Community Informational Meeting
Regarding a Proposed Pewamo-Westphalia Bond
October 24, 2022

PRESENTATION FROM JENNIFER GOODMAN, SUPERINTENDENT

How did a bond idea start?
Feedback from staff, students and community, State of Michigan offered air quality audits, Occupant Care performed a HVAC audit. Additions to the School improvement list. We contacted and interviewed several Project Executives to discuss cost and processes. As part of our Strategic Plan we surveyed our staff and families.

In April, the Board of Education approved Performance Services to conduct audits and checks on the facilities at both campuses to identify potential future bond items to be included in a potential Bond Proposal for May of 2023.

What is a bond proposal and how can funds from a bond be spent? A bond proposal is how a public school district asks its community for authorization to borrow money to pay for capital expenditures.

Voter-approved bond funds can be spent on new construction, additions, remodeling, site improvements, athletic facilities, playgrounds, furnishings, equipment, buses and technology.

Funds raised through the sale of bonds cannot be used on operational expenses such as employee salaries and benefits, school supplies, and textbooks. Bond funds must be kept separate from operating funds and must be audited by an independent auditing firm.

Would the approval of the bond proposal have any impact on our current operational budget?
While funding from this bond proposal is independent of the support the district receives from the State of Michigan for annual operations on a per pupil basis, the bond would likely have a positive impact on the annual operating budget. It would allow the district to reallocate operating funds that are currently being spent on aging facilities and mechanical systems, technology, and buses. The savings generated from new and cost-efficient facilities could be redirected to student programs and resources.

How would I know the bond funds would be spent the way they are supposed to be spent?
Michigan law requires that expenditure of bond proceeds be audited. The bond proceeds can only be spent for purposes approved by the voters. The bond cannot be used for repair or maintenance costs, teacher, administrator, employee salaries, or other operating expenses. An audit would be completed at the end of each series to ensure compliance. Every bond construction fund is required to have an independent audit, per Bulletin 7 and Public Act 451 of 1976 of the Revised School Code, effective May 12, 2014 (revised September 12, 2017.) The objective of the audit is to determine if the bond proceeds have been expended consistently with the stated purposes for which the bonds were authorized by the voters.

The audit must be performed by an independent CPA, licensed by the Michigan State Board of Accountancy, and comply with generally accepted auditing standards as adopted by the American Institute of CPAs. A bond construction fund audit report is required after construction is completed as determined by a Certificate of Substantial Completion. This report is for the entire construction period, from the sale of the bond issue or the beginning of the project (whichever is earlier) through completion, and must include all activity in the fund for that period.

What are the next steps after community feedback from the survey? At the Special Board Meeting on November 9th, School Perceptions will discuss the survey results and the Board of Education will discuss if they want to move forward.

Upcoming Important Dates and Information:

- If the board decides to move forward, we will work with Thrun Law, Baker Tilly, and Performance Services to file the Preliminary Qualification Application Documents with the Department of Treasury on December 5.

- December 12, the board will vote to approve the Preliminary Qualification Application
- January 16, the Board of Education will adopt the resolution calling the election
- Informational Meetings will be scheduled at both buildings
- Dedicated Bond page on our website
- Create a facility list and plan for future expenditures

QUESTIONS FROM THE AUDIENCE:

1. **What is P-W's current millage and those of school districts in Clinton County?**

Pewamo-Westphalia	7
St. Johns	7
Fowler	7.34
Ovid-Else	7.8
Bath	9
DeWitt	10

   Option #1 in the survey is an additional $25 from what residents are currently paying.
2. **When does the current bond expire?**
   We have multiple bonds and the mills will start to decrease in 2023 if no other bond is approved.
3. **The survey has some items listed but not all items included. Is there a list of all the items included in each option?**
   Yes, you can find the full list here.
4. **Why do we have a drainage issue near the current football field/Pirate Stadium? How do we prevent drainage issues from being a problem with future developments?**
   We have been experiencing some serious drainage issues from the football field/Pirate Stadium and surrounding areas, which cause the football field to drain improperly. For this bond, we would have them corrected professionally.
5. **Why can't the junior football team use the field used by the Varsity/Junior Varsity teams?**
   With the current drainage issue, the ground remains very soft during and after rainy periods, and is easily torn up with regular use.
6. **What are the enrollment projections?**
   In early 2022, we projected a conservative 688 FTE (full time equivalency) for the 2022-23 school year, including our shared services at the parochial schools. We are currently anticipating 725 FTE. In 2021-22, our student count was 705, so this is a healthy increase. We are seeing an increase in both Kindergarten and Begindergarten classes.
7. **Why isn't an expansion to the auditorium included in any proposal?** We researched expanding the auditorium and have been told by more than one architect that the best option would be to build a new auditorium due to cost.

