

# Budgeting, Naming New School District Are Discussed

By Larry Bemis

The Rockville-Turkey Run School Reorganization Committee tackled questions of budget procedures for the existing and new school districts, as well as the sticky issue of naming the new corporation at their Monday evening meeting.

Much of the discussion centered on questions of budgets, assets and liabilities and transferring them from the two existing districts to the new one. Committee members were concerned that in the fall of 2012, prior to the vote being taken to approve the reorganization, both Rockville and Turkey Run would have to advertise and seek approval for their 2013 budgets, in case the reorganization vote did not pass the voters in the November election.

Simultaneously, the "new district" would also have to advertise a proposed budget for 2013 in the event that the reorganization plan does pass. After much discussion, committee member Dr. Larry Gambaianni was assigned to contact area members of the General Assembly to see if it was possible to obtain a special legislative exception to the normal budget process for this reorganization.

It was suggested that the legislation could allow the two existing school districts to proceed with normal budget planning for 2013, then if the reorganization does pass, the new district's budget proposal would be submitted to the Department of Local Government Finance for approval. Otherwise, it was suggested, voters would either be confused about the tax rate they will actually be paying, or it would be assumed that the reorganization "was a done-deal," even before the public vote is taken.

State law does require, however, that the new district have a budget advertised, approved and in place before the first of the year. Another concern mentioned by Turkey Run Superintendent Dr. Thomas Rohr was the issue that the new district, even with an approved budget, might not have any funds until a

state distribution or a local property tax draw becomes available, which could be several months after the first of the year.

As to the ownership of the buildings and property, it was pointed out that any buildings or properties "mortgaged" under a bond issue would legally belong to the respective holding corporation, until the school district pays off the bond issue. The existing lease-rental agreements would have to be re-assigned to the new districts as a liability.

Other budgetary issues to be ironed out include the transfer of existing cash balances, especially funds accumulated in the Capital Projects Funds (CPF). School districts must approve a three-year

plan for the CPF and can set money aside in the plan for "future allocations," allowing for large cash payments rather than financing. Rockville, for example, has been accumulating CPF money for a possible roof repair/replacement. The "co-mingling" of the funds may create issues among the voting public, such as spending "Turkey Run money" to replace a roof at Rockville.

Committee members discussed the ability of the group to legally bind the new school board to keep the funds collected by the existing districts separated for use only in buildings within the existing districts. Member Greg Harbison said he didn't want the committee

[See REORGANIZATION, page 3]



# --Reorganization

(Continued From Page One)

to "tie the new board's hands. We've got to get this passed (by the voters). We may need to keep the funds separated to get this passed. In 15 years, this will all be worked out."

Committee members agreed that if the balances in the two corporations are "reasonably close" to each other, combining the funds would be an easier pill for the voters to swallow. The two districts will bring complete financial and budgetary figures to the committee's next meeting November 7.

The three school board members in attendance seemed to agree that the new district needs to become one. "We're going to have one school corporation when this is done," said Rockville board member Rusty Akers. "Forget the division," said Rockville board member Roger Bridge, "this will be one pool of money, one school corporation at that time."

Other issues to be worked out for the new district to take over include the assumption of contracts such as teacher contracts, bus driver contracts and other agreements such as vocational and special education co-op agreements.

## BOARD MEMBERS

The committee also discussed requirements for school board members in the new district. The current districts' plans require prospective board members to live in the school district for two years. Both plans also indicate that the board member "must live in the residency district during their term of office," which would seem to indicate that moving from the residency district would create a vacancy on the board. Moving out of the school district would also create a vacancy under Indiana law.

The committee also assigned numbers to the residency districts, in "alphabetical" order: District One is Adams Township, exclusive of the Town of Rockville; District Two is Liberty and Sugar Creek Townships; District Three is Penn and Howard Townships; District Four is the Town of Rockville; District Five is Union Township; District Six is Washington and Greene Townships; and District Seven is the At-Large seat

encompassing the entire school district.

Committee chairman Roy Wrightsman also noted that the enrollment figures used by the committee were ADM (Average Daily Membership) counts up until the last two years, when total enrollment numbers were used. The ADM count is generally taken on the third Friday of September and only counts kindergarten students as one-half.

The newer figures will be updated on the schools' websites, and Wrightsman noted that the newer figures would not only compare "apples-to-apples" but also make the enrollment decline sharper.

## NAMING

Wrightsmen said that his preference for a name of the new corporation was to not include either of the existing names in the new corporate name. Gambaiani, however, took exception to that position, pointing to several examples around the state where the names have no geographical significance.

Wrightsmen and other members did feel that "Parke" should be included in the name of the new district. Member Alan Ader said the name needs to be something that is "appealing, something you can grab a hold of."

"I don't want anybody to vote against (the reorganization plan) because of the name," said Harbison. Wrightsman charged the committee members with narrowing the list of suggested names to three or four of their favorites before the next meeting to see where the members stood. One audience member suggested that since the reorganization is coming about largely because of the actions of Governor Mitch Daniels and State Superintendent of Public Instruction Tony Bennett, the district be named Daniels/Bennett School District.

The committee asked both Rohr and Rockville superintendent Randy Kerkhoff to bring budget figures including cash balances, assessed valuations and other financial information on school debt to the next meeting, set for Monday, November 7 at 6:30 p.m. at the Turkey Run Administrative offices. The November 21 meeting will be held back at the Rockville Administrative Offices, also at 6:30 p.m.