

BOARD REPORT #458

NOVEMBER 17, 2025

BOARD TO CONSIDER APPROVAL OF FISCAL YEAR 2027 LOCAL FUNDS REQUESTS

Report:

The college is submitting to the board for approval its recommended locality funds requests for FY 2027 so that those requests may be sent to the localities in January/February 2026.

Due to the decline in state funding for capital projects, the college has focused upon increasing its local funds balances to build a reserve to accommodate future capital projects without the necessity of state appropriations. This has proven to be beneficial, as the college used substantial local funds for the Manufacturing and Engineering Technologies Complex renovation projects. In fiscal 2026 the college had to pivot to focus on supporting student activities, due to a decline in student activities fees. It is therefore imperative that the college seek an increase in local contributions to support the dual objectives.

The college has not sought an increase in local contributions in five years. The college has not received an increase in local contributions since:

Henry County	2022
Martinsville	2015
Patrick County	2017

Patrick County reduced its contribution from \$17,000 to \$10,000 in fiscal year 2023. The college proposes to request that Patrick County restore the FY 2023 funding cuts and request a 10% increase from Martinsville and Henry County for FY 2027, as shown on the attached exhibit A.

Recommendation:

It is the recommendation of the college administration that the Board approve the locality funds requests for fiscal year ending June 30, 2027.



Greg Hodges, President

Patrick & Henry Community College
Historical Comparison and Distribution By Jurisdiction Headcount
Funds Requested for Local Funds Budget

Locality	2008-2009				2009-2010				2010-2011			
	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded
Franklin County	291	11.30%	\$13,545	\$13,545	310	11.42%	\$13,690	\$13,690	315	9.87%	\$11,836	\$11,836
Henry County	1,249	48.49%	\$58,135	\$58,135	1,483	54.62%	\$65,492	\$55,229	1,800	56.41%	\$67,634	\$52,467
Martinsville City	679	26.36%	\$31,604	\$31,604	494	18.20%	\$21,816	\$20,725	600	18.80%	\$22,545	\$19,688
Patrick County	357	13.86%	\$16,617	\$16,617	428	15.76%	\$18,901	\$15,786	476	14.92%	\$17,885	\$15,786
Totals	2,576	100.00%	\$119,900	\$119,900	2,715	100.00%	\$119,900	\$105,430	3,191	100.00%	\$119,900	\$99,777

Locality	2011-2012				2012-2013				2013-2014			
	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded
Franklin County	335	11.37%	\$13,634	\$13,634	325	10.15%	\$12,166	\$12,166	272	9.90%	\$11,870	\$11,870
Henry County	1,669	56.65%	\$67,927	\$52,467	1,767	55.17%	\$66,145	\$52,467	1,533	55.90%	\$67,024	\$52,467
Martinsville City	502	17.04%	\$20,431	\$17,720	595	18.58%	\$22,273	\$17,720	577	21.00%	\$25,179	\$17,720
Patrick County	440	14.94%	\$17,908	\$14,997	516	16.11%	\$19,316	\$14,997	362	13.20%	\$15,827	\$14,997
Totals	2,946	100.00%	\$119,900	\$98,818	3,203	100.00%	\$119,900	\$97,350	2,744	100.00%	\$119,900	\$97,054

Locality	2014-2015				2015-2016				2016-2017			
	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded
Franklin County	512	18.18%	\$13,057	\$13,057	147				115			
Henry County	1,396	49.57%	\$57,714	\$52,467	1,477	59.17%	\$55,448	\$56,611	1,410	59.37%	\$56,611	\$56,611
Martinsville City	534	18.96%	\$19,492	\$17,720	497	19.91%	\$18,658	\$19,835	416	17.52%	\$19,835	\$19,835
Patrick County	374	13.28%	\$16,497	\$16,497	375	15.02%	\$16,497	\$16,497	434	18.27%	\$16,497	\$16,497
Totals	2,816	100.00%	\$106,760	\$99,741	2,496	94.11%	\$90,603	\$92,943	2,375	95.16%	\$92,943	\$92,943

Locality	2017-2018				2018-2019				2019-2020			
	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded
Franklin County	96				77				101			
Henry County	1,331	62.78%	\$59,442	\$59,442	1,249	62.45%	\$59,442	\$59,442	1,282	66.77%	\$59,442	\$59,442
Martinsville City	392	18.49%	\$20,827	\$19,835	420	21.00%	\$19,835	\$19,835	334	17.40%	\$19,835	\$19,835
Patrick County	397	18.73%	\$17,322	\$17,322	331	16.55%	\$17,322	\$17,322	304	15.83%	\$17,322	\$17,322
Totals	2,120	100.00%	\$97,590	\$96,599	2,000	100.00%	\$96,599	\$96,599	1,920	100.00%	\$96,599	\$96,599

