

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

RESOLUTION NO. 20679

A RESOLUTION ADOPTING PRELIMINARY BUDGET, BUDGET AUTHORITIES, AND APPROPRIATIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2022 AND ENDING JUNE 30, 2022, 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:

- (1) In its final budget resolution, the governing body

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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 annual, 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, a public hearing on this resolution was held by the City Commission on June 28, 2021, in the Commission Chambers at 316 North Park Avenue in Helena, Montana, at 6:00 P.M. and via Zoom Meeting at webinar ID: <https://zoom.us/j/96971903791>.

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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 City of Helena's budget based upon the preliminary budget previously proposed, as subsequently amended, and after concluding a public hearing on the same. As part of the budget, the City Commission hereby sets the City's budget level for the fiscal year 2022 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.

Section 2. Property Tax Adjustments: Property taxes are to be levied to the full extent as allowed by law. If the property

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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 Emergency Contingencies, 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. Budget and Reserve Policies are defined in the budget document and allow the City Manager certain management tools that retain budgetary control but provide effective operational flexibility and are adopted with this Resolution. The budget policies include:

- A. Follow-through Authority. As provided in Section 7-6-4006(3), MCA;
- B. Fee Based Authority. As provided in section 7-6-4012, MCA;
- C. Realignment Authority consistent with Sections 7-6-4030 and 7-6-4033, MCA, legal spending limit; and
- D. Automatic Amendments.

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Section 4. Appropriated Reserves: Reserve policies for each fund type are defined in the budget document and are adopted with this Resolution.

Section 5. Contingency Accounts: Contingency account reserves and policies are defined in the budget document.

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

B. Outstanding purchase orders and other obligations,

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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 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

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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 \$102,017 and total salary and benefits are \$135,819.

**PASSED AND EFFECTIVE BY THE COMMISSION OF THE CITY OF
HELENA, MONTANA, THIS 28th DAY OF JUNE, 2021.**

/S/ WILMOT COLLINS
MAYOR

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ATTEST:

/S/ DANNAI CLAYBORN
CLERK OF THE COMMISSION