

**CITY OF MERRILL
COMMON COUNCIL
WEDNESDAY, AUGUST 14, 2024 MINUTES
REGULAR MEETING CITY HALL COUNCIL CHAMBERS 6:30 PM**

- I. Call to Order** Mayor Hass called the meeting to order at 6:30 pm.
Present: Alderperson A. Caylor, Alderperson M. Caylor, Alderperson Meyer, Alderperson Fermanich, Alderperson Lass, Alderperson Weix, Alderperson Rutkowski, City Attorney Hayden, City Clerk Anderson-Malm, City Administrator Akey, Finance Director Ley, Building Inspector/Zoning Administrator Pagel, Enrichment Center Director Mrachek, Fire Chief Klug, Police Chief Bennett, Transit Director Brummond (remote), Sarah Guild - LCDEC, Clyde Nelson, Cindy Christensen, Sue Kunkel, Pastor Michael Zahn, Diane Zahn, Brian Riley - Ehlers (remote).
Excused: Parks & Recreation Director Wendorf, Street Superintendent Bonack, Utility Operations Manager Steinagel.
Mayor Hass asked for a moment of silence for Pete Lokemoen who was a long-time City employee and passed away.
- II. Invocation - Pastor Mike Zahn - Christ United Methodist Church**
- III. Pledge of Allegiance**
- IV. Roll Call** Present: Alderperson Caylor, Alderperson Caylor, Alderperson Meyer, Alderperson Fermanich, Alderperson Lass, Alderperson Weix Jr., Alderperson Rutkowski
Excused: Alderperson Mike Rick
- V. Common Council Meeting Expectations** City Clerk Anderson-Malm read the meeting expectations.
- VI. Public Comment** Cindy Christensen - Lincoln County Fair Administrator - Thanked her fellow Fair Board members and the City and City Departments for their help before, during, and after the fair. She mentioned how cooperative the permanent stands were during the fair. She also thanked law enforcement for handling a situation at the fair.
Clyde Nelson - 709 Cottage St - He thanked the city employees and the city for their cooperation. He also paid attention to license plates when vehicles came to the parking lot. He noticed plates from Tennessee, Florida, New York, Connecticut, Minnesota, Illinois, and a number of other states.
- VII. Minutes from Previous Meeting**
 - 1. Consider placing the minutes from the July 9th meeting on file.**
- Alderperson Meyer motioned to place minutes on file. Alderperson Lass seconded and the motion passed.
- VIII. Revenue and Expense Summary Report**

1. **Discuss and Consider the July Revenue and Expense Summary**
- Alderperson Fermanich motioned to approve. Alderperson Meyer seconded and the motion passed.

IX. General Agenda Items for Consideration

1. **Consider the alcohol beverage license application for True North Energy, LLC, 604 S Center Ave, Merrill. This is being brought directly to the Common Council.** - Alderperson M. Caylor motioned to approve. Alderperson A. Caylor seconded and the motion passed.

X. Committee of the Whole

1. **Take any action from the earlier Committee of the Whole if needed.** - No action was taken.

XI. Health & Safety

1. **Consider a temporary picnic license for VFW Post 1638 to sell fermented malt beverages at the Merrill Fairgrounds by the grandstand and VFW area, on August 17, 2024, in conjunction with the Northern Wisconsin Dirt Track Racing (NWDTR) event. The Health & Safety Committee recommends approval.** - Alderperson Weix Jr. motioned to approve. Alderperson Rutkowski seconded and the motion passed.
2. **Consider a temporary picnic license for VFW Post 1638 to sell fermented malt beverages at the Merrill Fairgrounds on September 2, 2024, in conjunction with the Labor Day Car Show. The Health & Safety Committee recommends approval.** - Alderperson Weix Jr. motioned to approve. Alderperson Meyer seconded and the motion passed.

XII. Personnel & Finance

1. **Discuss and consider the adoption of a City of Merrill Investment Policy. The Personnel & Finance Committee forwarded this policy with their recommendation.** - Finance Director Ley explained the policy to the council. Our audits included this finding; approving this will eliminate that finding. Alderperson M Caylor motioned to adopt the City of Merrill Investment policy. Alderperson Meyer seconded and the motion passed.

