

VILLAGE OF PITTSFORD

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Village of Pittsford Board of Trustees Special / Budget Meeting February 1, 2023, 4 PM

Tentative Agenda

Board Member - Conflict of Interest Disclosure & Open Meeting Compliance Certification

Meeting Items

1. Proclamations
 - In Recognition of 125 Years of Service for the Pittsford Fire Department
 - In Recognition of Matt Payne for Service to the Pittsford Fire Department
2. Consideration of Reserve Fund recommendations
3. Discussion of department expenditure requests for the 2023-2024 Budget

Next Scheduled Regular Meeting is February 9, 2023, and is Subject to Change Without Notice

VILLAGE RESERVES

General

Existing Reserves:

Description	Amount	Years	Amount Per Year
A232R- Repair Reserve	\$ 164,054.08		

Suggested Reserves & Funding

Description	Amount	Years	Amount Per Year
Equipment / Vehicle Reserve	\$ 750,000.00	10	\$ 75,000.00
Equipment / Vehicle Repair Reserve	\$ 30,000.00	10	\$ 3,000.00
Building Reserve	\$ 750,000.00	25	\$ 30,000.00
Building Repair Reserve	\$ 150,000.00	25	\$ 6,000.00
Infrastructure Reserve	\$ 750,000.00	20	\$ 37,500.00
Infrastructure Repair Reserve	\$ 150,000.00	10	\$ 15,000.00

Sewer

Existing Reserves:

Description	Amount	Years	Amount Per Year
G232VR - Reserve	\$ 247,983.50		

Suggested Reserves & Funding

Description	Amount	Years	Amount Per Year
Equipment/ Vehicle Reserve	\$ 425,000.00	10	\$ 42,500.00
Equipment/ Vehicle Repair Reserve	\$ 30,000.00	10	\$ 3,000.00
Building Reserve	\$ 250,000.00	25	\$ 10,000.00
Building Repair Reserve	\$ 100,000.00	25	\$ 4,000.00
Sewer Replacement Reserve	\$ 500,000.00	40	\$ 12,500.00
Sewer Repair Reserve*	\$ 87,916.17		
Pub Repair Reserve Fund*	\$ 32,509.41		
Catastrophic Reserve*	\$ 300,000.00		
WoodCreek Repair *	\$ 52,819.80		

* = Fully Funded

MEMO

To: Board of Trustees of the Village of Pittsford
From: Jeffrey L. Turner, Esq.
Date: July 12, 2022
Re: Reserve Funds

Dear Trustees:

There are basically 3 types of Reserve Funds that are implicated by Village records regarding the current sewer reserve funds and the current general reserve fund. Those 3 types of Reserve Funds are Specific Capital, Type Capital and Repair.

Specific Capital Reserve Funds are created and then maybe utilized for specific capital improvements such as City Hall, Town Garage, County Jail, Fire House, etc. or for the purchase of specific equipment such as pumper truck, sanitation truck, bulldozer, etc., and must have an estimated maximum cost of the items of equipment or improvement. A good example of a Specific Capital Improvement Fund is the Board's recent Resolution creating a catastrophic sewer failure fund.

Specific Capital or Equipment Reserves are created by Resolution, which Resolution is subject to a permissive referendum.

Type Capital Improvements are for a general type of capital improvements such as land, buildings, building alterations, etc. or general equipment purchases such as snow removal equipment, street cleaning equipment, highway equipment, etc. Unlike Specific Capital Reserve Funds, there is no requirement that such a reserve state the estimated maximum cost of the prospective capital improvement or equipment.

Type Capital Improvement Reserve Funds are established by Resolution, but expenditures from such funds are by Resolution subject to a permissive referendum, unless the period of probable usefulness of the Type Capital Improvement or Equipment is less than 5 years.

The purpose of a Repair Reserve Fund is to pay for certain repairs to capital improvements or equipment, which repairs must not recur annually or at shorter intervals. Presumably if such repairs do occur annually or at shorter intervals, then the proper mechanism to fund them is through the budget.

Repair Reserve Funds are created by Resolution and expenditures from such funds must be after a public hearing on 5 days' notice. Repair Reserve Funds can be appropriated in an emergency without a public hearing but at least one half of such expenditures must be repaid to the Repair Reserve Fund in the next fiscal year and the balance repaid by the end of the fiscal year after that.

