

**CITY OF IRON RIVER  
PUBLIC HEARING  
2009-2010 BUDGET  
Wednesday, May 20, 2009  
1:30 PM  
MINUTES**

Mayor Roger Zanon opened the Public Hearing at 1:30 p.m. in the Council Chambers at the Iron River City Hall.

Roll Call: Edward Marcell, Ray Coates, Thomas Beber, Michael Brozak and Zanon.

Absent: None

Also present: Manager John Archocosky, Attorney Mark Tousignant and Deputy Clerk Rachel Andreski.

Public in Attendance: Craig Richardson, Suzanne Johnson, and Reporters Allyce Westphal (IC Reporter) Wendy Shimun (WIKB), and Ben Smith (Iron County Doings).

Purpose of the Public Hearing: to receive public comment on the 2009-2010 City Budget.

**Public Comment**

Manager John Archocosky reported that the budget is very similar to that of last year. Zanon questioned the integrity of the City's fund balance. Archocosky, with assistance from Treasurer Suzanne Johnson, responded that the City's auditor, Diane Rostagno, CPA PC, would like the City to have three months operating budget and currently, the City has five.

Archocosky reminded the Council that the Budget is a tool or an outline to keep us on track of where we're going to go and how we're going to get there even during difficult times such as the recent announcement of Governor Grandholm's revenue sharing cut, which was approved by the House and Senate. The City will not receive almost \$14,000 in revenue sharing for this fiscal year.

Coates asked if the Governor's revenue sharing cut along with more possible cuts coming up in October (State's fiscal year start) will hurt the City's operating budget cushion of five month reserve. Archocosky noted that the City doesn't depend heavily upon revenue sharing, and it won't deplete our cushion, it may just shorten the time span.

Archocosky asked Craig Richardson of AECOM to give an update on the various projects the City will be undergoing this year. Richardson reported that they're in the final design stage for the SRF project and that there were some additional funding options that were available will get the City \$6.3 million worth of work. Archocosky added that the City will be averaging a 50 percent grant without any type of increase in any of the City's rates.

Ben Smith questioned the cost effectiveness of Consolidation and requested numbers. Archocosky stated that the City hasn't taken that on, however, Michigan State University (MSU) and Michigan Municipal League (MML) students has chosen this topic for their Master's Degree. Archocosky will follow-up with MSU and MML for permission to share their documents.

Richardson stated that the Michigan Economic Development Corporation (MEDC) is looking for "Notice of Intent", and AECOM is presently working on identifying a Capital Improvements Plan for the City's water system.

Councilman Tom Beber questioned if the City is pumping the former Mineral Hill's sewer and if they're part of the upcoming Rural Development (RD) sewer project. Archocosky confirmed that it is part of RD's project and that the City has spent a tremendous amount of money in the past three years in the former Mineral Hills.

Beber moved to adjourn the Public Hearing at 2:04 p.m. Marcell seconded. All in favor. Motion carried.

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Rachel R. Andreski, Deputy City Clerk