

March 9, 2020

A special meeting of the Board of School Trustees was called to order at 5:30 p.m. by Mr. Mullett. Mr. Mullett led the Board and audience in the Pledge of Allegiance. All Board members were present except Dr. Quin and Mr. Wolfe. Also present were Mr. Watkins, Mr. Durrwachter, Mrs. Conley, Mr. Morris, Mrs. Watkins, Mrs. Eddy, Mr. Frye, Mr. Woodruff, Barton Co., Mr. Hight, Mr. Ryals, Mr. Thompson, legal representation, and a local news media rep.

Mr. Watkins opened the meeting by thanking everyone for their attendance. He continued by giving possible proposal dates for the 7-12 program. He covered the current configuration of PCS. K-2 at Elmwood, 3-6 at Blair Pointe, 7-8 at the junior high, and 9-12 at the high school. Mr. Watkins stated that a lot of schools have converted to a 7-12 program. He stated that PCS is vital in our community. Unfortunately, we have seen a loss of industry in Peru which has caused us to lose 30-40 students per year. The loss has been manageable to where we could still give raises and keep class sizes relatively low. Mr. Watkins spoke about lease bonding vs referendum. If we bond, it will not raise our tax rate if we wait until debt comes off. We could also do a referendum. We would submit it to a ballot for voting. A referendum would affect all townships. We could get remonstrance, but this needs votes as well. Lease bonding is what we are leaning towards. Mr. Watkins stated that although we want to have nice facilities for everyone here at PCS, the primary focus is our students. We want to provide the best education possible, be attractive as possible, retain phenomenal staff, keep our programs, and maintain facilities.

- I. 7-12 PROGRAM - Mr. Wannemacher, President of Barton-Coe-Vilamaa, and Mr. Hight gave a presentation to the Board and audience in attendance. They covered issues that were both visible and non-visible in the junior high and high school. A few of the issues at the junior high consist of the following: the gym and cafeteria do not have cooling, major plumbing issues, lighting in the cafeteria is old and ineffective, entrance security is lacking, classrooms are small by current standards, most are less than 800 square feet, many windows have broken seals and are fogged, exterior doors are rusting in areas, and walls in the gym and cafeteria have a lot of cracks. Mr. Wannemacher and Mr. Hight presented three other lists of issues at the junior high. More discussion covered the items on the lengthy lists. He stated that it would take \$13.5 million to bring the junior high to acceptable conditions. He stated that when doing renovations, there are more requirements to bring the building up to code. Mr. Wannemacher stated that the high school is in overall better shape than the junior high, but it has issues as well. They also covered the lists for the high school. Discussion continued. Mr. Watkins stated that we are at a point where we have to do either minimum updates or maximum updates.

Mr. Jay Ryals, Managing Director/Public Finance at Fifth Third Bank, gave a financial presentation to the Board and audience in attendance. Mr. Ryals stated that as he has seen a lot of schools do their debt and capital projects planning, it usually fits into one of three categories. He stated the first category is what everyone wants, but nobody can get, the second category is where you get moved to and the third category is the most popular for those that can't get the first category. The first category consists of never having to issue bonds or debt and your tax rate goes down to 0. He stated that there is just too much work to do in facilities for this to be possible. The second category, you have to issue bonds and raise taxes to pay for it. The third category is waiting/holding on projects to where you do not have to increase taxes. He stated that this is the category that his last 24 schools have tried to get into to. Mr. Ryals presented information to the Board on what it would look like for PCS to be in the third category. He gave graphs showing what year old debt will roll off and when new bonds can be issued without having to increase tax levies.

Mr. Frye stated that educationally if we continue going in the direction that we are with declining enrollment, we will eventually be restricted on the number of classes we can offer at the high school. Mr. Woodruff stated that the junior high would essentially lose their elective classes. Mr. Durrwachter stated that if everything stays the same, we have and are using \$350,000 per year to maintain current conditions and this amount is not enough.

II. BOARD AND ADMINISTRATIVE COMMENTS

A. SUPERINTENDENT Mr. Watkins thanked the Board and all attendees for their input and attendance.

B. BOARD MEMBER - no comments

III. ADJOURNMENT

With no further business to discuss, the meeting was adjourned at 7:48 p.m. unanimously approved.

Secretary,

Charles Wagner

/dc