8. **What percentage of our enrollment in Schools of Choice?** P-W offers limited schools of choice enrollment each year, meaning there are a limited number of students accepted in each grade level, with some classes not accepting any schools of choice students. Our goal is to keep enrollment at a maximum of approximately 80 students per grade. The current percentage of non-resident students within the entire district BK-12th grade is 24%.
9. **How do we anticipate enrollment for the elementary schools?**
   We are having an enrollment assessment completed, based on the Fall Student Count. This is a requirement when pursuing a school bond. If the enrollment is not anticipated to maintain or increase, the addition of classrooms will not be allowed on the ballot.
10. **Why isn't the Middle-High School expanding, compared to the Elementary School?**
    The Elementary School is utilizing each and every classroom and office space, in addition to utilizing portable classrooms we are currently renting. The Elementary School is in dire need of additional space. The Middle-High School within five years will need to have additional classrooms and spaces.
11. **If Option #3 was supported by the community, what are the additional increases in costs regarding maintenance?**
    We anticipate that we will have a decrease in our electricity bills, due to our older and inefficient heating systems, replacing older windows, and the removal of window air conditioning units in the classrooms. We also would see a decrease in the maintenance of the football field if turf was installed due to water use, cutting grass and painting lines.
12. **Are we planning on increasing custodial staff?**
    We would complete an audit on our current custodial staff. One option is to keep our current number of custodians, but increase hours. We are fully staffed this year.
13. **Can more than one person per household complete the survey?**
    Each registered voter within each household may complete a survey. Please contact Central Office at 989.587.5100, Ext. 5108 or centraloffice@pwschools.org to receive additional surveys or survey codes.
14. **The fund balance doesn't include the unfunded pensions and insurance liabilities. Is this not a GAAP fund balance?**
    All public school districts are required to state two different sets of financial statements in their annual audit report per GAAP (Generally Accepted Accounting Principles) rules. District Wide Financial Statements have only been included in the public school district's annual audit report for approximately ten years. That is when GAAP rules required District Wide Financial Statements to be included in the annual audit report. Public school districts traditionally focus on the Fund Financial Statements. The Fund Financial Statements do not include estimated future pension liability costs, estimated long term debt costs and net fixed assets costs.
15. **Will you put together a capital outlay plan for what we would save with these additional improvements?**
    Yes. I will work on getting that on our website.
16. **The boiler near the Library was installed in 2014. Is the reason you're replacing the boilers because they wouldn't provide cooling?**
    The boiler installed in 2014 was too large of a boiler for this building and is very inefficient. Three different HVAC companies provided guidance on what is needed for the Middle-High School and all three companies suggested removing the current boilers and selling the boiler purchased in 2014 to an interested party.

