

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

RESOLUTION NO. 20531

A RESOLUTION ADOPTING FINAL BUDGETS, BUDGET AUTHORITIES,
AND APPROPRIATIONS FOR THE FISCAL YEAR
BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020, AND THE FISCAL
YEAR BEGINNING JULY 1, 2020 AND ENDING JUNE 30, 2021, AND
SETTING THE SALARY FOR MUNICIPAL COURT JUDGE

WHEREAS, Section 7-1-114, MCA provides that a local government with self-governing powers is subject to any law regulating the budget, finance, or borrowing procedures and powers of local governments;

WHEREAS, appropriation adjustments are sometimes integral to other business actions, and in those situations separate budget amendment procedures are not necessary. To carry out this intent, the Local Government Budget Act was passed;

WHEREAS, Section 7-6-4006(3), MCA, states:

- Appropriations may be adjusted according to procedures authorized by the governing body for:
 - (a) debt service funds for obligations related to debt approved by the governing body;
 - (b) trust funds for obligations authorized by trust covenants;
 - (c) any fund for federal, state, local, or private grants and shared revenue accepted and approved by the governing body;
 - (d) any fund for special assessments approved by the governing body;
 - (e) the proceeds from the sale of land;
 - (f) any fund for gifts or donations; and
 - (g) money borrowed during the fiscal year.

WHEREAS, Section 7-6-4012, MCA, states:

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

(1) In its final budget resolution, the governing body may authorize adjustments to appropriations funded by fees throughout the budget period. Adjustable appropriations are:

(a) proprietary fund appropriations; or
(b) other appropriations specifically identified in the local government's final budget resolution as fee-based appropriations.

(2) Adjustments of fee-based appropriations must be:

(a) based upon the cost of providing the services supported by the fee; and

(b) fully funded by the related fees for services, fund reserves, or non-fee revenue such as interest.

WHEREAS, Sections 2-7-504, 7-6-609, and 7-6-611(1)(a), MCA, require the City to maintain its accounting system in accordance with Generally Accepted Accounting Principles (GAAP) and require that changes to the accounting system be made in accordance with GAAP;

WHEREAS, appropriations authorized in the biennial, or properly amended, budget will not change if restructured in such accounting system changes;

WHEREAS, Sections 3-6-203, MCA and 2-8-5(B), Helena City Code provide that the annual salary and compensation of the municipal court judge must be set by ordinance or resolution; and

WHEREAS, the City of Helena properly advertised and conducted a public hearing on this matter June 24, 2019, at 6:00 p.m. in the Commission Chambers at the City-County

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

Administration Building, 316 N. Park Ave., Helena, MT.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF
THE CITY OF HELENA, MONTANA:**

Section 1. Legal Spending Limits: The Helena City Commission adopts the final budget based upon the preliminary budget previously proposed, as subsequently amended, and after concluding a public hearing on the same. As part of the final budget the City Commission hereby sets the City's budget level for the fiscal years 2020 and 2021 as shown in Appendix A attached hereto. Appendix A, Balances & Changes by Fund, of this resolution sets forth per fund:

- A. the estimated, July 1, beginning cash balances;
- B. the estimated revenues;
- C. the interfund transfers in and transfers out;
- D. the authorized appropriations; and
- E. the estimated, June 30, ending cash balances.

The authorized appropriations as stated in Appendix A - Balances & Changes by Fund, establish the legal spending limits of the municipality at the fund level. Detail below the fund level in Appendix A is informational only and does not reflect the legal spending limits.

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

Section 2. Property Tax Adjustments: Property taxes are to be levied to the full extent as allowed by law. If the property tax levy as allowed by law exceeds the budgeted property tax revenues, the additional property tax revenue will be placed in the General Fund's Reserve for Capital and Major Maintenance and is available for appropriation therefrom.

Section 3. Budget Implementation Authority: Management plans in the budget document and in the City's accounting records which detail revenues, expenditures and balances below the fund level are designated management tools. It is declared necessary for management to be able to adjust to changing circumstances while adhering to goals and objective principles. The purpose of this section is to retain budgetary control while providing effective operational flexibility.

A. Follow-through Authority. As provided in Section 7-6-4006(3), MCA, the City Manager is hereby delegated appropriation adjustment authority for the expenditure of funds from any or all of the following:

- i. debt service funds;
- ii. trust funds;
- iii. federal, state, local or private grants accepted and approved by the governing body;

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

- iv. special assessments;
- v. proceeds from the sale of land;
- vi. any fund for gifts or donations; and
- vii. money borrowed during the fiscal year.

The budget adjustment authority for federal, state, local or private grants in subsection (A)(iii) above includes the authority to appropriate the related City match, if any, with funding from reserves or transfers of available surplus.

B. Fee Based Authority. As provided in section 7-6-4012, MCA, the City Manager is hereby delegated authority to adjust volume-related appropriations funded by fees throughout the fiscal years for all of the following:

- i. proprietary funds (enterprise and internal service funds);
- ii. general fund for fee supported services;
- iii. street & traffic fund for fee supported services;
- iv. civic center fund for fee supported services;
- v. urban forestry and open space funds for fee supported services;
- vi. community facilities fund for fee supported services;
- vii. police projects and reimbursements fund for fee

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

supported services; and

viii. storm water utility fund for fee supported services.

