

**CALENDAR**  
**for**  
**REGULAR MEETING OF THE COUNCIL**  
**of the**  
**CITY OF LONG BEACH**  
**held**  
**JULY 21, 2020**

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1. Approval of Minutes of Prior Meeting of July 8, 2020.
2. Resolution Adopting the City Fund Balance Policy.
3. Resolution Adopting the City Investment Policy.
4. Resolution Authorizing the City Manager to Accept a Charitable Donation and to Amend the Budget.
5. Resolution Authorizing the City Manager to Issue a Purchase Order for the Supply, Transport and Delivery of Concrete from the Lowest Responsible Bidder.

July 21, 2020

Item No. 2  
Resolution No.

The following Resolution was moved by  
and seconded by :

Resolution Adopting the City Fund Balance Policy.

WHEREAS, the City Council of the City of Long Beach requested that the City Comptroller revise and update the City Fund Balance Policy that is in effect; and

WHEREAS, the objective of this policy is to establish a framework for financial stability for the City moving forward;

NOW, THEREFORE, be it

RESOLVED, by the City Council of the City of Long Beach, New York, that the “City Fund Balance Policy” dated July 2020, annexed hereto, is hereby adopted by the City Council as the Fund Balance Policy of the City of Long Beach.

# FUND BALANCE POLICY

City of Long Beach



Long Beach, NY

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***City Council***

***John D. Bendo, President***

***Karen McInnis, Vice President***

***Michael A. Delury***

***Scott J. Mandel***

***Elizabeth M. Treston***

***City Manager***

***Donna M. Gayden***

***City Comptroller***

***Inna Reznik***

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## I. Purpose

The purpose of this policy is to establish a key element of the financial stability of the City of Long Beach (the "City") by defining and setting guidelines to maintain a prudent level of fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintains adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures; protect of the City's creditworthiness and provide for adequate cash flow needs. Fund balance essentially provides taxpayers with a cushion against unforeseen and extraordinary events.

Both, the Office of the New York State Comptroller and the Government Finance Officers Association recommend that local governments establish a policy to maintain *reasonable* levels of unexpended surplus funds in their General Funds and other principal funds to hedge against unanticipated expenditures and/or revenue shortfalls.

## II. Definitions

*Fund Equity* – A fund's equity is generally the difference between its assets and its liabilities.

*Fund Balance* – An accounting distinction is made between the portions of fund equity that is spendable and nonspendable. The City records fund balances in accordance with GASB 54 which divides fund balance in to the five following classifications:

- 1) **Nonspendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact, including, but not limited to, prepaid items, inventories, and long-term portions of loans receivable, financial assets held for resale and principal of endowments.
- 2) **Restricted fund balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation.
- 3) **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- 4) **Assigned fund balance** – comprises amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates its authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- 5) **Unassigned fund balance** – is the residual classification of the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose (i.e. rainy-day fund).

### **III. Unassigned Fund Balance**

When available, the City's policy recommends a level of unassigned fund balances of 5% of the normal prior year expenditures made from its General, Water and Sewer funds. Under the terms of its tax certificates, the City is permitted to maintain a reasonable working capital reserve equal to five (5%) percent of the immediately preceding fiscal year's expenses paid out of current revenues. Unassigned fund balance, provided it does not exceed this threshold, qualifies as a reasonable working capital reserve.

However, to the extent the City utilizes its unassigned fund balance, its policy shall be to use these funds either for (i) non-recurring expenses that promote important policy objectives set forth by the City Council; or (ii) extraordinary operating and capital purposes that could not be anticipated, and which otherwise cannot be financed with current revenues in the annual operating budget. Such purposes include, but are not limited to, financing emergency capital repairs, offsetting an unexpected economic downturn, covering an unanticipated or excess shortfall in revenues or a spike in expenses, and/or providing necessary resources for emergencies.

### **IV. Reserve Funds**

As financial circumstances warrant, the City will look to establish and fund a number of formal reserve funds pursuant to the New York State General Municipal Law and other applicable rules and regulations. The City will establish reserve funds including, but not limited to, Retirement Contribution, Employee Benefit Accrued Liability, Insurance, Payment of Bond Indebtedness, Snow/Ice Removal and Road Repair, Contingency and Tax Stabilization and Capital.

### **V. Replenishment**

In fiscal years where the City's unassigned fund balance falls below the recommended level of five percent (5%), the City will develop a plan to replenish its unassigned fund balance by direct appropriation commencing with the next operating budget. The City will appropriate an amount available of up to 25 percent (25%) of the difference between its current level of unassigned fund balance and the minimum amount recommended under the policy, such that the minimum level of unassigned fund balance would be attained over a reasonable period. To the extent that a direct appropriation in the amount of 25 percent (25%) is not possible in any particular fiscal year, the City Manager, in conjunction with the City Comptroller, shall develop a strategy and make a recommendation to the City Council to restore the fund balance to the minimum level in the next budget year or other reasonable period of time.

