

OLDHAM-RAMONA-RUTLAND SCHOOL DISTRICT 39-6

102 School Street, Rutland, SD 57057

605-586-4352

Reorganization/Dissolution Plan



Submission #2 – October 16, 2025

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This document includes the contents of the Oldham-Ramona-Rutland School District #39-6's reorganization plan pursuant to SDCL 13-6-13. In this plan the Oldham-Ramona-Rutland School District may be referred to as "the district" or "ORR."

Checklist for the Oldham-Ramona-Rutland 39-6 Reorganization Plan – Dissolution and Annex

- Maps - Upon receipt of a verified petition signed by at least 15% of the registered voters in the district, the Oldham-Ramona-Rutland School District sent a letter and preference form to all landowners in the school district seeking land transfer requests necessary to develop the attached map identifying new school boundaries upon the dissolution of the ORR School District.
 - ✓ Boundaries of the Proposed Districts (Appendix A)
 - ✓ Boundaries of the Existing District Involved Including Current Attendance Centers (Appendix B)

Proportional Percentages of ORR district land being attached to other districts:

School District	Proportional Percentage of ORR land to transferred to each district	Fall 2024 Enrollment	Estimated # of ORR students who may attend each district fall 2026
Brookings	0.6%	3522.64	6
DeSmet	1.6%	343	10
Chester	2.8%	547	15
Colman-Egan	6.6%	331	15
Sioux Valley	11.8%	743.88	15
Lake Preston	12.5%	164	20
Madison	17.7%	1172.18	46
Howard	21%	337	15
Arlington	25.3%	277	38

- Location of Existing and Proposed Attendance Centers
The Oldham-Ramona-Rutland School District 39-6 existing attendance centers are located at four different locations:
 - Spring Lake Colony - 21727 452nd Ave. Arlington, SD 57212
 - Cambridge Colony – 22244 465th Ave. Volga, SD 57071
 - Ramona School – 220 W. 2nd Street, Ramona, SD 57054
 - Rutland School 102 School Street, Rutland, SD 57057

➤ Description of the Facilities

The school district owns buildings at the Rutland and Ramona sites that consist of six separate and different buildings as described below:

- The Rutland site consists of a three-story building that has additions of a gym, a kitchen and cafeteria, a music classroom, a media center, and three elementary classrooms. This location also has a detached shop with a classroom, a detached bus barn, a detached shed, a playground, a football field, and a crow's nest.
- The Ramona site consists of a gym, office space, small library, a kitchen and cafeteria, and four elementary classrooms. This site also has a detached bus barn, a crow's nest, and a playground.

All buildings located at the Spring Lake Colony and the Cambridge Colony are owned by the colony where each building is located.

- Playground equipment purchased by the ORR School District for the Spring Lake Colony School and the Cambridge Colony School will remain on the property of those attendance centers.

➤ Bus Routes

Currently, ORR has four bus routes. One that picks students up in Brookings (Casey's store) and in the country in the northeast part of the district; one that picks up students in Madison (Pizza Ranch and a church); one that picks up students in the towns of Ramona and Oldham as well as students in the country surrounding these two towns; and one that picks students up in the town of Nunda as well as the country in the southeast part of the district.

➤ Legal Description of the Boundaries of the Dissolving District with District Attachments (Appendix C)

➤ Estimates of the School Age Population

- Number of students residing in the ORR School District:
 - K-5 = 63 students
 - MS (6-8) = 41 students
 - HS (9-12) = 29
 - Total = 133 students

- Number of students open enrolled to the ORR School District = 62
- Spring Lake Colony (K-8) = 18
- Cambridge Colony (K-8) = 21
- Number of students currently enrolled in the ORR School District = 195

➤ Valuation

The assessed valuation of all taxable property payable in 2025 in the district and of the annexing districts are as follows:

- Oldham-Ramona-Rutland School District 39-6 = \$570,351,350
- Arlington School District 38-1 = \$519,521,128
- Chester School District 39-1 = \$544,402,213
- Madison Central School District 39-2 = \$1,456,687,830
- Colman-Egan School District 50-5 = \$343,440,421
- Brookings School District 05-1 = \$2,530,851,497
- Howard School District 48-3 = \$810,080,279
- Sioux Valley School District 05-5 = \$537,867,005
- Lake Preston School District 38-3 = \$408,093,127
- DeSmet School District 38-2 = \$611,874,136

➤ Outstanding General Obligation Bonds, Fund Balances, Estimated Account Receipts

ORR has no current general obligation bonds. Attached is the most current balance sheet ending August 2025. (Appendix D)

➤ Annexing Districts: All annexing districts will maintain their existing official names and educational programs.

