

Section 5. Budget Adoption

SAMPLE

RESOLUTION FOR THE ADOPTION OF THE MUNICIPAL BUDGET¹

Resolution No. _____

A RESOLUTION PROVIDING FOR THE ADOPTION OF A BUDGET FOR THE CITY (OR TOWN) OF _____, ARKANSAS, FOR THE TWELVE (12) MONTHS BEGINNING JANUARY 1, 20__ AND ENDING DECEMBER 31, 20__, APPROPRIATING MONEY FOR EACH ITEM OF EXPENDITURE THEREIN PROVIDED FOR;² AND FOR OTHER PURPOSES.

WHEREAS, the City (or Town) Council has made a comprehensive study and review of the proposed budget submitted by the mayor, and;

WHEREAS, it is the finding and conclusion of the City (or Town) Council that the schedules and exhibits of anticipated revenues and expenditures for the calendar year appear to be as accurate as possible for budgetary purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY (OR TOWN) COUNCIL OF _____, ARKANSAS:

Section 1. This resolution shall be known as the budget resolution for the City (or Town) of _____, Arkansas, for the twelve (12) month period beginning January 1, 20__ and ending December 31, 20__.

Section 2. The budget for the period described in Section 1 of this Resolution shall be:

[Insert Budget figures here]

Section 3. The respective funds for each item of expenditure proposed in the budget for 20__ are hereby approved and adopted for the operation of the City (or Town) of _____, Arkansas, by the City (or Town) Council on this date and constitute an appropriation of funds which are lawfully applicable to the items contained within the budget. This budget may be altered or revised by action of this governing body and unpledged funds may be subsequently appropriated to another purpose except as prohibited by law. A.C.A. § 14-58-203(a).³

Section 4. The Mayor or his duly-authorized representative may approve for payment, out of funds appropriated by this budget or otherwise approved by the city council for those purposes, or may disapprove any bills, debts, or liabilities asserted as claims against the City (or Town).⁴ Provided, however, that the execution of all contracts and conveyances and lease contracts shall be performed by the mayor and city clerk or recorder, when authorized by a resolution in writing and approved by a majority vote of the city council present and participating.⁵

Section 5. If any provision of this resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the resolution which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are declared to be severable.

DATED: _____ **APPROVED:** _____
Mayor

ATTEST: _____
Recorder or City Clerk

¹ NOTE: If this resolution is used as presented it must include the budget document.

² Because the Arkansas Municipal League (“AML”) cannot anticipate when every city (or town) will pass its budget, as an option the following emergency clause is included in this footnote. This Language should be added to the resolution if an emergency is to be declared:

A. After footnote 2 add: DECLARING AN EMERGENCY

B. After Section 4 add: Section 5. WHEREAS, the efficient operation of municipal government requires that a budget be planned and adopted by the governing body, and that without a budget the city (or town) may not pay its bills, debts or liabilities; now, therefore, an emergency is hereby declared to exist and this resolution being necessary for the preservation of the public peace, health and safety shall take effect and be in force from and after its passage and approval.

³ All of the statutes cited may be found in the *Handbook for Arkansas Municipal Officials*.

⁴ Under A.C.A. § 14-58-305, the following language is mandatory for cities of the first class and must be added to this. First class cities add the following: “up to a maximum amount allowed by Arkansas law and the payment or disapproval of any bills, debts or liabilities exceeding that amount shall require the confirmation of this governing body.” For cities of the first class only, all purchases in excess of Twenty- Thousand Dollars (\$20,000.00) must be made via competitive bidding, see A.C.A. § 14-58-303. All cities and towns must bid on public improvements as defined in A.C.A. § 22-9-203 when all estimated costs of the work exceed Thirty-Five Thousand Dollars (\$35,000.00).

⁵ See Ark. Code Ann. § 14-54-302(c).