

Commentary

Name: Chris Hiatt

Address: Muncie Community School Corporation Political Subdivision, Muncie, Indiana

The citizen taxpayers of Muncie and I both thank you for coming to Muncie today to listen to our concerns. I am speaking first today, probably because I am most intimately familiar with the Objecting Petition and the issues it raises. My testimony, will probably be the most long-winded as I will try and cover each issue of the Petition. There may be, in an effort to describe certain School Corporation behavior patterns that apply directly to our concerns, moments where I will have to reach out and put forth a previous example to demonstrate why we feel like the Capital Projects Fund at issue is not merited.

Please bear with me as I am not a professional speaker but I am hoping my presentation will be thorough enough so as to minimize additional testimony. These other citizens here are mostly all taxpayers bearing the burden of this school corporation and if they feel like they have something relevant to say to the issue, I would urge you to indulge them.

OBJECTING PETITION IN OPPOSITION TO

1. The Muncie Community School Corporation Capital Projects Fund without effectively acting upon the following objections:

A. The Muncie Community School Corporation has recently completed, is in the process of completion or has contracted for various capital improvements and projects throughout the Muncie Community School Corporation school system. These capital improvements are directly associated with the Multi-Project Fund that was recently financed by a \$55,000,000.00 Bond. The Multi-Project Fund and the associated \$55,000,000.00 Bond for these various capital improvement projects has already created an elevated and almost insurmountable tax burden upon the taxpayers of the Muncie Community School Corporation district. Therefore the effort by the Muncie Community School Corporation to additionally burden the taxpayers of the district with the creation of the Capital Projects Fund would have disastrous ramifications upon the taxpayers of the Muncie Community School District and should be abandoned.

A. COMMENTARY: The taxpayers of Muncie, specifically the property taxpayers of Muncie, like many communities across the State of Indiana, have recently been subjected to horrific increases in their property taxes. This was a 1 year jump in taxes that far and away exceeded even the state average of well over 20%. We realize that many complicated factors are involved in this “spontaneous increase” or “correction”, call it what you will. However, the one thing that might set Muncie apart from many other communities in Indiana, or even in other areas of Delaware County for that matter, is the fact that Muncie including the Muncie Community School System political subdivision is a community on the decline. This downward slide in jobs, taxable business, infrastructure and population has been both progressive over the past decade and more importantly forecastable over the next many years. This has created a sort of “double-edged sword”, where not only has a growing percentage of the Muncie and Muncie Community Schools’ taxpaying population base slid further into the bowels of poverty, but those impoverished are left to try and carry a larger and larger piece of an ever increasing tax burden pie.

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B. The Muncie Community School Corporations' Multi-Project construction projects essentially are already addressing many of the line items associated with the Capital Projects Fund, therefore the Capital Projects Fund allocations/departments are redundant to capital improvements and technology upgrades already financed and in various stages of construction and completion. It is not justifiable for the Muncie Community School Corporation to create Funds, resulting in additional tax burdens that are redundant and unnecessary.

B. COMMENTARY: The Muncie Community School Corporation is currently in the final stages of a major \$55 million Multi-Project rehabilitation effort. To think that this humongous and expensive effort has ignored obvious and basic infrastructure needs of our schools and their appurtenances is both embarrassing and insulting. I suggest that if that is the case, their misguided priorities and selfish assumptions that the "tax-money tree" will always yield future fruits for their exorbitant and often unnecessary "wish lists" be cut off at the roots.

This Capital Projects Fund represents 20% of the total requested Muncie Community Schools levy and with the exception of 2 lines listings, (the Building Acquisition, Construction and Improvements and the Purchase of Mobile or Fixed Equipment) consists of nothing other than additions to line items already listed in other areas of the budget and/or items that are already being addressed in the Multi-Projects endeavor. Because of this Fund's existence, it has apparently become a useful tool to "defer" or more importantly "re-distribute" certain expenses so as to minimize the direct impact on any given Fund and its tax levy and maybe even avoid cap in growth controls. In many instances, as in the case of the Muncie Community School Corporation, it's been a convenient vehicle to ultimately "offset" or "neutralize" certain other expenses like the Pension Bond. Instead of listing the line items contained in the Capital Projects Fund in the appropriate accounts and painting a forthright picture of true operations and associated costs with any given Account, Department and Fund, by using the Capital Projects Fund, this also enables the Muncie Community School Corporation to "guarantee" this "supplemental" revenue stream for not only 2008, but 2009 and 2010 as well.

This practice of "snookering" the taxpaying community with complex budgets and "creative bookkeeping" has simply got to cease.

Misguided priorities, sloppy or cavalier fiscal management and deceptive budgeting or numbers manipulation should not be rewarded by indulging them to dip deeper into our already over-taxed pockets.

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C. The Muncie Community School Corporation has nearly \$3,000,000.00 of “Remaining Contingency” and “Remaining Balance” monies in the Multi-Project Fund. These monies are more than sufficient to satisfy any and all of the Capital Projects Fund Departments net of the Building Acquisition, Construction and Improvement Department.

C. COMMENTARY: In the \$55 million Multi-Project Fund, there remains, both unspent and unobligated “anticipatory” monies. If, in fact, there are imminent capital issues to be addressed associated with this Capital Projects Fund, then the Muncie Community School Corporation needs to reevaluate their priorities with their Multi-Projects efforts and immediately redirect their resources toward those needs.

It is truly unfortunate that our tax dollars weren't used more wisely and frugally in this \$55 million Multi-Projects effort. Had there been a just a reasonable effort towards a fiscally responsible approach regarding the prioritizing of the Muncie Community School Corporations' capital needs and improvements and **the contracts and agreements associated with the same**, there would have been more than sufficient monies from the \$55 million Bond to accommodate all, if not more, than the Muncie Community School Corporations' truly necessary capital needs as well as their Capital Projects Fund.

Case in point.....AND THIS IS IMPORTANT AND SPEAKS DIRECTLY TO WHY THE CAPITAL PROJECTS FUND AS WELL AS FUTURE CAPITAL CONSIDERATIONS OF THE MUNCIE COMMUNITY SCHOOL SYSTEM SHOULD BE DENIED.....

I can only assume by virtue of the Funds name, Capital Projects, that's what it's truly design for. Now we've already spoken to the fact, that this Fund as requested contains a lot of line items that, in fact are not necessarily Capital Projects, but actually additions to operational expenses that should be address in the General Fund. However, that being said, there is nearly \$3 million of Capital issues involved in this request. I can only imagine that at some imminent future time, the School system, in their preparations for future budgets, is going to have to acknowledge that their days of just “ushering” these types of requests through the system unchallenged is history and their future requests of things like the Capital Projects Fund, will be reorganized in such a manner as to in fact be Capital Project issues.

With that in mind, combined with the fact that over 65% of our tax dollar is spent on debt and capital improvements I think it's important to step back and look at those type of expenditures and see exactly how our money is being managed and spent in that regard.

One closely held little “formalities” involved in Capital projects or any project expense over \$150,000.00 is what is called Common Construction Wage Agreement and Scale (CCW). This is a type of expense that would commonly involve a Capital Projects Fund expenditure.

Handout references (Exhibits): A, B

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To the best I can determine, the School Board knows nothing about it, the Public generally knows nothing about it, and there just appears to a small group of individuals directly involved in it. As a matter of fact, the only notification requirement that it exists and is going to meet is a 48 hour notice plastered to the building in which is to be held. What it establishes is the wage scale to be used across all the trades of a Public Financed Project.