XIII. Place Committee Reports on File

1. **Consider placing the following reports on file: Airport Commission, Health & Safety, Historic Preservation, Library Board, Marketing & Communications, Parks & Recreation Commission, Personnel & Finance, and Transit Commission.** - Alderperson A. Caylor motioned to place reports on file. Alderperson Lass seconded and the motion passed.

XIV. Ordinances

1. **An Ordinance amending Chapter 16, Section 16-1, 32-88(b)(1), Streets, Sidewalks and Other Public Places.** - City Attorney Hayden read the

Ordinance. Alderperson Meyer motioned to suspend the rules and give the second and third readings by title only. Alderperson A. Caylor seconded and the motion carried. City Attorney Hayden gave the Ordinance the second and third readings by title only.

Alderperson Meyer motioned to adopt the Ordinance. Alderperson Rutkowski seconded and the motion carried on a 6/1 roll call vote. Alderperson Lass voted no.

XV. Resolutions

- 1 A Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$3,350,000 General Obligation Promissory Notes, Series 2024A** - Due to a prior commitment, the Resolution was moved to the beginning of the meeting without objection.

Finance Director Ley explained the resolution and then turned the discussion over to Brian Riley from Ehlers, who was remotely attending the meeting. Brian gave a brief overview of the method of sale and a background and brief history of city borrowing. He answered questions from the Council. Following discussion, Alderperson M. Caylor motioned to adopt the resolution. Alderperson Meyer seconded for discussion. Alderperson Lass motioned to amend the resolution to include the Mayor as a signer. Alderperson M. Caylor seconded—the motion to amend the resolution passed by a voice vote. A motion to adopt the resolution, as amended was made by Alderperson M. Caylor and seconded by Alderperson Rutkowski, and passed by a 7/0 roll call vote.

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS FOR THE SALE OF NOT TO EXCEED \$3,350,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2024A

WHEREAS, on June 11, 2024, the Common Council of the City of Merrill, Lincoln County, Wisconsin (the "City") adopted a resolution (the "Set Sale Resolution"), providing for the sale of General Obligation Promissory Notes, Series 2024A (the "Notes") for public purposes, including street improvements, park improvements, IT equipment, library and City Hall building improvements, fairground improvements and Tax Incremental District No. 11 ("TID No. 11") projects such as utilities and street reconstruction (collectively, the "Project") and refunding a portion of the Note Anticipation Note, Series 2022A, dated November 30, 2022 which financed project costs of TID No. 11 and general fund projects (the "Refunded Obligations") (the "Refunding");

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, the Common Council deems it to be necessary, desirable and in the

best interest of the City to refund the Refunded Obligations for the purpose of providing permanent financing for the projects financed by the Refunded Obligations;

WHEREAS, the City is authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes and to refinance its outstanding obligations;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to negotiate the sale of general obligation promissory notes (the "Notes") with a purchaser to be determined at a later date (the "Purchaser");

WHEREAS, the Common Council hereby directs its financial advisor, Ehlers & Associates, Inc. ("Ehlers") to take steps necessary to assist the City in selecting the Purchaser;

WHEREAS, in order to facilitate the sale of the Notes in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the Finance Director or the City Administrator (each, an "Authorized Officer") the authority on behalf of the City to select the Purchaser, and to accept a proposal from said Purchaser offering to purchase the Notes (the "Proposal") on behalf of the City so long as the Proposal meets the terms and conditions set forth in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by reference (the "Approving Certificate").

