

ORGANIZATIONAL MEETING
JANUARY 1, 2024

An organizational meeting of the Sherrill City Commission was held at 9:00 a.m. on January 1, 2024. Present were Commissioners C. Niles, B. Piccola, K. Sayles, J. Shay, W. Vineall, City Manager B. Lovett, and City Clerk M. Holmes.

MAYOR

Motion was made by C. Niles and seconded by K. Sayles that W. Vineall be appointed Mayor for a 2-year term ending December 31, 2025.

AYES: Piccola, Sayles, Niles, Shay, Vineall

DEPUTY MAYOR

J. Shay having the longest current running term of office as commissioner is deemed to be the Deputy Mayor per section 12a of the City Charter.

DEPUTY CITY CLERK/COMPTROLLER

Motion was made by J. Shay and seconded by B. Piccola that R. Zupan be appointed as Deputy City Clerk/comptroller for a 2-year term ending December 31, 2025.

AYES: Piccola, Sayles, Niles, Shay, Vineall

REGISTRAR OF VITAL STATISTICS

Motion was made by B. Piccola and seconded by J. Shay that M. Holmes be appointed Registrar of Vital Statistics for a 2-year term ending December 31, 2025.

AYES: Piccola, Sayles, Niles, Shay, Vineall

DEPUTY REGISTRAR OF VITAL STATISTICS

Motion was made by K. Sayles and seconded by C. Niles that Amanda Cameron and Renee Zupan be appointed Deputy Registrar of Vital Statistics for a 2-year term ending December 31, 2025.

AYES: Piccola, Sayles, Niles, Shay, Vineall

CITY ATTORNEY

Motion was made by J. Shay and seconded by B. Piccola that Campanie & Wayland-Smith be appointed City Attorney for a 2-year term ending December 31, 2025.

AYES: Piccola, Sayles, Niles, Shay, Vineall

OFFICIAL DEPOSITORY

Motion was made by C. Niles and seconded by K. Sayles that NBT Bank, Community Bank NA, and LPL Financial be designated as Official Depositories.

AYES: Piccola, Sayles, Niles, Shay, Vineall

OFFICIAL NEWSPAPER

Motion was made by K. Sayles and seconded by B. Piccola that the Rome Daily Sentinel be named as the official newspaper for the City of Sherrill.

AYES: Piccola, Sayles, Niles, Shay, Vineall

INVESTMENT POLICY

Motion was made J. Shay and seconded by B. Piccola that the following Investment Policy be adopted:

I. SCOPE

This investment policy applies to all moneys and other financial resources available for investment on its own behalf or on behalf of any other entity or individual.

II. OBJECTIVES

The primary objectives of the local government's investment activities are, in priority order,

- to conform with all applicable federal, state and other legal requirements (legal);
- to adequately safeguard principal (safety);
- to provide sufficient liquidity to meet all operating requirements (liquidity); and
- to obtain a reasonable rate of return (yield).

III. DELEGATION OF AUTHORITY

The City Commission's responsibility for administration of the investment program is delegated to the City Comptroller who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability bases on a data base or records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

IV. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the City of Sherrill to govern effectively.

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence 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.

V. DIVERSIFICATION

It is the policy of the City of Sherrill to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

VI. INTERNAL CONTROLS

It is the policy of the City of Sherrill for all moneys collected by any officer or employee of the government to transfer those funds to the City Comptroller within 1 day of deposit, or within the time period specified in law, whichever is shorter.

The City Comptroller is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly and are managed in compliance with applicable laws and regulations.

VII. AUTHORIZED SIGNATORIES

The City Comptroller and Deputy Comptroller shall be named as the authorized signatories on all accounts for the City of Sherrill. Individual Bank and Financial institutions may require a specific breakdown by account number for their respective accounts. The City Comptroller has the authorization to submit specific account numbers to the appropriate Banks or Financial Institutions when setting up or closing accounts in the name of and benefit for the City of Sherrill.