As you can imagine, wages represent a rather large portion of any given construction project. We have, in our opinion, conservatively guesstimated that upwards of 45% can be attributed to labor in projects of this kind. (the 55mil multi-project rehabilitation)

Now, involved in the law and the agreement is the requirement for 5 different member of which 2 are to be taxpayer representatives directly affected by the tax that will be created by the project. Obviously, these 2 appointments are, in the spirit of the law, to be the "Eyes and Ears" of the taxpaying community. They are there, theoretically, to represent and maybe try and protect the interests of the people that are going to be burdened with this debt and subsequent tax.

Delaware County, Muncie and the Muncie Community Schools have a history of "stacking the deck" and literally "rubberstamping" these agreements with little or no regard to other "competitive and recognized wage scales". 70 of 70 in 2006 according to the Indiana Department of Labor, it appears that they don't even give serious alternatives a glancing look.

Now, why is that, the question begs????.....

Firstly let me bring your attention to the CCW of the Muncie Community School Corporation \$55 million Multi-Project and to the signature page where there are 5 different signatures.

First there's the Governor's Representative.....there's actually about 14 of them on staff fulltime that travel the state and do nothing but attend these hearings. What he does bring with him and often speaks to at these meetings is a rather large amount of information that these Committees could tap into. They've had a history, when their vote is not crucial to the outcome of abstaining, so be the case here.

Second, there's the Labor Representative, Mr. Troy Smith. He too, like the Governor's Representative, spends the majority of his time traveling around the state attending these hearings in Representation of the Unions.

Thirdly, there's Mr. William E. Reiter. He is the Muncie Community School Corporations' Director of Operations, his capacities as I understand it include looking over these kind of

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Projects and his position in the MCS is pretty high up on the food chain, maybe 3rd in command. He's the appointment representing the Industry. Is he actually representing the Industry? I don't even believe he's a taxpayer of the District.

Now we come to the 2 most important appointments, in my opinion, that of the taxpayer representatives.

First, we have the appointment of the Delaware County Commissioners, the County Legislative Body appointment, Mr. Jack E. Neal Jr. The first thing I want to point out is that Mr. Neal is not a taxpayer in the taxing unit affected by the tax. He lives in Gaston in the Harrison Township School Corporation. There is no public record of him owning property in the Muncie Community School Corporation. That issue set aside, he also happens to be the Business Agent for the AFL/CIO Plumbers Union.

Secondly, we have the other taxpayer appointment, Mr. Mark A. Burkhardt. Mr. Burkhardt is the second in command of the Muncie Community School Corporation. He is their Business Manager and there probably isn't a whole lot he doesn't oversee. I personally see him as the "point man" on many important fronts including the strategies and preparations of the whole economic structure of the Muncie Community School Corporation, the preparations of the Budgets, the decisions and preparations of the Capital Project Fund effort, literally everything funnels through him on its way to the Superintendent, Dr. Creasy.

Now, I have to ask you.....**Does this look like a panelization of appointments that is going to fairly represent the fiscal interests of the Taxpayers??**

Kind of like the "fox watching the henhouse" wouldn't you reckon?

I'll refer back to my "Stacking of the Deck" comment.....as a matter of fact I'll throw out there the three "C's"

Collusion?

Conflict of Interest?

Coincidence?

I don't know, that's something you'll have to resolve within yourselves.

Remember though, these are predetermined appointments, not just a random spin of the roulette wheel. There is without qualification a thought process involved in these selections.

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For what it's worth, let me mention that nearly all the surrounding ECI areas have been utilizing more competitive wage scales including Hamilton South Eastern, Pendleton, Noblesville and Madison County. Let me direct your attention to a City Hall Expansion project in Noblesville, Indiana. This particular Public Project has a CCW utilizing the Associated Builders and Contractors (ABC) wage scales. Once again, you'll notice this agreement requires the 5 signature acknowledgements and you'll notice, as expected the AFL/CIO representative signed as OPPOSED to the agreement. That's understandable and acceptable. The bottom line is that the agreement was agreed and executed by the remaining 4 other members and the project moved forward with far less labor expense probably more fairly representing the true labor rates of the area.

Now, what does this all mean to the Muncie Community School Corporations' \$55 million Multi-Project effort and more importantly the Muncie School Corporations' Capital Project Fund request? Well, let's take a quick look at the spreadsheet on the last page that I've prepared. There you will see each and every trade and wage scale that the Muncie Community School Corporation has "rubberstamped" into agreement associated with the \$55 million Multi-Projects construction. In addition you will find the associated ABC wage scale and mathematical calculations of the percentage of the difference. At the bottom of the far right hand column you will find an overall percentage average of the differences in wage scales between the AFL/CIO versus the ABC. Down below you will see a summary showing exactly what the ramifications are relative to the current use of the agreed AFL/CIO wage scales as opposed to the ABC scales. What this demonstrates, once again, probably in a conservative manner, is that the Muncie Community School Corporation, by virtue of their cavalier attitude towards being good stewards of our tax dollars...

Has just allowed the "fleecing" of the taxpayers of their school district to the tune of over \$8 million dollars!!!!

If, the Muncie Community School Corporation was a more fiscally responsible taxing unit, truly concerned about good stewardship of our tax dollars, I suggest that they would have had more than enough money in the current \$55 million Multi-project to take care of every project on not only their "wish lists" of the Multi-Projects but the \$8.4 million of capital issues associated with this Capital Projects Fund over the entire 3 year span they're asking for.

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D. The Muncie Community School Corporation has had steadily declining student enrollment over the past 10 years. The Muncie Community School Corporations' own projections call for a continuing decline in enrollment through at least 2011 and possibly beyond. The Muncie Community School Corporation has no need to consider additional building acquisitions and associated costs, but it must consider building and school consolidations. Doing so would reduce overall operating costs and subsequently render any and all needs for a Capital Improvements Fund unnecessary.

D. COMMENTARY: I think the objection is rather self explanatory. There is no argument and the Muncie Community School Corporation cannot rebut the fact that the School System is declining in student enrollment. Their own forecasts through 2011 show that decline continuing on a pace of approximately 2% per year. I suggest with the imminent closing of Borg Warner as well as the ongoing loss of other businesses in the community, we might very well see that decline accelerated beyond their anticipated levels. Involved in this Capital Projects Fund are certain line items that indicate their belief that this community is growing. Additionally their last 3 Capital Projects Fund requests fall into direct contradiction with their own answers to our Objecting Petition to the Muncie Community Schools' 2008 Budget where the Muncie Community School Corporation attests to closing 10 school facilities since 1973 and 3 since 2005. If they are downsizing, or in their words "right-sizing facilities as enrollment has dictated" then why in the world has their Capital Projects Fund increased by 12.1% over the last 3 years? Another interesting and almost scary scenario is the fact that we're here fighting against a Capital Funds Project of \$7.6 million per year over the next 3 years, a total of nearly \$23 million. Are the previous years' 2006 and 2007 Capital Projects Funds subject to the same multiple year consideration and compounding on top of all this?? Lord I hope not. And I hope at some point in time during the course of this hearing you inform me that's not the case.

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E. The Muncie Community School Corporation has \$112,574,574.15 of outstanding bond debt associated with at least three (3) different Bonds. The Bond Debt extends out to at least the year 2023 and has annual amortization costs that are currently nearly \$7,254,000.00 and are subject to annual increases that will ultimately exceed \$11,000,000.00 in costs per year. The Muncie Community School Corporation should cease any more encumbrances associated with new Debt, Budget increases or Funds creations until a substantial, if not all, of this current Debt is properly amortized and/or eliminated.

Handout reference (Exhibit): C

E. COMMENTARY: It's one thing to sell our own economic futures and souls but a whole different thing to sell that of our children or even our grandchildren. The overall state average has schools spending 65% of their revenues on debt and capital and only 35% on General Fund items such as operation including that of Teachers' salaries. And as if that is not enough, they continue to routinely build more and more of long term debt. By pouring tax dollars into capital improvements to the extent it's arguably "fiscally irresponsible" to try and liquidate or consolidate the facilities, they seem to be "insuring" the future of the "kingdom".