The following are the current Sewer Fund Reserves:

- G232P
- G232R
- G232VR
- G232WC

G232P. \$32,509.41

This fund was established by Resolution on December 13, 2016 because in the new construction for the Pub, that new construction occupied a portion of the Village's sewer repair easement. This amount is intended to reimburse the Village for any additional repair expenses that it might have as a result of having a smaller easement within which to work on any required reconstruction of the sewer lines in that area.

This is a Repair Reserve Fund, and pursuant to the General Municipal Law, this money can only be used by the Board, after a public hearing on 5 days' notice.

G232R. \$87,916.17

This reserve fund was created by a Resolution of the Trustees on May 14, 1991 as a sewer repair reserve. The money in this fund may and must only be used for repairs to the sewer system. Dorothea is checking on why this reserve fund only earns 3% of the total interest earned on G232R, G232VR and G232WC. That 3% bears no relationship to the percentage of funds in this reserve fund as compared to G232VR and G232WC. Expenditures from this fund can only be made after a public hearing on 5 days' notice.

G232VR. \$247,983.50

Through a Resolution on March 12, 1974, the Board of Trustees created "the repair reserve fund water" which was to be used for tank painting, pulling of pumps, and replacing hydrants. Since this resolution was made during the time that the Village had a Water Department, presumably this reserve fund was established using water funds. There is no clarity on how and if the contents of this fund were transitioned to a sewer fund reserve.

Through a Resolution on February 14, 1984, the Board of Trustees created the Capital Reserve Fund to finance the cost of acquisition of highway equipment. There is no indication in the minutes that there was a vote in support of this Resolution. This would suggest that if the fund currently exists, it was not properly constituted. In addition, there is the added difficulty that this Reserve Fund purportedly created on February 14, 1984 was for the purpose of purchasing highway equipment, not something specifically related to the sewer fund.

In summary then it appears that the Village has some type of Reserve Fund within the sewer fund, the provenance of which is extremely questionable.

Again, there is no explanation why this particular reserve fund earns 76% of the interest earned by G232R, G232VR and G232WC when the reserve fund does not have 76% of the principle combined balance of those funds.

Recommended next steps would be for the Board to determine the purpose for which this fund should be used, a Specific Capital, a Type Capital or Repair, and then properly constitute it for that use. The intended use of the fund will determine how it must be constituted and then how expenditures can be made once it is constituted.

G232WC. \$52,819.80

This fund was created by a Resolution of the Board of Trustees on June 13, 1989. Those minutes indicate that it was established as a Wood Creek repair reserve fund for replacement of the lift station pumps. The question that arises is whether the replacement of a lift station pump is a capital expenditure or a repair expenditure. The answer to that question will determine whether or not the fund was properly constituted and how expenditures may be made from that fund.

The final question is why G232WC earns 21% of the interest earned by G232R, G232VR and G232WC when it does not have 21% of the combined balance of those accounts.

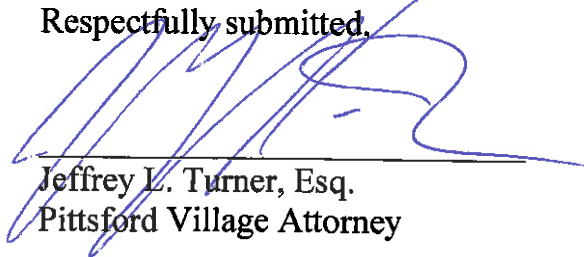
A232R. \$164,054.08

There is one reserve fund in the General Fund and that is A232R.

A232R is currently designated as a repair reserve fund within the General Fund. However, it appears that it may have started life as a capital reserve fund, the purpose of which was to purchase a new truck. This feels like a specific capital account which should have been created by Resolution subject to permissive referendum. There is no indication from the minutes whether or not that was done and, in fact, there is no indication in the minutes that there was ever a vote in support of that Resolution.

There is an indication from the minutes of the Board of Trustees Meeting of February 12, 1985 that there is a repair reserve fund because funds were placed into such a fund, but we cannot document that the fund in question was created properly or for what purpose it may be used. Again, the suggestion is that the Trustees should decide what this reserve fund should be, a Specific Capital, a Type Capital, or Repair. Once the Trustees determine the purpose of the fund, then it can be properly constituted and utilized.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "J. Turner", is written over a horizontal line. The signature is stylized and somewhat cursive.

