

**A STUDY OF COMMUNITY AND STUDENT  
DEMOGRAPHICS, EDUCATIONAL PROGRAM  
DELIVERY, SCHOOL FACILITIES AND  
CAPITAL INDEBTEDNESS FOR THE  
MOORESVILLE CONSOLIDATED  
SCHOOL CORPORATION**

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## **CHAPTER I**

### **INTRODUCTION**

In the winter of 2007 the Board of School Trustees of the Mooresville Consolidated School Corporation (MCSC) authorized a feasibility study for the school corporation. The study was designed to include analysis of community and student demographics including the projected student population by grade configuration as well as an analysis of educational facilities and current space utilization. In addition the study was to include an analysis of the capital debt position of the school corporation and recommendations on future facility improvement needs of the school corporation. This study was directed by Dr. Robert L. Boyd, Department of Educational Leadership, Indiana State University, Terre Haute, Indiana and included the work of a community committee appointed by the Board of School Trustees. Their work and analysis were greatly enhanced by the data support given to the study by the central office administrative and clerical staffs of the corporation as well as the building principals. The information and perceptions of the administrative staff is demonstrative of a strong commitment to quality education for the Mooresville Consolidated School Corporation held by this group.

### **THE COMMUNITY AND SCHOOL CORPORATION DEMOGRAPHICS MORGAN COUNTY AND THE STATE OF INDIANA**

Enrollment projections are very important in the planning process for any school system. However, projecting school enrollments is always subject to many variables that might modify apparent trends. National trends often apply to specific geographic areas and should be carefully analyzed before incorporation into a local study.

A number of important considerations should be taken into account when reviewing past, current and future enrollments of a school corporation. The public schools of any community are a reflection of the understanding of the people who they serve. The geography, population trends, socio-economic status, and work opportunities in the community will influence the type of educational programs to be offered by the schools. For this reason, a description of the more significant of these factors is essential in developing a perspective for the study of a school system.

In some instances these community factors may act as an inhibiting influence on the development of the highest possible quality of education. Such factors as a lack of

understanding of the vital role education plays in the lives of today's citizens and a lack of resources to pay the price for quality education can inhibit the development of a sound educational program. The schools of a corporation have their own unique problems, which are the result of changes in population, in the nature of the school children, the social, cultural, and economic life of the area and the changes that occur in school programs.

There are, however, other factors of a national scope that must be considered in planning and executing an educational program that meets the needs of the future citizens of our society. To the best of its ability, a modern school system must translate the demands of our times into experiences that equip students to live in a society that emphasizes change, mobility, and adaptability. Technological advances are creating a rapidly changing employment picture. The U.S. Department of Labor has estimated that these advances in technology will force some people to change the nature of their employment ten or more times during their lifetime.

While statistical summaries of any community can be misleading, they can provide prompts for thinking about the community and the role that a quality educational system does play in the viability of that community. In this regard, it is noted that according to the Federal Bureau of the Census, 66,689 people lived in Morgan County, Indiana in 2000. Brown, Madison and Harrison townships of Morgan County, Indiana make up the Mooresville Consolidated School Corporation (MCSC). In Morgan County in 2004, nearly 25.8 percent of the population was under 18 years of age, while 11.0 percent was 65 or over. The under 18 percentage was a nearly the same as the state of Indiana percentage of 25.7, while the over 65 percentage was significantly lower than the state of Indiana percentage of 12.4. However, the median age for Morgan County was 37.3 compared to a statewide median age of 35.9. Thus, the general population of the county is considerably older than the state average.

In 2000, 80.7 percent of the county population had a high school diploma compared to 82.1 percent statewide, while 12.6 percent of the residents had four or more years of college compared to 19.4 percent statewide. Morgan County residents are undereducated compared to the rest of the state of Indiana.

**Figure 1**

**Selected Demographic Comparisons for Morgan County and State of Indiana**

Demographic Data Set	Morgan County	State or, County v State
*Total Population 1990	55,920	5,544,156
*Total Population 2005	69,778	6,271,973
*Total Population 2010 EST.	71,862	6,417,198
*Preschool (age 0-4)	4,454	6.4%/6.9%
*School Age (age 5-17)	13,551	19.4%/18.8%
*Adults (age 18-64)	44,094	63.2%/61.9%
*Older (age 65+)	7,679	11.0%/12.4%
*K-12 School enrollment, 2005/2006	12,596	22 <sup>nd</sup> out of 92
*Median Age	37.3	35.9
*Married couples with children	7,176	29.4%/23.8%
*Married without children	8,751	35.8%/29.8%
*Single Parents	1,849	7.6%/9.1%
*Residents high school graduates	80.7%	82.1%
*Residents four years or more college	12.6%	19.4%
*Median household income (2003)	\$49,561	\$43,323
*Per capita income (2004)	\$29,485	\$30,204
*Median Value Home (2000)	\$116,200	\$94,300
*Poverty Rate (2003)	7.8%	10.0%
*Assessed Value by Property Class	\$511,659,430	26 <sup>th</sup> in the State
*Commercial/Industrial	20.8%	43.2%
*Residential	58.6%	41.5%
*Agricultural	13.5%	9.6%
*Utilities	7.1%	5.6%
*Residential bldg permits, (2005)	306	
*Residential bldg permits single family	275	
*Residential bldg permits multi family	31	
*Total resident labor force (2005)	37,473	3,208,969
*Employed	35,632	3,035,204
*Unemployed	1,841	173,765
*Unemployment rate (December 2006)	4.4%	4.7%

**\*3,473 Workers commute into Morgan County from:** Marion(949), Johnson(622), Hendricks(553), Monroe(455), and Owen (278) counties.

**\*20,536 Workers commute out of Morgan County to:** Marion(15,223), Hendricks(2,022), Johnson(1,297), Monroe(791) and Hamilton (251) counties.

In 2003 the county's median household income was \$49,561 or about \$6,238 more than the state average, while per capita income for 2004 was \$29,485 or almost \$540 less than the state per capita income. This indicates a population with less of a middle class population in terms of state averages. The county had a resident labor force of 37,473

employed workers and a December 2006 unemployment rate of 4.4 percent compared to 4.7 percent statewide. The total assessed value of the county for property tax purposes totaled \$511,659,430 in 2004 which ranked it 26<sup>th</sup> out of the 92 Indiana counties in taxable wealth. However, only 20.8 percent of the assessed wealth is attributed to commercial and industrial property compared to 43.2 percent across Indiana. Nearly 59 percent of the taxable wealth of the county is centered on residential property.

Thus, the population is a bit older, less educated, earning less money per capita but with a lower unemployment rate than the rest of the state. Nearly 20,536 workers commute out of Morgan County to Marion, Hendricks, Johnson and other surrounding counties to work on a daily basis, while only 3,473 workers commute into Morgan County.

The County seat of Morgan County is Martinsville, Indiana. United States highways 67 and 37 serve Morgan County from north to south, while State highways 39, 44 and 142 serve Morgan County from east to west. Interstate 70 crosses east and west just north of the school corporation's northern border. Approximately 54.8 percent of the resident labor force of Morgan County is employed outside their county of residency with 15,223 going to Marion County and some 5,313 others going to Hendricks, Johnson, Monroe and Hamilton counties to work. Thus, Morgan County is a net exporter of employed workers. The area tends to reflect the state of the manufacturing, retail trade, and service economy of south-central Indiana.

Total population growth in the United States has decelerated in the past two decades. This trend has been applicable to Indiana and other mid-western states especially in the decades of the 1980's and 1990's, but has not been the case in Morgan County for the decades of the 1980's and especially the 1990's. Table 1 presents United States Bureau of Census data relative to the population of Morgan County for the past three and one half decades. An increase of 22,513 people or 50.9 percent in total population in Morgan County may be noted from the data presented in Table 1 for the three decades from 1970 to 2000. It is estimated that the county population has continued to grow during the current decade by some 3,089 people. It is noted that Morgan County's largest decade increase was experienced in the 1990's when the total population increased by 10,769 people but increased only slightly in the 1980's.

**Table 1**

**Census Date for Morgan County, 1970-2000 with Estimate for 2005**

<b>Year</b>	<b>1970</b>	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b>Estimate 2005</b>
Population	44,176	51,999	55,920	66,689	69,778

Source: United States Bureau of Census

Table 2 presents the total population of the political subdivisions of Morgan County from 1970 to 2000 to demonstrate where the population changes have occurred

**Table 2**

**Total Population of Political Subdivisions of Morgan County  
For 1970-2000 with Number and Percent of Change Since 1970**

<b>Townships</b>	<b>1970</b>	<b>1980</b>	<b>1990</b>	<b>2000</b>	<b># Change</b>	<b>%Change</b>
<b>Brown*</b>	8,604	9,285	10,049	13,491	4,887	56.8
<b>Madison*</b>	3,950	5,290	5,408	7,391	3,441	87.1
<b>Harrison*</b>	1,242	1,501	1,538	1,601	359	28.9
<b>MCSC Totals</b>	<b>13,796</b>	<b>16,076</b>	<b>16,995</b>	<b>22,483</b>	<b>8,687</b>	<b>63.0</b>
<b>Adam</b>	915	970	972	1,231	316	34.5
<b>Ashland</b>	1,054	1,098	1,212	1,482	428	40.6
<b>Baker</b>	455	549	540	747	292	64.2
<b>Clay</b>	3,104	3,381	3,745	4,178	1,074	34.6
<b>Greene</b>	1,706	1,968	2,419	2,967	1,261	73.9
<b>Gregg</b>	1,918	2,315	2,530	2,878	960	50.1
<b>Jackson</b>	2,264	2,668	3,057	3,089	825	36.4
<b>Jefferson</b>	2,047	2,617	2,867	3,281	1,234	60.3
<b>Monroe</b>	2,940	3,813	4,351	4,674	1,734	59.0
<b>Ray</b>	1,231	1,286	1,255	1,701	470	38.2
<b>Washington</b>	12,746	15,258	15,977	17,978	5,232	41.0
<b>Totals for Other Townships</b>	<b>30,380</b>	<b>35,923</b>	<b>38,925</b>	<b>44,206</b>	<b>13,826</b>	<b>45.5</b>
<b>County Totals</b>	<b>44,176</b>	<b>51,999</b>	<b>55,920</b>	<b>66,689</b>	<b>22,513</b>	<b>51.0</b>

Sources: United States Bureau of Census, 1970-2000

\*Mooresville Consolidated School Corporation Townships

within the county. From a percentage growth standpoint the three townships that make up the MCSC, Brown, Madison and Harrison Townships, fared far better than the remaining townships in the county having grown by 8,687 people or 63.0 percent. Brown Township of the MCSC accounted for nearly 56.3 percent of the population

growth of the school corporation's townships. The rest of the county increased by 13,826 people or 45.5 percent. Further, from a number growth standpoint, Washington Township led the rest of the county in terms of population growth by a large margin followed by Brown and Madison townships. In 1970 the three townships of the MCSC held 31.2 percent of the county population. By 2000 the three townships held 33.7 percent of the county population. The total growth in population for the county from 1970 to 2000 equaled 22,513 or 51.0 percent. The MCSC accounted for 38.6 percent of the growth. Thus, the three townships collectively were growing more than the rest of the county in general population growth during the time period examined. During the period 1970 to 2000 Indiana's total population grew from 5,195,392 to 6,080,485 for an increase of 885,093 or 17 percent, while Morgan County, in total, was increasing by 51.0 percent from 44,176 to 66,689. In 2004 Morgan County was the 24<sup>th</sup> largest county in Indiana in terms of total population out of the 92 Indiana counties.

The Indiana Business Research Center projects Morgan County will grow from 66,689 to 75,744 or by 9,055 people or 13.6 percent during the first two and one-half decades of the 21<sup>st</sup> Century, while their projection for growth for all of Indiana is 13.4 percent.

Table 3 shows the projected population by age cohort groups for Morgan County for the years 2000, 2005, 2010, 2015, 2020 and 2025. It is noted that while the total population is projected to increase from 66,689 in 2000 to 75,744 in 2025, an increase of 13.6 percent, the age 5-19 school age cohort is expect to decrease by 7.5 percent, while the age 0-4 preschool cohort is projected to decrease by 4.9 percent. Clearly the older age cohorts will increase in number and percentage far more dramatically than the younger age cohorts in future decades with the 65 and older cohort expected to increase by 102.5 percent. Of significance is the projection of a 9.8 percent decline in the 25-44 age cohort. How accurate these Indiana Business Research Center projections will become, given the recent acceleration of new housing starts in Brown, Madison and Harrison Townships remains to be seen. However, the median age in Morgan County in 2005 was 37.5 years of age. The median age for the county is projected to be 39.1 in 2010, 40.5 in 2015, 41.7 in 2020, 42.7 in 2025 and 43.6 by 2030. This acceleration in the median age will have a profound impact on the future of the 0-4 and 5-19 age cohort

groups. The 2000 to 2030 median age projection for the county greatly exceeds Indiana’s 2000 median age of 35.2, projected to increase to 39.0 by 2030 that would give Morgan County a population median age nearly four and one half years older than the state median age.

