STATE OF NEW YORK : COUNTY OF ORANGE
TOWN OF MONROE INFORMATIONAL SESSION

IN THE MATTER
OF
TOWN OF PALM TREE

Monroe Theatre
34 Millpond Parkway
Monroe, New York
October 11, 2017
7:00 p.m.

B E F O R E :

MICHAEL McGINN, Moderator
Town of Monroe Councilman

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APPEARANCES:

JAMES PURCELL, Mayor  
Village of Monroe

IRENE CONKLIN, Deputy Mayor  
Village of Monroe

STEPHEN WELLE, Mayor  
Village of Harriman

EMILY CONVERS,  
United Monroe

MIKE EGAN,  
United Monroe

BILL COCHRAN, CPA  
RBT CPAs, LLP

HARLEY DOLES, Supervisor  
Town of Monroe

TONY CARDONE, Acting Supervisor  
Town of Monroe
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(The pledge of allegiance was recited.)

MR. McGINN: Okay, welcome to the public information session on the referendum on the Town of Palm Tree sponsored by the Town of Monroe.

The -- I'm not going to go through the whole history of this. We've gone through several public hearings with the county to get to this point. This isn't about what the county did or didn't do, whatever, this is about -- this is now here in the hands of the voters in the Town of Monroe. It's now up to us to decide whether this is something we want to do and that will be largely based on financial considerations. And that's why we have placed very heavy emphasis on finances and how that's going to work. We were able to secure a firm that was able to do a pretty decent analysis in a very short amount of time to look at those numbers.

So we are going to have them up first -- and before we do that I'm going to go through some other quick announcements.

The sessions are broadcast on Channel
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22, live, and also will be rebroadcast, they will also be posted on the Town website. And that will be for both sessions.

I would like to introduce the elected officials that are here. From the Town of Monroe we have Supervisor Harley Doles, Acting Supervisor Tony Cardone, Councilman Rick Colon and Councilman Gerry McQuade. From the Village of Monroe we have Mayor James Purcell and Deputy Mayor Irene Conklin on the dais here. Village of Harriman here Steve Welle is here on the dais as well. Village of Kiryas Joel was invited, unfortunately they have religious observances this evening.

For the school districts, Monroe Central School District sent a written response to the presubmission questions submitted last week. And Kiryas Joel School District was also not able to attend because of religious observances.

SPEAKER: And these --

MR. McGINN: No interrupting, please.

I have the accounting firm of RBT,
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representing them is Bill Cochran, Mike
Turturro and Linda Hannigan. They will be
presenting first. We have our Town Attorney,
Brian Nugent, here. And we have United
Monroe chairman -- Chairwoman Emily Conyers
and Mike Egan.

With that in mind, presenters will be
given 12 to 15 minutes to present, that's
with the exception of the accountants because
of the depth of material that you have to
present so you will be given extra time.

Written questions that were previously
submitted will be read first and directed to
the appropriate representative. Similar
questions will be accrued together in order
to prevent repetition and conserve time. All
question submitted are available for public
review at Town Hall. Verbal questions will
be taken from sign up sheet, each person will
have three minutes and must be a resident of
the Town of Monroe. So you must be a
resident since this referendum is for
residents to vote on.

Now, please state your name and address
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and state it clearly so that the Stenographer can hear it. Those that have submitted written questions or asked questions verbally will not be allowed to do the same at the next meeting until all the questions have been heard. So, in other words, if you commented -- some feedback there -- George, you with us? All right. So if you submitted questions at this meeting people that have submitted new questions or want to speak first at the next meeting will go first and if we have time we will get to them.

Speaking of time, this meeting will be capped at 10:00 p.m., that gives us three hours, that's a more than adequate amount of time. Hopefully, we will be done before that, if not, 10:00 p.m. will be the time. If we don't get through our list then at that point you will be first at the next meeting.

All right, the questions will be directed to the moderator and not to the panel. So if you have a question you direct it to me and I'll direct it to the appropriate person here on the panel.
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The right to -- the responders reserve the right to decline questions and if that's the case I'll just move on to the next resident.

As I stated previously, the Stenographer is here. She can only listen to one person at a time so please, speak clearly, slowly and let her get an accurate representation of what is said at the meeting. All right? Two people cannot be speaking at the same time.

Conduct. There is no signs, no shouting out, no interrupting presenters or speakers. I have directed the Videographer to film any person that becomes disruptive and I will use the video as evidentiary material for a criminal complaint. The Village of Monroe Police are on standby in the event that it becomes necessary to remove and/or arrest anyone that interferes with the proceedings. Hopefully that wouldn't be the case.

Hopefully people will be respectful of each other's right to speak, ask question. This is an informational session, all right? It's about primarily the voters and whether --
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getting that information out and so that they are well-informed come November 7th with the referendum.

That being said, it's my pleasure to --
to introduce Bill Cochran, Mike Turturro and Linda Hannigan, here now to present on behalf of your firm RBT.

MR. COCHRAN: First off, if this goes blank -- I keep hitting this button right here, I've already done it three times in practice. We are RBT CPAs out of Newburgh, New York, we have four offices through the Hudson Valley.

And we were engaged by the Town of Monroe to find out what is the impact of the formation of the new town. We call those agreed upon procedures. It's not an audit. We don't provide an opinion on it, but what we do is we gather information and then we tell you what we have learned.

We are estimating the overall impact of revenues and expenses for the Town of Monroe. And, again, this is not an audit. There are procedures that were agreed to between the
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Town Board and RBT.

Revenues. What is the impact of revenues to the Town of Monroe? What are you going to lose? Expenses. What can you save?

When we were going through or developing a strategy to try and gather the information that we could for the revenues, we do a lot of municipalities, but this is slightly different. We had to dig a little bit deeper, you know. How was it done? So we had to do interviews. We interviewed state officials, county officials, other local officials, trying to get to the guts of how some of these calculations and amounts pass through your books of account. How is this revenue going in? And with those revenues going in how are they going to be affected with this new town?

With the expenses, we scrubbed the expenses. We are looking at expenses, okay, which ones most likely would there be savings due to the formation of this town? But in that essence we had to interview the department heads, we had to interview
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employees, we had to perform walkthroughs, we had to see, okay, how is this working? How are these expenses being saved? Right? So -- but what we found is, we did a significant accounts, you know books of account of Town of Monroe are huge. I mean you've got hundreds of accounts. So instead of looking at every single account, let's put a dollar limit, let's look at significant accounts that will have the biggest impact if this town is formed. Of course, property taxes is one, but there is other buyings and forfeitures and other revenues that could be lost due to this -- sales tax is another.

Expenses. We looked at approximately 87 percent, I would say, of all the expenses. There is, you know, 87 percent significant. Your personal services and employee benefits made up over 50 percent of that 87 percent. So all the significant accounts we looked at we found that personal services and employee benefits was your biggest number.

Analysis of revenues. Now, the next slide you are going to see there is a list.
You are going to see by fund revenues that you are going to lose, estimate -- again, estimate -- by fund. And I'm not going to read every single one of them, but I'm going to hit -- I'm going to touch on your most significant.

A Fund, the general fund. Real property taxes -- sorry, about that, told you -- real property taxes. The impact, estimated impact for the formation of the new town you are going to lose out of the general fund are approximately $918,000.00 of real estate taxes. You have increased population of assessed values now, right, you don't get to spread it out as much. That's why you have the decrease. Another one, state mortgage tax. As it states there, state mortgage tax varies considerably based on the economy, good economy more mortgage tax, bad economy less mortgage tax. So we couldn't guess what the economy is going to do in the future so what we do is we took 2016 and came up with an estimated percentage calculation of what you could lose. And that came to
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$166,000.00. And there is a few other small differences there, but the total impact of revenue losses in the general fund is 1.2 million dollars.

