S T A T E O F N E W Y O R K

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I N A S S E M B L Y

March 29, 2012

Introduced by M. of A. JOHNS -- read once and referred to the Committee on Local Governments

AN ACT validating certain findings and determinations with respect to bond anticipation notes issued by the village of Webster, in the town of Webster, county of Monroe, and to legalize and authorize the issuance of obligations of such notes

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Legislation findings. (a) It is hereby found and determined that the village board of trustees of the village of Webster, in the town of Webster, county of Monroe, and the village treasurer of such village undertook the following described actions in relation to the issuance of certain bond anticipation notes of said village:

(1) Pursuant to resolutions adopted by said village board of trustees on September 14, 2006 and September 28, 2006 and a certificate of the village treasurer of said village dated October 4, 2006, said village issued its bond anticipation note, dated October 4, 2006, in the principal amount of $715,000 maturing on October 3, 2007 to finance the cost of the object or purpose consisting of the reconstruction and rehabilitation of said village's sewage treatment plan grit system. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 27, 2007 and a certificate of the village treasurer of said village dated October 3, 2007, said bond anticipation note was renewed by the issuance of a renewal bond anticipation note, dated October 3, 2007, in the principal amount of $715,000 maturing on October 3, 2008. Thereafter, pursuant to a certificate of the village treasurer of said village dated October 3, 2008, a principal payment of $50,000 was made on said renewal bond anticipation note and said note was again renewed by the issuance of a renewal bond anticipation note, dated October 3, 2008, in the principal amount of $665,000 maturing on October 2, 2009. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 24, 2009 and a certificate of the village treasurer of said village dated October 2, 2009, a principal payment of $25,000 was made on said renewal bond anticipation note and said note was again

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

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renewed by the issuance of a renewal bond anticipation note, dated October 2, 2009, in the principal amount of $640,000 maturing on October 1, 2010. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 23, 2010 and a certificate of the village treasurer of said village dated October 1, 2010, a principal payment of $20,000 was made on said renewal bond anticipation note and said note was renewed by the issuance of a renewal bond anticipation note, dated October 1, 2010, in the principal amount of $620,000 maturing on September 30, 2011. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 29, 2011 and a certificate of the village treasurer of said village dated October 3, 2011, a principal payment of $15,000 was made on said renewal bond anticipation note and said note was renewed by the issuance of a renewal bond anticipation note, dated October 3, 2011, in the principal amount of $605,000 maturing on October 2, 2012.

(2) Pursuant to resolutions adopted by said village board of trustees on September 14, 2006 and September 28, 2006 and a certificate of the village treasurer of said village dated October 4, 2006, said village issued its bond anticipation note, dated October 4, 2006, in the principal amount of $400,000 maturing on October 3, 2007 to finance the cost of the object or purpose consisting of the reconstruction, rehabilitation, painting and metalizing of said village's water tank located at 1073 Webster Road within said village. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 27, 2007 and a certificate of the village treasurer of said village dated October 3, 2007, a principal payment of $25,000 was made on said bond anticipation note and said note was renewed by the issuance of a renewal bond anticipation note, dated October 3, 2007, in the principal amount of $375,000 maturing on October 3, 2008. Thereafter, pursuant to a certificate of the village treasurer of said village dated October 3, 2008, a principal payment of $25,000 was made on said renewal bond anticipation note and said note was again renewed by the issuance of a renewal bond anticipation note, date October 3, 2008, in the principal amount of $350,000 maturing on October 2, 2009. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 24, 2009 and a certificate of the village treasurer of said village dated October 2, 2009, a principal payment of $25,000 was made on said renewal bond anticipation note and said note was again renewed by the issuance of a renewal bond anticipation note, dated October 2, 2009, in the principal amount of $325,000 maturing on October 1, 2010. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 23, 2010 and a certificate of the village treasurer of said village dated October 1, 2010, a principal payment of $20,000 was made on said renewal bond anticipation note and said note was renewed by the issuance of a renewal bond anticipation note, dated October 1, 2010, in the principal amount of $305,000 maturing on September 30, 2011. Thereafter, pursuant to a resolution adopted by said village board of trustees on September 29, 2011 and a certificate of the village treasurer of said village dated October 3, 2011, a principal payment of $25,000 was made on said renewal bond anticipation note and said note was renewed by the issuance of a renewal bond anticipation note, dated October 3, 2011, in the principal amount of $280,000 maturing on October 2, 2012.

