BUILDING OUR FUTURE ON A STRONG FOUNDATION
Dear Foundation Friends, Contributors, & PHCC Members:

The call to PHCC’s Educational Foundation has never been clearer – serve as the industry's go-to resource on education and training, and take the lead on attracting the next generation of skilled workers to meet our crucial workforce shortage.

As we’ve been doing for more than 28 years, we’re answering the call, rolling up our sleeves to exceed the unique needs of everyone in the p-h-c community, from apprentices and contractors to manufacturers and instructors. Of course, our biggest challenge these days is finding new ways to recruit, train, and retain our future workforce, and – as you’ll see – we’re responding with innovative ideas, handy resources, and solutions that work.

As chairperson of the Foundation, I’m asked – year after year – how we grow and maintain such strong workforce development, management education, and technical training activities. I explain that we do it by building partnerships with people who recognize the value of what we do and support our efforts:

» Partnerships with you and organizations like InSinkErator, Ferguson, the United Association (UA) and NIBCO, who made our 2014 annual fundraising campaign an unprecedented success.

» Partnerships with PHCC chapters and Kohler Company, which brought business management education to industry professionals across the country.

» Partnerships with longtime friends A.O. Smith, Bradford White, Copper Development Association, Delta Faucet, Legend Valve, Milwaukee Tools, RIDGID and Viega, who enriched our programs.

» Partnerships with new supporters like Zoeller Pumps, AB&I Foundry, American Supply Association, Uponor, IPS Corporation and Channellock, who cared about developing our future workforce.

We do it by building partnerships with p-h-c communities around the country, like the plumbing community in Louisville, Ky., which made the transition of SkillsUSA from my hometown of Kansas City, Mo., to Louisville this year so incredibly smooth. Thank you, Louisville, for your support!

We also do it with solid leadership, starting with our truly gifted and dedicated committee members and Board of Directors. Special thanks go to our current Vice-Chairperson, David Dugger, and Secretary-Treasurer, Frank Maddalon, as they step down from their positions this year. Building on their vision and momentum, and filling those respective positions, are current Board members Craig Lewis and Rich Kerzetski. Welcome!

Clearly, each one of you has a role in supporting what we’ve built here. Each one of you recognizes that the future of our treasured industry is only as strong as our Foundation. Let's keep it strong ... together.

Sincerely,

Roger Peugeot
Roger the Plumber
Foundation Chairperson
2014-2015 FOUNDATION ACCOMPLISHMENTS

It takes a solid support system to:

ADVANCE CAREERS
BUILD BUSINESSES
SECURE OUR FUTURE

Thank you for keeping that foundation strong.

BUILDING A WORKFORCE

APPRENTICE AND JOURNEYMAN TRAINING AND WORKFORCE DEVELOPMENT

The Educational Foundation knows how to get young people excited about this profession, prepare them for lifelong careers, and maintain their skills along the way. Just this year, the Foundation:

Awarded $60,000 in scholarships to 24 students, with most awards at $2,500. An overhaul of scholarship program policies this year resulted in a 100-percent increase in qualified applicants from the previous year, and our new, streamlined application now better facilitates digital submission of materials.

Assisted several PHCC chapters with developing successful scholarship programs.

Revised Plumbing 201, the Foundation’s second-year plumbing apprentice textbook, with updated code references, water heater information, and safety information, plus new sections on fixture supports, hydronics, and more.

Sold out the Plumbing Apprentice Contest and hosted the second HVAC Apprentice Contest at CONNECT 2014, securing six package units from Rheem for this newest competition.

“[The Apprentice Contest] shows that if you try real hard and study for something, you can do it. I came back with tons of confidence ... and that’s helped me a lot with my job.”
— Leroy Friend, 2014 HVAC Apprentice Contest Winner
Co-sponsored a city-wide High School Construction Career Day in San Antonio, Texas, where 58 participating companies made quality contacts with 900 students, plus parents and teachers. The event included a student build competition, guest speakers, and presentation of five scholarships.

Organized the extremely smooth relocation of SkillsUSA from Kansas City, Mo., to Louisville, Ky., where 100 top plumbing and HVACR students competed for top honors this summer.

