VILLAGE OF HASTINGS-ON-HUDSON

CAPITAL ASSET POLICY

ADOPTED (December 17, 2019)

1. Capital Asset Definitions and Guidelines

A. Overview

The Governmental Accounting Standards Board's (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* requires that governments depreciate their exhaustible capital assets, including infrastructure.

Capital assets are tangible and intangible assets that are used in operations and that have initial useful lives that extend beyond a single reporting period. They include land, land improvements, easements, buildings and improvements, equipment, and works of art and historical treasures.

Capital assets include infrastructure assets which are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Infrastructure assets include roads, bridges, tunnels, drainage systems, water and sewer systems, dams and lighting systems. A government with the primary responsibility for managing infrastructure assets reports that asset, even if a third party maintains it under contract.

Capital assets are reported in the statement of net assets at historical cost. The cost of a capital asset should include purchase price, capitalized interest and ancillary charges (i.e., freight and transportation charges) necessary to place the assets into use. Donated capital assets should be reported at their estimated fair market value at the time of donation, plus ancillary charges, if any.

Capital assets should be depreciated over their estimated useful lives unless they are either inexhaustible (assets in which service potential is used up so slowly that the estimated useful life is extraordinarily long, such as land and land improvements) or are infrastructure assets reported using the modified approach.

Depreciable assets are reported net of accumulated depreciation in the Statement of Net Assets. Accumulated depreciation may be reported on the face of the statement or disclosed in the Notes to Financial Statements. Capital assets that are not being depreciated, such as land or infrastructure assets reported using the modified approach, should be reported separately.

B. Capital Asset Classifications

Capital assets are assets purchased or constructed by the Village of Hastings-on-Hudson (the "Village") that have a useful life of three (3) or more years and that have a value equal to or greater than the established capitalization threshold. The following class of asset categories, capitalization thresholds and useful lives are used for the Village:

Class of Asset Categories, Capitalization Thresholds and Useful Lives

<table>
<tr><th>Class of Asset</th><th>Capitalization Threshold</th><th>Useful Life</th></tr>
<tr><td>Land</td><td>$5,000</td><td>Note 1</td></tr>
<tr><td>Land Improvements</td><td>$5,000</td><td>20 years</td></tr>
<tr><td>Buildings</td><td>$5,000</td><td>40 years</td></tr>
<tr><td>Building Improvements</td><td>$5,000</td><td>20 years</td></tr>
<tr><td>Machinery and Equipment: (Note 4)</td><td></td><td></td></tr>
<tr><td>Office Equipment</td><td>$5,000</td><td>5 years</td></tr>
<tr><td>Furniture</td><td>$5,000</td><td>10 years</td></tr>
<tr><td>Computers</td><td>$1,000</td><td>4 years</td></tr>
<tr><td>Vehicles</td><td>$5,000</td><td>5 years</td></tr>
<tr><td>Heavy Equipment</td><td>$5,000</td><td>10 - 20 years</td></tr>
<tr><td>Small Equipment and Tools</td><td>$5,000</td><td>3 - 10 years</td></tr>
<tr><td>Other</td><td>$5,000</td><td>3 - 10 years</td></tr>
<tr><td>Infrastructure:</td><td></td><td></td></tr>
<tr><td>Bridges (including culverts)</td><td>$5,000</td><td>30 years</td></tr>
<tr><td>Roads</td><td>$5,000</td><td>20 years</td></tr>
<tr><td>Traffic Control Systems</td><td>$5,000</td><td>40 years</td></tr>
<tr><td>Dams and Drainage Systems</td><td>$5,000</td><td>50 years</td></tr>
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<tr><td>Works of Art, Historical Treasures, and Library Books</td><td>$5,000</td><td>Note 2</td></tr>
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Note 2 – Depreciation is not required for Works of Art and Historical Treasures that are inexhaustible. If collection/items are exhaustible, then depreciation will occur over the estimated useful life. Due to the constantly changing nature of the Village Library’s book collection, and small cost of individual books, the cost of such book collection will not be capitalized.
Note 3 – Depreciation is not required on Construction Work in Progress. Upon completion, the asset will be recorded in appropriate asset classification and depreciation will begin in accordance with the threshold.
Note 4 – For control and accountability purposes, capital assets costing less than $5,000 may be recorded in the capital assets inventory.
Note 5 – The Village may keep inventory records of technology equipment for insurance purposes. Many items will be valued under the $1,000 threshold that has been established but an inventory of technology items should be maintained for insurance purposes (fire, flood, theft).</td></tr>
</table>

