

From the Director's Desk



Tom Grabill, ESC
Executive Director

If I were still the chief financial officer in an Indiana school system, there is one New Year's resolution for 2006 that I would make for myself: I would investigate the agenda from the Governor's office which suggests that school systems redirect money from administration and other non-classroom expenditures into classroom expenditures. For many school systems, this agenda means some sort of affiliation to lower the cost of non-classroom functions, not unlike what many

school corporations have done on the instructional side of operations with special education and vocational education. We have been privileged to work with school corporations in two counties which are starting to look at the issues and compile the data to help them make good decisions.

Schools are going to have to become more efficient in utility management, delivery systems for personnel benefits,

and overall general administration costs—i.e., shared administrative services between smaller school corporations. Affiliation does not necessarily mean consolidation of smaller school systems, but cooperation among school systems so that services are made more cost effective. For example, even though some school systems pursue cooperative purchasing, the pressure from the State will be to expand this cooperation even further, either by involving more school systems or more products.

Because Educational Services Company's consultants are practitioners who have many years of experience in administration, finance, and purchasing in the public schools of Indiana, we are able to help you follow the State's proposal and compile a plan which will assist you in a more efficient allotment of your finances. We look forward to serving you in this capacity.

Educational Services Company

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Time Is Running Out for Pension Bonds

House enrolled Act 1120 extended the time to June 30, 2006, for certain school corporations to issue pension bonds. In order to issue pension bonds, school corporations need to appear before the School Property Tax Control Board and have an approving order from the Department of Local Government Finance. Since there is a 30-day waiting period after getting an order from the DLGF and ten to 20 days before getting an order from the DLGF, the latest possible date to go to the Control Board is April 20.

With new members added to the Property Tax Control Board, the pension bond review has taken on new characteristics. School corporations will need to have a pension liability solution that has been ratified by the local school board and teacher's association to secure Control Board approval and a timely issuance of order from the DLGF. In order to have the proper time to meet with the teacher's association, school corporations must begin soon. If you are considering retaining us, you need to contact us immediately for actuarial services, buyout or conversion strategies, and financial advisor services. Via a competitive sale on the open market, Educational Services Company recently saved Evansville-Vanderburgh over \$350,000 on their recent bond issue. Since there are several options and different structures for bond issues, we can help you investigate the alternative that fits you best.

Lighten Up! Some Deep Thoughts to begin 2006:

- It used to be that only death and taxes were inevitable. Now, of course, there's shipping and handling, too.
- My neighbor was bitten by a stray rabid dog. I went to see how he was doing and found him writing frantically on a piece of paper. I told him rabies could be cured, and he didn't have to worry about writing a will. He said, "Will? What will? I'm making a list of the people I want to bite!"

- I signed up for an exercise class and was told to wear loose-fitting clothing. If I HAD any loose-fitting clothing, I wouldn't have signed up in the first place!
- Wouldn't it be nice if whenever we messed up our lives we could simply press Ctrl Alt Delete and start all over?
- Stress is when you wake up screaming and then you realize you haven't fallen asleep yet.

People You Should Know

At Educational Services Company we tell potential clients how proud we are of the expertise of our consultants, all of whom have been employed in educational and/or insurance endeavors for many, many years. They bring with them a wealth of experience. In this first newsletter of the new year, we have decided to introduce them to you as a group:

Former Superintendents of Schools:

Tony Broadwell
Ed Camden
George Dickison
Don Dyck
Bill Gall
Pearson Miller
Bill Roberson
Ron Hasler

Former Assistant Superintendents/Business Managers/Chief Financial Officers:

Tim Armstrong
Tony Broadwell
Ed Camden
Dick Cook
Ralph Egloff
Bill Gall
Tom Grabill
Tim Jackson
Pearson Miller
Jerry Moore
Niles Pfafman
Bill Roberson
Pete Rump
Joe Scher
Dale Scherman
Gary Staley

Human Resources/Personnel Directors

Jim Burrell
Bill Conner
Duane Fleener

Treasurers

Mary Ann Ripperger
Bev Walters

Actuaries

Grace Caress
Denny Deeter
Tim Twiss

Benefits Consultants

Doug Cassman
Dave Spring
Dave Widdifield
Karen Richter

Property and Casualty Consultant

Renee Smith

College Professors

Don Dyck
Larry Renihan
Bill Roberson

Purchasing Specialists

Pete Apple
Larry Renihan
Bob Menzie

Financial Advisor for Bond Issues

Nate Day
Tom Grabill
Pearson Miller
Jerry Moore

Special Education Consultant

Bill McKinney

Construction Supervision

Reginald McBreairty

**We are also very proud to have worked with over 75% of Indiana's
293 school corporations throughout the last several years.**

New Talent Joins the ESC Team

Educational Services Company is pleased to welcome three new talented, experienced members to the ESC Team:



Ron Hasler

taught seven years for the Monroe County schools. Ron then began his administrative career, completed his EdS. degree at IU Bloomington, and will retire as the Superintendent of Schools at Bloomfield, where he has held that position for five years. The Haslers believe in education: Ron's wife Diane retired after 30 years as an elementary teacher, and their daughter Jennifer teaches Spanish at Westfield-Washington High School. Ron will be working with school corporations in southwest Indiana.

