



TO: The Honorable the Members of the Board of Regents

FROM: Elizabeth R. Berlin *Elizabeth R. Berlin*

SUBJECT: Petition 2 of 2 of the City School District of the City Geneva for Consent to Exceed the Constitutional Debt Limit [Bus Acquisition]

DATE: May 23, 2019

AUTHORIZATION(S): *Mary Ellen Elin*

SUMMARY

Issue for Decision (Consent Agenda)

Should the Regents consent to allow the City School District of the City of Geneva 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 issue will come before the Board of Regents for action at the June 2019 meeting.

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 (the second of two) from the Board of Education of the City School District of the City of Geneva seeking consent of the Board of Regents to an increase in the indebtedness of the City School District of the City of Geneva.

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 Geneva is located in the Towns of Geneva, Seneca, and Phelps in Ontario County, the Town of Benton in Yates County, and the Town of Waterloo in Seneca County. The documentation supporting the petition verifies that more than 60 percent of duly qualified voters approved the increase at an annual meeting held on May 15, 2018. The increase in indebtedness will be utilized for the acquisition of (7) 65-passenger school busses.

Staff has reviewed the petition and supporting documentation and recommends that the requested consent be granted.

Related Regent's Items

Contemporaneously, the Board of Regents is considering a separate application by the Board of Education of the City School District of the City of Geneva in the amount of \$4,900,000 for capital improvements.

In 2013, the Board of Regents and the State Comptroller consented to and approved a prior request in the amount of \$12,300,000 from the Board of Education of the City School District of the City of Geneva. See prior Regents Item: [2013 Request](http://www.regents.nysed.gov/common/regents/files/113brca4.pdf) (<http://www.regents.nysed.gov/common/regents/files/113brca4.pdf>)

In 2014, the Board of Regents and the State Comptroller consented to and approved a prior request in the amount of \$659,000 from the Board of Education of the City School District of the City of Geneva. See prior Regents Item: [2014 Request](http://www.regents.nysed.gov/common/regents/files/1114brca1.pdf) (<http://www.regents.nysed.gov/common/regents/files/1114brca1.pdf>)

In 2016, the Board of Regents and the State Comptroller consented to and approved a prior request in the amount of \$14,230,000 from the Board of Education of the City School District of the City of Geneva. See prior Regents Item: [2016 Request](http://www.regents.nysed.gov/common/regents/files/616brca8.pdf) (<http://www.regents.nysed.gov/common/regents/files/616brca8.pdf>)

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 Geneva in the total amount not to exceed \$822,500 for the acquisition of seven (7) school busses 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.