C. Capital Asset Acquisition Cost

Capital assets shall be recorded at their historical costs or estimated historical cost if the actual historical cost is unknown. The cost of a capital asset shall include any ancillary costs that are necessary to place the asset in its intended condition for use. These include the vendor's invoice (plus the value of any trade-in, if reflected on the invoice), initial installation cost (excluding in-house Village labor costs), modifications, attachments, accessories or apparatus necessary to make the asset usable and render it into service. Historical costs include charges such as freight and transportation costs, site preparation costs and professional fees. The costs of capital assets for governmental activities shall not include capitalized interest.

D. Capital Asset Donations

Donations are defined as voluntary contributions of resources to a governmental entity by a non-governmental entity. Donated capital assets shall be reported at fair market value at the time of acquisition plus ancillary charges, if any. Fair market value is the amount at which an asset could be exchanged in a current transaction between willing parties.

Governmental funds have to meet the standards of GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*. Donations must be recorded and reported at fair market value on the date of acquisition. Recipients of donated capital assets will recognize the donation and related revenue when the transaction is complete, and the assets are received, providing all eligibility requirements have been met. Promises of capital asset donations should be recognized as receivables and revenues (net of estimated uncollectible amounts) when all applicable eligibility requirements have been met, providing that the promise is verifiable, and the resources are measurable and probable of collection.

In some cases, donated capital assets are given with the stipulation (time requirement) that the assets cannot be sold, disbursed or consumed until a specified number of years have passed or a specific event has occurred. For such cases, the capital asset should be reported in the GASB Statement 54 "Net Position" as long as the restrictions or time requirements remain in effect.

Modified Accrual Basis of Accounting – Revenue from the donation of a capital asset shall not be reported when using the modified accrual basis of accounting, except in the following situation: If the Village receives a donation of a capital asset and intends to sell the asset immediately, revenue shall be recognized in the period the asset is donated, and the capital asset shall be reported in the same fund used to report the revenue as "Assets Held for Sale". Intent to sell should be evidenced by a sale of or contract to sell the capital asset before the financial statements are issued. Revenue shall be measured at the amount at which the capital asset is sold or its contract price. If the Village does not intend to sell the donated capital asset immediately or does not meet the criteria to sell as stated above, the donation shall not be reported in the operations of the governmental funds. Revenue from donations of financial resources such as cash, securities or capital assets shall be recognized when the Village has an enforceable legal claim to the donation and when it is probable the donation will be received, regardless of when the financial resources are actually received. Revenue shall be measured at the fair value of the financial resource donated.

Full Accrual Basis of Accounting – In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*, entities currently using proprietary fund accounting (i.e., water and sewer enterprise funds) must recognize capital asset donations as revenues and not as contributed capital.

E. Leased Equipment

Equipment shall be capitalized if the lease agreement meets any one of the following criteria:

- The lease transfers ownership of the property to the lessee by the end of the lease term.
- The lease contains a bargain purchase option.
- The lease term is equal to 75 percent or more of the estimated economic life of the leased property.
- The present value of the minimum lease payments at the inception of the lease, excluding executory costs, equals at least 90 percent of the fair market value of the leased property.

Leases that do not meet any of the above requirements shall be recorded as an operating lease and reported in the Notes to Financial Statements, if material.

F. Depreciating Capital Assets

Capital assets shall be depreciated over their estimated useful lives in accordance with this policy, unless they are inexhaustible.

The straight-line depreciation method (historical cost less estimated residual value, divided by useful life) is the method that shall be used by the Village for depreciating capital assets. Depreciation shall be calculated on an annual basis. A full year of depreciation shall be included in the year of completion or acquisition of the asset. Depreciation expense shall not be included in the year of disposition. Exception: Due to the material amount involved, depreciation expense for depreciable capital assets costing more than $1 million dollars shall be recorded in the first and last years based on number of months such asset was in service. Accumulated depreciation will be summarized and posted to the accounting general ledger for both the utility enterprise funds and the entity-wide financial statements.

