

LOCAL GOVERNMENT STUDY COMMITTEE SUMMARY

League of Women Voters of the Helena Area members voted to support the formation of a Local Government Study committee during the League's April 2023 annual general meeting.

PURPOSE OF THE COMMITTEE

- Provide information to current and new members of the city and county on the current structure and form of the city and county governments.
- Provide information on the purpose and process for the ten-year review.
- Provide committee members an opportunity to meet and form relationships with community leaders, elected officials, and city and county staff.
- To encourage community and league members to run for public office.
- Update the revised 1995 League position on County Governments and the Consolidation of Local Government Services adopted in 1992.
- The ten-year review of local governments documents will serve as a league resource for the next ten-year review.

COMMITTEE MEMBERS: Mary Harlow, Sharon Haugen co-chairs; Sue Hoell, Clare Kearns, Barbara Harris, Pat Bik, Paul Pacini, Cherri Jones, Anne Stites Hausrath, Felomina Genilla-Garvin. Members met weekly beginning in May. August meetings were suspended and resumed in September when meetings were bi-weekly either in person or by Zoom. Cherri Jones provided minutes for all committee meetings.

Ten-Year Review: The 1972 Montana Constitution requires every incorporated city, county, and town in Montana to ask their citizens every ten years if they would like to have a Local Government Review Commission to study the form of government and to assess whether it is the best structure for the needs of citizens or whether changes should be made.

History of the Ten-Year Review for the City of Helena

1976. The 1972 Montana Constitution required the first ten-year review to occur in 1976. Local governments were required to provide an alternative form of government to the voters.

- Helena was operating as a commission form of government at that time.
- Helena voters supported the adoption of a city charter form of government with a manager and commission and began operating under self-government powers in 1977. The Charter spells out the separation of administrative and executive powers, the authority of the mayor, commission, and city manager.
- Elections were changed from partisan to nonpartisan.

1994. Voters approved the adoption of a study commission to review the structure and form of city government. Voters approved the study commission recommended changes.

- The term of office for the mayor was changed from two to four years.
- A preamble was added to the charter. The Charter serves as a city constitution.
- A cap on property taxes at the state limit was added to the Charter. These changes were adopted in 1996.

2000. This was an off ten-year review cycle.

- City commissioners passed a resolution and submitted it to the voters for approval in that year's general election.
- The purpose of the resolution was to permit the Helena Citizens Council to fill vacancies on the Council if there were no serving members on a neighborhood council and to declare a position vacant or if a member misses three consecutive meetings or ceases to be qualified under the rules adopted by the citizen council.
- Voters approved the addition and it was added to the charter in 2001.

Current Form of Helena City Government

The City of Helena has four elected commissioners and a mayor elected to serve four-year terms of office.

- Helena has a self-governing charter. Under self-governing powers, the city may exercise any power not prohibited by the Montana Constitution, law, or charter.
- Helena has adopted the commission/manager form of government with a mayor as outlined in the charter.
- The city charter serves as a constitution and has a preamble.
- The duties, responsibilities and powers of the commission, city manager and citizens council are outlined in the charter.
- The commission is the legislative and policy-determining body of the city.
- The city manager is the chief administrative officer and responsible to the commission for administration of all city affairs required by the charter, law, or resolution.
- The mayor is the official head of the city and presides at city commission meetings, service of civil process, and performing ceremonial functions.

History of the Ten-Year Review for Lewis and Clark County Government

1915. The commission form of government was adopted for the county.

1996. Voters approved retaining the current commission form of government and did not support a charter being adopted for the county. The commissioner's term of office was changed from four years to six years.

2009. Voters approved nonpartisan elections for the county.

Current form of county government

Lewis and Clark County has three full-time commissioners that serve six-year terms of office. The county operates under **general powers** that are expressly or implicitly granted by the legislature. The county does not have a charter or self-government.

- The county operates under a commission form of government and has executive and administrative functions.
- The role of the county commissioners is defined by statute in Montana Code Annotated.
- The commissioners appoint a chair who has the executive function.
- Commissioners share the administrative function and all appointments of department heads, adopting, creating, and executing policy.

