

# **COMMITTEE-OF-THE WHOLE MEETING**

**MOUNTAIN IRON CITY COUNCIL  
MOUNTAIN IRON COMMUNITY CENTER  
TUESDAY, NOVEMBER 10, 2008 - 6:30PM**

## **AGENDA**

- I. Call to Order
- II. 2010 Budget
- III. Adjourn



# CITY OF MOUNTAIN IRON

"TACONITE CAPITAL OF THE WORLD"

PHONE: 218-748-7570 • FAX: 218-748-7573 • www.mtniron.com  
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**TO:** Honorable Mayor and City Council  
Department Heads

**FROM:** Craig J. Wainio, City Administrator

**DATE:** November 5, 2009

**SUBJECT:** 2010 Preliminary Budget

Enclosed, please find copies of the proposed 2010 General Fund Budget, Capital Improvement Fund Budget and Debt Service Fund Budgets. These budgets are presented with the maximum levy of 9% factored in for consideration. The figure presented this page demonstrated the revenue that would be generated at each percentage point that the levy were increased.

Also enclosed, please find a graph showing that City of Mountain Iron's extension rate compared to other Cities in the area. The extension rate provides a comparison of taxes levied to tax capacity of the community. The tax capacity is based up the value of the community's base in residential, industrial and commercial properties. From that graph you can see that Mountain Iron has among the lowest extension rates in the area due to increased development and prudent fiscal management. Why the extension rate for the City has been decreasing is due to the tax base increasing at a faster rate than the tax rate as been increasing.

To the best of our ability, Staff has presented the history and possible effects of a levy increase for a number of scenarios on residential property within the City. Enclosed are graphs showing the taxes for the last twelve years and projections based upon the percentage increase for residential properties valued at \$50,000, \$100,000, \$150,000, \$200,000 and \$250,000.

| <i>Levy Increase</i> | <i>Total Revenue</i> | <i>Increased Revenue</i> |
|----------------------|----------------------|--------------------------|
| 0%                   | \$751,146            | \$ -                     |
| 1%                   | \$758,657            | \$7,511                  |
| 2%                   | \$766,169            | \$15,023                 |
| 3%                   | \$773,680            | \$22,534                 |
| 4%                   | \$781,192            | \$30,046                 |
| 5%                   | \$788,703            | \$37,557                 |
| 6%                   | \$796,215            | \$45,069                 |
| 7%                   | \$803,726            | \$52,580                 |
| 8%                   | \$811,238            | \$60,092                 |
| 9%                   | \$818,749            | \$67,603                 |

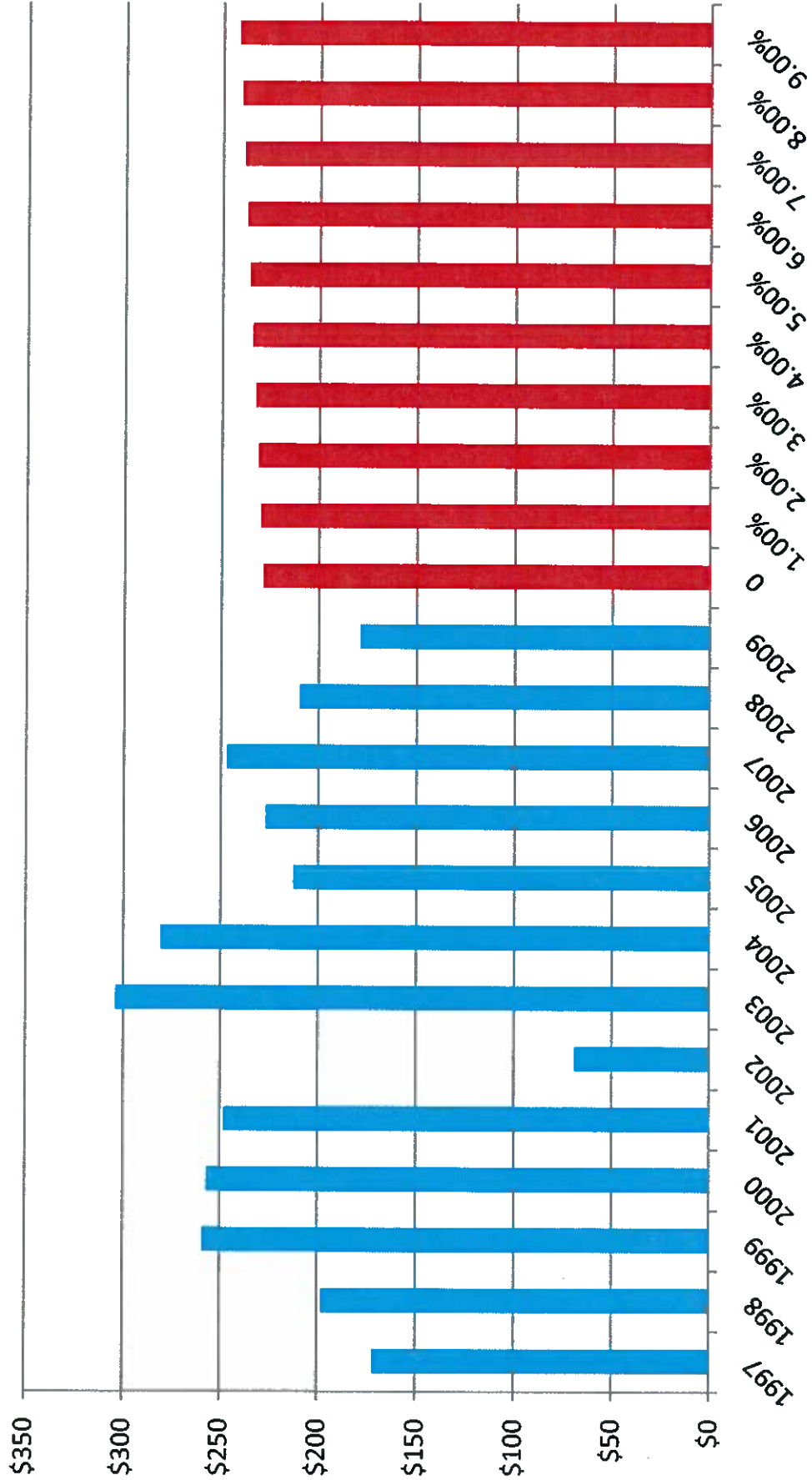
As you review the information presented, please pay particular attention to the Capital Improvement Budget, due to the anticipated revenue constraints there is a decreased Capital Improvement Budget, that coupled with paying for part if the 2009 Old Highway 169 project in 2010 and the final year of payments for the 2008 equipment purchases, leaves very little funding available for new projects, further, the projects as presented are based upon the maximum allowable levy as adopted by the City Council.

One note, due to this COW meeting being scheduled early compared to other years, adequate discussion and review has not taken place with the department heads as would normally be accomplished. The information presented in the budget is based solely on projections, if the department heads would like modifications, they should address them at this meeting.

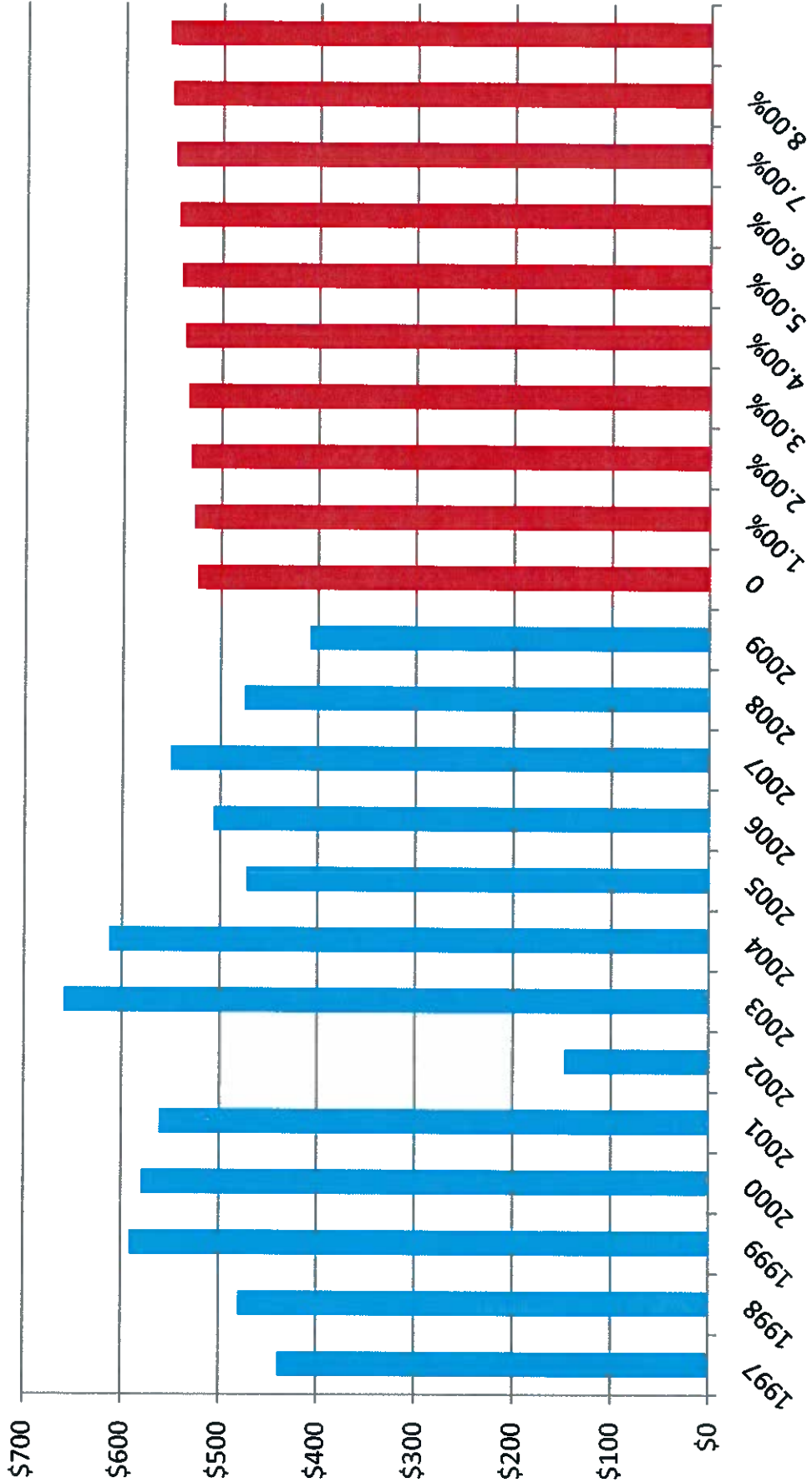
If you have any questions or comments regarding this material, please do not hesitate to contact me at 218-748-7570 or email cwainio@ci.mountain-iron.mn.us.



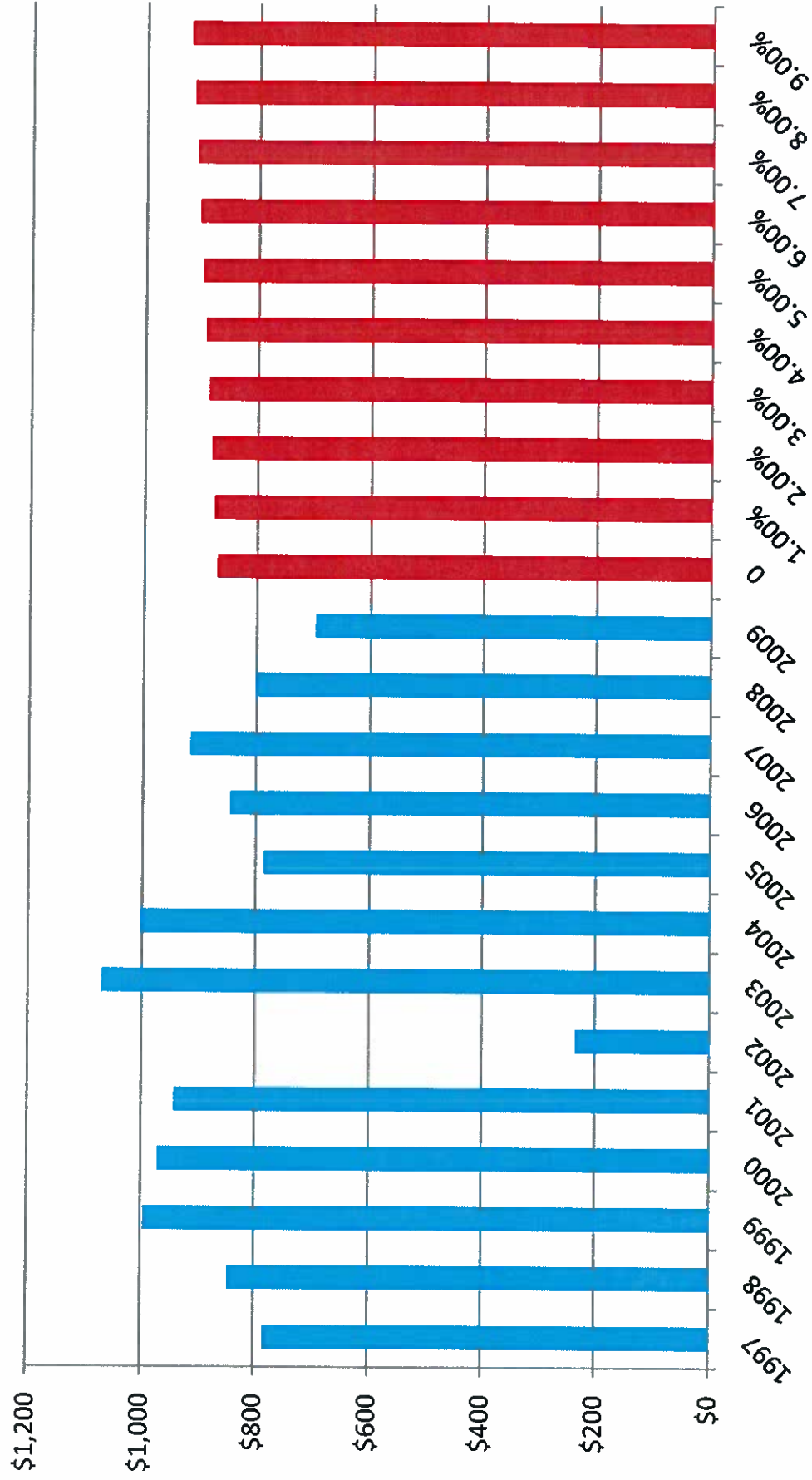
# Tax on a \$50,000 Residence



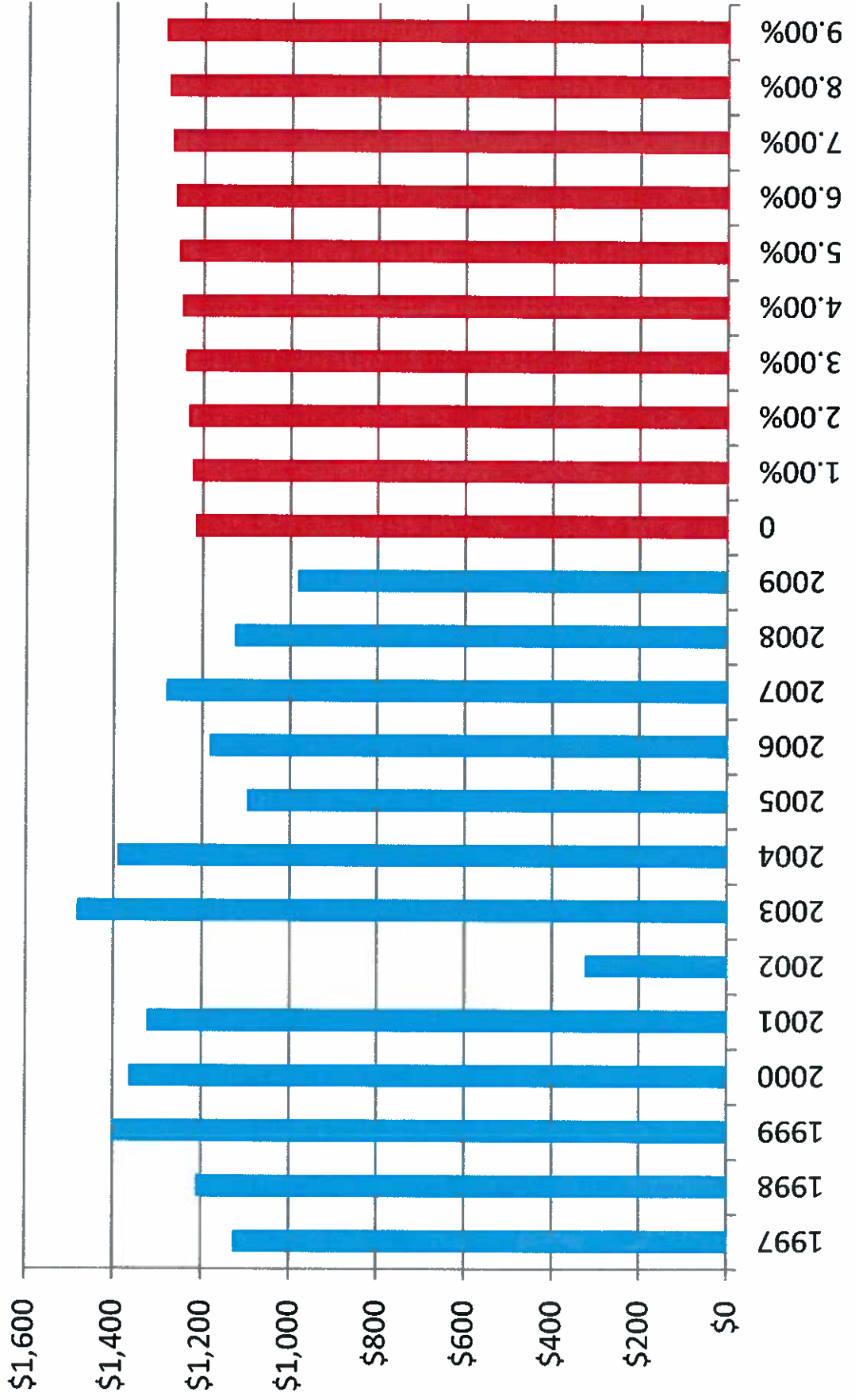
# Tax on a \$100,000 Residence



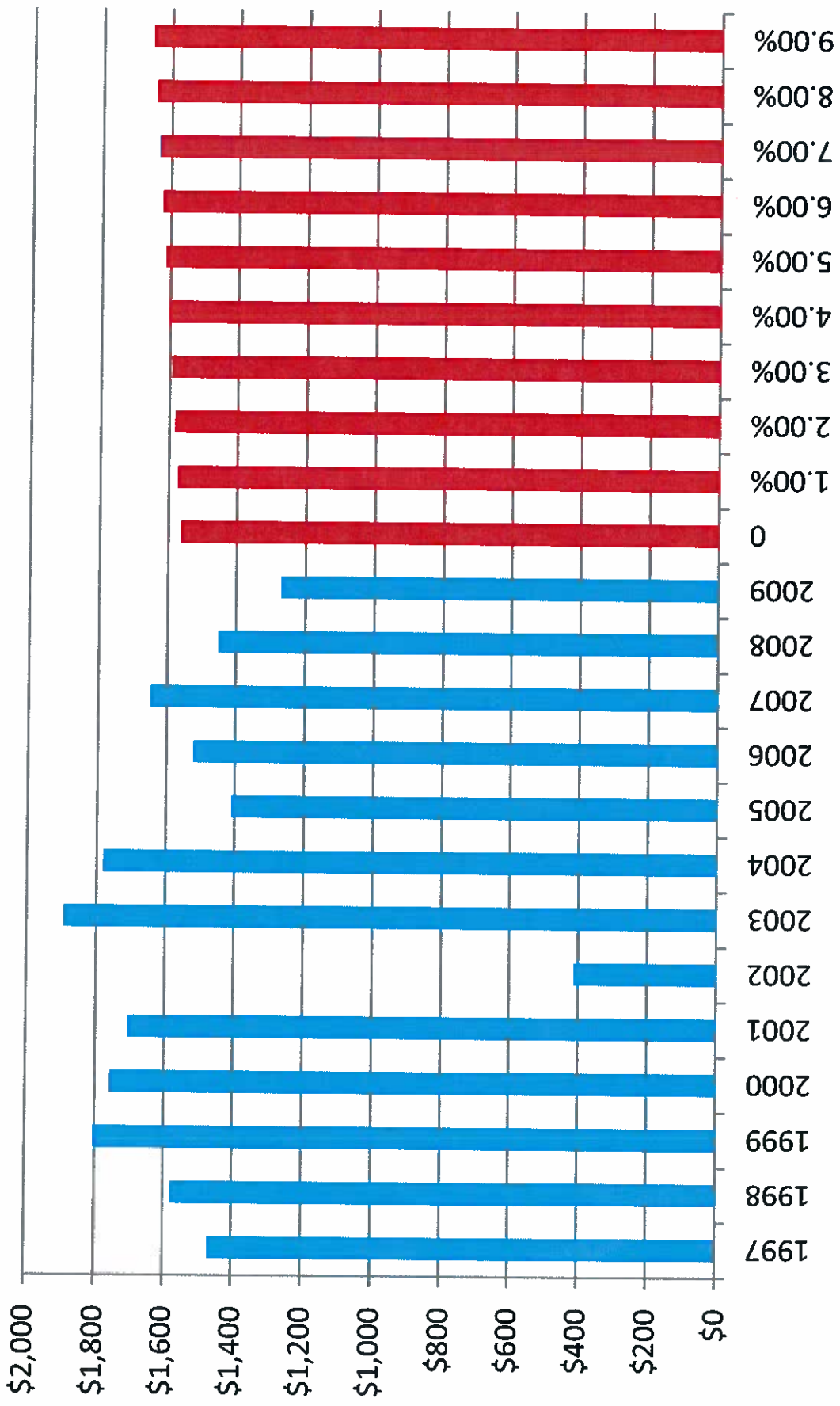
# Tax on a \$150,000 Residence



# Tax on a \$200,000 Residence



# Tax on a \$250,000 Residence





**2010 BUDGET SUMMARY  
CITY OF MOUNTAIN IRON**

| EXPENDITURES          | 2008 Budget            | 2009 Budget            | Difference             | Percent      |
|-----------------------|------------------------|------------------------|------------------------|--------------|
| Administration        | \$ 580,300.00          | \$ 601,000.00          | \$ 20,700.00           | 3.6%         |
| Public Safety         | \$ 555,200.00          | \$ 580,500.00          | \$ 25,300.00           | 4.6%         |
| Public Works          | \$ 840,000.00          | \$ 865,000.00          | \$ 25,000.00           | 3.0%         |
| Culture and Rec       | \$ 396,500.00          | \$ 400,500.00          | \$ 4,000.00            | 1.0%         |
| General Government    | \$ 1,238,000.00        | \$ 1,063,103.00        | \$ (174,897.00)        | -14.1%       |
| <b>TOTAL</b>          | <b>\$ 3,610,000.00</b> | <b>\$ 3,510,103.00</b> | <b>\$ (99,897.00)</b>  | <b>-2.8%</b> |
| <b>REVENUE</b>        |                        |                        |                        |              |
| Taxes                 | \$ 339,092.00          | \$ 547,086.00          | \$ 207,994.00          | 61.3%        |
| Intergovernmental Aid | \$ 2,316,762.00        | \$ 1,931,268.00        | \$ (385,494.00)        | -16.6%       |
| General Revenue       | \$ 213,000.00          | \$ 213,000.00          | \$ -                   | 0.0%         |
| <b>TOTAL</b>          | <b>\$ 2,868,854.00</b> | <b>\$ 2,691,354.00</b> | <b>\$ (177,500.00)</b> | <b>-6.2%</b> |
| <b>GENERAL LEVY</b>   | <b>\$ 751,146.00</b>   | <b>\$ 818,749.00</b>   | <b>\$ 67,603.00</b>    | <b>9.0%</b>  |

**2010 BUDGET SUMMARY**  
**CITY OF MOUNTAIN IRON**  
**REVENUE**

| GENERAL REVENUE     | 2009 Budget   | 2010 Budget   | Difference | Percent |
|---------------------|---------------|---------------|------------|---------|
| Lic. & Permits      | \$ 25,000.00  | \$ 25,000.00  | \$ -       | 0.0%    |
| Charges for Service | \$ 50,000.00  | \$ 50,000.00  | \$ -       | 0.0%    |
| Fines               | \$ 11,000.00  | \$ 11,000.00  | \$ -       | 0.0%    |
| Interest            | \$ 32,000.00  | \$ 32,000.00  | \$ -       | 0.0%    |
| Refunds             | \$ 90,000.00  | \$ 90,000.00  | \$ -       | 0.0%    |
| General             | \$ 5,000.00   | \$ 5,000.00   | \$ -       | 0.0%    |
| Subtotal            | \$ 213,000.00 | \$ 213,000.00 | \$ -       | 0.0%    |

**INTERGOVERNMENTAL REVENUE**

|                         |                 |                 |                 |        |
|-------------------------|-----------------|-----------------|-----------------|--------|
| Local Government Aid    | \$ 1,208,124.00 | \$ 1,156,268.00 | \$ (51,856.00)  | -4.3%  |
| Taconite Production Tax | \$ 620,000.00   | \$ 400,000.00   | \$ (220,000.00) | -35.5% |
| Taconite Municipal Aid  | \$ 351,638.00   | \$ 250,000.00   | \$ (101,638.00) | -28.9% |
| Mining Effects Tax      | \$ 112,000.00   | \$ 100,000.00   | \$ (12,000.00)  | -10.7% |
| Other                   | \$ 25,000.00    | \$ 25,000.00    | \$ -            | 0.0%   |
| Subtotal                | \$ 2,316,762.00 | \$ 1,931,268.00 | \$ (385,494.00) | -16.6% |

**TAXES**

|                  |                 |                 |               |        |
|------------------|-----------------|-----------------|---------------|--------|
| Tax Levy         | \$ 751,146.00   | \$ 818,749.00   | \$ 67,603.00  | 9.0%   |
| Special Levies   | \$ 207,407.00   | \$ 418,275.00   | \$ 210,868.00 | 100.0% |
| Market Rate Levy | \$ 81,685.00    | \$ 83,811.00    | \$ 2,126.00   | 2.6%   |
| Misc. Taxes      | \$ 30,000.00    | \$ 25,000.00    | \$ (5,000.00) | -16.7% |
| Franchise        | \$ 20,000.00    | \$ 20,000.00    | \$ -          | 0.0%   |
| Subtotal         | \$ 1,090,238.00 | \$ 1,365,835.00 | \$ 275,597.00 | 25.3%  |

**Total**                   **\$ 3,620,000.00**   **\$ 3,510,103.00**   **\$ (109,897.00)**   **-3.0%**

**2010 BUDGET  
CITY OF MOUNTAIN IRON  
REVENUE**

| TAXES          | 2007          | 2008          | 2009            | 2009          | 2009            | 2010            | %      |
|----------------|---------------|---------------|-----------------|---------------|-----------------|-----------------|--------|
|                | ACTUAL        | ACTUAL        | BUDGET          | YTD           | BUDGET          | BUDGET          |        |
| Tax Levy       | \$ 863,610.00 | \$ 864,267.00 | \$ 751,146.00   | \$ 351,749.00 | \$ 818,749.00   | \$ 818,749.00   | 9.0%   |
| Special Levies | \$ -          | \$ -          | \$ 207,407.00   | \$ -          | \$ 418,275.00   | \$ 418,275.00   | 101.7% |
| Bond Levy      | \$ 85,536.00  | \$ 83,111.00  | \$ 81,685.00    | \$ 145,682.00 | \$ 83,811.00    | \$ 83,811.00    | 2.6%   |
| Misc Taxes     | \$ 16,754.00  | \$ 22,501.00  | \$ 30,000.00    | \$ 9,749.00   | \$ 25,000.00    | \$ 25,000.00    | -16.7% |
| Franchise      | \$ 23,207.00  | \$ 23,751.00  | \$ 20,000.00    | \$ 17,298.00  | \$ 20,000.00    | \$ 20,000.00    | 0.0%   |
| <b>TOTAL</b>   | \$ 989,107.00 | \$ 993,630.00 | \$ 1,090,238.00 | \$ 524,478.00 | \$ 1,365,835.00 | \$ 1,365,835.00 | 25.3%  |

**INTERGOVERNMENTAL REVENUE**

|                  |                 |                 |                 |                 |                 |                 |        |
|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------|
| LGAs             | \$ 718,350.00   | \$ 699,814.00   | \$ 1,208,124.00 | \$ 573,086.00   | \$ 1,156,268.00 | \$ 1,156,268.00 | -4.3%  |
| Homestead Credit | \$ -            | \$ 111,712.00   | \$ -            | \$ -            | \$ 100,000.00   | \$ 100,000.00   |        |
| Tac. Prod Aid    | \$ 603,196.00   | \$ 587,386.00   | \$ 620,000.00   | \$ 721,940.00   | \$ 400,000.00   | \$ 400,000.00   | -35.5% |
| Tac. Aid         | \$ 391,189.00   | \$ 381,145.00   | \$ 351,638.00   | \$ 378,973.00   | \$ 250,000.00   | \$ 250,000.00   | -28.9% |
| Mining Effects   | \$ 117,333.00   | \$ 112,233.00   | \$ 112,000.00   | \$ 55,338.00    | \$ 100,000.00   | \$ 100,000.00   | -10.7% |
| Misc. Aid        | \$ 178,573.00   | \$ 44,248.00    | \$ 25,000.00    | \$ 4,265.00     | \$ 25,000.00    | \$ 25,000.00    | 0.0%   |
| <b>TOTAL</b>     | \$ 2,008,641.00 | \$ 1,936,538.00 | \$ 2,316,762.00 | \$ 1,733,602.00 | \$ 2,031,268.00 | \$ 2,031,268.00 | -12.3% |

**GENERAL REVENUE**

|                     |                 |                 |                 |                 |                 |                 |       |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-------|
| Lic. & Permits      | \$ 27,842.00    | \$ 98,810.00    | \$ 25,000.00    | \$ 23,298.00    | \$ 25,000.00    | \$ 25,000.00    | 0.0%  |
| Charges for Service | \$ 170,780.00   | \$ 57,300.00    | \$ 50,000.00    | \$ 86,349.00    | \$ 50,000.00    | \$ 50,000.00    | 0.0%  |
| Fines               | \$ 13,866.00    | \$ 18,012.00    | \$ 11,000.00    | \$ 10,858.00    | \$ 11,000.00    | \$ 11,000.00    | 0.0%  |
| Interest            | \$ 49,977.00    | \$ 49,776.00    | \$ 32,000.00    | \$ 17,765.00    | \$ 32,000.00    | \$ 32,000.00    | 0.0%  |
| Refunds             | \$ 21,559.00    | \$ 98,993.00    | \$ 90,000.00    | \$ 80,884.00    | \$ 90,000.00    | \$ 90,000.00    | 0.0%  |
| General             | \$ 296.00       | \$ 634.00       | \$ 5,000.00     | \$ 654.00       | \$ 5,000.00     | \$ 5,000.00     | 0.0%  |
| <b>TOTAL</b>        | \$ 284,320.00   | \$ 323,525.00   | \$ 213,000.00   | \$ 219,808.00   | \$ 213,000.00   | \$ 213,000.00   | 0.0%  |
| <b>TOTAL</b>        | \$ 3,282,068.00 | \$ 3,253,693.00 | \$ 3,620,000.00 | \$ 2,477,888.00 | \$ 3,610,103.00 | \$ 3,610,103.00 | -0.3% |

**2010 BUDGET SUMMARY  
CITY OF MOUNTAIN IRON  
EXPENDITURES**

| DEPARTMENT           | 2009 Budget     | 2010 Budget     | Difference      | Percent |
|----------------------|-----------------|-----------------|-----------------|---------|
| City Council         | \$ 26,000.00    | \$ 26,000.00    | \$ -            | 0.0%    |
| Administration       | \$ 499,000.00   | \$ 512,000.00   | \$ 13,000.00    | 2.6%    |
| Election             | -               | \$ 5,000.00     | \$ 5,000.00     | #DIV/0! |
| Assessing            | \$ 31,000.00    | \$ 32,000.00    | \$ 1,000.00     | 3.2%    |
| Planning & Zoning    | \$ 24,300.00    | \$ 26,000.00    | \$ 1,700.00     | 7.0%    |
| Sheriffs             | \$ 440,000.00   | \$ 460,000.00   | \$ 20,000.00    | 4.5%    |
| Fire Protection      | \$ 90,700.00    | \$ 93,000.00    | \$ 2,300.00     | 2.5%    |
| Emergency Management | \$ 6,000.00     | \$ 6,000.00     | \$ -            | 0.0%    |
| Animal Control       | \$ 18,500.00    | \$ 21,500.00    | \$ 3,000.00     | 16.2%   |
| Streets              | \$ 665,000.00   | \$ 685,000.00   | \$ 20,000.00    | 3.0%    |
| Buildings            | \$ 175,000.00   | \$ 180,000.00   | \$ 5,000.00     | 2.9%    |
| Campground           | \$ 54,500.00    | \$ 54,500.00    | \$ -            | 0.0%    |
| Recreation           | \$ 205,000.00   | \$ 205,000.00   | \$ -            | 0.0%    |
| Government           | \$ 235,000.00   | \$ 242,500.00   | \$ 7,500.00     | 3.2%    |
| Library              | \$ 137,000.00   | \$ 141,000.00   | \$ 4,000.00     | 2.9%    |
| Transfers            | \$ 1,003,000.00 | \$ 820,603.00   | \$ (182,397.00) | -18.2%  |
| Total                | \$ 3,610,000.00 | \$ 3,510,103.00 | \$ (99,897.00)  | -2.8%   |

**2010 BUDGET**  
**CITY OF MOUNTAIN IRON**  
**GOVERNMENT OPERATIONS**

| CITY COUNCIL     | 2007         |              | 2008         |              | 2009         |              | 2010         |              | %  |
|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|
|                  | ACTUAL       | BUDGET       | ACTUAL       | BUDGET       | YTD          | BUDGET       | BUDGET       | BUDGET       |    |
| Council Salaries | \$ 14,400.00 | \$ 14,400.00 | \$ 14,400.00 | \$ 20,400.00 | \$ 15,300.00 | \$ 20,400.00 | \$ 20,400.00 | \$ 20,400.00 | 0% |
| Other            | \$ 8,184.00  | \$ 4,215.00  | \$ 4,215.00  | \$ 5,600.00  | \$ 3,246.00  | \$ 5,600.00  | \$ 5,600.00  | \$ 5,600.00  | 0% |
| <b>TOTAL</b>     | \$ 22,584.00 | \$ 18,615.00 | \$ 18,615.00 | \$ 26,000.00 | \$ 18,546.00 | \$ 26,000.00 | \$ 26,000.00 | \$ 26,000.00 | 0% |

**ADMINISTRATION**

|                   |               |               |               |               |               |               |               |               |     |
|-------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-----|
| Salaries          | \$ 205,481.00 | \$ 208,972.00 | \$ 206,000.00 | \$ 149,933.00 | \$ 210,000.00 | \$ 210,000.00 | \$ 210,000.00 | \$ 210,000.00 | 2%  |
| Payroll Taxes     | \$ 30,447.00  | \$ 31,213.00  | \$ 32,000.00  | \$ 23,744.00  | \$ 32,000.00  | \$ 32,000.00  | \$ 32,000.00  | \$ 32,000.00  | 0%  |
| Insurance-Group   | \$ 62,658.00  | \$ 62,161.00  | \$ 70,000.00  | \$ 49,745.00  | \$ 72,000.00  | \$ 72,000.00  | \$ 72,000.00  | \$ 72,000.00  | 3%  |
| Insurance-General | \$ 46,404.00  | \$ 39,541.00  | \$ 60,000.00  | \$ 1,416.00   | \$ 60,000.00  | \$ 60,000.00  | \$ 60,000.00  | \$ 60,000.00  | 0%  |
| Independent Audit | \$ 15,000.00  | \$ 15,000.00  | \$ 16,000.00  | \$ 20,900.00  | \$ 17,000.00  | \$ 17,000.00  | \$ 17,000.00  | \$ 17,000.00  | 6%  |
| Engineering Fees  | \$ 25,205.00  | \$ 55,898.00  | \$ 40,000.00  | \$ 39,284.00  | \$ 40,000.00  | \$ 40,000.00  | \$ 40,000.00  | \$ 40,000.00  | 0%  |
| Legal Fees        | \$ 51,146.00  | \$ 52,937.00  | \$ 40,000.00  | \$ 33,012.00  | \$ 42,000.00  | \$ 42,000.00  | \$ 42,000.00  | \$ 42,000.00  | 5%  |
| Communications    | \$ 14,320.00  | \$ 13,898.00  | \$ 10,000.00  | \$ 13,141.00  | \$ 12,000.00  | \$ 12,000.00  | \$ 12,000.00  | \$ 12,000.00  | 20% |
| Supplies          | \$ 4,011.00   | \$ 5,394.00   | \$ 5,000.00   | \$ 2,502.00   | \$ 5,000.00   | \$ 5,000.00   | \$ 5,000.00   | \$ 5,000.00   | 0%  |
| Operations        | \$ 27,450.00  | \$ 22,955.00  | \$ 20,000.00  | \$ 33,654.00  | \$ 22,000.00  | \$ 22,000.00  | \$ 22,000.00  | \$ 22,000.00  | 10% |
| <b>TOTAL</b>      | \$ 482,122.00 | \$ 507,969.00 | \$ 499,000.00 | \$ 367,331.00 | \$ 512,000.00 | \$ 512,000.00 | \$ 512,000.00 | \$ 512,000.00 | 3%  |

**ELECTION**

|              |      |             |      |      |      |             |             |             |      |
|--------------|------|-------------|------|------|------|-------------|-------------|-------------|------|
| Salaries     | \$ - | \$ 2,476.00 | \$ - | \$ - | \$ - | \$ 4,000.00 | \$ 4,000.00 | \$ 4,000.00 | #### |
| Operations   | \$ - | \$ 984.00   | \$ - | \$ - | \$ - | \$ 1,000.00 | \$ 1,000.00 | \$ 1,000.00 | #### |
| <b>TOTAL</b> | \$ - | \$ 3,460.00 | \$ - | \$ - | \$ - | \$ 5,000.00 | \$ 5,000.00 | \$ 5,000.00 | 0%   |

**2010 BUDGET  
CITY OF MOUNTAIN IRON  
GOVERNMENT OPERATIONS**

| ASSESSING         | 2007         |              | 2008         |              | 2009         |              | 2010         |    | % |
|-------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----|---|
|                   | ACTUAL       | BUDGET       | ACTUAL       | BUDGET       | YTD          | BUDGET       | BUDGET       |    |   |
| Contract Services | \$ 29,783.00 | \$ 30,744.00 | \$ 30,744.00 | \$ 30,000.00 | \$ 30,950.00 | \$ 31,000.00 | \$ 31,000.00 | 3% |   |
| Operations        | \$ 267.00    | \$ 884.00    | \$ 884.00    | \$ 1,000.00  | \$ -         | \$ 1,000.00  | \$ 1,000.00  | 0% |   |
| <b>TOTAL</b>      | \$ 30,050.00 | \$ 31,628.00 | \$ 31,628.00 | \$ 31,000.00 | \$ 30,950.00 | \$ 32,000.00 | \$ 32,000.00 | 3% |   |

**PLANNING & ZONING**

|               |              |              |              |              |              |              |              |     |
|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----|
| Salaries      | \$ 14,708.00 | \$ 42,873.00 | \$ 42,873.00 | \$ 18,000.00 | \$ 13,706.00 | \$ 19,000.00 | \$ 19,000.00 | 6%  |
| Payroll Taxes | \$ 1,625.00  | \$ 5,483.00  | \$ 5,483.00  | \$ 2,500.00  | \$ 1,521.00  | \$ 2,500.00  | \$ 2,500.00  | 0%  |
| Operations    | \$ 4,722.00  | \$ 9,433.00  | \$ 9,433.00  | \$ 3,800.00  | \$ 3,958.00  | \$ 4,500.00  | \$ 4,500.00  | 18% |
| <b>TOTAL</b>  | \$ 21,055.00 | \$ 57,789.00 | \$ 57,789.00 | \$ 24,300.00 | \$ 19,185.00 | \$ 26,000.00 | \$ 26,000.00 | 7%  |

**ADMINISTRATION**

|              |               |               |               |               |               |               |               |    |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----|
| <b>TOTAL</b> | \$ 555,811.00 | \$ 619,461.00 | \$ 619,461.00 | \$ 580,300.00 | \$ 436,012.00 | \$ 601,000.00 | \$ 601,000.00 | 4% |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----|

**2010 BUDGET**  
**CITY OF MOUNTAIN IRON**  
**PUBLIC SAFETY**

| <b>POLICE PROTECTION</b> | <b>2007</b>   | <b>2008</b>   | <b>2009</b>   | <b>2010</b>   | <b>%</b> |
|--------------------------|---------------|---------------|---------------|---------------|----------|
|                          | <b>ACTUAL</b> | <b>ACTUAL</b> | <b>BUDGET</b> | <b>BUDGET</b> |          |
| Contract Services        | \$ 435,382.00 | \$ 469,837.00 | \$ 430,000.00 | \$ 322,501.00 | 5%       |
| Other Expenditures       | \$ 8,860.00   | \$ 6,556.00   | \$ 10,000.00  | \$ 5,557.00   | 0%       |
| <b>TOTAL</b>             | \$ 444,242.00 | \$ 476,393.00 | \$ 440,000.00 | \$ 328,058.00 | 5%       |

**FIRE PROTECTION**

|                  |              |               |              |              |     |
|------------------|--------------|---------------|--------------|--------------|-----|
| Salaries         | \$ 21,923.00 | \$ 16,240.00  | \$ 19,000.00 | \$ 12,038.00 | 5%  |
| Payroll Taxes    | \$ 2,910.00  | \$ 5,158.00   | \$ 2,100.00  | \$ 1,060.00  | 43% |
| Training         | \$ 13,428.00 | \$ 12,255.00  | \$ 20,000.00 | \$ 3,760.00  | 0%  |
| Maintenance      | \$ 9,979.00  | \$ 19,445.00  | \$ 10,000.00 | \$ 7,820.00  | 0%  |
| Operations       | \$ 19,686.00 | \$ 25,366.00  | \$ 16,600.00 | \$ 14,751.00 | 2%  |
| Firemen's Relief | \$ 30,981.00 | \$ 22,311.00  | \$ 23,000.00 | \$ 2,000.00  | 0%  |
| <b>TOTAL</b>     | \$ 98,907.00 | \$ 100,775.00 | \$ 90,700.00 | \$ 41,429.00 | 3%  |

**EMERGENCY MANAGEMENT**

|              |           |          |             |          |    |
|--------------|-----------|----------|-------------|----------|----|
| Plan Update  | \$ -      | \$ -     | \$ 5,000.00 | \$ -     | 0% |
| Operations   | \$ 100.00 | \$ 25.00 | \$ 1,000.00 | \$ 75.00 | 0% |
| <b>TOTAL</b> | \$ 100.00 | \$ 25.00 | \$ 6,000.00 | \$ 75.00 | 0% |

**ANIMAL CONTROL**

|                   |              |              |              |              |     |
|-------------------|--------------|--------------|--------------|--------------|-----|
| Contract Services | \$ 12,000.00 | \$ 12,000.00 | \$ 18,000.00 | \$ 15,000.00 | 17% |
| Operations        | \$ 212.00    | \$ 325.00    | \$ 500.00    | \$ 55.00     | 0%  |
| <b>TOTAL</b>      | \$ 12,212.00 | \$ 12,325.00 | \$ 18,500.00 | \$ 15,055.00 | 16% |

**PUBLIC SAFETY**

|              |               |               |               |               |    |
|--------------|---------------|---------------|---------------|---------------|----|
| <b>TOTAL</b> | \$ 555,461.00 | \$ 589,518.00 | \$ 555,200.00 | \$ 384,617.00 | 5% |
|--------------|---------------|---------------|---------------|---------------|----|

**2010 BUDGET  
CITY OF MOUNTAIN IRON  
PUBLIC WORKS**

| STREETS         | 2007          | 2008          | 2009          | 2009          | 2010          | %  |
|-----------------|---------------|---------------|---------------|---------------|---------------|----|
|                 | ACTUAL        | ACTUAL        | BUDGET        | YTD           | BUDGET        |    |
| Salaries        | \$ 329,120.00 | \$ 356,415.00 | \$ 360,000.00 | \$ 253,948.00 | \$ 360,000.00 | 0% |
| Payroll Taxes   | \$ 47,851.00  | \$ 51,706.00  | \$ 50,000.00  | \$ 40,738.00  | \$ 50,000.00  | 0% |
| Insurance-Group | \$ 141,938.00 | \$ 148,894.00 | \$ 110,000.00 | \$ 83,230.00  | \$ 120,000.00 | 9% |
| Utilities       | \$ 46,201.00  | \$ 53,225.00  | \$ 50,000.00  | \$ 37,618.00  | \$ 54,000.00  | 8% |
| Maintenance     | \$ 95,047.00  | \$ 87,812.00  | \$ 50,000.00  | \$ 42,046.00  | \$ 54,000.00  | 8% |
| Supplies        | \$ 31,361.00  | \$ 43,453.00  | \$ 25,000.00  | \$ 17,580.00  | \$ 27,000.00  | 8% |
| Operations      | \$ 7,205.00   | \$ 15,655.00  | \$ 20,000.00  | \$ 42,746.00  | \$ 20,000.00  | 0% |
| <b>TOTAL</b>    | \$ 698,723.00 | \$ 757,160.00 | \$ 665,000.00 | \$ 517,906.00 | \$ 685,000.00 | 3% |

| BUILDINGS       | 2007          | 2008          | 2009          | 2009          | 2010          | %   |
|-----------------|---------------|---------------|---------------|---------------|---------------|-----|
|                 | ACTUAL        | ACTUAL        | BUDGET        | YTD           | BUDGET        |     |
| Salaries        | \$ 71,591.00  | \$ 64,812.00  | \$ 62,000.00  | \$ 44,671.00  | \$ 63,000.00  | 2%  |
| Payroll Taxes   | \$ 11,222.00  | \$ 9,322.00   | \$ 10,000.00  | \$ 7,651.00   | \$ 11,000.00  | 10% |
| Insurance-Group | \$ 25,342.00  | \$ 27,817.00  | \$ 21,000.00  | \$ 19,002.00  | \$ 23,000.00  | 10% |
| Utilities       | \$ 45,601.00  | \$ 40,909.00  | \$ 45,000.00  | \$ 22,774.00  | \$ 45,000.00  | 0%  |
| Communications  | \$ 1,210.00   | \$ 1,338.00   | \$ 2,000.00   | \$ 1,028.00   | \$ 2,000.00   | 0%  |
| Supplies        | \$ 21,443.00  | \$ 31,611.00  | \$ 15,000.00  | \$ 24,519.00  | \$ 16,000.00  | 7%  |
| Operations      | \$ 32,759.00  | \$ 78,942.00  | \$ 20,000.00  | \$ 17,365.00  | \$ 20,000.00  | 0%  |
| <b>TOTAL</b>    | \$ 209,168.00 | \$ 254,751.00 | \$ 175,000.00 | \$ 137,010.00 | \$ 180,000.00 | 3%  |

|                     |               |                 |               |               |               |    |
|---------------------|---------------|-----------------|---------------|---------------|---------------|----|
| <b>PUBLIC WORKS</b> | \$ 907,891.00 | \$ 1,011,911.00 | \$ 840,000.00 | \$ 654,916.00 | \$ 865,000.00 | 3% |
| <b>TOTAL</b>        |               |                 |               |               |               |    |



**2010 BUDGET  
CITY OF MOUNTAIN IRON  
CULTURE AND RECREATION**

| CAMPGROUND      | 2007         | 2008         | 2009         | 2009         | 2010         | %    |
|-----------------|--------------|--------------|--------------|--------------|--------------|------|
|                 | ACTUAL       | ACTUAL       | BUDGET       | YTD          | BUDGET       |      |
| Salaries        | \$ 14,676.00 | \$ 16,842.00 | \$ 21,000.00 | \$ 10,589.00 | \$ 21,000.00 | 0%   |
| Payroll Taxes   | \$ 1,393.00  | \$ 1,442.00  | \$ 2,000.00  | \$ 2,227.00  | \$ 2,000.00  | 0%   |
| Insurance-Group | \$ 1,401.00  | \$ 985.00    | \$ 5,000.00  | \$ 344.00    | \$ 3,000.00  | -40% |
| Utilities       | \$ 7,568.00  | \$ 7,282.00  | \$ 7,000.00  | \$ 5,729.00  | \$ 7,500.00  | 7%   |
| Operations      | \$ 34,559.00 | \$ 35,923.00 | \$ 18,500.00 | \$ 7,669.00  | \$ 20,000.00 | 8%   |
| Advertising     | \$ 166.00    | \$ 509.00    | \$ 1,000.00  | \$ 100.00    | \$ 1,000.00  | 0%   |
| <b>TOTAL</b>    | \$ 59,763.00 | \$ 62,983.00 | \$ 54,500.00 | \$ 26,658.00 | \$ 54,500.00 | 0%   |

**RECREATION DEPARTMENT**

|                   |               |               |               |               |               |    |
|-------------------|---------------|---------------|---------------|---------------|---------------|----|
| Salaries          | \$ 76,867.00  | \$ 62,468.00  | \$ 107,000.00 | \$ 58,127.00  | \$ 107,000.00 | 0% |
| Payroll Taxes     | \$ 9,990.00   | \$ 8,010.00   | \$ 13,000.00  | \$ 7,265.00   | \$ 13,000.00  | 0% |
| Insurance-Group   | \$ 22,831.00  | \$ 23,245.00  | \$ 25,000.00  | \$ 13,191.00  | \$ 25,000.00  | 0% |
| Utilities         | \$ 11,792.00  | \$ 10,790.00  | \$ 11,000.00  | \$ 6,791.00   | \$ 11,000.00  | 0% |
| Maintenance       | \$ 11,807.00  | \$ 31,351.00  | \$ 9,000.00   | \$ 9,165.00   | \$ 9,000.00   | 0% |
| Operations        | \$ 22,838.00  | \$ 27,843.00  | \$ 22,000.00  | \$ 13,597.00  | \$ 22,000.00  | 0% |
| Baseball/Softball | \$ 3,089.00   | \$ 2,455.00   | \$ 6,000.00   | \$ 4,421.00   | \$ 6,000.00   | 0% |
| Special Events    | \$ 11,897.00  | \$ 17,736.00  | \$ 12,000.00  | \$ 11,308.00  | \$ 12,000.00  | 0% |
| <b>TOTAL</b>      | \$ 171,111.00 | \$ 183,898.00 | \$ 205,000.00 | \$ 123,865.00 | \$ 205,000.00 | 0% |

**LIBRARY**

|                 |               |               |               |              |               |     |
|-----------------|---------------|---------------|---------------|--------------|---------------|-----|
| Salaries        | \$ 63,024.00  | \$ 66,014.00  | \$ 80,000.00  | \$ 47,222.00 | \$ 80,000.00  | 0%  |
| Payroll Taxes   | \$ 9,973.00   | \$ 11,048.00  | \$ 12,000.00  | \$ 7,777.00  | \$ 12,000.00  | 0%  |
| Insurance-Group | \$ 12,848.00  | \$ 16,318.00  | \$ 10,000.00  | \$ 12,502.00 | \$ 13,000.00  | 30% |
| Utilities       | \$ 7,615.00   | \$ 9,383.00   | \$ 8,000.00   | \$ 3,442.00  | \$ 9,000.00   | 13% |
| Books           | \$ 9,469.00   | \$ 11,608.00  | \$ 17,000.00  | \$ 8,770.00  | \$ 17,000.00  | 0%  |
| Communications  | \$ 5,188.00   | \$ 5,052.00   | \$ 5,000.00   | \$ 1,885.00  | \$ 5,000.00   | 0%  |
| Operations      | \$ 8,151.00   | \$ 12,309.00  | \$ 5,000.00   | \$ 2,128.00  | \$ 5,000.00   | 0%  |
| <b>TOTAL</b>    | \$ 116,268.00 | \$ 131,732.00 | \$ 137,000.00 | \$ 83,726.00 | \$ 141,000.00 | 3%  |

**CULTURE AND RECREATION**

|              |               |               |               |               |               |    |
|--------------|---------------|---------------|---------------|---------------|---------------|----|
| <b>TOTAL</b> | \$ 347,142.00 | \$ 378,613.00 | \$ 396,500.00 | \$ 234,249.00 | \$ 400,500.00 | 1% |
|--------------|---------------|---------------|---------------|---------------|---------------|----|

**2010 BUDGET  
CITY OF MOUNTAIN IRON  
GENERAL GOVERNMENT**

| GENERAL GOVERNMENT      | 2007          | 2008          | 2009          | 2009          | 2010          | %    |
|-------------------------|---------------|---------------|---------------|---------------|---------------|------|
|                         | ACTUAL        | ACTUAL        | BUDGET        | YTD           | BUDGET        |      |
| Cash Short and Over     | \$ 7.00       | \$ (15.00)    | \$ 10.00      | \$ (4.00)     | \$ 10.00      | 0%   |
| Cemeteries              | \$ 6,000.00   | \$ 6,000.00   | \$ 6,000.00   | \$ 6,000.00   | \$ 6,000.00   | 0%   |
| Retire/Pension Contrib. | \$ 110,515.00 | \$ 137,197.00 | \$ 120,000.00 | \$ 106,113.00 | \$ 130,000.00 | 8%   |
| Public Expense          | \$ 2,681.00   | \$ 6,084.00   | \$ 9,990.00   | \$ 189.00     | \$ 8,990.00   | -10% |
| Promotion and Tourism   | \$ 2,455.00   | \$ 4,245.00   | \$ 2,500.00   | \$ 2,336.00   | \$ 2,500.00   | 0%   |
| EMT Equipment           | \$ 32,751.00  | \$ 1,557.00   | \$ 12,000.00  | \$ 4,948.00   | \$ 8,000.00   | -33% |
| Intergovernmental Coop  | \$ 1,221.00   | \$ (873.00)   | \$ -          | \$ 2,336.00   | \$ -          | 0%   |
| Contribution - QCJRA    | \$ 6,720.00   | \$ 6,720.00   | \$ 10,000.00  | \$ 9,072.00   | \$ 10,000.00  | 0%   |
| Planning                | \$ 7,500.00   | \$ -          | \$ 5,000.00   | \$ -          | \$ 5,000.00   | 0%   |
| Televise Meetings       | \$ 3,900.00   | \$ 8,375.00   | \$ 5,000.00   | \$ 13,525.00  | \$ 6,000.00   | 20%  |
| Hydrants                | \$ 210.00     | \$ 259.00     | \$ 2,000.00   | \$ -          | \$ 1,500.00   | -25% |
| TCBDA                   | \$ 49,639.00  | \$ 50,531.00  | \$ 50,000.00  | \$ 37,421.00  | \$ 52,000.00  | 4%   |
| Mineview in the Sky     | \$ -          | \$ -          | \$ 2,500.00   | \$ -          | \$ 2,500.00   | 100% |
| Tax Abatement           | \$ -          | \$ 10,000.00  | \$ 10,000.00  | \$ 10,000.00  | \$ 10,000.00  | 100% |
| VRMC Contribution       | \$ 2,000.00   | \$ -          | \$ -          | \$ -          | \$ -          | 0%   |
| <b>TOTAL</b>            | \$ 225,599.00 | \$ 230,080.00 | \$ 235,000.00 | \$ 191,936.00 | \$ 242,500.00 | 3%   |

**TRANSFERS**

|                     |               |               |                 |               |               |      |
|---------------------|---------------|---------------|-----------------|---------------|---------------|------|
| Capital Improvement | \$ 388,358.00 | \$ 343,787.00 | \$ 578,000.00   | \$ 433,500.00 | \$ 420,603.00 | -27% |
| Mining Effects      | \$ 50,000.00  | \$ 50,000.00  | \$ 50,000.00    | \$ 50,000.00  | \$ 50,000.00  | 0%   |
| Debt Service        | \$ 229,267.00 | \$ 310,999.00 | \$ 375,000.00   | \$ 281,250.00 | \$ 350,000.00 | -7%  |
| <b>TOTAL</b>        | \$ 667,625.00 | \$ 704,786.00 | \$ 1,003,000.00 | \$ 764,750.00 | \$ 820,603.00 | -18% |

**GENERAL GOVERNMENT**

|                           |                 |                 |                 |                 |                 |      |
|---------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------|
| <b>TOTAL</b>              | \$ 893,224.00   | \$ 934,866.00   | \$ 1,238,000.00 | \$ 956,686.00   | \$ 1,063,103.00 | -14% |
| <b>TOTAL EXPENDITURES</b> | \$ 3,259,529.00 | \$ 3,534,369.00 | \$ 3,610,000.00 | \$ 2,666,480.00 | \$ 3,510,103.00 |      |

2010 Capital Improvement Budget

| REVENUE        | 2010                   |
|----------------|------------------------|
| General Fund   | \$ 420,603.00          |
| Grants         | \$ 600,000.00          |
| Debt Financing | \$ 400,000.00          |
| <b>TOTAL</b>   | <b>\$ 1,420,603.00</b> |

| EXPENDITURE               | Department  | Projects             | Grants               | Debt                 | TOTAL                  |
|---------------------------|-------------|----------------------|----------------------|----------------------|------------------------|
| Old Highway 169 (2009)    | Streets     | \$ 125,000.00        |                      |                      | \$ 125,000.00          |
| Old Highway 169 (2010)    | Streets     | \$ 125,000.00        |                      |                      | \$ 125,000.00          |
| 2008 Equipment Purchase   | Streets     | \$ 103,000.00        |                      |                      | \$ 103,000.00          |
| Locomotive Park           | Parks       | \$ 50,000.00         | \$ 50,000.00         |                      | \$ 100,000.00          |
| Library Basement          | Buildings   | \$ 17,603.00         |                      |                      | \$ 17,603.00           |
| City Garage               | Streets     |                      |                      | \$ 400,000.00        | \$ 400,000.00          |
| Energy Park               | Development |                      | \$ 550,000.00        |                      | \$ 550,000.00          |
| <b>OVERALL 2009 TOTAL</b> |             | <b>\$ 420,603.00</b> | <b>\$ 600,000.00</b> | <b>\$ 400,000.00</b> | <b>\$ 1,420,603.00</b> |

**2010 BUDGET**  
**CITY OF MOUNTAIN IRON**  
**DEBT SERVICE FUND**

| REVENUE             | 2007          |               | 2008          |               | 2009          |               | 2010 |               |
|---------------------|---------------|---------------|---------------|---------------|---------------|---------------|------|---------------|
|                     | ACTUAL        | BUDGET        | ACTUAL        | BUDGET        | ACTUAL        | BUDGET        | YTD  | BUDGET        |
| Interest Earnings   | \$ 27,952.00  | \$ 46,044.00  | \$ 46,044.00  | \$ 10,000.00  | \$ 21,402.00  | \$ 15,000.00  |      | \$ 15,000.00  |
| Special Assessments | \$ 55,363.00  | \$ 43,463.00  | \$ 43,463.00  | \$ 60,000.00  | \$ 5,048.00   | \$ 50,000.00  |      | \$ 50,000.00  |
| Electric Fund       | \$ 8,847.00   | \$ 9,827.00   | \$ 9,827.00   | \$ 8,613.00   | \$ 5,732.00   | \$ 8,973.00   |      | \$ 8,973.00   |
| Water Fund          | \$ 19,509.00  | \$ -          | \$ -          | \$ 18,939.00  | \$ 15,728.00  | \$ 19,788.00  |      | \$ 19,788.00  |
| TIF Fund            | \$ 143,728.00 | \$ -          | \$ -          | \$ -          | \$ -          | \$ -          |      | \$ -          |
| General Fund        | \$ 229,267.00 | \$ 311,000.00 | \$ 311,000.00 | \$ 375,000.00 | \$ 218,750.00 | \$ 350,000.00 |      | \$ 350,000.00 |

TOTAL REVENUE \$ 484,666.00 \$ 410,334.00 \$ 472,552.00 \$ 266,660.00 \$ 443,761.00

**EXPENSES**

|                                |               |               |               |               |              |               |      |               |
|--------------------------------|---------------|---------------|---------------|---------------|--------------|---------------|------|---------------|
| Principle - Community Center   | \$ 40,000.00  | \$ 820,000.00 | \$ -          | \$ -          | \$ -         | \$ -          | \$ - | \$ -          |
| Interest - Community Center    | \$ 20,718.00  | \$ 147,000.00 | \$ -          | \$ -          | \$ -         | \$ -          | \$ - | \$ -          |
| Principle - Street Improvement | \$ 75,000.00  | \$ 80,000.00  | \$ 80,000.00  | \$ 95,000.00  | \$ 95,000.00 | \$ 100,000.00 |      | \$ 100,000.00 |
| Interest - Street Improvement  | \$ 51,986.00  | \$ 39,581.00  | \$ 39,581.00  | \$ 29,400.00  | \$ 28,023.00 | \$ 26,645.00  |      | \$ 26,645.00  |
| Principle - Water Revenue      | \$ 30,000.00  | \$ -          | \$ -          | \$ 35,000.00  | \$ -         | \$ 35,000.00  |      | \$ 35,000.00  |
| Interest - Water Revenue       | \$ 36,194.00  | \$ 34,941.00  | \$ 34,941.00  | \$ 33,628.00  | \$ 16,814.00 | \$ 32,140.00  |      | \$ 32,140.00  |
| Principle - TIF Bonds          | \$ 140,000.00 | \$ 140,000.00 | \$ 140,000.00 | \$ -          | \$ -         | \$ -          |      | \$ -          |
| Interest - TIF Bonds           | \$ 2,865.00   | \$ 2,865.00   | \$ 2,865.00   | \$ -          | \$ -         | \$ -          |      | \$ -          |
| Principle - USDA Loan          | \$ 5,000.00   | \$ 5,000.00   | \$ 5,000.00   | \$ 5,000.00   | \$ 5,000.00  | \$ 6,000.00   |      | \$ 6,000.00   |
| Interest - USDA Loan           | \$ 12,375.00  | \$ 12,169.00  | \$ 12,169.00  | \$ 11,963.00  | \$ 11,963.00 | \$ 11,756.00  |      | \$ 11,756.00  |
| Principle - 2005 Xover         | \$ -          | \$ 50,000.00  | \$ 50,000.00  | \$ 50,000.00  | \$ 50,000.00 | \$ 50,000.00  |      | \$ 50,000.00  |
| Interest - 2005 Xover          | \$ 14,573.00  | \$ 28,598.00  | \$ 28,598.00  | \$ 27,795.00  | \$ 27,070.00 | \$ 26,345.00  |      | \$ 26,345.00  |
| Principle - Improvement Bonds  | \$ -          | \$ -          | \$ -          | \$ 65,000.00  | \$ 65,000.00 | \$ 95,000.00  |      | \$ 95,000.00  |
| Interest - Improvement Bonds   | \$ -          | \$ 55,743.00  | \$ 55,743.00  | \$ 124,510.00 | \$ 59,510.00 | \$ 56,310.00  |      | \$ 56,310.00  |
| Agent Fees                     | \$ 863.00     | \$ 806.00     | \$ 806.00     | \$ 1,000.00   | \$ 850.00    | \$ 1,000.00   |      | \$ 1,000.00   |

TOTAL EXPENSES \$ 429,574.00 \$ 1,416,703.00 \$ 478,296.00 \$ 359,230.00 \$ 440,196.00

**2010 BUDGET**  
**CITY OF MOUNTAIN IRON**  
**CHARITABLE GAMBLING**

| REVENUE                | 2007<br>ACTUAL     | 2008<br>ACTUAL     | 2009<br>BUDGET     | 2009<br>YTD        | 2010<br>BUDGET     |
|------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Interest Earnings      | \$ 151.00          | \$ 124.00          | \$ 200.00          | \$ 47.00           | \$ 200.00          |
| Gambling Proceeds      | \$ 1,226.00        | \$ 2,558.00        | \$ 2,500.00        | \$ 3,626.00        | \$ 2,500.00        |
| <b>TOTAL REVENUE</b>   | <b>\$ 1,377.00</b> | <b>\$ 2,682.00</b> | <b>\$ 2,700.00</b> | <b>\$ 3,673.00</b> | <b>\$ 2,700.00</b> |
| <b>EXPENSES</b>        |                    |                    |                    |                    |                    |
| Allowable Expenditures | \$ 3,033.00        | \$ 4,450.00        | \$ 2,700.00        | \$ 1,950.00        | \$ 2,700.00        |
| Administration         | -                  | -                  | -                  | -                  | -                  |
| <b>TOTAL EXPENSES</b>  | <b>\$ 3,033.00</b> | <b>\$ 4,450.00</b> | <b>\$ 2,700.00</b> | <b>\$ 1,950.00</b> | <b>\$ 2,700.00</b> |