



**MEETING:** Board of Trustees, Georgia Military College, Bulldog Room, Monday, April 18, 2022, 4:00 p.m.

**PRESENT:** Mr. George Hogan, Sr., Chairman of the Board; Members: Mr. Ken Vance, Ms. Doris Renfroe, Mr. Mike Cobb, Mr. Brooks Snider, Elder Alan Hale Wicker, LtGen William B. Caldwell, IV, President of Georgia Military College; and other interested parties.

**ABSENT:** Mayor Mary Parham-Copelan

**BUSINESS:**

1. Chairman of the Board, Mr. George Hogan, Sr., having declared a quorum to be present, called the meeting to order.
2. Chairman Hogan asked for a motion for the minutes of the meeting on January 18, 2022 to be approved. Mr. Vance made the motion, with Elder Wicker seconding the motion. The minutes were approved by unanimous vote.

**3. CHAIRMAN'S REPORT**

Chairman Hogan asked LTC Allen Simmons, Associate Principal of the Preparatory School, to introduce the 2021-2022 Prep School Educator of the Year and Character Educator of the Year to those in attendance. Mr. Clint Raburn was introduced as the GMC Prep School Educator of the Year. Mrs. Jennifer Spencer was introduced as the GMC Prep School Educator of the Year. Chairman Hogan commended them both on a job well done.

Chairman Hogan announced COL Jim Watkins, USA (Ret), former GMC Chief Financial Officer, as a newly appointed GMC Advisory Member on the GMC Board of Trustees. He thanked him for his years of service to GMC and welcomed him as our new Advisory Member to the Board.

4. COL Chip Kirby, USA (Ret), GMC Chief Financial Officer, presented a finance committee update. The update included the following topics:
  - Update on GMC Financial Status
  - FY23 Governor's Proposed State Budget
  - FY23 GMC Proposed Budget
  - Update on Capital Projects

A copy of this report is attached and made a part of these minutes.

5. Chairman Hogan asked for a motion for the approval of the FY23 GMC Budget (pending the Governor's approval/signature) as presented by COL Kirby. Elder Wicker made the motion, with Ms. Renfroe seconding the motion. The FY23 GMC Budget was approved by unanimous vote.
6. Chairman Hogan asked for a motion for the approval to proceed with the Wilder Hall Renovation, Restoration, and Expansion Project as presented by COL Kirby. Mr. Vance made the motion, with Mr. Cobb seconding the motion. The Wilder Hall Renovation, Restoration, and Expansion Project was approved by unanimous vote.
7. MG Dave Coburn, USA (Ret), GMC Senior Vice President for Community College Operations, gave a Community College Operations Update that included the following topics:
  - Implementation of the Coaching Model at all GMC campuses

- Review and restructure of junior college faculty/staff headcount, campus square footage, and vendor contracts to optimize efficiency and effectiveness
- New structure is metrics driven. In-seat enrollments at each campus will help determine the number of faculty/staff that campus needs in order to run effectively and ensure our students' success.

8. COL Nelson Kraft, USA (Ret), GMC Main Campus Executive Director, gave a Main Campus Update. Highlights from his report are below:

- This fall we will have our first international student program with the Republic of China (Taiwan).
- Our Army ROTC program won the 2021 MacArthur Award for best battalion in 1<sup>st</sup> Brigade, US Army Cadet Command (was recognized above all other Military Junior Colleges and Senior Military Colleges in the Nation).
- GMC Ranger Challenge Team placed first in the Nation in the Spartan Ranger Challenge (placed above all other Military Junior Colleges and several Senior Military College teams).
- Established multiple business cohorts in the community, where businesses send their employees to GMC and pay for their tuition.
- This summer we will host four JROTC camps. Two for Army, one for Air Force, and one for Navy JROTC's. These camps help bring in scholarship funds for the JC Corps of Cadets Endowed Scholarship.
- Recognizing sophomore student athletes (Men's and Women's Golf, Rifle, and Softball) on April 26<sup>th</sup> and May 7<sup>th</sup> at the Randy A. New Championship Center.
- Bringing back former GMC Football Coach, current NFL Coach, Tony Gilbert to conduct a Seminar on Leadership and Character in Athletics this June. As we start focusing more on leadership throughout the institution, JC Athletics is excited to be one of the first to offer this leadership seminar to our student athletes.

9. Mr. Jeff Gray, Vice President of Engineering, gave an Engineering Update that included property updates, current projects, and future projects.

A copy of this report is attached and made a part of these minutes.