Continued working with states to customize the Plumbing eLearning Course to meet state requirements.

Revenue for the Plumbing and HVACR eLearning courses: UP by more than $18,000 over last year

Organized the extremely smooth relocation of SkillsUSA from Kansas City, Mo., to Louisville, Ky., where 100 top plumbing and HVACR students competed for top honors this summer.

Meeting the Workforce Development Challenge

It’s more than just our responsibility; it’s our passion.

The projected worker shortage in the p-h-c industry is staggering, with statistics indicating our industry will need 21 percent more plumbers and 21 percent more HVAC technicians by 2022. Together with PHCC and other industry representatives on a special task force, the Educational Foundation is meeting the challenge head on.

This year, we:

» Hosted a fact-finding meeting of contractors, industry reps and manufacturers in Indianapolis to explore ways the industry might work together to meet the workforce challenge.

» Answered the question every contractor is asking – “How do I find qualified employees?” – with a feature article in CONTRACTOR magazine.

» Participated with other experts in a Comfortech 365 webinar on “Attracting & Training Top Industry Talent”

» Developed a special Workforce Development web page on the PHCC site, a single source to share innovative ideas, success stories, and handy resources that contractors can use in their own communities.
Sold out our new “Creating Super Foremen” workshop, hosted and sponsored by Board of Governors member Viega at its Education Facility in Nashua, N.H. Instructor Kirk Alter challenged the 30 attending plumbing & HVAC foremen, superintendents, and operations managers with five things they must do every day to serve as a company’s first line of management.

Moved the “Creating Super Foreman” workshop around the country, leveraging its success by offering it seven more times through PHCC chapters and individual companies. As a result, more than 200 foremen received this highly effective management training.

"Thank you and the entire educational team for allowing [Tennessee] to host two Super Foremen training classes. I have nothing but great things to say about Kirk’s class. I have had the pleasure of attending a few of his workshops, and I always bring back things I will implement."

— Steve Gammon, Lee Company
Once again this year, **sold out our powerful Essentials of Project Management course.** To meet the changing needs of our audience, this year’s offering featured updated financial instruction and a major shift away from using a computer lab to a more flexible “bring-your-own device” approach. The Foundation also debuted a new case study project, allowing attendees to work together to solve real-world management issues in the classroom before having to face them back home.

As part of our **Seminar Series**, sponsored by Kohler, worked with chapters and companies to facilitate 33 sessions that **reached more than 1,200 attendees** in 2014, followed in 2015 by at least 38 seminars that again influenced more than 1,200 attendees.

**Presented more than 20 webinars** on everything from getting instructors fit on how they plan, present, and evaluate course content – part of our recent Plumbing & HVACR Instructor Boot Camp series – to selling energy efficiency.

**Sponsored innovative educational programs** for QSC’s Power Meeting, UAC’s Unity Meeting, and CONNECT 2014. This year’s CONNECT conference – held in Hollywood, Fla. – put more than 24 Foundation-developed learning opportunities, including more contractor-led sessions and HVACR-focused seminars, all under one roof.
BUILDING A
FIRM FOUNDATION

FUNDRAISING AND DEVELOPMENT

Building a better future for those in our industry starts with a firm Foundation … and the funds to support it. With that, this year the Foundation welcomed new PHCC members with an updated version of its Contractor Resources DVD, introducing them to the range of targeted tools available through the Foundation … and encouraging contributions to keep those resources going.

In addition, the Foundation – together with our friends at Federated Insurance – performed a comprehensive analysis of our founders’ life insurance policies owned by the Foundation. The results of that analysis will help preserve the goal of those original donors … supporting industry education for generations to come.

ENDOWMENT FUND
The PHCC Educational Foundation is a 501(c)(3) non-profit, with the majority of our monetary support provided by 77 contractors, manufacturers, and industry partners whose generous gifts helped to establish the Foundation’s Endowment Fund. These major donors form the core membership of our committees and together serve as our Board of Governors.

