

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. The debt limit 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 limit 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.

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.

<u>City</u>	<u>% of 5 years full value</u>
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.