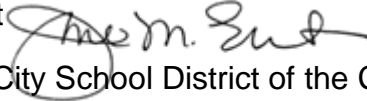





TO: The Honorable the Members of the Board of Regents

FROM: Jhone M. Ebert 

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

DATE: June 6, 2016

AUTHORIZATION(S): 

SUMMARY

Issue for Decision (Consent Agenda)

Should the Regents consent to allow the City School District of the City of Dunkirk 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 June 2016 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.

Background Information

The Department received a petition from the Board of Education of the City School District of the City of Dunkirk seeking consent of the Board of Regents to an increase in the indebtedness of the Dunkirk 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.

According to the petition, the City School District of the City of Dunkirk includes all of the City of Dunkirk, as well as almost the entire Town of Dunkirk, and a minor portion of the Town of Sheridan. The documentation supporting the petition verifies that more than 60 percent of duly qualified voters approved the increase at a special meeting held on December 3, 2013. The increase in indebtedness will be used for a capital improvement project consisting of reconstruction, renovation and building upgrade work at the Senior High School and site work at the Senior High School campus and adjacent land at a maximum estimated cost of \$3,802,000. The district is authorized to expend \$190,000 of capital reserve funds and to issue serial bonds of the District in an amount not to exceed \$3,612,000. Staff has reviewed the petition and supporting documentation and recommends that the requested consent be granted.

Recommendation

VOTED: That the Board of Regents hereby gives consent to the issuance of bonds and/or bond anticipation notes by the Board of Education of the City School District of the City of Dunkirk in an amount not to exceed \$3,612,000 for the purpose of construction of improvements and upgrades to the District's high school (and the sites thereof) along with improvements to a parcel of adjacent land 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.