The 1995 adopted Helena League position supports a charter and self-government for Lewis and Clark County. Developing a charter for county government would lay out conditions beyond those defined in state law.

Summary of Information gathered from the meetings listed below

The Local Government Study Committee held seven public meetings with the individuals listed below. Speakers were provided with up to six questions prior to the meetings to prepare their responses.

- State Senators Janet Ellis and Mary Ann Dunwell, and Representative Julie Dooling.
- Lewis and Clark County Commission Chair Tom Rolfe, Helena City Manager Tim Burton, and former Helena Mayor Jim Smith.
- City of Helena Finance Director Sheila Danielson.
- City Commissioner Emily Dean and clerk of the commission/city clerk Dannai Clayborn.
- Lewis and Clark County Finance staff members Frank Cromwell and Misty Edwards.

- Dan Clark, Director, Local Government Center, Montana State University; Eric Bryson, Executive Director, Montana Association of Counties; Thomas Jodoin, Deputy Director and Counsel, Montana League of Cities and Towns.
- Helena Citizens Council members Ben Kuiper president, Paige Myers, and Denise Roth Barber.

Summary of Information

1. The current Helena City Manager has brought stability to the city.
2. Adding a **Deputy City Manager** position to the Charter may ensure that the city operations could continue without interruption until a new manager is appointed.
 - A. Six full-time and interim city managers left the city within two years.
 - B. Advertising for, interviewing and selecting a new manager can take two years.
3. The changing city culture requires constant monitoring and timely updates to ensure that the city meets current and future needs of residents.
 - A. City leaders are dealing with economic challenges, unfilled positions, uncertain revenue sources, delivery of core services, inflated housing prices and housing shortages.
 - B. Population growth has resulted in public demand for more services.
4. Full time commissioners/mayor may be needed in the near future.
 - A. City management has become more complex and demanding. Professional managers are needed to maintain efficient government structure and function.
 - B. Part-time commissioners and mayors with second jobs may lack sufficient time to focus on city issues and solutions.
 - C. Commissioners are required to attend four city night and intragovernmental meetings each month and may require reading up to 300 pages of documents in preparation for city meetings.
 - D. There are no job descriptions for county or city commissioners or mayor.
5. Employee turnover continues to be a problem for the city and county.
 - A. Lack of affordable housing, high rents impact the hiring professional staff.
 - B. Salaries for federal and state government employees and private companies are higher than those offered by the city. *Montana Dept of Labor Industry wage 2023.*
 - a. The federal government's average employee salary is \$80,570.
 - b. Montana State Government is \$56,908.
 - c. Private companies' average salary is \$54,232.
 - d. Local Government is \$48,585.

6. The 2020 mayoral election resulted in only one candidate running against the incumbent and the 2023 commissioners resulted with no one running against the three incumbents.
 - A. Asking friends and family to run for office and providing support for their campaigns was suggested by legislators to ensure candidates for office.
7. City officials need to stay engaged with citizens and be more visible in the community.
8. Commissioners voted to increase their salaries in 2023, effective 2024.
 - A. The mayor's salary will increase from \$11,000 to \$15,000 per year.
 - B. Commissioners' salaries will increase from \$9,000 to \$11,000 per year
 - C. Justification for the increases:
 - a. The scope of civic responsibilities and increased workload.
 - b. Current economic data and unreimbursed personal expense to carry out duties. Remunerate them for their time, effort, and expense.
 - c. Commissioners hope that the increase in wages may encourage future candidates to run for election as a city commissioner. (*May 3, 2023, Independent Record, Nolan Lister, "City Commission oks raising its pay"*)
9. A culture of planning which prioritizes core city services with a long-term perspective would help increase awareness in city government of the fiscal impact of their decisions.
 - A. **Strategic Plan:** The city began discussions for a plan in December 2023.
 - a. Adoption and implementation of a strategic plan that integrates department and commissioners' individual plans into one overriding document would provide a guide for developing priority-based city budgeting.
 - B. **Capital Improvement Plan:** Developing and implementing a plan would help prioritize upgrades to the city's infrastructure as well as roads and sidewalks.
10. Adopting financial planning policies for capital improvement, debt and expendables, and investments would help manage limited resources.
 - A. The city is at a breaking point financially.
 - B. Commissioners are challenged with balancing limited resources with the public's diverse interests.
 - C. Defining and implementing a budget process other than incremental budgeting is important.
 - D. Budgets could be balanced without using reserves.
 - E. An emergency fund for earthquakes, fires, and unforeseen events is needed.
11. Concerns about tax trends in recent years.
 - A. Some of the tax increases are due to voted school mill levy increases.
 - B. Total property taxes for the **city and county increased 103.2% from 2013 to 2023.**