Depreciation need not be calculated for individual assets. Instead, depreciation may be calculated for classes of assets, networks of assets and subsystems of network assets. A network of assets is defined as all assets that provide a particular type of service for a government. A subsystem of network assets is composed of all assets that make up a similar portion or segment of a network of assets. For example, a water distribution system of the Village could be a network of assets. Pumping stations, storage facilities and distribution networks could be considered subsystems of that network. Similarly, the Village's storm sewer system could be a network, with catch basins, storm drains and inlets considered a subsystem.

G. Useful Life of a Capital Assets

To estimate the useful life of a capital asset, the Village shall consider an asset's present condition, use of the asset, construction type, maintenance policy and how long it is expected to meet service and technology requirements. Sources of useful life information include internal information (i.e., historical records and replacement schedules), general guidelines obtained from professional or industry organizations, information for comparable assets of other governments, and use of period of probable usefulness as prescribed by the Local Finance Law.

The Village shall use as its policy guidelines for useful lives of its capital assets the information contained in the table in Section I. (2), entitled *Capital Asset Classifications*, above.

H. Residual Value

Residual value is the estimated fair market value of a capital asset or infrastructure remaining at the end of its useful life. In order to calculate depreciation for an asset, the estimated residual value must be established before depreciation can be calculated. The use of historical sales information is a valuable method for determining the estimated residual value. Proceeds from sale of assets shall be netted against residual value in computing net gain or loss from sale.

The Village generally purchases an asset with the intent to use the asset until its usefulness is exhausted. Therefore, the Village policy shall generally be to estimate residual value as zero for all capital assets.

I. Sale of Capital Assets

Sale of Village Property

No Village property shall be sold without prior approval of the Board of Trustees. However, the responsibility for such sales may be delegated by the Board of Trustees. The net proceeds from the sale of Village Property shall be deposited in the General Fund

Disposal of Equipment

Village equipment that is obsolete, surplus, or unusable by the Village shall be disposed of in such a manner that is advantageous to the Village. The Village Manager or his/her designee will be responsible for selling the equipment in such a way so as to maximize the net proceeds of the sale which may include a bona fide public sale preceded by adequate public notice. If it is determined that reasonable attempts to dispose of the equipment have been made and such attempts have not produced an adequate return, the Village Manager or his/her designee may dispose of the equipment in any manner which he/she deems appropriate.

When an asset is sold, a gain or loss shall be recognized when:

- Cash is exchanged, and the amount paid does not equal the net book value of the asset.
- Cash is not exchanged, and the asset is fully depreciated or has as residual value.

When an asset is sold, a gain or loss shall not be reported when:

- Cash exchanged equals the net book value, and the asset does not have a residual value.
- Cash is not exchanged, and the asset is fully depreciated and has as no residual value.

To compute a gain or loss from sale of capital assets, proceeds received shall be subtracted from the asset's net book value. Examples:

		Gain		Loss
Asset's historical cost		$10,000		$10,000
Less: Accumulated Depreciation		7,000		7,000
Net Book Value		$ 3,000		$ 3,000
Less: Proceeds Received		5,000		2,000
Gain/Loss from Sale of Asset	Gain	$ 2,000	Loss	$ 1,000

2. Capital Asset Categories

A. Land

Land Definition:
Land is the surface or crust of the earth, which can be used to support structures, and may be used to grow crops, grass, shrubs and trees. Land is characterized as having an unlimited life (indefinite).

Depreciation Methodology:
Land is an inexhaustible asset and, therefore, is not depreciated.

Capitalization Threshold:
The capitalization threshold for land is $5,000.

Examples of Expenditures to be Capitalized as Land:

- Purchase price or fair market value at time of acquisition.
- Commissions.
- Professional fees (title searches, architect, legal, engineering, appraisal, surveying, environmental assessment, etc.).
- Accrued and unpaid taxes at date of purchase.
- Other costs incurred in acquiring the land.
- Right-of-way.