(3) Pursuant to resolutions adopted by said village board of trustees on April 23, 2009 and May 28, 2009 and a certificate of the village treasurer of said village dated June 5, 2009, said village issued its bond anticipation note, dated June 5, 2009, in the principal amount of

$500,000 maturing on June 4, 2010 to finance the cost of the object or purpose consisting of the reconstruction and rehabilitation of, upgrades and improvements to, and acquisition and installation of equipment at, said village's sewage treatment plant located at 613 Webster Road, Webster, New York. Thereafter, pursuant to a resolution adopted by said village board of trustees on June 1, 2010 and a certificate of the village treasurer of said village dated June 4, 2010, a principal payment of $25,000 was made on said bond anticipation note and said note was renewed by the issuance of a renewal bond anticipation note, dated June 4, 2010, in the principal amount of $475,000 maturing on June 3, 2011. Thereafter, pursuant to a resolution adopted by said village board of trustees on May 26, 2011 and a certificate of the village treasurer of said village dated June 3, 2011, a principal payment of $10,000 was made on said renewal bond anticipation note and said note was again renewed by the issuance of a renewal bond anticipation note, dated June 3, 2011, in the principal amount of $465,000 maturing on June 1, 2012.

(b) It is hereby further found and determined that the bond anticipation notes and renewal bond anticipation notes described in subdivision (a) of this section were not issued in compliance with the applicable provisions of the local finance law, in that: (i) the village board of trustees of the village of Webster in each case had not, prior to the issuance of such bond anticipation notes, adopted a bond resolution in accordances with sections 31.00 and 32.00 of the local finance law, which was subject to a permissive referendum in accordance with paragraph a of section 36.00 of the local finance law, for the purpose of authorizing the issuance of bonds of said village in anticipation of which such bond anticipation notes were issued; (ii) in the case of the renewal bond anticipation notes dated October 1, 2010, described in each of subdivisions 1 and 2 of paragraph a of section 36.00 of the local finance law, a principal portion of each such note was not redeemed and the unredeemed portion of such note was not further renewed until after the September 30, 2011 maturity date thereof; and (iii) in the case of each of the renewal bond anticipation notes, dated October 3, 2011, described in subdivisions 1 and 2 of paragraph a of such section, the term of said note extended more than five years beyond the date of issuance of the applicable original bond anticipation note dated October 4, 2006.

S 2. Notwithstanding the defects described in section one of this act, the bond anticipation notes and renewals thereof issued by the village of Webster, as described in section one of this act, and all resolutions, acts and proceedings heretofore adopted or taken by the board of trustees and the village treasurer of said village in relation thereto, are hereby validated, ratified and confirmed. Subject to the adoption by the village board of trustees of the village of Webster of one or more bond resolutions in accordance with sections 31.00 and 32.00 of the local finance law, such village is hereby authorized to hereinafter issue: (a) bonds or renewal bond anticipation notes in the aggregate principal amount of $590,000 for the purpose of refinancing the outstanding bond anticipation notes issued for the object or purpose described in paragraph (1) of subdivision (a) of section one of this act; (b) bonds or renewal bond anticipation notes in the aggregate principal amount of $255,000 of the purpose of refinancing the outstanding bond anticipation notes issued for the object or purpose described in paragraph (2) of subdivision (a) of section one of this act; and (c) bonds or renewal bond anticipation notes in the aggregate principal amount of $455,000 for the purpose of refinancing the outstanding bond

anticipation notes issued for the object or purpose described in paragraph (3) of subdivision (a) of section one of this act; provided, however, that:

(1) each such bond resolution shall not be subject to a permissive referendum in accordance with paragraph a of section 36.00 of the local finance law;

(2) notwithstanding the provisions of paragraph b of section 23.00 and paragraph b of section 21.00 of the local finance law, said village may issue one additional renewal bond anticipation note maturing not later than October 4, 2013 for each of the objects or purposes described in paragraphs (1) and (2) of subdivision (a) of section one of this act, and may provide for the first installment payment on the bonds issued for such objects or purposes to be made on any date on or before October 4, 2013; and

(3) in the event that the renewal bond anticipation note, dated June 3, 2011, described in paragraph (3) of subdivision (a) of section one of this act has, prior to the effective date of this act, been amended to extend the maturity date thereof, been renewed by another renewal bond anticipation note, or been redeemed in full, said village, following enactment of this act, shall have the authority, notwithstanding any such extension, renewal or redemption, to issue the bonds or renewal bond anticipation notes described in clause (iii) of subdivision (b) of section one of this act for the purpose of refinancing such extended or renewed bond anticipation notes or for the purpose of reborrowing the principal amount of such redeemed bond anticipation notes up to the maximum principal amount set forth in such clause (iii).

S 3. Except as otherwise set forth in this act, the bonds and bond anticipation notes, and renewals thereof, issued pursuant to this act shall be issued in accordance with the provisions of the local finance law.

S 4. If any clause, sentence, subdivision, paragraph, section or part of this act be adjudged by any court of competent jurisdiction, to be invalid, such judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, subdivision, paragraph, section or part thereof directly involved in the controversy in which such judgment shall have been rendered.

S 5. This act shall take effect immediately.