§ 107.00 Down payment. a. As used in this section the term "current funds" shall include:

1. Budgetary appropriations for capital improvements or equipment, which appropriations have not lapsed.

2. The proceeds of capital notes issued for the payment of the cost of capital improvements or equipment.

3. Revenues other than real estate taxes or assessments, which have been collected or received during a fiscal year in excess of the total amount of such revenues as estimated for such fiscal year, and surplus funds and unexpended balances, which are available to be applied toward the payment of the cost of capital improvements or equipment.

4. Capital reserve funds established pursuant to section six-c of the general municipal law.

5. The trade-in allowance received for any equipment traded in as part of the cost of equipment being purchased.

Nothing herein contained shall be construed to permit the diversion of the proceeds of budgetary appropriations, capital notes, or capital reserve funds to a purpose other than that for which such appropriations, capital notes, or capital reserve funds, respectively, were made, issued or established.

b. No municipality shall:

1. Issue bonds or bond anticipation notes for a specific capital improvement or items of equipment or several specific capital improvements or items of equipment or a combination thereof, or

2. Make expenditures for a specific capital improvement from the proceeds of bonds or bond anticipation notes issued for a class or classes of capital improvements or from a fund into which the proceeds of bonds or bond anticipation notes are paid

unless it shall have first provided from current funds a sum of money sufficient to pay at least five per centum of the estimated cost of each such capital improvement or such equipment. The term "estimated cost", as used in this paragraph, shall not include (a) the portion of the cost of any capital improvement which is to be paid by the United States or the state of New York or which is to be paid from funds, other than loans, granted to such municipality therefor by the United States or the state of New York, or (b) the portion of the cost of any capital improvement which is to be paid by assessments upon benefited real property in an area less than the area of the municipality.

c. 1. During the first fiscal year of a city commencing on or after July first, nineteen hundred forty-four, in which its debt-contracting power has been exhausted by more than fifty per centum and in which its net indebtedness is in excess of one hundred twenty-five million dollars, such minimum percentage to be provided by such city from current funds, as prescribed in paragraph b of this section, shall be increased by nine per centum. Thereafter, during each succeeding fiscal year such minimum percentage to be provided from current funds shall be increased by two per centum over and above the minimum percentage required for the preceding fiscal year, notwithstanding any increase in the amount of the debt-contracting power of any such city during such succeeding fiscal years. For the purposes of this subdivision the term "current funds" shall include only budgetary appropriations for capital improvements or equipment which appropriations have not lapsed, or the proceeds of capital notes issued for the payment of the cost of capital improvements or equipment.

2. The term "net indebtedness" used in this paragraph shall mean the total net indebtedness as ascertained pursuant to section 138.00 of this chapter. The percentage of debt-contracting power exhausted shall be computed pursuant to the provisions of subdivision two of paragraph a of section 140.00 of this chapter.

d. The provisions of this section shall not apply to:

1. Bonds to be issued to redeem bond anticipation notes previously

issued.

2. Judgments, other than for capital improvements.

3. The following capital improvements:

(a) The acquisition, construction, reconstruction or equipment of or addition to a water supply or distribution system, whether or not including land.

(b) A capital improvement which the finance board by resolution estimates will be self-sustaining.

(c) The acquisition, construction or equipment of or addition to rapid transit railroads, whether or not including land.

(d) The acquisition, construction, reconstruction or equipment of or addition to electric light and power or gas plants or systems, whether or not including land.

(e) The acquisition, construction, reconstruction of or addition to docks, piers or wharf property, whether or not including land.

(f) The acquisition, construction, reconstruction of or addition to a bridge or a tunnel and the approaches thereto, whether or not including land, the cost of which is estimated to exceed ten million dollars.

(g) A capital improvement, the cost of which is estimated to exceed twenty million dollars.

(h) A capital improvement, the cost of which is estimated to exceed one million dollars and part of which cost is to be paid by assessments upon benefited real property in an area less than the area of the municipality.

(i) A capital improvement, of which at least fifty per centum of the cost is to be paid by assessments upon benefited real property in an area less than the area of the municipality, whether or not the cost of such improvement is estimated to be in excess of one million dollars.

(j) A capital improvement or the acquisition of equipment, when necessitated by some destructive agency or to prevent the happening of a calamity. The finance board, shall, by a four-fifths vote of its voting strength, determine when such an emergency exists. The determination of the finance board as to the existence of such an emergency shall be conclusive.

(k) The construction, reconstruction and equipment of city hospitals

and schools, whether or not including land, if the bonds authorized for any such object or purpose shall have a maximum maturity not to exceed one-half of the maximum period of probable usefulness for any such object or purpose prescribed in paragraph a of section 11.00 of this chapter. Such maximum maturity shall be computed from the date of the bonds or the date of the first bond anticipation note issued in anticipation of such bonds, whichever date is the earlier, and shall not exceed fifteen years in any event.

(l) The acquisition, construction, reconstruction, or equipment of or addition to facilities for the conveyance, treatment and disposal of sewage, whether or not including land.

(m) The cost of the preparation, pursuant to section ninety-nine-d of the general municipal law, of surveys, preliminary plans and detailed plans, specifications and estimates necessary for planning for a capital improvement which it is contemplated might be undertaken in the future.

4. The financing by any municipality of any object or purpose, if the bonds authorized for any such object or purpose shall have a maximum maturity not to exceed one-half of the maximum period of probable usefulness. Such maximum maturity shall be computed from the date of the bonds or the date of the first bond anticipation note issued in anticipation of such bonds, whichever date is the earlier, and shall not exceed fifteen years in any event.

5. The financing by any municipality of any object or purpose which has a period of probable usefulness of five years, or less, as prescribed in paragraph a of section 11.00 of this chapter.

6. The financing by any municipality of any urban renewal program or part thereof having a period of probable usefulness determined pursuant to subdivision forty-one-a of section 11.00 of this chapter.

7. The financing by any municipality of any object or purpose which has a period of probable usefulness prescribed in subdivision forty-one or subdivision forty-one-b of paragraph a of section 11.00 of this chapter.

8. Notwithstanding any other provision of law, the financing by the city of New York prior to July first, two thousand twenty-seven of any object or purpose which has a period of probable usefulness determined by law by the issuance of any bonds or notes, including (i) the issuance of bonds or notes to obtain reimbursement for funds heretofore advanced for the object or purpose for which the bonds or notes are being issued, (ii) the issuance of bonds or notes to redeem notes previously issued for the object or purpose for which the bonds or notes are being issued or (iii) the issuance of bonds to refund bonds previously issued for the object or purpose for which bonds are being issued.

9. Notwithstanding any other provision of law, the financing by any municipality, prior to July fifteenth, two thousand twenty-seven, of any object or purpose which has a period of probable usefulness determined by law, by the issuance of any bonds and notes, including (i) the issuance of bonds or notes, to redeem notes previously issued for the object or purpose for which the bonds or notes are being issued or (ii) the issuance of bonds to refund bonds previously issued for the object or purpose for which bonds are being issued.