Locality	2020-2021				2021-2022				2022-2023			
	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded
Franklin County	96				93				84			
Henry County	1,331	62.78%	\$62,414	\$59,442	1,072	63.77%	\$62,414	\$59,442	1,029	61.69%	\$62,414	\$62,414
Martinsville City	392	18.49%	\$20,827	\$19,835	309	18.38%	\$20,827	\$19,835	344	20.62%	\$20,827	\$19,835
Patrick County	397	18.73%	\$18,188	\$17,322	300	17.85%	\$18,188	\$17,322	295	17.69%	\$18,188	\$10,000
Totals	2,120	100.00%	\$101,429	\$96,599	1,681	100.00%	\$101,429	\$96,599	1,668	100.00%	\$101,429	\$92,249

Locality	2023-2024				2024-2025				2025-2026			
	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded
Franklin County	74				86				74			
Henry County	870	57.85%	\$62,414	\$62,414	912	57.14%	\$62,414	\$62,414	905	56.18%	\$62,414	\$62,414
Martinsville City	383	25.47%	\$20,827	\$19,835	427	26.75%	\$20,827	\$19,835	453	28.12%	\$19,835	\$19,835
Patrick County	251	16.69%	\$17,322	\$10,000	257	16.10%	\$17,322	\$10,000	253	15.70%	\$17,322	\$10,000
Totals	1,504	100.00%	\$100,563	\$92,249	1,596	100.00%	\$100,563	\$92,249	1,611	100.00%	\$99,571	\$92,249

Locality	2026-2027				2027-2028				2028-2029			
	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded	Students *	Percent	Requested	Funded
Franklin County	78	4.44%	\$13,057									
Henry County	978	55.69%	\$62,414			#DIV/0!				#DIV/0!		
Martinsville City	438	24.94%	\$20,827			#DIV/0!				#DIV/0!		
Patrick County	262	14.92%	\$17,322			#DIV/0!				#DIV/0!		
Totals	1,756	100.00%	\$100,563	\$0	0	#DIV/0!	\$0	\$0	0	#DIV/0!	\$0	\$0

*Prior Year Fall Semester Headcount

BOARD REPORT #459

NOVEMBER 17, 2025

BOARD TO CONSIDER APPROVAL OF LOCAL FUNDS INFUSION FOR RENOVATION OF PHILPOTT HALL (THE "TRADES ACADEMY")

Report:

In 2024, P&HCC received \$2.6 million in Workforce Pipeline funding in order to increase the capacity of the college's "Trades Academy" consisting of its plumbing, electrical, HVAC, and carpentry programs. The final design proposes to renovate a portion of Philpott Hall to increase the training capacity. It is planned that the renovated space will double enrollment in these programs.

The original cost estimate for the project was \$2,359,534. The current approved CO-2 construction budget is \$2,112,000. However, in the three years since the original cost estimate, the cost of building materials and wages have skyrocketed. The cost of the project is now \$2,616,975, leaving a shortfall of \$404,975.

For the past twelve years the college has focused on increasing its local funds balances to build a reserve to accommodate future capital projects without the necessity of state appropriations. The college has pursued this strategy by several methods including: 1) Reversing the trend of declining locality contributions by requesting small increases in existing funding; 2) Eliminating the use of local funds for expenses that can be paid with state funds; 3) Increasing the non-mandatory fees. This strategy, coupled with the investment of local funds, resulted in an increase in local funds from \$1,403,809 in 2013 to a current balance of \$1,622,635. This enabled the college to devote over \$700,000 of local funds to the renovation of the Manufacturing and Engineering Technologies Complex (MET I). It also enabled the college to contribute \$500,000 for renovation of the MET II. The funds are available to contribute an additional \$404,975 to the project.

Recommendation:

It is the recommendation of the college administration that the Board approve the infusion of additional funds up to \$404,975 to the Philpott Renovation Project.



J. Gregory Hedges
J. Gregory Hedges, President

PHILPOTT RENOVATION COST SUMMARY

Total Grant Funds **\$2,631,933**

Design & Related Services **(\$301,833)**
Inspection & Testing Services **(\$5,000)**
Project Management & Other Costs **(\$107,500)**
Contingency **(\$105,600)**
VCCS Budget Adjustment **\$100,000**

Available for Construction **\$2,212,000**
Spectrum Construction Estimate **(\$2,616,975)**
Shortfall ****(\$404,975)****

PATRICK & HENRY COMMUNITY COLLEGE
LOCAL FUNDS SUMMARY
Period Ending October 31, 2025

