

From the Director's Desk



**Bob Harris, ESC
Executive Director**

At this time of year, we need to start thinking about putting together our 2012 budgets, including expenditure and revenue data and projections, circuit breaker amounts, deadlines, and any changes that the legislature may make. Almost everyone is experiencing revenue shortages of some kind, and many people are being forced to make very difficult decisions, many concerning personnel and services.

One major change made regarding the 2012 budget that definitely affects the budget process comes from the State of Indiana:

All Schools Will Be Required to File their 2013 Budgets Electronically.

Previously, school corporations submitted budget paperwork to the Department of Local Government Finance for budget review. Now the DLGF, the State Board of Accounts, and the Indiana Business Research Center at the Indiana University Kelley School of Business are introducing a new data reporting system called *Gateway*.

Gateway is a website that allows local school units to submit online forms to the DLGF and the State Board of Accounts. In addition to the 2012 budgets, **all school corporations will be required to submit their annual reports electronically to the State Board of Accounts beginning in January, 2012.** The Gateway website is currently being upgraded to and will be launched by July 1, 2011. The DLGF plans to provide additional information and training tools on the Gateway page of its website: <http://www.in.gov/dlgef/>.

To aid you in this transition to electronic budget filing, Educational Services Company has a team of professionals who are qualified to provide several types of budget assistance:

- We can assist in completing budget preparation from beginning to end.
- We can provide assistance with forms, advertising, debt worksheets, resolutions, tax rates, tax levies, estimated assessed values, and other similar issues.
- We can be your second pair of eyes to take a look at your final budget product and provide suggestions and review.
- We can assist with the electronic filing of your budget.

Please contact me at (317) 818-3535 or Toll Free at (888) 351-3535 or email me at bharris@educationalservicesco.com if we can be of any assistance.

Educational Services Company

3535 E. 96th Street
Suite 126
Indianapolis, IN 46240

Phone: (317) 818-3535
or (888) 351-3535

Fax: (317) 818-3533

www.educationalservicesco.com

Business hours:
7:30 a.m. to 4 p.m.,
Monday-Friday

**Please visit us
at the ASBO
Conference in
Fort Wayne
on Thursday,
May 12.
We will be in
Booth #502.**

Lighten Up!

Kids Tell Us How to Decide Whom to Marry!

- You got to find somebody who likes the same stuff. Like, if you like sports, she should like it that you like sports, and she should keep the chips and dip coming. — Alan, age 10
- No person really decides before they grow up who they're going to marry. God decides it all way before, and you get to find out later who you're stuck with. — Kristen, age 10
- HOW CAN A STRANGER TELL IF TWO PEOPLE ARE MARRIED? You might have to guess, based on whether they seem to be yelling at the same kids. — Derrick, age 8
- WHAT DO MOST PEOPLE DO ON A DATE? Dates are for having fun, and people should use them to get to know each other. Even boys have something to say if you listen long enough. — Lynnette, age 8 (isn't she a treasure?)
- WHEN IS IT OKAY TO KISS SOMEONE? When they're rich. — Pam, age 7
- HOW WOULD THE WORLD BE DIFFERENT IF PEOPLE DIDN'T GET MARRIED? There sure would be a lot of kids to explain, wouldn't there? — Kelvin, age 8?
- And the #1 Favorite is.....HOW WOULD YOU MAKE A MARRIAGE WORK? Tell your wife that she looks pretty, even if she looks like a dump truck. — Ricky, age 10

Legislative Review

Notes on the Legislature – FYI

The following bills are being reviewed at the time we are putting together this newsletter; the current legislative session is scheduled to end on April 29, 2011:

SB 1	Teacher performance
SB 27	Local debt petition and referendum process
SB 105	Board for financially distressed political subdivisions
SB 323	School referendum levy
SB 384	Local referenda and petition process
SB 446	Charter Schools leasing public school buildings
SB 496	School reorganization
SB 497	Higher education scholarship
SB 575	Teacher collective bargaining
HB 1001	Budget Bill
HB 1002	Charter school accountability/standards
HB 1003	Vouchers/scholarships
HB 1007	Keep an eye on this bill because it might be the new home for many tax and fiscal bills
HB 1216	Common wage law
HB 1238	Referendum and petition remonstrance
HB 1260	Health insurance
HB 1341	Special Education grants
HB 1369	School administration performance and licensing
HB 1417	CPF insurance and utility
HB 1484	Property tax, bus replacement levy

For complete information on these bills, check the Indiana Legislative index:

<http://www.in.gov/legislative/index.htm>

If you need assistance with any of these issues, we are here to help.

Please contact Bob Harris at (317) 818-3535 or Toll Free at (888) 351-3535

You can also send Bob an e-mail at bharris@educationalservicesco.com.

Budget Shortfalls Causing Sleepless Nights?

Is the Circuit Breaker giving you headaches and causing monetary shortfalls? Is your CPF budget REALLY tight – so tight that you're moving utilities back into the General Fund? Is your energy savings contract getting to be a heavy load? The MSD of Steuben County thought so, and we helped them to legally move their energy savings contract from the Capital Projects Fund to a Debt Service Fund. Perhaps this solution also might work for you. Contact us, and we can work with you to evaluate whether or not this same solution might help solve one of your budget problems.

bharris@educationalservicesco.com

Please note:

This is the last ESC Newsletter you will be receiving via US Postal Service Mail.

All future newsletters will be emailed to you.

Please make sure we have your correct email address.

