

**MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES
OF THE VILLAGE OF THOMASTON
JUNE 10, 2013**

The Board of Trustees met on Monday, June 10, 2013 at the Village Hall, 100 East Shore Road, Great Neck, New York at 7:30 p.m.

Present: Mayor Robert Stern, Trustee To-on Pang and Trustee James Sharkey

Absent: Trustee Gary Noren and Deputy Mayor Steven Weinberg

The Mayor opened the meeting at 7:35 p.m.

Approval of Minutes:

RESOLUTION 13 - 36

Upon motion of Mayor Stern, seconded by Trustee Pang and unanimously approved, the following resolution was adopted:

RESOLVED that the minutes of the Board of Trustees meeting held on May 13, 2013 are hereby approved and accepted as presented.

Public Hearing Bill T-1301

The Mayor opened the Public Hearing on Bill T-1301 a Local Law to eliminate chapter 152 of the Village Code dealing with Rental Registration.

There being no comments from the Public, the Mayor closed the hearing.

RESOLUTION 13-37

Upon motion of Trustee Sharkey seconded by Trustee Pang and unanimously approved, the following resolution was adopted.

RESOLVED, that Bill T-1301 a local law to amend the Code of the Village of Thomaston, in relation to repealing Chapter 152 Residential Rental Properties is hereby adopted effective immediately upon filing in the office of the New York Secretary of State, as Local Law 1-2013.

Investment Policy Revision

Mayor Stern presented the updated Investment Policy, including the Treasurer's Procedures, in accordance with the NYS Comptroller's guidelines.

RESOLUTION 13-38

Upon motion of Mayor Stern, seconded by Trustee Sharkey, and unanimously approved, the following resolution was adopted:

RESOLVED, that the Village Investment Policy, in the form attached to these minutes as Attachment A is hereby adopted, effective immediately, to replace the prior policy, with the intention that the Board will next review such Investment Policy at the organizational meeting of the Board to be held in April 2014.

Vouchers

RESOLUTION 13-39

Upon motion of Trustee Pang, seconded by Trustee Sharkey and unanimously approved, the following resolution was adopted:

RESOLVED, that the vouchers in the aggregate amount of \$54,023.44 (constituting the vouchers itemized in the report dated Monday June 10, 2013) are hereby approved for payment, all allocated to the General Fund.

Road Improvement Project #2013-2

The sole bid received for the above-referenced project bid was opened on Thursday June 6, 2013 at noon. The sole bidder was John McGowan & Sons for the sum of \$114,322.50. The Board discussed the bid.

RESOLUTION 13-40

Upon motion of Mayor Stern, seconded by Trustee Sharkey and unanimously approved the following resolution was adopted:

RESOLVED, that bid of John McGowan & Sons, in the amount of \$114,322.50, for re-surfacing of roadway as outlined in the bid documents for Road Improvement Project #2013-2, is hereby accepted. Work may commence after the execution of the contract included in the bid package.

Quotations for installation of Natural Gas Generator at Village Hall

Two quotations were obtained for installing the gas connection for the natural gas back-up generator. Joe Attard quoted \$2,100 and T.R. Plumbing for a price of \$2,600.

RESOLUTION 13-41

Upon motion of Mayor Stern, seconded by Trustee Pang and unanimously approved the following resolution was adopted:

RESOLVED, that the quotation of installation of the gas generator from Attard Plumbing & Heating for \$2,100 be accepted and that the Superintendent of Public Works shall coordinate the installation.

Three quotations were obtained for electrical work in regard to the gas generator installation. Melicar Electric, Ltd, at \$4,875.00; All Wired Up Electric at \$6,800; and Total Central Electrical, Inc. for \$7,000.

RESOLUTION 13-42

Upon motion of Mayor Stern, seconded by Trustee Sharkey and unanimously approved the following resolution was adopted:

RESOLVED, that the quotation from Melicar Electric, Manhasset, NY, for electrical work in regard to installation of a gas generator at the Village Hall be accepted at the price of \$4,875, and that the Superintendent of Public Works is authorized to notify the vendor and coordinate the installation.

Manhasset Lakeville Water – Water Connection for Corner Beautification

The Village received a cost estimate from MLWD for the connection of a new water line to the closest existing water main, so as to supply water to the traffic island at the intersection of Windsor and Lodge for the purposes of watering the plants on the traffic island. (If this project is successful, the Board will consider supplying water to other traffic islands for a similar purpose.) The cost of the installation would be \$1,555.50.

RESOLUTION 12-43

Upon motion of Trustee Sharkey, seconded by Trustee Pang and unanimously approved, the following resolution was adopted:

RESOLVED, that the Village engage MLWD to proceed with the connection of a new water line to the closest water main, in order to supply water to the traffic island located at the intersection of Windsor and Lodge, for a price of \$1,550.