**Table 3**  
**Projected Population by Age Cohorts, 2000 -2025 for Morgan County**

<b>YEAR</b>	<b>Age 0-4</b>	<b>Age 5-19</b>	<b>Age 20-24</b>	<b>Age 25-44</b>	<b>Age 45-64</b>	<b>Age 65+</b>	<b>TOTAL</b>
<b>2000</b>	4,804	15,045	3,418	20,421	15,901	7,100	66,689
<b>2005</b>	4,608	15,070	3,400	20,525	18,276	7,773	69,652
<b>2010</b>	4,628	14,639	3,403	19,914	20,395	8,883	71,862
<b>2015</b>	4,674	14,217	3,372	19,359	21,502	10,429	73,553
<b>2020</b>	4,629	14,070	3,290	18,873	21,766	12,216	74,844
<b>2025</b>	4,568	13,923	3,229	18,420	21,220	14,375	75,744
<b>County %Change</b>	<b>-4.9</b>	<b>-7.5</b>	<b>-5.5</b>	<b>-9.8%</b>	<b>33.5%</b>	<b>102.5%</b>	<b>13.6%</b>
<b>State % Change</b>	<b>10.1%</b>	<b>3.0%</b>	<b>1.5%</b>	<b>-4.3%</b>	<b>24.6%</b>	<b>62.2%</b>	<b>13.4%</b>

Source: Indiana Business Research Center

There is some speculation that Morgan County may increase its rate of growth in population into the first decades of 2000. The Federal Census Bureau projects Morgan County to increase in population to 75,744 or 9,055 people for a 13.6 percent increase by 2025, while the state of Indiana is expected to increase 13.3 percent during the same period.

Table 4 presents a comparison of student enrollments for MCSC and five other school corporations that border on MCSC for 1996, 2001, and 2006. The student population in the area has increased by 2,094 students or 10.4 percent while the student population increase statewide during this period was 4.8 percent. The MCSC increased from 19.9 percent of the area’s student population to 20.0 percent during this period. Mooresville Consolidated School Corporation gained 441 students during the period examined. Monroe-Gregg lost student population slightly during this period, while all others in the comparison group gained in student population with Eminence growing by just 16 students.

**Table 4**

**Student Population of MCSC and Neighboring School Corporations with Percent of Area Student Population, for 1997, 2001 and 2006**

School Corporation	1997 Students	1997 % Of Area	2001 Students	2001 % Of Area	2006 Students	2006 % Of Area
MSD Decatur Town.	5,175	25.6	5,472	26.4	5,954	26.7
MSD Martinsville	5,484	27.2	5,412	26.1	5,675	25.5
Mooresville CSC	4,028	19.9	4,164	20.1	4,469	20.0
Plainfield CSC	3,607	17.9	3,871	18.6	4,281	19.2
Monroe-Gregg CS	1,399	6.9	1,272	6.1	1,392	6.2
Eminence CSC	503	2.5	517	2.5	519	2.3
<b>Total</b>	<b>20,196</b>		<b>20,708</b>		<b>22,290</b>	

Home schooling for MCSC increased from nine students in 1995-96 to 145 students for the 2005-06 school year.

Total population growth within an area does not necessarily mean increased enrollment in the schools as can be seen from the above data. However, in terms of the relationship of quality schools to community growth, there is considerable evidence that, where people and industries have a choice, they frequently locate in terms of the quality or reputation of the school program. The prime concern of the citizens of the MCSC and surrounding area school corporations must be the ways in which they can develop educational systems which will continue to provide general knowledge, cultural understandings, social values and attitudes, and basic skills that will make students successful citizens in a dynamic, democratic society. In so doing, the viability of the community, and, therefore, the viability of the school corporations will be greatly enhanced.

The student enrollment impact of general population growth in Marion County and the Indianapolis Metropolitan Statistical Area is demonstrated in Table 5 that presents the student population of Marion County school corporations and those school corporations contiguous to Marion County for 1996-97, 2001-02, and 2006-07. Table 5 rank orders the 26 school corporations by percent of student population increase over the past ten years and provides the numerical rank order of the corporations for percent of student population increase over the past five year period. For the ten-year period it is noted that the greatest number and percentage growth was in Hamilton Southeastern at 9,275 students or 153.6 percent, while Westfield-Washington was growing at 113.5

percent. Avon Community Schools grew by 99.1 percent, Clark-Pleasant by 81.1 percent and Zionsville by 75.4 percent to round out the top five over the ten-year period. During the past five years Franklin Township replaced Zionsville in the top five fastest growing

**Table 5**

**Marion County and Contiguous School Corporations Student Enrollment 1996, 2001 and 2006, Rank Ordered by Percent of Growth from 1996-97 to 2006-07 with Rank Order for Percentage Growth the Past Five Years**

SCHOOL CORPORATION RANKED ORDERED BY PERCENTAGE GROWTH 1996-2006, LAST TEN YEARS	STUDENTS 1996-1997	STUDENTS 2001-2002	STUDENTS 2006-2007	NUMBER AND % CHANGE, 1996-2006	NUMBER AND % CHANGE, 2001-2006 AND RANKORDER LAST FIVE YEARS
<b>1. Hamilton Southeastern</b>	6,040	9,766	15,315	9,275 – 153.6%	7,349 – 75.3% 1
<b>2. Westfield-Washington</b>	2,489	4,072	5,428	2,939 – 113.5%	1,356 – 33.3% 5
<b>3. Avon Community</b>	3,910	5,521	7,785	3,875 – 99.1%	2,264 – 41.0% 3
<b>4. Clark-Pleasant</b>	2,855	3,659	5,169	2,314 – 81.1%	1,510 – 41.3% 2
<b>5. Zionsville</b>	2,828	3,750	4,959	2,131 – 75.4%	1,209 – 32.2% 7
<b>6. Franklin Township</b>	4,976	5,902	8,292	3,316 – 66.6%	2,390 – 40.5% 4
<b>7. Brownsburg</b>	4,264	5,226	6,959	2,695 – 63.2%	1,733 – 33.2% 6
<b>8. Mt. Vernon</b>	2,431	2,700	3,483	1,052 – 43.3%	1,663 – 24.9% 8
<b>9. Noblesville</b>	5,857	6,671	8,334	2,477 – 42.3%	1,663 – 24.9% 9
<b>10. Carmel-Clay</b>	10,379	12,566	14,680	4,301 – 41.4%	2,114 – 16.8% 11
<b>11. Pike Township</b>	7,595	10,032	10,662	3,067 – 40.4%	630 – 6.3% 19
<b>12. Southern Hancock</b>	2,597	2,745	3,385	788 – 30.3%	640 – 23.2% 10
<b>13. Warren Township</b>	9,888	10,921	12,483	2,595 – 26.2%	1,516 – 14.3% 13
<b>14. Plainfield</b>	3,540	3,871	4,281	741 – 20.9%	40 – 10.6% 14
<b>15. Perry Township</b>	11,831	12,354	14,204	2,373 – 20.1%	1,850 – 15.0% 12
<b>16. Decatur Township</b>	5,063	5,472	5,954	892 – 17.6%	482 – 8.8% 15
<b>17. Center Grove</b>	6,274	6,902	7,361	1,087 – 17.3%	459 – 6.7% 17
<b>18. Wayne Township</b>	12,644	13,565	14,713	1,069 – 16.4%	1,148 – 8.5% 16
<b>19. Lawrence Township</b>	14,314	15,992	16,138	1,824 – 12.7%	146 – 0.9% 22
<b>20. Mooresville</b>	<b>4,042</b>	<b>4,164</b>	<b>4,469</b>	<b>427 – 10.6%</b>	<b>305 – 7.3% 18</b>
<b>21. Greenwood</b>	3,555	3,780	3,880	325 – 9.1%	100 – 2.6% 21
<b>22. Speedway</b>	1,522	1,680	1,627	105 – 6.9%	-53 - -3.2% 25
<b>23. Washington Township</b>	10,093	10,118	10,433	340 – 3.4%	315 – 3.1% 20
<b>24. Beech Grove</b>	2,298	2,420	2,354	56 – 2.4%	-66 - -2.7% 24
<b>25. NW Shelby County</b>	1,600	1,568	1,571	-29 - -1.8%	3 – 0.2% 23
<b>26. Indianapolis</b>	44,434	41,226	37,057	-7,377 - -16.6%	-4,169 - -10.1% 26
<b>Area Totals</b>	<b>177,226</b>	<b>206,624</b>	<b>230,976</b>	<b>53,750 – 30.3%</b>	<b>24,353 – 11.4%</b>
<b>State Totals</b>	<b>983,168</b>	<b>995,438</b>	<b>2,045,725</b>	<b>62,557 – 6.4%</b>	<b>50,287 – 5.1%</b>

school corporations in the area from a percentage growth standpoint. The total area increase in public school student population was 53, 750 or 30.3 percent from 1996 to 2006, while the state of Indiana was increasing by 62,557 or just 6.4 for the same period. The area increase over the past five years has been 24,352 students or 11.4 percent, while

the state of Indiana was increasing by just 5.1 percent. Mooresville Consolidated School Corporation's growth in school population ranked it 20<sup>th</sup> out of the 26 school corporations over the ten year period but has seen some accelerated growth over the past five years and ranked 18<sup>th</sup> in growth percentage over the most recent five year period. Of the 53,750 student growth in the area from 1996 to 2006, 427 or 0.8 percent of that growth was in the MCSC. However, in 1996 the MCSC enrolled 2.3 percent of the area's public school student population, while in 2006 it enrolled only 1.9 percent of the area public school student population.

The only school corporations to decline in student population were the Indianapolis Public Schools and Northwest Shelby County Schools during the ten year period. IPS lost 7,377 students during the period or 16.6 percent of its student population. Overall for the ten year period the area student population grew by a net of 53,750 students or 30.3 percent while the state of Indiana's total public school student population was growing by only 6.4 percent. Growth rates have slowed significantly in comparison to the rest of the group in Pike Township and Lawrence Township the past five years, while accelerating in Franklin Township and Perry Townships. Over the past five years the area student population grew by 24,352 or 11.4 percent compared to 5.1 percent statewide. Mooresville Consolidated School Corporation ranked 20<sup>th</sup> for percent of student population growth over the ten year period. Over the past five year period Mooresville rank has improved to 18<sup>th</sup> in the group.

#### **GENERAL DEMOGRAPHIC CHARACTERISTICS FOR BROWN, MADISON AND HARRISON TOWNSHIPS, ALL OF MORGAN COUNTY AND THE STATE OF INDIANA**

Table 5 presents a profile of general demographic characteristics for Brown, Madison and Harrison Townships combined, all of Morgan County and the state of Indiana. The Mooresville Consolidated School Corporation includes 22,483 people or 33.7 percent of the county population. It is noted, from Table 5 that 77.3 percent of the population of the MCSC was born in Indiana compared to 80.1 percent for the entire county and 69.3 for the state. This is the result of the stability in total population and the lack of significant net in-migration discussed earlier. Residents of MCSC tend to be life long residents of Indiana. Such a limited diversity in population is very often a signal for

a preference for the quality of life of the community, enhanced pride in the community and a willingness to invest within their means in the future of the institutions of the community by community members. In 2000 the median age in the MCSC at 35.0 years compared to the county's 36.0 and the state's 35.2 years of age indicates a slightly younger population in the MCSC than is generally found in the county and the state.

**Table 5**

**Profile of General Demographic Characteristics for  
Brown, Madison and Harrison Townships, All of Morgan County and  
The State of Indiana, 2000 Census**

<b>General Demographic Characteristic</b>	<b>Brown, Madison and Harrison Townships, MCSC</b>	<b>Morgan County</b>	<b>State of Indiana</b>
<b>Total Population</b>	<b>Brown = 13,491 (60%) Madison 7,391 (33.9%) Harrison 1,601 (7%) 33.7% of the County</b>	66,689	6,080,485
<b>Population Under 5</b>	7.8%	7.2%	7.0%
<b>Population Under 19</b>	31.0%	30.8%	25.9%
<b>Population Over 60</b>	13.6%	14.7%	16.3%
<b>Born In Indiana</b>	77.3%	80.1%	69.3%
<b>Median Age</b>	35.0	36.0	35.2

As shown in Table 5 Continued below, the population of the school corporation is clearly more Caucasian than the population of the county or the state of Indiana. The

**Table 5 Continued**

<b>General Demographic Characteristic</b>	<b>Brown, Madison and Harrison Townships</b>	<b>Morgan County</b>	<b>State of Indiana</b>
<b>Less Than High School Education</b>	17.6%	19.3%	17.9%
<b>College Degree</b>	14.1%	12.6%	19.4%
<b>White Population</b>	99.1%	98.6%	87.5%
<b>African-American</b>	0.2%	0.1%	8.4%
<b>Hispanic-Latino</b>	0.7%	0.7%	3.5%
<b>Households With Children Under 18</b>	39.7%	36.9%	32.9%
<b>Average Family Size</b>	3.08	3.06	3.05

residents of the MCSC and the county are less educated in terms of a high school education as well as college degrees than the rest of the state with 17.6 percent of the school corporation without a high school education and just 14.1 percent with a college degree.

Mooresville Consolidated School Corporation has a larger percentage of households with children under 18 than the rest of the county and the state of Indiana at 39.7 percent compared to 36.9 percent and 32.9 percent respectively. Thus, the population growth in the MCSC includes greater numbers of younger families with school age children than the rest of the state. In addition, the average family size in the MCSC is a bit greater than both the county and the state of Indiana at 3.08 persons per family.

As shown in Table 5 Continued below, the total number of housing units in MCSC in 2000 was 8,689 or 33.3 percent of the housing units in the county. Nearly 33.4 percent have been built since 1990 and 18.3 percent built since 1995. Some 59 percent of MCSC residents are in the same home they were in 1995, while just 16.2 percent of

**Table 5 Continued**

<b>General Demographic Characteristic</b>	<b>Brown, Madison and Harrison Townships</b>	<b>Morgan County</b>	<b>State of Indiana</b>
<b>Total Housing Units</b>	8,689(33.5%)	25,908	2,532,319
<b>Housing Units Built Since 1990</b>	33.4%	26.6%	17.3%
<b>Housing Units Built Since 1995</b>	18.3%	14.9	10.3%
<b>Same House Since 1995</b>	59.0%	58.5%	55.0%
<b>Different House/Same County Since 1995</b>	16.2%	20.0%	25.5%
<b>Different House/Different State Since 1995</b>	5.7%	4.8%	8.0%
<b>Renter Occupied Housing Units</b>	18.1%	20.3%	28.6%

the residents of MCSC are in a different house in Morgan County than in 1995 compared to 20 percent for the county and 25.5 percent for the state. Only 5.7 percent of the population of the three townships has migrated from out of state to the MCSC since 1995 compared with 4.8 percent countywide and 8.0 percent statewide. Residents of the

townships are far less likely to rent housing than own their housing when compared to the population across the county and the state of Indiana.