<u>FUND BALANCES</u>	<u>BEG. BAL.</u>	<u>NET INCOME</u>	<u>END. BAL.</u>
LOCALITY FUNDS	\$244,598.65	\$1,818.89	\$246,417.54
AUXILIARY FUNDS ¹	\$1,059,773.80	\$47,990.51	\$1,107,764.31
STUDENT ACTIVITY FUNDS	\$33,274.14	(\$20,063.59)	\$13,210.55
PARKING FUNDS	<u>\$277,582.11</u>	<u>(\$22,339.06)</u>	<u>\$255,243.05</u>
TOTAL LOCAL FUNDS	\$1,615,228.70	\$7,406.75	\$1,622,635.45

¹Including Investment Gain/Loss

PATRICK & HENRY COMMUNITY COLLEGE
LOCALITY FUND BUDGET
Period Ending October 31, 2025

REVENUES		BUDGET	ACTUAL	VARIANCE
401020	Henry County	\$62,414.00		\$62,414.00
401040	Martinsville	\$19,835.00		\$19,835.00
401030	Patrick County	\$10,000.00	\$2,500.00	\$7,500.00
	<u>Bank Interest</u>	<u>\$200.00</u>		<u>\$200.00</u>
TOTAL REVENUES		\$92,449.00	\$2,500.00	\$89,949.00
EXPENSES		BUDGET	ACTUAL	VARIANCE
460040	61257 Physical Plant Repair & Maintenance	\$7,500.00		\$7,500.00
460060	61246 Bank Charges	\$2,000.00	\$681.11	\$1,318.89
	<u>Transfer to Student Activities</u>	<u>\$82,949.00</u>		<u>\$82,949.00</u>
TOTAL EXPENSES		\$92,449.00	\$681.11	\$91,767.89
NET INCOME		\$0.00	\$1,818.89	(\$1,818.89)

LOCALITY FUND BALANCE

BEGINNING BALANCE	NET INCOME	ENDING BALANCE
\$244,598.65	\$1,818.89	\$246,417.54

PATRICK & HENRY COMMUNITY COLLEGE
AUXILIARY FUND BUDGET
Period Ending October 31, 2025

REVENUES		BUDGET	ACTUAL	VARIANCE
406500	40751	College Bookstore	\$28,000.00	\$10,078.22
406510	40751	Vending	\$7,500.00	\$7,599.06
		Auxiliary Fees	\$21,000.00	\$21,000.00
<u>406530</u>	<u>40751</u>	<u>Miscellaneous</u>	<u>\$500.00</u>	<u>\$90.46</u>
TOTAL REVENUES		\$57,000.00	\$17,767.74	\$39,232.26
EXPENSES		BUDGET	ACTUAL	VARIANCE
		Transfer to Student Activities	\$46,000.00	\$46,000.00
465020		President's Office/Community Relations	\$5,000.00	\$1,322.00
465030		Administration Local Expenses	\$2,500.00	\$403.49
465040		Local Board Expenses	\$3,500.00	\$1,225.00
TOTAL EXPENSES		\$57,000.00	\$2,950.49	\$54,049.51
NET INCOME		\$0.00	\$14,817.25	

AUXILIARY FUND BALANCE

BEGINNING BALANCE	INVEST. GAIN/LOSS	NET INCOME	ENDING BALANCE
\$1,059,773.80	\$33,173.26	\$14,817.25	\$1,107,764.31

PATRICK & HENRY COMMUNITY COLLEGE
AUXILIARY FUNDS INVESTMENT PERFORMANCE
October 31, 2025

<u>Amount</u>	
BEGINNING VALUE	\$1,080,718.96
Plus cash deposits	\$0.00
<u>Less cash withdrawals</u>	<u>\$0.00</u>
ADJUSTED BASIS	\$1,080,718.96

			<u>Month</u>	<u>FYTD</u>	<u>Cum.</u>
			<u>Return</u>	<u>Return</u>	<u>Return</u>
PORTFOLIO VALUE AS OF					
	7/31/2025	\$1,077,968.99	-0.25%	-0.25%	79.66%
	8/31/2025	\$1,104,966.69	2.50%	2.24%	84.16%
	9/30/2025	\$1,118,625.97	1.24%	3.51%	86.44%
	10/31/2025	\$1,113,892.22	-0.42%	3.07%	85.65%

Gain/Loss **\$33,173.26**

PATRICK & HENRY COMMUNITY COLLEGE
STUDENT ACTIVITIES BUDGET
Period Ending October 31, 2025

REVENUES	BUDGET	ACTUAL	VARIANCE
Student Activity Fees	\$75,000.00	\$15,386.65	\$59,613.35
From Foundation	\$28,383.00	\$41,383.00	(\$13,000.00)
From Auxiliary Funds	\$46,000.00		\$46,000.00
Club Receipts	\$10,000.00		\$10,000.00
Capital Gains Distributions	\$20,000.00		\$20,000.00
<u>From Locality Funds</u>	<u>\$62,000.00</u>		<u>\$62,000.00</u>
TOTAL REVENUES	\$241,383.00	\$56,769.65	\$184,613.35
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EXPENSES	BUDGET	ACTUAL	VARIANCE
90101 <u>Student Activities & Cultural Events</u> (See Following Schedule)	<u>\$241,383.00</u>	<u>\$76,833.24</u>	<u>\$164,549.76</u>
TOTAL EXPENSES	\$241,383.00	\$76,833.24	\$164,549.76
NET INCOME	\$0.00	(\$20,063.59)	\$20,063.59