### **VI. Annual Review & Amendments**

On an annual basis, or as deemed necessary, the City Council shall review the Fund Balance Policy and shall approve policy revisions, if any, by formal resolution.

July 21, 2020

Item No. 3  
Resolution No.

The following Resolution was moved by  
and seconded by :

Resolution Adopting the City Investment Policy.

WHEREAS, the City Council of the City of Long Beach requested that the City Comptroller revise and update the City Investment Policy that is in effect; and

WHEREAS, all investments shall be made in a prudent and safe manner, assuring the safety of the City's cash and investments;

NOW, THEREFORE, be it

RESOLVED, by the City Council of the City of Long Beach, New York, that the "City Investment Policy" dated July 2020, annexed hereto, is hereby adopted by the City Council as the Investment Policy of the City of Long Beach.

# INVESTMENT POLICY

City of Long Beach



Long Beach, NY

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***City Council***

***John D. Bendo, President***

***Karen McInnis, Vice President***

***Michael A. Delury***

***Scott J. Mandel***

***Elizabeth M. Treston***

***City Manager***

Donna M. Gayden

***City Comptroller***

Inna Reznik

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## **I. SCOPE**

This investment policy applies to all monies and other financial resources available for deposit and investment by the City of Long Beach (the "City") on its own behalf or on behalf of any other entity or individual.

## **II. OBJECTIVES**

The primary objectives of the City'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 analyze and project other anticipated liabilities (forecast);
- To obtain a reasonable rate of return consistent with operating and liability requirements (yield).

## **III. DELEGATION OF AUTHORITY**

The responsibility 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 based on database or records incorporating description and amounts of investments, transaction dates, and other relevant information and monitor the activities of subordinate employees. All employees directly associated with the investment process shall be bonded.

## **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's ability to govern effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, with prudence, discretion and intelligence exercised in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

## **V. DIVERSIFICATION**

Investments and deposits shall, to the extent practical, be diversified by financial institution, maturity, and type of investment to eliminate the risk of loss resulting from over concentration of assets in a specific bank or trading partner or a specific maturity.

## **VI. INTERNAL CONTROLS**

It is the policy of the City for all monies collected by any officer or employee of the City to deposit said funds timely within the time period specified by law.

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 this investment policy and recorded properly, and are managed in compliance with applicable laws and regulations.

## **VII. COLLATERALIZING OF DEPOSITS**

In accordance with the provisions of General Municipal Law, Section 10, all deposits of the City, 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 a pledge of "eligible securities" with an aggregate "market value", as provided by General Municipal Law, Section 10, equal to the aggregate amount of deposits from the categories designated in Appendix A of this policy.

## **VIII. SAFEKEEPING AND COLLATERALIZATION**

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

The security agreement shall provide that eligible securities are being pledged to secure the City's 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 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 City of Long Beach, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the City or the custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company as agent of and custodian for the City will be kept separate and apart from the general assets of custodial bank or trust company, and will not in any circumstances, be comingled with or become part of the backing of any other deposit or bank 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 agreements shall include all provisions necessary to provide the City a perfected interest in the securities.

At the direction of the City Comptroller, an independent advisor shall evaluate collateral sufficiency. During periods of rising interest rates, the City Comptroller may direct collateral evaluations at any time.

**IX. PERMITTED INVESTMENTS**

As authorized by General Municipal Law Section 11, the City authorizes the City Comptroller to invest monies not required for immediate expenditure for terms not to exceed its projected cash flow liabilities in the following types of investments:

- Special time deposit accounts;
- Certificates of deposit;
- 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 of the City of Long Beach and related entities, but only with monies in a reserve fund established pursuant to General Municipal Law Section 6-c, 6-d, 6-e, 6-g, 6-h, 6-j, 6-k, 6-l, 6-m or 6-n;
- With the approval of the Office of the New York 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 City; and
- Any other obligations authorized by law.

**X. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS**

The City shall maintain a list of financial institutions and dealers approved for investment purposes <sup>(1)</sup>, and except for the United States Government and City securities described herein, establish appropriate limits to the amounts of investments, which can be made with each financial institution or dealer. At a minimum, the City shall publicly request proposals from authorized financial institutions and dealers every 3 to 5 years. The following banks and/or trust companies authorized for the deposit of moneys, including certificates of deposit, up to the maximum amounts shown, are:

<b>Depository Name</b>	<b>Investment Limit</b>
TBD <sup>(1)</sup>	TBD <sup>(1)</sup>
TBD <sup>(1)</sup>	TBD <sup>(1)</sup>
TBD <sup>(1)</sup>	TBD <sup>(1)</sup>

(1) As of the date of this policy, the City was in the process of issuing a public request for bids from authorized financial institutions and dealers. Once bids are received and reviewed by City officials, the above list of depositories will be amended to reflect those institutions which have been selected. At a minimum, the City shall publicly request proposals from authorized financial institutions and dealers every 3 to 5 years.