B. Land Improvements

Definition:

Land improvements consist of betterments, site preparation and site improvements (other than buildings) that ready land for its intended use. Land improvements include such items as excavation, non-infrastructure utility installation, driveways, sidewalks, parking lots, flagpoles, retaining walls, fences, and outdoor lighting. They can be exhaustible or non-exhaustible.

Non-Exhaustible Land Improvements:

Expenditures for improvements that do not require maintenance or replacement. Expenditures to bring land into condition to commence erection of structures, and expenditures for land improvements that do not deteriorate with use or over the passage of time are additions to the cost of land and are generally not exhaustible and therefore not depreciated.

Exhaustible Land Improvements:

Expenditures for improvements that are part of the site, such as parking lots, landscaping and fencing, are usually exhaustible and are depreciated.

Depreciation Methodology:

Land improvements that are inexhaustible assets are not depreciated. Exhaustible land improvements are depreciated on a straight-line basis over 20 years. The straight-line depreciation method (historical cost less residual value, divided by useful life) will be used for exhaustible land improvements.

Capitalization Threshold:

The capitalization threshold for land improvements is $5,000.

Examples of Expenditures to be Capitalized as Land Improvements:

- Site improvements such as excavation, fill, grading and utility installation.
- Removal, relocation, or reconstruction of property of others (railroad, telephone and power lines).
- Fencing.
- Landscaping.
- Parking lots.
- Skating rinks, basketball courts, tennis courts, etc.
- Retaining walls.

C. Buildings

Definition:

A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable.

Depreciation Methodology:

The straight-line depreciation method (historical cost less residual value, divided by useful life) will be used for buildings.

Capitalization Threshold:
The capitalization threshold for buildings is $5,000.

Examples of Expenditures to be Capitalized as Buildings:

Purchased Buildings:

- Original purchase price.
- Expenses for modeling, reconditioning or altering a purchased building to make it ready to use for the purpose for which it was acquired.
- Environmental compliance (i.e., asbestos or lead abatement).
- Professional fees (legal, architect, inspections, title searches, etc.).
- Payment of unpaid or accrued taxes on the building to date of purchase.
- Cancellation or buyout of existing leases.
- Other costs required to place the asset into operation.

Constructed Buildings:

- Completed project costs.
- Interest accrued during construction.
- Cost of excavation, grading or filling of land for a specific building.
- Expenses incurred for the preparation of plans, specifications, blueprints, etc.
- Professional fees (architect, engineer, management fees for design and supervision, legal).
- Costs of temporary buildings used during construction.
- Unanticipated costs, such as rock blasting, piling, or relocation of an underground stream channel.
- Permanently attached fixtures or machinery that cannot be removed without impairing the use of the building.
- Additions to buildings (expansions, extensions, or enlargements).

D. Building Improvements

Definition:
Building improvements are capital events that materially extend the useful life of a building or increase the value of a building, or both. A building improvement should be capitalized as a betterment and recorded as an addition of value to the existing building if the expenditure for the improvement is at the capitalization threshold, or the expenditure increases the useful life or value of the building.

Depreciation Methodology:
The straight-line depreciation method (historical cost less residual value, divided by useful life) will be used for building improvements and their components.

Capitalization Threshold:
The capitalization threshold for building improvements is $5,000.

Examples of Expenditures to be Capitalized as Building Improvements:

- Conversion of attics, basements, etc. to useable office, clinic, research or classroom space.
- Structures attached to the building such as covered patios, sunrooms, garages, carports, enclosed stairwells, etc.
- Installation or upgrade of heating and cooling systems, including ceiling fans and attic vents.
- Original installation/upgrade of wall or ceiling covering such as carpeting, tiles, paneling or parquet.
- Structural changes such as reinforcement of floors or walls, installation or replacement of beams, rafters, joists, steel grids, or other interior framing.
- Swimming pools.
- Installation or upgrade of window or door frame, upgrading of windows or doors, built-in closet and cabinets.
- Interior renovation associated with casings, baseboards, light fixtures, ceiling trim, etc.
- Exterior renovation such as installation or replacement of siding, roofing, masonry, etc.
- Installation or upgrade of plumbing and electrical wiring.
- Installation or upgrade of phone or closed-circuit television systems, networks, fiber optic cable, wiring required in the installation of equipment (that will remain in the building).

