§ 120.00 Indebtedness of certain district corporations; amount thereof included as indebtedness of municipalities. a. As used in this section:

1. The term "assessment roll" shall mean the assessment roll used for the annual county, city, town or village taxes, as the case may be.

2. The term "city, village or town affected" shall mean any city or village within which or any town within the unincorporated area of which, all or part of a district corporation, as defined in paragraph a of section 102.00 of this chapter, is situated.

3. The term "net indebtedness" shall mean any outstanding indebtedness contracted by a district corporation, as defined in paragraph a of section 102.00 of this chapter, on or after January first, nineteen hundred thirty-nine, other than an indebtedness which, if contracted by a city, town or village, would be excluded in ascertaining the power of such city, town or village to contract indebtedness.

4. The term "taxable real property" shall mean real property subject to taxation for any purpose by the city, town or village within which it is situated.

b. If a district corporation, as defined in paragraph a of section 102.00 of this chapter, is situated wholly within a city, village or the unincorporated area of a town, in ascertaining the power of such city, town or village to contract indebtedness there shall be included the net indebtedness of such district corporation.

c. If only part of a district corporation, as defined in paragraph a of section 102.00 of this chapter, is situated within a city, village or the unincorporated area of a town, in ascertaining the power of such city, town or village to contract indebtedness there shall be included the appropriate proportion of the net indebtedness of such district corporation. The amount of net indebtedness to be so included shall be annually determined in the following manner:

1. If such district corporation is situated wholly within the

boundaries of a town, or is situated wholly within the boundaries of a county for which a county assessment roll is prepared, such district corporation, by its finance board, shall ascertain from the last completed assessment roll of such town or county:

(a) The assessed valuation of the taxable real property within such district corporation and

(b) The assessed valuation of the taxable real property within such district corporation situated in each such city, town or village affected.

The proportion of the net indebtedness to be included in ascertaining the power of each such city, town or village affected to contract indebtedness shall be determined by multiplying the amount of such net indebtedness of such district corporation by the percentage or ratio the assessed valuation of the taxable real property of such district corporation situated in each such city, town or village affected bears to the assessed valuation of all the taxable real property within such district corporation.

2. If such district corporation is not situated wholly within the boundaries of a town, or a county for which a county assessment roll is prepared, such district corporation, by its finance board, shall

(a) Ascertain from the last completed assessment roll of such cities or towns within which such district corporation is situated a statement of the assessed valuation of the taxable real property within such district corporation located in each such city, town or village affected.

(b) Procure from the appropriate state officer or agency a statement of the ratios of the assessed valuation to the true valuation established by such officer or agency for the last completed assessment roll of such cities or towns.

(c) Determine the full valuation of the taxable real property within such district corporation situated in each such city, town or village affected by dividing the assessed valuation of such real property by the ratio fixed for the city or town in which such taxable real property is situated. The total full value of the taxable real property within the entire district corporation shall be ascertained by adding together the

full value of the taxable real property within the district corporation situated in each city, town or village affected.

(d) Ascertain the proportion of net indebtedness to be included in ascertaining the power of each such city, town or village affected to contract indebtedness by multiplying the amount of such net indebtedness of such district corporation by the percentage or ratio the full value of the taxable real property within such district corporation situated in such city, town or village affected bears to the total full value of the taxable real property within the entire district corporation.

d. Immediately after the close of a fiscal year of a district corporation, as defined in paragraph a of section 102.00 of this chapter, its finance board shall determine the net indebtedness of such district corporation and shall file with the chief fiscal officer of each city, town or village affected a written certificate setting forth the amount of such net indebtedness to be included, pursuant to this section, in ascertaining the power of such city, town or village to contract indebtedness.