Public Hearing on Expenditure of Funds from the Repair Reserve.

RESOLUTION 12-44

Upon motion of Mayor Stern, Seconded by Trustee Sharkey and unanimously approved, the following resolution was adopted:

RESOLVED, that a public hearing will be held on Monday July 8, 2013 at 7:30 PM (and the Village Administrator is hereby authorized to advertise and post notice of the public hearing as required by law) regarding the appropriation of funds from the Repair Reserve Fund to pay for the cost of the project known as Road Improvements 2013-2, in the anticipated amount of up to \$114,322.50 (or such lesser amount as shall then remain on deposit in the Repair Reserve Fund).

Other Business

The Mayor informed the Board that FEMA had authorized an additional 15% reimbursement for the costs of Category A Debris removal for Hurricane Sandy. This will mean an additional \$46,294.65 will be reimbursed to the Village.

There being no further business Mr. Pang made a motion at 8:00 to close the meeting which was unanimously approved.

Respectfully Submitted

Barbara J. Daniels

Village Administrator

ATTACHMENT A

REVISED FOR REVIEW APRIL 1, 1996 Readopted unchanged 4/1/96

REVISED FOR REVIEW APRIL 7, 1997 Readopted unchanged 4/7/97

REVISED FOR REVIEW APRIL 6, 1998 Readopted with changes 4/6/98

REVISED FOR REVIEW JUNE 10, 2013 Readopted with changes 6/10/13

INVESTMENT POLICY FOR THE VILLAGE OF THOMASTON

I. SCOPE

This investment policy applies to all moneys and other financial resources available for deposit and investment by the Village of Thomaston 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)
- ◆ to obtain a reasonable rate of return (yield)

III. DELEGATION OF AUTHORITY

The governing board's responsibility for administration of the investment program is delegated to the treasurer who shall establish written procedures for the operation of the investment program consistent with these investment policies. Such procedures shall include an adequate internal controls to provide a satisfactory level of accountability based upon records incorporating the description and amounts of investments, the fund(s) for which they are held, the place(s) where kept, and other relevant information, including dates of sale or other dispositions and amounts realized. In addition, the internal control procedures shall describe the responsibilities and levels of authority for key individuals involved in the investment program.

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 Village of Thomaston to govern effectively.

Investments shall be made with prudence, diligence, skill, judgment and care, under circumstances then prevailing, which knowledgeable and prudent persons acting in like capacity would use, 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 Village of Thomaston to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

The governing board shall establish appropriate limits for the amount of investments which can be made with each financial institution or dealer, and shall evaluate this listing at least annually.

VI. INTERNAL CONTROLS

It is the policy of the Village of Thomaston for all moneys collected by any officer or employee of the government to transfer those funds to the Treasurer within ten days of deposit, or within the time period specified in law, whichever is shorter.

The Treasurer is responsible for establishing and maintaining internal control procedures 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 properly recorded and managed in compliance with applicable laws and regulations.

VII. DESIGNATION OF DEPOSITORIES

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

Depository Name	Maximum Amount
CAPTIAL ONE BANK	\$5,000,000
HSBC	\$2,500,000
BANK OF AMERICA	\$5,000,000

VIII. SECURING DEPOSITS AND INVESTMENTS

All deposits and investments at a bank or trust company, including all demand deposits, certificates of deposit and special time deposits (hereinafter, collectively, "deposits") made by officers of The Village of Thomaston that are in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured by either or both of the following:

1. A pledge of "eligible securities" with an aggregate "market value" (as provided by the GML Section 10) that is at least equal to the aggregate amount of deposits by the officers. See Schedule A of this policy for a listing of "eligible securities."

2. An "eligible letter of credit," payable to the Village of Thomaston as security for the payment of 140 percent of the aggregate amount of deposits and the agreed-upon interest, if any. An "eligible letter of credit" shall be an irrevocable letter of credit issued in favor of the (unit of government), for a term not to exceed 90 days, by a qualified bank (other than the bank where the secured money is deposited). A qualified bank is either one whose commercial paper and other unsecured short-term debt obligations (or, in the case of a bank which is the principal subsidiary of a holding company, whose holding company's 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 one that is in compliance with applicable federal minimum risk-based capital requirements.

IX. COLLATERALIZATION AND SAFEKEEPING

Eligible securities used for collateralizing deposits shall be held by a third party bank or trust company subject to security and custodial agreements.

