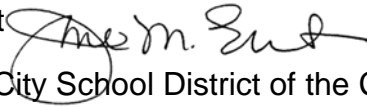





TO: The Honorable the Members of the Board of Regents

FROM: Jhone M. Ebert 

SUBJECT: Petition of the City School District of the City of Hornell 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 Hornell 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 Hornell City School District seeking consent of the Board of Regents to an increase in the indebtedness of the Hornell 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 application, the district is located in the City of Hornell. The documentation supporting the petition verifies that more than 60 percent of duly qualified voters approved the increase in a proposition in the School Board Member Election / Budget Vote held on May 19, 2015.

The increase in indebtedness will be used to complete necessary maintenance to School District buildings, utility upgrades to increase energy efficiency, educational space renovations and security measures to ensure a safe environment for students and staff. 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 Hornell in an amount not to exceed \$20,160,000 for capital improvements consisting of construction, reconstruction and equipping school buildings and facilities, various site improvements, and other incidental improvements required 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.