

Appropriating Surplus Funds Into The Tax Stabilization Reserve Fund Of The County Of Ulster

Referred to: The Ways and Means Committee (Chairman Gavaris and Legislators Cahill, Criswell, Fabiano, and Ronk)

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

WHEREAS, pursuant to Resolution No. 405 dated November 18, 2014, a tax stabilization reserve fund in the amount of one million five hundred dollars (\$1,500,000.00) was established to protect taxpayers from unsustainable and unpredictable fluctuations in county taxes; and

WHEREAS, this fund is designed to guard against unforeseen increases in County costs such as additional unfunded state mandates, increased pension costs, public emergencies, or cuts in state aid; and

WHEREAS, pursuant to Resolution No. 299 dated December 8, 2020, the Ulster County Legislature authorized use of \$1,450,562.72 in tax reserve funds to offset COVID-19 related expenditures; and

WHEREAS, pursuant to Resolution No. 674 dated December 19, 2022, the Ulster County Legislature authorized replenishment of \$5,950,451.00 in tax reserve funds; and

WHEREAS, the Ulster County Legislature believes the Tax Stabilization Reserve Fund of the County of Ulster has proven to be a valuable tool that can be utilized to protect taxpayers against unforeseen increases in County costs, as well as provide the type of stability and fiscal responsibility that the New York State Comptroller's Office and our bond rating agencies recommend; and

WHEREAS, upon closing the 2020 financials, a surplus was achieved in 2020 that resulted in an unassigned fund balance of over \$39 million; and

WHEREAS, upon closing the 2021 financials, a surplus was achieved in 2021 that resulted in an unassigned fund balance of over \$84 million; and

WHEREAS, upon closing the 2022 financials, a surplus was achieved in 2022 that resulted in an unassigned fund balance of over \$107 million; and

WHEREAS, a surplus is again anticipated upon closing of the 2023 financials; and

WHEREAS, the accumulation of said surpluses is anticipated to exceed the County's adopted Fund Balance Policy; and

Resolution No. 765 December 18, 2023

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WHEREAS, the Ulster County Legislature believes it is imperative to set aside surplus funds while available to best protect the taxpayer from future financial distress; now, therefore be it

RESOLVED, a total of \$3,998,026.00 shall be appropriated to the Tax Stabilization Reserve Fund of Ulster County from the surplus received by the County during the year 2023 and not otherwise appropriated; and, be it further

RESOLVED, that the Commissioner of Finance is hereby authorized and directed to make such transfer totaling \$3,998,026.00 from unassigned fund balance to the Tax Stabilization Reserve Fund of Ulster County,

and move its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

Passed Committee: Ways and Means on _____

FINANCIAL IMPACT:

\$3,998,026.00 – TAX STABILIZATION RESERVE FUND