Here we got listed the other funds, B Fund, DA Fund, DB Fund, property taxes, property taxes, property taxes, sales tax. Reduced population, less sales tax. But let me just hit you the totals here, mortgage tax again, loss of 100,000 out of the B Fund, 316,000 out of the DA Fund and $390,000.00 out of the DB Fund. Smaller funds is only a loss of $2,000.00 out of these funds listed here. Overall, 16 percent of your revenues will be lost, $2,000,000.00 of revenues lost.

Estimate of expense savings. Like I said, there are so many expense accounts to look at, so many details you could dive into, so many guesses, a lot of what ifs, there's a lot of what ifs. So what we wanted to do is see if we could nail down expenses that if you change them you might have some savings. We couldn't make that decision, the Town of Monroe has to make that decision.
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Significant expenses by fund. General fund, outside, highway, highway. Savings $168,000.00. Why is it only $168,000.00? Because your department heads, the comptroller, as of now do not plan on cutting personal services and employee benefits at this time. That's why here -- there is no savings there, you only have savings in other significant expenses, which is the other part. Here. A savings of $168,000.00. That's based on interviews and estimates from the officials that we interviewed during this process.

Summary. What does it look like now and into the future if nothing changes? If everything stays the same, what happens? You got a negative effect. You got your savings there, your loss of property tax revenues that we went over, approximately 1.9 million dollars net. What does that mean? That means that if you take all your fund balances some will go negative quicker than others. But what we did is since this is made up of all of your funds that 1.2 million --
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1.9 million dollars in lost revenues net, in three years with nothing changing all of your fund balances are wiped out. You are negative. What does that mean, negative? Think of it personally, I have no cash to pay my bills. I got more bills than I do cash or revenues. So that would be something for you guys to think about.

So what we did was estimated property tax increase, based on the estimates, based on the interviews, based on the information that was provided to us, no what ifs, just the information that was provided to us. If you take an estimate home market value of $280,000.00 and you use assessed value using the current equalization rate of 19.5 percent, your assessed value is $54,600.00, per thousand it's $54.60. Our estimated tax increase for that home, you got two you got to think about, you got the Town and you got the Village, two different rates. Based on our information you have an increase of 2.77, so your town estimated annual increase for that market value is $151.00 per year. The
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Village, 2.67 rate increase based on that market value is $146.00.

Thank you.

MR. McGINN: Mr. Cochran, while we have you here, there were a couple of questions that were submitted -- presubmitted and reformatted and I'm going to ask you those questions now while we have you on the floor, okay?

MR. COCHRAN: Yes.

MR. McGINN: The first question was from Ed Kapalko, he is a resident. And his question is, what is the effect of the current surplus fund balance on the Town of Monroe?

MR. COCHRAN: Okay, let's go to that last slide, we will start there, all right? So you have surplus. And we are going to breakdown one of your most important ones, which is your general fund because that's all unencumbered, most of it's unencumbered, unrestricted, unassigned, whatever you want to call it, where most of your expenses and the operations of the Town of Monroe go
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through. But just here, if we take all the funds, the 4.7, you got a surplus. If you keep going with that, again, near three you are in the negative. Let's think about that for a second. Let's go back to the first slide, here, estimated change, the revenues is 1.2 million dollars. How much savings did we save from the A Fund? Zero. The fund balance right now for your general fund, your main unencumbered fund is 1.9 million. In a year and a half, you are wiped out.

MR. McGINN: Okay, the next question from that the same resident is, how much of a loss of New York County sales tax revenue would be -- and I believe you covered that --

MR. COCHRAN: Yes, sir I pointed --

MR. McGINN: -- if you could just restate that?

MR. COCHRAN: Yes, sir. I'll point it out. So your sales tax revenue goes through your B Fund and your DB Fund. You have a reduced population, estimated. You'll lose $87,000.00 in your B Fund and $335,000.00 in your DB Fund. Just over -- what -- 405,000,
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410,000.

MR. McGINN: Okay, the last question is from resident Christine Tucker how much of an increase in property taxes can a resident in the Town of Monroe see -- or expect?

MR. COCHRAN: Estimated --

MR. McGINN: I believe that's --

MR. COCHRAN: -- right there. Now, think about that rate increase right there. These were off unaudited numbers, we used the AUD, which is the annual update document that is submitted to the New York State Comptroller's office every year, but they are unaudited. Those are the numbers we had to use, right? We had to use unaudited numbers. So this could change. Until you have audited numbers that somebody says those are your numbers then you can give a lot more accurate on what that rate increase is.

MR. McGINN: Okay. Thank you. Thank you very much for your --

MR. COCHRAN: No problem.

MR. McGINN: -- great slide presentation and answering the questions and we will be
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calling on you in a little bit.

MR. COCHRAN: No problem.

MR. McGINN: Thank you.

All right the next -- the next presenter was supposed to be Monroe Woodbury School District, but they have a meeting tonight so what they did was submit a written response to the questions that were presubmitted. As I go through each of those presubmitted questions I'll give the District's response to the things that fall within their purview.

So the next presenters up are United Monroe and we asked United Monroe to be here because of their involvement with getting to this point with the Village of Kiryas Joel and their negotiations and we figured it would be prudent. And I think that's a lot of questions on people's minds, is how these negotiations came about and what the -- what got to this point.

So I'm going to turn this over to Mike Egan, are you or Emily --

MR. EGAN: Emily is going to start.

MR. McGINN: Emily is going to start,
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okay.

MS. CONVERS: I'm Emily Converse. I just have a few short words and then Mike Egan is going to give a presentation.

I'm very proud of the volunteer work United Monroe and Preserve Hudson Valley have accomplished and the milestones we've achieved since 2012 and 2014 respectively. I'm here tonight as a volunteer member of these grass roots organizations that have lead -- that have the leverage to negotiate less acreage in exchange for Kiryas Joel separation. The leverage we had in the process came from the volunteer work of hundreds of people, the support of thousands of citizens, and the leadership members of our executive committee. The leverage to negotiate also came from the litigation launched by the nonprofit organization Preserve Hudson Valley, to which I'm one of three directors.

And Kiryas Joel filed a petition to separate in 2016, September of 2016 specifically. In that original petition
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Kiryas Joel was proposing to take 382 acres of Monroe land. United Monroe and Preserve Hudson Valley negotiated that number down to 56 acres when you factor in that KJ won the 164 acre annexation lawsuit. And the 164 sits in Kiryas Joel right now as I speak.

Again, I'm very proud of the results of this historic separation negotiation and I look forward to sharing more details and answering questions this evening regarding the terms of the proposed separation.

Thanks to the members of the Town Board, who created the forum for this important Q and A.

MR. EGAN: Okay, I'm Mike Egan. And what I'm going to do is take you through what is officially called the settlement agreement and I'll explain why it's called settlement agreement as I do.

But, first, I think most of you know this, but if you don't know this, the agreement itself and a summary of all the key terms has been posted on United Monroe's website for two months. It was posted
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two months ago on the Times Herald Record's website and then recently the Photo News posted the key terms summary. So if you want to read the agreement itself it's been there, it is there and if you have any questions we will be happy to answer them.

I'm not going to try and go through all the terms and conditions of the agreement here tonight. I think somebody might fall asleep because it's not that exciting some of it. And some of it is more important than the other so I'll hit on all the most important points.