Of course, even when they do decide to liquidate a facility that they've poured their Capital Projects money into, once again the taxpayers lose, generally BIGTIME!

Allow me to demonstrate in the case with the Morrison Mock School where after pouring over \$2 million of Capital improvements, from undoubtedly the Capital Projects Fund, into the facility, they turn around and give it away for \$550,000.00. Now, why wouldn't they have at least put the facility on the auction block where it probably would have brought at least 4-6 times what they ultimately sold it for? And then using that money for their allegedly ongoing necessary capital needs? Good questions?

Maybe it had something to do with the fact that the buyer's agent, board member and attorney happens to share his pillow every night with the School Board President at the time. Once again I'll refer to the **three Cs!**

Collusion
Conflict of Interest
Coincidence

(Who knows,) all I do know is that you might have well backed a dump truck full of \$2 million of taxpayer dollars to the White River just south of that facility and yelled "let her fly".

Well, it's not going to be that way anymore Ladies and Gentlemen. We've had enough, we're becoming educated, informed much more wary of the fact that these elected and appointed officials aren't necessarily looking after our interests.

It's needs to stop, it's going to stop and we need your help to stop it. Starting with this Capital Project Fund.

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Rebuttals:

CMHS....now Meridian Services

11 acres prime and beautiful real estate. 66,000 square feet of building with a new roof, new doors and a slew of other improvements

Bought under the pretense it was going to be wholly operated by CMHS and house primarily children.

Currently has 13,300 sq.ft. rented to Lifetouch Studios (commercial picture/photography) at \$13.20 per sq. ft. per year

Has also an obligation to rent another 13,000 sq.ft., once again for apparently the same lease rate of \$13.20 per sq.ft.per year.

Only 20% of the construction workforce is unionized. 80% is not

Of the local union projects going on in this community today, over 90% of the workforce doesn't even live in this community. With the unions, the labor follows the jobs. Period.

They have "deferred" their \$93 million initial capital Multi-Project into the Capital Project Fund!!!!???

Bonds = \$11 million at some future year?.....Do the math!

Could have Retired Debt, instead of continuing to find ways to keep spending the money!!!!

Many General Fund issues in Capital Projects Fund.....avoiding cap in growth???

Multitude of change orders and "omissions" that are probably last minute additions to spend-out the 55Mil Bond???

Exhibit A

MUNCIE COMMUNITY SCHOOLS
 MULTI-PROJECT FINANCIAL UPDATE
 July 24, 2007

	Southside High School	Central High School	North View Elementary	Longfellow Elementary	West View Elementary	Mitchell Elementary	ALL PROJECTS
Original Total of Construction Contracts	\$ 22,541,029.00	\$ 6,314,924.00	\$ 5,455,422.00	\$ 6,099,338.00	\$ 4,415,368.00	\$ 3,660,972.00	\$ 48,487,053.00
Original Soft Costs	\$ 1,954,082.00	\$ 1,138,494.00	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	\$ 3,092,576.00
Original Contingency	\$ 2,078,018.00	\$ 617,818.00	\$ 438,710.00	\$ 466,950.00	\$ 325,775.00	\$ 286,229.00	\$ 4,213,500.00
Original General Conditions	\$ 1,538,436.00	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	\$ 1,538,436.00
Original Total Budget	\$ 28,111,565.00	\$ 8,071,236.00	\$ 5,894,132.00	\$ 6,566,288.00	\$ 4,741,143.00	\$ 3,947,201.00	\$ 57,331,565.00
Current Total of Construction Contracts	\$ 23,333,932.69	\$ 6,902,038.83	\$ 5,725,222.83	\$ 6,243,467.82	\$ 4,632,991.92	\$ 3,700,445.76	\$ 50,538,099.85
Total Change Orders to Date - Fully Executed	\$ 388,768.69	\$ 608,578.68	\$ 228,164.83	\$ 18,723.17	\$ 43,095.92	\$ 39,472.98	\$ 1,326,804.27
Total Pending Change Orders to Date	\$ 65,368.48	\$ 26,405.32	\$ 10,474.89	\$ 9,952.90	\$ 19,000.84	\$ 7,327.00	\$ 138,529.43
Remaining Contingency Balance	\$ 975,114.31	\$ 88,096.17	\$ 168,909.17	\$ 322,820.18	\$ 108,151.08	\$ 246,755.24	\$ 1,909,846.15
Remaining General Conditions Balance	\$ 932,474.90	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	(inc. SS Budget)	\$ 932,474.90
Note: Total Fully Executed Change Orders Less Owner Initiated Change Orders				\$ 448,735.10			
Total Pending Change Orders				\$ 138,529.43			
Total Initiated Change Orders				\$ 587,264.53			
Change Order % of Original Construction Contracts				1.21%			



INDIANA DEPARTMENT OF LABOR

Common Construction Wage Implementation Manual

Guide to Establishing the Common Construction Wage

INDIANA DEPARTMENT OF LABOR

establishing the wage rates to be paid to construction workers on Indiana's public works projects.

As the overseers of this process, common construction wage committees are responsible for seeing that the wages adopted for use on the projects are indeed the most commonly paid construction wages as defined by Indiana common construction wage law, Indiana Code 5-16-7-1 et seq. and the applicable case law.

The Committee and Its Members

Indiana's common construction wage committees are established at the request of an awarding governmental agency. However, the committees themselves are autonomous in nature, with four of the five committee members being appointed by separate appointing authorities as specified in Indiana Code 5-16-7-1 (b).

Each Committee Consists of:

1. A **labor representative**, appointed by the president of the state federation of labor;
2. An **industry representative**, appointed by the awarding agency;
3. A member to be **named by the governor** (traditionally from the Indiana Department of Labor);
4. A **taxpayer** who pays the tax that will be the funding source for the project and who lives in the county, **appointed by the awarding agency**; and
5. A **taxpayer** who pays the tax that will be the funding source for the project and who lives in the county, **appointed by the county legislative body**.

The Committee's Objective

After the committee, having been duly appointed, assembles in accordance with the Indiana's Open Door Law, the committee is charged to determine in writing the most common wage (mathematical mode), including fringe benefits, for each classification and level of skill. The committee must review county-specific data presented by the Indiana Department of Workforce Development, collective bargaining agreements, if applicable, and other data submitted by interested parties to determine wage rates appropriate to the county where the project is located. Upon discharging this statutory duty, the committee's obligations are concluded.

Meeting Requirements

Open Door Law

The committee must meet in accordance with the provisions of Indiana's Open Door Law. IC 5-14-1.5. Public notice of the date, time, and place of the meeting must be given at least forty-eight (48) hours (excluding Saturdays, Sundays, and legal holidays) before the meeting. Public notice must be given by the awarding agency by: (1) posting a copy of the notice at the principal office of the public agency holding the meeting or, if no such office exists, at the building where the meeting is to be held; (2) and delivering notice to all news media which have requested such notices.

Date of the Meeting

Indiana Code 5-16-7-1(f) requires that the committee meet and make a determination at least two weeks prior to the date fixed for the letting of the contract.

Meeting Location

The committee has a statutory obligation to meet in the county where the project is located. IC 5-16-7-1(c).

Duties of the Committee

Upon convening, the committee is charged with reviewing county-specific data presented by the Indiana Department of Workforce Development and other interested parties to determine wage rates appropriate to the area where the project is located. IC 5-16-7-4. Indiana Administrative Code 50 IAC 11-4-3(b)(1) stipulates that if other data is presented to the committee, including, but not limited to, reports of the U.S. Department of Labor and collective bargaining agreements between bona fide organizations of labor and employees, that these data be considered. However, the law specifically states that the committee does not have to consider information not presented at the meeting. IC 5-16-7-1(c).

