

MOUNTWEST COMMUNITY & TECHNICAL COLLEGE
INSTITUTIONAL BOARD OF GOVERNORS
MINUTES

Thursday, January 18th, 2024 @ 8:00 a.m.

Mountwest Community & Technical College – G07

PRESENT: Jeff Blatt, Cathy Burns, Stacy Carroll, David Earl, Tom Gibson, Jeff Goad, Melanie Hall, Josh Jett, Dinah Ledbetter, Mel Miller, Mark Morgan, Erin Rich

ABSENT: None.

AGENDA ITEMS:

1. Call to Order, Determination of Quorum – Mr. David Earl:

David Earl, Chairman, called the meeting order at 8:00 a.m. A quorum was established.

2. Consent Agenda – Mr. David Earl, Chairman:

A motion was made by Tom Gibson, and seconded by Jeff Goad to approve the minutes for the November 27th, 2023 meeting.

3. Finance Committee Report: Mr. Mark Morgan & Ms. Kristi Williams, CFO

Ms. Williams presented information on the CFI scores and the score of Mountwest Community & Technical College in comparison to the other CTCs in WV. The presentation is attached to the minutes. All board members received 30 minutes of training credit for the presentation. Overall, Mountwest is performing well financially and has one of the healthiest CFI scores in the state.

Additionally, the board briefly discussed tuition caps. Dr. Baker gave the board a review of Bridgevalley's decent to remove the tuition cap last year. We will continue to monitor other colleges before making a decision.

4. President's Report – Dr. Josh Baker, President

Dr. Baker presented his President's report, highlighting recent grants, college wide professional development, college events, non-credit program highlights, facilities, and legislative topics. A presentation on strategic plan priority 2, Aligned Workforce Development, was presented. The presentations and additional notes are attached as supplements to the minutes.

5. Executive Session Under the Authority of WV Code 6-9A-4 Relating to Property Acquisitions, Leases, and/or Personnel Issues*

Upon a motion made by Mr. Morgan, seconded by Ms. Hall, the board went into executive session to discuss Cabell Hall – 2002 7th Avenue. Upon a motion by Mr. Blatt, seconded by Mr. Miller, the board came out of executive session at approximately 9:08am.

6. Adjournment: There being no other agenda items, the meeting was adjourned at 9.09am.

**MOUNTWEST COMMUNITY & TECHNICAL COLLEGE
INSTITUTIONAL BOARD OF GOVERNORS**

AGENDA

Thursday, January 18th, 2024 @ 8:00 a.m.

Mountwest Community & Technical College – G07

1. Call to Order, Determination of Quorum: Mr. David Earl, Chairman
2. Consent Agenda: Mr. David Earl, Chairman
 - Approval of Minutes – November 27th, 2023*
3. Finance Committee Report: Mr. Mark Morgan & Kristi Williams, CFO
 - CFI Score (30 minutes Training Credit)
 - Tuition Cap Discussion
4. President's Report: Dr. Joshua Baker, President
5. Possible Executive Session Under the Authority of WV Code §6-9A-4 Relating Property Acquisitions, Leases and/or Personnel Issues*
 - Cabell Hall – 2002 7th Avenue
6. Other Business:
Announcements
7. Adjournment

**Action Items – Approval Required*

Mountwest Community & Technical College Strategic Plan 2023-2028

Student-Centered | Community-Focused

- 1. Exceptional Student Success**
- 2. Aligned Workforce Development**
- 3. Proactive Community Presence**
- 4. Growth-minded Organizational and Employee Development**

**MOUNTWEST COMMUNITY & TECHNICAL COLLEGE
INSTITUTIONAL BOARD OF GOVERNORS
MINUTES**

Monday, November 27th, 2023 @ 8:00 a.m.

Mountwest Community & Technical College – G07

PRESENT: Jeff Blatt, Cathy Burns, Stacy Carroll, David Earl, Tom Gibson, Jeff Goad, Melanie Hall, Dinah Ledbetter, Erin Rich

ABSENT: Mel Miler, Josh Jett, Mark Morgan

AGENDA ITEMS:

1. Call to Order, Determination of Quorum – Mr. David Earl:

David Earl, Chairman, called the meeting order at 8:01 a.m. A quorum was established.