STUDENT ACTIVITIES FUND BALANCE

BEGINNING BALANCE	NET INCOME	ENDING BALANCE
\$33,274.14	(\$20,063.59)	\$13,210.55

STUDENT ACTIVITIES FUNDS BUDGET PERIOD ENDING October 31, 2025												
DEPT. CODE	ACTIVITY	BALANCE FORWARD 6/30/2025	TRANSFER FROM FOUNDATION	TRANSFER FROM AUXILIARY	CLUB RECEIPTS	CAPITAL GAINS	TRANSFER FROM LOCALITY	STUDENT ACTIVITIES FEE BUDGET	STUDENT ACTIVITIES FEES-ACTUAL	AVAILABLE FUNDS	CLUB EXPENSES	ENDING BALANCE
	BUDGETED REVENUES		\$28,383.00	\$46,000.00	\$10,000.00	\$20,000.00	\$62,000.00	\$75,000.00	\$15,386.65	\$251,383.00		
994010	INTERNATIONAL CLUB	\$1,519.15						\$500.00	\$102.58			\$1,621.73
994020	ALLIANCE FOR EXCELLENCE	\$3,073.16						\$600.00	\$123.09			\$3,196.25
994030	EARLY CHILDHOOD CLUB	\$2,300.26						\$500.00	\$102.58			\$2,402.84
994060	CAMPUS LIFE	\$7,326.29						\$5,850.00	\$1,200.16		\$6,606.66	\$1,919.78
994070	PHI THETA KAPPA	\$7,696.78						\$3,000.00	\$615.47			\$8,312.25
490199	INTERCOLLEGIATE ATHLETICS	(\$8,317.98)	\$41,383.00					\$40,000.00	\$8,206.21		\$67,606.47	(\$26,335.24)
994090	INTRAMURALS	(\$388.84)						\$1,500.00	\$307.73			(\$81.11)
994130	STUDENT NURSES ASSOC	\$4,158.50						\$500.00	\$102.58			\$4,261.08
994150	CHEERLEADING	\$58.96						\$1,000.00	\$205.16		\$265.00	(\$0.89)
994160	STUDENT SERVICES ADV	\$381.01						\$300.00	\$61.55			\$442.56
994180	PLAY DAY, FALL FEST	(\$1,282.21)						\$3,000.00	\$615.47			(\$666.74)
994200	BROWN BAG SEMINAR	\$6,491.63						\$4,750.00	\$974.49		\$45.00	\$7,421.12
994210	DISCRETIONARY SA FUND	\$5,138.74						\$5,000.00	\$1,025.78		\$1,650.44	\$4,514.08
994220	BASS FISHING CLUB	(\$949.43)						\$0.00	\$0.00			(\$949.43)
994250	CULTURAL EVENTS	\$4,858.59						\$5,000.00	\$1,025.78		\$659.67	\$5,224.70
994260	STUDENT AWARDS BANQUET	(\$306.99)						\$1,000.00	\$205.16			(\$101.84)
994360	STUDENT AWARDS	\$85.03						\$500.00	\$102.58			\$187.61
994390	FCA	\$1,431.50						\$2,000.00	\$410.31			\$1,841.82
BUDGET TOTALS		\$33,274.14	\$41,383.00	\$0.00	\$0.00	\$0.00	\$0.00	\$75,000.00	\$15,386.65	\$76,833.24	\$149,657.14	

PATRICK & HENRY COMMUNITY COLLEGE
PARKING FUNDS BUDGET
Period Ending October 31, 2025

REVENUES	BUDGET	ACTUAL	VARIANCE
409010 Student Parking Fees	<u>\$45,000.00</u>	\$5,612.34	<u>\$39,387.66</u>
TOTAL REVENUES	\$45,000.00	\$5,612.34	\$39,387.66

EXPENSES	BUDGET	ACTUAL	VARIANCE
490000 Site Improvements/Parking	<u>\$25,000.00</u>	<u>\$27,951.40</u>	<u>(\$2,951.40)</u>
TOTAL EXPENSES	\$25,000.00	\$27,951.40	(\$2,951.40)
NET INCOME	\$20,000.00	(\$22,339.06)	

PARKING FUND BALANCE

BEGINNING BALANCE	NET INCOME	ENDING BALANCE
\$277,582.11	(\$22,339.06)	\$255,243.05