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that: Section 1. Authorization and Sale of the Notes; Parameters. For the purpose of paying costs of the Project and the Refunding, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of not to exceed THREE MILLION THREE HUNDRED FIFTY THOUSAND DOLLARS (\$3,350,000) from the Purchaser upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the conditions set forth in Section 17 of this Resolution, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, Notes aggregating the principal amount of not to exceed THREE MILLION THREE HUNDRED FIFTY THOUSAND DOLLARS (\$3,350,000). The purchase price to be paid to the City for the Notes shall not be less than 97.00% nor more than 120.00% of the principal amount of the Notes.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2024A"; shall be issued in the aggregate principal amount of up to \$3,350,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and mature or be subject to mandatory redemption on the dates and in the

principal amounts set forth below, provided that the principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$50,000 per maturity or mandatory redemption amount and that the aggregate principal amount of the Notes shall not exceed \$3,350,000. The schedule below assumes the Notes are issued in the aggregate principal amount of \$3,200,000.

<u>Date</u>	<u>Principal Amount</u>
12-01-2025	\$210,000
12-01-2026	255,000
12-01-2027	275,000
12-01-2028	295,000
12-01-2029	310,000
12-01-2030	225,000
12-01-2031	240,000
12-01-2032	260,000
12-01-2033	270,000
12-01-2034	290,000
12-01-2035	45,000
12-01-2036	45,000
12-01-2037	50,000
12-01-2038	50,000
12-01-2039	55,000
12-01-2040	55,000
12-01-2041	65,000
12-01-2042	65,000
12-01-2043	70,000
06-01-2044	70,000

Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2025 unless a different date is specified in the Approving Certificate. The true interest cost on the Notes (computed taking the Purchaser's compensation into account) shall not exceed 6.00%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 3. Redemption Provisions. The Notes shall be subject to optional redemption as set forth on the Approving Certificate. If the Proposal specifies that certain of the Notes shall be subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment to the Approving Certificate labeled as Schedule MRP. Upon the optional redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in the Approving Certificate in such manner as the City shall direct.

Section 4. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit B and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2024 through 2043 for the payments due in the years 2025 through 2044 in the amounts as are sufficient to meet the principal and interest payments when due.

(B) Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There shall be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series 2024A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and

interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Notes to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Notes, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Notes to the Purchaser which will permit the conclusion that the Notes are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Notes and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Notes or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest

on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and

approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter into a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid. Any Note may be transferred by the registered owner thereof by surrender of the Note at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Note or Notes of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Note surrendered for transfer. The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Note or Notes necessary to effect any such transfer.

Section 14. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 16. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Notes allocable to the payment of issuance expenses to a financial institution selected by Ehlers at Closing for further

distribution as directed by Ehlers.

Section 17. Conditions on Issuance and Sale of the Notes. The issuance of the Notes and the sale of the Notes to the Purchaser are subject to (a) the approval by an Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price for the Notes, which approval shall be evidenced by execution by an Authorized Officer of the Approving Certificate and (b) the selection of a Purchaser by an Authorized Officer, which approval shall be evidenced by execution by an Authorized Officer of the Approving Certificate.

The Notes shall not be issued, sold or delivered until these conditions are satisfied. Upon satisfaction of these conditions, an Authorized Officer is authorized to execute a Proposal with the Purchaser providing for the sale of the Notes to the Purchaser.

Section 18. Official Statement. The Common Council hereby directs an Authorized Officer to approve the Preliminary Official Statement with respect to the Notes and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by an Authorized Officer or other officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 19. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Notes, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 20. Redemption of the Refunded Obligations. The Refunded Obligations are hereby called for prior payment and redemption on a date to be approved by an

Authorized Officer in the Approving Certificate at a price of par plus accrued interest to the date of redemption. The Refunded Obligations mature on November 1, 2024 and to the extent they are not redeemed prior to said date, they will be payable on such date.

The City hereby directs the City Clerk to take all actions necessary for the redemption or payment of the Refunded Obligations on their redemption or maturity date. Any and all actions heretofore taken by the officers and agents of the City to effectuate such redemption or payment are hereby ratified and approved.

Section 21. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 22. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 23. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded August 13, 2024.

