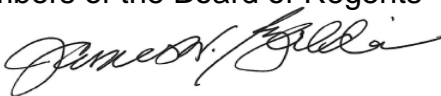





**TO:** The Honorable Members of the Board of Regents

**FROM:** James N. Baldwin 

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

**DATE:** June 1, 2023

**AUTHORIZATION(S):** 

## SUMMARY

### Issue for Consent Agenda

Should the Board of 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 will come before the Full Board for consideration at its June 2023 meeting, where it will be voted on and action will be taken.

### 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, in the past, discussed 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 City School District of the City of Hornell seeking the consent of the Board of Regents to an increase in the indebtedness of the City School District of the City of Hornell.

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 fewer than 125,000 inhabitants receive: (1) the approving vote of 60 percent or more of the duly qualified voters; (2) the consent of the Board of Regents; and (3) the consent of the State Comptroller.

According to the petition, the City School District of the City of Hornell is located in the City of Hornell, Steuben County, New York. 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 20, 2022. The total aggregate amount of the approved capital project is \$32,040,000.00 with debt obligations in the amount of \$27,890,000\* requested for approval by the Board of Regents, to be used for improvements consisting of addition to, and construction and reconstruction of, existing school buildings and facilities, site improvements and the acquisition of certain original furnishings, equipment, and apparatus and other incidental improvements required in connection therewith for such construction and school use.

\*The balance of the total cost will be appropriated and expended from the existing capital reserve fund or raised by the levy of a tax to be collected in annual installments, to be offset by state aid available therefore.

Staff members from the Office of Educational Management Services have reviewed the petition and supporting documentation and recommend that the requested consent be granted.

### **Related Regents Items**

October 2008: [Petition of the Hornell City School District for Consent to Exceed the Constitutional Debt Limit](https://www.regents.nysed.gov/meetings/2008/2008-10-17)

(<https://www.regents.nysed.gov/meetings/2008/2008-10-17>)

April 2012: [Petition of the Hornell City School District for Consent to Exceed the Constitutional Debt Limit](https://www.regents.nysed.gov/sites/regents/files/documents/meetings/2012Meetings/April2012/412BRCA4.pdf)

(<https://www.regents.nysed.gov/sites/regents/files/documents/meetings/2012Meetings/April2012/412BRCA4.pdf>)

### **Recommendation**

It is recommended that the Board of Regents take the following action:

VOTED: 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 excess of the constitutional debt limit of said school district, in an amount not to exceed \$27,890,000, to be used to authorize certain capital improvements

consisting of addition to, and construction and reconstruction of, existing school buildings and facilities, site improvements and the acquisition of certain original furnishings, equipment, and apparatus and other incidental improvements required in connection therewith for such construction and school use., 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.