2. Consent Agenda – Mr. David Earl, Chairman:

A motion was made by Tom Gibson, and seconded by Jeff Goad to approve the minutes for the October 26th, 2023 meeting.

3. Oath & Introduction of New Board Member: Melanie Hall

Melanie Hall was sworn in to the Board of Governors, notarized by Mesha Shamblin. The board welcomed Melanie and made introductions.

4. Academic Affairs Committee Report: Ms. Cathy Burns & Mr. McComas, CAO:

A general discussion of new programs, future programs the college would like to create was discussed. The committee will be having 2 meetings per year. Programs discussed were Solar Technology, Engineering, Utility Construction, Hospitality, Respiratory Care, and Advanced Manufacturing.

5. President's Report – Dr. Josh Baker, President

Dr. Baker presented his President's report, highlighting recent grants, progress of self-registration, recent conferences, facilities, the Foundation, and upcoming events. A detailed report is attached to the minutes.

6. Adjournment: There being no other agenda items, the meeting was adjourned at 8:26am.

To: Mountwest Finance Committee

From: Kristi Williams, Vice President of Finance and Administration

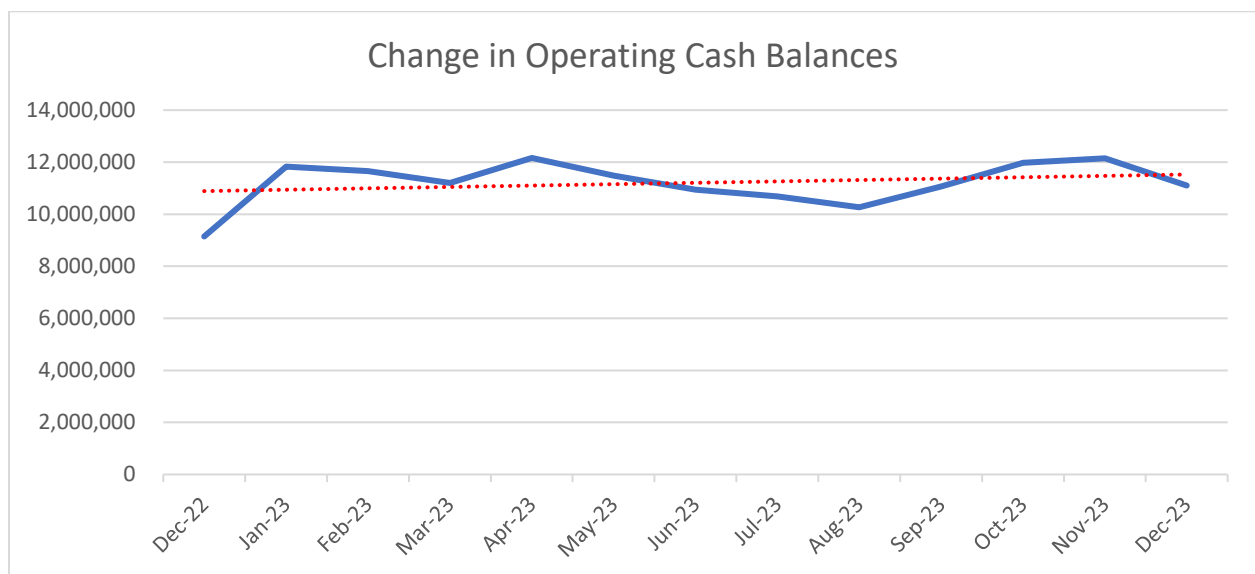
CC: Dr. Josh Baker, President

Date: January 12, 2024

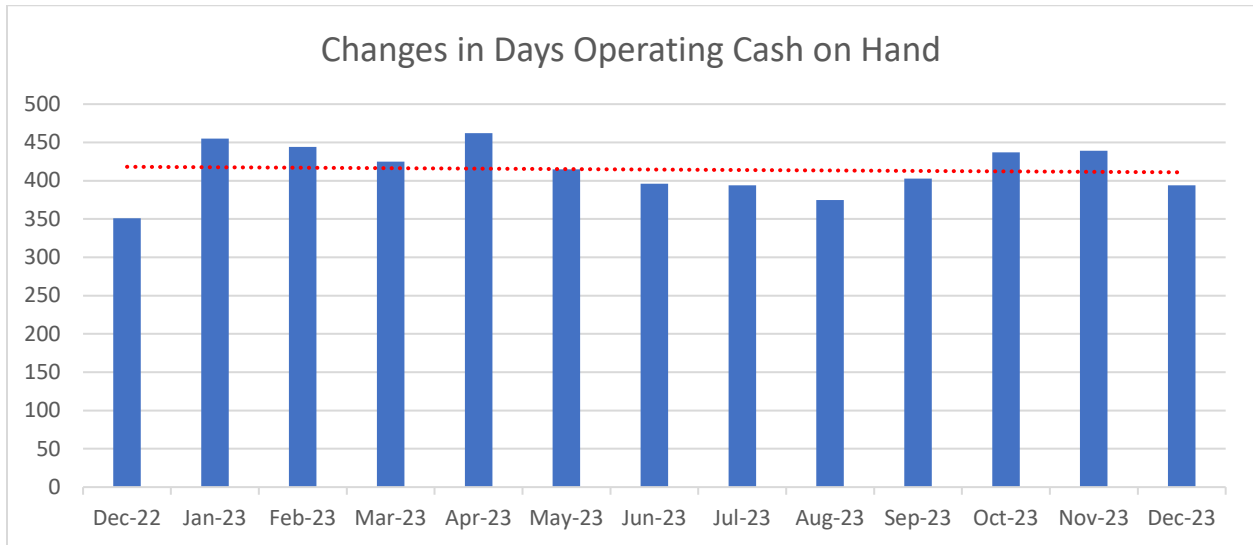
Re: December 2023 Finance Committee Report

Cash Report:

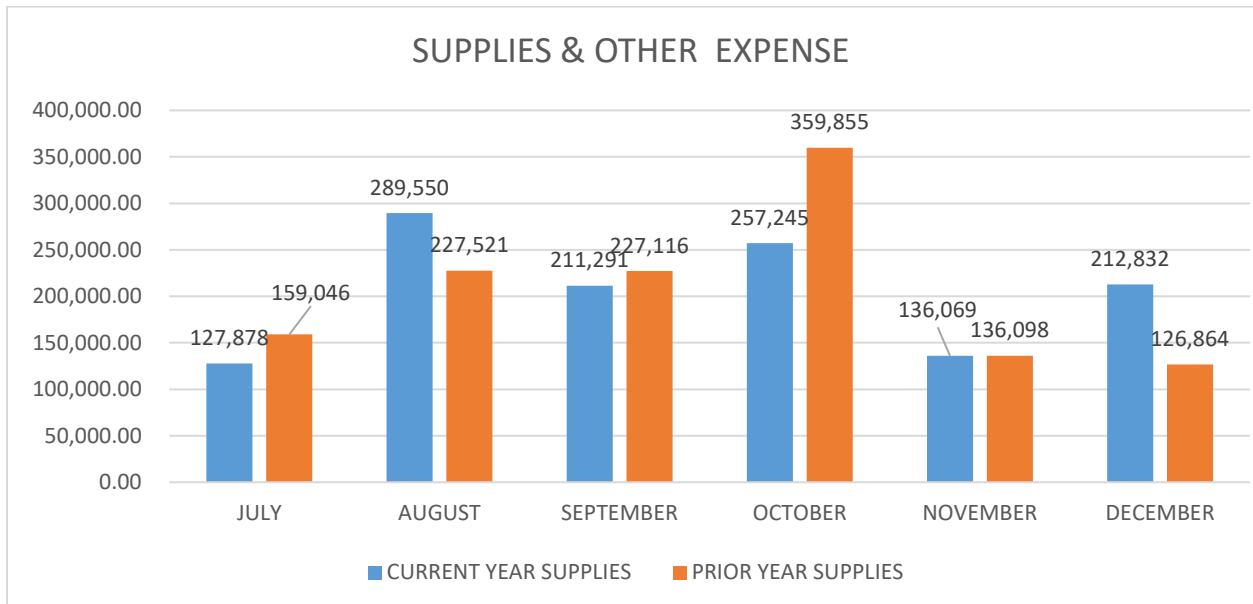
The attached Cash Operating Budget Report is for December 2023 the 6th month of the 2024 Fiscal Year. The target for the year is 50% for revenue and expense if activity was spread equally over 12 months. Revenue is at 60% which is above target, and expenses are currently at 47%, which is slightly under the target.