VIII. DESIGNATION OF DEPOSITARIES

The banks and trust companies authorized for the deposit of monies up to the maximum amounts are:

<u>Depository Name</u>	<u>Maximum Amount</u>	<u>Officer</u>
NBT Bank, NA	\$250,000	Nicole Smith
NBT Bank, NA	Collateral Balance	Nicole Smith
Community Bank, NA	\$250,000	Steve Potter
Community Bank, NA	Collateral Balance	Steve Potter
LPL Financial	\$250,000	Kristen McIlroy

IX. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of General Municipal Law, section 10, all deposits of City of Sherrill, 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:

1. By a pledge of “eligible securities” with an aggregate “market value” as provided by GML section 10, equal to the aggregate amount of deposits from the categories designated in Appendix A to the policy.
2. By an eligible “irrevocable letter of credit” issued by a qualified bank other than the bank with the deposits in favor of the government for a term not exceed 90 days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable federal minimum risk-based capital requirements.
3. By an eligible surety bond payable to the government for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims – paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations.

X. SAFEKEEPING AND COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by BNY Mellon and Wilmington Trust subject to security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure local government deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold presented for payment, substituted or released and the events which will enable the local government to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the local government, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the City of Sherrill or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, or agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be

commingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

XI. PERMITTED INVESTMENTS

As authorized by General Municipal Law, section 11, The City of Sherrill authorizes the City Comptroller to invest moneys not required for immediate expenditure for terms not to exceed its project cash flow needs in the following types of investments:

- Special time deposit accounts;
- Certificates of deposit;
- Reciprocal Deposits
- Obligations of the United States of America;
- Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;
- Obligations of the State of New York;
- Obligations issued pursuant to LFL section 24.00 or 25.00 (with approval of the State Comptroller by any municipality, school district or district corporation other than the City of Sherrill);
- Obligations of public authorities, public housing authorities, urban renewal agencies and industrial development agencies where the general State statutes governing such entities or whose specific enabling legislation authorizes such investments.
- Certificates of Participation (COPs) issued pursuant to GML section 109-b.
- Obligations of this local government, but only with any moneys in a reserve fund established pursuant to GML section 6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m, or 6-n.

All investment obligations shall be payable or redeemable at the option of the City of Sherrill within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the City of Sherrill within two years of the date of purchase.

XII. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The City of Sherrill shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the local government conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the City of Sherrill. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealer. The City Comptroller is responsible for evaluating the financial position and maintaining a list of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

XIII. PURCHASE OF INVESTMENTS

The City of Sherrill is authorized to contract for the purchase of investments:

1. Directly, including through a repurchase agreement, from an authorized trading partner.
2. By participation in a cooperative investment program with another authorized governmental entity pursuant to Article 5G of the General Municipal Law where such program meets all the requirements set forth in the Office of the State Comptroller Opinion No. 88-46, and the specific program has been authorized by the governing board.
3. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All purchased obligations, unless registered or inscribed in the name of the local government, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the City of Sherrill by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, section 10.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the local government, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the local government a perfected interest in the securities.

XIV. REPURCHASE AGREEMENTS

Repurchase agreements are authorized subject to the following restrictions:

- All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- No substitution of securities will be allowed.
- The custodian shall be a party other than the trading partner.

XV. EFFECTIVE DATE

This policy shall go into effect January 1, 2024, and will be reviewed bi-annually.

AYES: Piccola, Sayles, Niles, Shay, Vineall

PROCUREMENT POLICY

Motion was made by K. Sayles and seconded by C. Niles that the following Procurement Policy be adopted:

1. 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 Section 103 of the General Municipal Law: purchase contracts under \$20,000 and public works contracts under \$35,000; emergency purchases; certain municipal hospital purchases; insurance; professional services; true leases; goods purchased from agencies for the blind or severely handicapped; goods purchased from correctional institutions; purchases under State and county contracts; and surplus and second-hand purchases from another governmental 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.