As shown in Table 5 Continued below, in terms of labor force statistics, MCSC females are employed at a rate greater than what is found across the county and the state. Also, females from the two townships with children under six years of age are far more likely to be fully employed than those in the county but not the state. Thus, the school corporation has far more working mothers than is typical in Morgan County.

The workforce of MCSC is more heavily employed in the “blue collar” areas of construction and maintenance along with service and sales and office areas of the

**Table 5 Continued**

<b>General Demographic Characteristic</b>	<b>Brown, Madison and Harrison Townships</b>	<b>Morgan County</b>	<b>State of Indiana</b>
<b>Females 16 + In Labor Force</b>	61.5%	59.8%	60.0%
<b>Females With Children Under Six All Parents in Labor Force</b>	61.9%	60.5%	62.5%
<b>Occupations:</b>			
<b>Management/Professional and Related</b>	24.1%	23.4%	28.7%
<b>Service</b>	14.5%	14.1%	14.2%
<b>Sales/Office</b>	26.4%	24.1%	25.3%
<b>Construction/Maintenance</b>	16.0%	16.6%	10.0%
<b>Production</b>	18.8%	21.5%	21.4%
<b>Median Household Income</b>	Brown \$47,507 Madison \$55,994 Harrison \$53,340	\$47,739	\$41,567
<b>Median Household Income Less Than \$50,000</b>	49.2%	52.4%	59.4%
<b>Per Capita Income</b>	\$21,502	\$20,657	\$20,397

economy than in the management and professional and production occupations of the economy. The population of the MCSC is a far more affluent economically than is generally the case in Morgan County and Indiana in terms of median household and per capita income. The median household income for Madison Township is \$14,427 per year more than the state, while Harrison Township exceeds the state by \$11,773. Brown

Township’s median household income exceeds the state by \$5,940. On a per capita basis, the population of the three townships exceeds the state by \$1,105 and exceeds the county per capita income by \$845. Approximately 59.4 percent of Indiana households have a median household income under \$50,000, while just 49.2 percent of MCSC townships households are under \$50,000 in household income. In Morgan County, 52.4 percent of the households are under \$50,000.

In Indiana, 10.2 percent of the families with children under 18 are at or below the poverty line, while only 6.8 percent of the MCSC townships’ population is at or below the poverty line. Some 6.9 percent of the county households are at or below the poverty line. This increases for families with children less than five years of age in the MCSC while increasing in the county and in Indiana. In Indiana some 13.7 percent of the families with children under five are at or below poverty levels, while in MCSC townships 8.4 percent and in the county 9.1 percent of families with children under five

**Table 5 Continued**

<b>General Demographic Characteristic</b>	<b>Brown, Madison and Harrison Townships</b>	<b>Morgan County</b>	<b>State of Indiana</b>
<b>Poverty Status For Families With Child Under 18</b>	6.8%	6.9%	10.2%
<b>Poverty Status For Families With Child Under 5</b>	8.4%	9.1%	13.7%
<b>Poverty Families No Husband Present</b>	15.3%	19.9%	23.4%

are at or below poverty status. Lastly, it is noted that in the families of the MCSC with no husband present, 15.3 percent are considered poverty families while 23.4 percent of the state and 19.9 percent of the county’s families where no husband is present were considered poverty families by the 2000 census. Thus, in the MCSC, families living at or below the poverty level is far less numerous than would be the case in the county and in the state of Indiana.

Housing value is another important measure in determining the impact of changing population on school enrollments. Generally the higher the selling price of the home, the less younger, school aged children the occupants will have. As shown in Table 5 Continued below, in Indiana 55.3 percent of the homes are valued under \$100,000. In

MCSC just 29 percent are valued under \$100,000 and 36.4 percent in the county. In Indiana, 36.4 percent of the homes are valued between \$100,000 and \$200,000 while in the MCSC 59.9 percent is in this range. For Morgan County 51.1 percent of the homes are valued between \$100,000 and \$200,000. Morgan County has 12.4 percent of its homes valued over \$200,000, while for the MCSC that percentage is 11.1 percent while the state is 8.3 percent. The median home value in the MCSC and the county is considerably greater than is found across the state of Indiana at \$121,900 and 116,200 respectively.

**Table 5 Continued**

<b>General Demographic Characteristic</b>	<b>Brown, Madison and Harrison Townships</b>	<b>Morgan County</b>	<b>State of Indiana</b>
<b>Housing Value Under \$100,000</b>	29.0%	36.4%	55.3%
<b>Housing Value \$100,000-200,000</b>	59.9%	51.1%	36.4%
<b>Housing Value Above \$200,000</b>	11.1%	12.4%	8.3%
<b>Median Home Value</b>	\$121,900	\$116,200	\$94,300

The nature of the population for Brown, Madison and Harrison Townships is clearly older, less educated, but more fully employed and earning more money per household and living in more expensive homes than is generally the case in the state of Indiana. The MCSC reflects little diversity in their population.

The people who make up the economic and family profiles represented by such data as presented in Table 5 tend to have high expectations for their children and thus high expectations for their public schools. As MCSC plans for its future in terms of needed facilities and the breadth and depth of its curricular and extra-curricular programs it will indeed need to consider the social and cultural nature of its population.

### **STUDENT DEMOGRAPHICS**

As this report moves toward projecting future student population it is important to delineate some assumptions that if not accurate can change the outcome of the projections. Those assumptions are:

1. The legal age for attending schools in Indiana will remain the same

2. The percentage of children now attending public schools will remain at the present level
3. The school corporation boundaries will remain as they are at present
4. The students will progress through the grade levels at about the same retention rate as at present
5. The dropout rate will remain about the same
6. The current pattern of enrollment increases and decreases will remain the same

Table 6 presents the student enrollment for MCSC by grade level and current grade configuration for the period 1997 to and including the 2006-07 school year. From 1997 to the current 2006-07 school year the Mooresville Consolidated School Corporation increased from 4,086 students to 4,472. That represents a 386 student increase or 9.4 percent. The elementary enrollment, grades kindergarten through grade six, increased from 2,235 to 2,412 for a 177 student or 7.9 percent increase. The average class size for the seven elementary grades grew from 319 students per grade to 362 students per grade. The MCSC houses grades kindergarten through grade six in the Neil A. Armstrong, Newby Memorial, North Madison, Northwood and Waverly elementary schools. It is important to note that the first five years of the comparison saw an average of 288 kindergarten students entering the system each year, while over the past five years an average of 303 kindergarten students per year have enrolled in the school corporation. This is a further indication that the recent net in-migration of families to the township consists of younger families with young school age children.

The middle school grades, grades seven and eight have increased by 17 students or 2.5 percent over the past 10 years. The average per grade at grades seven and eight has changed from 334 per grade to 343 per grade an increase of nine students per grade.

The high school, grades nine through twelve have increased over the past ten years. In 1997 there were 1,164 students in grades nine through twelve averaging 291 students per grade. In 2006-07 there are 1,375 total students averaging 344 students per grade. Again, however, when we compare the current average of 344 students per grade at the high school with the 346 students per grade at the elementary school level and the 343 per grade at the middle school it is clear that cohort groups from the elementary and middle school will replace the cohort groups graduating from the high school at about the same numbers. Such a view does not include net in-migration of student population to

the district and taken alone would indicate a stable student enrollment for the secondary school in the near future.

**Table 6**  
**Mooreville Consolidated School Corporation, Corporation-wide Enrollments,**  
**1997-2006**

<b>Grade</b>	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Kdg.</b>	299	278	290	269	302	275	324	309	311	296
<b>1</b>	345	346	315	350	340	391	325	370	384	381
<b>2</b>	327	323	340	290	315	342	396	319	336	370
<b>3</b>	304	320	328	331	299	317	332	340	315	324
<b>4</b>	311	304	325	348	342	306	327	347	360	321
<b>5</b>	321	319	315	321	352	350	312	316	354	358
<b>6</b>	307	316	322	324	326	379	362	315	330	362
<b>EH</b>	11									
<b>SpEd</b>	10									
<b>Elem. Total</b>	2,235	2,221	2,235	2,233	2,276	2,360	2,351	2,316	2,390	2,412
<b>Elem. Average</b>	319	317	319	319	325	337	336	331	341	346
<b>7</b>	328	321	347	334	342	342	378	360	335	342
<b>8</b>	340	326	312	335	328	323	341	379	348	343
<b>MS Total</b>	668	647	659	669	670	665	719	739	683	685
<b>MS Average</b>	334	324	330	335	335	333	360	370	342	343
<b>EOC</b>	20	25	30	31						
<b>9</b>	301	300	410	320	326	344	331	347	378	351
<b>10</b>	315	348	255	317	304	333	332	317	339	373
<b>11</b>	300	308	283	302	305	290	320	328	314	319
<b>12</b>	248	261	265	290	283	289	301	328	314	319
<b>HS Total</b>	1,164	1,242	1,243	1,229	1,218	1,256	1,284	1,300	1,336	1,375
<b>HS Average</b>	291	311	311	307	305	314	321	325	334	344
<b>Corp Total</b>	4,086	4,122	4,149	4,150	4,179	4,296	4,358	4,364	4,409	4,472
<b>Corp Average</b>	314	317	319	319	321	330	335	336	336	344
<b>Number Change</b>		36	27	1	29	117	62	6	45	63
<b>% Change</b>		0.9%	0.7%	0.02%	0.7%	2.8%	1.4%	0.1%	1.3%	1.4%

Total enrollment change has increased steadily from year to year over the ten-year period. None of the years saw an enrollment decline from the previous year, while the past four year percentage growth average has been 1.05 percent per year.

The ten-year high for total student population is the current school year with a total of 4,472 students. Each of the past four years has shown increases over the previous year in excess of the percentages of the first four years of the years considered. These

increases appear to be a continuing trend for the near term future given both the primary and secondary housing market within the townships of the corporation. It is noted that home school enrollment as reported to the Indiana Department of Education has averaged approximately 30 students per year for the past five years. In addition, some 168 students have migrated out of the corporation to other school corporations, while some 207 students have migrated into the Mooresville Consolidated School Corporation primarily from Morgan County schools.

### **PROJECTED STUDENT ENROLLMENTS**

Table 7 presents an analysis of the resident live birth rates for Morgan County and the number of kindergarten students entering the Mooresville Consolidated School Corporation five years later beginning with 1990. Such a calculation is important in determining future enrollments by providing a mathematical model for projecting future kindergarten enrollments. There has been a steady increase in year-to-year resident live births in Morgan County over the past 15 years. From 1991 to 1995 the county averaged 861 resident live births per year. For the period 1996 to 2000 resident live births increased to an average of 926 per year. From 2001 to 2005 an average of 918 resident live births were recorded for Morgan County. In 2004, the most recent year for full year data, 918 resident live births were recorded for Morgan County.

In terms of kindergarten enrollment five years after a given years' resident live births, from 1997 to 2000 Mooresville Consolidated School Corporation enrolled an average of 33.0 percent of the resident live births from five years previous, net in-out migration. For the period 2001 to 2005 that average had decreased slightly to 32.8 percent per year, again net in-out migration. For the period 2005 to the present the Mooresville Consolidated School Corporation has enrolled 32.9 percent of the resident live births on a year-to-year basis again, net in-out migration. This stability in percentage is consistent with the analysis of the demographic data presented earlier and suggests a continuing stability in total student population into the future even as total general population increases. It is speculative to project a continuing increase in resident live birth rates. Birth rates tend to decline during times of economic downturn and increase when the economy is robust. It is less speculative to project that the percentage of resident live births in the Brown, Madison and Harrison townships will continue to

increase. However, this study assumes a continuing resident live birth rate consistent with the average number of resident live births recorded over the past five years, 918 per

**Table 7**  
**Number of Live Births in Morgan County from 1991 through 2005**  
**And Number of Students Entering Kindergarten Five Years Later**

<b>Birth Rate Year</b>	<b>Morgan County Live Births</b>	<b>Kindergarten Enrollment Year</b>	<b>MCSC Kindergarten Enrollment</b>	<b>Percent of Live Births as Kdg Enrollment</b>
1991	822	1996		
1992	874	1997	299	34.2%
1993	855	1998	278	32.5%
1994	812	1999	290	35.7%
1995	909	2000	269	29.6%
<b>Totals</b>	<b>3,343(861/yr)</b>		<b>1,136(284/yr)</b>	<b>33.0%</b>
1996	859	2001	302	35.2%
1997	899	2002	275	30.6%
1998	927	2003	324	35.0%
1999	985	2004	309	31.4%
2000	958	2005	311	32.5%
<b>Totals</b>	<b>4,628(926/yr)</b>		<b>1,521(304/yr)</b>	<b>32.8%</b>
2001	847	2006	296	34.9%
2002	927	2007	305	32.9%**
2003	873	2008	287	32.9%**
2004	918*	2009	302	32.9%**
2005	918*	2010	302	32.9%**
2006	918*	2011	302	32.9%**
2007	918*	2012	302	32.9%**

\*Estimate based on 918 resident live births per year, the past five-year average.

\*\*Estimate based on 32.9% of resident live births, the average of the past five years

year. Further, this study assumes that the percentage of resident live births that will enroll in the MCSC five years later will be 32.9 percent, the average over the past five years.

This method of projecting may be conservative on the live birth side and liberal on the enrollment side. None-the-less, the projections are for kindergarten enrollments of 124 in 2007, 129 in 2008, 126 in 2009, and 127 in 2010 and beyond. These projections represent continued stability in kindergarten enrollment when compared to the 305 per year kindergarten average enrollment for 2001 through 2005.