Last year when KJ submitted it's petition, what was called at that time North Monroe to create a new town and take the 382 acres of land with it, to the surprise of many, including our friends, we, as United Monroe, stood up and said, yes, that's a great idea, but not at that price. It's too high a price. And we asked to have a seat at the table to try and negotiate a lesser price, lesser amount of land and then we could support it and try and -- and try and
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help pass it, which is exactly where we are now. We did accomplish that.

And we did this because we had come to understand that over the almost five years now, as Emily just told you, that separation -- political separation was necessary. If the residents living outside of the Village of Kiryas Joel were going to get out from under the block vote of Kiryas Joel, which cannot be overcome today, if Kiryas Joel votes as a block, they win, period. And it only grows more difficult because KJ voters grow at eight percent a year and the rest of the Town doesn't grow much. So we understood that it -- that it had to happen if there was going to be an independent Monroe outside of the Village of KJ. And, also, if we were going to end this -- just this disfunctional debilitating fight for control of town government that's been going on here for years and it's just been awful for the last five or six and for Monroe to have a future. So that's why we jumped forward and said, we want to do that.
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And we were the only people that jumped forward and said we had to do this. Everybody had a right to do it. Everybody, whether you were elected, not elected, worked at the county, worked at this town, worked at any other town. You could have done it, nobody stopped you, we just said we want to do it. And while it took five more months of lobbying and diplomacy by us we did eventually get a seat at the table and we began direct negotiations with KJ in March. We did enlist the help of lawyers -- (Inaudible.)

MR. EGAN: -- so it was direct. And it took us five more months then to negotiate the key terms of the comprehensive -- what I call a peace treaty. And it's been KJ, the Village of KJ, and United Monroe Preserve Hudson Valley, it's not with the Town of Monroe. It's between these parties. Think of it as a skin with restrictions and obligations for those parties on top of KJ's Palm Tree petition, that's what it is. It's between private parties, Preserve Hudson
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Valley and United Monroe and the Village of KJ.

And no obligations or commitments were stated by United Monroe for the Town -- as has been claimed by some people. The obligations are all ours, we will support this, we will lobby for that, we will do this, we want oppose that. We are all to facilitate the creation of this town, that's what it's all about.

Okay, so I'll go through it piece by piece here. The goals, political separation of Kiryas Joel and rest of Town of Monroe to allow each -- and I do mean each, both sides -- to control their destiny, both sides are sick of the fighting, of wasting time, money on that. At the loss, the cost of moving the Town forward like we see some of the other towns in Orange County and surrounding counties, and the disfunctional struggle for control of town government and its powers over annexation, yes or no on annexation, zoning, appointments to boards, hiring, permits, and all other municipal
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resources.

And, importantly, remember, to end litigation. If we would end litigation we would gain --

(Inaudible.)

MR. EGAN: -- meaning Preserve Hudson Valley. We did litigation for years -- for years.

Okay, the major terms of this, school district protected. We knew -- we live in this town, we are parents, we got kids in the schools, the whole organization does. We are you. And we knew that school district being protected was of utmost importance. And unlike what the Town Board did in the annexation process, where they just said, don't worry about it, we will change it, we said we will deal with it up front and actually made the agreement contingent on that. That that had to be done before any votes were taken. It was a big gamble on our part, a huge gamble, but it happened. And the -- both school boards Monroe Woodbury and KJ voted unanimously to change the boundaries
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upon commencement of Palm Tree.

And then mutual support for Palm Tree, that United Monroe, Preserve Hudson Valley and KJ will at least advocate for the formation of the new town. And that it will only consist of the 56 acres, as Emily just explained --

(Inaudible.)

MR. EGAN: -- 56 acres. KJ is 900 acres today, we are adding 56 to it. That's it. And this is all the land KJ is getting via Palm Tree, that's it, 56 acres --

(Inaudible.)

MR. EGAN: -- was granted by the previous Town Board. We have been fighting and in court and that helped get the leverage to do this, but we lost, we are in appeal and we are pursuing that, but if this doesn't go through, we will continue it, but if it goes through, we settle it.

So upon approval here is what happens. Lawsuits are settled. So KJ will discontinue its appeal of the 507 acre annexation decision. I don't know how familiar you are
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with this, but you remember KJ wanted 507 acres. United Monroe galvanized the public and, you know, was virtually unanimous opposition to that by the non KJ residents of this town. And that lobbying and that resistance forced KJ to comprise and they put forth a 164 acre annexation petition that they knew that their people on our Town Board would approve, as sort of a face-saving device, and they did. But KJ immediately after that decision in September of 2015 immediately went to court and filed opposition to challenge the Town's decision to deny the 570 acre, and that's still alive. And the county and the surrounding towns around here, municipal coalition, has spent I think $400,000.00 is the number I heard, fighting that and fighting the 164. And so that's alive.

But by this -- Palm Tree, if this goes through, if you vote for this thing KJ will withdraw its challenge and presumably then the court will dismiss that lawsuit. And we will all -- including this town, will no
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longer have to pay lawyers tens of thousands, hundreds of thousands of dollars to write briefs and fight that, nor will all the surrounding towns or the county -- like I said, that $400,000.00, so that's just a huge plus.

Moreover, that existential threat of 500 acres or the difference between 300 some acres going to KJ and you see these, you know, 24 homes per acre going in and this high density housing, it's off the table. They are done. It's a huge win. And we, meaning Preserve Hudson Valley, will discontinue our appeal of the 164 acre decision that the Town of Monroe Board -- the prior Board -- made and KJ, that they both approved it, that's what we've been fighting. So we agreed that we'll drop that. We have some SEQRA related claims to that -- we are not bothering you to death -- we will drop those.

B. KJ will not -- KJ and Palm Tree will not encourage, sponsor, or do anything to facilitate annexation from either Monroe or
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Blooming Grove into Palm Tree or KJ for at least 10 years. I say for at least 10 years because it's for 10 years from the commencement of the Town. If nothing changes and we just go according to State Law the Town won't even commence for two years. So it's really -- in that case it would be 12. KJ and Palm Tree will not encourage, sponsor, or abet formations of new villages in Monroe for at least 10 years. And the idea there, remember, you know, the trouble with villages can be that they control their own zoning, all right? KJ is a Village in the Town of Monroe today. They control their zoning. They want high density zoning. So they have agreed not to foment villages for that period of time. KJ and Palm Tree remain conterminous, meaning they are the same -- the same for at least 10 years. KJ to take all actions necessary to make sure they and Palm Tree comply with the agreement, including detailed binding resolutions of compliance by both KJ and Palm Tree. This agreement was done with great scrutiny, great
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expertise to try and tighten down on all parties that they have to live up to what they say they will do. The parties will ask the court when we are dropping those lawsuits, so when we are discontinuing them -- we've already gotten and you can read it -- it was written, the stipulation of settlement that we are going to hand the court, this will be an Orange County Supreme Court Judge, and say we want to settle our lawsuits, the two litigants agree on these terms and conditions, this agreement. And we are going to do that the day after the election if it's approved and say we want to settle it on these terms. And these terms then are those that I just read you, all of those terms on the slides are in. There is no annexations, no villages, all of that stuff is in there, and we are going to ask the court to order it as a settlement, which is another level of binding power. Now it's not just the parties who have agreed to this and have a contract, the binding contract, it's also the court is involved. The court
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is ordering these terms to settle it. And KJ
to take all reasonable actions that --

(Inaudible.)