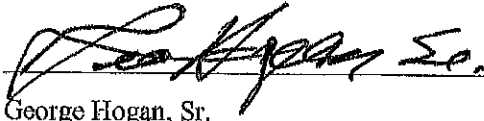
## 10. PRESIDENT'S REPORT


General Caldwell gave an update to the Board. Highlights from his report are below:

- Announced to the Board the GMC will host the National Ethics Bowl this November at our Main Campus in Milledgeville. This is a huge opportunity to bring in schools from all over the country to participate in this competition.
- We continue to research grant opportunities for additional funding for the institution. As an MSI and PBI, we are looking into what grants may be available to us. We most recently applied for the SSARP Grant which would allow us to award emergency aid grants and then use the residual for other expenses including the expansion of programs that lead to high-quality jobs.
- Next school year, approximately 40% of Prep School students in need of a scholarship will be awarded one. This is up from 27% last year. A huge thank you to what our GMC Foundation continues to do with our scholarships and endowments. Just this year there have been around 12 scholarships that are now fully endowed. In addition to our Foundation scholarships, we are also thankful to NewDay USA for their support. The NewDay USA Diversity and Leadership Scholarship will bring in 50 minority students from our community into the Prep School with 100% of their tuition covered. These scholarships are in addition to the NewDay USA Allan B. Posner Scholarship which aids the children of our military families.

11. The next meeting of the Board was scheduled for July 18, 2022.

12. There being no further business, the meeting was adjourned.

  
George Hogan, Sr.  
Chairman

  
Doris Renfroe  
Secretary-Treasurer

Reviewed by: \_\_\_\_\_

LtGen. William B. Caldwell, IV  
President, Georgia Military College

**GEORGIA MILITARY  
COLLEGE**

# Finance Committee Update for the GMC Board of Trustees

April 18, 2022

4/18/2022 1

**GEORGIA MILITARY  
COLLEGE**

## Agenda

- **Update on GMC Financial Status**
- **FY23 Governor's Proposed State Budget (as of 11 April)**
- **FY23 GMC Proposed Budget**
  - **Inflation – Consumer Price Index (CPI) (March report)**

In March, the Consumer Price Index for All Urban Consumers rose 1.2 percent, seasonally adjusted, and rose 8.5 percent over the last 12 months, not seasonally adjusted. The Index for all items less food and energy increased 0.3 percent in March (SA); up 6.5 percent over the year (NSA).
- **FY23 State budget figures are 'proposed amounts'.  
Traditionally Governor signs State Budget late  
April/early May**

4/18/2022 2

**GEORGIA MILITARY COLLEGE**

## FY22 Financial Status

- **FY21 Annual Financial Audit complete**
  - **No findings** from the FY21 period; past eight years GMC has had excellent results.
- **Revenue and expenses:**
  - Revenue lower than budgeted due to reduced credit hours, changes in state Dual Enrollment program, USG decision to waive test scores, and the COVID-19 pandemic
  - Expense reductions - to include idling/closing facilities operating at a loss, cancellation of contract services, limited travel, continued hiring freeze, as well as an organization self-examination to improve efficiencies (Reimagine Task Force)
  - Overall junior college headcount reduction of nearly 25% (139 positions), with nearly 2/3rds of the reduction being borne by our satellites (92 positions).
  - Governor's Amended FY22 State Budget: \$9.38M (increased from \$7.16M)
    - Junior College: \$4.95M (increased from \$3.51M)
    - Prep School: \$4.43M (increased from \$3.65M)
- **Property Acquisitions:**
  - South Campus. State surplus property transfer of 3.35 acres north of Broad St from the rear of the dental clinic parking lot to the former Youth Challenge Academy.

4/18/2022 3

**GEORGIA MILITARY COLLEGE**

## FY22 Operations Summary

(through 3/31/22)

	FY22 Original Budget	FY22 Revised Budget	FY22 Actuals July-Mar
Revenue	83,617,245	83,009,621	64,448,013
Salaries & Benefits	46,621,816	45,563,715	33,536,649
Travel	637,721	425,901	281,454
Operating Expenses	24,942,824	24,363,819	19,009,803
Depreciation	4,600,000	4,718,668	3,450,000
<b>Total Expenditures:</b>	<b>76,802,361</b>	<b>75,072,103</b>	<b>56,277,906</b>
<b>Net:</b>	<b>6,814,884</b>	<b>7,937,518</b>	<b>8,170,107</b>

Notes:

- FY21-22 credit hours trending 10-12% below budget estimates
- HEERF III Institutional (Junior College) funds available: \$6.5M out of \$10.4M
- HEERF III Student (JC) funds issued \$8.8M out of \$11.6M; 4<sup>th</sup> QTR amount = \$2.8M
- Gov Emergency Education Relief Funds (GEER-IHE): \$1.6M Grant (reimbursement) received in January 2022