Ron Hasler graduated from Purdue with a degree in Agricultural Education and taught at Floyd Central Junior/Senior High School for two years. After his initial teaching experience, Ron returned to the family farm in Newberry where he farmed for twenty years. He then received additional teacher certification and

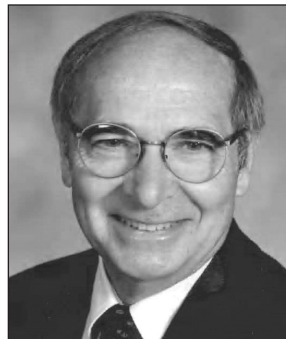


Bob Menzie

career in sales. Bob lives in Auburn, Indiana, where he is a member-and past president-of the DeKalb County Community Foundation, a volunteer instructor with Junior Achievement, and an active member of his church. Bob says that his professional objective is "to utilize my experience in sales and service to school

Bob Menzie comes to us with extensive experience supplying school furniture and equipment as a representative of the Lee Company in Terre Haute. A graduate of Princeton High School, Bob attended Ball State University and has the distinction of being employed by one company for his entire forty-two-year

corporations in order to be helpful to those who use my services, and to continue to be a productive member of the workforce." Several people who know Bob both professionally and personally say that if one looks up the word integrity in the dictionary, he or she will find Bob's picture.



Bill McKinney

special education his entire career, starting first as an elementary/special education teacher, and finishing as a consultant for the Indiana Department of Education, Division for Exceptional Learners, and as an Interim Consultant/Advisor to the Blue River Special Education Cooperative. From August, 1970 to December, 1997, Bill was the Director of Special Education for the Northeast Indiana Special Education Cooperative, which consisted of twelve school districts in LaGrange, Noble, Steuben, and DeKalb counties. After retiring from that position, Bill was a member of the East Noble School Corporation Board of School Trustees, when the district withdrew its membership from the Northeast Indiana Special Education Cooperative and became a separate planning district. Married for 49 years and the father of two and grandfather of two, Bill and his wife live in Rome City, where Bill is the Chairperson of the Rome City Housing Authority and is active in his church. Professionally, Bill has been a member of numerous state and national education committees and boards, is a past member of the State Special Education Advisory Board and a former member and past president of the Indiana Council of Administrators for Special Education.

Bill McKinney, born in Buffalo, Wyoming, is a graduate of North Vernon High School and served three years in the United States Marines. Bill has both Bachelor's and Master's degrees from Ball State, and an administrative license which qualified him to be a director of special education. Bill has been involved in

Property and Casualty Insurance Review

We recently read with interest "Excerpts from the ISBA Legal Educator" in the December, 2005, issue of the *Inter-Com*. This article discussed the outcome of two legal cases: a due-process hearing in Federal Court and an employment practice dispute in the Indiana Court of Appeals. Both may be covered by a school corporation's legal liability coverage; however, there are no standard coverage forms. Some policies may fully cover these disputes, while others exclude them. Both conflicts, if not properly covered, can cost a school system many hours and thousands of dollars defending itself. These two legal cases point out how a property/casualty review can help you avoid a gap in coverage, or, on the other hand, double coverage. If you want to know how your policy responds, call us for an unbiased property/casualty review.

Return Service Requested

Across the Board

At the current time, ESC has consultants working in many school corporations throughout the state. We are doing interim business manager work at Mount Pleasant Township Community School Corporation, MSD of Steuben County, Huntington County Community School Corporation, MSD of New Durham Township, and Merrillville Community School Corporation. Consultants are doing extensive budget work at Nettle Creek School Corporation, Centerville-Abington Community Schools, Northeastern Wayne School Corporation, Greensburg Community Schools, Clinton Central School Corporation, Cloverdale Community School Corporation, Benton Community School Corporation, Franklin Township Community School Corporation, MSD of Wayne Township, Prairie Heights Community School Corporation, and MSD of Martinsville. We are busy with feasibility studies at Brownsburg Community School Corporation, Whitley County Consolidated Schools, and Clark-Pleasant Community School Corporation. Additionally, we are doing considerable work with many school systems in the areas of medical benefits, actuarial studies, collective bargaining, purchase of loose furniture and equipment for construction projects, special education studies, and treasurer assistance. We are also actively involved in financial advisor activities for bond issues at Franklin Township Community School Corporation, Clark-Pleasant Community School Corporation, Danville Community School Corporation, South Putnam Community School Corporation, Crawford County Community School Corporation, South Henry School Corporation, and MSD of Lawrence Township.