MR. EGAN: -- so I told you that New
York State Law Article 5 says if this thing
is approved on November 7th, it actually
doesn't commence for more than two years,
January 1 of 2020, that's just the law. And
what we say is, nobody is going to want to
wait that long. So KJ has a lot of friends
in Albany, we all know that. So we said, it
would be smart to put in this agreement that
KJ would use its friends, its power, right,
to try and expedite this thing and try and
make it happen faster. Maybe they get a home
rule decision, local election, whatever, and
make it happen faster. Fortunately, then
after we announce the deal and our
neighboring assembly district representative,
James Skoufis, he seized on to that and he
said, oh, you know, I like that and I will
tell you right now that I'll try and move
that legislation. So there are ardent
supporters of that out there.
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So there are additional terms and conditions and I'm happy to go back to them if anybody wants. But they are lesser and in the interest of time I'm going to skip them for the moment.

So I think that's it, Mike.

MR. McGINN: Thank you, Mr. Egan and Mr. Conyers.

That concludes our presenters. At this point I'm going through the presubmitted questions that were submitted last week and direct them to appropriate party.

Okay, the first question was from resident Tom Lapolla. And his first question is to be directed to United Monroe is, how does the clause in this agreement, which suggests a 10 year moratorium on future annexations, supersede NY General Municipal Law 703, which allows individual citizens the right to petition the government to annex land from one territory to another? If this government does not prevent citizens from still petitioning the government, but it prevents the new government from considering
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future annexations, then see follow-up question.

Do you want me to give you the follow-up question as well?

MR. EGAN: Well, I'll answer that one and then you are going to want to read the follow up question because the answer is, it doesn't. It doesn't supersede it.

MR. McGINN: It doesn't supersede it.

All right, so the follow-up is, how does this agreement allow Palm Tree, a new municipality, to guarantee it will not consider all future citizens' requests for annexation for 10 years if they are unsure who the leaders will even be in five years? I guess who is going to be elected. More importantly, how can any government arbitrarily without due consideration, deny future petitioners their rights guaranteed by State Law?

MR. EGAN: So, you know, this is one of these questions that has got just, you know, inflammatory claims in it, so let me take them out first. No government is being asked
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to arbitrarily decide anything here. So, you
know, that's a prejudice in the question.
And no petitioners have annexation rights
guaranteed by law. Nobody has a right to
that, you can petition for it and this
doesn't stop people from doing that.

But to get to the heart of the question,
you know, I think what Lapolla wants to ask
is, you know, how do we know that Palm Tree
will do this? Will abide by this? I think
is what the essence of what the real question
is. You know, and his point is, it doesn't
exist. Well, remember that Palm Tree will
be -- what -- 956 acres or something? Nine
hundred of which are existing KJ and like
nobody lives in the other 56. So when the
leaders of Palm Tree are elected, they will
be elected by Kiryas Joel, right? That's the
answer right there. Kiryas Joel will be Palm
Tree and -- you know, and Kiryas Joel will do
what it is bound to do. And the -- I'm
trying to think of the rest of his questions
here.

MR. McGINN: Would you like me to repeat
it?

MR. EGAN: Oh, due consideration, yes. So he is said, how can they decide they are not going to annex without due consideration? KJ and Palm Tree were given -- if this is approved, the Town of Palm Tree is approved, the consideration will be given right there. And that's what this agreement says if you've read it and if you haven't, you should read it. It's very clearly written to say both parties -- or all three parties really -- recognize the benefit of this agreement -- that there are tangible benefits being given to both sides here, right? And in KJ's case it's the formation of a town and the 56 acres that go with it, that's their benefit, that's the consideration. So, again, this question premised by Mr. Lapolla is a prejudiced question. That's the consideration. And when Palm Tree is formed and it's governors and leaders are elected by Kiryas Joel, it and KJ will immediately pass resolutions that -- you know, already worded, they are in the agreement -- that say, we recognize that
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there is tangible public benefits being given and this is in the public interest and annexing in anything less than 10 years is not in the public interest. And so the public interest is being served through the living up to and abiding by the agreement to form the Town of Palm Tree.

So I think that's it, Mike.

MR. McGINN: Thank you.

MR. EGAN: Did you want to add anything?

MS. CONVERS: Yeah, I had one more thing to add to that. The citizens in Kiryas Joel are also -- also have this agreement available to them right now, as the citizens outside of Kiryas Joel do. And the leadership of Kiryas Joel have entered into this settlement -- this legal settlement agreement and the people of the entire Town of Monroe on November 7th are going to vote yes or no on this referendum. Therefore, if this vote passes and the separation occurs, the people of Kiryas Joel, the citizens themselves, will have had a -- their say in whether or not they agree with this
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separation and this settlement.

MR. McGINN: Okay, the next group of questions are from Ed Kapalko and I'll deal with the questions from the school district -- that are directed to the school district. I received the response from the school district just like at 5:30 so I'm kind of looking at this for the first time, we will read through it, so please bear with me.

Okay, the question number two from Mr. Kapalko was what, are the religious/private school tax exemption projections for the Monroe Central School District and Town of Monroe?

And the answer -- I don't know if that's me or not -- the answer is, if we assume the alteration of school boundaries moves forward presumably the majority of new development, including properties eligible for religious exemptions, would occur on the 220 acres of the annexed territory. After the annexation -- after the annexation this property would no longer be part of Monroe Woodbury Central School District and,
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therefore, these exemptions would no longer impact the school district. Development of religious properties outside of the 220 acres is likely to be limited and accompanied by other nontax exempt development, which would likely offset new exemptions. The local assessor maybe in the best position to identify the scope of religious exceptions within the Village of KJ and determine if the composition of these religious exemptions is similar to the Town of Monroe and corresponding impact -- correspondingly the impact of annexation.

Question 3. What are the projected population demographics and what are the effects on the Town of Monroe and the Monroe Woodbury Central School District tax bases?

Our protections are calling for a vast majority of development and population increase to occur within the 220 acre annexation territory. We believe high density housing made possible by more permissible zoning within the newly annexed areas would result in a large influx of
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families with children leading to a
population that is similar to that of the KJ
Village. Population projections for the 220
acres are approximately 13,409 people of
which 6,824 would be school-age children.
The estimate includes 6,757 students
attending nonpublic religious schools, 63
students with disabilities attending the KJ
Union Free School District programs and four
out of five district replacements -- sorry --
four out of the district's replacements for
students with disabilities. We estimate the
total school taxable assessed value for the
220 acres will increase from $6,616,300 --
$6,616,300.00 to $43,830,600.00 after the
full build out for development. This
indicates a loss of tax revenue or
approximately 5,832 -- sorry -- $5,000,832.00
after the annexation area is fully developed.
However, the loss of this tax revenue must be
weighed against new costs associated with
providing mandatory services to thousands of
residents attending nonpublic schools and
special education, which will far surpass
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revenue losses.

Question number 4. Will there be school inspections -- I guess from the school district -- for private schools in the Town of Monroe by Monroe Woodbury School District for state education requirements and Monroe building inspectors for any safety/CO issues?

Monroe Woodbury Central School District will continue to monitor nonpublic schools and programs that receive federal funding in accordance with state and federal guidelines.

Five. Is there -- is a ward system for the Monroe Woodbury Central School District going to be pursued?

And the answer is no, there are currently no plans for such a system.

Okay, now the questions not related to the school district from that resident.

How many wells are owned and controlled by KJ and Palm Tree?

Kiryas Joel is not here so I can't -- sorry -- that are located in the Town of Woodbury or Monroe?

