

**Village Board Workshop Meeting
June 15, 2016
Agenda**

BI/CEO (4:30 p.m.-Patrick Smith/Rich McQuilkin)

Attorney (5:00 p.m. -E. Stowe)

Pelusio LLC

General Discussion

Jay Grasso – Grant Writing Services
Union Street Bridge update

Resolution 6/2016

Introduced by:
Seconded by:

Be it resolved that the Village of Spencerport Board of Trustees hereby acknowledges their review of the 2016/2017 Village of Spencerport Investment Policy

Vote of the Board: Carol J. Nellis-Ewell, Trustee
Charles R. Hopson, Trustee
Ray Kuntz, Trustee
David Wohlers, Trustee
Gary Penders, Mayor

Resolution 6/2016

Introduced by:
Seconded by:

Be it resolved that the Village of Spencerport Board of Trustees hereby acknowledges their review of the 2016/2017 Village of Spencerport Purchasing Policy.

Vote of the Board: Carol J. Nellis-Ewell, Trustee
Charles R. Hopson, Trustee
Ray Kuntz, Trustee
David Wohlers, Trustee
Gary Penders, Mayor

Resolution 6/2016

Introduced by:
Seconded by:

Be it resolved that the Village of Spencerport Board of Trustees hereby approves the assembly permit from the Red Knights Motorcycle Club NY Chapter 22 for a fundraiser to be held July 10, 2016 from 9:00 a.m. to 5:00 p.m. at the Spencerport Exempts Club, 75 S. Union Street, Spencerport, NY

Vote of the Board: Carol J. Nellis-Ewell, Trustee
Charles R. Hopson, Trustee
Ray Kuntz, Trustee
David Wohlers, Trustee
Gary Penders, Mayor

Village of Spencerport, NY
Investment Policy
2016-2017

The Board of Trustees desires that Village monies, not needed for near-term payment of bills or other obligations, be invested to earn a safe return as provided for within the Village Law, General Municipal Law and Local Finance Law.

The objectives of the Investment Policy of the Village of Spencerport are to conform to all applicable federal, state and other legal requirements, to minimize risk by adequately safeguarding principal, to provide sufficient liquidity to meet all operating requirements, and to obtain a competitive rate of return.

In accordance with this policy, the Village Treasurer, as Chief Fiscal Officer, is hereby authorized to invest all funds including proceeds of obligations and reserve funds in:

1. Certificates of deposit issued by a bank or trust company located and authorized to do business in New York State.
2. Time deposit accounts (including checking, savings, money market, day of deposit/day of withdrawal) in a bank or trust company located and authorized to do business in New York State.
3. Obligations of New York State
4. Obligations of the United States
5. Other investment instruments as may be approved by the Office of the State Comptroller

All other local government officials receiving money in their official capacity must deposit such funds in established time deposit accounts.

All investments shall comply with the following conditions:

1. Authorized Commercial Banks:

The Board of Trustees authorizes the use of the following commercial banks or trust companies (not savings banks or associations), located and authorized to do business in New York State, for placing investments and specifically prohibits using private brokerage or investment firms (General Municipal Law 11, Local Finance Law 165.00 (b)).

1. M&T Bank (Primary)
2. KeyBank
3. J.P. Morgan Chase Bank, N.A. (Not currently active as of 5/31/15)
4. Any other commercial banks or trust companies meeting the requirements of this policy when conditions warrant, and as approved by the Village Board.

Investment advisors may be retained as long as the Chief Fiscal Officer retains ultimate control over the investment decision.

2. Signature Authority:

Check signing authority is given to the Mayor, the Deputy Mayor, and the Treasurer/Chief Fiscal Officer.

3. Collateralization:

In accordance with the provisions of General Municipal Law 10, all deposits of the Village of Spencerport, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act, shall be secured by obligations of New York State or obligations of the United States or obligations of New York State local governments.

Eligible securities used for collateralizing deposits shall be held by the depository and/or a third party bank or trust company subject to collateral agreement.

Collateral shall be monitored no less frequently than monthly. The market value of collateral shall at all times be equal to or exceed the principal amount of the uninsured investments.