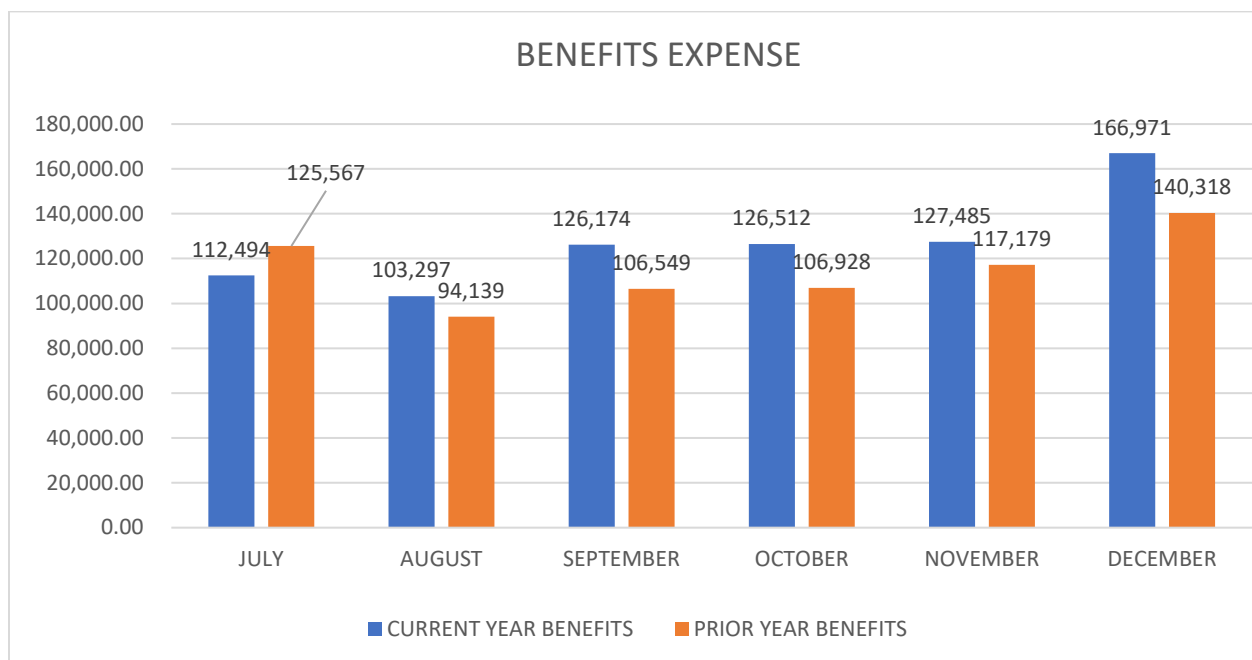
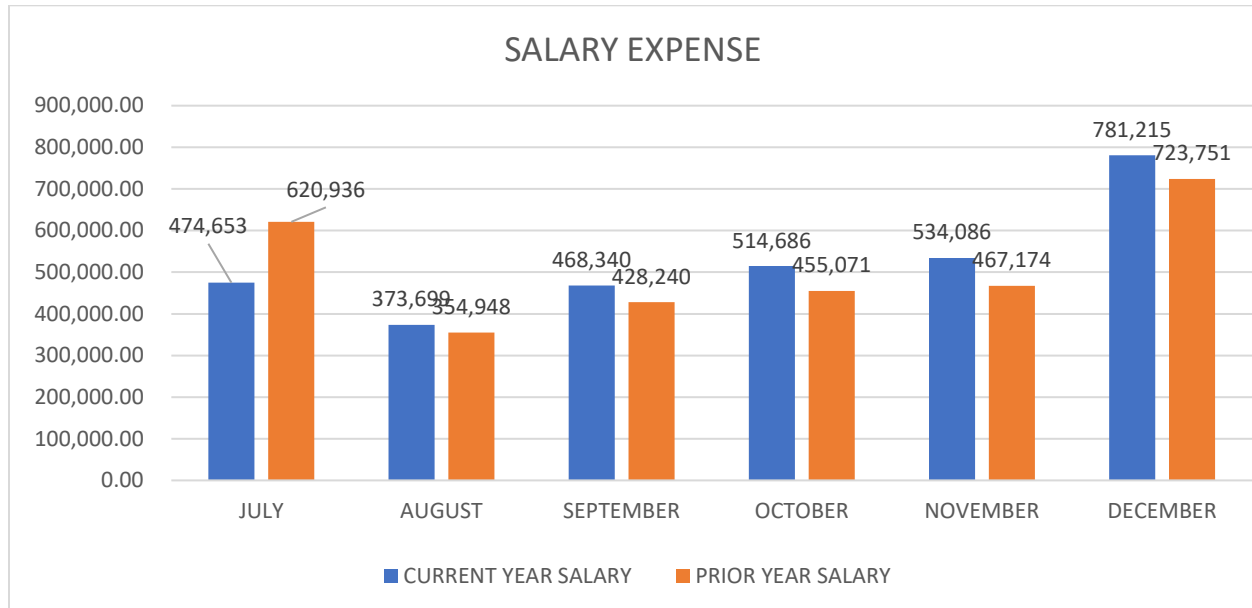
Cash at the end of December 2023 was approximately 21% higher than December 2022, for a \$1,961,351 difference. The number of days cash on hand in December 2023 is 394, and as of December 2022, it was 351 days, an increase of 43 days.