After weighing the data, the committee must then determine in writing the classifications of the trades or crafts to be employed. These classifications are divided into the three classes of: skilled, semiskilled and unskilled tradespeople. IC 5-16-7-1(c)(1). The committee must then determine, "a scale of wages for each." IC 5-16-7-4(1).

The law provides that, "[t]he rate of wages determined . . . shall not be less than the common construction wage . . . currently being paid in the county where the project is located." IC 5-16-7-1(d). The Indiana Court of Appeals has defined the common construction wage to be the mathematical mode.

Exhibit B**Information Maintained by the Office of Code Revision Indiana Legislative Services Agency**

10/17/2007 07:54:10 AM EDT

IC 5-16-7

Chapter 7. Wage Scale of Contractors' and Subcontractors' Employees

IC 5-16-7-1**Common construction wage; committee to determine; classification; exemptions**

Sec. 1. (a) Any firm, individual, partnership, limited liability company, or corporation that is awarded a contract by the state, a political subdivision, or a municipal corporation for the construction of a public work, and any subcontractor of the construction, shall pay for each class of work described in subsection (c)(1) on the project a scale of wages that may not be less than the common construction wage.

(b) For the purpose of ascertaining what the common construction wage is in the county, the awarding governmental agency, before advertising for the contract, shall set up a committee of five (5) persons as follows:

(1) One (1) person representing labor, to be named by the president of the state federation of labor.

(2) One (1) person representing industry, to be named by the awarding agency.

(3) A third member to be named by the governor.

(4) One (1) taxpayer who pays the tax that will be the funding source for the project and resides in the county where the project is located. The owner of the project shall make the appointment under this subdivision.

(5) One (1) taxpayer who pays the tax that will be the funding source for the project and resides in the county where the project is located. The legislative body (as defined in IC 36-1-2-9) for the county where the project is located shall make the appointment under this subdivision.

(c) As soon as appointed, the committee shall meet in the county where the project is located and determine in writing the following:

(1) A classification of the labor to be employed in the performance of the contract for the project, divided into the following three (3) classes:

(A) Skilled labor.

(B) Semiskilled labor.

(C) Unskilled labor.

(2) The wage per hour to be paid each of the classes.

The committee is not required to consider information not presented to the committee at the meeting. IC 5-14-1.5 (open door law) applies to a meeting of the committee.

(d) The rate of wages determined under subsection (c) shall not be less than the common construction wage for each of the three (3) classes of wages described in subsection (c) that are currently being paid in the county where the project is located.

(e) The provisions of this chapter shall not apply to contracts let by the Indiana department of transportation for the construction of highways, streets, and bridges. IC 8-23-9 applies to state highway projects.

(f) A determination under subsection (c) shall be made and filed with the awarding agency at least two (2) weeks prior to the date fixed for the letting, and a copy of the determination shall be furnished upon request to any person desiring to bid on the contract. The schedule is open to the inspection of the public.

(g) If the committee appointed under subsection (b) fails to act and to file a determination under subsection (c) at or before the time required under subsection (f), the awarding agency shall make the determination, and its finding shall be final.

(h) It shall be a condition of a contract awarded under this chapter that the successful bidder and all subcontractors shall comply strictly with the determination made under this section.

(i) The provisions of this chapter do not apply to public projects in this state that would otherwise be subject to the provisions of this chapter that are to be paid for in whole or in part with funds granted by the federal government, unless the department of the federal government making the grant shall consent in writing that the provisions of this chapter are applicable to the project.

(j) Notwithstanding any other law, the provisions of this chapter apply to projects that will be:

(1) owned entirely; or

(2) leased with an option to purchase;

Exhibit B

by the state or a political subdivision (as defined in IC 36-1-2-13).

(k) Notwithstanding any other law, this chapter does not apply to projects in which the actual construction costs less than one hundred fifty thousand dollars (\$150,000).

(Formerly: Acts 1935, c.319, s.1.) As amended by Acts 1980, P.L.74, SEC.12; Acts 1981, P.L.41, SEC.3; P.L.18-1990, SEC.14; P.L.8-1993, SEC.65; P.L.25-1995, SEC.8; P.L.81-1995, SEC.1.

IC 5-16-7-2

Filing schedule of wages

Sec. 2. The state or any municipal corporation thereof letting any such contracts shall require any contractor or subcontractor performing such public work to file a schedule of the wages to be paid to such laborers, workmen, or mechanics thereon with the state or with such municipal corporation. Such schedule shall be filed before any work is performed on such contract or subcontract; provided, such scale shall not be less than the scale determined as provided in section 1 of this chapter; provided further, that nothing in this chapter provided shall prevent such contractor or subcontractor from paying a higher rate of wages than set out in the schedule of wages filed by him.

(Formerly: Acts 1935, c.319, s.2.) As amended by P.L.25-1986, SEC.92.

IC 5-16-7-3

Violations; penalties

Sec. 3. A contractor or subcontractor who knowingly fails to pay the rate of wages determined under this chapter commits a Class B misdemeanor. If the contractor or subcontractor has committed a prior offense under this section, the contract on which the instant offense occurred shall be forfeited and the contractor or subcontractor may not receive any further payment on the contract nor may the state or the municipal corporation making the contract make any further payments on the contract from any of the funds under its charge or control.

(Formerly: Acts 1935, c.319, s.3.) As amended by Acts 1978, P.L.2, SEC.519.

IC 5-16-7-4

Definitions

Sec. 4. The definitions in this section apply throughout this chapter:

(1) "Common construction wage" means a scale of wages for each class of work described in section 1(c)(1) of this chapter that is not less than the common construction wage of all construction wages being paid in the county where a project is located, as determined by the committee described in section 1(b) of this chapter after having considered:

(A) reports from the department of workforce development; and

(B) any other information submitted by any person to the committee established under section 1(b) of this chapter.

(2) "State of Indiana" includes any officer, board, commission, or other agency authorized by law to award contracts for the performance of public work on behalf of the state, excepting as otherwise provided in this chapter.

(3) "Municipal corporation" includes any county, city, town, or school corporation, as well as any officer, board, commission, or other agency authorized by law to award contracts for the performance of public work on behalf of any such municipal corporation. The term also includes a redevelopment commission established under IC 36-7-14-3.

(4) "Public work" includes any public building, highway, street, alley, bridge, sewer, drain, improvement, or any other work of any nature or character whatsoever which is paid for out of public funds, excepting as otherwise provided in this chapter.

(Formerly: Acts 1935, c.319, s.4.) As amended by P.L.25-1986, SEC.93; P.L.35-1990, SEC.6; P.L.25-1995, SEC.9; P.L.81-1995, SEC.2.

Exhibit B**IC 5-16-7-5****Nonapplicability of chapter**

Sec. 5. (a) This chapter does not apply to contractors or subcontractors performing public work for Purdue University on agricultural or forestry land owned or occupied by the university and used by it for educational or research purposes if the cost of the work is estimated to be less than fifty thousand dollars (\$50,000).

(b) Except as provided in IC 5-23, this chapter does not apply to a person that has entered into an operating agreement with the state, a municipal corporation, or another political subdivision for the management or operation of a public facility under IC 5-23.

As added by Acts 1977, P.L.250, SEC.6. Amended by P.L.82-1995, SEC.1; P.L.49-1997, SEC.30.

