

PATRICK HENRY COMMUNITY COLLEGE
Budget & Finance Committee
11:30 a.m.—May 17, 2021

Due to the current situation with the COVID-19 virus, the meeting was held in person and electronically via Zoom in accordance with § 2.2-3708.2 of the Code of Virginia and Chapter 1283 of the 2020 Acts of Assembly.

Link to recording of meeting: https://vccs.zoom.us/rec/play/nJcVqc2YN5KI3X--ZbiJv3O_ZcTHcN5hQzA22HFfj1EdHb30yxawbv8_zH8FgjC9aXU8UL3vfbwh5rYY.uwGBeMy3xmJj0olv?autoplay=true&startTime=1621263741000

BUDGET & FINANCE: Barry Helmstutler, Chair, called the Budget & Finance meeting to order at 11:30 a.m.

ROLL CALL AND CONFIRMATION OF QUORUM

Committee Members

<u>Present</u>	Barry Helmstutler, Chair
<u>Present</u>	Dr. Dennis Casey
<u>Present</u>	Gary Collins
<u>Present</u>	George Hippisley
<u>Present</u>	Wren Williams

College Staff

Jack Hanbury
Sue-Ann Ehmann
Dr. Angeline Godwin

Others Present

None

A quorum was present.

Review of Local Funds Expenditures

Jack Hanbury, Vice President for Financial & Administrative Services, reported the following:

- Locality Funds Summary. We are up \$218,000 for the year resulting in a balance of \$2,292,000.
- Locality Funds Budget Report. We are within budget.
- Auxiliary Funds Budget Report. We are slightly over budget. Lost Vending commissions (due to COVID) were reimbursed through CRRSSA funds. Under Plant & Improvements we discovered that a yearly payment of \$14,000 for artificial turf at Hooker Field had been missed for 2016. We paid that now, putting us slightly over budget for the year.
- Auxiliary Funds Investment. Investments continue to perform well with a total gain of over \$248,000.
- Student Activities Budget. We continue to be under budget due to the lack of student activities and diminished athletics last fall. We end with a surplus which will be good for next year.
- Parking Funds Budget. Nice surplus.

Question. Gary Collins asked about funds to send our Baseball and Soccer teams to Nationals if they win.

Answer. Jack responded that we have a significant surplus in the Athletic budget line so we should be able to pay for their travel.

Approval of Fiscal Year 2022 Local Funds Budget (Board Report #422)

Jack Hanbury reported the following:

- Locality Fund. We did not get the increases from the Localities that we requested, so revenues will be flat. We anticipate spending \$70,000 to replace the analog informational sign in front of West Hall with an LED digital sign.
- Auxiliary Fund. Budgeted less for Vending commissions even though we anticipate having an increase of students on campus next year. Planning to reimburse that loss from CRRSSA funds. We anticipate the transfer of \$35,000 from Auxiliary Funds to support increased Student Activities.
- Student Activities Fund. We should end with a significant carry-forward even if we do send our athletes to Nationals.
- Parking Fund. We have budgeted \$24,000 to cover any unplanned expenses. No expenditures are planned.

Question. Barry Helmstutler asked if Martinsville reverting from City to County would have any impact on our budget next year.

Answer: Jack responded that he did not anticipate any change in the next year or two.

Dr. Denny Casey made a motion to accept Fiscal Year 2022 Local Funds Budget (Board Report #422). Motion was seconded by George Hippisley, and approved unanimously by a roll call vote.

<u>Yes</u>	Barry Helmstutler, Chair
<u>Yes</u>	Dr. Dennis Casey
<u>Yes</u>	Gary Collins
<u>Yes</u>	George Hippisley
<u>Yes</u>	Wren Williams

Approval of Local Funds Infusion for Renovation of PHCC Manufacturing & Engineering Technology Complex (The “MET”) (Board Report #423)

Jack Hanbury reported that in the three years since we originally budgeted for this renovation, material and labor costs have skyrocketed and the bids came in substantially higher than expected. This puts us \$800,000 over budget. Without the injection of an additional \$500,000 from Local Funds we will not have a first class facility like we have at MET I. We have hoarded Local Funds for the last eight years for just such a situation as this. The funds are there, and he asked the Committee to approve the injection of \$500,000 for this project.

Question. Barry Helmstutler asked if the original \$500,000 that was allocated to come from Local Funds for this project, was still in the Local Funds budget.

Answer. Jack affirmed.

Question. Mr. Helmstutler then asked if there was any possibility of getting funds from the CARES Act, or from the Harvest Foundation.

Answer. Jack replied that CARES or CRRSSA are not available because this is not related to COVID. We can't go back to Harvest, or the Tobacco Commission because of the time it would take to re-bid the project due to legislation that took effect May 1, 2021 regarding capital projects in excess of \$250,000. If we don't inject the \$500,000 now our labor rates will go up

about 30%. We are hoping that since this was put out to bid before this legislation we will be grandfathered in. Blair Construction will honor their bid for 30 days.

Question. Barry Helmstutler asked if Jack thought this project was delayed in Richmond any way due to COVID 19.

Answer. Absolutely. We had to get approval from the Department of Planning and Budget for the initial injection of \$500,000 even though it was coming from Local Funds (not State Funds), and that took forever. The project was ready for bid months before we got approval.

Question. Barry then asked if we could we use that as a reason for asking for CARES Act funds.

Answer. Jack thought that would be a stretch.

Question. Gary Collins asked if we would be taking a total of \$1,000,000 from the Auxiliary Fund leaving a balance of \$322,000.

Answer. Jack responded that yes, we would charge part of that to Locality Fund so as to not invade any investments, leaving investments at \$848,000.

Question. Wren Williams was concerned about the large amount of money.

Answer. Jack responded that it is a large amount of money but we have been saving for this sort of thing for the last eight years. Getting State funds for capital projects is very hard to accomplish. The money from the American Recovery Plan cannot be used for this sort of project. Dr. Godwin stated that the value of the welding project makes it worthwhile. For nearly 40 years our welding department has had a 100% placement rate, and 100% satisfactory completion rate in the American Welding Society. If we don't get this locked in now we might never get this renovation done.

Question Gary Collins asked if a new president could in any way interfere with moving forward with this project.

Answer Barry Helmstutler felt that it is up to the Board. Jack said that if the Board does not approve this we would have to look at self-contained portable welding units which would require replacing the ventilation system.

George Hippisley made a motion to accept Local Funds Infusion for Renovation of PHCC Manufacturing & Engineering Technology Complex (The "MET") (Board Report #423). Motion was seconded by Dr. Denny Casey, and approved unanimously by a roll call vote.

- Yes Barry Helmstutler, Chair
- Yes Dr. Dennis Casey
- Yes Gary Collins
- Yes George Hippisley
- Yes Wren Williams

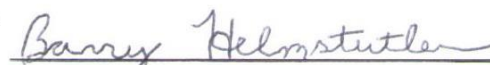
Adjournment: There being no further business, the meeting adjourned at 11:55 am.

Minutes Recorded by:

Minutes Approved By:



Sue Ann Ehmman


Barry Helmstutler, Chair, Budget & Finance Committee

