





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

**FROM:** John L. D'Agati 

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

**DATE:** December 29, 2020

**AUTHORIZATION(S):** 

### **SUMMARY**

#### **Issue for Decision (Consent)**

Should the Board of Regents consent to allow the City School District of the City of Olean 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 January 2021 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 Olean seeking consent of the Board of Regents to an increase in the indebtedness of the City School District of the City of Olean.

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 Board of Regents; and (3) the consent of the State Comptroller.

According to the petition, the City School District of the City of Olean is located in the County of Cattaraugus and contains the City of Olean and portions of the Towns of Olean and Portville. The documentation supporting the petition verifies that more than 60 percent of duly qualified voters approved the increase at a special meeting held on March 10, 2020. The amount requested for approval by the Board of Regents is \$24,050,000, to be used to fund a capital project consisting of the reconstruction and construction of improvements to school district facilities, including incidental costs and expenses in connection therewith.

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

### **Related Regents Items**

November 2016: [Petition of the Olean City School District for Consent to Exceed the Constitutional Debt Limit](https://www.regents.nysed.gov/common/regents/files/1116brca7.pdf)  
(<https://www.regents.nysed.gov/common/regents/files/1116brca7.pdf>)

November 2009: [Petition of the Olean City School District for Consent to Exceed the Constitutional Debt Limit](https://www.regents.nysed.gov/meetings/2009/2009-04-39)  
(<https://www.regents.nysed.gov/meetings/2009/2009-04-39>)

### **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 Olean in an amount not to exceed \$24,050,000 for a capital project consisting of the reconstruction and construction of improvements to school district facilities, including incidental costs and expenses in connection therewith, 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.