While the above calculations help project how many students will enter the system in kindergarten in the future, year-to-year continuation rates help to understand

how students stay with the system once enrolled. The continuation rate is a ratio between the total numbers of pupils at one grade level succeeding to the next grade level the next year. For example, if in one year there were 105 students in one grade level and the following school year that number was 110 in the next grade level, the continuation rate would be 104.8 or a net in-migration of 4.8 percent for that grade cohort. A continuation rate of less than 100 would be evident in a grade that one year had 110 students while the next year at the next grade there were just 105 for a continuation rate of 95.5. These factors are influenced by migration in and out of the school district as well as retention policy or fluctuations in non-public school enrollments.

Table 8 presents the average continuation rates for 2001-02 through 2006-07 by grade level and grade configuration for the Mooresville Consolidated School Corporation. Also, Table 8 presents the average continuation rates for the past five and ten years. For none of the school years shown is the average continuation rate below 100 percent. The five-year average continuation rates for the corporation at 102.9 indicates

**Table 8**  
**Average Continuation Rate 2001-02 through 2006-07**  
**With Five and Ten Year Averages for MCSC**

Grade	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	5 year average	10 year average
<b>Kdg</b>								
<b>1</b>	126.4	129.5	115.2	114.2	124.3	122.5	121.7	120.5
<b>2</b>	90.0	100.6	101.3	98.2	90.8	96.4	97.5	95.7
<b>3</b>	103.1	100.6	97.1	85.9	98.7	96.4	95.3	97.6
<b>4</b>	103.3	102.3	103.2	104.5	105.9	101.9	103.6	103.2
<b>5</b>	101.1	102.3	102.0	96.6	102.0	99.4	100.5	100.9
<b>6</b>	101.6	107.7	103.9	101.0	104.4	102.3	103.9	102.6
<b>Total</b>	104.3	107.2	104.3	100.1	105.5	103.1	103.8	103.4
<b>7</b>	105.6	104.9	99.7	99.4	106.3	103.6	102.8	104.2
<b>8</b>	98.2	94.4	99.7	100.3	96.7	102.4	98.7	98.3
<b>Total</b>	101.9	99.7	99.7	99.9	101.5	103.0	100.8	101.3
<b>9</b>	97.3	104.9	102.5	101.8	99.7	100.9	102.0	102.6
<b>10</b>	95.5	102.1	96.5	95.8	97.7	98.7	98.2	96.0
<b>11</b>	96.2	95.4	96.1	98.8	99.1	94.1	96.7	97.7
<b>12</b>	93.7	94.8	103.8	102.5	95.7	101.6	99.7	96.5
<b>Total</b>	95.6	99.3	99.7	99.7	98.1	98.8	99.2	98.2
<b>Corp Total</b>	101.0	103.3	102.0	99.9	101.9	101.7	101.7	101.3

the continuing increase in total population experienced by the corporation over the period studied. These continuation rates show normal trends given the slight but steady student population growth of the school corporation. This is due to the fact of increases in total student population across all grades of the grade configuration of the corporation. The average first grade class over the past five years has averaged 5.9 percent more students than the previous year's kindergarten indicating a number of kindergarten students are enrolling in private or parochial programs and joining the MCSC in first grade.

By using the projected kindergarten enrollments presented in Table 7 and the continuation rates as averaged in Table 8 for the most recent five-year period, the projected enrollment for the Mooresville Consolidated School Corporation, from the present to 2014 is presented in Table 9 for each grade level of the corporation. The total

**Table 9**

**Mooresville Consolidated School Corporation Enrollment  
Projected by Five Year Average Resident Live Birth Rate  
And Five-Year Continuation Rates, 2006-2014**

Grade	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Kdg</b>	296	305	287	302	302	302	302	302	302
<b>1</b>	381	360	371	349	368	368	368	368	368
<b>2</b>	370	371	351	362	340	359	359	359	359
<b>3</b>	324	365	366	346	357	335	354	354	354
<b>4</b>	321	336	378	379	358	369	347	367	367
<b>5</b>	358	323	338	380	381	360	371	349	369
<b>6</b>	362	372	336	351	395	396	374	385	363
<b>Elementary Total</b>	<b>2,412</b>	<b>2,432</b>	<b>2,427</b>	<b>2,469</b>	<b>2,501</b>	<b>2,489</b>	<b>2,475</b>	<b>2,484</b>	<b>2,482</b>
<b>Per Grade Average</b>	<b>346</b>	<b>347</b>	<b>346</b>	<b>353</b>	<b>357</b>	<b>356</b>	<b>354</b>	<b>355</b>	<b>355</b>
<b>7</b>	342	372	382	345	361	406	407	384	396
<b>8</b>	343	338	367	377	341	356	401	402	379
<b>Middle School Total</b>	<b>685</b>	<b>710</b>	<b>749</b>	<b>722</b>	<b>702</b>	<b>762</b>	<b>808</b>	<b>786</b>	<b>775</b>
<b>Per Grade Average</b>	<b>343</b>	<b>355</b>	<b>375</b>	<b>361</b>	<b>351</b>	<b>381</b>	<b>404</b>	<b>393</b>	<b>388</b>
<b>9</b>	351	350	345	374	385	348	363	409	410
<b>10</b>	373	345	344	339	367	378	342	356	402
<b>11</b>	319	361	334	333	328	355	366	331	344
<b>12</b>	319	317	358	332	331	326	353	363	329
<b>High School Total</b>	<b>1,375</b>	<b>1,373</b>	<b>1,381</b>	<b>1,378</b>	<b>1,411</b>	<b>1,407</b>	<b>1,434</b>	<b>1,459</b>	<b>1,485</b>
<b>Per Grade Average</b>	<b>344</b>	<b>343</b>	<b>345</b>	<b>345</b>	<b>353</b>	<b>352</b>	<b>359</b>	<b>365</b>	<b>371</b>
<b>Corporate Total</b>	<b>4,472</b>	<b>4,515</b>	<b>4,557</b>	<b>4,569</b>	<b>4,614</b>	<b>4,658</b>	<b>4,717</b>	<b>4,729</b>	<b>4,742</b>
<b>Per Grade Average</b>	<b>344</b>	<b>347</b>	<b>351</b>	<b>351</b>	<b>355</b>	<b>358</b>	<b>363</b>	<b>364</b>	<b>365</b>

enrollment is projected to increase from the current year total of 4,472 to 4,742 by 2014. That is an increase of 270 students or 6.0 percent. The per-grade corporation average increases from 344 students per grade to 365 students per grade in this projection.

The elementary enrollment, grades kindergarten through grade six as presented in Table 9 is projected to increase from 2,412 to 2,482 for an increase of 70 students or 2.9 percent, while the per grade average increases from 346 to 355 per grade.

The middle grades, grades seven and eight are expected to increase from 685 to 775 or by 90 students or 13.1 percent, while the per grade average increases from 343 to 388 per grade.

A major change in population within the grade configuration of the corporation is also projected for the high school. High school projections show the total student population increasing by 110 students from 1,375 to 1,485, an increase of 8.0 percent. The per-grade average increases from 344 to 371 per grade at the high school level. It is noted that the main factors generating this projected increase are the number of kindergarten students entering the school corporation each year and the continuation rates detailing how the students will persist year to year in the school corporation together with the net in-migration across all grade levels. Each of these factors was determined through a proven historical trend line and mathematical analysis. Unless a major community and/or economic changes occur within the community in the short term, these projections should be within a percent and a percent and a half on a year-to-year basis.

Table 10 presents a summary of the projected enrollments by grade configuration for the years 2006 through 2014.

**Table 10**

**Mooresville Consolidated School Corporation  
Corporation-wide Enrollments Projected by Five-Year Average Resident Live  
Birth Rates and Five-Year Continuation Rates  
By K-6, 7-8, 9-12 Grade Configuration, 2006-2014**

<b>Grade Level</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>K-6 Totals</b>	2,412	2,432	2,427	2,469	2,501	2,489	2,475	2,484	2,482
<b>7-8 Totals</b>	685	710	749	722	702	762	808	786	775
<b>9-12 Totals</b>	1,375	1,373	1,381	1,378	1,411	1,407	1,434	1,459	1,485
<b>K-12 Totals</b>	4,472	4,515	4,557	4,569	4,614	4,658	4,717	4,729	4,742

The Mooresville Consolidated School Corporation can plan for 2,600 elementary students, 850 middle school students and 1,600 high school students in the short-term future of the school corporation.

## **CHAPTER II**

### **EDUCATIONAL PROGRAM**

This chapter addresses several elements of the educational programs offered in the Mooresville Consolidated School Corporation (MCSC). The administration and school personnel are to be commended for the program development and implementation that has occurred during recent years. It is understood that goals and objectives for quality educational programs cannot be met without adequate fiscal support and physical facilities. The commitment to quality educational programs is a necessity in the MCSC as it is in any school corporation working to appropriately prepare young people for life in the 21<sup>st</sup> century. The importance of planning is essential to the effective and efficient management of a school corporation.

Therefore, taken together, the educational program and fiscal support matched with the congruence of purpose inherent in educational facilities can provide the MCSC with a blueprint for sound decision-making.

#### **ELEMENTARY SCHOOL PROGRAM**

The MCSC elementary school program consists of five grades K-6 elementary schools, Neil A. Armstrong, Newby Memorial, North Madison, Northwood and Waverley elementary schools. Elementary schools are responsible for teaching the basic skills in reading, composition, listening, speaking, and computation that provide the foundation for all later learning. In carrying out this major responsibility, the educational program must include means by which children can develop their creativity, discipline their thinking, acquire methods of inquiry, and apply knowledge. The elementary school plays the pivotal role in determining the shape of the rational processes children will acquire.

The elementary school should provide children a socialization experience that forms a foundation for a wholesome self-concept. Such socialization is important in enabling children to interact cooperatively and successfully in other group settings later in life. It is through the planned elementary school experiences that children begin to compare and contrast themselves with their peers in a wide range of activities and tasks. Children learn to compete, to succeed, to fail, to work cooperatively with others, to work independently, and to perceive themselves as individuals and members of a group. Thus,

the elementary school experience plays a critical role in building the total social foundation requirement of children.

In essence, the ultimate goal of all formal education is the development of the individual potentialities. The elementary school program is the first step in attaining such a goal. Acquiring the fullest self-utilization includes not only the acquisition of basic skills, important as they are, but also learning tasks and activities that promote health, physical fitness, ethical values, aesthetic interests in literature, art and music and the ability to cope with change and personal enrichment through grounding in science, humanities, and the arts.

The Indiana State Department of Education has set forth weekly time standards for instruction in the various subject areas for each grade level of the elementary school programs in Indiana. The elementary schools of the MCSC appear to meet these time allocations primarily with classroom teachers plus some Prime Time instructional assistants. Music, art and physical education are integral to the elementary program with trained professionals delivering the program in their respective specialty. A well-developed special education program is in place for the special needs students of the school corporation. The corporation provides limited programming for the needs of gifted and talented students does not have sufficient professional support for the elementary media program. The integration of technology into the delivery of the educational program at the elementary is under developed at the present time.

There is a commitment on the part of the MCSC to provide reduced class size for Prime Time classes throughout the primary grades primarily through the use of classroom teachers with some Prime Time instructional aides. The current class sizes in the primary grades at the elementary schools are a function of Prime Time guidelines (18 students per teacher in grades kindergarten and grade one, and 20 students per teacher in grades two and three), the total enrollments by grade level in each school and adequate space available for general classroom instruction in each school.

The state of Indiana does not have guidelines for class size of the intermediate grades of elementary schools. However, a general range of 25 to 30 students per classroom is the norm in Indiana at the present time. Clearly, for both primary and intermediate classrooms, the MCSC elementary classrooms are comfortably within what

we would generally find in primary and intermediate classrooms in Indiana school corporations.

The elementary schools have sound educational programs in place, and appear to reflect corporation educational philosophies, strategies, goals, and objectives. The curricular content at all grade levels appears to be textbook driven and supplemented by effective and creative offerings. The MCSC has a commitment to the following elementary school programs:

1. A strong and child centered, basically self contained educational program at the elementary school level that allows for individual teacher creativity in the delivery methods utilized.
2. Prime Time reduced class size in grades K through 3 primarily with classroom teachers supplemented by teaching assistants.
3. A full scope of special education programs, and a full complement of remedial and support programs for students at each elementary school.
4. Art, music and physical education are delivered by special teachers trained in their respective areas of the curriculum.

The schools have a full-time principal and appropriate secretarial support.

The elementary schools have less than sufficient and appropriate space for the delivery of modern educational programming in the 21<sup>st</sup> century given the current grade configuration of the school corporation and the projected elementary school enrollments. This lack of appropriate space in elementary facilities will be documented later in this study.

### **MIDDLE SCHOOL EDUCATIONAL PROGRAM**

The middle school years should provide opportunities to give early adolescents a setting and program of instruction that meets their developmental needs, interests, and capabilities. Persons who have worked in middle schools and who have studied the middle school design suggest the following as aims basic to the program of studies:

1. To serve the educational needs of the "inbetween-agers" (older children, pre-adolescents) in a school, bridging the elementary school of childhood and the high school of adolescence.
2. To provide optimum individualization of curriculum and instruction for a population characterized by great individual variability.

3. To plan, implement, evaluate, and modify a continuing curriculum in relation to the foregoing aims. This includes provision for:
  - a) a planned sequence of concepts in the general education area,
  - b) major emphasis on the interests and skills for continued learning,
  - c) activities and services for personal development, and
  - d) appropriate attention to the development of values.
4. To promote continuous progress through, and smooth articulation between, the several phases and levels of the total educational program.
5. To facilitate the optimum use of facilities available for continuing improvement of schooling.

