

# Dealing with Tough Budget Years



Tom Grabill, ESC  
Executive Director

Solid feasibility studies, good strategic planning—those are the things that will enable schools to ride out several tough budget years. Many of you are preparing for budget 2005 but do not yet have a clear picture of 2004. Money will become even tighter next year.

A few years ago, the General Assembly approved stop-gap measures to help schools with budget shortfalls. Many of these measures, such as fund transfers for the loss of state funding for the ADA flat grant and the transportation operating fund, the ability to pay utility and property insurance expenses from

the capital projects fund, and a reduced Teacher Retirement Fund rate of 6.82% will expire with the 2005 budget.

Unless the 2005 General Assembly takes action, these factors will contribute to the difficulty to develop balanced budgets in 2006 and 2007.

Many schools have had to borrow unprecedented amounts of money, and it has been a very painful process trying to adjust at a time of increased academic expectations.

The economy is still sputtering, and property tax reassessments have taken a toll. This year's legislative session will be critical, but many schools are acting prudently and not waiting for state relief. Solid financial planning, personnel studies, and long-range planning—all are elements of a well run school corporation and take on even more importance in tough times.

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## ESC's Services

- Personnel studies
- Treasurer and support training
- Interim superintendents & business managers
- Construction management
- Curriculum consulting
- Retirement planning & actuarial service
- Collective Bargaining
- Accountability planning
- Equipment specs
- Benefits assistance (Group insurance)

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**This program will be the tool that will help them do their jobs better."**

**- Dennis Costerison**

## Certification of School Business Officials

School business officials have an increasingly complicated job keeping up with changing regulations and the dynamic nature of school management. To help business managers become more effective, the Indiana Association of School Business Officials is developing a new certification program. The certification program is designed to give school corporations more confidence in their hiring decisions.

Although the certification program does not yet have final approval, IASBO has created a certification board to oversee the development of the program, and approval is expected in the near future.

The purpose of this voluntary program is to assure school boards and superintendents that those business officials who complete the program have been exposed to a core curricu-

lum that includes organizational leadership, school budgets, school finance, school law, risk management, collective bargaining, human resources, and other areas of business management.

This program will focus on skill development, while the IASBO seminar series will continue to focus on hot topics.

The certification program is scheduled to begin no later than September, 2005. Indiana Association of School Business Officials Executive Director Dennis Costerison says about the new certification program: "In these difficult fiscal times, the school business official must be someone who is both efficient and effective in dealing with minimal resources. This program will be the tool that will help them do their jobs better."

## SEA 199 Bonding tally

**Worked with 135 school corporations**

**Financial advisor to 45 school corporations**

## SEA199 Bonds

Only a few months remain to sell SEA 199 bonds to cover unfunded retirement liability. Since the bill passed two years ago, we have worked with approximately 135 school corporations and served as financial advisors to 45 school corporations. SEA 199 has not only changed how Indiana schools plan for employee retirement; it has also changed how ESC does business. We have added actuaries, enhanced our health insurance advisory service, and developed new relationships with school administrators throughout the state.

Our planning workshop this summer enabled schools to get their SEA work on the fast track in time for the year-end deadline.



# ESC Adds New Talent and Expertise to the Team!

*ESC is fortunate to have added four new professionals to its team of consultants: Phyllis Amick, Tim Armstrong, Bill Gall, and Niles Pfafman.*

Phyllis Amick recently retired as Superintendent of Schools in Richmond, Indiana, and spends her leisure time tending to her garden and to her new granddaughter, Sarah Grace. As a school administrator for many years, Phyllis spent a considerable amount of time in the development of leadership and leadership skills among principals and other building and community leaders in various school districts. She is currently working with Indiana University on a principal's certification program. Phyllis joined ESC because she wanted the "interaction of working with a competent and proficient team; ESC provides an opportunity to do that.