I don't have the answer for that. I
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know there is at least three here in the Town of Monroe. I'm not sure how many are bin Woodbury.

Number 7. What are the future plans for increasing water and sewer capacity requirements?

Sewer capacity requirements are a county thing and water is specific to the development.

Question number 9 from the resident. Is the new town of Palm Tree going to recycle?

Again, Kiryas Joel is not here so I can't answer that question.

Number 10 is, how is the new proposed Town of Palm Tree in the Village of KJ going to react when citizens act within NY State law and request to be annexed?

Again, they are not here. I can't answer that question.

Answer number 11 is, what is the future of the Town Hall buildings?

I'll direct that to Tony Cardone since he is handling that for the Town Board.

MR. CARDONE: Okay, so presently we have
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an agreement in place with Eitz Chaim and we are looking into purchasing the building.
Right now we are awaiting a response from the owners -- the owners are Terry and Ben Ostrer -- because they had to file with the Attorney General. Mr. Nugent, it was the Attorney General or the -- there were two people they had to file with. I'm at a loss right now.

MR. NUGENT: To file the --
MR. CARDONE: Because they are nonprofit they had to file for approval to sell the building to the Attorney General or --
MR. NUGENT: Actually, it's either/or, the Attorney General or the Supreme Court can authorize it.

MR. CARDONE: Okay, right because they had to authorize that. As far as the old Town Hall, 11 Stage Road. Right now McGoey, Hauser & Edsall is compiling a list of items that would give us the ability to go out and make the corrections to the mold issue that was already remediated, but we want to make sure we make the corrections so that -- in construction so that the mold is totally
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remediated.

And as far as the courts go, I met with McGoey, Hauser & Edsall last week, the John Deangelis building, they are in the process of trying to obtain a grant to possibly do some renovations there. The -- we are in a catch-22 there based on the way I feel about it because right now we are so close to buying the building of Eitz Chaim and the courts could be situated within that building that rather than spending the money -- additional money associated with the improvements, along with the grant, we would want to put that into the Eitz Chaim building where the courts could be held.

MR. McGINN: Okay.

MR. CARDONE: Thank you.

MR. McGINN: The next group of questions are from resident Mary Bingham. And the first question is, what is the impact going to be on the current highway department staffing?

And the answer to that is until we -- we are going to have to look at the budget. We
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saw what the numbers were tonight and that's something we will have to consider as with all departments going forward into the next year.

Question number 2 is, will the proposed Town of Palm Tree have its own dog shelter?

Again, there is no one here from Kiryas Joel. I believe that by New York State town law they are required to provide animal control services and so that's going to up to them how they handle that.

Question number 3. Will the proposed Town of Palm Tree have its own court, or can they contract with the Town of Monroe to use its own courts?

Again, they are not here. Mr. Nugent, is it legal within the New York State town law for another town to contract with adjoining municipality to provide court services?

MR. NUGENT: I believe initially they could contract. Typically, a town would have its own court, but clearly when it's first established they are not going to have one so
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the matters could be handled with the Town of Monroe, or even in the Village if it has its own court initially.

MR. McGINN: Thank you. Question number 4 is, will the Town of Monroe still need a Human Resources Department and will the Town of Palm Tree get a Human Resources Department?

Again, that kind of dovetails with question number one as far as the Town of Monroe goes. We will have to look at our entire budget, all our assets, all of our personnel and determine where we need to make cuts. As far as the Town of Palm Tree, whether they need human resources department, that's up to them. That's something we have no say over.

Question number 5. Will the current Assessor's Department do the assessments for both towns?

I can't answer that question. I know we will still do them for Monroe. And if they would like to enter into an IMA it's something we will certainly entertain going
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down the road.

Okay, Brock Withim is the name of the resident, he had one question. What is the realistic cost of the separation?

I believe most of those -- that question is kind of broad and I think most was addressed by the presentation of RBT, the CPA.

All right, another question from Tom Lapolla again and this will be directed to United Monroe. The first question is, why were certain areas removed from the original town request? I understand one of the parties thought the original 382 -- I assume acres -- request was too much and they said no. What exactly did they consider too much? Too many citizens leaving? Too much land? Too much taxes to be lost to Palm Tree?

And then there is a B, has the Village of KJ sought special consideration for the group of people excluded from the Town of Palm Tree? If so what will that consideration be?

MS. CONVERS: Since the initial
annexation petition was filed at the end of 2013 for 507 acres I think most of the Town of Monroe citizens outside Kiryas Joel have been opposed to large tracts of land being taken from Monroe for high density housing. And it's -- 382 acres is pretty close to the original 507 acres that we had been opposing since 2013. And although the 382 would have been part of a new town and would not be block voting in our town, with the separation 382 acres of high density housing and -- and serious development going on would have a tremendous impact on the quality of life of the citizens in Monroe. And -- which is the primary reason why I objected to 382 acres.

But to answer the other questions, too much, too many citizens leaving? I don't really know what that means. Too much land? Yes. I think too much land. Too many taxes to be lost to Palm Tree? I think -- after seeing the auditing firm's presentation I think we can imagine what 382 acres of land leaving would do to our tax base.

I hope that answers the question.
MR. McGINN: Thank you. The question number two from Mr. Lapolla -- and this is a legal question. I'm just going to -- I'm going to ask the attorney to opine on it.

Do all the parties, including Monroe, have a contingency plan if the U.S. Supreme Court rules the Town of Palm Tree to be unconstitutional? And how, if at all, will it impact our town? If Palm Tree is dissolved will KJ possibly reincorporate back into the Town of Monroe as a Village, creating a much broader long-term problem?

MR. NUGENT: I'll say that if a matter reached the United States Supreme Court on that issue there would be more than sufficient time for any contingency planning, if, in fact, that happened. But it's extremely speculative so there is really, you know, nothing to be put in place at this time for something that would be so far down the road and speculative as to whether it would succeed if it actually was brought.

MR. McGINN: Thank you, Mr. Nugent.

Next set of questions is from resident
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Lorraine Loening. And the first question is -- I believe going to -- Ms. Loening had two questions for the school district, two they answered so I'll read those two questions first.

Questions for the Town School Board. If tax revenues are reduced services will have to be cut or taxes raised. Can you tell us if services need to be cut, which ones are the highest -- which ones are highest on the list of being cut? And if you could give us a sense of scale of the cut, example, three highway personnel, or four special ed teachers?

I'll just address the personnel of the Town perspective. Again, these are things we will have to look at more going forward, the new board next year, at these impacts based upon the financial presentation we just saw this evening and figure out where we need to make those cuts.

As far as the school district, their answer is, currently the district has no plans to cut programs due to the potential
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creation of the Town of Palm Tree. Although the short -- short decrease of the tax base will occur corresponding cost savings changes will occur resulting in an estimated net loss to the district of approximately $343,860.00. This amount will be offset by a combination of ordinary cost savings measures, closures of the Harriman Center --

(Inaudible.)

MR. McGINN: -- wide due to the implementation of district --

(Inaudible.)

MR. McGINN: -- and off-site increase to tax rates.

Question number three was -- question for the school district. How does the formation of Palm Tree save the school district? How is the Town of Palm Tree formation expected to impact the Monroe Woodbury School District enrollment numbers moving forward?

The answer is, the formation of the Town of Palm Tree maintains a course of action --

(Inaudible.)
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MR. McGINN: -- this course of action enables KJ and the surrounding community to pursue their way of life and avoid unproductive conduct and interference from the other. Furthermore, the school district will be able to maintain more control which may not be the case if KJ residents --

(Inaudible.)

