

An Emergency Meeting of the City Council of the City of Newburgh was held on Wednesday, June 1, 2011 at 2:40 P.M. in the Council Chambers, City Hall, 83 Broadway, Newburgh, NY 12550

The Pledge of Allegiance was led by Mayor Valentine.

Present: Mayor Valentine, presiding; Councilwoman Angelo, Councilwoman Bello, Councilman Dillard-4

Absent: Councilwoman Bell- 1

Acting City Manager Richard Herbek read and City Comptroller Cheryl Gross explained the resolution and the reason for this emergency meeting.

RESOLUTION NO.: 115-2011

OF

JUNE 1, 2011

**A RESOLUTION REQUESTING THE STATE LEGISLATURE TO ENACT
SENATE BILL S4938A AND ASSEMBLY BILL A7442A TO AMEND
SECTION 5 OF CHAPTER 223 OF THE LAWS OF 2010 RELATING TO
AUTHORIZING THE CITY OF NEWBURGH TO ISSUE BOND
ANTICIPATION NOTES (BANs) FOR AN ADDITIONAL YEAR FOR THE
PURPOSE OF LIQUIDATING CERTAIN DEFICITS**

BE IT RESOLVED, by the Council of the City of Newburgh, New York that this Council does hereby make a Home Rule Request pursuant to the Municipal Home Rule Law of the State of New York that the Senate and Assembly of New York enact Senate Bill S4938A and Assembly Bill A7442A, a copy of which is annexed hereto, to amend Section 5 of Chapter 223 of the Laws of 2010, relating to authorizing the City of Newburgh to issue Bond Anticipation Notes (BANs) for an additional year for the purpose of liquidating certain deficits, same as being in the best interests of the City of Newburgh.

The comptroller pointed out they just received by overnight mail an amendment from Senator Larkin's office. The council had previously approved a Home Rule Request to change the deficit finance. It was requested that it remain a BAN instead of the bond requirement, which was what the legislation did. She pointed out the council had requested four years. But when it went to Committee the State came back and only offered the City one year. The change, because it amends what the council has previously authorized, must be approved. The one year extension on the BAN will save us \$200,000 in next year's budget. The State wants to see how we do in one year. The City can reapply for an additional year after that period. The State needs the paperwork back by tomorrow; hence that is why we are here now.

Councilwoman Bello questioned why we were given so little notice about it.

The comptroller responded that would be a question to present to Senator Larkin.

Mayor Valentine remarked that the consensus is that they were very surprised by this. The council members received a phone call about a half hour before they met this afternoon. He stated on behalf of his colleagues that they never like to throw surprise meetings. Usually everyone thinks that something is being done underhandedly when a meeting is convened on the spot like this. He can not even recall a time during his tenure when a meeting was called so quickly.

The comptroller explained that if we did not convene this meeting, then the city manager would not be able to sign it. It has to be signed before it can go before the Committee. She pointed out the State closes its session on June 20th, so time is of the essence. Without the necessary signatures it is not even going to make it to the Floor. She pointed out that the only change is in the number of years. Yet it is very important because it is going to save the city a substantial amount of interest in next year's budget.

Richard Herbek remarked that the council is going to be getting an update at next month's work session on June 16th. The auditors will be on hand to give them an update on the financial statements and the status of the deficit for 2010. The amount of the BAN will be based on the final statement.

Councilwoman Angelo moved and Councilwoman Bello seconded that the resolution be adopted.

Ayes- Councilwoman Angelo, Councilwoman Bello, Councilman Dillard, Mayor Valentine-4

ADOPTED

There being no further business to come before the council the meeting adjourned at 2:45 P.M.

RESPECTFULLY SUBMITTED,

**KATRINA COTTEN
DEPUTY CITY CLERK**