§ 15-2129. Financing.

1. After the cost of any improvement made or to be made under title 21 of this article has been apportioned among the public corporations and parcels of real estate benefited as herein provided and after such apportionment has been assessed upon such public corporations and parcels of real estate, the board may finance the cost of any such improvement pursuant to the Local Finance Law. Any bonds issued for such purposes shall not be construed in any event as bonds or indebtedness of the state, and the state shall not be obligated to pay the principal or interest therefor. Such bonds shall be lawful investments for trustees and savings banks of the state and for any of the funds of the state which by law may be invested.

2. The board shall annually include in the installment of the assessment to be collected in that year a sum sufficient to provide for the payment of the principal of and interest on obligations issued for such purposes and maturing in that year.

3. The proceeds of the sale of obligations issued for the purposes of title 21 of this article, together with all other revenues of the board from whatever source derived, shall be deposited in such national or state bank or banks or trust company or trust companies at Albany or within the regulating district as are approved by the Comptroller and the board, subject, however, to the provisions of section 165.00 of the Local Finance Law. Before any such deposit is made the Comptroller shall require from any such bank or trust company security for repayment of the same to such board or to the Comptroller upon demand for the money so deposited in the manner provided in section 106 of the State Finance Law. All moneys received by the board under the provisions of title 21 of this article, except from assessments levied to pay the cost of construction, shall constitute a fund to be known as the "general fund" of the district.

4. All moneys received from assessments levied to pay the cost of construction, together with such part of any surplus in the "general fund" as shall be determined by the board over and above the

requirements for the construction, maintenance and operation of the reservoir, including the amount raised for a reasonable return to the state, shall constitute a separate fund, to be known as the "debt service fund," the moneys in which shall be applied to the payment of principal of and interest on obligations issued for the purposes of title 21 of this article, except when the total cost of construction is paid without the issuance of obligations, in which case the moneys applicable thereto shall be paid into the "general fund." Any installment or installments of the assessment which shall become payable before any obligations have been issued, shall be paid by the Comptroller into the "general fund" and applied to the payment of the cost of construction. The Comptroller is authorized and directed to pay from the "debt service fund" the principal of and interest on obligations issued for the purposes of title 21 of this article.

5. All moneys in said "debt service fund" shall be applied by the Comptroller to the payment of the principal of and interest on such obligations, except as aforesaid, and to the purchase of the same in the open market when possible and while awaiting such purchase such excess shall be invested or kept at interest in the same manner as sinking funds of the state of like nature are invested. If any moneys remain in the "debt service fund" after all outstanding obligations have been paid up and redeemed, such moneys shall be paid into the "general fund" and may be used to pay the expenses of maintenance and operation and other expenses.

6. The board may invest and reinvest any moneys of the "general fund" which are not required to be deposited in accordance with the provisions of section 165.00 of the Local Finance Law. Any such investment shall be made only in obligations of the federal government and the State of New York, and in certificates of deposit of banks or trust companies or in bank or trust accounts of banks in this state, secured by obligations of the United States of America or of the state of New York of a market value equal at all times to the amount of the deposit and with the approval of the Comptroller. The board may sell and dispose of any securities purchased for investment pursuant to this paragraph at any time with the consent of the Comptroller, and the proceeds thereof shall

be paid to the Comptroller and deposited in the "general fund."

7. Any obligations purchased for investment pursuant to this section shall be delivered by the seller to the Comptroller who shall be the custodian thereof until the same are sold or otherwise disposed of. The Comptroller also shall collect the income of such investments and deposit such income in the "general fund." Except that certificates of deposit purchased for the Black river regulating district shall be retained in the office of the said Black river regulating district at Watertown, New York and a statement shall be filed with the Comptroller listing such certificate or certificates, the amount thereof, the interest due and payable thereon, the mateurity date thereof, the issuer of such certificate and such other information as shall be required by the Comptroller.

8. All payments from the "general fund" of the district shall be made by requisition of the board signed by the board or by the officer or officers thereof authorized by it so to do and audited and countersigned by the Comptroller.

9. The board shall keep in suitable books a complete record of its financial transactions, and the books shall be audited from time to time by the Comptroller.