

DEBT LIMIT

There are three separate debt limit restrictions depending upon the type of district. They are described below:

Small City School Districts

These are districts whose territory lies partially or wholly within the limits of a city having a population of less than 125,000 inhabitants. The debt limit for these school districts is 5% of the average full value of last five years' tax rolls. Building aid on the projects bonded may not be deducted in computing the limit. The debt limit for these bonds is contained in Article 8 of the New York State Constitution and may be exceeded if authorized by 60% of the voters and approved by the board of Regents and the State Comptroller.

Central, Union Free, and Common Districts

The debt limit for these districts is contained in Section 104.00 of the Local Finance Law. The limit is 10% of the full value on the most recent tax roll. State building aid on the projects bonded may be deducted in computing the limit. The debt limit for these districts may be exceeded if authorized by 60% of the voters and approved by the board of Regents and the State Comptroller. For districts wholly or partially within the Adirondack Park, consent of the Commissioner and the State Comptroller is required.

Big 5 School Districts

The debt limit for these districts is also contained in Article 8 of the New York State Constitution. The districts are a part of city government for purposes of computing the debt limit, since only the legislative body of the city has the power to issue obligations. Therefore, the limits which follow are for both municipal and school purposes.

City % of 5 years full value

New York 10%

Buffalo 9%

Rochester 9%

Yonkers 9%

Syracuse 9%

State building aid may not be deducted in calculating the debt limit for the big 5 cities. Bonds defeased in connection with advanced refunding of debt need not be included in computing the constitutional debt limit.