

**CITY OF IRON RIVER
SPECIAL MEETING
IRON RIVER CITY COUNCIL
Wednesday, May 11, 2016
2 PM
Minutes**

Mayor Terry Tarsi called the meeting to order at 2 p.m., in the Council Chambers at the Iron River City Hall. The Pledge of Allegiance was recited.

Roll Call: Daniel Baumgartner, Jere Fritsche, Tricia Mercier, Edward Marcell and Tarsi.

Absent: None.

Also present: City Attorney Mark Tousignant, City Manager David Thayer, Treasurer Justin Curtis and Clerk Rachel Andreski.

Public in attendance: None.

PUBLIC COMMENT

None.

NEW BUSINESS

Presentation of Fiscal Year 2017 Budget:

Thayer presented his budget orally rather than a written one. Many changes are being made starting with a modified zero base budget approach, meaning that all line items start at zero and were built up with knowledge and understanding on how the money is to be raised and expensed. The ultimate goal is transparency so anyone can pick up the budget and be able to see how much things cost and this budget achieves that. Another change is that all employees are budgeted from the General Fund which will decrease the payroll preparation.

At this time, funds cannot be identified for another police officer, however, once the Audit has been completed from the current fiscal year, there may be a possibility. Funds have been set aside for a custodian for City Hall for four hours per day Monday through Friday.

Funds are also being set aside for roadwork in the former Stambaugh from Spruce Street to Ice Lake Road. Progress is being made with the removal of the DEQ Consent order, however, Thayer stated monies will still need to be set aside for projects. Another change is to the Motor Pool Fund, which will now be 50% of MDOT rates for equipment rental costs.

Thayer also reported that if monies are spent and not budgeted, a transfer and budget amendment will be done right away, and that the budget process is an entire year process. MERS retirement is at 44% this year and is expected to rise up to 54% next year. He also feels the presented budget is a conservative approach and design, and if all goes according to plan, money can be placed back into the reserves with room for flexibility.

Tousignant stated that the budget is the City's roadmap, and if things are done that is not in the budget, that needs to be recognized and a decision made at that point in time, where that money is going to come from or what is going to be given up. The consciousness needs to be present.

Council Member Comments:

None.

Adjournment: Baumgartner moved to adjourn at 3:32 p.m., with support from Marcell. All in favor; Motion carried.



Rachel Andreski, City Clerk