Building MOMENTUM
Sponsorship revenue surged to $154,250 this year, up from $107,000 in 2013-2014. Let’s keep it going!

Endowment Fund

- Endowment Principal - Permanent
- Endowment Principal - Temp Restricted
- ECIC Earnings - Temp Restricted

www.phccfoundation.org
Welcome
Steve and Ann Rivers and
Craig and Kathy Lewis

The PHCC Educational Foundation proudly welcomes our newest members to the Board of Governors. Steve and Ann Rivers have supported PHCC for 30 years, with Steve most recently past president for PHCC–National Association and Ann a past president of the PHCC National Auxiliary. Likewise, the Lewises have been partners in progress at PHCC for many years, Craig as the 2012-13 PHCC National Secretary and a past Zone 4 Director and Kathy an active member of the Auxiliary.

INVEST IN YOUR FUTURE GIVING CAMPAIGN

The Foundation heavily depends on the annual giving campaign to deliver the training and scholarship opportunities our profession needs. The 2014 campaign surpassed its fundraising goal; making it the 14th year we have exceeded our target!

Thanks to you – and matching donations from InSinkErator and Ferguson – we’ve “raised the roof” on our 2015 campaign to $155,000!
Continually gearing our own communications to the unique needs of PHCC’s members and others in the industry who count on our resources, this year the Foundation:

- Created a new template and layout for the Focus Flash online newsletter to better engage readers and promote Foundation offerings. In addition to releasing 12 issues of Focus Flash, we also produced two issues of our printed Focus newsletter.
- Doubled the Foundation’s Facebook followers by expanding our posting frequency and improving quality.
- Greatly expanded the Foundation’s visibility through our YouTube channel. The proof is in the numbers! Just this year, the Foundation:
  » Increased content to 28 videos.
  » Gained 39 channel subscribers.
  » Recorded 9,454 views – and 65,339 minutes watched – on our videos.

### BALANCE SHEET

#### ASSETS

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>2014</th>
<th>2013</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash - Checking &amp; Savings</td>
<td>$98,305</td>
<td>$24,780</td>
<td>$73,525</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>10,000</td>
<td>15,939</td>
<td>(5,939)</td>
</tr>
<tr>
<td>Pledges Receivable</td>
<td>181,311</td>
<td>223,797</td>
<td>(42,486)</td>
</tr>
<tr>
<td>Inventory</td>
<td>2,965</td>
<td>4,498</td>
<td>(1,533)</td>
</tr>
<tr>
<td>Prepaid Items</td>
<td>9,502</td>
<td>8,831</td>
<td>671</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td>$301,183</td>
<td>$277,844</td>
<td>$23,339</td>
</tr>
<tr>
<td>Investments at Market Value*</td>
<td>10,932,887</td>
<td>9,875,348</td>
<td>1,057,539</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$11,234,070</td>
<td>$10,153,192</td>
<td>$1,080,878</td>
</tr>
</tbody>
</table>

#### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>2014</th>
<th>2013</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts Payable &amp; Accrued Expenses</td>
<td>$73,364</td>
<td>$81,576</td>
<td>$(8,212)</td>
</tr>
<tr>
<td>Due to affiliate</td>
<td>27,410</td>
<td>26,224</td>
<td>1,186</td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>39,127</td>
<td>48,377</td>
<td>(9,250)</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td>139,901</td>
<td>156,177</td>
<td>(7,026)</td>
</tr>
</tbody>
</table>

Net Assets - Prior Year

| Undesignated - operating       | 353,306  | 301,000  | 52,306   |
| Scholarships                   | 1,219,678| 1,102,800| 116,878  |
| Temporarily restricted          | 3,824,408| 3,286,110| 538,298  |
| Permanently restricted          | 4,599,623| 4,571,823| 27,800   |
| **TOTAL PRIOR YEAR NET ASSETS**| 9,997,015| 9,261,733| 735,282  |

| Change in Net Assets           | 1,097,154| 735,282  | 361,872  |
| **TOTAL NET ASSETS**           | 11,094,169| 9,997,015| 1,097,154|