Note: For a replacement to be capitalized, it must be a part of a major repair or rehabilitation project, which increases the value, and/or useful life of the building. A replacement may also be capitalized if the new item/part is of significantly improved quality and higher value compared to the old item/part such as replacement of an old shingle roof with a new fireproof tile roof. Replacement or restoration to original utility level would not. Determinations must be made on a case-by-case basis.

Other Costs Associated with the Above Improvements Not to Capitalize:
The following are examples of expenditures not to capitalize as improvements to buildings. Instead, these items should be recorded as maintenance expenditures:

- Adding, removing and/or moving of walls relating to renovation projects that are not considered major rehabilitation projects and do not increase the value of the building.
- Improvement projects of minimal or no added life expectancy and/or value to the building.
- Plumbing or electrical repairs.
- Cleaning, pest extermination, or other periodic maintenance.
- Maintenance-type interior renovation, such as repainting, touch-up plastering, replacement of carpet, tile, or panel sections; sink and fixture refinishing, etc.
- Maintenance-type exterior renovation such as repainting, replacement of deteriorated siding, roof, or masonry sections.

- Replacement of a part or component of a building with a new part of the same type and performance capabilities, such as replacement of an old boiler with a new one of the same type and performance capabilities.
- Any other maintenance-related expenditure which does not increase the value of the building.

E. Machinery and Equipment

Definition:

Machinery and equipment are fixed or movable tangible assets to be used for operations, the benefits of which extend three or more years from the date acquired and rendered into service. Improvements or additions to existing personal property that constitute a capital outlay or increase the value or life of the asset should be capitalized as a betterment and recorded as an addition of value to the existing asset. Note: Costs of extended warranties and/or maintenance agreements, which can be separately identified from the cost of the equipment, should not be capitalized.

Categories of Machinery and Equipment:

- Office equipment.
- Furniture.
- Computers.
- Vehicles.
- Heavy Equipment.
- Small Equipment and Tools.
- Other.

Note: Due to the low cost and value of individual furniture pieces (which may be material in the aggregate), it will be assumed that historical cost of this class of asset is 75% of insurance appraisal value, if the historical cost is unknown.

Depreciation Methodology:

The straight-line depreciation method (historical cost less residual value, divided by useful life) will be used for machinery and equipment.

Capitalization Threshold:

The capitalization threshold for machinery and equipment is $5,000. However, for control and accountability purposes, capital assets costing less than $5,000 may be recorded in the capital assets inventory.

Examples of Expenditures to be Capitalized as Machinery and Equipment:

- Original contract or invoice price, including freight charges, handling and storage. charges, in-transit insurance charges, charges for testing and preparation for use, and costs of reconditioning used items when purchases.
- Parts and labor associated with the construction of equipment.
- Dump trucks and passenger cars.
- Heavy construction equipment such as front-end loaders and backhoes.
- Lawn maintenance equipment, compressors and tool kits.

- Computer hardware and software.

F. Infrastructure

Definition:

Infrastructure are assets that are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Infrastructure assets are often linear and continuous in nature.

Infrastructure Classifications:

- Bridges, including culverts.
- Roads.
- Traffic control systems.
- Dams and drainage systems.
- Water systems.
- Sewer systems.

Prospective Reporting Policy Guidelines:

Prospective recording and reporting of general infrastructure assets in the Village's accounting records and Statements of Net Assets is required beginning at the effective date of GASB 34 implementation (i.e., as of June 1, 2003 for the Village). Village policy shall be to limit its accounting for infrastructure to that acquired (or significantly reconstructed, or that received significant improvements) in fiscal years ending after June 30, 1980, as is allowed.

Infrastructure Improvements:

Infrastructure improvements are capital events that materially extend the useful life or increase the value of the infrastructure, or both. Infrastructure improvements should be capitalized as a betterment and recorded as an addition of value to the infrastructure if the improvement or addition of value is at the capitalization threshold or increases the life or value of the asset.