MR. McGINN: -- in the absence of boundaries this is more likely to occur. The formation of Palm Tree should have a very limited impact on the enrollment of Monroe Woodbury Central School District. Since enrollment has declined slightly in the last seven to eight years -- I'm sorry -- we anticipate enrollment, which has declined slightly in the last seven to eight years, to begin to increase modestly.

That's the school district questions and I believe that answers all of the questions from Ms. Loening.

Sorry -- question number 2 I didn't cover is questions for KJ, which is not present, but I'll put the question out there
anyway. If the new town is setup will the principals of open government be followed, including a website with agendas and minutes of meetings in English? Will the Town courts be established under the New York State Unified Court System?

Again, Kiryas Joel is not here and representatives are not, due to the holiday. But can I tell you any court that is setup has to be setup under New York State Unified Court System.

MS. CONVERS: They will be here next week the KJ?

MR. McGINN: We hope so, we are not 100 percent sure.

Okay, the next question is from Michael Kroposki. And the question is, will the Town of Palm Tree build, or will the Town or Village of Monroe push for a direct access to Route 17, the Quickway, to avoid the burden on the Village of Monroe streets, Schunnemunk Street, Franklin Avenue and Forest Avenue, as a principal access to the Quickway?

I don't have an answer for that
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question. I don't know if anyone else on the Board does as well. So the only traffic relief plan that was out there, kind of relevant to this long before it came to be in existence was the Larkin Drive extension and that's installed for quite a while. I can't answer that question, I don't believe any of us either.

Next question is from Michael Goldstein.

I would like to know what date the Town of Palm Tree will become an actual town?

So according to -- Mr. Nugent, feel free to jump in if I'm incorrect -- so the date by current New York State law they could become a town would be January 1, 2020 and that would be following the next town wide elections in 2019 -- in November of 2019.

You heard Mr. Egan say that they are going -- looking to push-up that schedule somewhat, but as current New York State law stands that would be January 1, 2020.

MS. CONVERS: Can I interject? In November of 2019 that would be the new Town of Palm Tree's first election.
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MR. McGINN: Correct.

MS. CONVERS: For their own town board.

MR. McGINN: And they would come into existence on 1/1/2020.

The next set of questions is from Ward Brower, all directed to the Village of Kiryas Joel and I'll read through them anyway so they are out there on the record.

Will the new town government of Palm Tree be created prior to the new town's formation? That's question one.

Number 2. Will the government be selected or elected?

Number 3. Will the regular scheduled -- will there be regularly scheduled meetings?

Number 4. Will the meetings be televised?

Number 5. Will the Town Board member's terms be staggered?

Number 6. Will the public concerns -- will there be public concerns or privilege of the floor?

Again, they are not here to answer those questions, but if they have a representative
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here next week we'll repeat them at that time and try to get answers for you, Mr. Brower.

Next set of questions are from Christine Tucker and I think I'm going to go through your school board questions first. And then I'll jump back to the ones that relate to the Town.

How much of an increase of property taxes can the residents of Monroe expect?

I think this -- you got the answer up here from the accountants, but this is relevant to the school taxes. The district estimates a typical resident with a market value of 275 of -- market value of 275,000 would see a $21.00 annual increase in school taxes. That assumes --

(Inaudible.)

MR. McGINN: -- the full tax increase and not new targeted cost savings measures.

Number two. What is the per pupil -- per pupil cost of students in the Town of Monroe not attending the Monroe Woodbury Central School District, busing and special services? The district does not maintain or
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analysis per pupil spending by town.

Furthermore, the analytical approach used by
the district folks and costs associated with
the annexation territory are not a district
wide analysis.

Question 3. How will the Monroe
Woodbury Central School District address the
reduction in enrollment in the district? As
enrollment declines the cost of taxpayers
will increase to keep all buildings open.

Has the Monroe Woodbury Central School
District considered closing a school building
to reduce the cost to taxpayers?

And the answer is, as far as the
district's long range facilities plan we have
been considering all options, including
closing and/or leasing one or more academic
buildings --

(Inaudible.)

MR. McGINN: -- for families while
balancing a cost effective and official
school building operation.

Question four. How much of an increase
in school taxes can a resident in the Town of
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Monroe expect?

I believe that's a repeat of the first question, which is really about Town taxes. The district estimates that the typical resident with a market value of 275,000 will see a $21.00 annual increase.

Now to address the other questions.

Question number 2 is, what services will be reduced or cut for the residents in the Town of Monroe?

I think that's already been answered. I'll just put it out there again, that's part of a future decision with the Town Board and future budgets in deciding, you know, where we are going to make cuts across the entire budget.

How will the Town of Monroe address the loss of mortgage tax collected due to the fact that most, if not all, of growth is in KJ?

And, again, that's going to come down to budgeting and making cuts where we need to make them. It should be noted that there will be building outside of the Town of KJ.
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and the areas as seen on the -- as seen by
some of the developments that are currently
on paper. So it wouldn't be like there is no
mortgage tax coming in, there is development
planned in the Town.

Number eight is a duplicate.

Number nine is, on the November ballot
is the only item being voted on is the
request to separate?

I believe yes, unless there are other
referendums on the ballot --

MS. CONVERS: There are other
referendums --

MR. McGINN: There are other referendums
--

MS. CONVERS: This will be the fourth
referendum.

MR. McGINN: Right. If the separation
request was supported and passed what steps
has the Town Board discussed to secure the
future revenue of the community?

Again, we are going to have to look at
everything and where we can make cuts. And
we have to look at anticipated revenues
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coming in for new building and other sources. So that's, again, something we are going to have to address down the road.

And that concludes the presubmitted written questions by the residents.

MR. EGAN: Hey, Mike? Mike? Could I add one bit of information? That the school board released -- by the resident you just read, you addressed that the first year the cost of Palm Tree to the school district by losing that territory would be $342,000.00 on a 162 million dollar budget, which is what? 3/10ths of one percent and will cost the average taxpayer who now pays $6,000.00, cost them $21.00. But what else you forgot to put in there is they also calculated by a third year, it actually reverses and Palm Tree begins to save the school district $2,000,000.00 a year and it escalates from there so --

MR. McGINN: All right, I'm just going by what they submitted so -- you know, going by their responses.

Okay, first resident is Ed Kapalko. I
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understand you are here I'll grab you last
because you did your written responses, but
I'll get to you, no worries.

Our first -- first resident up is Dan
Burke. Dan?

Actually, there is a mobile mic there,
you don't have to come up --

MR. BURKE: A mobile mic -- I can do it
right from here.

MR. McGINN: Yes. Mr. Burke, is this a
question or --

MR. BURKE: Yes, it will be a question.

This is like Jeopardy, all the answers have
to be in the form of questions.

Is the Town Board considering getting a
second opinion on the mortgage tax?

Our accounting here presented it as
based on economic ups and downs. And the
Village of Kiryas Joel is not based on
economic ups and downs, it's based on new
families formed and it's 400, 500 a year and
that's why they pay so much more taxes. And
he went to 2016 he should go back 10 years,
20 years even and look for the averages and
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get a more accurate figure.

So the question is, will you ask for a second opinion?

Let me also say, this is --

MR. McGINN: Let me answer the first question. I'll answer the first question --

MR. BURKE: This comes out of my five minutes?

MR. McGINN: Let me answer your first question. I'm not putting a time limit on you right now. Statements will be three minutes, okay?

MR. BURKE: Okay, yeah.

