



GEORGIA MILITARY
COLLEGE
CHARACTER ABOVE ALL

Office of the President
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MEETING: Board of Trustees, Georgia Military College, Usery Community Conference Room, Monday, July 17, 2017, 6 p.m.

PRESENT: Randall A. New, Chairman of the Board; Members: Mr. George Hogan Sr., Mr. Ken Vance, Hon. Gary Thrower, LtGen William B. Caldwell, IV, President of Georgia Military College; and other interested parties.

ABSENT: Ms. Doris Renfroe, Rev. Tony Fraley, and Mr. Alberto C. Martinez, Jr.

BUSINESS:

1. Chairman of the Board, Randall A. New, having declared a quorum to be present, called the meeting to order.
2. Chairman New asked for a motion for the minutes of the meeting on April 24, 2017 to be approved. Mayor Thrower made the motion, with Mr. Hogan seconding the motion. The minutes were approved by unanimous vote.
3. Chairman New asked the Board to recognize Mr. John T. Williamson, GMC Alumni and Friend, with a moment of silence in honor of his passing on July 7, 2017. Chairman New also announced that the Board members are up for re-election this fall and that they have to go to the Milledgeville City Hall to qualify for office the week of August 21-25th.
4. LtGen. Caldwell introduced Dr. Leslie Hafer, GMC Valdosta Executive Director, and BG Rock Donahue, GMC Fayetteville Executive Director, to give a campus expansion update for GMC Albany and GMC Zebulon.
 - Dr. Hafer briefed the Board on the progress of establishing GMC Albany. The new campus will be housed in a building on the campus of Albany Technical College (ATC) in Albany, GA. GMC will offer both Associate Degree programs (non-compete clause with ATC) and Bachelor of Applied Science (BAS) Degree programs. We're working with President Caldwell and President Tony Parker (ATC) to find a date to publicly announce our partnership.
 - BG Rock Donahue briefed the Board on the progress of establishing GMC Zebulon. The new campus will be housed in a renovated facility adjacent to Zebulon's City Hall. GMC will offer Associate Degree programs. Classes will start in March 2018. Pike County High School is less than 1 mile away from GMC Zebulon and has the potential to be a huge partnership for dual enrollment.
5. Mr. Hogan yielded to Mr. Jim Watkins, Chief Financial Officer, to provide the finance committee update.
6. Mr. Watkins presented a finance committee update. The update included the following topics:
 - FY16 Financial Statement Audit
 - FY17 Close-Out
 - FY18 GMC Budget w/ adjustments
 - FY19 Look-ahead

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

7. Chairman New asked for a motion to approve the amended FY18 budget as presented by Mr. Jim Watkins. Mr. Vance made the motion, with Mayor Thrower seconding the motion. The FY18 amended budget was approved by unanimous vote.

8. Col. Pam Grant presented the GMC Prep School Report to the Board. The report included:

- GMC Prep At a Glance
- SY16-17 Milestones
- Class of 2019
- SY16-17 Scholarships
- Preview of SY17-18

9. Dr. Steve Greer, Prep School Associate Principal, briefed the Board on the highlights from the Prep School's London Experiential Learning trip. There were 10 Prep School students and 2 faculty members that visited the Royal Hospital School (RHS) on June 14 – 23rd.

10. Dr. Mike Holmes, Chief Academic Officer, gave an Academic Affairs update. The update included the following information:

- Contributing to Student Success – Operating Initiatives & Action Plans
- Bachelor of Applied Science Degree Programs
 - a. Three degree programs: Business Management, Supervision & Management, & Supply Chain Management & Logistics
 - b. Currently have BAS articulation agreements with 18 of the 22 technical colleges in Georgia

11. Dr. Jeannie Zipperer, Director of Staff, gave an update on the Weapon's Policy change. Dr. Zipperer issued a guidance memo for the implementation of House Bill 280 ("Campus Carry") legislation on June 20, 2017. O.C.G.A § 16-11-127.1 defines a "school safety zone" as any real property or building owned by or leased to any public secondary school. Any space that is co-occupied by GMC Preparatory School (or other high schools we partner with for dual enrollment) and the College is considered a "school safety zone," therefore, guns are strictly prohibited in those spaces. Conceal carry is prohibited on all GMC campuses. The only exceptions are BAS classes.


12. PRESIDENT'S REPORT

As a part of the President's Report, 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. Mr. Gray invited all of the Board members to tour any of the current facility projects.

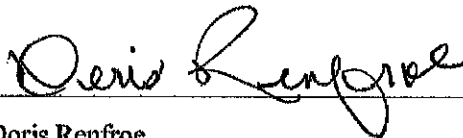
General Caldwell asked our Communications team to put together short video clips of all GMC campuses in order to introduce our Board Members to our other campuses. The Board members and other guests watched a video on GMC Warner Robins.

13. The next meeting of the Board was scheduled for October 16, 2017.

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



Randall A. New
Chairman



Doris Renfroe
Secretary-Treasurer

Reviewed by:



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

Board of Trustees

Finance Update

July 17, 2017

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Agenda

- **FY16 Financial Statement Audit**
- **FY17 Close-Out**
- **FY18 GMC Budget w/adjustments**
- **FY19 Look-Ahead**

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**GEORGIA MILITARY
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FY16 Financial Statement Audit

- Exit briefing was 13 July (last Thursday)
- Audit was "agreed upon procedures" per State
- Verbal Results:
 - No findings
 - Monthly bank statement reconciliations confirmed
 - Cash balances confirmed
 - Revenue confirmed

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**GEORGIA MILITARY
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FY17 Close-Out

