

# STATE OF NEW YORK

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6465

2019-2020 Regular Sessions

## IN SENATE

June 12, 2019

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Introduced by Sen. AMEDORE -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to authorize the city of Amsterdam, in the county of Montgomery, to finance a certain deficit by the issuance of bonds

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The city of Amsterdam, in the county of Montgomery, is  
2 hereby authorized to issue serial bonds on or after March 1, 2019 in an  
3 aggregate principal amount not to exceed eight million three hundred  
4 thousand dollars (\$8,300,000) for the specific object or purpose of  
5 liquidating the cumulative deficits in the general fund, the transporta-  
6 tion fund, the sewer fund and recreation fund of such city accumulated  
7 during fiscal years ending June 30, 2008 through 2018, inclusive. In  
8 anticipation of the issuance of the bonds authorized to be issued by  
9 this act, the issuance and sale of bond anticipation notes are hereby  
10 authorized.

11 § 2. Notwithstanding any provision of this act to the contrary, the  
12 city of Amsterdam shall not issue any bonds for the purpose of liquidat-  
13 ing the aforesaid cumulative deficits unless and until the amounts ther-  
14 eof are reviewed and determined by the state comptroller. The city of  
15 Amsterdam shall prepare a report detailing the amount and cause of such  
16 deficits and submit such report together with the city's independent  
17 audit report for its last completed fiscal year, if any such audit  
18 report has been or is to be prepared, and such other information as the  
19 state comptroller may deem necessary, to the state comptroller, as well  
20 as the chairs of the senate finance committee and the assembly ways and  
21 means committee, at least thirty days prior to the issuance of any bonds  
22 pursuant to this act.

23 Within thirty days after receiving such report, the state comptroller  
24 shall perform such reviews as may be necessary to determine the amounts  
25 of such deficits and report the same to the chairs of the senate finance

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 committee and the assembly ways and means committee, the mayor and the  
2 common council of the city of Amsterdam. Bonds to liquidate each such  
3 deficit shall not be issued in an amount exceeding such deficit as  
4 determined by the state comptroller. Nothing provided in this act shall  
5 prevent the city of Amsterdam from authorizing the issuance of bonds or  
6 bond anticipation notes, and issuing bond anticipation notes, prior to  
7 the determination of the state comptroller of the amount of such defi-  
8 cits.

9 If bond anticipation notes are issued in an amount in excess of the  
10 deficits determined by the state comptroller, the city of Amsterdam  
11 shall redeem from funds other than the proceeds of the bonds or bond  
12 anticipation notes, such bond anticipation notes in the amount by which  
13 the amount of bond anticipation notes exceeds the amount of such defi-  
14 cits as determined by the state comptroller.

15 § 3. It is hereby determined that the financing of the deficits  
16 hereinbefore described is a purpose of the city of Amsterdam for which  
17 indebtedness may be incurred, the period of probable usefulness of which  
18 is hereby determined to be ten years, computed from the date of such  
19 bonds or from the date of the first bond anticipation note issued in  
20 anticipation of the sale of such bonds, whichever date is earlier. Such  
21 bonds and/or bond anticipation notes shall be general obligations of the  
22 city of Amsterdam to which the faith and credit of the city is pledged,  
23 and the city shall make an annual appropriation sufficient to pay the  
24 principal of and interest on such obligations as the same shall become  
25 due.

26 § 4. Except as provided in this act, the provisions of the local  
27 finance law shall be applicable to the authorization, sale and issuance  
28 of the bonds and bond anticipation notes authorized to be issued by this  
29 act provided, however, that no resolution authorizing the issuance of  
30 such bonds or notes shall be subject to either mandatory or permissive  
31 referendum and provided further, that such bond anticipation notes need  
32 not be converted to bonds by the fifth anniversary of their issuance.

33 § 5. (a) For each fiscal year occurring during the time bonds and/or  
34 bond anticipation notes issued pursuant to this act are outstanding, the  
35 mayor of the city of Amsterdam shall prepare a quarterly report of  
36 summarized budget data depicting overall trends of actual revenues and  
37 budget expenditures for the entire budget rather than individual line  
38 items.

39 Such budgetary reports shall compare revenue estimates and appropri-  
40 ations as set forth in such budget with the actual revenues and expendi-  
41 tures made to date. All such quarterly budgetary reports shall be accom-  
42 panied by recommendations of the mayor setting forth any remedial action  
43 necessary or desirable to resolve any unfavorable budget variance  
44 including the over-estimation of revenues and the under-estimation of  
45 expenditures. Each such quarterly budgetary report shall be completed  
46 within thirty days after the end of each quarter and shall be submitted  
47 to each member of the common council of the city of Amsterdam, the  
48 director of the division of the budget, the state comptroller, and the  
49 chairs of the senate finance committee and the assembly ways and means  
50 committee.

