

**MILLVILLE CITY CODE
TITLE 3 - REVENUE AND FINANCE
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3.08.010: SPECIAL IMPROVEMENT GUARANTY FUND

There is created a special fund to be known as the special improvement guaranty fund which shall be used for the purpose of guaranteeing to the extent of the fund the payment of special improvement bonds or special improvement warrants and interest thereon theretofore or hereafter issued against the local improvement districts for the payment of local improvements therein and for the purchase of property sold to the municipality at tax sales or under foreclosure for delinquent special improvement taxes. (Prior code § 6-301)

3.08.020: MAINTENANCE OF FUND

The governing body shall create and maintain the special improvement guaranty fund by appropriations from the general fund, by the levy of a tax not to exceed one mil in any one year, by the issuance of general obligation bonds, or by appropriation from such other sources as may be determined by the governing body to provide the money necessary for that purpose. The fund shall be held by the treasurer and shall be kept by him or her separate and apart from all other funds held by him or her. Payments out of the fund shall be made only by checks drawn by the recorder. (Prior code § 6-302)

3.08.030: INTEREST AND PENALTIES

All excess charges and penalties collected by the treasurer for the benefit or credit of any special improvement fund and remaining on hand after all the bonds or warrants, together with interest thereon, drawn against the special improvement fund shall have been fully paid and canceled, shall be transferred by the recorder to the special improvement guaranty fund. (Prior code § 6-303)

3.08.040: PAYMENT OF BONDS OR WARRANTS

When any bond, warrant, or coupon drawn against any special improvement fund is presented to the treasurer for payment and there is not a sufficient amount in the special improvement fund against which it is drawn, payment therefor shall be made by warrant drawn by the recorder against the special improvement guaranty fund (unless otherwise requested by the holder). (Prior code § 6-304)

3.08.050: REPLENISHMENT OF FUND

Whenever there is not a sufficient amount of cash in the special improvement guaranty fund at any time to make any and all purchases of property bid in by the municipality at sales of property for delinquent special improvement taxes, the governing body shall replenish the special improvement guaranty fund by transfer or appropriation from the general fund or other available sources as may be determined by the governing body. (Prior code § 6-305)

3.08.060: RECORDER TO ISSUE WARRANTS

Warrants drawing interest at a rate not to exceed eight percent (8%) per annum may be issued by the recorder against the fund to meet any financial liabilities accruing against it. At the time of making its annual tax levy, the governing body shall provide for the levy of a sum sufficient with the other resources of the fund to pay warrants so issued and outstanding, the tax for this purpose not to exceed one mil in any one year. (Prior code § 6-306)

3.08.070: SUBROGATION OF MUNICIPALITY

Whenever the municipality shall have paid under its guaranty any sum on account of principal or interest on the bonds or warrants of any district, it shall be subrogated to the rights of the holders of such bonds or warrants or interest coupons so paid, and such bonds or warrants or coupons, and the proceeds thereof, shall become a part of the guaranty fund. (Prior code § 6-307)