Indiana Department of Labor

**Voting Analysis for
Common Construction
Wage Hearings
January 1, 2006 to December 31, 2006**

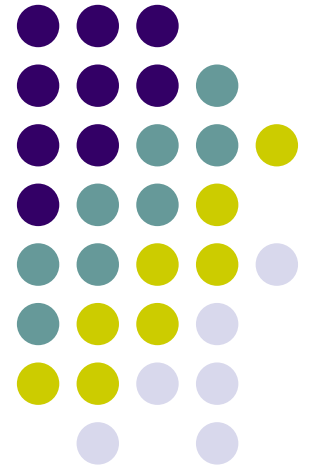


Exhibit B

Voting Breakdown by County

County	# ABC	% ABC	# AFL-CIO	% AFL-CIO	# DWD	% DWD	# OTHER	% OTHER	# NOT SET	% NOT SET	Total #
Adams	0	0.00%	7	87.50%	1	12.50%	0	0.00%		0.00%	8
Allen	5	5.49%	76	83.52%	0	0.00%	10	10.99%	0	0.00%	91
Bartholomew	0	0.00%	17	100.00%	0	0.00%	0	0.00%	0	0.00%	17
Benton	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Blackford	0	0.00%	1	100.00%	0	0.00%	0	0.00%	0	0.00%	1
Boone	7	70.00%	3	30.00%	0	0.00%	0	0.00%	0	0.00%	10
Brown	0	0.00%	2	100.00%	0	0.00%	0	0.00%	0	0.00%	2
Cass	3	50.00%	3	50.00%	0	0.00%	0	0.00%	0	0.00%	6
Carroll	1	12.50%	7	87.50%	0	0.00%	0	0.00%	0	0.00%	8
Clark	0	0.00%	22	100.00%	0	0.00%	0	0.00%	0	0.00%	22
Clay	0	0.00%	2	66.67%	0	0.00%	0	0.00%	1	33.33%	3
Clinton	1	50.00%	1	50.00%	0	0.00%	0	0.00%	0	0.00%	2
Crawford	0	0.00%	2	100.00%	0	0.00%	0	0.00%	0	0.00%	2
Davless	0	0.00%	6	100.00%	0	0.00%	0	0.00%	0	0.00%	6
Dearborn	0	0.00%	14	100.00%	0	0.00%	0	0.00%	0	0.00%	14
DeKalb	0	0.00%	5	100.00%	0	0.00%	0	0.00%	0	0.00%	5
Decatur	0	0.00%	8	100.00%	0	0.00%	0	0.00%	0	0.00%	8
Delaware	0	0.00%	70	100.00%	0	0.00%	0	0.00%	0	0.00%	70
Dubois	0	0.00%	5	83.33%	0	0.00%	0	0.00%	1	16.67%	6
Elkhart	2	4.76%	27	64.29%	6	14.29%	7	16.67%	0	0.00%	42
Fayette	0	0.00%	3	100.00%	0	0.00%	0	0.00%	0	0.00%	3
Floyd	0	0.00%	6	100.00%	0	0.00%	0	0.00%	0	0.00%	6
Fountain	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0
Franklin	0	0.00%	2	100.00%	0	0.00%	0	0.00%	0	0.00%	2
Fulton	0	0.00%	0	0.00%	1	100.00%	0	0.00%	0	0.00%	1
Gibson	0	0.00%	2	100.00%	0	0.00%	0	0.00%	0	0.00%	2
Grant	1	11.11%	8	88.89%	0	0.00%	0	0.00%	0	0.00%	9
Greene	0	0.00%	4	100.00%	0	0.00%	0	0.00%	0	0.00%	4
Hamilton	38	37.25%	59	57.84%	0	0.00%	3	2.94%	2	1.96%	102
Hancock	0	0.00%	11	91.67%	0	0.00%	1	8.33%	0	0.00%	12
Harrison	0	0.00%	7	100.00%	0	0.00%	0	0.00%	0	0.00%	7
Hendricks	0	0.00%	26	100.00%	0	0.00%	0	0.00%	0	0.00%	26

COMMON WAGE

CITY Muncie COUNTY Delaware STATE Indiana

We the undersigned Committee, appointed, pursuant to I.C. 5-16-7-1 do fix, and determine the common construction wage scales to apply on the project, Muncie Community Schools:

1. 2006 Paving Project at various schools;
2. 2006 Roofing Project at various schools;
3. Longfellow Elementary School Renovation;
4. Mitchell Elementary School Renovation;
5. West View Elementary School Renovation;
6. North View Elementary School Renovation;
7. Muncie Southside High School Renovation;
8. Muncie Central High School Renovation;

The rates listed below are for commercial, Heavy, Highway and Utilities (Job Classifications attached).

FOR SEVERAL CLASSIFICATIONS OF LABOR AS FOLLOWS:

CLASSIFICATION	CLASS	HOURLY RATE	FRINGE
ASBESTOS WORKERS	SKILLED	27.83	11.54
	SEMI-SKILLED	17.72	7.36
	UNSKILLED	12.66	7.09
BOILERMAKERS	SKILLED	30.00	16.31
	SEMI-SKILLED	24.00	16.31
	UNSKILLED	21.00	16.31
BRICKLAYERS	SKILLED	25.25	11.10
	SEMI-SKILLED	20.20	11.10
	UNSKILLED	15.15	11.10
CARPENTERS	SKILLED	23.97	8.82
	SEMI-SKILLED	19.18	8.37
	UNSKILLED	14.38	7.76
CARPET LAYER	SKILLED	23.19	8.63
	SEMI-SKILLED	17.39	7.63
	UNSKILLED	11.59	7.63
CEMENT MASONS	SKILLED	21.25	9.56
	SEMI-SKILLED	17.65	9.56
	UNSKILLED	13.24	9.56
ELECTRICIANS	SKILLED	27.40	10.50
	SEMI-SKILLED	16.44	7.64
	UNSKILLED	10.96	5.84

Exhibit B

ELEVATOR CONSTRUCTORS	SKILLED	30.74	13.32
	SEMI-SKILLED	24.59	12.16
	UNSKILLED	18.44	.54
GLAZIERS	SKILLED	22.95	3.71
	SEMI-SKILLED	17.56	3.71
	UNSKILLED	8.78	3.71
HOD CARRIERS ✓	SKILLED	19.26	7.12
	SEMI-SKILLED	19.26 N/A	7.12
	UNSKILLED	14.45	7.12
IRON WORKERS	SKILLED	23.10	14.69
	SEMI-SKILLED	18.48	14.69
	UNSKILLED	13.86	14.69
LABORERS ✓	SKILLED	18.76	7.12
	SEMI-SKILLED	18.76 N/A	7.12
	UNSKILLED	14.07	7.12
MILLWRIGHTS	SKILLED	22.50	10.89
	SEMI-SKILLED	18.00	9.82
	UNSKILLED	13.50	8.75
OPERATING ENGINEERS	SKILLED	25.65	9.56
	SEMI-SKILLED	17.95	9.56
	UNSKILLED	12.82	9.56
PAINTERS	SKILLED	19.00	7.54
	SEMI-SKILLED	14.25	7.54
	UNSKILLED	9.50	4.29
PLASTERS	SKILLED	22.70	8.82
	SEMI-SKILLED	18.16	8.82
	UNSKILLED	13.62	8.82
PLUMBERS & STEAMFITTERS	SKILLED	26.72	10.98
	SEMI-SKILLED	20.84	8.30
	UNSKILLED	12.83	8.06
ROOFER	SKILLED	19.68	6.34
	SEMI-SKILLED	13.77	6.34
	UNSKILLED	9.84	2.44
SHEET METAL WORKER	SKILLED	26.44	14.08
	SEMI-SKILLED	21.15	13.39
	UNSKILLED	13.22	12.51
SOUND & COMMUNICATION	SKILLED	27.40	10.50
	SEMI-SKILLED	16.44	7.64
	UNSKILLED	10.96	5.84
SPRINKLER FITTER	SKILLED	29.19	10.50
	SEMI-SKILLED	21.89	10.50
	UNSKILLED	14.60	10.50
TERRAZZO WORKER	SKILLED	28.11	7.71
	SEMI-SKILLED	22.49	7.71
	UNSKILLED	12.65	7.71