MR. McGINN: So the answer to your first question is, this is a preliminary assessment we have done. If we feel we need to do something more in-depth in the way of mortgage tax we will. Again, we anticipate -- know there is no way of knowing how many units are going to be built in the future, but there will be units coming on-line in the Town so that will be something we will have to look at as it goes.

MR. BURKE: Thank you. And it could be
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more accurate instead of going back one year

go back ten years --

(Everyone is speaking at once.)

MR. BURKE: -- let me ask -- let me as

an additional question. Is everybody aware

that this is a great opportunity? Because

the question has already been decided, the

voting in -- in November, Kiryas Joel, the

anosh (phonetic) is going to vote for it,

United Monroe is going to support it. It's

overwhelming.

So is everybody aware that we are able
to discuss this and talk about it without any

kind of pressure, or -- you know, worries?

You know, because it's already decided. I'm

sure everybody is aware of that.

MR. McGINN: I don't -- excuse me, one

second. I don't -- is there a question into

this?

MR. BURKE: Yes. Are you aware of that?

MR. McGINN: I'm not quite sure what

that -- can people discuss it? Yes. Do you

have another question?

MR. BURKE: Are you aware that I'm going
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to vote for it?

MR. McGINN: That's up to you, you are a voter, you can vote for whatever you want.

One more question, please.

MR. BURKE: I got a few more questions.

I saw in the presentation that the highway contract is not going to be pursued a town -- the Town of Monroe -- have you taken a look at the possibility of talking with the Palm Tree and trying to write a new contract --

MR. McGINN: Don't believe everything you read in the papers.

What is your next question?

MR. BURKE: The Town needs the revenue and Palm Tree, they haven't setup their own snow removal system and it makes sense for them to use ours. And it would keep our DPW and highway department working all winter.

Are you -- do you think that's a good idea?

MR. McGINN: We will talk to the superintendent and it will be his decision on whether it's a good idea or not.
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MR. BURKE: Okay, all right, thank you.

Are you -- are you considering now that half the population of the Town of Monroe is leaving --

MR. McGINN: I think that's highly speculative. If you just want to just ask a question based on what we currently know, that's -- this isn't about politics it's about questions --

MR. BURKE: That was a pause, it wasn't a full question.

So have you considered consolidating the Village of Monroe, the village of Harriman and the Town outside the villages into one unit? This might be a way that you can adjust your budget and instead of having three public works departments you would have one?

MR. McGINN: Consolidation of services is always something that is on the agenda.

MR. BURKE: Okay, thank you. Thank you.

The surplus -- it's not surplus actually, it's a reserve, it's $4,749,000.00. And the presenter from the accounting office
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said that they are looking to burn through it in three years? Is this a recommendation from them or -- and is our Town Board determined to hang onto the surplus or reserve?

MR. McGINN: I'm going to give this to Mr. Cardone since you have been dealing with that aspect of this.

MR. CARDONE: That wasn't a recommendation, that was the numbers that were stated and that is what would happen if we did absolutely nothing if we just dealt with the numbers that are there. And the 4.7 million, only 1.9 of it approximately is not encumbered, so that's essentially what we have to spend. The balance of that is encumbered by the districts, water districts sewer districts.

MR. BURKE: The presentation was actually passive so -- and it's a starting point. Is the Town Board going to use that as a starting point and try and do something positive about, you know, preserving the budget as much as possible? And that's more
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rhetorical than anything else.

MR. McGINN: Of course we will look at
that and try and make cuts where we can and
do what we can, the fiduciary responsibility,
that's what we are looking to do.

MR. BURKE: Are we considering 11 Stage
Road, making sure that the cost of them
renovating it as compared to the cost or
price it could sell for and so we don't blow
money on that?

And another thing --

MR. McGINN: Do you want me to answer
that question?

MR. BURKE: No. No. No. You'll
consider it going forward, I'm sure --

MR. McGINN: I will.

MR. BURKE: If you tell me next week,

fine.

MR. McGINN: We will make a responsible
decision based on what the costs are versus
value.

MR. BURKE: Thank you, that's what I
expect.

I didn't see anything in the
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presentation about the purchase of Eitz Chaim. There is 2.7 million dollars and it should be worked into this kind of a presentation. If we are going to commit and do it, are you considering working it into this presentation on the 18th? And you can wait until the 18th to respond.

MR. McGINN: Mr. Burke, I'm going to have this be your last question.

MR. BURKE: Okay, any questions that were submitted could be put up on the screen, it would have been much more dramatic and maybe by the 18th -- they are submitted days in advance, you might consideration that.

MR. McGINN: That's a good suggestion --

MR. BURKE: I had a couple other questions, but I'll wait until the 18th.

MR. McGINN: Feel free to write them down and send them --

MR. BURKE: This is more fun.

MR. McGINN: Whatever you want to do, Mr. Burke.

Next resident is Kay Troiano?

MS. TROIANO: A few questions, what is
the vote in November -- sorry -- not that one. Why is the agreement made during a county wide election year?

Why is this being rushed through during a Town of Monroe election year?

The long-term economic effects seem rather fuzzy still. We are losing $2,000,000.00 a year. KJ appears to be getting a free ride.

What are the long-term environmental impacts; air, water, traffic, impermeable surfaces, carbon footprints, aquifers?

Orange County, there were no studies done by the county, no studies will be done by the county.

There was also the elected officials -- elected officials in the Town of Monroe were kept out of the process completely. Pretty much unheard of when forming a new town for the first time in 120 years.

MR. McGINN: Just to let you know --

(Everyone is speaking at once.)

MS. TROIANO: -- massive social services --
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MR. McGINN: -- the clock is running --

MS. TROIANO: -- county budget effects

by Palm Tree. Apparently we have nobody here from the county and we have nobody here from the Village of KJ. Since it's kind of like having a wedding without the bride here. Is KJ here? Will they come here? What about representatives from Orange County? It seems like the belief is everything will be fine. United Monroe, what happened? Will there be no more voter fraud? No more environmental abuses in KJ? No more welfare fraud? No more Medicaid fraud? No more food stamp fraud? Open government in KJ, will that happen now?

It just seems this whole thing is very incomplete. There has been a great deal of verbiage, but I personally feel very confused by this. It seems like we are going to have increase of taxes of $521.00. I'm sorry, that sounds a little bit low. Thank you.

MR. McGINN: Thank you for your comments.

Next up, Councilman Gerry McQuade.
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MR. MCQUADE: I want to make some comments for questions for next week because I've been listening to what's going on here tonight so start the clock.

MR. McGINN: It's started.

MR. MCQUADE: Annexation, keep the money for the Town of Monroe taxpayers, the annexation was the best deal we had. Now we are going to lose 2.8 million a year every year from now. It's not just a one year deal.

Palm Tree, 220 annexed acres, not 56 as UM claims. It's 220 plus the original thousand acres, so it's not a town of 56 acres.

Lawsuit settled, KJ won the lawsuit. They will probably win the appeal and the Preserve Hudson Valley didn't want to pay for it so they made a deal again.

KJ and Palm Tree, annex promises are not legally bonding not in the least. KJ and Palm Tree can't be legally bound to no village formation. The KJ Alliance is the group that is going to come out make those
KJ and Palm Tree, 10 years goes by quickly. Why not 25 years, or 50 years consideration?

KJ does not control the alliance. The new villages are coming and that's unavoidable and I'm not even going to blame that all on United Monroe, but I'm just saying we've got to be honest about it.

What does the non Hasidic population get for this deal? Tangible benefits.

Voting -- voting issues, that's against the Voting Rights Act anyway. That's going to be challenged in court.