4/18/2022 4

<b>GEORGIA MILITARY COLLEGE</b>	
<b>Governor's Proposed Budget for the Junior College</b>	
<u>Amended FY22</u>	
\$170,456	\$5K pay increase (funding for only 32 employees)
<u>\$272,903</u>	One-time salary adj to address non-state fund positions
\$443,359	(provides ~\$929 per GMC employee)
\$0	Offset Austerity Cuts (\$160K in FY20A & \$228K in FY21)
\$990,000	Equipment (FF&E) for Academic Center for Excellence
<u>Proposed FY23</u>	
\$223,117	\$5K COLA full-time employees July 2022 (provides only ~\$511 per GMC employee)
\$- 4,314	DOAS (Insurance) adjustment
\$0	Offset Austerity Cuts
4/18/2022	5

<b>GEORGIA MILITARY COLLEGE</b>	
<b>Governor's Proposed Budget for the Prep School</b>	
<u>Amended FY22</u>	
\$493,066	Enrollment Growth
\$125,798	\$2K one time salary supplement to FT Employees
\$157,502	Offset austerity cuts from FY21
<u>Proposed FY23</u>	
\$6,061	TRS from 19.81% to 19.98%
\$776,796	Enrollment Growth and T&E
\$107,197	Increase to adjust base salary by \$2K (Certified)
\$157,502	Offset austerity cuts from FY21
4/18/2022	6

<b>GEORGIA MILITARY COLLEGE</b>			
<b>State Budget</b>			
<b>AFY22 and FY23 Proposed Budget</b>			
<b>Compared to FY22 Original</b>			
	FY 2022	FY 2022 Amended	FY 2023 Proposed
Prep School	3,657,579	4,433,945	4,606,765
Junior College	<u>3,514,024</u>	<u>4,674,480</u>	<u>3,732,827</u>
<b>Total</b>	<b>7,171,603</b>	<b>9,108,425</b>	<b>8,339,592</b>
		**	*
Change (from FY22 original budget)		<b>1,936,822</b>	<b>1,167,989</b>
		* not cumulative	
		** \$990k for FF&E is one time for ACE	

4/18/2022 7

<b>GEORGIA MILITARY COLLEGE</b>	
<b>FY23 GMC Proposed Budget</b>	
<b>Highlights:</b>	<u>Junior College</u>
<ul style="list-style-type: none"> <li>• Conservative revenue estimates based on prior two-year trends ~12% decline in credit hours, our primary source (95%) of revenue</li> <li>• <b>Limited State funding</b> for Junior College pay raises (~\$2M shortfall)</li> <li>• GMC self-funded a 3% pay raise</li> <li>• No additional Junior College Federal CARES or HEERF funding in FY23</li> </ul>	
	<u>Prep School</u>
<ul style="list-style-type: none"> <li>• <b>(K-12 Prep School) Has not received any CARES or HEERF to date and do not see receiving any Federal or State CARES or HEERF funding in FY23</b></li> <li>• \$663,382 State funding increase for enrollment growth and training and experience to recognize a 13% increase in FTE students at the K-12 Preparatory School</li> <li>• CPI – trending at 8.5% inflation rate over this time last year, impacting all aspects of our operation (food, fuel, salary/wages, &amp; leases).</li> </ul>	

4/18/2022 8

<b>GEORGIA MILITARY COLLEGE</b>			
<b>GMC FY23 Proposed Budget</b>			
Although the Governor's budget has not been approved, the GMC proposed budget is presented in summary below. Edits will be made based on the governor's final budget. GMC <u>requests Board of Trustee approval</u> to move forward with planning and preparation to execute the budget, subject to the Governor's approval.			
	FY21 Actual	FY22 Revised Budget	FY23 Proposed Budget
Revenue	81,006,473	83,009,621	75,325,559
Salaries & Benefits	46,784,473	45,563,715	46,302,388
Travel	141,088	425,901	568,611
Operating Expenses	26,916,619	24,363,819	23,180,915
Depreciation	4,593,975	4,718,668	4,855,000
<b>Total Expenditures:</b>	<b>78,436,155</b>	<b>75,072,103</b>	<b>74,906,914</b>
<b>Net:</b>	<b>2,570,318</b>	<b>7,937,518</b>	<b>418,645</b>
4/18/2022 <span style="float: right;">9</span>			

