

Village of Ellenville
Board Meeting
Friday, February 8, 2008

The meeting was called to order with the Pledge of Allegiance by Mayor Jeffrey Kaplan at 4:30 p.m.

ROLL CALL	Mayor Jeffrey Kaplan	Present
	Deputy Mayor Raymond Younger	Absent w/notice
	Trustee Efrain Lopez	Present
	Trustee Francisco Oliveras	Present
	Trustee Patricia Steinhoff	Present

ALSO PRESENT Philip Cataldi, Village Attorney
Elliott Auerbach, Village Manager
Linda Polkoski, Village Treasurer
Brian Schug, Building Inspector
Noreen Dechon, Village Clerk

Mayor Kaplan stated that this reason for this special meeting was to discuss a cash flow issue requiring a tax anticipation note. Mayor Kaplan further stated that the Village Budget depends on the taxpayer paying their taxes. There is currently \$240,000 outstanding on this year's taxes.

Different topics discussed were the anticipated revenues that were expected from sale of Village property, the Village of Ellenville's assets and the revenues from the sale of the mountain.

**TAX ANTICIPATION
NOTE RESOLUTION**

Motion by Trustee Steinhoff, seconded by Trustee Oliveras authorizing the issuance of up to \$355,000 aggregate principal amount tax anticipation notes of the Village of Ellenville, County of Ulster, State of New York, in anticipation of the collection of real estate taxes levied in and for the Village in its fiscal year ending May 31, 2008 and ended May 31, 2007, 2006, 2005 and 2004, pursuant to the local finance law.

WHEREAS, the Village of Ellenville (the "Village"), a municipal corporation of the State of New York, located in the County of Ulster, desires to issue tax anticipation notes in anticipation of the collection of real estate taxes levied in the Village's for its fiscal year ending May 31, 2008 and ended May 31, 2007, 2006, 2005 and 2004.

WHEREAS, \$ 9,107,482 of such real estate taxes levied in the Village's fiscal year ending May 31, 2008 and ended May 31, 2007, 2006, 2005, and 2004. have been collected as of the date hereof, leaving approximately \$ 355,000 of such real estate taxes uncollected in such fiscal year; and

WHEREAS, \$ 355,000 of real estate taxes levied in the Village's Fiscal year ending May 31, 2008 and ended May 31, 2007, 2006, 2005, 4004 have not been collected in the aggregate.

WHEREAS, no tax anticipation notes have been authorized or issued in anticipation of the collection of such real estate taxes in such fiscal years, except the Village's \$500,000 Tax Anticipation Note, Series 2007 for the 2006-2007 fiscal year;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF ELLENVILLE, COUNTY OF ULSTER, STATE OF NEW YORK, AS FOLLOWS:

Section 1. There are hereby authorized to be issued tax anticipation notes of the Village in the aggregate principal amount not to exceed \$355,000, pursuant to the Local Finance Law, in anticipation of the collection of (i) \$255,000 of real estate taxes levied in and for the Village in its fiscal year ending May 31, 2008 and (ii) \$100,000 of real estate taxes levied in and for the Village in its fiscal years ended May 31, 2007, 2006, 2005 and 2004; provided, however, that no such notes shall be issued under this resolution at any time in any amount which exceeds the "cumulative cash-flow deficit" within the meaning of the applicable Internal Revenue Code regulations, with respect to such notes. Such notes shall be designated the "Village of Ellenville, New York Tax Anticipation Notes, Series 2008" (the "Notes").

Section 2. The Notes shall be dated, shall mature, shall be in such denominations and shall bear interest at the rate or rates of interest per annum, determined at the time of the sale of the Notes by the Village of Treasurer at a public or private sale in accordance with the provisions of the Local Finance Law of the State and Chapter 2 of the New York Code of Rules and Regulations.

Section 3. The Board of Trustees of the Village has ascertained and hereby states that (a) \$ 355,000 of such real estate taxes remains uncollected as of the date hereof for the fiscal year of the Village ending May 31, 2008; (b) \$ 355,000 of such real estate taxes remain uncollected as to the date hereof for the fiscal years ended May 31, 2007, 2006, 2005 and 2004; (c) no tax anticipation notes have heretofore been authorized or issued in anticipation of the

collection of real estate taxes for such fiscal years, except the Villages \$500,000 Tax Anticipation Note, series 2007; (d) no amount has been included in the annual budget of the Village for such fiscal year to offset, in whole or in part, any anticipated deficiency in the collection during such fiscal year of real estate taxes levied for such fiscal year; (e) all of the proceeds of the sale of the Notes will be expended within one year of the date of issuance of the Notes; (f) pursuant to Section 24.00 of the Local Finance Law, the Notes shall mature within one year of the date of their issuance and in no event shall the Notes, or any renewals thereof, extend beyond five years from the date of their original issuance and (g) all earnings from the proceeds of the Notes, if any, shall be applied for payment of interest on the Notes when due and payable, or for the payment of other governmental purposes of the Village within the meaning of the United States Treasury Regulations or other such regulations in effect or proposed on the date of issuance of the Notes.

