

COMMITTEE-OF-THE WHOLE MEETING

**MOUNTAIN IRON CITY COUNCIL
MOUNTAIN IRON COMMUNITY CENTER
MONDAY, NOVEMBER 29, 2010 - 6:00PM**

AGENDA

- I. Call to Order
- II. 2011 Budget
- III. Adjourn

TO: Honorable Mayor and City Council
Department Heads

FROM: Craig J. Wainio, City Administrator

DATE: November 22, 2010

SUBJECT: 2011 Preliminary Budget

Enclosed, please find copies of the proposed 2011 General Fund Budget, Capital Improvement Fund Budget and Debt Service Fund Budgets. These budgets are presented with a 0% levy increase over 2010. The figure presented this page demonstrated the revenue that would be generated at each percentage point that the levy were increased. In the Capital Improvement portion of the Budget you will notice a line item labeled OPEB, this stands for Other Post Employment Benefits, this item is being presented for the City Council to begin considering the OPEB liabilities of the City.

<i>Levy Increase</i>	<i>Total Revenue</i>	<i>Increased Revenue</i>
0%	\$788,703	\$ -
1%	\$796,590	\$7,887
2%	\$804,477	\$15,774
3%	\$812,364	\$23,661
4%	\$820,351	\$31,548
5%	\$828,138	\$39,435

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.

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.

**2011 BUDGET SUMMARY
CITY OF MOUNTAIN IRON**

EXPENDITURES	2010 Budget	2011 Budget	Difference	Percent
Administration	\$ 601,000.00	\$ 611,000.00	\$ 10,000.00	1.7%
Public Safety	\$ 580,500.00	\$ 609,500.00	\$ 29,000.00	5.0%
Public Works	\$ 865,000.00	\$ 891,000.00	\$ 26,000.00	3.0%
Culture and Rec	\$ 400,500.00	\$ 404,500.00	\$ 4,000.00	1.0%
General Government	\$ 1,033,057.00	\$ 1,162,219.00	\$ 129,162.00	12.5%
TOTAL	\$ 3,480,057.00	\$ 3,678,219.00	\$ 198,162.00	5.7%
REVENUE				
Taxes	\$ 547,086.00	\$ 547,086.00	\$ -	0.0%
Intergovernmental Aid	\$ 1,931,268.00	\$ 2,129,430.00	\$ 198,162.00	10.3%
General Revenue	\$ 213,000.00	\$ 213,000.00	\$ -	0.0%
TOTAL	\$ 2,691,354.00	\$ 2,889,516.00	\$ 198,162.00	7.4%
GENERAL LEVY	\$ 788,703.00	\$ 788,703.00	\$ -	0.0%

**2011 BUDGET SUMMARY
CITY OF MOUNTAIN IRON
REVENUE**

GENERAL REVENUE	2010 Budget	2011 Budget	Difference	Percent
Lic. & Permits	\$ 25,000.00	\$ 25,000.00	\$ -	0.0%
Charges for Service	\$ 50,000.00	\$ 50,000.00	\$ -	0.0%
Fires	\$ 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	\$ 1,156,268.00	\$ 1,354,430.00	\$ 198,162.00	17.1%
Taconite Production Tax	\$ 400,000.00	\$ 400,000.00	\$ -	0.0%
Taconite Municipal Aid	\$ 250,000.00	\$ 250,000.00	\$ -	0.0%
Mining Effects Tax	\$ 100,000.00	\$ 100,000.00	\$ -	0.0%
Other	\$ 25,000.00	\$ 25,000.00	\$ -	0.0%
Subtotal	\$ 1,931,268.00	\$ 2,129,430.00	\$ 198,162.00	10.3%

TAXES

Tax Levy	\$ 788,703.00	\$ 788,703.00	\$ -	0.0%
Special Levies	\$ 418,275.00	\$ 418,275.00	\$ -	0.0%
Market Rate Levy	\$ 83,811.00	\$ 83,811.00	\$ -	0.0%
Misc. Taxes	\$ 25,000.00	\$ 25,000.00	\$ -	0.0%
Franchise	\$ 20,000.00	\$ 20,000.00	\$ -	0.0%
Subtotal	\$ 1,335,789.00	\$ 1,335,789.00	\$ -	0.0%

Total \$ 3,480,057.00 \$ 3,678,219.00 \$ 198,162.00 5.7%

**2011 BUDGET SUMMARY
CITY OF MOUNTAIN IRON
EXPENDITURES**

DEPARTMENT	2010 Budget	2011 Budget	Difference	Percent
City Council	\$ 26,000.00	\$ 26,000.00	\$ -	0.0%
Administration	\$ 512,000.00	\$ 525,000.00	\$ 13,000.00	2.5%
Election	\$ 5,000.00	\$ -	\$ (5,000.00)	-100.0%
Assessing	\$ 32,000.00	\$ 33,000.00	\$ 1,000.00	3.1%
Planning & Zoning	\$ 26,000.00	\$ 27,000.00	\$ 1,000.00	3.8%
Sheriffs	\$ 460,000.00	\$ 485,000.00	\$ 25,000.00	5.4%
Fire Protection	\$ 93,000.00	\$ 95,000.00	\$ 2,000.00	2.2%
Emergency Management	\$ 6,000.00	\$ 6,000.00	\$ -	0.0%
Animal Control	\$ 21,500.00	\$ 23,500.00	\$ 2,000.00	9.3%
Streets	\$ 685,000.00	\$ 705,000.00	\$ 20,000.00	2.9%
Buildings	\$ 180,000.00	\$ 186,000.00	\$ 6,000.00	3.3%
Campground	\$ 54,500.00	\$ 54,500.00	\$ -	0.0%
Recreation	\$ 205,000.00	\$ 205,000.00	\$ -	0.0%
Government	\$ 244,648.00	\$ 238,500.00	\$ (6,148.00)	-2.5%
Library	\$ 141,000.00	\$ 145,000.00	\$ 4,000.00	2.8%
Transfers	\$ 788,409.00	\$ 923,719.00	\$ 135,310.00	17.2%
Total	\$ 3,480,057.00	\$ 3,678,219.00	\$ 198,162.00	5.7%