➤ Proposed Method of Adjustment of all Assets and Liabilities

Pursuant to SDCL 13-16-26 (transfer between school district funds) - Only a school district with a plan for reorganization that has been approved by the voters pursuant to SDCL 13-6-47 after July 1, 2007, may transfer within twelve months before the effective date of the reorganization all or any part of a surplus in the capital outlay fund to general fund. The ORR School District 39-6 will be implementing this law during the final fiscal year, 2026, July 1, 2025-June 30, 2026. The fund balances in both of these funds will be used to operate the final school year of the district.

The District will set a goal of ensuring the ending balance in the General Fund and Capital Outlay Fund together per SDCL 13-6-26 is \$0.00; Special Education Fund is \$0.00; Food Service Fund is \$0.00.

The City of Ramona will assume all property assets in Ramona with the exception of the property deeded over to the ORR School District in 2025 via the Molstad Trust Deed. Terms of the Deed include all Molstad land and property assets on that land be returned to the Molstad Trust should the ORR School District cease to exist. (Appendix T) Any property assets located on the Molstad Trust land will be assumed by the Molstad Trust.

The District will contribute a lump sum of money (to be determined by monies left in the fund balances) to the city of Ramona for utility and maintenance costs necessary to continue operation of the remaining portion of the Ramona school building. Should the City of Ramona choose not to accept property assets located in the town of Ramona, these assets will go to the Madison School District with the exception of the land deeded to the ORR School District in 2025 by the City of Ramona. No monies will be set aside for the Madison School District for maintenance and utility costs of this property.

Rutland Township will assume ownership of all property assets located within Rutland, except for those acquired with federal funds or otherwise allocated as outlined in this document. The District will contribute a lump sum of money (to be determined by monies left in the fund balances) to the Rutland Township to aid with utility and maintenance costs. Should the Rutland Township choose not to accept the Rutland property assets, these assets will go to the Madison School District. No monies will be set aside for the Madison School District for maintenance and utility costs of this property.

Any remaining fund balances will be distributed to the accepting districts proportionally to the percentage of land being attached to each district.

Only upon approval by the voters of the district, pertaining to the Proposal for Dissolution and Attachment of the district, will all property assets of the district on June 30, 2026, become the responsibility of the City of Ramona, the Molstad Trust, and the Madison School District as outlined above.

- Minor Boundary Changes: Landowners may request a minor boundary change pursuant to SDCL 13-6.

- Additional Information for Compliance with the South Dakota DOE Standards
 - Such equipment or inventory purchased with federal grant dollars will be transferred as follows:
 - Bus #1 (2023 Thomas) and #6 (2020 Thomas) purchased, in part, with Clean Deisel grant money will be transferred to the Arlington School District and will be utilized in due time.
 - All technology equipment currently housed in the Rutland School and purchased, in part, with E-Rate funds or ESSER funds will be distributed to accepting school districts proportionally to the land being attached to those districts and will be utilized in due time.
 - Bus #7 (2024 Thomas – 59 passenger) and #19 (2020 Thomas Vision) purchased, in part, with Clean Deisel grant money will be transferred to the Howard School District and will be utilized in due time.
 - Bus #21 (2022 Thomas) purchased, in part, with Clean Deisel grant money and Bus #9 (2021 Chevy Collins minibus) purchased, in part, with ESSER III funds, will be transferred to the Madison School District and will be utilized in due time.
 - It is part of the plan for the Oldham-Ramona-Rutland School District 39-6 to distribute all used one-to-one electronic devices to the current staff and high school students who are and have utilized these devices during the last school year, 2025-2026. These are devices not purchased with federal funds. Proper surplus and disposition protocols will be used for this process.
 - The ORR District belongs to the Eastern SD Perkins Consortium, so any items purchased with Perkins funds will be returned to the Eastern SD Perkins Consortium.

 - The following vehicles will be sold through a sealed bid process at the end of the 25-26 SY. All money raised through this sale will be distributed to accepting school districts proportionally to the land being attached to those districts:
 - 2023 Chevrolet Equinox AWD
 - 2014 Chevy Impala (Red)
 - 2016 Chevy Suburban
 - 2013 Chevrolet Malibu

- 2019 Chevrolet Suburban
- 2014 Chrysler Town & Country Van
- 2014 Ford Expedition
- The following buses will be distributed to accepting school districts:
 - 2018 Chevy Collings Mini Bus (14 passenger) - Colman-Egan School District
 - 2018 Blue Bird (53 passenger) - Sioux Valley School District
 - 2020 Chevy Collins Mini Bus (14 passenger) - DeSmet School District
 - 2011 Freightliner (59 passenger) - Brookings School District
 - 2025 Thomas (53 passenger) - Lake Preston School District
 - 2019 Thomas, purchased, in part, with ESSER II funds, will be transferred to the Chester School District and will be utilized in due time.
 - 2007 Chevy Thomas Mini Bus (15 passenger) - Lake Preston School District
- The following vehicles will be sold through the sealed bid process during the 25-26 SY. Money will be deposited into the capital outlay fund to use for the final year of operation.
 - 2003 Ford Econoline
 - 2009 Blue Bird (53 passenger)
- An inventory listing of all vehicles is included. (Appendix E)