4. Transfer Funds and Electronic Banking

The Board of Trustees specifically authorizes the Chief Fiscal Officer to administer and use electronic and internet banking within or among the approved banking institutions, for transfer of funds, to assist in obtaining enhanced interest rates, and to accomplish other business transactions including wire payments, ACH payments, and balance and transaction review.

Each such transfer or electronic transaction shall be specifically supported by the bank confirmation notice to provide an audit trail and for bank account reconciliation purposes.

Access for users other than the chief fiscal officer may include the ability to view account statements and transactions as appropriate to their position, but not to make on-line internet banking transactions.

Wire transfers to accounts other than those of the Village of Spencerport may be made by the Chief Financial Officer, but must be approved on line by the Deputy Treasurer/Administrative Assistant or by the Deputy Clerk, who have specific access to do so.

5. Prudence:

All participants in the investment process shall act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Village's ability to govern effectively. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence would exercise in the management of their own affairs; not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived. All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

6. Operations, Audit and Reporting

The Village Treasurer shall authorize the purchase and sale of all securities and certificate of deposit on behalf of the local government. Oral directions concerning the purchase or sale of securities shall be confirmed in writing. The Village of Spencerport shall pay for purchased securities upon the delivery or book entry thereof.

All investments shall be documented in written reports to the Village Board, outlining the details of the investment. When investments are placed in instruments other than time-deposit accounts, these reports should be presented monthly.

At the end of the fiscal year, the Chief Fiscal Officer shall prepare and submit to the Village Board an annual investment report, recommendations for changes in these investment guidelines, the investment income record, and summaries of fees, commissions and other charges, along with any other matters as the Chief Fiscal Officer deems appropriate.

As part of their annual audit, the Board of Trustees shall review and approve the annual investment report and these Investment Guidelines.

Revised and Reviewed at Village Board Workshop 6/15/16

Village of Spencerport
Purchasing Procurement Process
And
Procurement Policy
for
Fiscal Year End 2017

I. Introduction

The Village of Spencerport purchasing procurement process begins with the departmental proposed budget submissions and ends with the actual receiving of supplies, materials, equipment, or services ordered and final payment to the vendor or contractor. Included in this process is the Village of Spencerport purchase order system.

II. Responsibilities

While the Village of Spencerport does not have a centralized purchasing function, it shall be the responsibility of the Department Heads (Authorized Purchasing Agents) to ensure availability of funds and follow standard operating procedure as outlined below.

Additionally, it shall be the responsibility of the Village Treasurer to provide each Department Head a copy of the final budget, as so adopted by the Village Board, and at a minimum, a quarterly financial statement showing year-to-date expenditures and available balances for each Department and line item accounts.

III. Procurement

A. Every purchase to be made must be initially reviewed to determine whether it is a purchase contract or a public works contract. Once that determination is made, a good faith effort will be made to determine whether it is known or can reasonably be expected that the aggregate amount to be spent on the item of supply or service is not subject to competitive bidding taking into account past purchases and the aggregate amount to be spent in a year. The following items are not subject to competitive bidding pursuant to GML Section 103:

- purchase contracts under \$20,000 (effective June 22, 2010) ¹
- public works contracts under \$35,000 (effective November 12, 2009) ¹
- public works project aggregate over \$500,000 require multi-prime contracts (Wicks Law)
- emergency purchases per GML Section 103(4)
- certain municipal hospital purchases
- goods purchased from agencies for the blind or severely handicapped
- goods purchased from correctional institutions
- purchases under State and county contracts
- surplus and second-hand purchases from another government entity.

The decision that a purchase is not subject to competitive bidding will be documented in writing by the individual making the purchase. This documentation may include written or verbal quotes from vendors, a memo from the purchaser indicating how the decision was arrived at, a copy of the contract indicating the source which makes the item or service exempt, a memo from the purchaser detailing the circumstances which led to an emergency purchase, or any other written documentation that is appropriate.

B. All goods and services will be secured by use of written requests for proposals, written quotations, verbal quotations, or any other method that assures that goods will be purchased at the lowest price and that favoritism will be avoided, except in the following circumstances:

- purchase contracts over \$20,000 ¹
- public works contracts over \$35,000 ¹
- goods purchased from agencies for the blind or severely handicapped pursuant to State Finance Law Section 175-b

- goods purchased from correctional institutions pursuant to Correction Law Section 186
- purchases under State contracts pursuant to GML Section 104
- purchases under county contracts pursuant to General Municipal Law Section 103(3)
- purchases pursuant to subdivision D of this policy.