**2011 BUDGET
CITY OF MOUNTAIN IRON
REVENUE**

TAXES	2008 ACTUAL	2009 ACTUAL	2010 BUDGET	2010 YTD	2011 BUDGET	%
Tax Levy	\$ 864,267.00	\$ 668,568.00	\$ 788,703.00	\$ 506,706.97	\$ 788,703.00	0.0%
Special Levies	\$ -	\$ -	\$ 418,275.00	\$ -	\$ 418,275.00	0.0%
Bond Levy	\$ 83,111.00	\$ 258,847.00	\$ 83,811.00	\$ 174,502.24	\$ 83,811.00	0.0%
Misc Taxes	\$ 22,501.00	\$ 11,664.00	\$ 25,000.00	\$ 37,324.85	\$ 25,000.00	0.0%
Franchise	\$ 23,751.00	\$ 23,028.00	\$ 20,000.00	\$ 18,182.88	\$ 20,000.00	0.0%
TOTAL	\$ 993,630.00	\$ 962,107.00	\$ 1,335,789.00	\$ 736,716.94	\$ 1,335,789.00	0.0%

INTERGOVERNMENTAL REVENUE

LGA	\$ 699,814.00	\$ 1,146,172.00	\$ 1,156,268.00	\$ 578,134.00	\$ 1,354,430.00	17.1%
Tac. Prod Aid	\$ 587,386.00	\$ 666,601.00	\$ 400,000.00	\$ 474,622.00	\$ 400,000.00	0.0%
Tac. Aid	\$ 381,145.00	\$ 378,973.00	\$ 250,000.00	\$ 325,252.00	\$ 250,000.00	0.0%
Mining Effects	\$ 112,233.00	\$ 110,677.00	\$ 100,000.00	\$ 92,380.00	\$ 100,000.00	0.0%
Misc. Aid	\$ 44,248.00	\$ 49,311.00	\$ 25,000.00	\$ 6,201.92	\$ 25,000.00	0.0%
TOTAL	\$ 1,824,826.00	\$ 2,351,734.00	\$ 1,931,268.00	\$ 1,476,589.92	\$ 2,129,430.00	10.3%

GENERAL REVENUE

Lic. & Permits	\$ 98,810.00	\$ 38,491.00	\$ 25,000.00	\$ 14,983.68	\$ 25,000.00	0.0%
Charges for Service	\$ 57,300.00	\$ 90,168.00	\$ 50,000.00	\$ 151,031.23	\$ 50,000.00	0.0%
Fines	\$ 18,012.00	\$ 16,178.00	\$ 11,000.00	\$ 11,154.79	\$ 11,000.00	0.0%
Interest	\$ 49,776.00	\$ 27,028.00	\$ 32,000.00	\$ 18,373.34	\$ 32,000.00	0.0%
Refunds	\$ 98,993.00	\$ 107,218.00	\$ 90,000.00	\$ 37,630.53	\$ 90,000.00	0.0%
General	\$ 634.00	\$ 2,063.00	\$ 5,000.00	\$ 282.47	\$ 5,000.00	0.0%
TOTAL	\$ 323,525.00	\$ 281,146.00	\$ 213,000.00	\$ 233,456.04	\$ 213,000.00	0.0%
TOTAL	\$ 3,141,981.00	\$ 3,594,987.00	\$ 3,480,057.00	\$ 2,446,762.90	\$ 3,678,219.00	5.7%

**2011 BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS**

CITY COUNCIL	2008	2009	2010	2011	%
	ACTUAL	ACTUAL	BUDGET	BUDGET	
Council Salaries	\$ 14,400.00	\$ 20,400.00	\$ 20,400.00	\$ 20,400.00	0%
Other	\$ 4,215.00	\$ 5,009.00	\$ 5,600.00	\$ 5,600.00	0%
TOTAL	\$ 18,615.00	\$ 25,409.00	\$ 26,000.00	\$ 26,000.00	0%

ADMINISTRATION

Salaries	\$ 208,972.00	\$ 207,724.00	\$ 210,000.00	\$ 215,000.00	2%
Payroll Taxes	\$ 31,213.00	\$ 32,147.00	\$ 32,000.00	\$ 33,000.00	3%
Insurance-Group	\$ 62,161.00	\$ 69,945.00	\$ 72,000.00	\$ 72,000.00	0%
Insurance-General	\$ 39,541.00	\$ 26,839.00	\$ 60,000.00	\$ 60,000.00	0%
Independent Audit	\$ 15,000.00	\$ 21,165.00	\$ 17,000.00	\$ 19,000.00	12%
Engineering Fees	\$ 55,898.00	\$ 51,958.00	\$ 40,000.00	\$ 45,000.00	13%
Legal Fees	\$ 52,937.00	\$ 49,860.00	\$ 42,000.00	\$ 42,000.00	0%
Communications	\$ 13,898.00	\$ 18,089.00	\$ 12,000.00	\$ 12,000.00	0%
Supplies	\$ 5,394.00	\$ 5,462.00	\$ 5,000.00	\$ 5,000.00	0%
Operations	\$ 22,955.00	\$ 41,010.00	\$ 22,000.00	\$ 22,000.00	0%
TOTAL	\$ 507,969.00	\$ 524,199.00	\$ 512,000.00	\$ 525,000.00	3%

