



TO: Full Board

FROM: John B. King, Jr.

SUBJECT: Petition of the Elmira City School District for Consent to Exceed the Constitutional Debt Limit

DATE: March 30, 2011

AUTHORIZATION(S):

SUMMARY

Issue for Decision (Consent Agenda)

Should the Regents consent to allow the Elmira City School District to increase the indebtedness of the school district under the provisions of the State Constitution and the Local Finance Law?

Reason(s) for Consideration

Required by Article 8, Section 4, Paragraph (h) of the State Constitution and by Local Finance Law section 104.00(c).

Proposed Handling

This petition for consent will come before the Board of Regents at the April 2011 meeting for discussion and action.

Procedural History

The Board of Regents is required to give consent for such petitions prior to the petition being forwarded to the State Comptroller for final consideration. The Board of Regents has discussed in the past similar requests from school districts to exceed their debt limit and is familiar with the guidelines and procedures for granting consent.

Background Information

The Department received a petition from the Board of Education of the Elmira City School District seeking consent of the Board of Regents to an increase in the indebtedness of the Elmira City School District. The State Constitution requires that any increase in the constitutional limit on local indebtedness for a school district wholly or partly within a city of less than 125,000 inhabitants receive: (1) the approving vote of 60 percent or more of the duly qualified voters; (2) the consent of the Regents; and (3) the consent of the State Comptroller. It appears from the records of the State Education Department that the School District lies partly within the City of Elmira. The documentation supporting the petition verifies that more than 60 percent of duly qualified voters approved the increase at the annual meeting held on May 18, 2010. The increase in indebtedness will be used to undertake the acquisition of school buses, vans, and station wagons. Staff has reviewed the petition and supporting documentation and recommend that the requested consent be granted.

Recommendation

VOTED: That the Board of Regents hereby give consent to the issuance of bonds and/or bond anticipation notes by the Board of Education of the Elmira City School District in an amount not to exceed \$861,830 for the acquisition of school buses, vans and station wagons and the issuance of such bonds and/or bond anticipation notes in excess of the constitutional debt limit of said school district.

Timetable for Implementation

Upon approval by the Board of Regents, the petition will be forwarded to the State Comptroller for final consideration.