Section 4. Pursuant to the provisions of the Local Finance Law, including Sections 30.00, 50.00, and 56.00 to 60.00, inclusive, the power to sell, issue and deliver and the power to prescribe the terms, form and contents of the Notes, including any renewals thereof, are hereby delegated to the Village Treasurer, as the chief fiscal officer of the Village. The Village Treasurer is hereby authorized to execute the Notes on behalf of the Village and the Village Clerk is hereby authorized to impress the seal of the Village (or to have imprinted a facsimile thereof) on the Notes and to attest such seal. The Village Treasurer is hereby authorized to deliver the Notes to the purchaser thereof upon payment and receipt in full of the purchase price thereof.

Section 5. The faith and credit of the Village is hereby and shall be irrevocably pledged for the punctual payment of the principal of and interest on the Notes as the same shall become due.

Section 6. The Village Treasurer is hereby directed to file with the Board of Trustees of the Village certificates reporting the date of the Notes, the date the Notes mature, the rate or rates of interest payable on the Notes, the purchaser of the Notes, and a statement to the effect that the power of the Village Treasurer to sell, issue and deliver the Notes, or any renewals thereof, is in full force and effect and has not been modified, amended or revoked prior to the delivery of and payment for the Notes, and such other certificates as may be delivered to the purchaser of the Notes.

Section 7. The Village covenants for the benefit of the holders and beneficial owners of the Notes that it will not make any use of

the proceeds of the Notes, and any funds reasonably expected to be used to pay the principal of or interest on the Notes, or any other funds of the Village, which would cause the interest on the Notes to become subject to federal income taxation under the Internal Revenue Code of 1986, as amended (the "Code") (except for the federal alternative minimum tax imposed on corporations by Section 55 of the Code), or subject the Village to any penalties under Section 148 of the Code, and that it will not take any action or omit to take any action with respect to the Notes or the proceeds thereof, if such action or omission would cause the interest on the Notes to become subject to federal income taxation under the Code (except for the federal alternative minimum tax imposed on corporations by Section 55 of the Code), or subject the Village to any penalties under Section 148 of the Code. The foregoing covenants shall remain in full force and effect notwithstanding the defeasance of the Notes or any other provisions hereof until the date which is sixty (60) days after the final maturity date or earlier prior redemption date thereof.

Section 8. For the benefit of the holders and beneficial owners from time to time of the Notes, the Village agrees, in accordance with and as an obligated person with respect to the Notes under, Rule 15c2-12 (the "Rule") promulgated by the Securities Exchange Commission pursuant to the Securities Exchange Act of 1934, to provide or cause to be provided such financial information and operating data, financial statements and notices, in such manner, as may be required for purposes of the Rule. In order to describe and specify certain terms of the Village's continuing disclosure agreement for that purpose, and thereby implement that agreement, including provisions for enforcement, amendment and termination, the Village Treasurer is authorized and directed to sign and deliver, in the name and on behalf of the Village, the commitment authorized by subsection 6(c) of the Rule (the "Commitment") to be placed on file with the Village Clerk, which shall constitute the continuing disclosure agreement made by the Village for the benefit of holders and beneficial owners of the Notes in accordance with the Rule, with any changes or amendments that are not inconsistent with this resolution and not substantially adverse to the Village and that are approved by the Village Treasurer on behalf of the Village, all of which shall be conclusively evidenced by the signing of the Commitment or amendments thereto. The agreement formed collectively by this paragraph and the Commitment shall be the Village's continuing disclosure agreement for purposes of the Rule, and its performance shall be subject to the availability of funds and their annual appropriation to meet the costs the Village would be required to incur to perform thereunder. The Village Treasurer, acting on behalf of the Village, is further authorized and directed to

establish procedures in order to ensure compliance by the Village with its continuing disclosure agreement, including the timely provision of information and notices. Prior to making any filing in accordance with the agreement or providing notice of the occurrence of any material event, the Village Treasurer shall consult with, as appropriate, the Village attorney and bond counsel or other qualified independent special counsel to the Village and shall be entitled to rely upon any legal advice provided by the Village attorney and such bond counsel or other qualified independent special counsel in determining whether a filing should be made.

Section 9. This resolution shall take effect immediately upon its adoption by the Board of Trustees of the Village.

All in favor - Aye - motion carried

**MTA GROUP
PRESENTATION**

A tax collection presentation was made by Steve and Robin DeCarlo from the MTA Group. The DeCarlos reviewed the process their company does for the collection of past due taxes that are owned to municipalities.

ADJOURN

Motion by Trustee Lopez, seconded by Trustee Steinhoff to adjourn at 5:20 p.m.

All in favor - Aye - motion carried

Respectfully submitted,

Noreen Dechon
Village Clerk