Jointly Funded Infrastructure:

Infrastructure paid for jointly by multiple governmental entities should be capitalized by the entity responsible for future maintenance.

Maintenance Costs:

Maintenance costs are recurring costs that allow an asset to continue to be used during its originally established useful life. Maintenance costs are expensed in the period incurred.

Preservation Costs:

Preservation costs are generally considered to be those outlays that extend the useful life of an asset beyond its original estimated useful life, but do not increase the capacity or efficiency of the asset. Preservation costs should be capitalized under the depreciation approach.

Additions and Improvements:
Additions and improvements are those capital outlays that generally increase the capacity or efficiency of the asset. A change in capacity increases the level of service provided by an asset. For example, additional lanes can be added to a highway or the weight capacity of a bridge could be increased. A change in efficiency maintains the same service level, but at a reduced cost. The cost of additions and improvements should be capitalized.

Depreciation Methodology:
The straight-line depreciation method (historical cost less residual value, divided by useful life) will be used for infrastructure assets.

Capitalization Threshold:
The capitalization threshold for infrastructure assets is $5,000.

Examples of Expenditures to be Capitalized as Infrastructure:
- Roads, streets, curbs, gutters, sidewalks, fire hydrants.
- Bridges, culverts, trestles.
- Dams, drainage facilities.
- Water mains and distribution lines.
- Fiber optic and telephone distribution systems (between buildings).
- Light system (traffic, outdoor, street, etc.).
- Signage.
- Sewer systems.
- Water systems, including reservoirs.

G. Works of Art, Historical Treasures and Library Books
Works of Art, Historical Treasures and Library Books Definition:
Works of art and historical treasures are collections or individual items of significance that are owned which are not held for financial gain, but rather for public exhibition, education or research in furtherance of public service. Also, public library book collections. Collections or individual items that are protected and cared for or preserved and subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

Exhaustible Collections or Items:
Exhaustible collections or items are those whose useful lives are diminished by display or educational or research applications. Also, public library book collections.

Inexhaustible Collections or Items:
Inexhaustible collections or items are those whose economic benefit or service potential is used up so slowly that the estimated useful lives are extraordinary long. Because of their cultural, aesthetic, or historical value, the holder of the asset applies efforts to protect and preserve the asset in a manner greater than that for similar assets without such cultural, aesthetic, or historical value.

Depreciation Methodology:
The straight-line depreciation method (historical cost less residual value, divided by useful life) will be used for exhaustible collections or items. Inexhaustible collections or items are not depreciated.

Capitalization Threshold:
Works of art and historical treasures acquired or donated will be capitalized at a threshold of $5,000.

If a collection is held for financial gain and not capitalized, disclosures must be made in the Notes to Financial Statements that provide a description of the collection and the reasons these assets are not capitalized. When donated collection items are added to noncapitalized collections, program expense equal to the amount of revenues should be recognized.

Due to the constantly changing nature of the Village Library's book collection, and small cost of individual books, the cost of such book collection has not been capitalized.

Examples of Expenditures to be Capitalized as Works of Art, Historical Treasures and Library Books:

- Collection of rare books, manuscripts.
- Maps, documents and recordings.
- Works of art such as paintings, sculptures and designs.
- Artifacts, memorabilia, exhibits.
- Unique or significant structures such as monuments or statutes.
- Cost of public library book collection.

H. Construction Work in Progress

Definition:
Construction work in progress reflects the economic construction activity status of buildings and other structures, infrastructure (roads, water system, etc.), additions, alterations, reconstruction, installation, and maintenance and repairs, which are substantially incomplete.

Depreciation Methodology:
Depreciation is not applicable while assets are accounted for as construction work in progress. Upon asset completion and placement into service, the value of such asset is removed from the construction work in progress account and transferred to the appropriate capital asset classification account. Depreciation then begins based upon depreciation life of the appropriate asset category. See appropriate capital asset category when asset is capitalized.

Capitalization Threshold:
Construction work in progress assets should be capitalized to their appropriate capital asset categories upon the earlier occurrence of execution of substantial completion

contract documents, occupancy, or when the asset is placed into service (generally $5,000).