C. The following method of purchase will be used when required by this policy in order to achieve the highest savings:

<u>Estimated Amount of Purchase Contract</u>	<u>Method</u>
\$500 - \$2,999	2 Verbal Quotations
\$3,000 - \$19,999	3 Written/Email/Fax Quotations or written request for proposals
<u>Estimated Amount of Public Works Contract</u>	<u>Method</u>
\$500 - \$2,999	2 Verbal Quotations
\$3,000 - \$4,999	2 Written/Email/Fax Quotations
\$5,000 - \$34,999	3 Written/Email/Fax Quotations or Written request for proposals

The time and documentation required to purchase through this policy for goods and services under \$500 may be more costly than the item itself and would therefore not be in the best interest of the taxpayer.

A good faith effort shall be made to obtain the required number of proposals or quotations. If the purchaser is unable to obtain the required number of proposals or quotations, the purchaser will document the attempt made at obtaining the proposals. In no event shall the failure to obtain the proposals be a bar to the procurement.

Documentation is required of each action taken in connection with each procurement.

Documentation and an explanation is required whenever a contract is awarded to other than the lowest responsible bidder. A determination that the bidder is not responsible shall be made by the purchaser, documented, and may not be challenged by the bidder.

D. Pursuant to GML Section 104-b(2)(f) the Village Board hereby deems that certain professional/technical services shall not be subject to the solicitation of alternative proposal or quotations. This shall include, but not be limited to

1. services of an attorney
2. technical services of an engineer engaged to prepare plans, maps and estimates
3. insurance coverage
4. services of a certified public accountant
5. investment management services
6. computer software and programming services for customized programs
7. building inspection services.

This list shall be amended by the Village Board as deemed necessary.

E. This policy will be reviewed annually by the Village Board, with the review recorded in the minutes of its annual May fiscal year end meeting.

IV. **Purchasing**

A. Competitive Bidding. It shall be the responsibility of the Department Head (Authorized Purchasing Agent) to determine, based on the above criteria, whether or not a purchase/public works contract is subject to competitive bidding. Once that is so determined, it shall be his/her responsibility to prepare the Bid Specifications, fixed reasonable standards and limitations which bidders are obligated to observe. These Specifications will be submitted to the Village Clerk for proper advertisement for bid (at least (5) days must elapse between the first publication of the advertisement and the date specified for the opening and reading of the bids). After the bids have been received, they shall be opened publicly at the specified time and place, and their contents made public. The results of such opening will be presented to the Village Board for award at the next meeting thereof, if practical, and recommendations shall be provided by the Department Head initiating the purchase.

It shall be the responsibility of the Department Head to ensure that a timeframe is established providing for the necessary administrative process, review of submitted bids, award by the Village Board and ultimate commitment to purchase the product/service.

B. Public Emergency. Pursuant to General Municipal Law Section 103(4) emergency purchases/public works contracts are not subject to competitive bidding. However such emergencies do not preclude the process of obtaining alternate proposals, if time permits. Due to the nature of this exception, these goods or services must be purchased immediately. The purchase/contract must demonstrate that a delay in order to seek alternate proposals may threaten the life, health, safety and/or welfare of the residents, or that there exists a present, immediate and existing condition which is creating an imminent danger to public or private property. The determination of a Public Emergency shall be made by the Village Board and so noted in the official minutes.

C. Standardization. Pursuant to General Municipal Law Section 103(5) the Village Board, upon request from a Department Head, may adopt a standardization resolution for a particular type or kind of equipment, material or supplies. The Department Head must provide adequate justification for standardization including reasons of efficiency or economy. The standardization resolution shall not eliminate the necessity for compliance with the competitive bidding requirements.

D. Cooperative Purchasing. The Village Board promotes participation in cooperative purchasing efforts between the Village and its Municipal affiliates including, but not limited to, Monroe County and other villages and towns, and associations. The Village Board shall, upon Department Head recommendation, review any cooperative purchasing agreement and have final approval of such.