17. **If we construct a bus garage on the east side of the Fieldhouse parking lot/Pirate Stadium entrance, does P-W own this property?**
    Yes, P-W owns 14 acres along the east side of the drive by the Fieldhouse parking lot/Pirate Stadium, from Centerline Road to Hanses Road.
18. **Has anyone suggested a one-way in/out of the parking lot near the Field House/Pirate Stadium due to traffic flow?**
    That is something we will review. If the bus garage is moved from that location in option three then the road would be widened supporting safer traffic flow.
19. **It was stated that the Bus Garage building roof cannot be repaired. Could we move the bus garage to the most southern part of the property, move the softball somewhere else and improve the softball/baseball parking lot?**
    We did originally propose to the architects a building near the softball/baseball fields and track event area, however the cost to build a building and run water to it was not cost effective.
20. **If we want to provide feedback on the survey for some of these changes, how do we do that?**
    There are areas on page 2, 5, 6, and 7 of the survey to provide feedback.
21. **Were the options based on the community-wide survey conducted last spring?**
    Yes, the results of the community-wide survey were used to develop the options.
22. **How did P-W decide which options would be included in the survey?**
    We utilized stakeholder feedback, costs, and audits completed.
23. **There are other improvements that could be made at our schools, like improving the landscaping and installing a new fence. It seems like a new fence should be included in the bond.**
    We originally met to compile a list of all improvements needed to P-W Schools. The cost for all of those items was close to $50 million. We needed to scale down our list to fit a reasonable bond amount. We will have a capital needs assessment completed that lists the physical needs of the property, life expectancy, replacement schedule, and cost.
24. **What is the anticipated cost of an indoor complex?**
    Estimated at $3 million, if expanded onto the Fieldhouse.
25. **Do we ever talk about trades, other than woodshop?**
    We have looked into welding programs. Several trades and Career and Technical Education (CTE) programs are offered at RESA and Ionia ISD. This year we began providing busing for students to attend RESA and we have an increased amount of students attending. If RESA doesn't provide the trade, students can attend another CTE program.
26. **In 2018, students had to be placed on a waiting list to take courses at RESA or Ionia ISD. Do students still have to wait to attend trades schools at the county level?**
    In most cases, if students apply to RESA by the deadline, there is not a waiting list. If there are too many students signed up for a certain program, the county schools look at the enrollment to see if adjustments can be made to make it work. For Heartlands in Ionia, preference is given to Ionia County students first, and then P-W students are able to take classes if there are spots available. There are programs at Eaton County RESA as well as a backup to Clinton and Ionia County programs.

27. **If someone supports options in option 3 and are willing to support a 8.5 mill bond (the price of option 2), how could we indicate that on our survey?**
    You could provide a comment in the comment section indicating that you support the increase to 8.5 mills and recommend placing the bus garage in that option.
28. **Moving the bus garage to another location could cause substantial additional costs. Could the architects be prepared to do that within a few weeks?**
    The architects assured us they will move quickly to provide cost estimates for any proposed changes following the survey results.
29. **Is there anything we need to do with soil issues if we move the bus garage? Do we have to worry about contaminated ground?**
    The gas tank is above ground. The soil should not have any issues.
30. **Can you tell us about the locker room/press box?**
    The new locker room/press box would be located behind the home bleachers and have stakeholder input on design and needs.
31. **What happens to the current concessions and bathrooms?**
    The current concessions and bathrooms would remain near the entrance to Pirate Stadium. This provides a common space for concessions and restrooms for both our visitors and P-W fans.
32. **Is a remodel of concession bathrooms planned?**
    There are no plans to remodel the concession area bathrooms.
33. **What year was the Fieldhouse built?**
    The Fieldhouse was built in 2003-2004.
34. **In hindsight, it would have been helpful to have all wants and needs items listed for the community and we could rank them. That way wants would not be mixed in with the needs.**
    Thank you for that feedback. We will try to do that with future planning.
35. **If turf was installed, is it agreed upon that other groups could use the turf too? How would we ensure that all programs would get to use the turf? Or would it end up being used mostly by football?**
    The Board of Education (BOE) would make that decision. Mrs. Goodman would make a recommendation to the BOE that other athletic teams would use the turf field for practices. The softball and baseball teams are very interested in using the turf field, as it would give them an opportunity to practice outside earlier in the Spring. We currently use a calendar program to schedule practices for our gymnasiums, so we could set up a calendar for the Pirate Stadium, where preference is given to in-season sports, similar to the policy for the gymnasiums.
36. **What is the life of a turf field?**
    The life expectancy of a turf field is 20 years. Not all the turf (just portions) may need to be replaced in 20 years.
37. **For other schools that have turf, did they see an increase in athletic injuries?**
    I sent a survey to local superintendents that installed turf recently, but turf is now installed with a different type of fill to decrease injuries.
38. **Who in attendance here this evening is running for school board?**
    Brad Weber, a candidate for the School Board, was in attendance.
39. **Is there a way to post specifics for some of the options?**
    This link will display a specific list of items included in each of the three options.

40. **Where will these questions/answers be posted?** We will post the questions/answer on our website, post that link on Facebook and also email the questions and answers to current P-W parents.
41. **Could you post the estimated millage tax collection?**
    Yes, you can find the estimated millage tax collection here.
42. **We are already paying 7 mills, so would Option 1 increase our tax bills?**
    Yes. The current millage rate is 7 mills. For Option 1, for 7.5 mills, the estimated tax impact per $100,000 of value is $25.
43. **What time is the Special Board Meeting on November 9?**
    The Special Board Meeting will be held at 7 pm in the Middle-High School.