

City of Iron Mountain

501 S. Stephenson Ave
Iron Mountain, MI 49801
Telephone: 906-774-8530
Fax: 906-774-3774

Email: clerktreasurer@cityofironmountain.com

Website: www.cityofironmountain.com

Special Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan held on Monday, May 23, 2011 at 6:30 p.m. in the Council Room.

Presiding: Mayor Rosen

Present: Council Members Alessandrini, Farragh, Jacobetti & Corombos

Absent: Council Member Villa

Also Present: Chief Financial Officer Bartolameolli & City Manager Stanchina

Public Comment

None

Public Hearing

Budget for Fiscal Year 2011-12

Rosen opened the public hearing.

Stanchina stated that the proposed 2011-12 budget will utilize \$276,876.00 of General Fund balance. He relayed that the initial budget would have utilized \$402,700.00 of General Fund balance. Stanchina communicated that unexpected savings on workman's compensation and health insurance premiums primarily assisted in the reduction of the initial budget deficit. He conveyed that bargaining labor contracts will be the primary way that the City will be able to correct the current structural deficit. Stanchina projected that if nothing is done to correct the structural deficit, the General Fund's balance will decrease to \$90,000 by the end of the 2014-15 Fiscal Year. He proceeded to detail the changes in state shared revenue over the last ten years. Stanchina stated that the taxable value for the City increased by 1.47% and that the City will not increase its millage rate, continuing the rate of 20.6030 mills. He said that the population change, per the recent census, will decrease the amount of funds that the City receives from state sales tax revenue and Act 51 funding, as the City wide population decreased from 8,154 people to 7,624 people. Alessandrini voiced his disapproval for the accuracy of the recent census. Stanchina expressed the idea that it may be possible to have the results of the census reviewed. He explained the process of receiving Economic Vitality Funds. Stanchina conveyed that there will no longer be a TIFA Administration Fee, causing a revenue decrease of approximately \$75,000. Bartolameolli expressed the idea that health insurance premiums are a significant expense to the City. Stanchina clarified the method by which the General Fund's balance is determined. He noted that the proposed budget does not include estimated income, only known income. Stanchina reiterated the importance of reducing costs through collective bargaining. The City Council voiced the opinion that taxes should not be increased at this time.

Rosen closed the public hearing.

New Business

Approval of the budget for Fiscal Year 2011-2012

It was moved by Alessandrini and supported by Corombos to adopt the proposed 2011-2012 Fiscal Year budget.

Motion Prevailed Unanimously

Set public hearing Re: Hamilton Street & the alley encompassed in Block 2 of the Village of Lake Antoine Plat

Stanchina presented the vacation proposal. Stanchina stated that the proposed Hamilton Street vacation would be 260 ft. in length and 60 ft. wide. He confirmed that City right-of-way can not be sold.

It was moved by Alessandrini and supported by Farragh to set a public hearing for the proposed vacation on June 20, 2011 at 6:30 pm.

Motion Prevailed Unanimously

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Public Comment

None

Adjournment

It was moved by Farragh and supported by Alessandrini to adjourn.

Motion Prevailed Unanimously

Meeting adjourned at 7:17 p.m.

A handwritten signature in black ink that reads "Isaac P. Micheau". The signature is written in a cursive style with a large initial "I".

Isaac Micheau
Clerk-Treasurer