University executed a Final Separation Agreement which completely separated the two institutions as of June 30, 2021. While the final separation allowed Pierpont to operate as a completely independent institution, the financial statement impact was significant. The total net loss recognized for the final separation was \$-27,872,673. The large decrease in Net Position in FY2021 was primarily due to financial reporting associated with the separation from Fairmont State.

Components of the loss to Pierpont on final separation from Fairmont State University at 6/30/2021

Capital assets assumed by Pierpont	\$ 5,483,775
Liabilities assumed by Pierpont	(17,255,431)
Liabilities transferred to Fairmont State	2,102,419
Cash & other assets transferred to Fairmont State	(1,171,726)
Capital assets transferred to Fairmont State	(17,031,710)
Loss to Pierpont on final separation	<u>\$ (27,872,673)</u>

"Liabilities assumed by Pierpont" shown above includes \$16,300,000 due to Fairmont State per the Final Separation Agreement. Pierpont obtained sole ownership of the Gaston Caperton Center in Clarksburg and independent ownership of the Braxton County Center at Braxton County High School.

During FY2022, Pierpont completed relocation of all academic programs and administrative offices to Pierpont's independently owned facilities, with the exception of the Airframe and Powerplant Program currently located at the Benedum Industrial Park. Pierpont is currently in discussions with Fairmont State on finalizing the future home for the Airframe and Powerplant Program. In FY2022, Pierpont purchased an adjacent facility to the Gaston Caperton Center that will be remodeled and expanded during FY2022 and FY2023 to accommodate the Veterinary Technology Assistant Program.

Personal Services Summary

All Positions

Date	Authorized FTEs	Filled FTEs	Vacant FTEs	Filled Base Salary	Vacant Position Salary	Annual Increment
November 2018	136.00	112.67	23.33	\$ 6,146,115.15	\$ 888,431.88	\$ 58,500.00
November 2019	132.00	113.83	18.17	\$ 6,130,385.50	\$ 793,665.52	\$ 55,500.00
November 2020	127.00	112.36	14.64	\$ 6,382,783.44	\$ 647,981.52	\$ 62,040.00
November 2021	123.80	115.16	8.64	\$ 6,495,389.70	\$ 447,253.52	\$ 59,340.00

From November 2018 to November 2021 - Filled FTEs have increased by 2.49 FTEs, or +2.2%.

From November 2018 to November 2021 - Filled Base Salaries have increased by \$349,275, or +5.7%.

Faculty Positions

Date	Authorized FTEs	Filled FTEs	Vacant FTEs	Filled Base Salary	Vacant Position Salary	Annual Increment
November 2018	70.00	60.00	10.00	\$ 3,275,655.00	\$ 456,694.00	\$ 33,540.00
November 2019	64.00	63.00	1.00	\$ 3,390,946.00	\$ 38,640.00	\$ 29,220.00
November 2020	65.00	61.00	4.00	\$ 3,436,297.00	\$ 195,880.00	\$ 34,500.00
November 2021	63.00	59.00	4.00	\$ 3,206,697.00	\$ 220,080.00	\$ 29,280.00

From November 2018 to November 2021 - Total Filled Faculty FTEs have decreased by 1 FTE, or -1.7%.

From November 2018 to November 2021 - Total Filled Faculty Base Salaries have decreased by \$68,958, or -2.1%.

Faculty Adjunct (part-time) Positions	
Date	Filled FTEs
June 2019	39.20
June 2020	39.06
June 2021	15.52
April 2022	44.95

Obtained from State Budget Office

	FY2019	FY2020	FY2021	\$ Difference FY21-FY19	% Difference FY21-FY19
Student Headcount (fall term)	1,828	1,906	1,614	(214)	-12%
Total Cash Revenues / Headcount	\$ 8,963	\$ 9,816	\$ 13,020	\$ 4,057	45%
State Appropriations / Headcount	\$ 3,963	\$ 4,103	\$ 4,845	\$ 882	22%
Tuition, Fees, & Auxiliary Revenue / Headcount	\$ 3,851	\$ 4,842	\$ 5,087	\$ 1,235	32%
Total Cash Expenditures / Headcount	\$ 9,346	\$ 9,552	\$ 10,989	\$ 1,643	18%
Personal Services & Employee Benefits / Headcount	\$ 4,824	\$ 4,775	\$ 5,661	\$ 837	17%

Headcount information obtained from Pierpont C&T Independent Auditor's Report (FY21 & FY20 audits)

From FY2019 to FY2021, Pierpont's Student Headcount (fall term) declined by -12% while total cash revenues per headcount increased by +45% to \$13,020 and total cash expenditures per headcount increased by +18% to \$10,989.