Handwritten notes:
 WR
 PU
 SN
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 N/A
 WR
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 SN
 TRS

Exhibit B

TERRAZZO FINISHER	SKILLED	20.89	4.45
	SEMI-SKILLED	18.19	4.45
	UNSKILLED	11.40	4.45
TILE & MARBLE SETTERS	SKILLED	27.57	7.61
	SEMI-SKILLED	22.06	7.61
	UNSKILLED	12.41	7.61
TILE & MARBLE FINISHERS	SKILLED	19.03	4.45
	SEMI-SKILLED	17.18	4.45
	UNSKILLED	11.40	4.45
TRUCK DRIVER	SKILLED	20.12	7.00
	SEMI-SKILLED	16.10	7.00
	UNSKILLED	12.07	7.00
TRUCK DRIVER MECHANICS	SKILLED	21.96	7.05
	SEMI-SKILLED	17.57	7.05
	UNSKILLED	13.18	7.05
WAREHOUSEMEN	SKILLED	21.56	7.05
	SEMI-SKILLED	17.25	7.05
	UNSKILLED	12.94	7.05

SM MR TRS

TRB

PN MR

~~The rates are established on the date signed, however, if the project is not awarded within one-hundred eighty (180) days a new updated wage rate shall be required.~~

COMMON WAGE COMMITTEE:

JCEW (Abstain)
Representing the Governor of Indiana

William E. Reiter
Awarding Agency

William E. Reiter
MCS Director of Operations

Taxpayer Rep

Jack E. Neal, Jr.
Commissioners Appointment

Jack E. Neal, Jr.
Business Agent for AFL/CIO Plumbers Union
Lives in Gaston, IN (Not in MCS Tax District)

Troy L. Smith
Representing the Indiana State AFL-CIO

Troy L. Smith
State AFL/CIO Representative

Taxpayer Rep

Awarding Agency *Mark A. Burkhardt*

Mark A. Burkhardt
MCS Associate Superintendent
MCS Business Manager

Dated this first day of March 2006

8-30-05; 9:42AM; City Hall
Jun-30-2005 08:58am From-CITY OF NOBLESVILLE CLERK/TREASURER

+317 776 8368

1317 776 8388

* 11 / 11

T-620 P.010/010 F-388

Mechanical Technician (HVAC, Sheet Metal)

-Fabricates, assembles, installs, and repairs sheet metal products and HVAC equipment

Skilled	18.81	4.50	23.31
Semi-skilled	14.19	3.33	17.52
Unskilled	10.20	2.10	12.30

Pipe Worker (Plumber, Pipefitter)

-Fabricates, assembles, installs and maintains piping and piping systems, fixtures and equipment for processing systems and drainage systems

Skilled	19.55	4.90	24.45
Semi-skilled	14.42	3.70	18.12
Unskilled	10.95	2.49	13.44

Elevator Constructor

-Installs and repairs elevator equipment

Skilled	20.13	4.31	24.44
Semi-skilled	15.00	3.67	18.67
Unskilled	12.26	2.90	15.16

General Labor

Laborers and helpers, in general

Skilled	14.15	3.50	17.65
Semi-skilled	13.00	3.28	16.28
Unskilled	10.82	2.45	13.27

- City Hall Expansion Project

Project Name:

Common Wage Committee:

Dated this day

4/29/2005

[Signature]
Representing the Governor of Indiana

[Signature]
Awarding Agency (Taxpayer)

[Signature]
Indiana AFL-CIO

[Signature]
Awarding Agency (Industry Rep.)

[Signature]
Commissioners County (taxpayer)

State AFL/CIO Representative
OPPOSED!!

<u>Classifications</u>	<u>Classes</u>	<u>Wages</u>	<u>Fringes</u>	<u>Total</u>
Asbestos Abatement				
	-Removes and discards asbestos materials			
	Skilled	18.95	5.95	24.90
	Semi-skilled	N/A	N/A	N/A
	Unskilled	N/A	N/A	N/A
Brick/Block/Stone/Cement Mason				
	-Lays and sets building materials, brick and stone, and finishes surfaces			
	Skilled	18.70	4.65	23.35
	Semi-skilled	13.55	4.00	17.55
	Unskilled	10.75	3.60	14.35
Carpenter				
	-Constructs, erects, installs and repairs various woods and wallboards			
	Skilled	19.00	4.50	23.50
	Semi-skilled	14.35	4.05	18.40
	Unskilled	11.00	3.35	14.35
Interior Finish Technician				
	-Erects metal framing, installs drywall, seals and plasters			
	Skilled	17.80	4.00	21.80
	Semi-skilled	13.27	3.28	16.55
	Unskilled	10.44	2.85	13.29
Electrician				
	-Plans, installs, and repairs wiring, fixtures, lines and instrumentation controls			
	Skilled	22.40	5.10	27.50
	Semi-skilled	16.20	4.60	20.80
	Unskilled	11.00	3.30	14.30
Sound and Communication				
	-Installs data hardwiring			
	Skilled	17.67	3.61	21.28
	Semi-skilled	11.54	3.09	14.63
	Unskilled	10.12	2.40	12.52
Glazier				
	-Installs glass in windows or on surfaces			
	Skilled	17.57	3.73	21.30
	Semi-skilled	12.60	3.00	15.60
	Unskilled	9.84	2.55	12.39
Mechanical Insulator				
	-Covers, seals, fits, measures, cuts, and attaches insulating materials			
	Skilled	18.10	4.76	22.86
	Semi-skilled	13.53	3.40	16.93
	Unskilled	10.65	2.62	13.27

<u>Classifications</u>	Exhibit B	<u>Classes</u>	<u>Wages</u>	<u>Fringes</u>	<u>Total</u>
Iron Worker					
		-Raises, places, and unites girders and columns of structural steel			
		Skilled	19.17	4.28	23.45
		Semi-skilled	14.90	3.82	18.72
		Unskilled	11.05	3.18	14.23
Metal Building Mechanic					
		-Assembles prefabricated metal buildings			
		Skilled	17.29	3.65	20.94
		Semi-skilled	13.22	3.38	16.60
		Unskilled	10.33	2.76	13.09
Millwright					
		-Installs machinery and equipment			
		Skilled	19.12	4.33	23.45
		Semi-skilled	13.57	3.66	17.23
		Unskilled	11.10	2.80	13.90
Painter					
		-Applies various liquid coverings to surfaces			
		Skilled	15.90	3.47	19.37
		Semi-skilled	11.20	2.60	13.80
		Unskilled	9.58	2.07	11.65
Rofer					
		-Covers roof with roofing materials			
		Skilled	16.88	4.00	20.88
		Semi-skilled	12.95	3.33	16.28
		Unskilled	9.20	2.10	11.30
Sprinkler Fitter					
		-Installs and repairs fire protection systems			
		Skilled	17.64	4.18	21.82
		Semi-skilled	14.00	3.57	17.57
		Unskilled	10.30	2.78	13.08
Floor Coverer/Setter					
		-Sets tile and terrazzo, applies pigment and marble, and lays carpet			
		Skilled	16.18	3.77	19.95
		Semi-skilled	12.86	2.88	15.74
		Unskilled	9.74	2.30	12.04
Truck Driver					
		-CDL-licensed to transport equipment, liquid, packaged or granular dirt and moves personnel			
		Skilled	15.95	3.60	19.55
		Semi-skilled	12.43	2.74	15.17
		Unskilled	N/A	N/A	N/A

Operating Engineer

-Operates all types of power construction and heavy equipment

Skilled	19.90	5.17	25.07
Semi-skilled	14.93	4.13	19.06
Unskilled	N/A	N/A	N/A

Mechanical Technician (HVAC, Sheet Metal)

