

Date: October 15, 2008

To: Mayor and Council Members

From: John Archocosky

RE: Monthly Activity Report

This past week the Council and city staff held a workshop meeting with the City Auditor Mrs. Rostagno to review the last fiscal year report. As you will recall, according to our Auditor, the City completed the past year with all funds remaining stable and a slight increase generated in the General Fund balance. Although it would be great to have six or more month's worth of operating capital, we should be very pleased to have maintained a solid four months of reserves. Mrs. Rostagno was pleased to see that our successes in securing grant dollars has kept the City moving forward with several major projects without jeopardizing our ability to deliver the services our residents have come to expect. With the adjustments that were made this past summer, the Water and Sewer Funds will once again be in a "breakeven" mode for the upcoming year.

The only unanticipated financial issue that came up during the meeting is that our garbage collection services with Waste Management will see a major increase in the near future. As a result of a billing process error, Waste Management has not passed on the annual cost of living increases and fuel surcharge to the City nor has it been charging the tipping fees for the past 3 years. They recently advised me that the rates are going to be adjusted to reflect their error. Although they do not anticipate trying to make up for the past revenues they lost, they will be increasing their fees which come months after the adoption of this year's budget. Mayor Zanon has appointed a committee to review this issue. It is anticipated that the City will be requesting proposals from Waste Management and other waste hauling companies in the near future.

The Friends of Nelson Field have once again committed to making a major investment and upgrading the playground equipment in that park. Mr. Dan Hinch informed the City that they applied for a grant and received approval for a 50% matching grant for the purchase of the equipment through Sinclair Recreation, Inc., a dealer of Gametime Playground Equipment. Dan said their timing was perfect as Gametime had just made the grants available a few days before their request was received. As a result approximately \$36,000 of new playground equipment will be installed next spring which will replace the existing equipment which no longer meets current safety requirements. In total, the project will cost approximately \$50,000 which will include shipping, installation, and project oversight by a Gametime representative. If you recall, a grant was submitted earlier this year to the DNR for a similar grant but was not funded. Congratulations go out to all the members of the Friends of Nelson Field for the constant support of this important recreational asset in our community.

All City departments have been busy over the past several weeks with the changeover activities that occur in the fall of the year. Our city Clerk Kathy Anderson has been extremely busy with requests for Absent Voters Ballots for the upcoming elect. It appears the voters in the City of Iron River intend to have a real voice in the upcoming General Election.