

STATE OF NEW YORK
COUNTY OF DUTCHESS
TOWN OF LA GRANGE

TOWN BOARD MEETING
June 7, 2011

Present: Supervisor Jon Wagner
Councilman Joseph Luna
Councilman Edward Jessup
Councilman Gary Polhemus
Councilman Gary Beck

Recording Secretary: Christine O'Reilly-Rao

Others Present: Ron Blass, Esq., Van De Water & Van De Water

A special meeting of the Town Board was held on Wednesday, June 7, 2011 at the LaGrange Town Hall, 120 Stringham Road. Supervisor Wagner called the meeting to order at 3:00 p.m.

Supervisor Wagner stated that the purpose of the meeting was to address proposed legislation which would create the LaGrange Public Library District in the Town of LaGrange.

A conference call was set up between the Board members and Mr. Bob Kaminsky, LaGrange Library Trustee, and Mr. Bob Schofield, attorney for the LaGrange Library Association.

Mr. Wagner stated that the Board's had addressed concerns about the proposed legislation as it would relate to the Town's budget and its effect on the Town's financial standing. He further explained that the Library cannot bond on its own by law, it must bond through the Town. This will not adversely affect the Town's bond rating nor will it put the Town anywhere near its debt ceiling. The Library budget and funding would remain separate and would not affect the Town's budget.

The proposed legislation had undergone several drafts and the draft being discussed has addressed the main concerns regarding bonding through the Town and Tax Anticipation Notes. A discussion of the methodology of the Town's tax collection process followed.

The uncertainty of the proposed Tax Cap legislation which is currently before the State Legislature is a matter of concern for all parties involved.

Mr. Schofield asked the Board to address his concerns with the final sentence of the document, which reads : *Any tax levy for the district shall not be charged or imputed to the town, and shall instead be charged or imputed to the district, for purposes of any general or special tax levy limit laws enacted by the legislature.*

His feeling was that the wording would cause undue scrutiny of the Act and possibly derail it, as State Legislators waited to see the final version of the Tax Cap legislation. He further stated that the creation of the special district would benefit not only the Library, but also the Town. A discussion about Section 4 (2) ensued.

Both Councilman Jessup and Councilman Luna objected to a "drop dead" date being included in the document. Mr. Schofield stated that there needed to be a specific date. Mr. Blass stated that inserting a date would result in the Town paying more than the pro rata share.

The discussion returned to the wording of Section 9. Mr. Blass stated that the Town was in no better position than the Library in regards to what the final version of the Tax Cap bill would be and how it would ultimately affect the budget. Mr. Schofield stated that the wording "special districts" has been included in all versions of the Tax Cap bill.

Mr. Blass stated that we must quantify the risk to the Town and the risk would be considerable if the Town wound up being hit with the Library's portion of the Tax Cap.

Mr. Jessup asked what the issue was with Section 9. Mr. Schofield stated that the issue was not with the contents per se, but rather with the wording of the last sentence. He felt that the wording would hold up the proposed legislation by linking it with the proposed Tax Cap legislation.

Both councilman Beck and Polhemus stated that they did not want to change or delete the wording at the end of the last sentence.

A discussion about the Library possibly pursuing a 414 ensued. Mr. Luna felt that the Library was threatening the Board with the 414 should they not agree to the wording change. He further stated that he has been very clear on his position against creating another taxing entity. If the residents vote for a 414, he will be silent. He added that the Board has always acted in good faith with regard to the Library.

Mr. Schofield stated that he is certain that the Board will cut funding for the Library by 50%, especially with the Tax Cap legislation in the picture; and having a 414 will stabilize the Library's funding source. Further discussion ensued.

Mr. Wagner asked if changing the language to "... Any laws enacted by the Legislature" would be acceptable and also protect the Town's interests.

Mr. Blass stated that it would. Both parties agreed to the following: *Any tax levy for the district shall not be charged or imputed to the town, and shall instead be charged or imputed to the district, for purposes of any general or special laws enacted by the legislature.*

Mr. Schofield thanked the Board.

The following oral resolution was offered: The Town Board approves the language of the Special ACT for submission to the New York State Legislature to establish the LaGrange Library district as discussed. Exhibit "A" will be made part of the minutes.

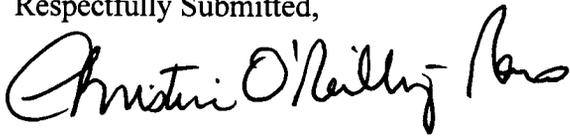
Councilman Jessup moved to approve the resolution, seconded by Councilman Beck. The motion carried unanimously.

Supervisor Wagner asked for a motion to adjourn.

Councilman Beck so moved, seconded by Councilman Luna. The motion was carried by all.

The meeting adjourned at 4:12 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Christine O'Reilly-Rao". The signature is written in a cursive, flowing style.