KJ never wanted to be part of the Monroe Woodbury School District. They never had to be given their own town to get out of the school district, they don't want to pay the taxes.

Palm Tree, not 56 acres. Going over that again.

KJ has never been their own town. UM has been disingenuous about this. We did not annex them to make their own town, they had
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164 acres period, not 220.

We know in the Town the things that go
on with the new Town Board -- the current
Town Board, certain members of it are already
under the agreement as far as I can see.

One hundred fifty acres will go from one
unit per lot to four units per lot, that's
already primarily owned by the KJ Alliance.
Four hundred fifty more acres still --

(Inaudible.)

MR. McQUADE: -- one unit per lot to
four units per lot. I know it's not as dense
as KJ, don't tell me that, I know. But it's
a lot more dense than it is for everyone
else. UM claims KJ is an unconstitutional
theocracy because of the lawsuits. I guess
if you become a town you are not
unconstitutional anymore.

Let's see, Mayor Purcell and I talked in
the past, he told me several times we have to
look out 50 to 70 to 100 years. There have
been no long studies here.

(Inaudible.)

MR. McQUADE: Why is KJ getting a free
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ride? We should get at least two million a year or three million a year out of KJ for the next 50 years so we don't have to pay for it. I'm not against the concept of separation totally. But I will say KJ should pay for it. They are not even here to answer the questions. And Mike doesn't even know if they will be here next week.

KJ will control the local elections for now and two years from now, as they will control the county elections this November, which is why there was an eighteen three vote down real quick with no studies. Let's be real what is going on here. I'm not saying they shouldn't have political power like any other big block vote, but they definitely are exercising and we should all be honest about what is going on here.

What happened to the KJ voter fraud, which UM and Preserve Hudson Valley sued over? I guess they are allowed to vote in this election --

MR. McGINN: Time, please.

MR. McQUADE: Thank you for the time.
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MR. McGINN: You're welcome.

Next speaker is John Allegro.

MR. ALLEGRO: Before I begin I was wondering if the Stenographer wanted to rest her fingers for a minute?

MR. McGINN: You are using your time, go ahead. Is this a question or a --

MR. ALLEGRO: Well, I do have one comment, but I have a couple of questions.

The one comment is that KJ will not be -- if Palm Tree is passed KJ will not be voting in the 2019 Monroe Town Board elections.

My question -- first question is for Bill from the accounting firm -- is he still here?

MR. McGINN: No, they are gone.

MR. ALLEGRO: Okay, well, hopefully maybe Tony can answer -- Mr. Cardone can answer this. You know, it was rather dramatic statement at the end of his summary page in the presentation, which says, if nothing changes fund balance will be wiped out in three years. And then on the next
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page we see -- I'm sorry about that -- on the next page we see estimated annual increase of a town outside the village home property taxes of $151.00 and an estimated annual increase of $145.00 in the villages. I think we need to clarify and draw a bridge here between -- build a bridge between these two pages. I believe what Bill was saying was, this is doing something, meaning an estimated annual increase of $280,000.00 fair market home of $151.00 would alleviate that presumed 1.8 million dollar annual loss; is that correct?

MR. CARDONE: That's the way I understood it --

MR. McGINN: Mic, please.

MR. CARDONE: I will get clarification from him, but that's exactly how I understood it.

MR. McGINN: Could you get on the mic there, Mr. Cardone?

MR. CARDONE: John, that's exactly how I understood it. I will get clarification from him right now. I'm going to call him right
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now. But I will say that he was specifying
if absolutely nothing was done at that point
and then he went to the next page. So let me
call him now, I'll get that answer for you.

MR. ALLEGRO: Great. So for about
$13.00 a month, or $12.00 a month people of
Monroe have their political freedom.

My other question was for the Town
Board -- for Tony, I guess, or you, Mr.
McGinn. Are we considering the potential
build out with the zoning changes? I believe
that there is the potentiality for about 180
new homes to be built in suburban residential
zoning should the Town Board pass the New
Comprehensive Plan Zoning Laws. What kind of
revenue, tax revenue, can the town anticipate
from that build out, which would alleviate
the presumed 1.8 million dollar per year
loss?

MR. McGINN: Okay, to answer that
question, obviously it's several hundred
homes currently on paper. So as those homes
are built and come on-line after the
moratorium -- I'm sorry -- after the Master
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Plan is passed and the moratorium is lifted, we will have to see -- we don't know what the timeline on it is so I can't say that's going to happen the next fiscal year, or the following, or the following. It's going to be over say five or six fiscal years, however long it's going to take for these developments to be built. So it's hard to say and that is going to be something that's really going to come down to each budget year, and based on the assessor what we know is actually being built. As we've seen in the past a lot of these developments sit on paper for decades and never make it to fruition for a variety of reasons. So we will just have to wait. That's going to be a budget year by budget year kind of thing this board and future boards will have to look at.

MR. ALLEGRO: Well, I guess would it be fair --

MR. McGINN: Your time is up, I'm sorry.

MR. ALLEGRO: Okay.

MR. CARDONE: Can I answer that quick?

MR. McGINN: Yes, you can answer the
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second part of the question.

MR. CARDONE: So that 145 or $151.00
increase covers the deficit, the only thing
he added is that it will fluctuate based on
the assessed value.

MR. McGINN: Can I have the mobile mic
down here for Mr. Kapalko, he is -- or give
him that one, that's fine.

MR. KAPALKO: Basically two questions.
One, I wanted to clarify my first question
about, I guess, the fund balance. I wanted
to basically know is KJ entitled to any of
that surplus fund balance, all right? That's
the first question.

MR. McGINN: Okay.

MR. KAPALKO: And that, again, was not
covered by the accountants. And I do have
another question here. Directed to UM --

MR. McGINN: Do you want him -- I'll
have him answer the first question about the
fund balance that KJ is entitled to --

MR. KAPALKO: If you know it, yeah.

MR. CARDONE: Give me one second and let
me call --
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MR. McGINN: All right, you want to do the second question and we will jump back to the first one.

MR. KAPALKO: All right, second question directed to towards United Monroe. Does any board member of Preserve Hudson Valley or UM committee member have any financial incentive to support the creation of the new proposed Town of Palm Tree?

MS. CONVERS: No --

MR. McGINN: Wait a second, the question goes to me then I'll direct it to you.

MR. KAPALKO: Is there any financial risk to these parties if the new town does not pass?

MR. McGINN: Okay, I will direct that to United Monroe.

MS. CONVERS: Thank you. No and no.

MR. McGINN: Okay, Tony, will you be able to answer the question about the fund balances?

MR. CARDONE: Okay, with regard to the fund balances, this is a response from the accountants today because I asked that
question earlier this morning. Years of plus and minus fund balances would take a good amount of time to determine who is entitled to what amounts. The debt taken out while the Village was within the Town would need to be paid and since the Village is leaving part of the Town when debt was incurred future payments would need to be deducted from any fund balance based on what they are entitled to, as they say. This is all up for negotiation as well and we will have negotiations with the Village of KJ. And it is in our best interests to, you know, maintain as much of our fund balance as we can, that's what our intentions are.

MR. KAPALKO: Thank you.

MR. McGINN: Thank you. Okay, being no other residents have signed up and all the written responses have been answered, we will adjourn the meeting. Thank you very much for coming out this evening. We will be having another meeting next Wednesday on the 18th, same time, same place and look forward to you coming out then.
THE FOREGOING IS CERTIFIED to be a true and correct transcription of the original Stenographic minutes to the best of my ability.

Yvette Arnold

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