Supplies and Other expenses for December 2023 were \$212,832 which is higher compared to \$126,864 in December 2022. The YTD Supplies and Other Expenses for FY24 are \$1,234,864 compared to \$1,236,501 for FY23, which is an overall decrease of \$1,637.



Salaries and Benefits for the month of December 2023 were \$781,215 and \$166,971 respectively, compared to \$723,751 and \$140,318 in December of last year. The YTD Salaries and Benefits for FY24 are \$3,145,679 and \$762,932 compared to \$3,050,120 and \$690,680 for FY23, for an increase of \$96,559 and \$72,252 respectively.



Mountwest Community & Technical College
ALL FUNDS
Fiscal Year 2024

as of: December 31, 2023

	FY 2024 BUDGET	FY 2024 ACTUAL YTD	Comparison %	FY 2023 BUDGET	FY 2023 ACTUAL YTD	Comparison %
TOTAL REVENUES:						
Tuition and Fees	\$4,318,000	\$3,042,784	70%	\$3,462,000	\$2,388,400	69%
Sales and Services of Educational Activities	55,000	62,851	114%	\$2,500	40,469	1619%
Federal Grants	663,214	24,200	4%	3,250,000	55,382	2%
State Grants	2,575,400	1,875,461	73%	4,222,424	1,914,668	45%
Auxiliary Enterprises	180,000	223,151	124%	151,300	104,199	69%
Other Operating Revenues	85,000	89,731	106%	10,000	64,252	643%
State Appropriations	6,903,571	3,451,786	50%	6,716,176	3,358,088	50%
Investment income	225,000	377,804	168%	5,000	130,528	2611%
Other Nonoperating revenues*	0	0	0%	0	0	
TOTAL REVENUES	\$15,005,185	\$9,147,768	61%	\$17,819,400	\$8,055,986	45%

TOTAL EXPENSES:						
Salaries and Wages	8,107,841	3,652,929	45%	7,955,225	3,546,173	45%
Benefits	2,372,647	871,140	37%	2,110,787	784,900	37%
Utilities	300,000	171,828	57%	302,580	163,774	54%
Supplies and Other Services	5,899,053	1,959,845	33%	8,111,343	2,416,766	30%
Scholarships and Fellowships	1,401,500	719,292	51%	1,831,000	-	0%
Payment of System Debt-State of WV-Higher Education	64,000	39,674	62%	79,026	39,513	50%
Assessments by the Council for operations (HERA)	68,000	33,572	49%	64,000	-	0%
TOTAL OPERATING EXPENSES	\$18,213,041	\$7,448,280	41%	\$20,453,961	\$6,951,126	34%

Net Change in Cash	(3,207,856)	1,699,488	(2,634,561)	1,104,860
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Cash Beginning Balance	15,444,219	15,444,219
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Ending Cash Balance	12,236,363	17,143,707
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BC 013 BUDGETARY FUND BALANCE REPORT

FUND CLASS	DESC
FEDR	Federal Revenue
GENR	General Revenue
SPEC	Special Revenue
<i>Total:</i>	

BEGINNING BALAI

696,667.53
(5,937,888.99)
3,853,942.17
(1,387,279.29)