The security agreement shall provide that eligible securities (or the pro rata portion of a pool of 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 a default. It shall also provide the

conditions under which the securities (or the pro rata portion of a pool of eligible 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 pledged securities are not registered or inscribed in the name of the Village of Thomaston, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Village of Thomaston or the custodial bank or trust company. Whenever eligible securities delivered to the custodial bank or trust company are transferred by entries on the books of a federal reserve bank or other book-entry system operated by a federally regulated entity without physical delivery of the evidence of the obligations, then the records of the custodial bank or trust company shall be required to show, at all times, the interest of the government in the securities as set forth in the security agreement.

The custodial agreement shall provide that pledged securities (or the pro rata portion of a pool of eligible securities) will be held by the bank or trust company, or agent of, and custodian for, the Village of Thomaston, will be kept separate and apart from the general assets of the custodial bank or trust company and will not be commingled with or become part of the backing for any other deposit or other bank liability. The agreement shall also describe how the custodian shall confirm the receipt, substitution, or release of the collateral and it shall provide for the frequency of revaluation of collateral by the custodial bank or trust company and for the substitution of collateral when a change in the rating of a security causes ineligibility. The security and custodial agreements shall also include all provisions necessary to provide the Village of Thomaston with a perfected security interest in the eligible securities and to otherwise secure the local government's interest in the collateral, and may contain other provisions that the governing board deems necessary

X. PERMITTED INVESTMENTS

As authorized by General Municipal Law Section 11, the Village of Thomaston authorizes the treasurer to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs in the following types of investments:

- ◆ Special time deposit accounts in; or certificates of deposit issued by, a bank or trust company located and authorized to do business in the State of New York
- ◆ 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;
- ◆ With the approval of the State Comptroller, obligations issued pursuant to Local Finance Law Section 24.00 or 25.00 (i.e., Tax Anticipation Notes and Revenue Anticipation Notes) by any municipality, school district or district corporation in the State of New York other than the Village of Thomaston.
- ◆ Obligations of the Village of Thomaston, but only with moneys in a reserve fund established pursuant to GML Sections 6-c, 6-d, 6-e, 6-f, 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 Village of Thomaston 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 in any event at the option of the Village of Thomaston within two years of the date of purchase. Time deposit accounts and certificates of deposit shall be payable within such times as the proceeds will be needed to meet expenditures for which the moneys were obtained, and shall be secured as provided in Sections VIII and IX herein.

Except as may otherwise be provided in a contract with bondholders or note holders, any moneys of the Village of Thomaston authorized to be invested may be commingled for investment purposes, provided that any investment of commingled moneys shall be payable or redeemable at the option of the Village of Thomaston

within such time as the proceeds shall be needed to meet expenditures for which such moneys were obtained, or as otherwise specifically provided in General Municipal Law Section 11. The separate identity of the sources of these funds shall be maintained at all times and income received shall be credited on a pro rata basis to the fund or account from which the moneys were invested.

Any obligation that provides for the adjustment of its interest rate on set dates is deemed to be payable or redeemable on the date on which the principal amount can be recovered through demand by the holder.

XI. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

All financial institutions and dealers with which the Village of Thomaston transacts business shall be creditworthy, and have an appropriate level of experience, capitalization, size, and other factors that make the financial institution or the dealer capable and qualified to transact business with the Village of Thomaston.

The treasurer shall evaluate the financial position and maintain a listing of proposed depositaries, trading partners, and custodians. Recent Reports of Condition and Income (call reports) shall be obtained for proposed banks, and security dealers that are not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers.

The Village of Thomaston 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.

XII. PURCHASE OF INVESTMENTS

The treasurer is authorized to contract for the purchase of investments:

1. Directly, from an authorized trading partner.

2. By participation in a cooperative investment agreement with other authorized municipal corporations pursuant to Article 5-G of the General Municipal Law and in accordance with Article 3-A of the General Municipal Law.

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 Village of Thomaston 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(3)(a). The agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Village of Thomaston, will be kept separate and apart from the general assets of the custodial bank or trust company and will not be commingled with or become part of the backing for any other deposit or other bank liability. The agreement shall also describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to secure the local government's perfected interest in the securities, and the agreement may also contain other provisions that the governing board deems necessary. The security and custodial agreements shall also include all other provisions necessary to provide the Village of Thomaston with a perfected interest in the securities.

The treasurer can direct the bank or trust company to register and hold the evidences of investments in the name of its nominee, or may deposit or authorize the bank or trust company to deposit, or arrange for their deposit with a federal reserve bank or other book entry transfer system operated by a federally regulated entity. The

records of the bank or trust company shall show, at all times, the ownership of such evidences of investments, and they shall be, when held in the possession of the bank or trust company, at all times, kept separate from the assets of the bank or trust company. All evidences of investments delivered to a bank or trust company shall be held by the bank or trust company pursuant to a written custodial agreement as set forth in General Municipal Law Section 10(3)(a), and as described earlier in this section. When any such evidences of investments are so registered in the name of a nominee, the bank or trust company shall be absolutely liable for any loss occasioned by the acts of such nominee with respect to such evidences of investments.