In order to achieve the basic aims of the middle school, the educational program should emphasize learning skills and personal development. Three distinct phases of the middle school program are:

1. Learning skills: reading, writing, speaking, listening, and composition skills continued from elementary school with new emphasis on educational use of library tools and self-teaching devices.
2. Other common learnings: literature, social studies, languages, science, mathematics, and fine arts, following a sequence of instruction in these areas planned for grades K-12.
3. Personal development: health and physical education geared to the eleven to fifteen year-old; individually planned experiences, foreign languages, typing, fine and practical arts, and remedial basic skills; other exploratory experiences through independent study and a program of special interest activities and student-managed enterprises; close relationship with a counselor-teacher throughout the middle school; and adequate diagnostic tests, parent conferences, and other data sources for counseling.

It is difficult to secure resources in today's economy to totally meet all of the emerging adolescent's needs, but the activities in the above areas are goals to be sought in the most rigorous manner possible.

### **PAUL HADLEY MIDDLE SCHOOL**

Too often the middle years are regarded as appendages to the elementary school program (as in kindergarten through grade eight organizations) or appendages to the high school programs (as in grade seven through twelve organizations). Further, in terms of physical facilities, middle grade education has too often been determined by space availability within a school district rather than instructional priorities. Where feasible the

above aims for a viable middle years educational climate should be the center of evaluating, planning, and implementing middle school programs and facilities.

The MCSC house grades seven and eight students in the Paul Hadley Middle School. The program reflects modern and sound middle grades programming. The instructional program includes language arts, science, social studies, and math. The school day reflects a time schedule appropriate for middle school students. Students have exploratory experiences in each of music, art, physical education, family and consumer sciences, health, and industrial technology.

The teachers are appropriately trained, and the guiding philosophy is sound in terms of "meeting the needs of students" rather than just preparing students for high school. The middle school offers a full compliment of extra-curricular activities for boys and girls. The program is offered in a safe and friendly environment.

The MCSC is developing a commitment to the following middle school programs:

1. A strong and child-centered educational program that meets the specific needs of the middle school adolescent.
2. A program that permits the forming of teams of teachers to work within the school to assist students academically and socially.
3. A solid educational program built around the core curriculum.
4. An exploration program through an advisory program to expose students to programs outside the curriculum area to better prepare them for academic decisions in the future.
5. Art, music, physical education and media are delivered by special teachers trained in the respective area of the curriculum.

### **MOORESVILLE HIGH SCHOOL EDUCATIONAL PROGRAM**

In order to perform its role, the secondary school curriculum must include both general and specialized education, guidance services, and experiences beyond the classroom normally referred to as the extracurricular program.

From a program of general education one can expect each pupil to receive a good background in language, science, social studies, the arts, and much of the subject matter important in the business of living. This general program includes business subjects,

home and family living, industrial education, vocational education, and guidance activities.

In addition, general education may appropriately include utilization subjects such as home and family relations. While general education is not designed to prepare anyone for a particular calling, often such courses may be an important part of preparation for one's profession, trade, or occupation.

Preparation for college has been traditionally an aim for secondary education. It continues to be an important function, but it should not be a sole aim. Nevertheless, quality academic subjects should be available for the student population that is college bound.

### **MOORESVILLE HIGH SCHOOL**

The Mooresville High School places emphasis on academic programs that in all probability reflect the values of the community it serves. The school is accredited by the North Central Association of Colleges and Schools. There is an appropriate balance in offerings in academic and advanced courses with practical and fine arts and vocational education consistent with the culture of this school setting.

Courses are offered in:

- Art
- Business
- Computers
- English
- Foreign Languages
- Family and Consumer Sciences
- Industrial Technology
- Math
- Science
- Social Studies
- Physical Education
- Music
- Vocational Education
- Special Education

Advanced course offerings are available in English, mathematics, social studies, science, and in foreign language. Programs in English and social science are comprehensive in nature. A comprehensive practical arts curriculum is offered. It would

appear that the high school is meeting its goals and objectives within the context of a strong secondary program.

The MCSC has a commitment to the following high school programs:

1. Teaching students that a commitment to their attendance is an important attribute for adult life.
2. A solid educational program that encourages students to be life long learners.
3. Promotion of extra-curricular programs that reinforce student development in academic, physical and creative venues.
4. Programs that emphasize post high school education in an effort to better prepare students for the adult life.
5. Establishment of the school as a safe environment for all students and staff.

### **SUMMARY**

In summarizing the educational programs of the MCSC, it is evident the corporation has programs that require commitment of human and fiscal resources, facilities, and an attitude of caring for the needs of the learner. In addition to standard programming, commitments to elementary programs in Prime Time, art, music, physical education, remediation programs, and special education require that resources and space be allocated to ensure quality in these programs. In order for comprehensive elementary programs to operate fully to enhance the delivery of special subject areas, proper space requirements must be determined and met. Art, music, and physical education programs require areas that allow for movement. Media, technology, remediation programs, special education, gifted and talented, and computer instruction require adequate space for small group and individualized instruction. Commitment to Prime Time alone requires more classrooms for the same number of students than would have been required ten years ago. Chapter III of this study documents the space utilization of the five elementary school facilities of MCSC in terms of utilizing space in the most effective and efficient manner.

The educational program for the Paul Hadley Middle School is one in which specific program goals and definitions are currently being implemented and the school is

striving to seek full implementation of a sound middle grades philosophy. This fact will continue to guide the school's ability to address the wide range of needs of the middle grade learner.

The educational program for the Mooresville High School is comprehensive and responsive to the needs of all learners. It is reflective of sound educational program planning within the limitations inherent in fiscal and human resources.

## **CHAPTER III**

### **SCHOOL FACILITIES**

#### **Introduction**

Long range planning, generated from a complete database, is essential to the sound management of the fiscal and human resources of any school corporation. This is especially true of the physical resources of a school corporation as they relate to large investments in capital improvement projects. The database for planning and decision-making must be developed in a systematic and comprehensive manner. Such a database to be useful to boards, administrators and the community in planning must include valid, reliable, and objective information. The level of adequacy of existing buildings and sites must consider current and future educational program requirements, effective and efficient utilization of space, the structural and mechanical fitness of physical plants, as well as the health and safety environments for those occupying the facility.

The existing school buildings of the MCSC were evaluated by means of a performance based evaluation instrument. This performance based evaluation instrument is criterion referenced. The criteria used to develop performance standards were derived from the current literature of the field of Educational Facility Planning and from Indiana State Department of Education Standards. Objectivity in the evaluation was maintained by developing a uniform numerical scale to measure the performance of each factor for each feature evaluated in elementary, middle school, and high school.

Evaluation assumes a comparison of "what is" to "what should be," therefore, the evaluation process should be performance based. School facilities exist to serve an educational function. The fundamental consideration in the evaluation is how adequately the facilities meet the needs of the educational program and the pupils served. In other words, there must be congruence of purpose between the educational program (what should be) and the existing facilities (what is).

The existing educational programs and the general methods of delivery for the MCSC have been identified and documented in Chapter II of this study. These educational programs and their method of delivery serve as the basis for evaluating congruence of purpose between the existing educational programs and the existing educational facilities.

The MCSC operates and maintains five elementary school facilities as well as Paul Hadley Middle School and Mooresville High School.

### **ELEMENTARY SCHOOL FACILITIES**

One of the most significant changes to occur in elementary school programs in the past several decades was the advent of Prime Time. Classroom enrollment in kindergarten through grade one was reduced to the level of 18 pupils to one teacher, and in grades two and three to a ratio of 20 pupils to one teacher. These standards obviously changed the functional capacity of the elementary building. Buildings designed to hold 500 pupils could no longer accommodate 500 pupils with reduced class size guidelines.

At the same time, increased emphasis in fine arts, special education, technology, and federal supported remediation programs all serve to require space for programs which foster the concept of working with students in one to one and small group activity. The MCSC has made a sound educational commitment to providing remedial programs, art, music and physical education instruction in all elementary grades in accordance with state "Time on Task" guidelines which generate further space needs if implemented appropriately. In addition, the elementary program, to be complete, requires space in the elementary school for the development of viable media center and technology programs. To be sure, space needs change as a result of the educational programs to be delivered.

The impact of educational program change is readily apparent in the elementary schools of the MCSC. Teaching stations have been allocated to provide remediation space, special education instructional space, music, art, physical education, and media and technology. Most of these programs are housed in spaces designed for their respective special instruction.

The school student population at Neil Armstrong is 610 students this school year, up from 577 in 2001, while Newby Memorial is 340, up from 252 in 2001. North Madison has experienced the greatest recent growth an enrolled approximately 684 this school year, up from 642 in 2001. Northwood enrollment is 452, up from 424, while Waverly is the only elementary school to decline in total enrollment over the past five years declining from 389 in 2001 to 346 this school year. Over the past ten years the kindergarten through grade six student population of the MCSC has ranged from a high of 2,412 in 2006 to a low of 2,221 in 1998. Projections for the period 2006 through 2014

indicate a high of 2,482 in 2014. Thus the elementary schools will need to have additional space to accommodate the student population in the short-term future.

In Table 11 is presented data on the Actual and Functional Capacity of each elementary school prior to Prime Time (based on 25 students per classroom) and with Prime Time (based on 18 students in kindergarten and grade one, 20 students in grades two and three and 25 students per classroom in grades four through six) and the total students enrolled during the 2006-07 school year. The reader will note that the total current enrollment of the five elementary schools is 268 students less than its total Functional Capacity. However, 145 or 54.1 percent of that excess Functional Capacity is at Waverly Elementary School. The facilities together are utilized at 90.0 percent of their Functional Capacity. Again, however, four of the five are over 91 percent of their Functional Capacity. Ideal space utilization of an elementary school is between 90 and 92 percent of Functional Capacity which allows for program development, enrollment growth and adequate support spaces to compliment a comprehensive educational program.

**Table 11**

**Actual and Functional Student Capacity of the General and Special Purpose Classrooms and Current Enrollments of the Mooresville Elementary Schools, 2006-07**

<b>Elementary School</b>	<b>Actual Capacity</b>	<b>Functional Capacity</b>	<b>Current Enrollment</b>	<b>Percent Utilized: Actual Capacity</b>	<b>Percent Utilized: Functional Capacity</b>
<b>Neil Armstrong</b>	725	622	593	81.8	95.3
<b>Newby Memorial</b>	400	345	340	85.0	98.6
<b>North Madison</b>	750	728	665	88.7	91.3
<b>Northwood</b>	575	489	463	80.5	94.7
<b>Waverly</b>	550	496	351	63.8	70.8
<b>Totals</b>	<b>3,050</b>	<b>2,680</b>	<b>2,412</b>	<b>79.1</b>	<b>90.0</b>

With a projected elementary enrollment of 2,482 students by 2014, the five elementary schools will be utilized at 92.6 percent of their Functional Capacity. In essence, educational programs have often been characterized as "expanding to fill the space allotted to them." While this may be true in the elementary schools of the MCSC, such expansion has been educationally sound and enhancing for the delivery of the

education programs. However, given the total Functional Capacity of 2,680, the excess capacity at Waverly Elementary School and the projected elementary student population developed for this study, the schools will have difficulty providing appropriate space for the delivery of modern, efficient and effective programming in the short-term future unless changes are made in the grade configuration of the corporation, additional facilities are constructed and or current individual school boundaries are reconfigured. Future planning for needed instructional space should give strong consideration to the possibilities of public school pre-school programs, all day everyday kindergarten, extension of Prime Time class size limits to the intermediate grades, a further developing individualized approach to elementary education in the future, and the specialized space needs required by future technologies in instruction and learning.

Following are the space utilization tables for each of the five elementary schools of the MCSC for the 2006-2007 school year from which the above space utilization summary was drawn.