Steve Hass
Mayor
ATTEST:

Lori Anderson-Malm
City Clerk

(SEAL)

EXHIBIT A

APPROVING CERTIFICATE

The undersigned [Finance Director] [Administrator] of the City of Merrill, Lincoln County, Wisconsin (the "City"), hereby certifies that:

1. Resolution. On August 13, 2024, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$3,350,000 General Obligation Promissory Notes, Series 2024A of the City (the "Notes") and delegating to me the authority to select the Purchaser of the Notes, to approve the sale of the Notes, to approve the Preliminary Official Statement, to approve the purchase proposal for the Notes, and to determine the details for the Notes within the parameters established by the Resolution.

1. Proposal; Terms of the Notes. On the date hereof, _____ (the "Purchaser") offered to purchase the Notes in accordance with the terms set forth in the [Note Purchase Agreement] between the City and the Purchaser attached hereto as Schedule I (the "Proposal"). The Proposal meets the parameters established by the Resolution and is hereby approved and accepted.

The Notes shall be issued in the aggregate principal amount of \$_____, which is not more than the \$3,350,000 approved by the Resolution, and shall mature on the dates and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule II and incorporated herein by this reference. The amount of each annual principal or mandatory redemption payment due on the Notes is not more than \$50,000 more or less per maturity or mandatory redemption amount than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
12-01-2025	\$210,000	\$ _____
12-01-2026	255,000	_____
12-01-2027	275,000	_____
12-01-2028	295,000	_____
12-01-2029	310,000	_____
12-01-2030	225,000	_____
12-01-2031	240,000	_____
12-01-2032	260,000	_____
12-01-2033	270,000	_____

12-01-2034	290,000	_____
12-01-2035	45,000	_____
12-01-2036	45,000	_____
12-01-2037	50,000	_____
12-01-2038	50,000	_____
12-01-2039	55,000	_____
<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
12-01-2040	\$ 55,000	\$ _____
12-01-2041	65,000	_____
12-01-2042	65,000	_____
12-01-2043	70,000	_____
06-01-2044	70,000	_____

The true interest cost on the Notes (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 6.00%, as required by the Resolution.

1. Purchase Price of the Notes. The Notes shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$_____, plus accrued interest, if any, to the date of delivery of the Notes, which is not less than 97.00% nor more than 120.00% of the principal amount of the Notes, as required by the Resolution.

1. Approval of the Purchaser. _____ is hereby approved as the purchaser of the Notes.

1. Redemption Provisions of the Notes. The Notes maturing on December 1, _____ and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, _____ or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption. [The Proposal specifies that [some of] the Notes are subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Schedule MRP and incorporated herein by this reference.]

1. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same respectively falls due, the full faith, credit and taxing powers of the City have been irrevocably pledged and there has been levied on all of the taxable property in the City, pursuant to the

Resolution, a direct, annual irrevocable tax in an amount and at the times sufficient for said purpose. Such tax shall be for the years and in the amounts set forth on the debt service schedule attached hereto as Schedule III.

1. Redemption of the Refunded Obligations. In the Resolution, the Common Council authorized the redemption of the Refunded Obligations and granted me the authority to determine the redemption date. The Refunded Obligations shall be redeemed on _____.

1. Preliminary Official Statement. The Preliminary Official Statement with respect to the Notes is hereby approved and deemed "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

1. Approval. This Certificate constitutes my approval of the Purchaser, the Proposal, and the principal amount, definitive maturities, interest rates, purchase price and redemption provisions for the Notes and the direct annual irrevocable tax levy to repay the Notes, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2024 pursuant to the authority delegated to me in the Resolution.

-
-

[Emily Ley] [Rod Akey]
[Finance Director] [City Administrator]

SCHEDULE I TO APPROVING CERTIFICATE

Proposal

To be provided by the Purchaser and incorporated into the Certificate.