Jeffrey L. Turner, Esq.
Pittsford Village Attorney

cc: Dorothea Ciccarelli, Pittsford Village Clerk

DPW 2023-2024 Budget - Needs and Wants *Revised 01/31/2023*

Vehicles

Item Needed:	Current Auction Value	Current Replacement Cost	Cost	Specifications / Notes:
Additional Vehicle	N/A	\$45,000-\$65,000	\$65,000	Estimate based on addition to fleet & availability. EV F150
Truck #14	\$40,000-\$45,000	\$100,000	\$60,000	Dump Body, Plow Pkg, Salter *Current*
Truck #3	\$35,000.00	\$45,000-\$65,000	\$30,000	F350 *Current*
Truck # 1	\$20,000.00	\$220,000	\$200,000	2004 International 7600 Workstar - Dump Body & Plow Set-Up *Past Due*
Bucket Truck	N/A	Used approx \$40,000-\$120,000	\$220,000	Additional Vehicle to current fleet*
Estimated Total Cost for Vehicles ->			\$575,000	*High end estimates for vehicle replacements* *Cost fluxuation is possible based on current market value and supply availability.

Equipment

Item Needed:	Current Auction Value	Current Replacement Cost	Cost	Specifications / Notes:
Vehicle Charging Station	N/A	N/A	\$7,500	***if EV F-150 is purchased*** Approx. 3 Stations 1 at DPW Shop & 2 at Village Hall
Bobcat 24" Asphalt Planer Attachment	N/A	N/A	\$24,000	Addition to equipment inventory
Hand-Held Radios	N/A	N/A	\$2,400	\$800 per hand-held (6)
(2) Hanging Furnaces	N/A	N/A	\$10,000	Replacement of originl hanging furnaces with installation costs.
Estimated Total Cost for Equipment ->			\$43,900	*Cost fluxuation is possible based on current market value and supply availability.

Road Work

Road Work	N/A	N/A	\$30,000	Contractual Asphalt Patch
Line St.	N/A	N/A	\$25,000	Milling & Paving
Surface Maintenance	N/A	N/A	\$15,000	General- Roads - Stone & Oil
#12-#14 Elm St.	N/A	N/A	\$30,000	Retaining wall build & replace.
Speed Humps	N/A	N/A	\$2,500	For Boughton Ave.
(2) Solar Powered Radar Feedback Signs	N/A	N/A	\$20,000	\$7500 per radar feedback station & \$2500 Installation by contractor if needed.
Estimated Total Cost for Road work & Maintenance ->			\$122,500	*Cost fluxuation is possible based on current market value and supply availability.

DPW 2023-2024 Budget - Sewer Fund - Needs and Wants

Vehicles

Item Needed:	Current Auction Value	Current Replacement Cost	Cost	Specifications / Notes:
Truck # 9 (Flush Truck)	\$15,000-\$20,000	\$320,000	\$300,000	2000 International Navistar *Coming from Sewer Funds*
Estimated Total Cost for Vehicles ->			\$300,000	*High end estimates for vehicle replacements* *Cost fluxuation is possible based on current market value and supply availability.

Equipment

Item Needed:	Current Auction Value	Current Replacement Cost	Cost	Specifications / Notes:
Warthog Nozzle	N/A	\$7,500	\$7,500	Nozzle for flush truck hose. - Sewer Cleaning and Root Cutting
Hand Held Push Camera	N/A	\$15,000	\$15,000	Sewer Inspections
Misc. Sewer Maintenance Tools	N/A	\$10,000	\$10,000	
Estimated Total Cost for Equipment ->			\$32,500	*Cost fluxuation is possible based on current market value and supply availability.

Contractual Sewer Maintenance per Term Contract

TBD

Estimated Total Cost for Road work & Maintenance ->			\$0	*Cost fluxuation is possible based on current market value and supply availability.

VILLAGE HALL

75%

25%

Description	Total	General	Sewer
Windows	\$ 53,000.00	\$ 39,750.00	\$ 13,250.00
Emergency Egress Windows	\$ 5,000.00	\$ 3,750.00	\$ 1,250.00
Front Porch & Balconettes Restoration	\$ 35,000.00	\$ 26,250.00	\$ 8,750.00
Main Office Rug*	\$ 15,000.00	\$ 11,250.00	\$ 3,750.00
HVAC System	\$ 50,000.00	\$ 37,500.00	\$ 12,500.00
Meeting room audio/video improvements*	\$ 20,000.00	\$ 15,000.00	\$ 5,000.00
Handicap Chair	\$ 15,000.00	\$ 11,250.00	\$ 3,750.00
Desk Replacements	\$ 5,000.00	\$ 3,750.00	\$ 1,250.00
Village Hall Exterior Painting	\$ 80,000.00	\$ 60,000.00	\$ 20,000.00
Totals	\$ 278,000.00	\$ 208,500.00	\$ 69,500.00

* = ARPA Funds