<b>GEORGIA MILITARY COLLEGE</b>	
<b>Capital Projects</b>	
➤	GMC has been <u>debt-free</u> since March 2021. GMC paid off the Corps of Cadets Baugh Barracks loan to BB&T in 2021. The loan was scheduled to be renewed in June 2022 or paid off at that time. GMC elected to pay the loan off early and save approximately \$100,000 in interest costs over the ensuing year.
➤	GMC was NOT selected to receive GEER-II Grant Funding for Stone Mountain relocation, project on hold. \$3.153M request, Project ID: GA-0008170 Still a possibility in the next few months, but not likely.
➤	In the absence of State Bond Project funds and through fiscal-conservative resource management and Donor Capital funding support; GMC is able to fund the NewDay USA Center for Leadership construction <u>debt-free</u> .
➤	<u>Request Board of Trustee approval</u> to proceed with Wilder Hall (Milledgeville) Renovation, Restoration, and Expansion Project. \$6.3M in Fiscal Year 2023 bond funding is now pending Governor Kemp's signature.
4/18/2022 <span style="float: right;">10</span>	



**GEORGIA MILITARY COLLEGE**

## Reimagine GMC- 2023 and beyond

❖ GMC continues to explore other revenue generating venues and opportunities.

- Center for Leadership (CFL) Opportunities
- K-12 Preparatory School
  - Donor Scholarships
- Academic Programs
- Continuing Education Programs
- Global Online College
- Main Campus and Corps of Cadets
- Community College Transformation

4/18/2022 11

**GEORGIA MILITARY COLLEGE**

## Backup Slides

4/18/2022 12

<b>GEORGIA MILITARY COLLEGE</b>			
<b>Scholarships (K-12 Prep School)</b>			
	Student Population #	Scholarships Offered	
Minority	184	104	57%
Non-Minority	644	123	19%
Total	828	227	27%
Minority	= \$268,567/184		
	= \$1459.60 average award per minority		
Non-minority	= \$225,037/644		
	= \$349.44		
The average minority award is 318% larger than the average non-minority award.			
4/18/2022 <span style="float: right;">13</span>			



**Engineering Department**  
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Website: [www.gmc.edu](http://www.gmc.edu)

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April 18, 2022

### GMC ENGINEERING UPDATE

#### Current projects:

- COVID-19 mitigation measures and the GMC Five Step Program continue to be in place and are resulting in very positive results. We have moved to the maintaining phase of our mitigation measures.
- Construction of the Center for Leadership (CFL) by RW Allen is going very well. Most of the steel is in place and roofing was installed recently above the seating area. GMC has requested modifications to the restrooms to make them larger and more appealing and also relocated the loading dock to the rear of the east side. RW Allen feels that they are still on track to support a Christmas show.
- Bids were received April 6<sup>th</sup> for the Academic Center of Excellence (ACE). Five bids were submitted to GSFIC and RW Allen was the successful low bidder. Their project team is preparing some Value Engineering (VE) suggestions for GMC and GSFIC to consider before the contract is issued. We expect to be able to incorporate significant savings as we work to align the project with our initial budget. GSFIC should issue the contract in May so that construction can tentatively begin in June.
- The track and field project ribbon cutting is rescheduled for April 27<sup>th</sup>. Quotes for bleachers are being received and will be ordered as soon as we make our selection. The restroom and concession stand building is still in design. It will be at least a year before this building is available.
- The Human Resources Department expansion to Parham Hall is moving forward. We have selected a floor plan and the rear of the building as the most desirable location. When construction documents are complete they will be submitted to the GSFIC Design Review Group and the State Fire Marshal for review and approval before we seek bids. We expect to use the select – bid process for this project and will seek GSFIC assistance in advertising and evaluating submittals.

- The Usery drop off area is narrow and continues to be a challenge for parents. Knowing this we made the drop-off roadway around Jenkins Hall four feet wider than Usery Circle. We are working to develop a plan to widen the Usery Circle if the cost is reasonable.

**Property:**

- The GMC Foundation has purchased 341 S. Wayne Street. This property is adjacent to Moores Funeral Home and across the street from Jenkins Hall. Engineering is working with the Foundation to keep the house secure and determine its future
- As part of our long term property acquisition plan, GMC now has a contract in place to purchase 401 E. Franklin Street (fallen down house, .24 acre). This property will be incorporated into our support plan for the cross-country course/track. After we close on this property, there will only be two small pieces on the southside of East Franklin remaining to purchase that will enable us to put in a parking area to support athletic events.
- GMC also has a contract pending to purchase 140 S. Jefferson Street, the Carolyn apartments. This property is adjacent to the CFL and Dr. Ritchie's former office (owned by GMC). By purchasing this property, we can then also purchase the alleyway from the City and add these properties to our planning for the development around the CFL.