

CITY OF MACKINAC ISLAND

BUDGET HEARING MINUTES

Wednesday, March 26, 2025 at 1:45 PM

City Hall – Council Chambers, 7358 Market St., Mackinac Island, Michigan

I. Call to Order

Mayor Doud called the hearing to order at 1:45 pm

II. Roll Call

PRESENT

Richard Chambers
Tom Corrigan
Steven Moskwa

Anneke Myers
Alan Sehoyan
Jason St. Onge
Richard Linn, Treasurer

VII. New Business

- Resolution and amended budget for the 2024 - 2025 fiscal year
- Resolution and operating budget for the 2025 – 2026 fiscal year
- Operating budget for the Department of Public Works for fiscal year 2025 – 2026
 - Councilman St. Onge noted that the Council should consider adopting a policy stating that, at a certain threshold, a hearing needs to take place to discuss proposed rate increases
 - Allen Burt, Department of Public Works (DPW) Director, noted that the DPW has had budget meetings where these rate increases have been discussed, but no one from the business or residential communities have attended.
 - Councilman St. Onge countered that people not showing up is not an excuse not to notice community members about rate increases.
 - Councilman Moskwa noted that the DPW has undertaken a large project with the Wastewater Treatment Plant (WWTP). The DPW has worked hard to get as much outside revenue as possible, but rate increases were always discussed as possibilities to help cover the project costs.
 - Councilwoman Myers inquired if the DPW could provide an impact timeline for possibly the next five (5) years for proposed rate structure?
 - Mr. Burt responded that the rate structure changes as the year goes on and projects continue. Need to see where Biddle Point and WWTP projects finish to see what further upcoming rate increases may be.
 - Councilman St. Onge reiterated that the members of the business and residential communities are deserving of a notice ahead of time of these sorts of things.
 - Something along the lines of any increase over 3 - 5% should require a notice to be sent.
 - Mr. Burt noted that if the Council would like to give some guidance on the how to improve this process, the DPW is open to discussing that at their upcoming April meeting.
- 2025 – 2026 Salaries Ordinance
 - Non-Elected City Assessor position added - \$86,000.00 annual salary
 - Joe Stakoe will now become a fulltime City employee – no longer a contracted service
 - Mr. Stakoe is a level 3 Assessor, which is the requirement for Mackinac Island due to Mackinac's tax base
- License and Permit Fees and Rates for the 2025 Licensing Year
 - Multiple rate increases and language edits made by Dennis Dombroski
 - Will be looking at reassessing the Building Department fees every few years
 - Vehicle Permit Fee section was restructured and some fees were increased

IX. Adjournment

There being no further business, motion made by Myers, seconded by Moskwa, to adjourn the hearing at 2:04 pm.

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge

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BUDGET MEETING MINUTES

Wednesday, March 26, 2025 at 1:45 PM

City Hall – Council Chambers, 7358 Market St., Mackinac Island, Michigan

I. Call to Order

Mayor Doud called the meeting to order at 2:05 pm

II. Roll Call

PRESENT

Richard Chambers
Tom Corrigan
Steven Moskwa

Anneke Myers
Alan Sehoyan
Jason St. Onge
Richard Linn, Treasurer

VII. New Business

- Approval to adopt resolution number 25-004 and the City of Mackinac Island Amended Budget for the Fiscal Year ending March 31, 2025.
 - Councilman St. Onge wanted it noted that the City Council spent nearly two (2) hours reviewing the budgets at their March 19, 2025 Budget Workshop.Motion made by Myers, seconded by Corrigan, to adopt resolution number 25-004 and the City of Mackinac Island Amended Budget for the fiscal year ending March 31, 2025.
Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge
- Approval to adopt resolution number 25-005 and the City of Mackinac Island Operating Budget for the fiscal year ending March 31, 2026.
Motion made by Myers, seconded by Sehoyan, to adopt resolution number 25-005 for and City of Mackinac Island Operating Budget for the fiscal year ending March 31, 2026.
Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge
- Approval to adopt the Operating Budget for the Department of Public Works for the fiscal year ending March 31, 2026
 - The Wastewater Treatment Plant (WWTP) project is about 60% finished
 - Hoping to being the initial start-up phase by the end of August 2025
 - About (3) months away from beginning to draw on the \$24 million loan for the project
 - An email was received from Dept. of Public Works (DPW) Director Allen Burt regarding rate increases
 - In addition to the submitted DPW budget, adjustments were made to water and sewer rates and fees.
 - Water rates increase 4.1% for both residential and commercial customers
 - Sewer rates increase 5% for residential customers, and 14% for commercial accounts
 - The biggest change in charges comes from the Readiness-to-Serve fee. This will now be charged year-round for all customers instead of only when the meter is installed. This change brings the DPW in line with most other communities and was recommended by financial advisor Warren Creamer.
 - This fee is considered to cover the fixed operating costs - costs that the DPW incurs year-round to operate the system.
 - The DPW is doing everything possible to reduce the impact of the rate increases needed to cover current, and upcoming, debt payments and project costs. As we move forward we will continue to reevaluate rates.
 - Once Council approves the DPW rates and budget, a letter will be sent to all customers explaining the changes.

Motion made by Myers, seconded by Moskwa, to adopt the Department of Public Works Operating Budget for the fiscal year ending March 31, 2026.

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge

- 2025 – 2026 Salaries Ordinance
 - Section 3, B.) Sick Leave
 - This section will be updated at a later date with language regarding the new requirement for the Earned Sick Time Act (ESTA) for non-fulltime employees
 - At this time the City is compliant with ESTA as a letter has been sent out to all current City employees.

Motion made by Myers, seconded by Moskwa, to adopt Ordinance Number 625 – 2025 – 2025 Salaries

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge

- License and Permit Fees and Rates for the 2025 Licensing Year
 - Amend the date listed for the licensing year commencement date from May 1, 2025 to April 1, 2025
 - Will being charging an admission rate to the Stuart House – no longer donation based
 - Commercial Rental Bicycle Licenses have increased to \$60.00 (\$70.00 for a replacement license)
 - Section D, 3. – Motor Vehicle Permit has been updated with structural changes and some fee increases
 - Section F – Building Construction Plan Review / Inspections / Sign Permits has been majorly updated with language changes / additions as well as some rate increases

Motion made by Myers, seconded by Sehoyan, to adopt the ordinance with the change of date to April 1, 2025 in Section 2.

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge

IX. Adjournment

There being no further business, motion made by Myers, seconded by Moskwa, to adjourn the meeting at 2:27 pm.

Voting Yea: Chambers, Corrigan, Moskwa, Myers, Sehoyan, St. Onge

Margaret M. Doud, Mayor

Danielle Leach, City Clerk