SUMMARY	
Beginning Cash Balance	\$ 15,444,219
Revenues	9,147,768
Expenses	(7,448,280)
Ending Cash Balance	\$ 17,143,707

Mountwest Community & Technical College

Cash Operating Budget Analysis

Fiscal Year 2024

as of: December 31, 2023

	FY 2024 BUDGET	FY 2024 ACTUAL YTD	Comparison %	FY 2023 BUDGET	FY 2023 ACTUAL YTD	Comparison %
TOTAL REVENUES:						
Tuition and Fees	\$3,900,000	\$2,666,227	68%	\$3,044,000	\$2,071,894	68%
Sales and Services of Educational Activities	55,000	43,716	79%	2,500	23,400	936%
Auxiliary Enterprises	180,000	223,151	124%	151,300	104,199	69%
Other Operating Revenues	85,000	89,731	106%	10,000	64,252	643%
State Appropriations	6,903,571	3,451,786	50%	6,716,176	3,358,088	50%
Investment income	225,000	377,804	168%	5,000	130,528	2611%
Other Nonoperating revenues*	0	0	0%	0	0	0%
TOTAL REVENUES	\$11,348,571	\$6,852,415	60%	\$9,928,976	\$5,752,361	58%

TOTAL EXPENSES:						
Salaries and Wages	6,426,978	3,146,679	49%	5,991,180	3,050,120	51%
Benefits	1,863,364	762,932	41%	1,460,524	690,680	47%
Utilities	300,000	168,393	56%	300,000	160,392	53%
Supplies and Other Services	2,642,500	1,234,864	47%	2,586,000	1,236,501	48%
Scholarships and Fellowships - E&G Funded	25,000	-	0%	25,000	-	0%
Assessments by the Council for operations (HERA)	68,000	33,572	49%	64,000	-	0%
TOTAL OPERATING EXPENSES	\$11,325,842	\$5,346,440	47%	\$10,426,704	\$5,137,693	49%

Net Change in Cash	22,729	1,505,975	\$614,668
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Cash Beginning Balance	9,595,529	9,595,529
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Ending Cash Balance	9,618,258	11,101,504
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SUMMARY		
Beginning Cash Balance	\$	9,595,529
Revenues		6,852,415
Expenses		(5,346,440)
Ending Cash Balance	\$	11,101,504

Mountwest Community & Technical College FY24 Capital Budget as of: December 31, 2023						
Description	Budget FY 2024	Actual YTD FY 2024	Comparison %	Budget FY 2023	Actual YTD FY 2023	Comparison %
Funding Sources:						
E&G Capital Fees, Student Tuition	\$ 418,000	\$ 245,834	59%	\$ 418,000	\$ 206,776	49%
Total Funding Sources	\$ 418,000	\$ 245,834	59%	\$ 418,000	\$ 206,776	49%

\$ 39,058

Uses:						
MCTC Capital Projects	\$ 354,000	\$ 45,658	13%	\$ 418,000	\$ 7,322	2%
MCTC Campus Improvements	-	-	0%	-	-	0%
Payment of Institutional Debt (Key Gov't - 1st Sentry) Bonds	-	-		-	-	#DIV/0!
Payment of System Debt-State of WV-Higher Education	64,000	39,674		-	39,513	#DIV/0!
Total Uses of Funds	\$ 418,000	\$ 85,332	20%	\$ 418,000	\$ 46,835	11%

\$ 38,497

Balances		
Net Change in Cash	0	160,502
Beginning Cash Capital Balance	1,081,683	1,081,683
Ending Cash Capital Balance	1,081,683	1,242,185

\$ 159,941

SUMMARY	
Beginning Cash Balance	\$ 812,168
Revenues - cash	\$ 245,834
Expenses - cash	\$ (85,332)
Ending Cash Balance	<u><u>\$ 972,670</u></u>



January 2024 President's Report

- **Enrollment**

- We are expecting to hit our goal of 9% growth. Approximately 3% growth in adult enrollment.

- **College Updates**

- Cabell Tech Center college credentials for adult programs update.
 - \$195,000 federal earmark available in Fall.
 - Electrician is the pilot program. We may need an employer in this area to support.
- Awarded \$220,000 system grant for SMART equipment.
- Awarded an additional \$100,000 for AIM grant (IT related), making a total of \$731,000. Ends July 2024.
- Deaf Santa was amazing!
- Franklin Covey training conducted in December for leadership team. Pursuing additional training in later Spring.
- January PD speaker Cia Verschelden did an excellent workshop on "Bandwidth".

