

Establishing A Restricted Capital Reserve Fund For The Government Operations Center Of The County Of Ulster Under Section 6-C Of The New York State General Municipal Law

Referred to: The Public Works, Capital Projects and Transportation Committee (Chairwoman Petit and Legislators Erner, Fabiano, Litts, and Nolan), and The Ways and Means Committee (Chairman Gavaris and Legislators Cahill, Criswell, Roberts, and Ronk)

Chair of the Legislature, Tracey A. Bartels, offers the following:

WHEREAS, Resolution No. 444 of 2021 established Capital Project No. 607 for the Ulster County Government Operations Center (“GOC”); and

WHEREAS, the Government Operations Center was anticipated to cost twenty-five million dollars (\$25,000,000.00) upon the adoption of the 2023-2028 Capital Improvement Program, and is currently estimated to cost thirty-two million dollars (32,000,000.00); and

WHEREAS, the Legislature seeks the establishment of an Restricted Capital Reserve – GOC Fund to protect taxpayers from unsustainable and unpredictable fluctuations in the costs of construction, reconstruction, or acquisition of the Government Operations Center; and

WHEREAS, General Municipal Law Section 6-C allows the governing board of any county, city, village, town or sewer and water improvement district to establish capital reserve funds for the financing of all or part of the cost of the construction, reconstruction, or acquisition of a specific capital improvement; and

WHEREAS, upon closing of the 2021 financials, Ulster County ended with an unrestricted fund balance of over \$94 million, or 31% of total General Fund expenditures and operating transfers out; and

WHEREAS, a surplus is anticipated for the year ended December 31, 2022; and

WHEREAS, Ulster County’s adopted Fund Balance Policy requires unrestricted fund balance within the General Fund to be between 15% and 20% of current General Fund operating expenditures; now, therefore be it

RESOLVED, that twenty-nine million dollars (\$29,000,000.00) from unassigned fund balance is hereby restricted for the establishment of a Restricted Capital Reserve Fund for Capital Project No. 607 - Government Operations Center and, be it further

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RESOLVED, such fund is to be known as the “Restricted Capital Reserve – GOC Fund of the County of Ulster” (the “Fund”); and, be it further

RESOLVED, the Restricted Capital Reserve – GOC Fund is accounted for within the Restricted Fund Balance; and, be it further

RESOLVED, there may be paid into such Fund such amounts as may be provided therefore by budgetary appropriation or raised by tax therefore, and such revenues as are not required by law to be paid into any other fund or account, including the proceeds from the sale of any capital improvement or equipment owned by the County; and, be it further

RESOLVED, moneys in such Fund may be appropriated:

- a. To finance any object or purpose for the construction, reconstruction, or acquisition of Capital Project No. 607 - Government Operations Center for which bonds may be issued.
- b. For the payment of interest on and principal of indebtedness, other than indebtedness evidenced by bonds and notes described in paragraphs A and D of section five of article eight of the state constitution, and indebtedness for assessable improvements or renewals thereof, all or part of the unexpended balance remaining in a fund established for the Government Operations Center. Any such appropriation may not be made unless the improvement has been completed or acquired, and shall not include any moneys required to satisfy all outstanding claims arising from the construction, reconstruction or acquisition of such capital improvement.

and, be it further

RESOLVED, the Ulster County Commissioner of Finance shall account for the Fund separate and apart from all other funds of the County of Ulster; and such accounting shall show: the source, date and amount of each sum paid into the Fund; the interest earned by such Fund; capital gains or losses resulting from the sale of investments of the Fund; the interest or capital gains which have accrued to the fund; the order, source thereof, date and amount of each appropriation and withdrawal from this Fund; the assets of the Fund, indicating cash balance therein and a schedule of the amounts invested in federal or state obligations; and, be it further

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RESOLVED, not later than sixty (60) days after the start of each fiscal year and at such times as may be required by the Ulster County Legislature (the “Legislature”) or the Ulster County Executive (the “Executive”), the Commissioner of Finance shall furnish to the Legislature and the Executive a detailed report of the operation and condition of the Fund during the preceding fiscal year which shall include a statement of receipts and disbursements, and a statement of the balance of the Fund as of the last day of such preceding fiscal year and such other dates as may be specified by the Legislature; Not later than thirty (30) days prior to the last date provided by the Ulster County Charter (the “Charter”) for the filing of the executive capital budget, the Commissioner of Finance shall furnish to the County Executive a statement of the current balance of the Fund; and, be it further

RESOLVED, that out of the ending unassigned fund balance for the fiscal year ended December 31, 2022, the sum of twenty-nine million dollars (\$29,000,000.00) be and the same hereby is restricted for said Restricted Capital Reserve Fund for the Government Operations Center of the County of Ulster, and the Commissioner of Finance of the County is hereby authorized, empowered, and directed to transfer from said unassigned fund balance the said sum of twenty-nine million dollars (\$29,000,000.00) dollars to said Fund; and, be it further

RESOLVED, such additional sums as may hereafter be appropriated shall become part of said Fund; and, be it further

RESOLVED, any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become a part of such Restricted Capital Reserve Fund; and, be it further

RESOLVED, an expenditure shall be made from the Fund only by authorization of the Legislature for the Ulster County Government Operations Center, the cost of which may be financed therefrom; If it is later determined that a part of the cost of such capital improvement is to be borne by assessments for benefit or ad valorem taxes upon real property within an area of benefit within a municipality, such fund may be expended to pay all or part of the share to be borne by the municipality at large,

and move its adoption.

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ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

No Action in Committee: Public Works, Capital Projects and Transportation on June 5, 2023

Referred to the Law Enforcement and Public Safety Committee in Committee: Ways and Means on June 6, 2023

Passed Committee: Public Works, Capital Projects and Transportation on _____.

Passed Committee: Ways and Means on _____.

FINANCIAL IMPACT:

\$29,000,000.00 – RESTRICTED CAPITAL RESERVE - GOC FUND