

LIABILITY PROGRAM
RESOLUTION NO. 02-17935

A RESOLUTION AUTHORIZING THE ADOPTION AND EXECUTION OF THE SECOND AMENDED AND RESTATED LIABILITY INSURANCE COVERAGE PROGRAM AGREEMENT ENTERED INTO BETWEEN THE MONTANA MUNICIPAL INSURANCE AUTHORITY AND THE CITY OF BILLINGS, MONTANA DATED as of DECEMBER 1, 2002; AND AUTHORIZING THAT THE ADOPTION AND EXECUTION OF ANY AMENDMENT THERETO MAY BE MADE BY MOTION.

Be it resolved by the Governing Body of Billings (the Participant) as follows:

Section I. Authorization and Recitals.

1.01 The City of Billings is a Participant in the Liability Risk Retention Program of the Montana Municipal Insurance Authority.

1.02 The Participant has previously adopted and executed the Liability Insurance Coverage Program Agreement dated as of August 15, 1986, between the Montana Municipal Insurance Authority and the Participant.

1.03 The Participant has also previously adopted and executed the First Amended and Restated Liability Insurance Coverage Program Agreement dated as of July 1, 1993 between the Montana Municipal Insurance Authority and the Participant.

1.04 The Participant is authorized by Section 2-9-211, Montana Code Annotated, and Title 7, Chapter II, Part I, Montana Code Annotated (the Interlocal Cooperation Act) to enter into agreements for the purpose of obtaining liability insurance in cooperation with other local governmental entities; and is thereby authorized to enter into such agreements as may be necessary to effect the purposes of those statutes.

1.05 The Montana Municipal Insurance Authority and the Participant, under Section 8.3 of the First Amended and Restated Liability Insurance Coverage Program Agreement, reserved the right to amend such Agreement.

Section 2. Findings.

It is hereby found, determined, and declared that:

(a) The Liability Risk Retention Program of the Montana Municipal Insurance Authority provides an immediate and long-term solution to the Participant's inability to obtain primary or excess general liability insurance or reinsurance at reasonable rates;

(b) it is in the best interest of the Participant to continue its participation in the Liability Risk Retention Program and to this end the terms and conditions set forth in the Second Amended and Restated Liability Program Agreement dated as of December 1, 2002 are necessary, desirable and proper to achieve the goals of the Liability Risk Retention Program, and the representations, covenants and recitals made therein by the Participant are true, valid and correct;

(c) it is in the best interest of the Participant and the Montana Municipal Insurance Authority to authorize the use of funds by the Authority to purchase, otherwise acquire, or participate in group or captive liability insurance, excess insurance or reinsurance programs.

Section 3. Authorization and Approval of the Second Amended and Restated Liability Program Agreement dated December 1, 2002.

The Participant hereby authorizes its continued participation in the Liability Risk Retention Program and the execution the Second Amended and Restated Liability Program Agreement dated as of December 1, 2002.

Section 4. Authorization to Approve Future Amendments to the Program Agreement by Motion.

The Participant is hereby authorized to approve the adoption of any amendments to and execution of any amendments to the First Amended and Restated Liability Program Agreement dated July 1, 1993 or any successor Program Agreement thereto by motion duly made, seconded and approved.

Section 5. Effective Date.

This resolution shall become effective immediately upon its passage and approval, unless such resolution occurs after December 1, 2002. If this resolution occurs after December 1, 2002, this resolution shall be deemed retroactively effective on December 1, 2002.

Passed and approved by the Governing Body of the City of Billings, Montana this
9th day of December, 2002.

THE CITY OF BILLINGS:

BY: _____
Charles F. Tooley MAYOR

ATTEST:

BY: _____
Marita Herold, CMC CITY CLERK