Christine O'Reilly-Rao
Town Clerk

EXHIBIT "A"

AN ACT in relation to creating the LaGrange public library district in the town of LaGrange, New York

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

§1. Creation of library district. Notwithstanding the provisions of any general, special, or local law to the contrary, there is hereby created and established in the town of LaGrange, county of Dutchess, a public library district which shall be known as the LaGrange public library district, hereinafter referred to as the district, and which shall consist of all of the territory within the town of LaGrange, hereinafter referred to as the town. The district will operate a public library to be known as the LaGrange Public Library.

§2. Election. 1. The district herein described shall not come into existence unless and until it is approved with the initial tax levy in support thereof proposed by the board of trustees of the existing LaGrange Library, and nine trustees are elected by a vote of the majority of the qualified voters voting in an election held, not later November 15, 2012, pursuant to the following provisions:

Upon receipt of a petition signed by not less than twenty-five voters qualified to vote at a general election in the town, the board of trustees of the existing LaGrange Library shall, at least sixty days prior to the general election, file such petition with the Board of Elections of Dutchess county which shall cause the Board of Elections of Dutchess county to give notice of an election to be held with the general election in the town. If a majority of the voters approve the formation of the district with the initial tax levy in support thereof proposed by the board of trustees of the existing LaGrange Library, then the district shall come into existence on the terms and conditions set forth in this act. At such election the issue shall be:

(a) whether the public library district herein described with the initial tax levy in support thereof proposed by the board of trustees of the existing LaGrange Library shall be created or not; and

(b) the election of nine trustees as provided by this act.

The Board of Elections of Dutchess county shall give notice of such election with the general election for the town of LaGrange in accordance with the rules relating to such notice in the Election law. In addition, the board of trustees of the existing LaGrange Library shall cause copies of such notice to be posted conspicuously in three public places in the district at least fourteen days prior to the date of such election. Such notice shall specify the issues to be decided at such election and that the election will be held as part of the general election. Every voter otherwise qualified to vote at a general election and residing within the town shall be qualified to vote at said election.

2. In the event that the district is created, there shall be an annual election conducted by the Board of Elections of Dutchess county in accordance with the provisions of subdivision one of this section in conjunction with the general election in the town, at which election vacancies on

the board of trustees shall be filled and at which any proposed tax levy which the board shall determine to submit to the voters pursuant to section four of this act shall be submitted to the voters.

3. Candidates for the office of member of the board of trustees of the LaGrange public library district shall be nominated by petition. No vacancy on the board of trustees to be filled shall be considered a separate, specific office. A separate petition shall be required to nominate each candidate for a vacancy on the board. Each petition shall be directed to the Board of Elections of Dutchess county, with a copy to the secretary of the board of trustees of the existing LaGrange Library, shall be signed by at least twenty-five qualified voters of the district, shall state the residence of each signer, and shall state the name and residence of the candidate. In the event that any such nominees shall withdraw their candidacy prior to the election, such person shall not be considered a candidate unless a new petition nominating such person in the same manner and within the same time limitation applicable to other candidates is filed with the Board of Elections of Dutchess county, with a copy to the secretary of the board of trustees of the existing LaGrange Library. Each petition shall be filed with the Board of Elections of Dutchess county, with a copy to the secretary of the board of trustees of the existing LaGrange Library, between the hours of 9:00 a.m. and 5:00 p.m., not later than the thirty-first day of August preceding the general election at which the candidates nominated are to be elected. In the event that the new district is created, petitions nominating candidates for the board of trustees for all future elections shall be filed with the Board of Elections of Dutchess county, with a copy to the secretary of the LaGrange public library district.

§3. Organization and structure. The LaGrange public library district shall be managed, operated, and controlled by a board of trustees consisting of nine members. The trustees shall take office on the first day January following their election. At the first regular meeting of the board of trustees of the district, the trustees shall determine when the terms of office of each member shall expire as follows: the trustees receiving the first, second, and third highest number of votes shall each serve for three years, the trustees receiving the fourth, fifth, and sixth highest number of votes shall each serve for two years, and the trustees receiving the seventh, eighth, and ninth highest number of votes shall each serve for one year. As vacancies occur due to expiration of terms of office, trustees shall be elected by the voters of the district at the election provided for by this act to serve three year terms, such terms to commence on the first day of January next following the election. All other vacancies caused by resignation, removal, death, or inability to serve shall be filled by appointment by the board of trustees of the district for the remaining portion of the term being filled. Only qualified voters of the district shall be eligible for election to the board of trustees. The board of trustees at its first meeting each year shall elect or appoint a president and vice-president, who shall be members of the board, and a secretary, treasurer, and such other officers as they deem necessary. If the board so determines, the offices of secretary and treasurer may be held by individuals who are not members of the board of trustees and, in that event, such officer may, if the board so determines, receive compensation as fixed by resolution of the board.