**Space Utilization Neil A. Armstrong Elementary School, 2006-2007**

<b>ROOM NUMBER</b>	<b>GRADE</b>	<b>NUMBER OF STUDENTS</b>	<b>FUNCTIONAL CAPACITY</b>	<b>ACTUAL CAPACITY</b>
241	Kindergarten	18/10	18/18	25/25
242	Kindergarten	14/13	18/18	25/25
201	1 <sup>st</sup>	21	18	25
202	1 <sup>st</sup>	18	18	25
203	1 <sup>st</sup>	21	18	25
243	1 <sup>st</sup>	22	18	25
244	1 <sup>st</sup>	21	18	25
204	2 <sup>nd</sup>	24	20	25
205	2 <sup>nd</sup>	24	20	25
206	2 <sup>nd</sup>	25	20	25
208	2 <sup>nd</sup>	24	20	25
209	3 <sup>rd</sup>	19	20	25
210	3 <sup>rd</sup>	18	20	25
211	3 <sup>rd</sup>	17	20	25
212	3 <sup>rd</sup>	18	20	25
207	4 <sup>th</sup>	22	25	25
102	4 <sup>th</sup>	21	25	25
103	4 <sup>th</sup>	21	25	25
104	4 <sup>th</sup>	20	25	25
105	5 <sup>th</sup>	25	25	25
106	5 <sup>th</sup>	27	25	25

107	5 <sup>th</sup>	25	25	25
108	5 <sup>th</sup>	25	25	25
109	6 <sup>th</sup>	19	25	25
110	6 <sup>th</sup>	22	25	25
111	6 <sup>th</sup>	20	25	25
112	6 <sup>th</sup>	21	25	25
<b>TOTALS</b>		<b>593</b>	<b>622</b>	<b>725</b>
232	Art			
230	Music			
207	Special Education			
228	Special Education			
229	Special Education			
200	Special Education			
226	Speech			
Stage	Computer Lab			
Computer Lab	Computer Lab			
Portable	Orchestra			

School	Actual Capacity	Functional Capacity	Current Enrollment	% Utilized Actual Capacity	% Utilized Functional Capacity
Neil Armstrong	725	622	593	81.8	95.3

**Space Utilization Newby Elementary School, 2006-2007**

ROOM NUMBER	GRADE	NUMBER OF STUDENTS	FUNCTIONAL CAPACITY	ACTUAL CAPACITY
1	Kindergarten	20/19	18/18	25/25
8	1 <sup>st</sup>	17	18	25
5	1 <sup>st</sup>	18	18	25
10	1 <sup>st</sup>	17	18	25
12	2 <sup>nd</sup>	18	20	25
7	2 <sup>nd</sup>	19	20	25
9	3 <sup>rd</sup>	23	20	25
11	3 <sup>rd</sup>	23	20	25
13	4 <sup>th</sup>	20	25	25
20	4 <sup>th</sup>	21	25	25
18	5 <sup>th</sup>	20	25	25
16	5 <sup>th</sup>	21	25	25
14	5 <sup>th</sup>	18	25	25
19	6 <sup>th</sup>	23	25	25
15	6 <sup>th</sup>	25	25	25
<b>TOTALS</b>		<b>340</b>	<b>345</b>	<b>400</b>
2	Pre School			
111	Art			
132 (stage)	Music			
17	Special Education			
	Speech			
	Title I			
113	Computer Lab			

School	Actual Capacity	Functional Capacity	Current Enrollment	% Utilized Actual Capacity	% Utilized Functional Capacity
Newby	400	345	340	85.0	98.6

**Space Utilization North Madison Elementary School, 2006-2007**

ROOM NUMBER	GRADE	NUMBER OF STUDENTS	FUNCTIONAL CAPACITY	ACTUAL CAPACITY
1	Kindergarten	21/18	18/18	25/25
2	Kindergarten	22/17	18/18	25/25
4	Kindergarten	20	18/18	25/25
5	1 <sup>st</sup>	22	18	25
7	1 <sup>st</sup>	21	18	25
8	1 <sup>st</sup>	22	18	25
11	1 <sup>st</sup>	21	18	25
24	1 <sup>st</sup>	22	18	25
6	2 <sup>nd</sup>	20	20	25
9	2 <sup>nd</sup>	24	20	25
10	2 <sup>nd</sup>	24	20	25
12	2 <sup>nd</sup>	26	20	25
25	2 <sup>nd</sup>	26	20	25
16	3 <sup>rd</sup>	22	20	25
17	3 <sup>rd</sup>	22	20	25
18	3 <sup>rd</sup>	22	20	25
20	3 <sup>rd</sup>	20	20	25
22	4 <sup>th</sup>	21	25	25
23	4 <sup>th</sup>	23	25	25
29	4 <sup>th</sup>	20	25	25
32	4 <sup>th</sup>	20	25	25
Portable	5 <sup>th</sup>	20		
26	5 <sup>th</sup>	21	25	25
27	5 <sup>th</sup>	17	25	25
28	5 <sup>th</sup>	20	25	25
Portable	6 <sup>th</sup>	24		
30	6 <sup>th</sup>	25	25	25
31	6 <sup>th</sup>	25	25	25
32	6 <sup>th</sup>	22	25	25
<b>TOTALS</b>		<b>665</b>	<b>728</b>	<b>750</b>
3	Pre School			
19	Art			
33	Music			
21	Title I			
59	Special Education			
13	Computer Lab			
14	Computer Lab			

School	Actual Capacity	Functional Capacity	Current Enrollment	% Utilized Actual Capacity	% Utilized Functional Capacity
North Madison	750	728	665	88.7	91.3

**Space Utilization Northwood Elementary School, 2006-2007**

<b>ROOM NUMBER</b>	<b>GRADE</b>	<b>NUMBER OF STUDENTS</b>	<b>FUNCTIONAL CAPACITY</b>	<b>ACTUAL CAPACITY</b>
2	Kindergarten	14/14	18/18	25/25
3	Kindergarten	15/15	18/18	25/25
1	1 <sup>st</sup>	18	18	25
4	1 <sup>st</sup>	18	18	25
6	1 <sup>st</sup>	18	18	25
8	1 <sup>st</sup>	18	18	25
5	2 <sup>nd</sup>	19	20	25
7	2 <sup>nd</sup>	23	20	25
9	2 <sup>nd</sup>	22	20	25
12	3 <sup>rd</sup>	24	20	25
13	3 <sup>rd</sup>	23	20	25
17	3 <sup>rd</sup>	24	20	25
14	4 <sup>th</sup>	20	25	25
15	4 <sup>th</sup>	20	25	25
16	4 <sup>th</sup>	19	25	25
20	5 <sup>th</sup>	19	25	25
21	5 <sup>th</sup>	19	25	25
25	5 <sup>th</sup>	24	25	25
22	6 <sup>th</sup>	26	25	25
23	6 <sup>th</sup>	26	25	25
24	6 <sup>th</sup>	26	25	25
<b>TOTALS</b>		<b>463</b>	<b>489</b>	<b>575</b>
10	Art			
11	Music			
	Title I			
19	Special Education			
18	Computer Lab			

<b>School</b>	<b>Actual Capacity</b>	<b>Functional Capacity</b>	<b>Current Enrollment</b>	<b>% Utilized Actual Capacity</b>	<b>% Utilized Functional Capacity</b>
Northwood	575	489	463	80.5%	94.7%

**Space Utilization Waverly Elementary School, 2006-2007**

<b>ROOM NUMBER</b>	<b>GRADE</b>	<b>NUMBER OF STUDENTS</b>	<b>FUNCTIONAL CAPACITY</b>	<b>ACTUAL CAPACITY</b>
105	Kindergarten	15	18/18	25/25
106	Kindergarten	14/12	18/18	25/25
102	1 <sup>st</sup>	14	18	25
103	1 <sup>st</sup>	13	18	25
104	1 <sup>st</sup>	14	18	25
141	2 <sup>nd</sup>	20	20	25
142	2 <sup>nd</sup>	20	20	25
143	2 <sup>nd</sup>	20	20	25
144	3 <sup>rd</sup>	17	20	25
145	3 <sup>rd</sup>	17	20	25
146	3 <sup>rd</sup>	19	20	25
114	4 <sup>th</sup>	17	25	25

115	4 <sup>th</sup>	17	25	25	
116	4 <sup>th</sup>	16	25	25	
117	5 <sup>th</sup>	25	25	25	
119	5 <sup>th</sup>	25	25	25	
120	6 <sup>th</sup>	19	25	25	
121	6 <sup>th</sup>	19	25	25	
122	6 <sup>th</sup>	18	25	25	
118	Unassigned		25	25	
<b>TOTALS</b>		<b>351</b>	<b>496</b>	<b>550</b>	
140	Art				
107	Music				
109	Learning Disability				
110	Speech				
111	Learning Disability				
101	Special Education				
108	Computer Lab				
<b>School</b>	<b>Actual Capacity</b>	<b>Functional Capacity</b>	<b>Current Enrollment</b>	<b>% Utilized Actual Capacity</b>	<b>% Utilized Functional Capacity</b>
<b>Waverly</b>	550	496	351	63.8%	70.8%

Each of the elementary schools are evaluated as “Adequate – 20 years of functional life” as defined below in terms of Indiana Department of Education General Facility Requirements.

**ADEQUATE – 20 YEARS OF FUNCTIONAL LIFE**

(Facility is generally structurally sound, well maintained, and contains spaces that are appropriate for a modern educational program. Its functional student capacity provides for effective and efficient educational programming.)

**MARGINALLY ADEQUATE IN THE SHORT TERM**

(Facility may be generally structurally sound and well maintained, but contains spaces that are less than appropriate for educational programming into the 21st century and shows the need for attention to several areas that go beyond normal cosmetic attention. Such a facility often requires extensive study to determine its feasibility for remodel or discontinued use in the long term. Its functional capacity is marginal in terms of effective and efficient educational programming)

**INADEQUATE - REMODEL**

(Facility is generally structurally sound, but contains spaces that are less than appropriate for educational programming into the 21st century and shows the need for attention to several areas as well as the need for immediate attention to major cosmetic renovation. Its functional capacity

after remodeling would provide for effective and efficient educational programming)

**INADEQUATE - DISCONTINUE USE**

(Facility has outlived its usefulness as an appropriate educational facility and generally would require more capital expenditure to remodel than to replace the facility. Further, remodeling would yield spaces less than appropriate for the delivery of modern educational programming into the 21<sup>st</sup> century.

In Table 12 is presented data on the Actual and Functional Capacity of each secondary school based on 25 students per classroom per period adjusted for special education, physical education and fine arts education for the 2006-07 school year. The reader will note that the total current enrollment of the two secondary schools is 2,060. The Actual Capacity of middle school is 970 and the Functional Capacity is 728 students.

**Table 12**

**Actual and Functional Student Capacity of the General and Special Purpose Classrooms and Current Enrollments of the Mooresville Secondary Schools, 2006-07**

<b>Elementary School</b>	<b>Actual Capacity</b>	<b>Functional Capacity</b>	<b>Current Enrollment</b>	<b>Percent Utilized: Functional Capacity</b>	<b>Percent Utilized: Actual Capacity</b>
<b>Middle School</b>	970	728	685	94.1	70.6
<b>High School</b>	1,590	1,193	1,375	115.3	86.5
<b>Totals</b>	<b>2,560</b>	<b>1,921</b>	<b>2,060</b>	<b>107.2</b>	<b>80.5</b>

With an enrollment of 685 students the school is being utilized at 94.1 percent of its Functional Capacity and 70.6 percent of its Actual Capacity. The Actual Capacity of the high school is 1,590 students and the Functional Capacity is 1,193 students. With an enrollment of 1,375 students the school is being utilized at 115.3 percent of its Functional Capacity and 86.5 percent of its Actual Capacity. Taken together the facility has an Actual Capacity of 2,560 and a Functional Capacity of 1,921 students. Thus, together, they are being utilized at 107.2 percent of their Functional Capacity and 80.5 percent of their Actual Capacity. Ideal space utilization of a secondary school is between 70 and 75 percent of Functional Capacity which allows for program development, enrollment growth and adequate support spaces to compliment a comprehensive educational

program.

## PAUL HADLEY MIDDLE SCHOOL

Paul Hadley Middle School houses grades seven and eight for the MCSC in a shared facility with Mooresville High School. The enrollment of the school over the past six years has grown from 668 in 2001 to 683 in the 2006-2007 school year

Table 13 presents the space utilization of General and Special Purpose instructional and support spaces for the Paul Hadley Middle School for the 2006-2007 school year. The total number of approved pupils stations for the 37 General and Special purpose classrooms of the Paul Hadley Middle School is 970 students per period. Functional Capacity of the General and Special purpose classrooms, based on 75 percent of Actual Capacity, is 728 students per period for all classrooms. Functional Capacity at 75 percent of Actual Capacity allows classrooms to be available to teachers during planning periods and allows for student population growth during the school year. Given the 2006-2007 enrollment of 685 students, the school is being utilized at 70.6 percent of Actual Capacity and 94.1 percent of Functional Capacity. With a projected enrollment of 775 students by 2014, the school will be utilized at 106.5 percent of its Functional Capacity.

**Table 13**

### Space Utilization of the General and Special Purpose Classrooms For the Paul Hadley Middle School 2006-2007

Room # PUPILS	Number Students	Subject	Pd 1	Pd 2	Pd 3	Pd 4	Pd 5	Pd 6	Pd 7	Pd 8	Total Students	% Utilized
183	25	LArts	18	28	20	25	23	27		27	168	84.0%
213	25	LArts	21		23		22	21	30	22	139	69.5%
225	25	LArts	28	25		25		9	22	22	131	65.5%
229	25	LArts		8		28	15	22	27	31	131	65.5%
233	25	LArts	22	23	20	21	21			22	129	64.5%
235	25	LArts	13		13	3	17	12	14	11	83	41.5%
257	25	LArts	36		24	19		22	22	25	148	74.0%
207	25	FLang.	24	20	13	23	29	16		30	155	77.5%
211	25	Math	12	23		22	18	25		19	119	59.5%
215	25	Math	26		14	27	23	23		18	131	65.5%
220	25	Math	22	9	18	11	21		12		93	46.5%
231	25	Math		23	24		25	27	28	8	135	67.5%
247	25	Math		23	15	21	11		17	13	100	50.0%
253	25	Math	24	32		23		20	23	25	147	73.5%
203	25	SocSt.	29	14		29	29	29	28		158	79.0%
205	25	SocSt.	30		26	30	26	29	30		171	85.5%
255	25	Soc.St.	29	28	28	28		27	27		167	83.5%

105	25	Sci.	30	29	29	26		30	29	27	200	100.0%
108	25	Sci.	26	27	28	30		30	25	29	195	97.5%
241	25	Sci.	25	27	30	31	27	27	32		199	99.5%
243	25	Sci.		31	30	31	27	14	24		157	78.5%
251	25	Sci.	26	27	30	29	32	29	26		199	99.5%
182	25	APC	15	25	18		21		17	23	119	59.5%
101	25	F&CS	16	12	10	13	14	20		16	101	50.0%
184	25	ITech.	21	29	30	27	28	25	18		178	89.0%
245	25	Art	25		28	25	31	22	12	26	169	84.5%
248	40	Music	15	3	24	14	17		21	36	130	40.6%
BR	40	Orch.						29	24		53	16.6%
246	50	Choir	28		56	48	36	45	34	45	292	73.0%
Gym	30	PhysEd	30	30	25		32		27	27	171	71.3%
144	10	Resc.	7	14		11	10	14	4	9	69	86.3%
146	10	Resc.	12	7	11	7	5	7	6		55	68.8%
148	10	Resc.		22	7	8	9	19	5	15	85	106.3%
201	25	Health	26	32	29		29		30	27	173	86.5%
221	30	Health	30	28	28		29		21	33	169	70.4%
227	25	Health	30	24	28		33		22	32	169	84.5%
St.Rm.	50	StHall	19	55	20	56	58	64	22	60	354	87.8%
Totals	970		715	678	699	691	718	684	679	678	5,542	71.4%

### MOORESVILLE HIGH SCHOOL

Mooresville High School houses grades nine through twelve of the MCSC. It has a 2006-07 enrollment of 1,354 students up from 1,212 students during the 2001-2002 school year.