ELECTION

Salaries	\$ 2,476.00	\$ -	\$ 4,000.00	\$ -	-100%
Operations	\$ 984.00	\$ -	\$ 1,000.00	\$ -	-100%
TOTAL	\$ 3,460.00	\$ -	\$ 5,000.00	\$ -	0%

**2011 BUDGET
CITY OF MOUNTAIN IRON
GOVERNMENT OPERATIONS**

ASSESSING	2008	2009	2010	2011	%	
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	
Contract Services	\$ 30,744.00	\$ 30,950.00	\$ 31,000.00	\$ 31,215.00	\$ 32,000.00	3%
Operations	\$ 884.00	\$ 706.00	\$ 1,000.00	\$ 254.70	\$ 1,000.00	0%
TOTAL	\$ 31,628.00	\$ 31,656.00	\$ 32,000.00	\$ 31,469.70	\$ 33,000.00	3%

PLANNING & ZONING

Salaries	\$ 42,873.00	\$ 19,687.00	\$ 19,000.00	\$ 11,065.35	\$ 19,000.00	0%
Payroll Taxes	\$ 5,483.00	\$ 2,228.00	\$ 2,500.00	\$ 846.51	\$ 2,500.00	0%
Operations	\$ 9,433.00	\$ 6,957.00	\$ 4,500.00	\$ 2,473.43	\$ 5,500.00	22%
TOTAL	\$ 57,789.00	\$ 28,872.00	\$ 26,000.00	\$ 14,385.29	\$ 27,000.00	4%

ADMINISTRATION

TOTAL	\$ 619,461.00	\$ 610,136.00	\$ 601,000.00	\$ 416,412.73	\$ 611,000.00	2%
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**2011 BUDGET
CITY OF MOUNTAIN IRON
PUBLIC SAFETY**

POLICE PROTECTION	2008	2009	2010	2011	%
	ACTUAL	ACTUAL	BUDGET	BUDGET	
Contract Services	\$ 469,837.00	\$ 493,746.00	\$ 450,000.00	\$ 337,500.00	6%
Other Expenditures	\$ 6,556.00	\$ 17,093.00	\$ 10,000.00	\$ 8,639.02	0%
TOTAL	\$ 476,393.00	\$ 510,839.00	\$ 460,000.00	\$ 346,139.02	5%

FIRE PROTECTION					
	2008	2009	2010	2011	%
	ACTUAL	ACTUAL	BUDGET	YTD	
Salaries	\$ 16,240.00	\$ 17,203.00	\$ 20,000.00	\$ 17,993.04	0%
Payroll Taxes	\$ 5,158.00	\$ 1,785.00	\$ 3,000.00	\$ 3,045.02	0%
Training	\$ 12,255.00	\$ 9,480.00	\$ 20,000.00	\$ 7,090.00	0%
Maintenance	\$ 19,445.00	\$ 12,387.00	\$ 10,000.00	\$ 12,359.75	10%
Operations	\$ 25,366.00	\$ 22,316.00	\$ 17,000.00	\$ 27,015.55	6%
Firemen's Relief	\$ 22,311.00	\$ 21,934.00	\$ 23,000.00	\$ 5,400.00	0%
TOTAL	\$ 100,775.00	\$ 85,105.00	\$ 93,000.00	\$ 72,903.36	2%

EMERGENCY MANAGEMENT					
	2008	2009	2010	2011	%
	ACTUAL	ACTUAL	BUDGET	YTD	
Plan Update	\$ -	\$ -	\$ 5,000.00	\$ -	0%
Operations	\$ 25.00	\$ 175.00	\$ 1,000.00	\$ -	0%
TOTAL	\$ 25.00	\$ 175.00	\$ 6,000.00	\$ -	0%

ANIMAL CONTROL					
	2008	2009	2010	2011	%
	ACTUAL	ACTUAL	BUDGET	YTD	
Contact Services	\$ 12,000.00	\$ 18,000.00	\$ 21,000.00	\$ 15,000.00	10%
Operations	\$ 325.00	\$ 257.00	\$ 500.00	\$ -	0%
TOTAL	\$ 12,325.00	\$ 18,257.00	\$ 21,500.00	\$ 15,000.00	9%

PUBLIC SAFETY					
	2008	2009	2010	2011	%
	ACTUAL	ACTUAL	BUDGET	YTD	
TOTAL	\$ 589,518.00	\$ 614,376.00	\$ 580,500.00	\$ 434,042.38	5%

**2011 BUDGET
CITY OF MOUNTAIN IRON
PUBLIC WORKS**

STREETS	2008		2009		2010		2011	
	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	YTD	BUDGET	%
Salaries	\$ 356,415.00	\$ 334,324.00	\$ 360,000.00	\$ 360,000.00	\$ 360,000.00	\$ 231,538.64	\$ 360,000.00	0%
Payroll Taxes	\$ 51,706.00	\$ 53,046.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 36,003.94	\$ 50,000.00	0%
Insurance-Group	\$ 148,894.00	\$ 123,585.00	\$ 120,000.00	\$ 120,000.00	\$ 125,000.00	\$ 105,159.98	\$ 125,000.00	4%
Utilities	\$ 53,225.00	\$ 56,814.00	\$ 54,000.00	\$ 54,000.00	\$ 55,000.00	\$ 44,297.47	\$ 55,000.00	2%
Maintenance	\$ 87,812.00	\$ 57,906.00	\$ 54,000.00	\$ 54,000.00	\$ 60,000.00	\$ 69,264.86	\$ 60,000.00	11%
Supplies	\$ 43,453.00	\$ 29,665.00	\$ 27,000.00	\$ 27,000.00	\$ 30,000.00	\$ 19,980.26	\$ 30,000.00	11%
Operations	\$ 15,655.00	\$ 44,974.00	\$ 20,000.00	\$ 20,000.00	\$ 25,000.00	\$ 8,375.59	\$ 25,000.00	25%
TOTAL	\$ 757,160.00	\$ 700,314.00	\$ 685,000.00	\$ 685,000.00	\$ 705,000.00	\$ 514,620.74	\$ 705,000.00	3%

BUILDINGS	2008		2009		2010		2011	
	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	YTD	BUDGET	%
Salaries	\$ 64,812.00	\$ 59,446.00	\$ 63,000.00	\$ 63,000.00	\$ 65,000.00	\$ 45,404.95	\$ 65,000.00	3%
Payroll Taxes	\$ 9,322.00	\$ 9,792.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 7,876.29	\$ 11,000.00	0%
Insurance-Group	\$ 27,817.00	\$ 24,325.00	\$ 23,000.00	\$ 23,000.00	\$ 23,000.00	\$ 17,571.01	\$ 23,000.00	0%
Utilities	\$ 40,509.00	\$ 33,017.00	\$ 45,000.00	\$ 45,000.00	\$ 45,000.00	\$ 30,384.32	\$ 45,000.00	0%
Communications	\$ 1,338.00	\$ 1,451.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 1,046.88	\$ 2,000.00	0%
Supplies	\$ 31,611.00	\$ 32,005.00	\$ 16,000.00	\$ 16,000.00	\$ 20,000.00	\$ 36,116.42	\$ 20,000.00	25%
Operations	\$ 78,942.00	\$ 27,057.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 14,288.44	\$ 20,000.00	0%
TOTAL	\$ 254,751.00	\$ 187,093.00	\$ 180,000.00	\$ 180,000.00	\$ 186,000.00	\$ 152,688.31	\$ 186,000.00	3%

PUBLIC WORKS								
TOTAL	\$ 1,011,911.00	\$ 887,407.00	\$ 865,000.00	\$ 865,000.00	\$ 891,000.00	\$ 667,309.05	\$ 891,000.00	3%

**2011 BUDGET
CITY OF MOUNTAIN IRON
CULTURE AND RECREATION**

CAMPGROUND	2008	2009	2010	2011	%
	ACTUAL	ACTUAL	BUDGET	BUDGET	
Salaries	\$ 16,842.00	\$ 10,761.00	\$ 21,000.00	\$ 21,000.00	0%
Payroll Taxes	\$ 1,442.00	\$ 2,252.00	\$ 2,000.00	\$ 2,000.00	0%
Insurance-Group	\$ 985.00	\$ 495.00	\$ 3,000.00	\$ 3,000.00	0%
Utilities	\$ 7,282.00	\$ 7,017.00	\$ 7,500.00	\$ 7,500.00	0%
Operations	\$ 35,923.00	\$ 24,614.00	\$ 20,000.00	\$ 20,000.00	0%
Advertising	\$ 509.00	\$ 300.00	\$ 1,000.00	\$ 1,000.00	0%
TOTAL	\$ 62,983.00	\$ 45,439.00	\$ 54,500.00	\$ 54,500.00	0%

RECREATION DEPARTMENT

Salaries	\$ 62,468.00	\$ 72,234.00	\$ 107,000.00	\$ 107,000.00	0%
Payroll Taxes	\$ 8,010.00	\$ 9,326.00	\$ 13,000.00	\$ 13,000.00	0%
Insurance-Group	\$ 23,245.00	\$ 17,681.00	\$ 25,000.00	\$ 25,000.00	0%
Utilities	\$ 10,790.00	\$ 10,151.00	\$ 11,000.00	\$ 11,000.00	0%
Maintenance	\$ 31,351.00	\$ 15,205.00	\$ 9,000.00	\$ 9,000.00	0%
Operations	\$ 27,843.00	\$ 30,645.00	\$ 22,000.00	\$ 22,000.00	0%
Baseball/Softball	\$ 2,455.00	\$ 4,421.00	\$ 6,000.00	\$ 6,000.00	0%
Special Events	\$ 17,736.00	\$ 14,174.00	\$ 12,000.00	\$ 12,000.00	0%
TOTAL	\$ 183,898.00	\$ 173,837.00	\$ 205,000.00	\$ 205,000.00	0%

LIBRARY

Salaries	\$ 65,014.00	\$ 58,974.00	\$ 80,000.00	\$ 80,000.00	0%
Payroll Taxes	\$ 11,048.00	\$ 9,633.00	\$ 12,000.00	\$ 12,000.00	0%
Insurance-Group	\$ 16,318.00	\$ 16,633.00	\$ 13,000.00	\$ 14,441.22	15%
Utilities	\$ 9,383.00	\$ 5,249.00	\$ 9,000.00	\$ 5,265.01	0%
Books	\$ 11,608.00	\$ 13,932.00	\$ 17,000.00	\$ 9,780.52	0%
Communications	\$ 5,052.00	\$ 2,274.00	\$ 5,000.00	\$ 1,365.44	0%
Operations	\$ 12,309.00	\$ 11,684.00	\$ 5,000.00	\$ 8,656.82	40%
TOTAL	\$ 131,732.00	\$ 118,379.00	\$ 141,000.00	\$ 84,997.22	3%

CULTURE AND RECREATION

TOTAL	\$ 378,613.00	\$ 337,655.00	\$ 400,500.00	\$ 287,127.31	1%
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2011 BUDGET
CITY OF MOUNTAIN IRON
GENERAL GOVERNMENT

GENERAL GOVERNMENT	2008	2009	2010	2011		
	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET	
					%	
Cash Short and Over	\$ (15.00)	\$ 17.00	\$ 10.00	\$ (23.29)	\$ 10.00	0%
Cemeteries	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	0%
Retire/Pension Contrib.	\$ 137,197.00	\$ 95,878.00	\$ 130,000.00	\$ 108,635.58	\$ 120,000.00	-8%
Public Expense	\$ 6,084.00	\$ 1,658.00	\$ 8,990.00	\$ 13,262.63	\$ 8,990.00	0%
Promotion and Tourism	\$ 4,245.00	\$ 2,431.00	\$ 2,500.00	\$ 5,019.34	\$ 2,500.00	0%
EMT Equipment	\$ 1,557.00	\$ 11,311.00	\$ 12,000.00	\$ 4,667.34	\$ 12,000.00	0%
Intergovernmental Coop	\$ (873.00)	\$ 240.00	\$ -	\$ 991.35	\$ -	0%
Contribution - QCJRA	\$ 6,720.00	\$ 9,072.00	\$ 8,148.00	\$ 8,148.00	\$ 8,000.00	-2%
Planning	\$ -	\$ -	\$ 5,000.00	\$ -	\$ 5,000.00	0%
Televise Meetings	\$ 8,375.00	\$ 19,000.00	\$ 6,000.00	\$ 12,190.00	\$ 10,000.00	67%
Hydrants	\$ 259.00	\$ 4,441.00	\$ 1,500.00	\$ 1,841.44	\$ 1,500.00	0%
TCBDA	\$ 50,531.00	\$ 51,366.00	\$ 52,000.00	\$ 37,502.36	\$ 52,000.00	0%
Mineview in the Sky	\$ -	\$ 2,500.00	\$ 2,500.00	\$ -	\$ 2,500.00	0%
Tax Abatement	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	0%
	\$ -	\$ -	\$ -	\$ -	\$ -	0%
TOTAL	\$ 230,080.00	\$ 213,914.00	\$ 244,648.00	\$ 208,234.75	\$ 238,500.00	-3%

TRANSFERS

Capital Improvement	\$ 343,787.00	\$ 578,000.00	\$ 388,409.00	\$ 291,306.69	\$ 508,719.00	31%
Mining Effects	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	0%
Debt Service	\$ 310,999.00	\$ 375,000.00	\$ 350,000.00	\$ 262,499.94	\$ 365,000.00	4%
TOTAL	\$ 704,786.00	\$ 1,003,000.00	\$ 788,409.00	\$ 603,806.63	\$ 923,719.00	17%

GENERAL GOVERNMENT

TOTAL	\$ 934,866.00	\$ 1,216,914.00	\$ 1,033,057.00	\$ 812,041.38	\$ 1,162,219.00	13%
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TOTAL EXPENDITURES

	\$ 3,534,369.00	\$ 3,666,488.00	\$ 3,480,057.00	\$ 2,616,932.85	\$ 3,678,219.00	
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2011 BUDGET
CITY OF MOUNTAIN IRON

REVENUE	2008		2009		2010		2011	
	ACTUAL	ACTUAL	BUDGET	BUDGET	YTD	BUDGET	BUDGET	
Interest Earnings	\$ 46,044.00	\$ 44,357.00	\$ 15,000.00	\$ 15,000.00	\$ 19,423.05	\$ 15,000.00	\$ 15,000.00	
Special Assessments	\$ 43,463.00	\$ 112,178.00	\$ 50,000.00	\$ 50,000.00	\$ 5,483.44	\$ 50,000.00	\$ 50,000.00	
Electric Fund	\$ 9,827.00	\$ 9,827.00	\$ 8,973.00	\$ 8,973.00	\$ 6,729.75	\$ 20,074.00	\$ 20,074.00	
Water Fund	\$ -	\$ -	\$ 19,788.00	\$ 19,788.00	\$ 14,841.00	\$ 33,338.00	\$ 33,338.00	
Refuse and Recycling Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00	
General Fund	\$ 311,000.00	\$ 348,000.00	\$ 350,000.00	\$ 350,000.00	\$ 262,499.94	\$ 365,000.00	\$ 365,000.00	
TOTAL REVENUE	\$ 410,334.00	\$ 514,362.00	\$ 443,761.00	\$ 443,761.00	\$ 308,977.18	\$ 493,412.00	\$ 493,412.00	

EXPENSES

Principle - Community Center	\$ 820,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - Community Center	\$ 147,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Principle - Street Improvement	\$ 80,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - Street Improvement	\$ 39,581.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Principle - Water Revenue	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 37,420.25	\$ 50,000.00	\$ 50,000.00
Interest - Water Revenue	\$ 35,063.00	\$ 33,628.00	\$ 32,140.00	\$ 32,140.00	\$ 16,070.00	\$ 20,350.00	\$ 20,350.00
Principle - TIF Bonds	\$ 140,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest - TIF Bonds	\$ 2,865.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Principle - USDA Loan	\$ 5,000.00	\$ 5,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
Interest - USDA Loan	\$ 12,169.00	\$ 11,963.00	\$ 11,756.00	\$ 11,756.00	\$ 11,756.25	\$ 11,509.00	\$ 11,509.00
Principle - 2005 Xover	\$ 50,000.00	\$ 145,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 155,000.00	\$ 155,000.00
Interest - 2005 Xover	\$ 28,598.00	\$ 57,195.00	\$ 52,990.00	\$ 52,990.00	\$ 50,702.50	\$ 48,415.00	\$ 48,415.00
Principle - Improvement Bonds	\$ -	\$ 65,000.00	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00	\$ 95,000.00
Interest - Improvement Bonds	\$ 55,743.00	\$ 59,510.00	\$ 56,310.00	\$ 56,310.00	\$ 56,310.00	\$ 52,510.00	\$ 52,510.00
Principal - Garage Addition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000.00	\$ 30,000.00
Interest - Garage Addition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00
Agent Fees	\$ 806.00	\$ 806.00	\$ 1,000.00	\$ 1,000.00	\$ 850.00	\$ 1,000.00	\$ 1,000.00
TOTAL EXPENSES	\$ 1,451,825.00	\$ 413,102.00	\$ 440,196.00	\$ 440,196.00	\$ 424,109.00	\$ 479,784.00	\$ 479,784.00

**CITY OF MOUNTAIN IRON
2011 BUDGET
WATER DEPARTMENT**

REVENUES	2007 ACTUAL	2008 ACTUAL	2010 BUDGET	2010 YTD	2011 BUDGET
Interest Earnings	\$ 5,640.00	\$ 8,358.00	\$ 7,500.00	\$ 6,050.59	\$ 8,000.00
Other	\$ 46,727.00	\$ 65,710.00	\$ 76,113.00	\$ 83,625.75	\$ 83,625.75
Charges for Services	\$ 251,548.00	\$ 247,559.00	\$ 250,000.00	\$ 180,065.05	\$ 222,000.00
TOTAL REVENUES	\$ 303,915.00	\$ 321,627.00	\$ 333,613.00	\$ 269,741.39	\$ 313,625.75
EXPENDITURES					
Salaries	\$ 76,211.00	\$ 73,988.00	\$ 83,000.00	\$ 64,713.60	\$ 83,000.00
Employee Benefits	\$ 27,556.00	\$ 29,534.00	\$ 36,000.00	\$ 28,968.34	\$ 36,000.00
Insurance	\$ 6,872.00	\$ 8,160.00	\$ 10,000.00	\$ 6,581.00	\$ 10,000.00
Miscellaneous	\$ 8,557.00	\$ 20,918.00	\$ 20,000.00	\$ 14,785.56	\$ 20,000.00
Repairs and Maintenance	\$ 28,990.00	\$ 18,231.00	\$ 15,000.00	\$ 20,488.88	\$ 20,000.00
Supplies	\$ 8,369.00	\$ 9,362.00	\$ 9,000.00	\$ 5,756.23	\$ 9,000.00
Telephone	\$ 321.00	\$ 320.00	\$ 800.00	\$ 516.36	\$ 800.00
Utilities	\$ 29,187.00	\$ 23,235.00	\$ 25,000.00	\$ 27,866.33	\$ 25,000.00
Depreciation	\$ 79,503.00	\$ 79,503.00	\$ 79,503.00	\$ 59,627.25	\$ 79,503.00
Debt Service	\$ 36,194.00	\$ 34,941.00	\$ 95,901.00	\$ 115,251.75	\$ 95,901.00
Capital Outlay	\$ -	\$ 19,879.00	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 301,760.00	\$ 318,071.00	\$ 374,204.00	\$ 344,555.30	\$ 379,204.00

**CITY OF MOUNTAIN IRON
2011 BUDGET
WASTE WATER DEPARTMENT**

	2007	2008	2010	2011
REVENUES	ACTUAL	ACTUAL	BUDGET	BUDGET
Interest Earnings	\$ 8,368.00	\$ 11,739.00	\$ 11,000.00	\$ 3,174.47
Other	\$ -	\$ -	\$ -	\$ 258,281.27
Charges for Services	\$ 342,082.00	\$ 338,358.00	\$ 322,000.00	\$ 302,993.06
TOTAL REVENUES	\$ 350,450.00	\$ 350,097.00	\$ 333,000.00	\$ 564,448.80

EXPENDITURES

Salaries	\$ 63,365.00	\$ 73,581.00	\$ 75,000.00	\$ 70,760.62
Employee Benefits	\$ 22,068.00	\$ 27,380.00	\$ 31,000.00	\$ 29,844.70
Contract Services	\$ 34,188.00	\$ 27,405.00	\$ 27,000.00	\$ 30,766.02
Insurance	\$ 4,315.00	\$ 5,191.00	\$ 6,000.00	\$ 4,610.00
Miscellaneous	\$ 17,867.00	\$ 29,923.00	\$ 20,000.00	\$ 26,563.03
Maintenance and Repairs	\$ 13,586.00	\$ 25,228.00	\$ 15,000.00	\$ 9,287.86
Supplies	\$ 15,747.00	\$ 14,873.00	\$ 9,000.00	\$ 5,760.70
Telephone	\$ 2,650.00	\$ 3,499.00	\$ 2,000.00	\$ 1,225.53
Utilities	\$ 74,072.00	\$ 63,288.00	\$ 50,000.00	\$ 57,654.32
Depreciation	\$ 106,670.00	\$ 107,737.00	\$ 105,177.00	\$ 79,302.69
Debt Service	\$ -	\$ -	\$ 35,177.00	\$ 30,835.89
Capital Outlay	\$ -	\$ 6,017.00	\$ -	\$ 99,320.10
TOTAL EXPENDITURES	\$ 354,528.00	\$ 384,122.00	\$ 375,354.00	\$ 445,931.46

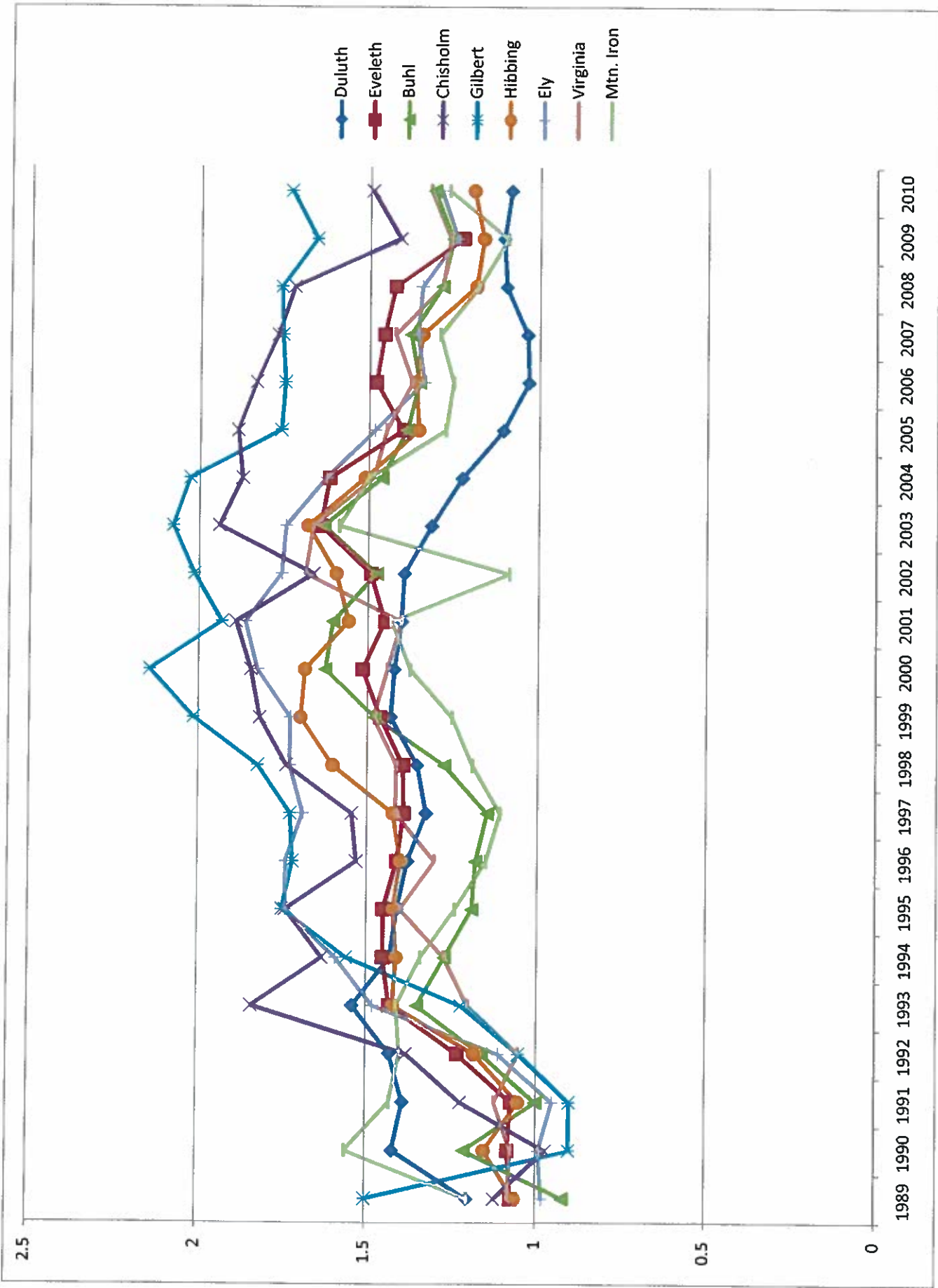
TOTAL EXPENDITURES \$ 354,528.00 \$ 384,122.00 \$ 375,354.00 \$ 445,931.46 \$ 403,914.00

