

RESOLUTION NO. 4366

A RESOLUTION PURSUANT TO 7-12-4429 MCA AUTHORIZING A LOAN OF FUNDS FROM THE CITY WATER FUND TO STREET MAINTENANCE DISTRICT #204 FOR COMPLETION OF THE DARLING ADDITION PROJECT.

WHEREAS, Street Maintenance District #204 requires a loan in the amount of Six Hundred Thousand Dollars and 00/100 (\$600,000.00) for completion of the Darling Addition Project, and is authorized by section 7-12-4429 MCA to borrow moneys to complete improvements within the district, to include borrowing of moneys from the State of Montana;

AND WHEREAS, the City of Miles City is a political subdivision of the State of Montana, and the City's Water Fund 5210 has adequate reserves to loan such amounts to Street Maintenance District #204, with a three (3) year repayment term, and the Public Utilities Department does not anticipate needing to utilize said funds for capital improvements within the next three (3) year period;

AND WHEREAS, the City Council has determined that an interest free loan from Water Fund 5210 will save the residents who pay into Street Maintenance District #204 from incurring the costs of interest and other loan related expenses associated with alternate lending options, and that such loan is in the best interests of the City and its taxpayers.

NOW THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA AS FOLLOWS:

1. The City Council does hereby approve an interest free loan in the amount of Six Hundred Thousand Dollars and 00/100 (\$600,000.00) from Water Fund No. 5210, to be deposited in Street Maintenance District #204 - Fund No. 2510, and to be used for completion of the ongoing Darling Addition Project for paving and other improvements. Said loan shall be repaid in six (6) semi-annual payments of One Hundred Thousand Dollars and 00/100 (\$100,000.00), in accordance with the payment schedule attached hereto as Exhibit "A," and shall be payable in full no later than January 1, 2024. Said loan shall be repaid using the funds generated from assessments levied for said Street Maintenance District #204.

SAID RESOLUTION FINALLY PASSED AND ADOPTED BY A DULY CONSTITUTED QUORUM OF THE CITY COUNCIL OF THE CITY OF MILES CITY, MONTANA, AT A REGULAR MEETING THIS 25TH DAY OF AUGUST, 2020.



JOHN HOLLOWELL, Mayor

ATTEST:



Lorrie Pearce, City Clerk

Amortization Schedule



	Beginning Balance	Interest	Principal	Ending Balance
1	\$600,000.00	\$0.00	\$200,000.00	\$400,000.00
2	\$400,000.00	\$0.00	\$200,000.00	\$200,000.00
3	\$200,000.00	\$0.00	\$200,000.00	\$0.00