	FY17 Annual Budget	Actual As of 7/11/17
Revenue:	\$ 72,820,955	\$ 71,856,107
Expenditures:		
Salaries & Benefits	39,477,171	38,507,496
Travel	750,004	541,363
Operating Expenses	26,508,302	27,307,518
Equipment	3,047,232	5,100,002
Total Expenditures:	\$ 69,777,709	\$ 69,686,379
Revenue in Excess of Expenditures:	\$ 2,543,246	\$ 2,199,728
Expenses still to post or adjust:		
Bookstore Inventories		50,000
Adjunct Salaries for June		580,000
Milled Adjunct Salaries for June		(80,000)
Prep School Salaries		173,412
Accrued Vacation		31,021
		\$ 754,433
Revenue in Excess of Expenditures after adjustments:		\$ 1,445,295

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FY17 Close-Out Comments

- FY17 included GMC's largest funding from the state; there was \$1,973,848 for Maintenance, Repairs and Restoration in the budget
- GMC Revenue was lower than budget; expenses slightly higher
- In FY17 GMC transferred \$1.4M of endowed funds to the GMC Foundation. These were funds gifted to GMC in previous years and briefed as part of the Foundation's Investments. On GMC's books the transfer is an expense, which is not reflected in the operations fund but will be in our audit

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**GEORGIA MILITARY
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FY18 Budget (GMC)

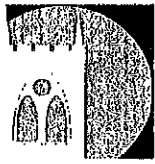
	FY18 Budget (as amended)	FY18 Budget (as briefed in April)
Revenues:	\$ 74,834,511	\$ 74,834,511
Expenditures:		
Salaries & Benefits	43,136,664	42,887,000
Travel	771,252	765,852
Operating Expenses	26,808,337	27,246,052
Equipment	3,239,655	3,239,655
Total Expenditures:	\$ 73,955,908	\$ 74,138,559
Revenue in Excess of Expenditures:	\$ 878,603	\$ 695,952

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FY19 Look-Ahead

- **New Cost Drivers:**
 - Grades 4 and 5 in our Prep School Open as a Pilot Program
 - Jenkins Hall and Annex open
 - On-Line Campus Administration and Information Technology offices open in the new Greene Street property directly across from Uesery Hall
- **Employer cost share for Teacher's Retirement System Increases by 25%: employer cost share goes from 16.81% to 20.90% of salary for each TRS employee (total of ~\$953,000 additional cost in FY19); with minimal offset from the State (Regents/TCSG receive up to 100%)**
- **Employer cost share for State Health Benefit Plan Increases to \$945 per month per non-certified employee, or \$11,340 per year (new cost becomes effective Jan 1, 2018; additional FY19 cost is ~ \$462,000 more than today); with no cost offset from the State (the State does not reimburse schools for non-certified employees)**
- **Move on When Ready program continues to grow; presents greater risk to GMC if State reduces funding**



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A LIBERAL ARTS JUNIOR COLLEGE

Engineering Department

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July 17, 2017

GMC ENGINEERING UPDATE

Property:

- GMC purchased the Martin properties on June 29th. These properties are across Greene Street from Usery Hall and are a wonderful addition to the Milledgeville campus. There are several steps, already underway, that we must complete before we can demolish the derelict structures and rehabilitate the usable space. We plan to move the online campus and IT department into the main building in the spring. The other buildings will be demolished and converted to permit parking.
- We continue to work with Central State Hospital to acquire four houses on Broad Street. We plan to use them for student and coach housing.
- We have active contracts on two neighboring properties. They are 420 S. Jefferson, adjacent to the College Relations office and 120 S. Warren which is adjacent to our bus parking area. We have plans to make 420 S. Jefferson into a nice green space for use by College Relations and we will use the Warren Street lot for our grounds department.
- The conversion of the ground floor of the Old Capital Building to classrooms and the bookstore is complete. We are expecting additional furnishings for the art room before classes begin August 4th. The bookstore is open and extremely busy outfitting cadets.

Current projects include:

- Construction of the new Military Science Building is almost complete. The elevator was installed the week of July 10th and final flooring will begin the week of July 17th. Garbutt is on track for completion by August 14th so that we can install Furniture, Fixtures and Equipment (FF&E) and be ready for classes August 28th.

- Fry Design group and Garbutt Construction are continuing to develop the plans for our next project, the new Jenkins Annex to be followed by Jenkins Hall renovations. The Design Development plans have been reviewed by the State engineers and their comments are being addressed in the shell package plans. We expect the shell permit plans to be approved approximately September 20th so that construction can begin. GMC may begin civil work in early September so that we can improve the completion date by three to four weeks.
- Garbutt recently completed selective demolition inside Jenkins Hall. They were working to reduce the uncertainty for bidders on the scope of work required and refine the bids. We did not uncover any surprises and Garbutt will work to finalize their estimate for Jenkins as soon as they are complete with the annex.
- We recently completed the transition to all LED light bulbs in Baugh Barracks, Cordell, Ennis and Usery Hall. We expect improved light quality, significantly reduced maintenance and lower energy costs. We should have a full recovery of the transition cost in two years and significant savings for GMC in all years after that point. An example of the savings is changing from eight-eight 1500 watt bulbs to the same number of 150 watt bulbs in Cordell. An almost 120,000 watt savings.
- The work to renovate Robertson Soccer Field is nearing completion. The new turf was installed from July 13th through the 15th. Precision Turf is in the cleanup stage of this project and it should be ready to use by August 7th.

Other upcoming projects:

- We have contracted for the design of a 50' rappel tower. The schematic design is complete and the engineer is developing detailed construction plans. As soon as the plans are complete we will seek three to five competitive bids for construction. The tower will be built at the north end of the upper practice field.
- We are currently planning to re-carpet, reupholster and generally spruce up Goldstein Center next summer, 2018. It requires significant advance coordination to accomplish all of this work economically during our two month summer break.