- a. A house valued at \$109,161 in 2013 was valued at \$366,453 in 2023.
 - b. The market value increased the property value by 335.7%.
 - C. Helena taxes** increased 116.5% and assessments increased 40.4%.
 - D. Lewis and Clark County taxes** increased from \$498.90 in 2013 to \$1,042.54 in 2024.
 - E. County Taxes increased by 109%.**
 - F. Assessments** in 2013 were \$17.91 and increased to \$47.78 in 2023.
 - G. Assessments** increased by 66.8%.
 - H. Schools** (SCHL, SCHM, SD) increased from \$988.50 in 2013 to \$2,169.39 in 2024.
 - I. This amounts to a 119.5% increase.
 - J. State schools'** taxes were \$131.72 in 2013 and \$258.12 in 2023. This is a 96.0% increase in school taxes
- 12.** Assessments may be subject to legal challenges.
- A.** Taxes cannot be levied by the city against tax exempt properties such as government buildings, schools, hospitals. Helena has a lot of exempt buildings.
 - B.** The City of Helena has reached the maximum allowable number of mills that may be imposed without an election. (*Montana Code Annotated 15-10-425 and 15-10-240*)
 - C.** City-wide assessments are used rather than a tax.
 - D.** Former state Attorney General Mazurek position (AG opinion Vol.47, #7). "A tax is levied for the public good. It creates a lien. An assessment is imposed against specific property to defray the cost of a specific benefit to the property, the benefit to be commensurate with the assessment."
- 13.** The ten-year review process offers an opportunity for citizens to increase their knowledge of local governments.
- A.** Residents of the city and county need to better understand the day-to-day operation of the city and county governments.
- 14.** There is a shortage of citizens willing to serve on city boards and commissions.
- A.** Volunteers represent the human capital for the city.
 - B.** Appointed boards and commissions are not receiving adequate staff liaison and support and are being underutilized.
 - C.** There appears to be a breakdown in communications between city staff and citizens contacting the city and wishing to volunteer for committees.
 - D.** City Resolution No. 20856, that was signed into law on August 21, 2023. Entitled "Adopting Procedural Changes for Designated City of Helena Boards, Committees and Other Commission Created Advisory Bodies," and Exhibit A-Res. 20856. bylaws. **The authority, powers, duties and bylaws for boards, is covered in these documents which also includes the Citizens Council.**

- E. The document does not contain information on policy and procedures for applying for city boards and committees or a communication policy.
15. The Helena Citizens Council believes the community does not take them seriously because they do not have an acknowledged role and position with city commissioners.
- A. The current city charter does not outline the duties and responsibilities of the Citizens Council.
 - B. The council's charter role is to provide information to the commission on the budget and development within the city.
 - C. There is no process or written city policy on how the council provides the information to the commission or how the commission responds to the information they receive.
 - D. The adopted city policy on boards and commissions Section 3, page 4, includes removal of all Commission and HCC representatives from membership. *Helena_Citizens Council members are elected representatives of their wards, and their role is outlined in the city charter.*
 - E. **A more robust process for engaging the HCC, the community and the commissioners can be jointly developed.**

This information is a result of meetings, interviews, and research conducted by Local Government Study committee members. It was used to prepare the proposed Government position, principles and to update the County Government position adopted in 1982, revised in 1995, the Consolidation of Local Government Services adopted in 1992.