-Fabricates, assembles, installs, and repairs sheet metal products and HVAC equipment

Skilled	21.18	4.75	25.93
Semi-skilled	15.17	4.10	19.27
Unskilled	11.00	3.50	14.50

Pipe Worker (Plumber, Pipefitter)

-Fabricates, assembles, installs and maintains piping and piping systems, fixtures and equipment for processing systems and drainage systems

Skilled	23.75	5.15	28.90
Semi-skilled	15.49	4.30	19.79
Unskilled	11.65	3.70	15.35

Elevator Constructor

-Installs and repairs elevator equipment

Skilled	25.88	5.65	31.53
Semi-skilled	16.88	4.50	21.38
Unskilled	13.11	3.85	16.96

General Labor

-Laborers and helpers, in general

Skilled	15.20	3.72	18.92
Semi-skilled	12.60	3.17	15.77
Unskilled	10.00	2.30	12.30

Project Name:

Common Wage Committee:

Dated this day _____

Representing the Governor of Indiana

Awarding Agency (Taxpayer)

Indiana AFL-CIO

Awarding Agency (Industry Rep.)

Commissioners-County (taxpayer)

Exhibit B

Skill Classification	Muncie Schools	Competitive	Percent Difference	Muncie Schools	Competitive	Percent Difference	Muncie Schools	Competitive	Percent Difference
	AFL/CIO Skilled Rate	ABC Skilled Rate		AFL/CIO Fringe Rate	ABC Fringe Rate		AFL/CIO Total Rate	ABC Total Rate	
Asbestos	\$27.83	\$18.95	46.86%	\$11.54	\$5.95	93.95%	\$39.37	\$24.90	58.11%
Boilermaker	\$30.00	\$23.75	26.32%	\$16.31	\$5.15	216.70%	\$46.31	\$28.90	60.24%
Bricklayers	\$25.25	\$18.70	35.03%	\$11.10	\$4.65	138.71%	\$36.35	\$23.35	55.67%
Carpenters	\$23.97	\$19.00	26.16%	\$8.82	\$4.50	96.00%	\$32.79	\$23.50	39.53%
Carpet Layer	\$23.19	\$16.18	43.33%	\$8.63	\$3.77	128.91%	\$31.82	\$19.95	59.50%
Cement Mason	\$21.25	\$18.70	13.64%	\$9.56	\$4.65	105.59%	\$30.81	\$23.35	31.95%
Electrician	\$27.40	\$22.40	22.32%	\$10.50	\$5.10	105.88%	\$37.90	\$27.50	37.82%
Elevator Constructor	\$30.74	\$25.88	18.78%	\$13.32	\$5.65	135.75%	\$44.06	\$31.53	39.74%
Glazier	\$22.95	\$17.57	30.62%	\$3.71	\$3.73	-0.54%	\$26.66	\$21.30	25.16%
Hod Carrier	\$19.26	\$15.20	26.71%	\$7.12	\$3.72	91.40%	\$26.38	\$18.92	39.43%
Iron Worker	\$23.10	\$19.17	20.50%	\$14.69	\$4.28	243.22%	\$37.79	\$23.45	61.15%
Laborer	\$18.76	\$15.20	23.42%	\$7.12	\$3.72	91.40%	\$25.88	\$18.92	36.79%
Millwright	\$22.50	\$19.12	17.68%	\$10.89	\$4.33	151.50%	\$33.39	\$23.45	42.39%
Operating Engineer	\$25.65	\$19.90	28.89%	\$9.56	\$5.17	84.91%	\$35.21	\$25.07	40.45%
Painter	\$19.00	\$15.90	19.50%	\$7.54	\$3.47	117.29%	\$26.54	\$19.37	37.02%
Plaster	\$22.70	\$15.90	42.77%	\$8.82	\$3.47	154.18%	\$31.52	\$19.37	62.73%
Plumber & Steamfitter	\$26.72	\$23.75	12.51%	\$10.98	\$5.15	113.20%	\$37.70	\$28.90	30.45%
Roofer	\$19.68	\$16.88	16.59%	\$6.34	\$4.00	58.50%	\$26.02	\$20.88	24.62%
Sheet Metal Worker	\$26.44	\$21.18	24.83%	\$14.08	\$4.75	196.42%	\$40.52	\$25.93	56.27%
Sound & Communication	\$27.40	\$17.67	55.07%	\$10.50	\$3.61	190.86%	\$37.90	\$21.28	78.10%
Sprinkler Fitter	\$29.19	\$17.64	65.48%	\$10.50	\$4.18	151.20%	\$39.69	\$21.82	81.90%
Terrazzo Worker	\$28.11	\$16.18	73.73%	\$7.71	\$3.77	104.51%	\$35.82	\$19.95	79.55%
Terrazzo Finisher	\$20.89	\$16.18	29.11%	\$4.45	\$3.77	18.04%	\$25.34	\$19.95	27.02%
Tile & Marble Setter	\$27.57	\$16.18	70.40%	\$7.61	\$3.77	101.86%	\$35.18	\$19.95	76.34%
Tile & Marble Finisher	\$19.03	\$16.18	17.61%	\$4.45	\$3.77	18.04%	\$23.48	\$19.95	17.69%
Truck Driver	\$20.12	\$15.95	26.14%	\$7.00	\$3.60	94.44%	\$27.12	\$19.55	38.72%
Truck Driver Mechanics	\$21.96	\$15.95	37.68%	\$7.05	\$3.60	95.83%	\$29.01	\$19.55	48.39%
Warehouseman	\$21.56	\$15.20	41.84%	\$7.05	\$3.72	89.52%	\$28.61	\$18.92	51.22%
Summary							Total Average Percent Difference		47.78%
	Estimated Labor	Estimated Labor	Total estimated						
	at 45% total	reduced by ABC	wages overpaid						
Total MCS Projects Cost	current cost	labor scale	using AFL/CIO vs. ABC						
\$55,000,000.00	\$24,750,000.00	\$16,722,972.97	\$8,027,027.03						

MUNCIE COMMUNITY SCHOOLS

**SCHEDULE OF AMORTIZATION OF \$6,000,000 PRINCIPAL AMOUNT
OF TAXABLE GENERAL OBLIGATION BONDS, SERIES 2004**

Bonds dated October 20, 2004.

Payment Date	Principal Balance (----(In Thousands)----)	Debt Service			Budget Year Total
		Principal	Interest Rate	Interest	
7/5/2005	\$6,000	\$200	2.63%	\$182,727.69	\$382,727.69
1/5/2006	5,800	255	2.94%	126,354.25	381,354.25
7/5/2006	5,545	260	3.14%	122,605.75	382,605.75
1/5/2007	5,285	265	3.40%	118,523.75	383,523.75
7/5/2007	5,020	265	3.56%	114,018.75	379,018.75
1/5/2008	4,755	270	3.80%	109,301.75	379,301.75
7/5/2008	4,485	275	3.94%	104,171.75	379,171.75
1/5/2009	4,210	285	4.07%	98,754.25	383,754.25
7/5/2009	3,925	290	4.19%	92,954.50	382,954.50
1/5/2010	3,635	295	4.31%	86,879.00	381,879.00
7/5/2010	3,340	300	4.41%	80,521.75	380,521.75
1/5/2011	3,040	305	4.53%	73,906.75	378,906.75
7/5/2011	2,735	315	4.62%	66,998.50	381,998.50
1/5/2012	2,420	320	4.71%	59,722.00	379,722.00
7/5/2012	2,100	330	4.78%	52,186.00	382,186.00
1/5/2013	1,770	335	4.85%	44,299.00	379,299.00
7/5/2013	1,435	345	4.94%	36,175.25	381,175.25
1/5/2014	1,090	355	5.03%	27,653.75	382,653.75
7/5/2014	735	365	5.04%	18,725.50	383,725.50
1/5/2015	370	370	5.15%	9,527.50	379,527.50
Totals		<u>\$6,000</u>		<u>\$1,626,007.44</u>	<u>\$7,626,007.44</u>

MUNCIE COMMUNITY SCHOOLS
MUNCIE SCHOOL BUILDING CORPORATION

SCHEDULE OF AMORTIZATION OF \$27,685,000 PRINCIPAL AMOUNT OF
FIRST MORTGAGE REFUNDING BONDS, SERIES 2005

Bonds dated April 18, 2005

Purchased by City Securities Corporation and Edward D. Jones and Co., L.P.