Table 14 presents the space utilization of General and Special Purpose instructional and support spaces for the Mooresville High School for the 2006-2007 school year. The total number of approved pupils stations for the 58 General and Special purpose classrooms of the Mooresville High School is 1,590 students per period. Functional Capacity of the General and Special purpose classrooms, based on 75 percent of Actual Capacity, is 1,193 students per period for all classrooms. Functional Capacity at 75 percent of Actual Capacity allows classrooms to be available to teachers during planning periods and allows for student population growth during the school year. Given the 2006-2007 enrollment of 1,375 students, the school is being utilized at 86.5 percent of Actual Capacity and 115.3 percent of Functional Capacity. With a projected enrollment of 1,485 students by 2014, the school will be utilized at 124.5 percent of its Functional Capacity.

**Table 14**

**Space Utilization of the General and Special Purpose Classroom  
For the Mooresville High School, 2006-2007**

Room # PUPILS	Number Students	Subject	Pd1	Pd2	Pd3	Pd4	Pd5	Pd6	Pd7	Total Students	% Utilized
106	25	LArts	12	28	30	30	24	19	21	164	93.7%
108	25	LArts	15	8	43	12	26	20	15	139	79.4%
111	25	LArts	30	26	30	30	30	21		167	95.4%
112	25	LArts		32	35	30	33	19	21	170	97.1%
113	25	LArts	32	30	27	27	29	16		161	92.0%
114	25	LArts	26		31	5		32	21	115	65.7%
115	25	LArts	30	28	21	23		29	29	160	91.4%
116	25	LArts	27	27	16	29	29	20	16	164	93.7%
117	25	LArts	30	31	24	24	16	24		149	85.1%
120	25	LArts	21	31	10	44	16		18	140	80.0%
121	25	LArts	21	30	26	41	27	19	19	183	104.6%
Gre	25	LArts	29		17	13		14	24	97	55.4%
102	25	Math	29		29	23	29	8	31	149	85.1%
130	25	Math		17	20	24		16	16	93	53.1%
132	25	Math	29	24	29	27	32		25	166	94.9%
133	25	Math	12	30	33		26	15	22	138	78.9%
134	25	Math	25	12	14	14		24	23	112	64.0%
136	25	Math	28		21	31	15	28	29	152	86.9%
139	25	Math	27	16	31	24	29	28		155	88.6%
142	25	Math		29	17	24	24	23	21	138	78.9%
144	25	Math	22	31	20	31	31	30	24	189	108.0%
146	25	Math	28	25	24	23	16	16		132	75.4%
124	25	Sci.	30		29	30	30	12	17	148	84.6%
128	25	Sci.	25	31		29	26	19	30	160	91.4%
200	25	Sci.	25	29	28	25	24		29	160	91.4%
202	25	Sci.	28	11	11			21	30	101	57.7%
207	25	Sci.	30	29	38	27	27	19	30	200	114.3%
220	25	Sci.	13	30	26	20	28	20	23	160	91.4%
221	25	Sci.	30	32	29	32	31	28	29	211	120.6%
223	25	Sci.	15	31	22	17		24	28	137	78.3%
131	25	SocSt.	26	30	30	27	31	11	30	185	105.7%
212	25	SocSt.	28	30	23		31	14	28	154	88.0%
213	25	SocSt.	30	30		30	31	22	30	173	98.9%
214	25	SocSt.	28	27	22	17	32		22	148	84.6%
215	25	SocSt.	29	24	26	25	27	22	32	185	105.0%
216	25	SocSt.	27		26	30	31	32	30	176	100.6%
217	25	SocSt.	30		28	28	23	28	26	163	93.1%
141	25	FLang.	9	24		19	19	9	16	96	54.9%
208	25	FLang.	24	31	26	29	21	23		154	88.0%
209	25	FLang.	23	28	21		26	30	28	156	89.1%
210	25	FLnag.	21	21	30		16	28	30	146	83.4%
219	25	FLang.	17	13		19	31	25	29	134	76.6%
Shop	25	InTech	21	30	23		14	14	14	116	66.3%
145	25	InTech	24	30		20	26	26	29	155	88.6%
Agr	25	Agr	24		16	22	20	23	22	127	72.6%
148	25	Bus.	26	25	27	14	14	16		122	69.7%
150	25	Bus.	16	10		14				40	22.9%
152	25	Bus.			20	14				34	19.4%
149	25	F&CS	18	23	24			16	50	131	74.9%
222	25	F&CS		17	9	18	12	13		69	39.4%
108	25	Art		21	18	16	23		20	98	56.0%
160	25	Art	20	18	22	21	19	20		120	68.6%
162	70	PArts	39	51	70	35	48			243	49.6
164	40	Music			40	26		41	14	121	43.2
137	25	Health	29	26	28	30	31	27	29	200	114.3%
NGym	60	PhysEd.	28	29	20	71	42	71	30	291	69.3
SGym	60	PhysEd.	74	35	52	63	62	65	45	396	94.3
143	10	CrecRe.	14	13					14	41	23.4%
<b>Totals</b>	<b>1,590</b>		<b>1294</b>	<b>1234</b>	<b>1332</b>	<b>1297</b>	<b>1228</b>	<b>1140</b>	<b>1159</b>	<b>8684</b>	<b>78.0%</b>

Each of the secondary schools is evaluated as “Adequate – 20 years of functional life” as defined above in terms of Indiana Department of Education General Facility Requirements.

The strengths and deficiencies of the physical facilities of the MCSC, as perceived by this researcher can be summarized as follows:

#### Strengths

1. The school corporation is making every attempt to provide total educational services for all students of the corporation.
2. The learning environment in educational classrooms is very positive and reflective of quality education.
3. The instructional staff has made every effort to utilize available space to the benefit of the instructional program.
4. Central administration and building principals were friendly and courteous. The climate in each of the schools was excellent and reflected a sound learning environment and positive image for the school corporation.
5. All buildings were clean, and reflect a very positive educational environment for youngsters to attend school.

#### Deficiencies

1. The elementary facilities are being utilized very near their Functional Capacity to deliver a modern, effective and efficient educational program. As increased enrollments and/or program expansion in pre-school, all day everyday kindergarten, technology, gifted and talented, and small group instruction occurs in the short term, that problem will become more acute.
2. The secondary schools are being utilized beyond their Functional Capacity to deliver a modern, effective and efficient educational program. As increased enrollments and/or program expansion occurs in the short term, that problem will become more acute.

## CHAPTER IV

### SCHOOL FINANCE

#### **Sources of Local and Public School Support**

Chapter IV of this study investigates the general financial position of the Mooresville Consolidated School Corporation. Further, it provides perspective on school facility financing processes in Indiana.

Practically all public school revenues are derived directly or indirectly from some taxing vehicle. State support to local public schools is appropriated by the Indiana General Assembly from the General Fund of the state. Revenues to the state's General Fund include, among other things, dollars generated by sales and use taxes, the individual income tax, and the corporate income tax. These three taxes alone account for over 85 percent of the total revenue to the state's General Fund.

Locally, various forms of taxation are utilized to generate dollars for schools and other civil units of government. The local taxes are charged, collected, and provided to the governmental unit in a more direct way than state revenues. Examples of local taxes include, but are not limited to, property tax, local option income tax, license excise tax, bank and building and loan association tax, and special county equalizing school taxes in Lake and Dearborn counties. Other sources of income are non-tax items and include receipts from transfer tuition, property sales, gifts, contributions, and interest on investments.

The Property Tax: The property tax represents the largest local revenue generator for governmental units. The tax is charged against real property (land and improvements) and personal property. Inherent in the property tax structure is the need to value property. By statute, all real property in Indiana is to be assessed at Fair Market Value. The tax is charged against the property itself and not against the owner; the property is taxed by the governmental unit within which it is located and the tax is applied at a uniform rate across all parcels within the governmental unit. No local referendum is required for any tax levy, except an excessive property tax levy.

All budgets for county taxing units are reviewed by the County Tax Adjustment Board if formed in the county and the Department of Local Government Finance prior to final adoption. Local school boards must advertise proposed budgets, hold public

hearings and adopt budgets in public session prior to submitting budgets to the county and state auditor's offices for review. A 1985 law permits counties to abolish the County Tax Adjustment Board. If this is done, the review is conducted only by the Department of Local Government Finance.

Property Tax Levy Limitations: A property tax levy limit exists for the General Fund of the School corporation budget. In 1973 the Indiana General Assembly enacted legislation which froze all School General Fund tax levies. A base levy, which consisted of the 1972 pay 1973 actual tax levy plus any loss in cash balance for 1973, was established for all school corporations in the state.

Since that time the base levy has been adjusted to reflect allowable increases permitted by laws. Once these adjustments have been made, the new levy becomes the general fund tax ceiling for a given school corporation. This tax ceiling is referred to as the Maximum Normal Tax Levy (MNTL). The maximum normal tax levy is the maximum dollars a corporation can assess for General Fund school purposes. This amount will become part of the school corporation's tax levy for subsequent years. In addition to the General Fund, school corporations may have levies for the Debt Service Fund, a Capital Projects Fund, a Transportation Operating Fund, a School Bus Replacement Fund and a Pre-School Special Education Fund. A school corporation is authorized a Debt Service Fund levy to meet annual debt service obligations including, lease rental, bond retirement, civil bond obligations, and Veterans' Memorial and Common School Fund repayments. The Debt Service Fund levy and rate must provide enough revenue to meet the annual debt payments of a school corporation.

The transportation fund was established by the 1979 General Assembly as a separate fund having taxing authority. This fund is to bear all operating costs related to pupil transportation, plus the purchase of school buses through a separate School Bus Replacement Fund, for up to 10 percent of fleet size per year. A five percent per year increase in tax levy for the Transportation Operating Fund is imposed on the school corporation.

The Capital Projects Fund was also established as a separate fund having taxing authority. The fund is a revision of the purposes provided for under the former Cumulative Building Fund allocating money for specific projects in the future. The

Capital Projects Fund had a \$1.25 tax rate limit per year but is adjusted for corporation wealth factors as a result of reassessment. The school corporation must file a three-year plan for revenue and expenditures from this fund on an annual basis. The adjustment in the CPF tax rate was made at the time of Indiana's statewide property reassessment program in 2002. It is intended that revenue will be raised and expended in the year of the requested tax levy. However, school corporations may set aside revenue for future building needs if a future plan has been approved by the state of Indiana.

Subsequent sections of this chapter address such matters as financial ability, the financial effort, and the financial leeway of the Mooresville Consolidated School Corporation to finance school building construction or renovation.

### **Financial Ability**

Several measures can be used to assess financial ability. One measure of financial ability of a local school corporation can be determined by establishing a ratio of the total assessed valuation in the school corporation to the number of public school pupils residing in the school corporation. This ratio is defined as the Assessed Valuation per Pupil. Because assessment practices vary in Indiana, adjustment factors are applied to the assessed valuation resulting in an adjusted assessed valuation (AAV). Pupils residing in the school corporation are measured in terms of Resident Pupils in Average Daily Attendance (Resident ADA). Thus, the measure becomes Adjusted Assessed Valuation per pupil based on Resident ADA. Another measure of financial ability is known as the total adjusted assessed valuation. This measure estimates total dollars expendable for renovation and/or construction of school facilities based on total valuation of the school corporation.

Data presented in Table 15 for MCSC indicate a nearly 124 percent increase in the assessed valuation during the period 2000-2006. The total assessed valuation has risen from \$500,382,120 in 2000 to \$1,120,586,855 in 2006. This growth is primarily a result of the impact of statewide reassessment to reflect a "Market Value" assessment of taxable property. Table 15 also presents information relative to local tax rates for the MCSC for taxes payable in 2000 through 2006. The tax rate in 2000 was \$1.9286 per \$100.00 of assessed value. Given the impact of reassessment the total tax rate by 2006 has dropped to \$1.4644 per \$100.00 of assessed value or 24.1 percent.

**Table 15**

**Total Assessed Value, Tax Rates by Fund and Total Tax Rate for  
Moorestville Consolidated School Corporation, 2000-2006**

<b>BUDGET YEAR</b>	<b>ASSESSED VALUE</b>	<b>GENERAL FUND</b>	<b>DEBT SERVICE FUND</b>	<b>CPF FUND</b>	<b>TRANS OPER FUND</b>	<b>SCHOOL BUS REPLACE</b>	<b>PRE SCHOOL SP ED</b>	<b>TOTAL TAX RATE</b>
<b>2000</b>	500,382,120	0.8335	0.5455	0.3672	0.1795	0.0000	0.0031	1.9289
<b>2001</b>	535,255,980	0.8728	0.5417	0.3375	0.1480	0.0258	0.0031	1.9291
<b>2002</b>	569,575,750	0.8435	0.5575	0.3673	0.1448	0.0705	0.0030	1.9866
<b>2003</b>	976,670,800	0.5186	0.3351	0.2143	0.0911	0.0441	0.0029	1.2061
<b>2004</b>	946,471,480	0.5711	0.3351	0.2564	0.1316	0.0231	0.0018	1.3530
<b>2005</b>	965,915,170	0.6303	0.3347	0.2789	0.1373	0.0341	0.0019	1.4521
<b>2006*</b>	981,221,060	0.6353	0.3154	0.2957	0.1443	0.0380	0.0019	1.4644

\*As advertised for 2007, actual AV \$1,120,586,855

The necessity for securing more funds for education will continue as long as any or all of the following occur:

1. Inflation continues.
2. Pupil population increases.
3. School building costs continue to increase.
4. Educational program demands increase.
5. Teachers become more experienced and add to their education.
6. Student drop-out rates decrease.
7. Increased length of school year.
8. Support services increase.
9. Fixed costs of utilities continue to rise.
10. Continued improvement in public school productivity.

