



TO: The Honorable Members of the Board of Regents

FROM: Jim Baldwin *James N. Baldwin*

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

DATE: July 6, 2023

AUTHORIZATION(S): *Baldwin*

SUMMARY

Issue for Decision (Consent)

Should the Board of Regents consent to allow the City School District of the City of Norwich 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 July 2023 meeting, where it will be voted on and action 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 Norwich seeking consent of the Board of Regents to an increase in the indebtedness of the City School District of the City of Norwich.

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 Norwich is located in the City of Norwich and portions of the Towns of Guilford, McDonough, New Berlin, North Norwich, Norwich, Oxford, Pharsalia, Plymouth, Preston, and Smyrna, in Chenango 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 May 16, 2023.

The total aggregate amount of the approved capital project is \$9,100,000 to be used to finance certain capital improvements consisting of construction and reconstruction of the Middle/High School building complex and facilities, site, multipurpose and other athletic field 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. It is requested that the Board of Regents give 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 Norwich in excess of the constitutional debt limit of said school district, in an amount not to exceed \$1,100,000. The balance of the total cost will be appropriated and expended from the existing capital reserve fund and/or raised by the levy of a tax to be collected in annual installments, and in anticipation of such tax, with such tax to be offset by state aid available therefor.

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

Related Regents Items

November 2022: [Petition of the City School District of the City of Norwich for Consent to Exceed the Constitutional Debt Limit](https://www.regents.nysed.gov/sites/regents/files/1122brca3.pdf)
(<https://www.regents.nysed.gov/sites/regents/files/1122brca3.pdf>)

June 2007: [Petition of the Norwich City School District for Consent to Exceed the Constitutional Debt Limit](https://www.regents.nysed.gov/meetings/2007Meetings/June2007/0607emscvesidca2.htm)
(<https://www.regents.nysed.gov/meetings/2007Meetings/June2007/0607emscvesidca2.htm>)

Recommendation

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

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 Norwich in an amount not to exceed \$1,100,000, in excess of the constitutional debt limit, to finance certain capital improvements consisting of construction and reconstruction of the Middle/High School building complex and facilities, site, multipurpose and other athletic field 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.

Timetable for Implementation

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