

Adopting Revised Ulster County Investment Policy

Referred to: The Ways and Means Committee (Chairman Gavaris and Legislators Roberts, Collins, Hansut, Kovacs, and Nolan)

Legislator Joseph Maloney offers the following:

WHEREAS, pursuant to Section 39 of the General Municipal Law of the State of New York, each local government in the State shall by resolution, adopt a written comprehensive investment policy; and

WHEREAS, such policy should be consistent with the written recommendations prescribed by the Office of the State Comptroller in the Local Management Guide entitled Investing and Protecting Public Funds; and

WHEREAS, such policy should provide guidelines and methods of monitoring and reporting the investment operations, standards for custodial and security agreements with financial institutions, permitted investments, investment firm qualifications, and procedures to secure and protect the County's financial interests; and

WHEREAS, the primary objectives of the investment policy are to conform with all applicable legal statutes, safeguard the principal, provide liquidity for cash flow, and obtain a reasonable rate of return; and

WHEREAS, the comprehensive investment policy was adopted in 2013; and

WHEREAS, the Ulster County Office of the Comptroller issued the Ulster County Investment Policy Audit in March of 2022 that recommended the movement of cash to optimize interest and investment earnings from other investment opportunities; and

WHEREAS, the comprehensive investment policy was amended in 2023 with Resolution No. 317 providing guidelines and methods of monitoring and reporting the County's investment operations, and amending the County's permitted investments; and

WHEREAS, the comprehensive investment policy has been reviewed by the Ulster County Legislature; and

WHEREAS, the comprehensive investment policy calls for the County to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling; and

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WHEREAS, the comprehensive investment policy does not provide for any limitations or thresholds on the diversifying factors noted therein; and

WHEREAS, the County's average cash balance has been in excess of \$150,000,000 over the last 12-month period, with 96% of funds in a single financial institution; and

WHEREAS, revision of the current Ulster County Investment Policy is necessary to define the thresholds for acceptable diversification to safeguard deposits and assure access to funds and adequate liquidity in the event of a bank collapse; now, therefore be it

RESOLVED, that the Ulster County Legislature hereby adopts the County of Ulster Investment Policy as amended, and attached, entitled "Exhibit A",

and move its adoption.

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

Postponed in Committee: Ways and Means on February 8, 2024 with consent

Postponed in Committee: Ways and Means on March 14, 2024 without consent

Postponed in Committee: Ways and Means on April 11, 2024 without consent

Passed Committee: Ways and Means on _____.

FINANCIAL IMPACT:

NONE