E. Village of Spencerport (VOS) Green Procurement/Purchasing Policy

An Environmentally Preferable Purchasing (EPP) program supports a policy that includes the procurement of true environmentally friendly products and services. By definition, eligible EPP products are more durable and efficient, less hazardous, conserve resources such as energy or water, reduce waste, or are made from biodegradable and/or recycled materials.

Since the VOS is committed to buying and using green products, we encourage suppliers and vendors to have a green/sustainability plan and policy.

This can be as basic as the best practice to use recycled paper or minimal packaging.

Long-term benefits/results can be measured by reduction of operating costs, including benchmarked energy consumption, healthy, safe work surroundings and improved water quality, all for the care of the environment and planet we share.

These basic steps relate to a VOS EPP program:

- GET HIGH-LEVEL SUPPORT for credibility
- PUT IT IN WRITING Benefit for/participation by everyone
- DEFINE EPP for understanding
 - U.S. Environmental Protection Agency's definition: describes EPP as products and services that have a reduced effect on human health and the environment when compared to competing products and services that serve the same purpose.
 - Watch the Words, i.e., Greenwashing
- MAKE SURE IT PAYS
 - Triple bottom-line approach
 - Consider: 1) environmental and 2) social benefits of products and services, as well as 3) financial benefits
- WORK WITH SUPPLIERS
 - Discussions help drive product development. Suppliers tell company researchers customers ask for greener product options. As a result, these companies research ways to make their products more environmentally friendly to drive sales/profits.
 - Discussions about green alternatives also should continue as new products become available.
- CREATE A GREEN PLAN/TEAM
 - Make it the VOS culture
 - Build a healthier, sustainable workplace
 - Spark discussions among staff members about other steps they can take to contribute and foster more commitment to VOS Green Purchasing goals.
- START SMALL
 - For an easy beginning, set one goal
 - Examples: Buying products that use less packaging; reuse of discarded materials
- TRACK THE RESULTS
 - To measure success, figures can show reductions in energy, chemical or water use.
 - Examples: Calculate greenhouse gas emissions, trees saved, or amount of material diverted from landfills
- GIVE Recognition
 - Great way to get people excited and involved
 - Make them proud of their successes
 - Example: Trying a new product saves 100 trees or 8,000 gallons of water

V. The Purchase Order

The Village of Spencerport shall utilize a purchase order system for all purchases in excess of \$500 with the exception of the following:

1. Purchases made under blanket purchase orders
1. Service contracts for a fixed monthly or annual amount
2. Employee expenses such as conference expenses, mileage and other reimbursable expenses in performance of day-to-day duties.
3. Utility bills
4. Legal notices/advertising
5. Interdepartmental charges
6. Postage

Purchase orders shall be processed by all Department Heads to conform with the following:

A. **The Purchase Order form** shall be a three (3) part carbonless pre-numbered form. All Departments (Public Works, Electric and Village Office) shall have a unique code number preceding the purchase order number which shall readily identify the Department. The purchase order shall include:

- Name and complete address of vendor
- Shipping address
- Line item appropriation
- Quantity of goods/supplies
- Complete description of product
- Unit price and extension of total amount of each item
- Purchase order total
- Signature of Authorized Agent

The complete purchase order shall be distributed as follows:

- White copy (original) retained by Department Head
- Pink copy (receiving) retained by Department Head
- Yellow copy to supplier (return with invoice)

The white copy (original) will be submitted to the Deputy Treasurer/Administrative Assistant after receipt of goods, for placement with vendor's invoice and subsequent Village Board audit.

The pink copy (receiving) will be retained by the Department Head for future reference (historical cost data/budgeting).

Note: After goods have been received, the Department Head shall note pertinent Fixed Assets information, if applicable on, on the Purchase Order. (i.e. Make, Model, Serial No.)

B. **Insufficient Appropriations.** In the event that an appropriation balance is insufficient to cover that amount of a purchase/contract, the Village Treasurer and Department Head shall review relevant documentation, including unanticipated expenditures, emergency purchases, etc. The Village Treasurer shall then make a recommendation to the Village Board for approval or disapproval of a budget modification to increase the appropriation. A budget modification to create sufficient appropriations is required prior to purchase of expenditure.

