

ORDINANCE NUMBER 34

GREY CLOUD PERMANENT FUND

AN ORDINANCE TO ESTABLISH A PERMANENT SEGREGATED FUND FOR
PROCEEDS OF J. L. SHIELY COMPANY SETTLEMENT.

The Town Board of Grey Cloud Township, Washington

County, Minnesota, does hereby ordain:

ESTABLISHMENT - All funds received from the J. L. Shiely Company as a result of the Settlement Agreement between the J. L. Shiely Company and the Town of Grey Cloud, dated February 20, 1985, and such other funds as the Board of Supervisors may from time to time designate, shall be deposited in a special fund, entitled "Grey Cloud Permanent Fund".

WITHDRAWAL RESTRICTIONS No part of the principal of said fund may be withdrawn from the fund until completion of the mining in Grey Cloud except by written agreement between the Town of Grey Cloud and the J. L. Shiely Company as set forth in the Settlement Agreement between the 'Town and the J. L. Shiely company dated February 20, 1985. After completion of the mining, no part of the principal may be withdrawn from the fund except by action of the Town Board of Supervisors at the February meeting of any year, and provided that the following notice has been given. At least thirty days prior to such February meeting, written notice shall be sent to every landowner, and every resident of the Township, and notice shall be published in the Township legal newspaper. All notices shall set forth the date, time, and place of such hearing, and shall further state the amount of the proposed withdrawal from the fund, and the purpose for such withdrawal.

INTEREST INCOME - The interest income from said fund shall be paid at least annually to the Township and shall be calculated into the budget prior to the determination of the property tax mill rate.

INCORPORATION - In the event that Grey Cloud Township becomes an incorporated city, said Permanent Fund shall remain intact.

PARTIAL ANNEXATION - Any property which may be annexed away from the Township will no longer receive any benefit of the interest income from the Permanent Fund.

TOTAL ANNEXATION - In the unlikely event that the entire Township is annexed to one or more political subdivisions, the Permanent Fund must be preserved intact, and the interest income from said Fund shall continue to provide tax relief only to those properties which were located within the Township at the time of such annexation, and the annexing political subdivision shall be required to maintain said Fund under separate identity for such purpose in perpetuity. Following such annexation, a special mill rate shall be applied to those properties which were located within Grey Cloud Township at the time of such total annexation, which shall reflect the interest income from the Permanent Fund, consistent with the procedures followed by Grey Cloud Township prior to any such annexation.

VIOLATION; PENALTY - Any violation of this ordinance or management of said funds inconsistent with the provisions of this ordinance and said agreement between J. L. Shiely company and the Town of Grey Cloud dated February 20, 1985, by the Town of Grey Cloud, any subsequent City of Grey Cloud or any annexing political subdivisions shall subject the parties or political subdivisions causing such violation to suit for specific performance, restoration of the fund, personal liability, and punitive damages. Such suit may be brought by any landowner in Grey Cloud affected by such violation.

Adopted by the Town Board this 10th day of December, 1985.

S/R. Gordon Nesvig

S/Joseph M. Daddario

S/Ruth Lacina

Town Board of Supervisors

Attest: S/Loretta Stone, Town Clerk