51 (b) For each fiscal year occurring during the time bonds and/or bond  
52 anticipation notes issued pursuant to this act are outstanding, the  
53 mayor of the city of Amsterdam shall also prepare a quarterly trial  
54 balance of general and special fund ledger accounts. Each such quarterly  
55 trial balance shall be prepared in accordance with generally accepted  
56 accounting principles. Each such quarterly trial balance shall be

1 completed within thirty days after the end of each quarterly period and  
2 shall be submitted to each member of the common council of the city of  
3 Amsterdam, the director of the division of the budget, the state comp-  
4 troller, and the chairs of the senate finance committee and the assembly  
5 ways and means committee.

6 (c) For the fiscal year beginning July 1, 2019 and for each fiscal  
7 year thereafter during which such debt or any debt incurred to refund  
8 such debt is outstanding, the mayor of the city of Amsterdam or other  
9 officer or officers responsible for the preparation of the tentative  
10 budget shall submit the tentative budget for the next succeeding fiscal  
11 year to the state comptroller no later than thirty days before the last  
12 date on which the budget must be finally adopted. The state comptroller  
13 shall examine such proposed budget and make such recommendations as  
14 deemed appropriate thereon to the common council of the city of Amster-  
15 dam no later than ten days before the last date on which the budget must  
16 be finally adopted. Such recommendations shall be made after examina-  
17 tion into the estimates of revenues and expenditures of the city of  
18 Amsterdam. The common council of the city of Amsterdam, no later than  
19 five days prior to the adoption of the budget, shall review any such  
20 recommendations and may make adjustments to its proposed budget consist-  
21 ent with any recommendations made by the state comptroller. Any recom-  
22 mendations that the common council rejects shall be explained in writing  
23 to the state comptroller. The action or inaction of the state comp-  
24 troller under this section shall not affect the legal validity of the  
25 budget of the city of Amsterdam nor to affect the powers or duties of  
26 the city of Amsterdam with respect to the local budget; provided, howev-  
27 er, that the city of Amsterdam may not issue bonds for any object or  
28 purpose unless and until adjustments to its proposed budget, consistent  
29 with any recommendations made by the state comptroller, are made, or any  
30 such recommendations that are rejected have been explained in writing to  
31 the state comptroller.

32 (d) Within ninety days of the issuance of any debt pursuant to this  
33 act and for each fiscal year thereafter during which such debt or any  
34 debt incurred to refund such debt is outstanding, the mayor of the city  
35 of Amsterdam or other officer or officers responsible for the prepara-  
36 tion of the tentative budget of the city of Amsterdam, within thirty  
37 days after the final adoption of the budget for the next succeeding  
38 fiscal year, shall prepare a three-year financial plan covering the next  
39 succeeding fiscal year and the two fiscal years thereafter. The finan-  
40 cial plan shall, at a minimum, contain the information required to be  
41 provided in a three-year financial plan as prescribed by subdivision 10  
42 of section 54 of the state finance law. Copies of the financial plan  
43 shall be provided to the mayor and chief fiscal officer of the city of  
44 Amsterdam, the director of the budget, the state comptroller, the chair  
45 of the assembly ways and means committee and the chair of the senate  
46 finance committee. This financial plan requirement shall not apply if  
47 and to the extent the city of Amsterdam is subject to a different  
48 multi-year financial plan requirement under state law.

49 (e) For each fiscal year occurring during the time bonds and/or bond  
50 anticipation notes issued pursuant to this act are outstanding, the  
51 chief fiscal officer of the city of Amsterdam shall notify the state  
52 comptroller at least fifteen days prior to the issuance of any bonds or  
53 notes or entering into any installment purchase contract and the state  
54 comptroller may review and make recommendations regarding the afforda-  
55 bility to the city of Amsterdam of any such proposed issuance or  
56 contract, provided, however, that the validity of any bond anticipation

1 note or bond issued to refinance a maturing bond anticipation note shall  
2 not be affected by any failure to provide such notice in a timely  
3 manner. The state comptroller may require the submission by the city of  
4 Amsterdam of such information as the state comptroller shall deem neces-  
5 sary to complete his or her review.

6 § 6. To facilitate the marketing of the bonds and/or bond anticipation  
7 notes authorized to be issued by this act, the city of Amsterdam may,  
8 notwithstanding any limitations on the private sales of bonds otherwise  
9 provided by law, and subject to approval by the state comptroller of the  
10 terms and conditions of such sales, arrange for the underwriting or  
11 other sale of its bonds and/or bond anticipation notes at private sale  
12 upon negotiated terms and conditions which may include reasonable under-  
13 writing or placement fees or discounts. The costs of such underwriting  
14 or sale shall be deemed preliminary costs for purposes of section 11.00  
15 of the local finance law.

16 § 7. If any clause, sentence, paragraph, section or part of this act  
17 shall be adjudged by any court of competent jurisdiction to be invalid,  
18 such judgment shall not affect, impair, or invalidate the remainder  
19 thereof, but shall be confined in its operation to the clause, sentence,  
20 paragraph, section, or part thereof directly involved in the controversy  
21 in which such judgment shall have been rendered.

22 § 8. This act shall take effect immediately.