

STATE OF NEW YORK

6465

2019-2020 Regular Sessions

IN SENATE

June 12, 2019

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.

LBD13334-01-9

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

If bond anticipation notes are issued in an amount in excess of the deficits determined by the state comptroller, the city of Amsterdam shall redeem from funds other than the proceeds of the bonds or bond anticipation notes, such bond anticipation notes in the amount by which the amount of bond anticipation notes exceeds the amount of such deficits as determined by the state comptroller.

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

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

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

Such budgetary reports shall compare revenue estimates and appropriations as set forth in such budget with the actual revenues and expenditures made to date. All such quarterly budgetary reports shall be accompanied by recommendations of the mayor setting forth any remedial action necessary or desirable to resolve any unfavorable budget variance including the over-estimation of revenues and the under-estimation of expenditures. Each such quarterly budgetary report shall be completed within thirty days after the end of each quarter and shall be submitted to each member of the common council of the city of Amsterdam, the director of the division of the budget, the state comptroller, and the chairs of the senate finance committee and the assembly ways and means committee.

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