	FY2019	FY2020	FY2021	\$ Difference FY21-FY19	% Difference FY21-FY19
Student Full-time Equivalent (FTE) (Fall term)	1,288	1,351	1,199	\$ (89)	-7%
Total Cash Revenues / FTE	\$ 12,721	\$ 13,849	\$ 17,526	\$ 4,805	38%
State Appropriations / FTE	\$ 5,624	\$ 5,788	\$ 6,522	\$ 898	16%
Tuition, Fees, & Auxiliary Revenue / FTE	\$ 5,466	\$ 6,830	\$ 6,847	\$ 1,381	25%
Total Cash Expenditures / FTE	\$ 13,264	\$ 13,476	\$ 14,793	\$ 1,529	12%
Personal Services & Employee Benefits / FTE	\$ 6,846	\$ 6,736	\$ 7,620	\$ 774	11%

FTE information obtained from Pierpont C&T Independent Auditor's Report (FY21 & FY20 audits)

From FY2019 to FY2021, Pierpont's Student FTE (fall term) declined by -7% while total cash revenues per FTE increased by +38% to \$17,526 and total cash expenditures per FTE increased by +12% to \$14,793.

Future Budget Projections and Assumptions - All Funding Sources

Per discussions with Pierpont finance staff, the following assumptions were made when developing the FY2023 budget:

Student Headcount (about 1,600) and Full-Time Equivalent student count (about 1,100).

No increases to tuition rates in FY2023.

State Appropriations increase by \$299,023 in FY2023 - however, total "base" revenues are expected to remain flat during FY2023 compared to FY2022 total "base" revenues.

Total expenditures are estimated to remain fairly flat in FY2023 compared to FY2022 total expenditures.

Salaries and related employee benefits will increase by approximately \$299,023, which is the amount that the FY2023 state appropriation was increased.

A 3.5% increase to total "base" revenues and a 5% increase in operating costs to cover anticipated inflation is assumed in FY2024 - FY2027.

	FY2023	FY2024	FY2025	FY2026	FY2027
Pierpont Community and Technical College's Long-term debt and multi-year contracts					
@ beginning of each fiscal year consists of the following:					
Due to Fairmont State University (Final Separation Agreement)	\$ 15,000,000	\$ 13,500,000	\$ 12,000,000	\$ 10,500,000	\$ 9,000,000
Gaston Caperton Center (debt due to Commission)	975,000	775,000	575,000	375,000	175,000
Gaston Caperton Center - adjacent facility remodel & expansion	1,650,000	-	-	-	-
Culinary Relocation	250,000	-	-	-	-
Culinary Lease	625,000	500,000	375,000	250,000	125,000
Miscellaneous Capital Projects	150,000	150,000	150,000	150,000	150,000
Lease with Fairmont State (Airframe and Powerplant Program)	500,000	500,000	500,000	500,000	500,000
OPEB, Pension, and Compensated absences Liabilities	660,000	600,000	550,000	500,000	450,000
Total Long-term debt and multi-year contracts balance at beginning of FY	\$ 19,810,000	\$ 16,025,000	\$ 14,150,000	\$ 12,275,000	\$ 10,400,000
Revenue necessary to service long-term debt and multi-year contracts					
(amounts to be paid during each fiscal year):					
Due to Fairmont State University (Final Separation Agreement)	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Gaston Caperton Center (debt due to Commission)	200,000	200,000	200,000	200,000	200,000
Gaston Caperton Center - adjacent facility remodel & expansion (one time)	1,650,000	-	-	-	-
Culinary Relocation	250,000	-	-	-	-
Culinary Lease	125,000	125,000	125,000	125,000	125,000
Miscellaneous Capital Projects	150,000	150,000	150,000	150,000	150,000
Lease with Fairmont State (Airframe and Powerplant Program)	500,000	500,000	500,000	500,000	500,000
OPEB, Pension, and Compensated absences Liabilities	275,000	275,000	275,000	275,000	275,000
Revenue necessary to service long-term debt and multi-year contracts during the FY	\$ 4,650,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000
Revenue necessary to cover normal operating costs, including all long-term debt					
and multi-year contracts (amounts to be paid during each fiscal year):					
Salaries & related employee benefits	\$ 9,300,000	\$ 9,765,000	\$ 10,255,000	\$ 10,770,000	\$ 11,310,000
Long-term debt and multi-year contracts	4,650,000	2,750,000	2,750,000	2,750,000	2,750,000
All other normal operating costs	7,325,000	7,700,000	8,085,000	8,490,000	8,915,000
Revenue necessary to cover normal operating costs, service long-term debt and multi-year contracts during the FY	\$ 21,275,000	\$ 20,215,000	\$ 21,090,000	\$ 22,010,000	\$ 22,975,000
Estimated Balances					
Estimated Beginning Cash Balance @ 7/1	\$ 10,800,000	\$ 9,525,000	\$ 10,010,000	\$ 10,345,000	\$ 10,510,000
Estimated Total Cash Revenues	20,000,000	20,700,000	21,425,000	22,175,000	22,950,000
Estimated Total Cash Expenditures	21,275,000	20,215,000	21,090,000	22,010,000	22,975,000
Estimated Ending Cash Balance @ 6/30	\$ 9,525,000	\$ 10,010,000	\$ 10,345,000	\$ 10,510,000	\$ 10,485,000