C. **Blanket Purchase Orders.** Blanket purchase orders shall be issued to various vendors for purchase of items considered to be of immediate need or for the purpose of consolidated (bulk) purchases. The blanket order amount shall be determined by the Department Head based on previous fiscal years' expenditures. Blanket purchase orders shall be issued June 1 of each year and monitored throughout the year.

VI. **Employee Reimbursement**

A. **Petty Cash**

Expenditures from the petty cash account may be made only for payment in advance of audit and upon receipt of properly itemized bills or receipts for materials, supplies or services furnished to the Village for conduct of its affairs and upon terms calling for the payment of cash to the vendor upon delivery of any such materials or supplies or the rendering of any such services. A monthly voucher with receipts for all expenditures shall be presented to the Village Board for audit. Petty cash should not be used to pay travel expenses.

B. Travel Expenses

Expenses Allowed – Upon proper authorization of the Village Board, an employee or Elected Official will be reimbursed for expenses associated with carrying out Village business, including, but not limited to, meals, lodging, mileage (if personal vehicle is used), parking, highway tolls, accommodations, registration fees, meals (not included in registration fees, up to one personal phone call per day (when long distance charges are incurred), and training and membership fees.

Reimbursement – In order for the reimbursement to be processed, a Village Travel Expense Claim Form, with itemized receipts and other appropriate documentation must first be approved by the employee's Department Head, then submitted to the Deputy Treasurer/Administrative Assistant for further approval by the Village Board.

VII. Fixed Assets

Any singular item purchased at a cost equal to or greater than \$5000.00 shall be recorded as a fixed asset. It shall be the responsibility of the Department Head to clearly indicate on the Purchase Order/Voucher any item which meets the above criterion. Prior to submitting the white copy of the Purchase Order/Voucher to the Administrative Assistant, the Make, Model and corresponding Serial Number shall be recorded on the Purchase Order/Voucher.

It shall be the responsibility of the Department Head to file all registrations with the Clerk, who will obtain insurance and add them to the insured vehicles and equipment listing.

It shall also be the responsibility of the Department Head to report the disposition of all fixed assets to the Village Clerk for insurance adjustments and to the Treasurer, who shall be responsible for maintaining an up-to-date Fixed Assets Inventory. The Treasurer shall reconcile the Fixed Asset Inventory to the insurance listing, and to any physical verification, annually and shall provide to each Department Head, on an annual basis, an itemized listing of that Department's inventory. This shall include the General, Sewer and Electric Funds.

VIII. Audit of Claims

Monthly Vouchers: A member of the Village Board shall audit and sign all claims presented to the Village for payment. Authorizing Board signature must accompany all Purchase Orders/Vouchers. An abstract of all audited payments will be prepared and upon Village Board resolution and approval, the Mayor and Village Clerk will sign the report for the month.

Prepaid Claims: Included with the monthly vouchers for review will be a separate abstract report for all prepaid payments of the previous month, listing the vendor, voucher number, amount and appropriation account. This abstract will be reviewed with the current monthly vouchers by the designated member of the Village Board. It will be approved by Village Board resolution and subsequently signed by the Mayor and the Village Clerk.

IX. Effective Date

This policy shall be effective January 1, 1992 and shall be reviewed by the Village Board at the annual fiscal year-end meeting.

Review: April 7, 1993
Review: April 6, 1994
Review: May 1995

Review: April 24, 1996
Review: May 14, 1997
Review: May 20, 1998
Review: April 28, 1999 (detail review required)
Review: June 18, 2003
Revisions: December 29, 2010
Review: January 12, 2011 Department Head Meeting

Department Head review & Sign-off
July 15, 2005
June 20, 2007
January 11, 2011
April 10, 2012

Revisions: April 11, 2012
Department Head Review: June 20, 2012
Village Board Review: June 20, 2012

Department Head Review: May 30, 2014
Village Board Review: May 30, 2014

Department Head Review: May 30, 2015
Village Board Review: May 30, 2015

Department Head Review: June 15, 2016
Village Board Review: June 15, 2016

Footnotes:

1. The 1962 Opinion of the State Comptroller, No. 442, states that a purchase contract pertains to purchases of materials, supplies, equipment or apparatus, while the term "public works contract" encompasses contracts for services, labor and/or construction. See also OSC Opinion 87-46 and Opinion 91-1.