XIII. ANNUAL REVIEW AND AMENDMENTS

The Village of Thomaston shall review this investment policy annually, and it shall have the power to amend this policy at any time.

XV. DEFINITIONS

The terms “public funds,” “public deposits,” “bank,” “trust company,” “eligible securities,” “eligible surety bond,” and “eligible letter of credit” shall have the same meanings as set forth in General Municipal Law Section 10.

Schedule A

Schedule of Eligible Securities for Collateralizing Deposits and Investments in Excess of FDIC Coverage

“Eligible Securities” for Collateral	For purposes of determining aggregate “market value,” eligible securities shall be valued at these percentages of “market value”:
(i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation.	100%
(ii) Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank.	100%
(iii) Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the market value of the obligation that represents the amount of the insurance or guaranty.	100%
(iv) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of this State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys	100%
(v) Obligations issued by states (other than the State of New York) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.	100% if rated in the highest category; 90% for 2nd highest; 80% for 3rd highest.
(vi) Obligations of the Commonwealth of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.	100% if rated in the highest category; 90% for 2nd highest; 80% for 3rd highest.
(vii) Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.	100% if rated in the highest category; 90% for 2nd highest; 80% for 3rd highest.
(viii) Obligations of domestic corporations rated in one of the two highest rating categories by at least one nationally recognized statistical rating organization.	80%
(ix) Any mortgage-related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be	70%

purchased by banks under the limitations established by federal bank regulatory agencies.	
(x) Commercial paper and bankers' acceptances issued by a bank (other than the bank with which the money is being deposited or invested) rated in the highest short-term category by at least one nationally recognized statistical rating organization and having maturities of no longer than 60 days from the date they are pledged.	80%
(xi) Zero-coupon obligations of the United States government marketed as "Treasury STRIPS."	80%

TREASURER'S PROCEDURES FOR OPERATION OF THE FINANCIAL MANAGEMENT AND INVESTMENT PROGRAM

4/2/97 updated 6/10/2013

In compliance with the INVESTMENT POLICY OF THE VILLAGE OF THOMASTON the Treasurer has established these procedures for operation of the investment program. In every respect the Treasurer will endeavor to be and remain in full compliance with the policies adopted by the Board of Trustees, applicable state laws and generally accepted accounting standards.

INTERNAL CONTROLS and CASH MANAGEMENT

Cash and Checks received will be stored in the safe until they are deposited in a Village account in a designated depository.

Deposits will be made within 10 days of receipt, as required by law. Most often deposits are and will be made each week.

Numbered receipts will be issued for payments received and reconciled against deposits.

All financial transactions shall be recorded in QuickBooks at the time of the deposit into the account.

To the extent possible, the financial duties will be performed by separate individuals. The Clerk-Treasurer or the Deputy Village Clerk will promptly collect all payments received, reconcile them to receipts, make all deposits within 10 days and balance all checking accounts monthly. The Clerk-Treasurer or the Deputy Village Clerk will record all deposits and expenditures in the QuickBooks accounting program.

Reconciliations of each of the bank accounts will be done at the end of each month and a copy of the report given to the Mayor. Either the Village clerk-Treasurer or the Deputy Clerk will process payroll and during the tax collection period payments will be entered by the Deputy Village clerk and frequent deposits will be made of the monies collected.

All vouchers paid since the last Board of Trustees meeting will be submitted to the Board of Trustees for approval and allocation.

Payroll may be paid, without prior audit by the Board of Trustees, as approved in the minutes of the annual meeting of the Board of Trustees.

Checks for approved vouchers and approved payroll will be signed by two persons among the following: Clerk-Treasurer, Mayor, and Deputy Mayor.

The Clerk-Treasurer is authorized to make transfers between Village accounts without a co-signer.

COLLATERAL

Third party collateral will be provided under guidelines established by the NYS Comptroller for all Village deposit and investment accounts. The Clerk-Treasurer is designated to authorize substitution or release of collateral as governed by the guidelines of the Comptroller and to execute required collateral agreements.

ANNUAL AUDIT

At the end of each fiscal year and before the submission of the Annual Update Document to the State Comptroller, and the Treasurer will arrange to have audit performed by an independent C.P.A. The current Village Auditor is Skinnon & Faber, C.P.A., P.C. located at 3690 Expressway Drive South, Islandia, NY 11749.