**TOTAL LIABILITIES AND NET ASSETS**

|                  | $11,234,070 | $10,153,192 | $1,080,878 |

*Change due to market fluctuation.*
# BOARD OF DIRECTORS

## Officers

**Chairperson**  
Roger Peugeot  
Roger The Plumber  
Overland Park, KS

**Vice-Chairperson**  
David Dugger  
ShoffnerKalthoff Mechanical Electrical Service  
Knoxville, TN

**Secretary-Treasurer**  
Frank R. Maddalon  
F. R. Maddalon Plumbing & Heating  
Trenton, NJ

## Board Members

**Tom Applegate**  
OH Association Career-Technical Superintendents  
Westerville, OH

**Charles “Chip” Greene**  
Greene & Associates, Inc.  
Macon, GA

**Michael J. Kastner, Jr.**  
Kastner Plumbing & Heating  
West Friendship, MD

**Gerry Kennedy**  
PHCC – National Association  
Falls Church, VA

**Richard Kerzetski**  
Universal Plumbing & Heating Co.  
Las Vegas, NV

**Beth Killen**  
PHCC of Tennessee  
Knoxville, TN

**Craig Lewis**  
R.E.C. Industries Inc.  
Bryan, TX

**Rex Martin**  
NIBCO, Inc.  
Elkhart, IN

**Cheryl Mosier**  
Cable Pipe & Leak Detection  
El Cajon, CA

**Kevin Tindall**  
Tindall & Ranson Plumbing & Heating  
Princeton, NJ

**Patrick Wallner**  
Wallner Plumbing Company, Inc.  
Redding, CA

**Joseph M. Whitney**  
North Shore Mechanical Contractors  
Danvers, MA

## Chief Operating Officer

**Cindy Sheridan, CAE**  
PHCC Educational Foundation  
Falls Church, VA
Charter Founders
American Standard
Delta Faucet Company and the Masco Family of Companies
InSinkErator
Kohler Company

Program Underwriter
Eljer Plumbingware, Inc.

Corporate Founders
Anaheim Manufacturing
Anvil International
Bradford White Corporation
Cerro Flow Products, Inc.
Charlotte Pipe and Foundry
Elkay Manufacturing Company
Federated Mutual Insurance
Ferguson and Wolseley, plc.
Legend Valve
NIBCO INC.
Rheem Manufacturing Co. and Ruud Water Heater
Trimble MEP
Viega
Watts Water Technologies

Contractor Members
Kirk and Pam Alter
William Becker*
Joseph Beetz*
Irwin Botto*
Daniel Burnette* †
Steve Carder
John “Tim” Ceren*
Ray† and Connie Dauenhauer*
Ray Dauenhauer, Sr. † (Memorial)
James T. Driscoll, Jr.
David and Janet Dugger
Charles “Red” Englert†
Richard E. Farrell*
David † and Jean Fox* †
John Garvelink
Mary Garvelink
Mark Giebelhaus
John Giotitto* †
James Hansbauer*
William L. Harvey*
Charles F. Hiley, Sr.* †
Charles F. Hiley, Jr.* †
Larry W. Howe*
Dick and Patty Irwin*
William and Patty Jones*
Richard R. Kerzetski
Kenneth E. Krauska* †
Craig and Kathy Lewis
Jim and Patricia Lewis
William Linek*
William Lynch†
Frank and Iris Maddalon
John A. McWilliams
Harold Michel*
Joseph “Herb” Miller*
Donald and Lorraine Morin†
Adam Moyer∗
Christopher T. Moyer
New York State PHCC*
Ron and Jeanette Newman
Walter Parkes∗
Roger Peugeot
PHCC of Massachusetts*
Donald Priest†
Carl Rice
Steve and Ann Rivers
Orville and Doreen †
Taeccker
Dennis Tarpenning
Kevin and Kathy Tindall
William † and Bette †
Trombly∗
John † and Jo Wagner
John † and Kate Ward∗
Francis † and Anne Williams∗
Franklin Youngblood†
F. Carl Ziegler†
F. Kent Ziegler
R. Scott Ziegler

*Founder
† Deceased

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