

OBSERVER-DISPATCH

School districts get millions in tax-exempt bonds

By Amy Neff Roth

Posted Sep 12, 2018 at 8:40 PM

The Dormitory Authority of New York has issued low-cost, tax-exempt bonds totaling \$585.2 million for 56 school districts – including eight in this area – the largest pooled school district issuance in the authority’s history.

The state released the news in a release Wednesday. The authority’s School Districts Revenue Bond Financing Program has provided more than \$5 billion in financing for more than 200 districts in 90 separate series of bonds since the program started in 2002, according to the release.

“Schools can borrow from the Dormitory Authority or the public market,” said Paul Berry, superintendent of the Mount Markham Central School District. “Bonds are issued to cover the debt. The borrowing terms from DASNY were more favorable for us and that is why we borrowed from them.”

“When the district pays less for its bonds,” explained Robert Miller, superintendent of Herkimer Central School District, “these savings can be used for either more capital improvement work or to support student programs.”

Here’s how some districts are using the money they borrowed:

- The Oneida City School District is applying the \$6.5 million it received toward a \$7.3 million capital project with \$4 million paying off a bond anticipation note and the rest going toward finishing the project. Parts of the project, including new, secure building entrances, have been completed.
- The Frankfort-Schuyler Central School District received \$5.9 million to fund a capital project completed in the spring that included additional elementary classrooms, the reconfiguration of main entrances for safety and security, auditorium air conditioning and changes to the elementary school bus loop and parking lot.

- Owen D. Young Central School District is finishing a capital project for which it borrowed \$2.1 million through DASNY. The project included a new media center, secondary science room, technology infrastructure updates, new roof, reconfigured entrances and security upgrades.
- The Utica City School District borrowed \$9.8 million toward its almost completed \$187 million capital project to update all of its schools.
- The Mount Markham Central School District borrowed \$6.4 million toward capital improvements, approved by voters in 2014, including roofing, windows, heating and cooling improvements, security upgrades and field improvements. The project's third phase is being completed now.
- The Herkimer Central School District borrowed \$6.8 million toward a \$10.4 million capital project, which is nearing completion. Finished projects include a new high school roof, a redesign of the library and technology spaces and interior LED lighting.
- The Central Valley School District borrowed \$16.2 million toward a capital project that included two classroom additions; renovations to the kitchen, cafeteria, library/media center and nurse's office; new HVAC systems; and more security in the elementary schools.
- The Adirondack Central School District borrowed \$7.2 million.

Contact reporter Amy Neff Roth at 315-792-5166 and follow her on Twitter ([@OD_Roth](https://twitter.com/OD_Roth))