2. 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 and public works contracts over \$35,000; goods purchased from agencies for the blind or severely handicapped pursuant to Section 175-b of the State Finance Law; goods purchased from correctional institutions pursuant to Section 186 of the Correction Law; purchases under State contracts pursuant to Section 104 of the General Municipal Law; purchases under county contracts pursuant to Section 103 (3) of the General Municipal Law; or purchases pursuant to subdivision 6 of this policy;

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

Estimated Amount of

<u>Purchase Contract</u>	<u>Method</u>
\$750 - \$3,499	2 verbal quotations
\$3,500 - \$19,999	3 written/fax quotations or written request for proposals

Estimated Amount of

<u>Public Works Contract</u>	<u>Method</u>
\$1,000 - \$4,999	2 verbal quotations
\$5,000 - \$14,999	2 written/fax quotations
\$15,000 - \$34,999	3 written/fax quotations or written request for proposals

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.

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

5. Documentation and an explanation is required whenever a contract is awarded to other than the lowest responsible offeror. This documentation will include an explanation of how the award will achieve savings or how the offeror was not responsible. A determination that the offeror is not responsible shall be made by the purchaser and may not be challenged under any circumstances.

6. Pursuant to General Municipal Law Section 104-b (2) (f), the procurement policy may contain circumstances when, or types of procurements for which, in the sole discretion of the governing body, the solicitation of alternative proposals or quotations will not be in the best interest of the municipality. In the following circumstances it may not be in the best interests of the City of Sherrill to solicit quotations or document the basis for not accepting the lowest bid:

a. Professional services or services requiring special or technical skill, training or expertise. The individual or company must be chosen based on accountability, reliability,

responsibility, skill, education and training, judgment, integrity, and moral worth. These qualifications are not necessarily found in the individual or company that offers the lowest price and the nature of these services are such that they do not readily lend themselves to competitive procurement procedures.

In determining whether a service fits into this category the City Commission shall take into consideration the following guidelines: (a) whether the services are subject to State licensing or testing requirements; (b) whether substantial formal education or training is a necessary prerequisite to the performance of the services; and (c) whether the services require a personal relationship between the individual and municipal officials. Professional or technical services shall include but not be limited to the following: services of an attorney; services of a physician; technical services of an engineer engaged to prepare plans, maps, and estimates; securing insurance coverage and/or services of an insurance broker; services of a certified public accountant; investment management services; printing services involving extensive writing, editing or art work; management of municipally owned property; and computer software or programming services for customized programs, or services involved in substantial modification and customizing of pre-packaged software.

b. Emergency purchases pursuant to Section 103 (4) or the General Municipal Law. Due to the nature of this exception, these goods or services must be purchased immediately and a delay in order to seek alternate proposals may threaten the life, health, safety or welfare of the residents. This section does not preclude alternate proposals if time permits.

c. Purchases of surplus and second-hand goods from any source. If alternate proposals are required, the City is precluded from purchasing surplus and second-hand goods at auctions or through specific advertised sources where the best prices are usually obtained. It is also difficult to try to compare prices of used goods and a lower price may indicate an older product.

d. Goods under \$750 and services under \$1,000. The time and documentation required to purchase through this policy may be more costly than the item itself and would therefore not be in the best interest of the taxpayer. Also, repairs that would be considered purchase contracts for any of the City's heavy equipment will not be subject to two verbal quotes in the range of \$1,000-\$4,999 because of the unfeasibility of getting various verbal quotes. In addition, it is not likely that such de minimis contracts would be awarded based on favoritism.

7. The unintentional failure to fully comply with the provisions of this General Municipal Law, Section 104-b shall not be grounds to void action taken or give rise to a cause of action against the City of Sherrill or any officer or employee thereof.

8. This policy shall go into effect January 1, 2024, and will be reviewed bi-annually.

AYES: Piccola, Sayles, Niles, Shay, Vineall

UTILITY BOARD APPOINTMENTS

Mayor W. Vineall announced that he has reappointed R. Mumford to the Utility Board for a term ending 12/31/26.

Motion was made by J. Shay and seconded by B. Piccolato adjourn.

AYES: Piccola, Sayles, Niles, Shay, Vineall

Michael D. Holmes
City Clerk