

RESOLUTION NO. 17-2010

RESOLUTION OF THE BOARD OF COMMISSIONERS OF MADISON COUNTY, MONTANA, AMENDING THE COUNTY'S RURAL IMPROVEMENT DISTRICT REVOLVING FUND RESOLUTION NO. 8-99 TO ALLOW COMPLIANCE WITH CHANGES MADE BY CHAPTER 349 OF THE 2009 MONTANA SESSION LAWS.

This Resolution was introduced by _____; moved by Commissioner _____ and seconded by Commissioner _____. The Resolution was adopted _____.

WHEREAS, the Board of Commissioners of Madison County (the "Board") created a Rural Improvement District Revolving Fund (the "Revolving Fund") by passage of County Resolution No. 8-99 in 1999 for the purpose of securing prompt payment of rural improvement district bonds; and

WHEREAS, Section 2 of Resolution No. 8-99 provides:

Section 2. Funding of Revolving Fund. In order to provide funds for the Revolving Fund, the Board:

(a) from the proceeds of an issue of Bonds, shall deposit five percent (5%) of the original principal amount thereof in the Revolving Fund, as authorized and required by Section 7-12-2153(2) of the Act;

(b) may, in its discretion and from time to time, transfer to the Revolving Fund from the general fund of the County such amount or amounts as may be deemed necessary, and such amounts so transferred shall be considered to be loans from the general fund to the Revolving Fund; and

(c) shall, in addition to or in lieu of such transfers from the general fund, levy and collect for the Revolving Fund a property tax on all of the taxable property in the County in amounts and at times sufficient to meet the financial requirements of the Revolving Fund.

The aggregate amount of the levies and transfers authorized by clauses (b) and (c) hereof shall not cause the balance in the Revolving Fund to exceed five percent (5%) of the principal amount of the Bonds then outstanding.

; and

WHEREAS, Section 6 of Resolution No. 8-99 provides:

Section 6. Surplus Funds in Revolving Fund. Subject to any covenants undertaken by the Board pursuant to Section 5, whenever the moneys on deposit in the Revolving Fund exceed five percent (5%) of the principal amount of the Bonds then outstanding, and the Board deems any part of such excess to be greater than the amount necessary for the payment or redemption of outstanding Bonds or the payment of interest thereon, the Board may order all or any part of the amount the Board considers greater than the amount necessary to be transferred to the general fund of the County.

; and

WHEREAS, Chapter 349 of the 2009 Montana Session Laws made various changes to the rural improvement district revolving fund authority, by authorizing counties : (a) to deposit 5 to 10% of the principal amount of the bond proceeds in a county's rural improvement district revolving fund; (b) to make transfers from the general fund to, or impose a revolving fund tax levy for transfers to, the revolving fund that would not exceed 10% of the principal amount of the then-outstanding rural improvement district bonds secured by a county's revolving fund; (c) to retain in the revolving fund a balance of up to 10% of the then-outstanding rural improvement district bonds secured by the revolving fund; and (d) to use amounts in the revolving fund in excess of 10% of the then-

outstanding rural improvement district bonds to purchase property at sales for delinquent taxes, assessments, or both, or property that has been struck off or sold to the county for delinquent taxes, assessments, or both; and

WHEREAS, the Board intends to provide support for and use of the Revolving Fund to the extent authorized by law.

NOW, THEREFORE;

BE IT RESOLVED by the Board of Commissioners of Madison County, Montana, that Section 2 of Resolution No. 8-99 is hereby amended to read as follows (with the interlineated portion deleted and the italics portion inserted):

Section 2. Funding of Revolving Fund. In order to provide funds for the Revolving Fund, the Board:

(a) from the proceeds of an issue of Bonds, shall deposit *at least* five percent (5%) *and not more than ten percent (10%)* of the original principal amount thereof in the Revolving Fund, as authorized and required by Section 7-12-2153(2) of the Act;

(b) may, in its discretion and from time to time, transfer to the Revolving Fund from the general fund of the County such amount or amounts as may be deemed necessary, and such amounts so transferred shall be considered to be loans from the general fund to the Revolving Fund; and

(c) shall, in addition to or in lieu of such transfers from the general fund, levy and collect for the Revolving Fund a property tax on all of the taxable property in the County in amounts and at times sufficient to meet the financial requirements of the Revolving Fund.

The aggregate amount of the levies and transfers authorized by clauses (b) and (c) hereof shall not cause the balance in the Revolving Fund to exceed ~~five~~ *ten* percent (~~5~~*10*%) of the principal amount of the Bonds then outstanding.

and Section 6 of Resolution No. 8-99 is hereby amended to read as follows (with the interlineated portion deleted and the italics portion inserted):

Section 6. Surplus Funds in Revolving Fund. Subject to any covenants undertaken by the Board pursuant to Section 5, whenever the moneys on deposit in the Revolving Fund exceed ~~five~~ *ten* percent (~~5~~*10*%) of the principal amount of the Bonds then outstanding, and the Board deems any part of such excess to be greater than the amount necessary for the payment or redemption of outstanding Bonds or the payment of interest thereon, the Board may order all or any part of the amount the Board considers greater than the amount necessary to be transferred to the general fund of the County.

Passed and Adopted by the Board of County Commissioners of Madison County, Montana, this ___ day of May, 2010.

BOARD OF COUNTY COMMISSIONERS OF MADISON COUNTY, MONTANA

_____, Chairman

ATTEST:

County Clerk and Recorder

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