3. Annual Review

This policy shall be reviewed by the Village Board and a property control manager appointed at its organizational meeting or as soon thereafter as is reasonably practicable.

VILLAGE OF HASTINGS-ON-HUDSON
EXECUTIVE SESSION POLICY
ADOPTED; 9/28/1993;
Amended 11/20/2007.

It is the policy of the Board of Trustees of the Village of Hastings-on-Hudson to conduct

Village business in an open fashion and to make available as much information as may legally and practically be disseminated.

The New York Open Meetings Law authorizes the Board to conduct business in executive session in a number of areas. These include:

1. Matters which will imperil the public safety if disclosed;
2. Matters which may disclose the identity of a law enforcement agent or informer;
3. Information relating to criminal investigations;
4. Discussions relating to proposed, pending or current litigation;
5. Collective bargaining negotiations;
6. Personnel matters; and
7. The proposed acquisition, sale, or lease of real property or securities.

The Board recognizes that it is authorized to use Executive Sessions in these situations, but will do so with restraint.

To maintain confidentiality and to encourage the uninhibited discussion of the subjects of Executive Sessions, the specific subject matter and any statements made or positions taken by all participants must remain confidential and may not be disclosed by any participant unless and until a majority of the Board votes to authorize the release thereof by the Board.

It has been and continues to be the practice of the Board that all members of the Board, acting together, come to agreement by consensus on the specific information which is to be released to the public, the suitable vehicle for reporting that information, and the timing of the reporting.

The Village Clerk (or designee) shall take minutes of each executive session, such minutes to consist only of the following:

1. Date of resolution calling for the executive session;

2. Date, place, and time of executive session;

3. Names of persons present;

4. Broad description of subjects discussed (e.g. personnel, pending litigation); and

5. If any action is taken by formal vote, a summary of the final determination of such action and a record of the vote, in accordance with Public Officers Law ' 106.

Minutes shall be approved at the next regular meeting of the Board of Trustees.

BOARD OF TRUSTEES
RULES OF PROCEDURE

SECTION 1 - Regular Meetings

The Board of Trustees shall hold regular meetings on the 1st and 3rd Tuesday of each month. Such regular meetings shall commence at 7:30 p.m. and be conducted in the board room at the Municipal Building or in the auditorium of the Community Center. Any deviation of the foregoing paragraph shall be determined by the Board of Trustees. Meeting dates may be shifted to accommodate religious holidays or national election days.

SECTION 2 - Special Meetings

Special meetings of the Board of Trustees are all those Board meetings other than regular meetings. A special meeting may be called by the Mayor or a majority of the Board of Trustees upon notice to the entire Board. Notice shall be given by telephone, by email, in person, or in writing.

SECTION 3 - Quorum

A quorum shall be required to conduct business. A quorum of the five (5) member Board of Trustees shall be three (3). In the absence of a quorum, a lesser number may adjourn and compel the attendance of absent members.

SECTION 4 - Executive Sessions

Executive Sessions shall be held in accordance with the New York State Public Officers Law Section105. All executive sessions shall be commenced in a public meeting. (Appendix I Executive Session Policy)

SECTION 5 - Agendas

The agenda shall be prepared by the Village Manager and Village Clerk in consultation with the Mayor. The Mayor or any Trustee may have an item placed on the agenda. When possible, items for the agenda shall be given to the Village Manager the Friday morning before the meeting; however, items may be placed on the agenda at anytime, including during the meeting, by consent of a majority of the Board. The agenda shall be prepared by Friday preceding the meeting. If necessary, a supplemental agenda shall be distributed at the beginning of the meeting.

SECTION 6 - Voting

Pursuant to Village Law each member of the Board shall have one vote. The Mayor may vote on any matter but must vote in case of a tie. A majority of the totally authorized voting power is necessary to pass a matter unless otherwise specified by State Law.

An abstention, silence or absence shall be recorded as such, but shall be considered a negative vote for the purpose of determining the final vote on a matter.

A vote upon any question shall be taken by ayes and nays, and the names of the members present and their votes shall be entered in the minutes.