All financial institutions with which the City conducts business with shall be creditworthy. Banks shall provide their most recent Consolidation Report of Condition at the request of the City. Security dealers shall provide financial information acceptable to the City Comptroller. The City Comptroller is responsible for evaluating the financial position and maintaining a listing of proposed depositories,

trading partners and custodians. Such listings shall be evaluated at least annually.

## **XI. PURCHASE OF INVESTMENTS**

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

- Directly, including through a repurchase agreement, from an authorized trading partner;
- 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 New York State Comptroller; and
- By utilizing an ongoing investment program with an authorized trading partner in conformance with the investment policy.

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 and/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 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 City, will be kept separate and apart from the general assets of the custodial bank or trust company and will not be comingled with or become part of the backing of 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 City'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 City with a perfected interest in the securities.

## **XII. REPURCHASE AGREEMENTS**

Repurchase agreements are authorized subject to the following restrictions:

- All repurchase agreements entered into must be 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 of agencies of the United States of America where principal and interest are guaranteed by the United States of America;
- No substitution of securities will be allowed; and
- The custodian shall be party other than the trading partner.

## **XIII. ANNUAL REVIEW AND AMENDMENTS**

On an annual basis, the City Council shall review the investment policy and shall approve policy revisions, if any, by formal resolution.

## Appendix A– “Eligible Securities” for Collateral

Schedule of Eligible Securities for Collateralizing Deposits and Investments in Excess of FDIC Coverage (See Investment Policy, Section VIII)

“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 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%
(iii) 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 New York State or obligations of any public benefit corporation which under a specific New York State statute may be accepted as security for deposit of public monies.	100%

July 21, 2020

Item No. 4  
Resolution No.

The following Resolution was moved by  
and seconded by :

Resolution Authorizing the City Manager to Accept a  
Charitable Donation and to Amend the Budget.

WHEREAS, it is the desire of Amy Innerfield and her family to make a donation of two new beach wheelchairs to the City of Long Beach in honor and in memory of their mother, Roslyn Innerfield; and

WHEREAS, this donation will add to the City's current inventory of beach wheelchairs and will allow for additional accessibility to our beaches for all people; and

WHEREAS, the two beach wheelchairs are being purchased from Deming Design Inc., 1090 Cobblestone Drive, Pensacola, Florida 32514 at a total cost of \$5,810; and

WHEREAS, the City of Long Beach is a Municipal Corporation and pursuant to Section 3 of the Charter of the City of Long Beach, the City may take by gift, grant, bequest and devise said financial donations;

NOW, THEREFORE, be it

RESOLVED, by the City Council of the City of Long Beach, New York, that the City Manager be and is hereby authorized to accept the donation of \$5,810 for the purchase and shipping of two beach wheelchairs, each with a customized decal on the back, from Amy Innerfield and her family, in honor and in memory of Roslyn Innerfield; and be it further

RESOLVED, that the donation funds shall be placed in Account No. A7187.52220 (Beach Park, Machinery & Equipment) after the following amendment to the budget is authorized:

Increase Estimate Revenues: A 10510  
A0027.42711 Gifts & Donations, Private Donations      \$5,810.00

Increase Appropriations: A 20960  
A7187.52220 Beach Park, Machinery & Equipment      \$5,810.00

July 21 2020

Item No. 5  
Resolution No.

The following Resolution was moved by  
and seconded by :

Resolution Authorizing the City Manager to Issue a Purchase Order for the Supply, Transport and Delivery of Concrete from the Lowest Responsible Bidder.

WHEREAS, after due advertisement therefore, three bids were received in the Office of the City Purchasing Agent on Thursday, July 16, 2020 at 11:00 a.m. for the supply, transport and delivery of concrete on an “as needed” basis for a period of one year; and

WHEREAS, Universal Ready Mix, 197 Atlantic Avenue, Garden City Park, New York 11090 was the lowest responsible bidder for the supply, transport and delivery of concrete for a cost of \$85.00 per cubic yard for 3500 PSI strength, \$96.00 per cubic yard for Nassau County Class A, \$108.00 per cubic yard for New York State Calcium Chloride Concrete and an additional \$7.00 per cubic yard for Winter Concrete (11/15-3/31), \$100.00 per cubic yard for short loads under 6 cubic yards and \$10.00 per cubic yard for concrete accelerator;

NOW, THEREFORE, be it

RESOLVED, by the City Council of the City of Long Beach, New York that the City Manager be and hereby is authorized to purchase concrete, as listed above, from Universal Ready Mix, 197 Atlantic Avenue, Garden City Park, New York 11090, including the supply, transport and delivery of same, on an “as needed” basis for a period of one year. Funds are available in Account No. A8170.54449 (Highway/Street Maintenance-Masonry Repairs).