

6947

I N S E N A T E

April 7, 2014

Introduced by Sen. LITTLE -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT making certain findings and determinations with respect to bond anticipation notes and serial bonds issued by the village of Whitehall, in the town of Whitehall and county of Washington, and validating and legalizing such notes and bonds

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

1 Section 1. Legislative findings. It is hereby found and determined
2 that pursuant to a bond resolution dated April 5, 2001, as amended by a
3 bond resolution dated April 7, 2005, the board of trustees of the
4 village of Whitehall, in the town of Whitehall and county of Washington,
5 authorized the issuance of serial bonds of the village in an aggregate
6 principal amount not to exceed \$2,772,792, and bond anticipation notes
7 in anticipation of the sale of such bonds, to finance the construction
8 of certain improvements to such village's sewer system in order to bring
9 it into compliance with a stipulation agreement between the village and
10 the department of environmental conservation; that in order to finance
11 the cost of the capital improvements authorized by said bond resolution,
12 as so amended: (i) on November 3, 2000, the village issued a bond antic-
13 ipation note in the principal amount of \$450,000, maturing on November
14 2, 2001; (ii) on November 2, 2001, the village issued a bond antic-
15 ipation note in the principal amount of \$450,000, maturing on November
16 1, 2002, to renew in full the bond anticipation note maturing on Novem-
17 ber 2, 2001; (iii) on June 6, 2002, the village issued a bond antic-
18 ipation note in the principal amount of \$1,970,234, maturing on June 6,
19 2005, to refinance the balance of the bond anticipation note maturing on
20 November 1, 2002 and to finance additional costs of said capital
21 improvements; (iv) on November 1, 2002, the village made a principal
22 payment of \$11,100 on the bond anticipation note maturing on June 6,
23 2005; (v) on November 4, 2003, the village made a principal payment of
24 \$11,200 on the bond anticipation note maturing on June 6, 2005; (vi) on
25 November 4, 2004, the village made a principal payment of \$11,300 on the
26 bond anticipation note maturing on June 6, 2005; and (vii) on June 2,

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

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1 2005, the village issued serial bonds in the aggregate principal amount
2 of \$1,155,748, maturing on November 1, in the years 2005 through 2034,
3 to refinance the balance of the bond anticipation note maturing on June
4 6, 2005; that pursuant to bond resolutions dated January 25, 2005, Janu-
5 ary 26, 2006, July 6, 2006 and November 6, 2006, the board of trustees
6 of such village authorized the issuance of serial bonds of the village
7 in an aggregate principal amount not to exceed \$9,997,000, and bond
8 anticipation notes in anticipation of the sale of such bonds, to finance
9 the construction of certain improvements to the village's water system
10 in order to bring it into compliance with a stipulation agreement
11 between such village and the department of health; that in order to
12 finance the cost of the capital improvements authorized by said bond
13 resolutions: (a) on February 24, 2005, the village issued a bond antic-
14 ipation note in the principal amount of \$200,000, maturing on February
15 23, 2006; (b) on February 23, 2006, the village issued a bond antic-
16 ipation note in the principal amount of \$300,000, maturing on February
17 22, 2007, to renew in full the bond anticipation note maturing on Febru-
18 ary 23, 2006 and to finance additional costs of said capital improve-
19 ments; (c) on May 17, 2006, the village issued a bond anticipation note
20 in the principal amount of \$100,000, maturing on May 16, 2007; (d) on
21 August 10, 2006, the village issued a bond anticipation note in the
22 principal amount of \$500,000, maturing on August 9, 2007; (e) on Decem-
23 ber 7, 2006, the village issued a bond anticipation note in the princi-
24 pal amount of \$1,500,000, maturing on December 6, 2007; (f) on February
25 22, 2007, the village made a principal payment of \$5,000 on the bond
26 anticipation note maturing on such date and issued a bond anticipation
27 note in the principal amount of \$295,000, maturing on February 21, 2008,
28 to renew the balance of such note; (g) on May 16, 2007, the village
29 issued a bond anticipation note in the principal amount of \$100,000,
30 maturing on May 15, 2008, to renew in full the bond anticipation note
31 maturing on May 16, 2007; (h) on June 28, 2007, the village issued a
32 bond anticipation note in the amount of \$7,462,287, maturing on June 28,
33 2010, to refinance the balance of the bond anticipation notes maturing
34 on August 9, 2007, December 6, 2007, February 21, 2008 and May 15, 2008
35 and to finance additional costs of said capital improvements; (i) on
36 February 21, 2008, the village made a principal payment of \$7,500 on the
37 bond anticipation note maturing on June 28, 2010; (j) on February 20,
38 2009, the village made a principal payment of \$10,500 on the bond antic-
39 ipation note maturing on June 28, 2010; (k) on February 18, 2010, the
40 village made a principal payment of \$10,500 on the bond anticipation
41 note maturing on June 28, 2010; (l) on June 25, 2010, the village made a
42 principal payment of \$210,402 on the bond anticipation note maturing on
43 June 28, 2010; (m) on July 13, 2010, pursuant to chapter 170 of the laws
44 of 2010, the bond anticipation notes and renewals thereof previously
45 issued by the village to finance the cost of said capital improvements
46 and authorized the village to issue bonds or bond anticipation renewal
47 notes in the aggregate principal amount of \$7,768,500 to finance the
48 cost of said capital improvements; and (n) on September 28, 2010, the
49 village issued serial bonds in the form of a statutory installment bond
50 in the principal amount of \$7,753,098, maturing on February 18, 2040, to
51 refinance the balance of the bond anticipation note maturing on June 28,
52 2010 and to finance additional costs of said capital improvements; that
53 the principal payment of \$210,402 made on June 25, 2010 on the bond
54 anticipation note maturing on June 28, 2010, issued to finance the
55 construction of said water system improvements, was made from the
56 proceeds of the bond anticipation note maturing on June 6, 2005, issued

1 to finance the construction of said sewer system improvements; that said
2 principal payment was not in compliance with the applicable provisions
3 of the local finance law because the proceeds of obligations authorized
4 pursuant to a bond resolution are required by the provisions of sections
5 32.00, 165.00 and 169.00 of the local finance law to be expended only
6 for the object or purpose for which such obligations were issued; that,
7 further, said principal payment was not in compliance with the applica-
8 ble provisions of the local finance law because it was made from the
9 proceeds of said bond anticipation note and not from a source other than
10 the proceeds of said bond anticipation note as required by the
11 provisions of sections 21.00, 23.00 and 169.00 of the local finance law.

12 S 2. Notwithstanding the defects described in section one of this act,
13 the bond anticipation notes and renewals thereof and the serial bonds
14 issued by the village of Whitehall, as described in section one of this
15 act, and all resolutions, acts and proceedings adopted or taken by the
16 board of trustees and the treasurer of such village in relation thereto,
17 are hereby validated, ratified and confirmed.

18 S 3. If any clause, sentence, subdivision, paragraph, section or part
19 of this act be adjudged by any court of competent jurisdiction to be
20 invalid, and after exhaustion of all further judicial review, the judg-
21 ment shall not affect, impair or invalidate the remainder thereof but
22 shall be confined in its operation to the clause, sentence, subdivision,
23 paragraph, section or part of this act directly involved in the contro-
24 versy in which the judgment shall have been rendered.

25 S 4. This act shall take effect immediately.