C. Realignment Authority. The City Manager is hereby delegated the authority to make transfers or revisions within or among line items, provided there is no increase in the total appropriations budgeted as provided in this resolution and any budget amendment resolutions consistent with Sections 7-6-4030 and 7-6-4033, MCA, legal spending limit.

D. Police Budgets. The City Manager is hereby delegated the authority to make transfers or revisions within or among line items for all Police Department budgets within or among the various funds, provided there is no increase in the total appropriations budgeted for the Police Department in the management plans supporting this resolution and any budget amendment resolutions.

E. Fire Budgets. The City Manager is hereby delegated the authority to make transfers or revisions within or among line items for all Fire Department budgets within or among the various funds, provided there is no increase in the total appropriations budgeted for the Fire Department in

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

the management plans supporting this resolution and any budget amendment resolutions.

F. Street & Gas Tax Budgets. The City Manager is hereby delegated the authority to make transfers or revisions within or between the Street & Traffic Fund and the Gas Tax Fund provided there is no increase in the total appropriations budgeted in order to provide for operations and maintenance within the Street and Traffic Fund and capital expenditures within the Gas Tax Fund.

G. Department Level Budgets. The City Manager may delegate to Department Directors the authority to make transfers or revisions within or among appropriations of a department's operations within a fund, consistent with Sections 7-6-4030 and 7-6-4033, MCA, legal spending limit.

H. Automatic Amendments. Joint operating agreements approved by the governing body, insurance recoveries or dividends, hazardous material recoveries, donations for specific purposes, and refunds or reimbursements of expenditures shall automatically amend the biannual appropriations or reduce recorded expenditures, whichever is correct in accordance with Generally Accepted Accounting Principles (GAAP).

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

Section 4. Appropriated Reserves:

A. The reserves must be no less than twenty-one percent (21%) of the General Fund Expenditures Balance at the time the Preliminary Budget and the Preliminary Budget as subsequently amended are adopted. The City Commission must approve any expenditure of the twenty-one percent (21%) General Fund reserve.

B. Reserves, which have been established for specific purposes, are hereby declared to be appropriations available for expenditure and/or transfer according to the reserve purpose stated by the City Manager. Unexpended reserves will be carried forward to meet future needs in accordance with their purpose.

Section 5. Contingency Accounts:

A. Contingency account appropriations are provided by the City Commission as flexible appropriations. They are intended to provide the City Manager with an effective management tool for adjusting to changing circumstances throughout the budgetary years.

B. The City Manager is delegated the authority to transfer part or all of any contingency appropriation and related financing, after advising the City Commission of the City

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

Manager's intent at a City Commission meeting or public work session. Use of contingency appropriations is restricted to transfers of that appropriation authority to specific operating budgets within the General fund or other City funds. Proper classification of expenditures to specific operations is required. Accordingly, charging of expenditures directly to Contingency accounts is prohibited.

Section 6. Appropriation Carry-overs: GAAP require expenditures to be recognized in the fiscal year in which the goods or services are received. As such, the Helena City Commission hereby authorizes the carry-over of prior year unspent budget authority under the following conditions:

A. Previous fiscal year appropriations or segments thereof, are hereby declared authorized appropriations in addition to the appropriations set out in Appendix A, provided they meet the following criteria:

- i. related financing was provided in the prior fiscal year;
- ii. the appropriations were not obligated by year end;
- iii. the purpose was not included, or rejected, in

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

- current budget financing or appropriations; and
- iv. the City Manager determines the appropriation is still needed.

B. Outstanding purchase orders and other obligations, representing a City obligation to pay the claim after receipt of the goods or services, are recognized as "claims incurred." They are hereby declared authorized "carryover" appropriations in addition to the appropriations set out in Appendix A, provided they meet the following criteria:

- i. related financing was provided in the prior fiscal year;
- ii. the appropriations were not otherwise obligated by year end;
- iii. the purpose was not included, or rejected, in current budget financing or appropriations; and
- iv. the City Manager determines the appropriation is still needed.

Section 7. Capital Re-Appropriation: The City Commission routinely updates its Comprehensive Capital Improvement Program in order to fully identify long-term capital needs and analyze projected financing capacity. After each fiscal year, there may be unspent appropriations within City

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

operations. Therefore, the Helena City Commission authorizes the City Manager to re-appropriate prior year unspent budget authority and reserves into current year authorized capital appropriations or capital reserves in order to address capital needs. Such capital re-appropriations may be made under the following conditions:

- A. related financing was provided or in reserves from prior fiscal years;
- B. the projected unspent appropriation balance was not reallocated as financing for other appropriations;
- C. the appropriations were not obligated by year end;
- D. the purpose was not included, or rejected, in current budget financing, reserves, or appropriations;
- E. the City Manager determines the re-appropriation is needed to finance the Comprehensive Capital Improvement Program; and
- F. after advising the City Commission of the City Manager's intent to make capital re-appropriations at a City Commission meeting or public work session.

Section 8. Municipal Judge Salary and Compensation:

The annual salary for the Municipal Judge is \$ 97,863 and total salary and benefits are \$ 126,532.

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20531

PASSED AND EFFECTIVE BY THE COMMISSION OF THE CITY OF
HELENA, MONTANA, THIS 24th DAY OF JUNE, 2019.

/S/ WILMOT COLLINS
MAYOR

ATTEST:

/S/ DEBBIE HAVENS
CLERK OF THE COMMISSION