

Establishing A Restricted Capital Reserve Fund - Bridge Capital Reserve - Under Section 6-C Of The New York State General Municipal Law

Referred to: The Public Works, Capital Projects and Transportation Committee (Chair Nolan and Legislators Donaldson, Kovacs, Litts, and McCollough), and The Ways and Means Committee (Chairman Gavaris and Legislators Collins, Hansut, Kovacs, Nolan, and Roberts)

Chair of the Legislature, Peter J. Criswell, offers the following:

WHEREAS, this resolution has been requested by the County Executive; and

WHEREAS, the 2025 - 2030 proposed Capital Improvement Program has outlined various capital improvements to County-owned bridge infrastructure; and

WHEREAS, the Ulster County Executive is requesting the Ulster County Legislature establish a Restricted Capital Reserve – Bridge Capital Reserve to provide ten million dollars (\$10,000,000.00) in funding to offset the costs of bridge projects to protect taxpayers from unsustainable and unpredictable fluctuations in the costs of construction, reconstruction, or acquisition of such capital improvements; and

WHEREAS, these investments are intended to preserve and extend the useful life of County-owned bridges; 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 type of capital improvement; and

WHEREAS, upon closing of the 2023 financials, Ulster County ended with an unrestricted fund balance of over \$102 million, or 27% of total General Fund expenditures and operating transfers out; and

WHEREAS, a surplus is anticipated for the year ended December 31, 2024; and

WHEREAS, Ulster County's adopted Fund Balance Policy requires the 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 ten million dollars (\$10,000,000.00) from unassigned fund balance is hereby restricted for the establishment of a Restricted Capital Reserve Fund for the Ulster County Bridge Capital Reserve; and, be it further

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

RESOLVED, the Restricted Capital Reserve – Bridge Capital Reserve 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 the Fund may be appropriated:

a. To finance any object or purpose for the construction, reconstruction, or acquisition of county-owned bridge capital improvements 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 construction, reconstruction, or acquisition of county-owned bridge capital improvements. 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 Executive and the members of the Legislature, as trustees of the moneys in the Fund, shall be subject to all the duties and responsibilities imposed by law on trustees, and such duties and responsibilities may be enforced by the Executive and the Legislature, or by any officer or taxpayer thereof; and, be it further

RESOLVED, any officer of the County shall be found guilty of a misdemeanor if he or she willfully and knowingly causes the County to:

a. Authorize a withdrawal from the Fund for any purpose other than for Capital Projects for the construction, reconstruction, or acquisition of county-owned bridge

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capital improvements, the cost of which has been authorized to be financed in whole or in part from such Fund.

b. Expend any money withdrawn from the Fund for a purpose other than that for which it was authorized to be withdrawn.

The provisions of this paragraph shall be considered to be in addition to any other penalties provided by law; and, be it further

RESOLVED, the Ulster County Commissioner of Finance (the “Commissioner of Finance”) shall account for the Fund separate and apart from all other funds of the County of Ulster (the “County”). 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

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, 2024, the sum of ten million dollars (\$10,000,000.00) be and the same hereby is restricted for said Restricted Capital Reserve Fund for the Ulster County Bridge Capital Reserve, 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 ten million dollars (\$10,000,000.00) dollars to said Fund; and, be it further

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

RESOLVED, the Commissioner of Finance in his/her discretion, may invest the moneys in such Fund in the manner provided by Law of the State of New York. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become a part of such Fund and the separate identity of each such fund shall be maintained, whether its assets consist of cash or investments or both; and, be it further

RESOLVED, an expenditure shall be made from the Fund only by recommendation of the Executive and authorization of the Legislature for the construction, reconstruction, or acquisition of county-owned bridge capital improvements, the cost of which may be financed therefrom; and, be it further

RESOLVED, the Legislative Board may authorize the transfer to the credit of another capital reserve fund of all or part of the unexpended balance remaining in the Fund, after deducting from such balance a sum sufficient to satisfy all outstanding claims arising from any and all authorized expenditures for the construction, reconstruction, or acquisition of county-owned bridge capital improvements from the Fund,

and move its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES: 22 NOES: 0
(Absent: Legislator Donaldson)

Passed Committee: Public Works, Capital Projects and Transportation on December 9, 2024

Passed Committee: Ways and Means on December 12, 2024

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FINANCIAL IMPACT:

\$10,000,000.00 – RESTRICTED CAPITAL RESERVE – BRIDGE CAPITAL RESERVE

STATE OF NEW YORK

ss:

COUNTY OF ULSTER

I, the undersigned Clerk of the Legislature of the County of Ulster, hereby certify that the foregoing resolution is the original resolution adopted by the Ulster County Legislature on the 17th Day of December in the year Two Thousand Twenty-Four, and said resolution shall remain on file in the office of said clerk.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the County of Ulster this 20th Day of December in the year Two Thousand Twenty-Four.

[s] Victoria A. Fabella
Victoria A. Fabella, Clerk
Ulster County Legislature

Submitted to the County Executive this
20th Day of December 2024.

[s] Victoria A. Fabella
Victoria A. Fabella, Clerk
Ulster County Legislature

Approved by the County Executive this
23rd Day of December 2024.

[s] Jen Metzger
Jen Metzger, County Executive