Educational Services Company Welcomes a New Consultant

ESC is pleased to welcome a new member to the consulting team. We are happy to announce that Bob Purlee has joined our consulting staff. Bob was a county auditor and spent nearly 25 years at the State Board of Tax Commissioners and Department of Local Government Finance. He brings a wealth of knowledge and budget/financial experience to our company. He retired from the Department of Local Government Finance, formerly State Board of Tax Commissioners, in 2010. Some of his duties included assisting local government units, and reviewing and making recommendations on budgets, rates, and tax levies for all taxing units. Bob worked as a Hearing Officer in a majority of southern Indiana Counties from time to time, and also served as Supervisor in the southwestern part of the state. Prior to working with the DLGF, he served as County Auditor in Orange County for five and a half years.

Bob Menzie Retires



Bob Menzie came to ESC as a consultant 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 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. Several people who know Bob both professionally and personally say that his professional behavior at all times defines the word integrity. Educational Services Company is proud to have had Bob Menzie as one of our consultants, and we wish him well in his retirement.

Are Your 401(a) and 403(b) Plan Documents Up To Date

Many School Corporations established their 401(a) plans in the early 2000's as part of the buyout activity under SEA 199. Most of those plans were provided by the vendor that you selected. Since that time, several pieces of legislation have passed requiring the plan documents to be amended. Have you received notification that your plan has been properly restated or amended? If not, you should be contacting your vendor if they supplied the document.

403(b) plans (even though you adopted them later than the 401(a) plans) are also affected by some of the legislation, including the Heroes Earnings Assistance and Relief Tax Act of 2008 (Heart Act), and will need to be amended.

You will need to contact your vendor and/or your attorney, to make sure that your plan is in compliance. Also, the new entity, Retirement Plan Services (RPS) can assist you in reviewing your plans. You can contact RPS at 317-660-6826.

Return Service Requested

Across the Board

Tim Armstrong has completed General Funds Projection for Vincennes CSC. **Sandy Beaman** is serving as Interim Treasurer at Mitchell. **Jackie Beery** continues to provide Knox with service in financial matters. **Hank Binder** has provided services for Rochester CSC for grant application for federal special education funds. **Tony Broadwell** provides Centerville-Abington, Greensburg, Northeastern Wayne, Western Wayne and Union County/College Corner with budget assistance, financial planning, and cash flow projections. He also provides financial analysis assistance to the School City of Hammond and the Hammond Teachers' Association. **Doug Cassman** is providing RFPs for VEBA and 401(a) retirement plans for Bloomfield, Greater Clark, Greenfield Central, Shelby Eastern, South Gibson, Taylor and Washington Township as well as a request-for-proposal for a 403(b) plan for Greensburg. He is also providing group plan services for several districts and new services for School City of East Chicago and Greater Clark Community Schools. **Bob Channell** is serving as Interim Treasurer at West Lafayette. **Dick Cook** is providing financial assistance at New Durham. Actuary **Denny Deeter** is working with East Chicago, Edinburg, Huntington, Shenandoah, Flat Rock-Hawcreek, Cowan, Whitley County, and Benton Community in the area of forfeiture reallocation. He has also provided liability updates, under the provisions of SEA 199, for School City of East Chicago. **Don Dyck** and **Jerry Moore** are currently working on a Demographic, Building Capacity & Utilization Study for Tippecanoe. **Jerry Moore** is also working with Northwestern Consolidated (Shelby County), Switzerland County, and Wayne Township in the areas of budget assistance, financial planning, and cash flow analysis/projections. **Bill Gall** continues to provide budget and overall financial assistance to Boone Township. **Tom Grabill** and **Ije-Dike' Young** are serving as Financial Advisors for Qualified School Construction Bond recipients Danville, Evansville, Greenwood, Kokomo, Madison, Monroe County, North Putnam, and Warren Township as well as Financial Advisor services for M.S.D. of Steuben County, Franklin Township Community School Corporation, and General Obligation Bonds for Brown County. **Tom Grabill** has also provided Northwestern Consolidated (Shelby County) with referendum support services and budget assistance and support for Alexandria and Madison. **Pat Green** is training a new Corporation Treasurer at Lake Ridge and providing Treasurer training and support at Eastern Greene, Nineveh-Hensley-Jackson, Shelby Eastern and Southwest Sullivan. **Tim Jackson** has provided budget assistance at Franklin Township as well as equipment and furniture acquisition services at Kankakee Valley Middle School and High School and for the new Princeton High School at North Gibson. **Ray Pavy** is providing budget assistance, financial planning, and cash flow projections for Nettle Creek. **Thomas Peterson** assisted Hanover Community Schools, Lake Station School Corporation, School City of Mishawaka, North Judson-San Pierre School Corporation, School City of Whiting with the issuance of full year tax anticipation warrants. He is also working with schools that are organizing operating fund referendums at the November election. **Niles Pfaflman** is providing business office assistance to Steuben County. **Pam Retzlaff** has provided RFP analysis of VEBA and/or 403(b) plans for Bartholomew, Greensburg, Washington Township and White River Valley. **Deb Wolfe** is assisting Indianapolis Public Schools, Northeast, Southwest Sullivan and MSD Washington Township with their requests for reimbursement under the Early Retiree Reinsurance Program. She assisted Greene-Sullivan Special Ed Co-op and Jennings County in selecting a replacement VEBA administrator; is assisting Indianapolis Public Schools with a review of their health plan programs; and is assisting several schools with a review of their FMLA administration. **Ray Cusic** is assisting the School City of Hammond with the Title I program. **Bill McKinney** is assisting the School City of Hammond with the Special Education program. **Bill Gall** and **Dick Cook** are assisting the School City of Hammond with its Bilingual program.