

**A RESOLUTION OF THE CITY OF SARATOGA SPRINGS
ESTABLISHING A CAPITAL RESERVE FUND TO FINANCE
IMPROVEMENTS TO THE CITY WATER SYSTEM**

WHEREAS, the proper and regular maintenance of the City's water system insures the system's integrity and efficiency as well as the quality of City water, and

WHEREAS, the City Council has established by resolution that, commencing in July 2012, there shall be an additional specified charge on all water accounts in the city, and that additional charge shall be used to cover costs of capital improvements to the water system, and

WHEREAS, The Office of the State Comptroller has stated that income from the sale of water may be paid into a capital reserve fund established for improvements to a municipal water system (10 Opinions of the State Comptroller 414). Said fund is a characterized as a reserve fund for a type of capital improvement under section 6-c of the General Municipal Law,

NOW THEREFORE, BE IT RESOLVED that, pursuant to the authority in section 6-c (2) (b) of the General Municipal Law, as amended, the City Council of the City of Saratoga Springs hereby establishes a capital reserve fund to be known as the "**Water System Reserve Fund**" (hereinafter "**Reserve Fund**"). The purpose of this fund is to accumulate moneys to finance a type of capital improvement, specifically, improvements to the City water system, and be it further

RESOLVED, that the Commissioner of Finance is authorized and directed to place in said Reserve Fund such income from the sale of City water as has been designated for such Reserve Fund by resolution of the City Council, and be it further

RESOLVED, that the Commissioner of Finance is hereby authorized and directed to deposit and secure the moneys of this Reserve Fund in the manner provided by section 10 of the General Municipal Law. The Commissioner of Finance may invest the moneys in the Reserve Fund in the manner provided by section 11 of the General Municipal Law, and in a manner consistent with the investment policy of the City of Saratoga Springs. Any interest earned or capital gains realized on the moneys so deposited or invested shall accrue to and become part of the Reserve Fund. The Commissioner of Finance shall account for the Reserve Fund in a manner which maintains the separate identity of the cash and investments of the Reserve Fund, and be it further

RESOLVED, that except as otherwise provided by section 6-c of the General Municipal Law, expenditures from this Reserve Fund shall be made only for the purposes for which the Reserve Fund is established. No expenditure shall be made from this Reserve Fund without the approval of the City Council and without such additional actions or proceedings as may be required by law.

ROLL CALL VOTE

Mayor Johnson _____
Commissioner Madigan _____
Commissioner Scirocco _____
Commissioner Mathiesen _____
Commissioner Franck _____

DATED: