

STATE OF NEW YORK

7902

2025-2026 Regular Sessions

IN ASSEMBLY

April 11, 2025

Introduced by M. of A. SMULLEN -- read once and referred to the Committee on Cities

AN ACT in relation to authorizing the city of Little Falls, in the county of Herkimer, to finance certain deficits 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. Short title. This act shall be known and may be cited as
2 the "city of Little Falls fiscal recovery act".

3 § 2. The city of Little Falls, county of Herkimer, is hereby author-
4 ized to issue serial bonds, subject to the provisions of section 10.10
5 of the local finance law, on or before October 1, 2026, in an aggregate
6 principal amount not to exceed three million four hundred thousand
7 dollars (\$3,400,000) for the specific object or purpose of liquidating
8 deficits in its general, golf, and water funds expected at the close of
9 its fiscal year ending December 31, 2025, including any remaining prin-
10 cipal amount of any budget, deficiency, and/or revenue anticipation
11 notes outstanding at the time of such issuance of such serial bonds or
12 notes authorized pursuant to this act. In anticipation of the issuance
13 and sale of such serial bonds, bond anticipation notes are hereby
14 authorized to be issued.

15 § 3. Notwithstanding any provision of this act to the contrary, the
16 city of Little Falls shall not issue any bonds for the purpose of liqui-
17 dating the deficits described in section two of this act unless and
18 until the state comptroller shall first review and confirm the existence
19 of such deficits, as well as certify the amounts of such deficits. The
20 city of Little Falls shall prepare a report detailing the amount and
21 cause of such deficits and submit such report together with such city's
22 independent audit report for its last completed fiscal year, if any such
23 audit report has been or is to be prepared, and such other information
24 as the state comptroller may deem necessary, to the state comptroller,
25 as well as the chairs of the senate finance committee and the assembly

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

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1 ways and means committee, at least thirty days prior to the issuance of
2 any bonds pursuant to this act. Within thirty days after receiving such
3 report, the state comptroller shall perform such reviews as may be
4 necessary to determine the amount of such deficits and report the same
5 to the chairs of the senate finance committee and the assembly ways and
6 means committee, the mayor and the common council of the city of Little
7 Falls. Bonds to liquidate each such deficit shall not be issued in an
8 amount exceeding such deficit as determined by the state comptroller.
9 Nothing provided in this act shall prevent the city of Little Falls from
10 authorizing the issuance of bonds or bond anticipation notes, and issu-
11 ing bond anticipation notes, prior to the determination of the state
12 comptroller of the amount of such deficits. If bond anticipation notes
13 are issued in an amount in excess of the amounts determined by the state
14 comptroller, the city of Little Falls shall redeem from funds other than
15 the proceeds of the bonds or bond anticipation notes, such bond antic-
16 ipation notes in the amount by which the amount of bond anticipation
17 notes exceeds the amount of such deficits as determined by the state
18 comptroller.

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

30 § 5. (a) For each fiscal year occurring during the time bonds and/or
31 bond anticipation notes issued pursuant to this act are outstanding, the
32 mayor of the city of Little Falls shall prepare a quarterly report of
33 summarized budget data depicting overall trends of actual revenues and
34 budget expenditures for the entire budget rather than individual line
35 items. Such budgetary reports shall compare revenue estimates and appro-
36 priations as set forth in such budget with the actual revenues and
37 expenditures made to date. All such quarterly budgetary reports shall be
38 accompanied by recommendations of the mayor setting forth any remedial
39 action necessary or desirable to resolve any unfavorable budget variance
40 including the over-estimation of revenues and the under-estimation of
41 expenditures. Each such quarterly budgetary report shall be completed
42 within thirty days after the end of each quarter and shall be submitted
43 to each member of the common council of the city of Little Falls, the
44 director of the division of the budget, the state comptroller, and the
45 chairs of the senate finance committee and the assembly ways and means
46 committee.

47 (b) For each fiscal year occurring during the time bonds and/or bond
48 anticipation notes issued pursuant to this act are outstanding, the
49 mayor of the city of Little Falls shall also prepare a quarterly trial
50 balance of general and special fund ledger accounts. Each such quarterly
51 trial balance shall be prepared in accordance with generally accepted
52 accounting principles. Each such quarterly trial balance shall be
53 completed within thirty days after the end of each quarterly period and
54 shall be submitted to each member of the common council of the city of
55 Little Falls, the director of the division of the budget, the state

1 comptroller, and the chairs of the senate finance committee and the
2 assembly ways and means committee.

3 (c) Within ninety days of the issuance of any debt pursuant to this
4 act and for each fiscal year thereafter during which such debt or any
5 debt incurred to refund such debt is outstanding, the mayor of the city
6 of Little Falls or other officer or officers responsible for the prepa-
7 ration of the tentative budget of the city of Little Falls, within thir-
8 ty days after the final adoption of the budget for the next succeeding
9 fiscal year, shall prepare a three-year financial plan covering the next
10 succeeding fiscal year and the two fiscal years thereafter. Such finan-
11 cial plan shall, at a minimum, contain the information required to be
12 provided in a three-year financial plan as prescribed by subdivision 10
13 of section 54 of the state finance law. Copies of such financial plan
14 shall be provided to the mayor and chief fiscal officer of the city of
15 Little Falls, the director of the budget, the state comptroller, the
16 chair of the assembly ways and means committee and the chair of the
17 senate finance committee. The state comptroller shall examine such
18 three-year financial plan and make such recommendations as deemed appro-
19 priate thereon. The mayor of the city of Little Falls or other officer
20 or officers who prepared such three-year financial plan shall review any
21 such recommendations and make adjustments to such three-year financial
22 plan consistent with such recommendations made by the state comptroller.
23 This financial plan requirement shall not apply to the extent the city
24 of Little Falls is subject to a different multi-year financial plan
25 requirement under state law.

26 (d) For each fiscal year occurring during the time bonds and/or bond
27 anticipation notes issued pursuant to this act are outstanding, the
28 mayor or chief fiscal officer of the city of Little Falls shall notify
29 the state comptroller at least fifteen days prior to the issuance of any
30 bonds or notes or entering into any installment purchase contract and
31 the state comptroller may review and make recommendations regarding the
32 affordability to the city of Little Falls of any such proposed issuance
33 or contract. The state comptroller may require the submission by the
34 city of Little Falls of such information as the state comptroller shall
35 deem necessary to complete such state comptroller's review.

36 § 6. Severability clause. If any clause, sentence, paragraph, subdivi-
37 sion, section or part of this act shall be adjudged by any court of
38 competent jurisdiction to be invalid, such judgment shall not affect,
39 impair, or invalidate the remainder thereof, but shall be confined in
40 its operation to the clause, sentence, paragraph, subdivision, section
41 or part thereof directly involved in the controversy in which such judg-
42 ment shall have been rendered. It is hereby the intent of the legisla-
43 ture that this act would have been enacted even if such invalid
44 provisions had not been included herein.

45 § 7. This act shall take effect immediately.