

City of Iron Mountain  
Downtown Development Authority  
Monday, February 9, 2026  
Regular Meeting Minutes  
12:00pm

**I. Meeting called to order** - at 12:00pm. Megan Blomquist, Joe Linn, Mark Klossner, David Hendrickson, Jordan Stanchina, Anthony Miller, Sonja Matzke, Lucas Davidson, Katherine Mentel, and Tim McCauley present.

**II. Approval of Agenda** - *On a motion by Hendrickson, seconded by Miller, and carried unanimously, the agenda was approved.*

**III. Consent Agenda Items** - *On a motion by Matzke, seconded by Klossner, and carried unanimously, the consent agenda was approved.*

A. Regular Meeting Minutes

I. 1/12/2025

B. Committee Reports

I. Events Committee: 1/27/2025

II. Business Development Committee: no December meeting

III. Beautification Committee: 1/06/2025

**IV. New Business**

**A. Treasurer Reports for November and December 2025** - In response to questions at the previous regular meeting regarding “Clearly IP” phone charges as expenses, McCauley clarified that the IP phone service for the DDA first begun showing up as an expense in April 2025, and that phone service had not been previously expensed to the DDA. The DDA did indeed start service with a new phone in April 2025. He noted that the phone expense of \$250 per year was thus included in the proposed FY 2026-27 budget.

Matzke inquired about the expense of \$1,609.16 for beautification costs in December - an unusual amount given that it’s winter. McCauley and Stanchina responded that the expense was for plastic trash can liners for the 20 receptacles purchased in summer 2025, since they came without liners. The amount was already provided for in the FY 2025-26 budget.

*On a motion by Hendrickson, seconded by Klossner, and carried unanimously, the Treasurer Reports for November and December 2025 were approved.*

**V. Draft Budget for Fiscal Year 2026-2027**

**A. Introduction of draft FY 2026-27 budget document and briefing from staff regarding a few items of note** - McCauley noted that he took a closer look at the current property tax revenues from the 2 mil DDA assessment, which are usually at the top line of all DDA budgets. This amount was projected at \$63,032 for the current FY 2025-26 budget, differing significantly from the roughly \$50,000 number McCauley tabulated from the past two years of DDA treasurer reports as the amount that was actually received. Following a review by the City Manager and the City Assessor, it was determined that the amount should indeed be in the low \$50,000s, and that previous projections of the property tax revenue coming to the DDA

had erroneously included some tax-exempt properties that should have been left out of the calculation.

McCauley noted that he also took a closer look at interest earnings, often the second revenue line on DDA budgets, and observed the actual amount received for current FY 2025-26 will likely be about \$1,740 less than the previously projected \$9,484 amount used in the FY 2025-26 budget. The discrepancy was due to yields (interest rates) on the DDA funds invested in the Michigan CLASS local government investment program falling to 3.65% from over 5% in previous years. He projected the amount for the 2026-27 budget to be \$7,045, which is roughly \$2,500 less than that projected for the FY 2025-26 budget, and based on an annual yield of 3.65% on an annual average of \$193,000 invested.

McCauley added that the aforementioned two changes in projected revenue would result in roughly \$12,500 less for FY 2026-27 than was projected from property tax assessments and interest earnings as set forth in the FY 2025-26 DDA budget. Stated differently, the FY 2026-27 DDA budget under consideration includes \$12,500 less than the current budget for the first two revenue items.

- B. Overview of financial assumptions for proposed June event.** Mentel noted that there had been a brief discussion involving staff and several DDA Board members, at the special budget meeting on January 26, pertaining to the June event. The consensus at that time was that a \$5 fee should apply to special activities (axe throwing and mechanical bull), and that \$3 to \$5 should be charged for face painting, with the admission fee being \$10 or \$5. She presented a summary of the effects on revenues from a variety of scenarios, and noted that the expenses could be adjusted depending on projected revenue and actual sponsor amounts received. After further discussion, *Miller moved that the June event have a \$5 admission fee, that \$5 be charged for the two special activities, that \$5 be charged for face painting, event hours will be noon to 9pm, and the event be entitled "Summer Roll Out."* Linn seconded and the motion was carried unanimously.
- C. Review and discussion - FY 2026-27 budget -** McCauley distributed copies of the proposed FY 2026-27 DDA budget on a one-page 11x17 inch tabular format and also displayed it on a large screen for all to see. In the course of discussion, the June Event Revenue was revised downward from \$26,600 to \$23,600; Downtown/TIF Plan expenses were reduced from \$2,200 to \$200; Non-Flower Beautification expenses was reduced from \$1925 to \$925; Contractual Services were reduced from \$2,000 to \$0; and \$10,000 was moved from Streetscape Improvements to DDA Building Improvement Grants. Those actions changed the operating deficit from \$8,700 to \$6,700 for fiscal year 2026-2027. *On a motion by Miller, seconded by Davidson, and carried unanimously, the proposed FY 2026-27 DDA budget was approved as amended.*

**VI. Public Comment -** no public comment

**VII. Member Privilege -** McCauley asked what the Board would choose to discuss at the next meeting, and that strategy for the upcoming year was a possibility. After brief discussion, the consensus was that the Downtown/TIF plan and Redevelopment Ready Communities (RRC) should be the main topic.

**VIII. Adjournment -** *On a motion by Matzke, seconded by Stanchina, and carried unanimously, the meeting was adjourned at 1:07pm.* Next regular DDA Board meeting: Monday, March 9, 2026.