- **Non-Credit Highlights**

- Heritage Farm trainings in development, in preparation for an Education Center at Heritage Farm.
- Marathon training now qualifies for 3 credit hours, and 6 recent trainees have expressed interest.
- Drone starting this week.
- Salesforce starting this week.
- First Deck Hand in Swiss Falls starts this month.

- **Facilities**

- Cyber Center going to bid this month.
- Learning Commons going to bid within the month.

- **Legislative Topics**

- Awarding certificates and degrees for apprenticeship. We are proposing innovative solutions.
 - Developing pre-apprenticeship boot camp for this Summer.



CFI

- **Composite Financial Index**

- Combination of four core ratios to produce a single measurement of financial performance
- This only measures financial performance. CFI can be too high if resources are not being utilized to fulfill the Institution's mission

Overall Financial Health

- Resources – Primary Reserve Ratio
- Operating Results – Net Income Ratio
- Financial Asset Performance – Return on Net Assets Ratio
- Debt management – Viability Ratio

Primary Reserve Ratio

Primary Reserve Ratio – is designed to assess if resources are sufficient and flexible for the operating size of an institution.

Expendable Net Assets/Total Expenses

FY23 Calculation for MCTC $13,542,951 / 15,542,951 = 0.88$

Recommended that this ratio be at least 0.40

Net Income Ratio

Net Income Ratio – aka Net operating revenue ratio measures whether the institutional operations resulted in a surplus or a deficit for the year. The ability of an institution to operate within available resources in basic day to day functions. The threshold for financial health is 4%

Gain or loss before other revenue, expense, gain or losses / Total Operating and Non-operating Revenue

FY23 Calculation for MCTC $1,112,001 / 16,836,949 = 0.066$ 6.6%

Recommended that goal be 2-4% return over the long-term

Return on Net Assets Ratio

Return on Net Assets Ratio – measures whether the institution's total assets (restricted and unrestricted) are increasing or decreasing. A ratio that is 3-4% above inflation is considered the threshold for financial health.

However, it is vital to understand that just this metric might not be the ideal way to judge the company's profitability or potential to grow.

Change in Net Position / Total Net Position

FY23 Calculation for MCTC $1,112.001 / 32,677,120 = .034$ 3.4%

Viability Ratio

Viability Ratio – measures the ability of an institution to meet its entire debt obligation with expendable assets.

A ratio of 1.25 is considered the threshold for financial health.

Expendable Net Position / Institution Long-term Debt

FY23 Calculation for MCTC $13,542,951 / 273,852 = 49.454$

Calculating CFI

- Once each of the four ratios is calculated, the relative strength of the score, or strength factor, and its importance in the mix of creating a composite score, or weight, are computed.
- The result is a weighted score for each indicator that when added together produces the Composite Financial Index.
- The strength factors and CFI score are standardized scores that fall along a scale of -1 to 10.

CFI Weights

Composite Financial Index Weights (Percent)		
Ratio	Institutions with Significant Debt	Institutions without Significant Debt
Primary Reserve	35	55
Net Operating Revenue	10	15
Return on net position	20	30
Viability	35	

CFI Strength Factors

Composite Financial Index Strength Factors	
Ratio	Standard
Primary Reserve	0.13
Net Operating Revenue	0.013
Return on net position	2.000
Viability	0.417

Mountwest CFI Scores

	A	B	C (A / B)	D	E (C x D)
Ratio Name	Calculated Value	Strength Factor	Calculated Value / Strength Factor	Weighting Factor	Score
Primary Reserve	0.88	0.133	6.60	0.35	2.31
Net Income (Operating)	0.066	0.013	5.08	0.10	0.51
Return on Net Assets	0.034	2.000	1.70	0.20	0.34
Viability Ratio	49.454	0.417	10.00	0.35	<u>3.50</u>
				Total CFI	6.66

Benchmarking

- A CFI score of less than three indicates a need for serious attention to the institution's financial condition.
- A score of greater than three indicates an opportunity for strategic investment of institutional resources to optimize the achievement of institutional mission.

QUESTIONS