**CITY OF MOUNTAIN IRON
2011 BUDGET
REFUSE AND RECYCLING DEPARTMENT**

	2007	2008	2010	2010	2011
REVENUES	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 16,321.00	\$ 16,282.00	\$ 14,000.00	\$ 8,611.84	\$ 12,000.00
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	\$ 373,943.00	\$ 383,845.00	\$ 345,000.00	\$ 300,518.02	\$ 384,000.00
TOTAL REVENUES	\$ 390,264.00	\$ 400,127.00	\$ 359,000.00	\$ 309,129.86	\$ 396,000.00
EXPENDITURES					
Salaries	\$ 94,052.00	\$ 94,575.00	\$ 93,000.00	\$ 84,608.31	\$ 101,000.00
Employee Benefits	\$ 43,216.00	\$ 40,861.00	\$ 45,000.00	\$ 39,103.72	\$ 51,000.00
Insurance	\$ 8,156.00	\$ 11,448.00	\$ 7,500.00	\$ 7,258.00	\$ 8,000.00
Miscellaneous	\$ 13,324.00	\$ 14,204.00	\$ 13,000.00	\$ 9,589.01	\$ 13,000.00
Repairs and Maintenance	\$ 24,148.00	\$ 5,561.00	\$ 5,000.00	\$ 7,223.00	\$ 10,000.00
County Fees	\$ 130,122.00	\$ 131,145.00	\$ 132,000.00	\$ 99,265.51	\$ 120,000.00
Supplies	\$ 24,394.00	\$ 35,497.00	\$ 15,000.00	\$ 18,122.24	\$ 15,000.00
Depreciation	\$ 35,871.00	\$ 23,005.00	\$ 23,005.00	\$ 17,253.72	\$ 23,005.00
Telephone	\$ 1,091.00	\$ 1,156.00	\$ 1,000.00	\$ 436.45	\$ 1,000.00
Capital Outlay	\$ -	\$ -	\$ -	\$ 10,492.00	\$ 10,000.00
TOTAL EXPENDITURES	\$ 374,374.00	\$ 357,452.00	\$ 334,505.00	\$ 293,351.96	\$ 352,005.00

**CITY OF MOUNTAIN IRON
2011 BUDGET
ELECTRIC DEPARTMENT**

	2007	2008	2010	2010	2011
REVENUES	ACTUAL	ACTUAL	BUDGET	YTD	BUDGET
Interest Earnings	\$ 15,668.00	\$ 9,969.00	\$ 6,800.00	\$ 1,104.91	\$ 1,500.00
Other	\$ -	\$ -			
Charges for Services	\$ 1,756,326.00	\$ 1,696,771.00	\$ 1,696,000.00	\$ 1,690,753.82	\$ 2,230,000.00
TOTAL REVENUES	\$ 1,771,994.00	\$ 1,706,740.00	\$ 1,702,800.00	\$ 1,691,858.73	\$ 2,231,500.00
EXPENDITURES					
Cost of Sales	\$ 1,108,965.00	\$ 1,108,089.00	\$ 1,127,370.00	\$ 1,136,250.38	\$ 1,455,000.00
Salaries	\$ 234,584.00	\$ 266,337.00	\$ 241,200.00	\$ 230,597.63	\$ 276,000.00
Employee Benefits	\$ 96,036.00	\$ 118,014.00	\$ 113,780.00	\$ 101,040.63	\$ 125,000.00
Insurance	\$ 14,728.00	\$ 21,939.00	\$ 12,150.00	\$ 15,933.00	\$ 20,000.00
Miscellaneous	\$ 22,943.00	\$ 32,009.00	\$ 24,860.00	\$ 21,974.20	\$ 30,000.00
Repairs and Maintenance	\$ 91,943.00	\$ 66,799.00	\$ 78,890.00	\$ 38,775.15	\$ 65,000.00
Supplies	\$ 21,196.00	\$ 38,617.00	\$ 25,100.00	\$ 18,789.00	\$ 25,000.00
Telephone	\$ 3,027.00	\$ 3,074.00	\$ 3,200.00	\$ 2,838.88	\$ 3,200.00
Depreciation Expense	\$ 18,702.00	\$ 29,210.00	\$ 29,210.00	\$ 21,907.44	\$ 29,210.00
Interest Expense	\$ 1,477.00	\$ 1,275.00	\$ 1,200.00	\$ 328.00	\$ 500.00
Debt Service	\$ 32,363.00	\$ 9,827.00	\$ 8,973.00	\$ 6,729.75	\$ 15,074.00
CIP	\$ -	\$ 23,444.00	\$ 26,000.00	\$ 3,175.65	\$ 33,450.00
Capital Outlay	\$ -	\$ 12,935.00		\$ 10,829.64	\$ 150,000.00
TOTAL EXPENDITURES	\$ 1,645,964.00	\$ 1,731,569.00	\$ 1,691,933.00	\$ 1,609,169.35	\$ 2,227,434.00





Virginia, Eveleth, Mt. Iron, Gilbert and surrounding business communities
403 First Street North
Virginia, MN 55792
(218) 741-2717 (218) 749-4913 Fax

Mayor Gary Skalko
Mountain Iron City Hall
8586 Enterprise Drive South
Mountain Iron MN 55768

November 19, 2010

Dear Mayor and Councilors:

On behalf of the Laurentian Chamber Board of Directors, thank you for your 2010 appropriation of \$2500.00 for Mineview in the Sky Travel Information Center. Over 13,300 visitors stopped at Mineview May through September this year. This is the highest attendance in the last three years.

We recognize and understand the financial adjustments many cities are making. We are hopeful for your consideration and consent to continue this \$2500.00 appropriation for 2011.

We appreciate your interest in promoting this major Quad Cities attraction. Again, thank you for your partnership this year.

Sincerely,

Jim Currie
President