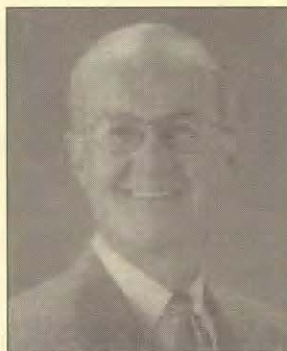
**Bill Gall** recently retired as the Superintendent of the Griffith Public Schools where he began his career as an elementary school teacher in 1965. Bill intimately understands the workings of public education: he moved from teaching grades 3-6 to elementary school principal and from Administrative Assistant to the Superintendent to Assistant Superintendent for Business Affairs and, finally, to Superintendent. Bill

**Tim Armstrong** finished his school career at the Metropolitan School District of Warren Township where he began as a business education teacher at the Walker Career Center in 1972 and retired as the Chief Financial Officer in 2003. Tim also worked as an accountant during his undergraduate years at Butler University and was Assistant to the Dean for Business and the Herron School of Art at IUPUI. Tim said, "I've always had a high respect for Educational Services Company; I know their



work because we worked with ESC when I was CFO at Warren Township. In addition, I've known Pearson Miller since he was my instructor in graduate school at Butler. It is a pleasure to have been asked to join the firm."

received his Ed.S. degree in Educational Administration from Purdue University in May, 1975, and in addition to a wealth of school experience, has been President of the Association of School Business Officials International (1994) and the Indiana Association of School Business Officials (1988). Bill and his wife Sharon are devoted parents and grandparents and active in the school community.



## A WEALTH OF KNOWLEDGE

Of our consultants,

- **9 led schools as superintendents**
- **15 were assistant superintendents/ bus. managers**
- **6 served in the central office**
- **1 has 30 years in construction mgmt.**
- **2 were treasurers**
- **2 are benefits consultants**
- **3 are licensed actuaries**

A graduate of Purdue University, **Niles Pfafman** began teaching at Carroll High School (Northwest Allen County Schools) in 1965, and was an administrator at Carroll from 1975-1982. From 1982 until 2004, Niles was the Northwest Allen School Business Manager responsible for developing and administering the budget, all purchasing, transportation, the hot lunch program, and buildings and grounds management. Niles and his wife Sue are horse owners and avid trail riders, often transporting their horses to riding destinations around the state. Niles has three children and six grandchildren, several horses, numerous dogs, and a couple of pick-up trucks.

## Across the Board

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### *These are busy, busy times at ESC:*

We continue to be very active with facility feasibility studies and other special studies for schools.

George Dickison, Pete Rump, and Bill Roberson have just begun a major long-range feasibility study at Northwest Allen County Schools. Jerry Moore, Pete Rump, and George Dickison recently completed a similar study for the Franklin Township schools.

George Dickison and Bill Roberson recently completed a transportation study for Switzerland County, and Bill Roberson did a transportation study for the Clark Pleasant schools.

Jerry Moore is conducting a finance study as part of a facility/feasibility study at Taylor Community School Corporation, and Bill Roberson has done a similar study for the Middlebury Community Schools.

Jerry Moore is providing a finance update to the facility planning process at Clark Pleasant.

### *Other Activities:*

Larry Renihan has facilitated a strategic planning study at Greater Clark County Schools and has also facilitated an educational program assessment at Jac-Cen-Del Community Schools.

Pearson Miller facilitated a successful board retreat at the Decatur County Community Schools. Pearson continues to do budget assistance at Nettle Creek.

Joe Scher has recently completed stints as interim business manager at Twin Lakes and North White and recently began as interim business manager at Greenfield. Bill Roberson is serving as interim business manager at Mount Pleasant.

Mary Ann Ripperger is providing treasurer training and assistance at Twin Lakes, Rossville, Huntington, and South Adams.

Duane Fleener is doing collective bargaining at Brown County, Eastern Greene, and Huntington.

Tony Broadwell continues to provide budget assistance to Greensburg and Northeastern Wayne.

Dave Widdifield has been busy as the benefits consultant with Shoals Community School Corporation.

Bev Walters is winding down construction tracking projects at Franklin Township Schools and Evansville-Vanderburgh School Corporation. She recently completed a project at Southwest Sullivan as interim treasurer.