

### What is an RID?

A Maintenance Rural Improvement District (M-RID) is a legal taxing mechanism through which a subdivision can raise funds for on-going maintenance and improvements. The RID program provides planning, management, engineering services, and administration of the fund.

### Are there different types of RIDs?

Yes, there are two different types of RIDs.

- *Maintenance RID*: Projects are funded as the reserves build up adequately to pay for maintenance of the roads. There are minimal administrative cost and interest expense to this type of RID.
- *Bonded RID*: Bonds are sold to fund immediate projects and then paid off with interest through assessments over the life of the bond.

### What is provided through a Maintenance RID?

Maintenance funded through the RID can include crack sealing, chip seals, pavement overlays, road sign replacement, snow removal, vegetation control, etc.

### How is an RID created?

To have the County Commission consider creating the RID, there must be at least 50% of the 68 lots in support of the RID. The County Commissioners have the final say if the RID has adequate support and is in the best interest of the public.

Once majority approval is received, there would be two hearings to consider the RID. This process takes approximately two to three months.

- The first serves to consider a Resolution of Intention of the County Commissioners to create the RID.
- The second serves to consider any protests of the creation of the RID.

### What does it cost to create an RID?

- There would be a one-time setup fee estimated at \$6,200, which includes \$3,200 for engineering and \$3,000 for legal fees. These fees would be rolled into the first assessment.
- There is also an annual County administrative fee of 5% of the annual assessment, not to exceed \$500.00 per year.

### How is the assessment determined?

Each lot is assessed equally, or 68 assessments, whether the lot is built on or is vacant.

### How are the funds collected?

Gallatin County is responsible for collecting funds through your property tax notice. Payments are due in two installments, in November and May.

### When would the first assessments be due?

If the RID is created before December 31, 2017, it would be included in the November 2018 tax notice assessment cycle, in which case the first 50% of the assessment would be due in November 2018 and the balance of 50% in May 2019.

If the RID is created in 2018, which is more likely, it would be included in the November 2019 tax notice assessment cycle, with payments due in November 2019 and May 2020.

### How are the funds held and distributed?

The funds are held by the County in a designated account for the restricted use of only road-related maintenance and other items as listed in the resolution creating the RID for your subdivision.

### What are some advantages of having a Maintenance RID?

- *Scheduled Maintenance:* The RID program develops a maintenance schedule and funding to ensure that your roads have good maintenance to extend the service life of your roads well into the future.
- *Competitive Bidding:* Each year multiple RIDs' improvements are competitively bid to qualified contractors. We have experienced lower bids than those received on smaller projects due to the increased volume of work bid out for the combined RID projects.
- *Tax Deduction:* Most accounting firms consider the assessment a tax deduction so there is an advantage to fund road maintenance with RID funds vs HOA funds.
- *Interest Accrual:* Funds in the account do accrue interest comparable to the market for secure investments.

### Who administers the RID program for Gallatin County?

The County's selected engineering firm, Morrison–Maierle Inc., helps in administrating maintenance and oversees scheduled maintenance projects. Any questions or concerns can be directed to:

Jack Schunke, P.E.  
RID Project Manager  
[jschunke@m-m.net](mailto:jschunke@m-m.net)  
406-922-6789

Eden Potratz  
RID Project Coordinator  
[epotratz@m-m.net](mailto:epotratz@m-m.net)  
406-922-6720