Additional Information

- District Designated to Retain Official Educational Records of the District
Both physical and electronic student records will be retained by Madison School District.
- Plan Date and Documentation of School Board Approval
 - The dissolution of the ORR School District will be June 30, 2026. This will give the school district adequate time to take this plan to a public vote. If the result of the vote is to dissolve the district, this date will also give annexing school districts time to plan for incoming students, student records, acquired assets and liabilities. This will also give the staff of the ORR School District time to secure further employment.
 - School board minutes from the August 27, 2025 (Appendix F) and October 6th, 2025 (Appendix F) meeting are attached.

Plans for New Construction

- The Consolidation Plan approved by the prior Oldham-Ramona School Board, the Rutland School Board, the SD DOE, and by a majority vote of both the Oldham-Ramona and Rutland School Districts' registered voters called for combining the two school districts to form the Oldham-Ramona-Rutland School District 39-6 as of July 1, 2023. This plan also called for the construction of a new centralized school on or near US Hwy 81. After three failed bond votes seeking to fulfill the goal of building a new centralized school as outlined in the 2022 Consolidation Plan, the ORR school board unanimously approved a Capital Outlay Resolution for Opt Out as shown in the attached June 6th, 2024, board minutes (Appendix G)
- This Opt Out was referred to a vote that took place on September 17, 2024. This vote passed with a majority as shown in the September 18, 2024, special meeting board minutes attached. (Appendix H)
- To move the building project forward, the ORR school board voted unanimously to hire Co-op Architects to design a new facility as noted in the October 14th, 2024, board minutes attached. (Appendix I)
- Following the failure of a fourth bond vote in December 2024, the ORR School Board voted to move forward with a building project that involved demolishing the portion of the current Ramona school building that is over 100 years old. In its place, a new addition will be constructed to serve students in grades 3 through 12. This new addition will be connected to the existing PK-2 section of the school, located in Ramona. Additionally, as reflected in the board minutes from the December 11, 2024, meeting (attached), the board unanimously approved the process to solicit a Construction Manager at Risk to oversee the project. (Appendix J)
- The ORR school board unanimously voted to hire Hausmann Construction to serve as the Construction Manager at Risk for the building project as shown in the January 22, 2025, school board minutes attached. (Appendix K)
- The ORR school board voted to adopt a resolution to issue capital outlay certificates for the first phase of the building project as shown in the March 10th, 2025, school board minutes attached. (Appendix L)
- Hausmann Construction building completion timeline shows a project completion date of August 15th, 2026. Plans for the new 3-12 addition are attached. (Appendix M)

Litigation and Injunction

- On June 4th, 2025, the ORR School District was served with a lawsuit seeking an injunction to stop the building project. The lawsuit brought by area landowners alleged that the School Board's actions in seeking financing for the building project violated South Dakota law by effectively circumventing public notice, hearing, and referendum requirements. Specifically, Plaintiffs contended that the district's two-phase issuance of capital outlay certificates exceeds the legal threshold that triggers additional procedural safeguards. Plaintiffs also argue that the opt-out election was improperly presented to voters, failed to disclose a 21-year term, and cannot generate sufficient revenue to repay the debt. The injunction was granted by the courts. As a result, the building project is indefinitely suspended.
- At the time of the court ordered injunction to suspend the building project, the following items were left unfinished at the Ramona school site, leaving the building and grounds unsafe and unusable. In order for the assets of the district to be protected, the school board plans to seek sealed bids that will render the Ramona school site safe and usable:
 - Complete flooring and reconnect electricity to the bus barn.
 - Footings and foundation construction had begun, so site work to ensure safety will need to be completed.
 - Reconstruct playground equipment moved for construction purposes.
 - Complete an entry to the building that is currently open to the elements.
 - Remove temporary wall and replace exposed beams in the ceiling.
- The project to ensure the Ramona school is safe and usable will be paid for out of the current capital outlay fund.

Resolutions from Receiving Districts

- Madison Central School District 39-2 -
- Colman-Egan School District 50-5 -
- Arlington School District 38-1 -
- Chester School District 39-1 -
- Howard School District 48-3 -
- Sioux Valley School District 05-5
- Brookings School District 05-1 -
- DeSmet School District 38-2 –
- Lake Preston School District – 38-3

Other Attachments

- Appendix N – Capital Assets Inventory
- Appendix O – E-Rate Inventory
- Appendix P – SRSA Grant Inventory
- Appendix Q, Q2 – ESSER II Inventory
- Appendix R – ESSER III Inventory
- Appendix S – Landowner Letter and Preference Form