§4. Finances. 1. The initial tax levy to support the district shall be determined by a vote of the voters of the district in the initial election as hereinafter provided for. All future increases or decreases to the district's proposed total tax levy as compared to the total tax levy in the

preceding fiscal year shall be submitted to the residents voting at the annual election of trustees pursuant to section two of this act. The question to be placed on the ballot shall be given to the Board of Elections of Dutchess county for inclusion on the ballot at least thirty-six (36) days prior to the annual election. Funds voted for library purposes at the initial election and at all future elections shall be considered an annual appropriation therefor and shall be levied and collected yearly by the town for the district in the same manner and at the same time as other taxes in the town of LaGrange.

2. The town board of the town of LaGrange shall levy a tax against the real property lying within the LaGrange public library district for the amount to be raised by tax as approved by the voters of the LaGrange public library district. The town board shall pay the ~~full amount of the tax~~ levy approved by the voters over to the treasurer of the LaGrange public library district ~~by March 1st of each year as those revenues are collected and received by the town.~~ If necessary, the town board ~~shall issue~~may issue tax anticipation notes pursuant to article II of the local finance law to obtain the necessary moneys therefor.

43. The town board of the town of LaGrange shall have the power to authorize, sell, and issue bonds, notes, and other evidences of indebtedness pursuant to the local finance law in order to permit the district to provide facilities or improved facilities for library purposes. Upon written request from the board of trustees of the LaGrange public library district, after approval by the qualified voters of such district, the town board shall authorize, sell, and issue such bonds, notes, or other evidences of indebtedness as are necessary to accomplish the improvements specified in the notice. The proceeds of such bonds, notes, or other evidences of indebtedness shall be paid to the treasurer of the LaGrange public library district and maintained in a segregated account in accordance with section 165.00 of the local finance law and expended by the treasurer only on specific authorization by the board of trustees.

54. The board of trustees of the LaGrange public library district may accept on behalf of the district any absolute gift, devise, or bequest of real or personal property and such conditional gifts, devises, or bequests as it shall by resolution approve.

65. The treasurer of the LaGrange public library district shall be custodian of all funds of the district, including gifts and trust funds paid over to the trustees. The board of trustees may authorize the investment of funds in the custody of the treasurer in the same manner in which town funds may be invested. Proceeds of obligations received from the town may be invested in accordance with section 165.00 of the local finance law. The town of LaGrange shall promptly pay over to the LaGrange public library district all moneys which belong to or are raised for the district. No moneys shall be disbursed by the treasurer of the district except after audit by the board of trustees. The board of trustees of the LaGrange public library district shall audit all claims and shall order the payment thereof, except as otherwise provided by this section. No such claims shall be audited or ordered paid by the trustees unless an itemized voucher therefor shall be presented to the board of trustees for audit and allowance. The provisions of this section shall not be applicable to payment of utility costs, claims of fixed salaries, and amounts which the district may be required to pay on account of retirement contributions for past or current services to officers and employees of the district. The treasurer shall keep such records in such manner as the board of trustees may require.

§5. Charter, commencement of operations, and transfer of property and employees. The initially elected trustees shall, within forty-five days from the date of approval of the district by the voters of the district, apply to the board of regents for a charter as a public library. Upon the granting of such a charter by the board of regents, title to all liabilities and assets, including all property, both real and personal, and both tangible and intangible, all trust and other funds, and all other obligations, now held by the existing LaGrange Library shall be transferred to, vested in, and be acquired by the district established by this act. The above provisions for transfer to, vesting and acquisition of real and personal property, both tangible and intangible, and all trust and other funds, are effectuated by operation of law pursuant to the authority of this sub-section, except that, for purposes of clarity of real property records, deeds of conveyance shall be executed and filed for any parcels of real property. Upon the transfer of all such property, the existing LaGrange Library shall be deemed dissolved. Upon the granting of such charter by the board of regents, all employees of the existing LaGrange Library shall become employees of the district upon the same terms and conditions of employment and at the same rate of pay as their previous employment by the existing LaGrange Library.

§6. Ad valorem levy. The several lots and parcels of land within the area of the district are hereby determined to be benefited by the library facilities and devices existing as of the effective date of this act, and the town of LaGrange is hereby authorized to assess, levy, and collect the necessary expenses of operation, maintenance, and repair of such facilities and services and such capital improvements, including debt service on bonds, notes, or other evidences of indebtedness of the town issued for the purpose of the LaGrange public library district, as may be hereafter authorized pursuant to the provisions of this act from such lots and parcels of land in the same manner and at the same time as other town charges.

§7. Education law. Except as otherwise provided by this act, the provisions of the education law relating to public libraries shall be applicable to the district established by this act.

§8. In the event that the new district is created, Section 5 of chapter 672 of the laws of 1993, amending the public authorities law relating to the construction and financing of facilities for certain public libraries, is amended to include the LaGrange public library district as an eligible public library for purposes of title 4 of article 8 of the public authorities law.

§~~New~~9. The LaGrange public library district is deemed a special district which is separate and distinct from the town for all purposes, including but not limited to management, appropriations, and expenditures. Any tax levy for the district shall not be charged or imputed to the town, and shall instead be charged or imputed to the district, for purposes of any general or special tax levy limit-laws enacted by the legislature.

§910. This act shall take effect immediately.