Payment Date	Principal Outstanding (-----In Thousands-----)	Principal (-----)	Interest Rates (%)	Interest	Total	Budget Year Total
7/10/2005	\$27,685	\$1,530	3.00%	\$272,277.01	\$1,802,277.01	
1/10/2006	26,155	1,230	3.00%	574,731.25	1,804,731.25	\$3,607,008.26
7/10/2006	24,925	1,250	3.00%	556,281.25	1,806,281.25	
1/10/2007	23,675	1,270	3.00%	537,531.25	1,807,531.25	3,613,812.50
7/10/2007	22,405	1,285	3.00%	518,481.25	1,803,481.25	
1/10/2008	21,120	1,305	4.00%	499,206.25	1,804,206.25	3,607,687.50
7/10/2008	19,815	1,330	4.00%	473,106.25	1,803,106.25	
1/10/2009	18,485	1,360	4.00%	446,506.25	1,806,506.25	3,609,612.50
7/10/2009	17,125	1,385	4.00%	419,306.25	1,804,306.25	
1/10/2010	15,740	1,415	4.00%	391,606.25	1,806,606.25	3,610,912.50
7/10/2010	14,325	1,440	4.00%	363,306.25	1,803,306.25	
1/10/2011	12,885	1,470	5.00%	334,506.25	1,804,506.25	3,607,812.50
7/10/2011	11,415	1,510	5.00%	297,756.25	1,807,756.25	
1/10/2012	9,905	1,545	5.25%	260,006.25	1,805,006.25	3,612,762.50
7/10/2012	8,360	1,585	5.25%	219,450.00	1,804,450.00	
1/10/2013	6,775	1,630	5.25%	177,843.75	1,807,843.75	3,612,293.75
7/10/2013	5,145	1,670	5.25%	135,056.25	1,805,056.25	
1/10/2014	3,475	1,715	5.25%	91,218.75	1,806,218.75	3,611,275.00
7/10/2014	1,760	1,760	5.25%	46,200.00	1,806,200.00	1,806,200.00
Totals		<u>\$27,685</u>		<u>\$6,614,377.01</u>	<u>\$34,299,377.01</u>	<u>\$34,299,377.01</u>

Gross interest cost	\$6,614,377.01
Less: Net Premium	<u>(1,283,199.75)</u>
Net interest cost	<u>\$5,331,177.26</u>
Net interest cost	<u>3.86174%</u>

REDEMPTION PROVISIONS

Optional Redemption:

The Refunding Bonds are not redeemable prior to maturity.

Prepared by:

Umbaugh
Certified Public Accountants, LLP
20 East 9th Street, Suite 100
P.O. Box 40458
Indianapolis, Indiana 46240-0458

MUNCIE COMMUNITY SCHOOLS
MUNCIE SCHOOL BUILDING CORPORATION

SCHEDULE OF AMORTIZATION OF \$55,000,000 PRINCIPAL AMOUNT OF
FIRST MORTGAGE BONDS, SERIES 2006

Bonds dated June 27, 2006
Purchased by RBC Capital Markets, Inc.

<u>Payment Date</u>	<u>Principal Outstanding</u> (-----In Thousands-----)	<u>Principal</u>	<u>Interest Rates</u> (%)	<u>Interest</u>	<u>Total</u>	<u>Budget Year Total</u>
1/15/07	\$55,000			\$1,332,632.81	\$1,332,632.81	\$1,332,632.81
7/15/07	55,000			1,211,484.37	1,211,484.37	
1/15/08	55,000			1,211,484.38	1,211,484.38	2,422,968.75
7/15/08	55,000			1,211,484.37	1,211,484.37	
1/15/09	55,000	\$460	4.250	1,211,484.38	1,671,484.38	2,882,968.75
7/15/09	54,540	470	4.250	1,201,709.37	1,671,709.37	
1/15/10	54,070	475	4.250	1,191,721.88	1,666,721.88	3,338,431.25
7/15/10	53,595	485	4.250	1,181,628.12	1,666,628.12	
1/15/11	53,110	500	4.250	1,171,321.88	1,671,321.88	3,337,950.00
7/15/11	52,610	510	4.250	1,160,696.87	1,670,696.87	
1/15/12	52,100	520	4.375	1,149,859.38	1,669,859.38	3,340,556.25
7/15/12	51,580	530	4.375	1,138,484.37	1,668,484.37	
1/15/13	51,050	545	4.375	1,126,890.63	1,671,890.63	3,340,375.00
7/15/13	50,505	555	4.375	1,114,968.75	1,669,968.75	
1/15/14	49,950	565	4.375	1,102,828.13	1,667,828.13	3,337,796.88
7/15/14	49,385	580	4.375	1,090,468.75	1,670,468.75	
1/15/15	48,805	2,400	4.375	1,077,781.25	3,477,781.25	5,148,250.00
7/15/15	46,405	2,450	4.375	1,025,281.25	3,475,281.25	
1/15/16	43,955	2,510	4.375	971,687.50	3,481,687.50	6,956,968.75
7/15/16	41,445	2,560	4.375	916,781.25	3,476,781.25	
1/15/17	38,885	2,620	(1) 4.375	860,781.25	3,480,781.25	6,957,562.50
7/15/17	36,265	2,675	(1) 4.375	803,468.75	3,478,468.75	
1/15/18	33,590	2,730	(2) 4.375	744,953.13	3,474,953.13	6,953,421.88
7/15/18	30,860	2,790	(2) 4.375	685,234.37	3,475,234.37	
1/15/19	28,070	2,855	(3) 4.375	624,203.13	3,479,203.13	6,954,437.50
7/15/19	25,215	2,915	(3) 4.375	561,750.00	3,476,750.00	
1/15/20	22,300	2,980	(4) 4.375	497,984.38	3,477,984.38	6,954,734.38
7/15/20	19,320	3,045	(4) 4.375	432,796.88	3,477,796.88	
1/15/21	16,275	3,110	(5) 4.500	366,187.50	3,476,187.50	6,953,984.38
7/15/21	13,165	3,180	(5) 4.500	296,212.50	3,476,212.50	
1/15/22	9,985	3,255	(6) 4.500	224,662.50	3,479,662.50	6,955,875.00
7/15/22	6,730	3,330	(6) 4.500	151,425.00	3,481,425.00	
1/15/23	3,400	3,400	4.500	76,500.00	3,476,500.00	6,957,925.00
Total		<u>\$55,000</u>		<u>\$29,126,839.08</u>	<u>\$84,126,839.08</u>	<u>\$84,126,839.08</u>

- (1) \$5,295,000 of Term Bonds due July 15, 2017.
- (2) \$5,520,000 of Term Bonds due July 15, 2018.
- (3) \$5,770,000 of Term Bonds due July 15, 2019.

- (4) \$6,025,000 of Term Bonds due July 15, 2020.
- (5) \$6,290,000 of Term Bonds due July 15, 2021.
- (6) \$6,585,000 of Term Bonds due July 15, 2022.