(See Attached)

SCHEDULE II TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE III TO APPROVING CERTIFICATE

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

[SCHEDULE MRP

Mandatory Redemption Provision

The Notes due on _____ 1, _____, _____ and _____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on the dates set forth below the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on _____ 1, 20_____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on _____ 1, 20_____

<u>Redemption</u>	<u>Amount</u>
<u>Date</u>	<u>\$</u>
_____	_____
_____	_____ (maturity)

<u>For the Term Bonds Maturing on</u> <u>1, 20</u>		
	<u>Redemption</u>	<u>Amount</u>
	<u>Date</u>	<u>\$</u>
	_____	_____
	_____	_____ (maturity)

<u>For the Term Bonds Maturing on</u> <u>1, 20</u>		
	<u>Redemption</u>	<u>Amount</u>
	<u>Date</u>	<u>\$</u>
	_____	_____
	_____	_____
	_____	_____
(maturity)]	_____	_____

EXHIBIT B

(Form of Note)

UNITED STATES OF AMERICA	
REGISTERED	STATE OF
WISCONSIN	DOLLARS
LINCOLN COUNTY	
NO. R-_____	CITY OF
MERRILL	\$_____
GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2024A	

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:

_____ 1, _____ _____ % _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS

(\$_____)

FOR VALUE RECEIVED, the City of Merrill, Lincoln County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2025 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond

Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$_____, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including street improvements, park improvements, IT equipment, library and City Hall building improvements, fairground improvements and Tax Incremental District No. 11 ("TID No. 11") projects such as utilities and street reconstruction and refunding the portion of the City's Note Anticipation Note, Series 2022A, dated November 30, 2022 that financed project costs of TID No. 11 and general fund projects, as authorized by a resolution adopted on August 13, 2024 as supplemented by an Approving Certificate, dated _____, 2024 (the "Approving Certificate") (collectively, the "Resolution"). Said Resolution is recorded in the official minutes of the Common Council for said date.

The Notes maturing on December 1, _____ and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, _____ or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Notes maturing in the years _____ are subject to mandatory redemption by lot as provided in the Approving Certificate, at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such

deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Note and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Note, together with the interest thereon, when and as payable.

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Merrill, Lincoln County, Wisconsin, by its governing body, has caused this Note to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF MERRILL

LINCOLN COUNTY, WISCONSIN

By: _____
Steve Hass
Mayor

(SEAL)

By: _____
Lori Anderson-Malm
City Clerk

Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned Resolution of the City of Merrill, Lincoln County, Wisconsin.

BOND TRUST SERVICES CORPORATION,
ROSEVILLE, MINNESOTA

By _____

Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Note and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

XVI. Mayor's Appointments

- 1. Theresa Baker will replace Rick Blake on the Transit Commission, starting September 1, 2024, term to expire May 1, 2027 -**
- 2. Alderperson Rutkowski to replace Alderperson Meyer on the Marketing & Communications Committee, effective August 14, 2024 -** Alderperson Weix Jr. motioned to approve both appointments. Alderperson Fermanich seconded and the motion passed.

XVII. Mayor's Communications Mayor Hass read the following communications:

The Movie in the Park, Quilt Show, and Fair were all a success. Thank you to all who participated.

August 15th - lunchtime concert at Bankers Square from 11:00 am - 1:00 pm

August 16th - movie at the Airport. Please enter through the Champagne Street gate. Bring a chair and/or blanket. Soda, water, and popcorn will be offered for sale.

August 18th - Trinity Block Party at the MARC

August 17th - ATV/UTV races at the fairgrounds

August 20th - Community Night Out at the fairgrounds near the Expo Center.

Gazebo Nights are every Thursday in August.

September 2nd - Labor Day Parade and the Car Show will be at the fairgrounds

September 7th - City-wide garage sale

September 12–15 - Fall Ride - please be mindful of the extra motorcycle traffic.

September 13–14 - Gun show at the Expo Center

Just a reminder, school starts after Labor Day. Watch for the children and extra traffic.

The Mayor is generally available Monday, Wednesday, and Friday. If you would like to stop-in or call to set up an appointment, he would be happy to meet with you.

XVIII. Adjournment Alderperson Meyer motioned to adjourn. Alderperson Lass seconded and the motion passed. The meeting was adjourned at 7:09 pm.

The complete Ordinance is available on the City of Merrill website:

<https://www.ci.merrill.wi.us/>

Minutes respectfully submitted by Lori L Anderson-Malm - City Clerk