Before significant capital outlay decisions are made it is prudent to consider future economic, demographic, and educational program possibilities.

**Financing School Construction**

The cost of school building construction and renovation continues to increase and often out-gains the cost of private corporate construction. Assuming the past is a valid indicator and predictor of the future, school building construction and renovation will continue to increase in cost, at least at the rate of inflation. While no one likes to pay more tax, capital project costs need to be viewed by educational decision-makers as investments in the future rather than expenditures of current dollars. Such are investments made in students, in the community, and the welfare of the state and nation. Such investments, however, must be made only after careful consideration of educational

program requirements. The needs of students regarding educational program are changing rapidly. School facilities that can deliver modern programs are a necessity.

Long Term Debt v. Pay-as-you-go Capital Projects:

Bonds, lease-rental contracts, and state of Indiana loans are methods of long term debt through which school districts may rapidly obtain needed funding for buildings and/or building renovations. School buildings are expected to last 50 or more years; therefore, one point of view contends that long-term debt is a just and fair means of sharing the cost of education with future generations. Another point of view however, expresses concern that future generations may have their own unique financial problems and needs, and that they should not be burdened with the results of decisions in which they had no voice. Pay-as-you-go advocates would utilize capital projects funds and increased tax levies to meet building costs as needed. Obviously, pay-as-you-go plans eliminate interest costs and place the burden of payment on the generation with whom the problem originated. Not so obvious is the local economic impact of withdrawing funds from the private sector, and subsequently holding those funds in the Capital Projects Fund until needed for a building program and the economic effect of a substantial tax rate increase. Further complicating the pay-as-you-go v. long-term debt issue is that building construction and renovation costs continue to increase; tomorrow's dollars, in all likelihood, will not generate the same purchasing power as today's dollars.

A final consideration in weighing finance methods is the impact on consistency of the local debt service rate. Long-term debt programs have build-in features that permit debt service tax rates to be maintained at a relatively constant or decreasing level. Pay-as-you-go programs generally require certain high peak effort years.

Even though each school district must study its own unique problems and local philosophy relative to debt management before adopting a program, general guidelines for adopting a program should be observed:

1. Long term debt programs may appropriately be considered by communities characterized by stable population growth and taxable wealth if little or no additional capital improvement projections exist beyond present need.
2. Pay-as-you-go programs may appropriately be considered by communities characterized by rapid expansion or continuing capital improvement needs.

In reality, final consideration is generally a compromise position between the pay-as-you-go and long term debt approaches. Debt programs of approximately twenty years have generally commanded favorable market interest rates, and appear to be a reasonable compromise with the intergenerational theory of the impact of debt.

#### Financing School Buildings Through Building Corporations

Funds for school building construction in Indiana are derived from a variety of sources. Public school officials are charged with the responsibility of measuring impact of alternate financing methods on the financial structure of their school district. In fact, the optimum method of providing building funds often involves a combination of several sources.

Long-term indebtedness typically extends beyond two years. Indiana law permits long-term debt to be financed with the sale of General Obligation Bonds. Historically, long-term debt has been used by school corporations for purchase of pupil transportation equipment (general obligation bonds only) or for facility construction and improvement.

Lease/Rental Corporations. School corporations are authorized by law to enter into lease-rental agreements with school building authorities that have constructed school buildings in accordance with laws, rules, and regulations governing school construction. Such agreements provide that when debt is retired, capital equipment becomes the property of the school corporation. As such, these agreements are not considered as indebtedness against the two percent constitutional limitation of indebtedness.

The school building corporation obtains its funds by issuing bonds. There is no legal limit on the size of the bond issue. Such bonds are classed as first mortgage bonds, and are secured by annual payments from the school district as specified in the lease agreement. Lease contracts must be for a minimum of fifteen years, and may not exceed thirty years. School building corporations technically are not quite as secure as general obligation bonds, and consequently may have slightly higher interest rates. The higher rates on school building corporation bonds are also due to the usually longer terms of issue.

Lease/rental payments are calculated on the basis of anticipated interest rates at the time of the bond sale. Ordinarily payments are in excess of amounts needed to

amortize the debt, and to pay small annual expenses of the building corporation. Consequently, trustee banks acquire surplus funds that are maintained through investment and ultimately are used to retire bonds prior to scheduled maturity.

Borrowing, repaid either directly by the school district or through a lease/rental arrangement, provides a means through which to stabilize tax rates. Lease/rental contracts require a fixed payment each year with provision for "calling" or retiring bonds early when surplus funds are available, or when interest rate conditions become more favorable. General obligation bonds mature serially over the years, and may be grouped to provide a constant or declining tax rate.

Private Corporations. In 1957, the Indiana General Assembly expanded the concept of the lease/rental plan by enacting a law permitting school districts to lease school buildings from private corporations. Lease provisions with private corporations are similar to those with school building corporations, with the notable exception that a fifty-year lease instead of a thirty-year lease, and terms for less than fifteen years are possible. The absence of cost of bond issuance and different provisions for interest during construction becomes the basis of private corporations ability to compete financially with the local non-profit school building corporation. School district officials need to consider carefully the relative merits of the private corporation for-profit method, and of the school building corporation method when developing their financial program. Careful analysis of all the costs associated with each method should be made. If provisions for "advanced refunding" to take advantage of lower interest rates cannot be guaranteed, lease arrangements with private corporations are not advisable.

### **Funding Sources**

General Obligation Bonds. Bonds are a legal written promise to repay borrowed funds at a specific time with a affixed interest charge. Bonds have been used to finance school building in Indiana for over one hundred years. These general obligation of "full faith and credit" bonds generally receive favorable interest rates from buyers.

The use of general obligation bonds issued for major building programs is restricted by a severe debt (two percent) limit. Indiana's constitution limits school districts' and other civil corporations' bonding power to two percent (2%) of taxable property; however, courts have ruled that civil governmental units, which are

coterminous with the school corporation may also issue bonds for school purposes, for a maximum of two percent (2%) of assessed valuation. This ability, in effect, permits local communities to raise a maximum of four percent (4%) based on community wealth. Loans from the Veterans Memorial School Construction Fund and the Common School Fund stipulate such loans shall not be considered as part of the constitutional limitation on indebtedness.

Construction Loan Funds. Indiana administers two loan programs for school districts demonstrating dire need, and are otherwise qualifiers for aid. The Common School Fund advances loans to school districts meeting need and local effort requirements. The rate of interest is fixed at one percent (1%) less than nationally recognized index of municipal bond averages, selected by the State Board of Education, rounded down to the next lowest even percent. The local school district must raise an amount equal to two percent (2%) of adjusted assessed valuation in order to qualify for an advance from the Common School Fund. A second loan fund, the Veterans Memorial School Construction Fund, provides up to \$250,000 at one percent (1%) interest to be paid over a twenty-year period through deductions from state aid tuition distributions. A Veterans Fund Advance requires that the district have less than \$8,400 AAV/ADA, debt service rate in excess of \$3.00, and have levied a minimum of fifty cents (\$.50) tax rate for school building purposes during each of the previous three years.

Capital Projects Fund. The 1987 General Assembly, through Public Law 85 established a Capital Projects Fund that replaced the Cumulative Building Fund. The legislative intent of Public Law 85 was to provide a means for a phase-out of the Cumulative Building Fund, and for the eventual implementation of a Capital Projects Fund for all school corporations in the state.

A school corporation may establish a Capital Projects Fund with respect to any facility used or to be used by the corporation, other than a facility to be used primarily for interscholastic, extracurricular activities, and which is to be used for one or more of the following purposes:

1. Planned construction, repair, replacement or remodeling;
2. Site acquisition;

3. Site development;
4. Repair, replacement or site acquisition that is necessitated by an emergency; purchase, lease, or repair of equipment to be used by the school corporation, other than vehicles to be used for any purpose and equipment used primarily for interscholastic; or,
5. Purchase, lease, upgrading, maintenance or repair of computer hardware.

Public Law 85 requires the school corporation to prepare a Capital Projects Fund Plan. The school board is required to approve a resolution to establish a Capital Projects tax levy and adopt the plan. On approval by the school board the plan is advertised, a public hearing is conducted and the plan with requirements for tax levy and appropriations are submitted to the Department of Local Government Finance for their review and approval. The plan must apply for at least three (3) years immediately following the year of adoption. Tax rates for the Capital Projects Fund may not exceed \$0.33 on each one hundred dollars (\$100.00) of assessed valuation of the school corporation. Interest earned on Capital Project Fund revenues are to be deposited in the Capital Project Fund.

### **The Ability of MCSC to Finance School Building Projects**

Financial Resources and Debt Limits. A ratio of debt-to-assessed-valuation is used as one guide to limits of school indebtedness. School finance authorities have advocated a ratio of debt to assessed valuation not to exceed 10 percent to 15 percent. School corporations in Indiana embarking on recent school construction programs have ratios ranging from 0 to 43 percent. The ratio itself is of little consequence; rather, the bond rating a school is able to obtain is of greater significance, because interest rates and bond ratings vary inversely.

Table 17 demonstrates the varying debt limits using the 2006 payable 2007 assessed valuation of the MCSC, \$981,221,060. A reasonable debt limit, by this measure, for MCSC would fall within the range of 98 to 147 million dollars for school construction or renovation given the current assessed valuation. This amount would be reduced by outstanding debt obligations that are owed for previous school facility construction. Currently the MCSC has approximately 28 million dollars in capital debt outstanding. Thus, the MCSC has between 112 and 168 million dollars of capital debt leeway.

**Table 17**

**Capital Outlay Funds Available To the MCSC Based On Varying Debt Limits Using the 2006 Assessed Valuation**

<b>Assessed Valuation</b>	<b>Available Funds With Debt Limit of:</b>	
	<b>10 Percent</b>	<b>15 Percent</b>
\$1,120,586,855	\$112,058,685,500	\$168,088,028,250

SOURCE: MCSC Central Office

Table 18 presents the outstanding principal debt of the MCSC as of July 2007. The largest portion of the existing capital debt does not retire until between 2015 and 2019.

**Table 18**

**Outstanding Principal on Capital Debt Outstanding Of the MCSC As Of January, 2007**

<b>Debt Obligation</b>	<b>Principal Outstanding July, 2007</b>	<b>Year Retired</b>
<b>GO Bonds of 2005</b>	\$ 1,325,000	2010
<b>MSBC, 1993</b>	9,030,000	2015
<b>Waverly, Phase II</b>	15,300,000	2019
<b>Lease Rental, 1997</b>	1,030,304	2009
<b>Series 2005 Lease Rental</b>	1,589,781	2017
<b>TOTALS</b>	<b>\$28,275,085</b>	

With current capital debt to assessed value ratio of 2.5 percent, the MCSC has a great deal of capital debt leeway that can accommodate planning for the future of educational facilities. To be sure the school corporation will need to proceed with careful planning to meet the educational facility needs of the corporation as student populations continue to increase. The community expects quality education and equity in terms of educational facilities throughout the corporation.

With a 2006 total assessed value of \$1,120,586,855 a capital bond at six percent for twenty years would require approximately \$0.043 cents per five million dollars on the local Debt Service tax rate.

## **CHAPTER V**

### **RECOMMENDATIONS**

In this chapter are presented the conclusions and recommendations based on the findings of the previous chapters of the study. While the recommendations are drawn from the database presented in the study, they are the views of the community committee regarding the future of the Mooresville Consolidated School Corporation (MCSC).

There were five major purposes of the study, as follows:

- A. An analysis of the population trends in the MCSC community based on both MCSC enrollment history and birth data.
- B. An assessment of community demographics and their potential impact on future educational needs in the community.
- C. An analysis of the general condition of the present facilities, sites, structural condition and environment of the buildings and how they measure up to today's standards and projected use as educational facilities in the 21<sup>st</sup> century.
- D. Assessment of the utilization of the present facilities in relation to the present program offerings. This to include new programs initiated during recent years and others indicative of modern educational programming. This would include but not be limited to Prime Time, technology education, individual and small group instruction, guidance, art, music, physical education, special education and vocational education.
- E. Review the financial status of the MCSC including the debt service obligations and a projection of the ability of the MCSC to finance future building needs.

The following recommendations are submitted by the researcher on behalf of the community committee appointed by the Board of School Trustees to participate in the feasibility study for the corporation. The recommendations are drawn from the analysis of data presented in this study.

Clearly, the lack of sufficient and appropriate educational and support space at the John Hadley Middle School and general instructional space at the elementary school level of the corporation constitute the major facility challenges to the future delivery of modern educational programs in the MCSC. The future rests with how elementary and middle

school instructional and support space can be updated and expanded to meet modern educational program needs for both the elementary and middle school programs. The current grade configuration of the Mooresville Consolidated School Corporation is five grades kindergarten through grade six elementary schools, one middle school for grades seven and eight that is housed in a joined and shared facility with the high school for grades nine through twelve.

The committee believes that current space needs can be most economically addressed by developing a two school campus site that includes one intermediate elementary facility for grades five and six and one middle school facility for grades seven and eight designed with selected shared support service areas located between the two separately administered schools. Secondly, the committee believes that the current middle school space should be remodeled and reconfigured to accommodate high school educational program expansion into that facility.

The current space problems will become more acute at the elementary and middle school levels as the student population increases beyond current levels. Thus, it will be important to the long term planning of the corporation to continually assess projected student populations and space needs of the corporation to ensure modern, effective and efficient delivery of educational programs in the future.