SECTION 7 - Minutes

Minutes shall be taken by the Village Clerk. Minutes shall consist of a record or summary of all motions, proposals, resolutions and any other matter formally voted upon and the vote thereon. Minutes shall be taken at executive session of any action that is taken by formal vote which shall consist of a record or summary of the final determination of such action and the date and vote thereon, provided, however, that such summary need not include any matter which is not required to be made public by the New York State Freedom of Information Law.

Minutes shall also include the following:

- Name of the Board;
- Date, place and time of meeting;
- Notation of presence or absence of Board members and time of arrival or departure if different from time of call to order and adjournment;
- Name and title of other village officials and employees present in an official capacity and approximate number of attendees;
- Record of communications presented to the Board;
- Record of reports made by Board or other village personnel;
- Time of adjournment;
- Signature of Village Clerk or person who took the minutes if not the Clerk.

Minutes need not contain a summary of the discussion leading to action taken or include verbatim comments unless a majority of the Board shall resolve to have the Clerk do so. Minutes shall be approved at the next Board meeting. Amendments to the minutes shall require Board approval.

SECTION 8 - Order of Business

The order of business shall be:

- Call to order
- Pledge of Allegiance
- Roll Call
- Appointments
- Approval of Minutes of previous meeting
  Approval of Warrants
- Public Comments
- Resolutions
- Village Manager′s Report
- Board Discussion and Comments
- Announcements
- Adjournment

The order of business need not be followed if the Mayor determines that it is necessary to deviate.

SECTION 9 - General Rules of Procedure

The Mayor shall preside at meetings. In the Mayor′s absence the Deputy Mayor shall preside. The presiding officer may debate, move and take other action that may be taken by other members of the Board.

Board members are not required to rise but must be recognized by the presiding officer before making motions and speaking. A member, once recognized, shall not be interrupted when speaking unless it be to call the member to order. If a member, while speaking, be called to order, they shall cease speaking until the question of order be determined, and, if in order, they shall be permitted to proceed.

There is no limit to the number of times a member may speak on a question.

Motion to close or limit debate may be entertained but shall require a two-thirds vote.

SECTION 10 - Guidelines for Public Comment

The public shall be allowed to speak only during the Public Comment period of the meeting or at such other time as the presiding officer shall allow. The presiding officer may modify these guidelines if warranted.

Speakers must step to the front of the room and speak into the microphone.

Speakers must give their name, address and organization represented, if any.

Speakers must be recognized by the presiding officer.

Speakers must limit their remarks to three (3) minutes on a given topic, and may be recognized again by the presiding officer after other speakers have had an opportunity to speak.

Speakers may not yield any remaining time they may have to another speaker.

Board members may, with the permission of the Mayor, interrupt a speaker during their remarks, but only for the purpose of clarification or information.

All remarks shall be addressed to the presiding officer.

Speakers shall observe the commonly accepted rules of courtesy, decorum, dignity and good taste.

Interested parties or their representatives may address the Board with written communications. Written communications shall be delivered to the Village Manager or Village Clerk. Speakers may not read written communications verbatim but should summarize their contents.

SECTION 11 - Use of Recording Equipment

All members of the public and all public officials are allowed to tape or video record public meetings. Recording is not allowed during executive sessions. The recording should be done in a manner which does not interfere with the meeting. The presiding officer may make the determination that the recording is being done in an intrusive manner, taking into consideration, but not limited to, brightness of lights, distance from the deliberations of the Village Board, size of the equipment, and the ability of the public still to participate in the meeting. If the presiding officer makes the determination that the recording is intrusive and has the effect of interfering with the meeting, the presiding officer may request an accommodation to avoid the interference, and if not complied with ask the individual to leave the meeting room.

SECTION 12 - Adjournment

Meetings shall be adjourned by motion.

SECTION 13 - Amendments to the Rules of Procedure

The foregoing procedures may be amended from time to time by a majority vote of the Board.

ADOPTED- July 15, 1997
Amended April 7, 2005 (Public Comment)
Amended April 10, 2007 (Order of Business)
Amended April 8, 2008 (Voting)
Amended April 21, 2009 (Regular Meetings, Special Meetings)
Amended Sept. 8, 2009 (Starting Time)
Amended Apr. 5, 2016 (Length of Speaker Time)