



CITY OF MERRILL

COMMON COUNCIL

AGENDA • TUESDAY NOVEMBER 19, 2019

Special Meeting

City Hall Council Chambers

6:00 PM

- I. Call to Order
- II. Silent Prayer
- III. Pledge of Allegiance
- IV. Roll Call
- V. Public Comment Period
- VI. Ordinances:
 - 1. An Ordinance Adopting the 2020 City of Merrill Budget and Establishing the Tax Levy for the Year 2019.
- VII. Mayor's Communications
- VIII. Adjournment

William N. Heideman, CMC, WCMC
City Clerk

The Merrill City Hall is accessible to the physically disadvantaged. If special accommodations are needed, please contact the Merrill City Hall at (715) 536-5594.

CITY OF MERRILL

1004 EAST FIRST STREET
MERRILL, WI 54452

AN ORDINANCE: By Common Council

Re: Adopting the 2020 City of Merrill Budget and
Establishing the Tax Levy for Year 2019.

ORDINANCE NO.

Introduced: _____

1st Reading: _____

2nd Reading: _____

3rd Reading: _____

Committee/Commission Action:

AN ORDINANCE

The Common Council of the City of Merrill, Wisconsin, does ordain as follows:

Section 1. 2020 Budget. That the proposed 2020 budget of the City of Merrill, a summary of which is attached hereto as Exhibit A, and dated November 19, 2019, be and is hereby adopted.

Section 2. Non-Union Compensation. Included within said budget is 1.0% wage increases effective December 23, 2019 and June 22, 2020 for Non-Union employees, except for seasonal Limited Term Employees (LTEs) and Election Officials.

Section 3. Tax Levy. There is hereby levied a tax of **\$5,810,002** upon all taxable property within the City of Merrill as returned by the City Assessor in the year 2019 for the uses and purposes set for in said budget, plus the tax incremental levies associated with the City of Merrill's Tax Increment Finance Districts No. 3 through No. 12.

Section 4. Tax Roll. That the City Clerk shall be, and hereby is, authorized to prepare a tax roll for the City of Merrill for 2019 and spread the above stated tax upon said tax roll together with the tax levy amounts approved by other governmental units authorized to impose said tax levies on taxable properties within the City of Merrill. The City Clerk is further directed to sign a warrant for the collection of said tax.

Section 5. Expenditures. There is hereby appropriated out of the receipts of the City of Merrill for the year 2019 including monies received from the property tax levy, to the various funds and purposes set up in said 2020 budget, the sum of **\$17,644,828** as more fully set forth in said budget, exclusive of amounts budgeted for Tax Increment Finance Districts No. 3 through No. 12 and the Landfill, Water, and Sewer Utility Funds.

Attachment: Budget Ord - 2020 Budget Revised (4702 : Ordinance on 2020 Budget)

Section 6. Severability. In the event any section, subsection, clause, phrase or portion of this ordinance is for any reason held illegal, invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision, and such holding shall not affect the validity of the remainder of this ordinance. It is the legislative intent of the Common Council that this ordinance would have been adopted if such illegal provision had not been included or any illegal application had not been made.

Section 7. Repeal and Effective Date. All ordinances or parts of ordinances and resolutions in conflict herewith are hereby repealed. This ordinance shall take effect from and after its passage and publication.

Moved by: _____

Adopted: _____

Approved: _____

Published: _____

Approved:

Derek Woellner,
Mayor

Attest:

William N. Heideman,
City Clerk



City of Merrill

Kathy Unertl, Finance Director

1004 East 1st Street • Merrill, Wisconsin • 54452

Phone: 715.536.5594 • Fax: 715.539.2668

e-mail: Kathy.Unertl@ci.merrill.wi.us

Date: November 15th, 2019

To: Mayor Derek Woellner
Alderpersons

From: Kathy Unertl, Finance Director

RE: Revised 2020 City Operations/Capital Budget & Proposed 2019 Tax Levy

What is provided in this revised 2020 budget is:

- Total Tax Levy reduction of (\$52,687).
- Result is an Estimated Tax Rate of 0.00% - identical to 2018.

Technical changes made to the 2020 budget:

- Capital and Borrowing revised per COW 11/12th actions
- Revised Clerk-Treasurer Staff Budget - Net reduction of \$11,500
- General Fund Offset of \$30,500 - The 2019 Budget included \$50,000 General Fund Offset which will not be expended due to savings during employee transitions.

Future directions: All potential revenue options need to be reviewed and considered.

- Is it possible to increase Joint Merrill-Tomahawk Municipal Court fees? This could potentially assist in reducing the fiscal impacts of inflationary increases in Police Department wages and benefits.
- Consideration of future Recycling Fee is essential with upcoming expiration of recycling disposal contract and projected recycling costs.

APPENDIX A				
CITY OF MERRILL				
2020 BUDGET AND TAX LEVY				
	2018	2019	2020	2020
	Budget	Budget	Budget	Difference
City of Merrill Tax Levy				
General Purpose (Fund 10)	\$3,955,710	\$4,001,036	\$3,995,229	(\$5,807)
Police SRO (Fund 21)	\$55,236	\$57,144	\$59,572	\$2,428
Festival Grounds (Fund 24)	\$26,000	\$36,000	\$36,000	\$0
Community Dev. (Fund 25)	\$14,683	\$14,993	\$14,000	(\$993)
Capital (Fund 52)	\$165,000	\$153,000	\$153,000	\$0
Tax Levy (Without Debt Service)	\$4,216,629	\$4,262,173	\$4,257,801	(\$4,372)
				-0.10%
Debt Service	\$1,401,207	\$1,600,516	\$1,552,201	(\$48,315)
				-3.02%
Total City of Merrill Tax Levy	\$5,617,836	\$5,862,689	\$5,810,002	(\$52,687)
				-0.90%
*Debt Service includes: (\$76,050) reduction correcting 2018 levy				
GENERAL FUND - WITHOUT DEBT SERVICE				
Revenue:				
Property Tax - Without Debt Service	\$4,216,629	\$4,262,173	\$4,257,801	(\$4,372)
General Fund Offset	\$0	\$50,000	\$30,300	(\$19,700)
Other Funding - Grant, N/L, or TIDs	\$343,805	\$97,455	\$163,694	\$66,239
Other Tax Revenue	\$503,179	\$502,291	\$477,000	(\$25,291)
Special Assessments	\$110,000	\$110,000	\$125,000	\$15,000
Intergovernmental Revenue	\$6,601,968	\$6,639,434	\$6,862,575	\$223,141
Licenses and Permits	\$77,746	\$78,271	\$79,268	\$997
Law and Ordinance Violations	\$118,500	\$117,500	\$116,500	(\$1,000)
Public Charges for Services	\$540,767	\$514,283	\$500,116	(\$14,167)
Miscellaneous Revenue	\$104,050	\$121,150	\$138,650	\$17,500
Prior Year & Non-GO Borrowing	\$145,000	\$333,500	\$0	(\$333,500)
Federal Grant - Transit	\$0	\$2,000,000	\$1,152,000	(\$848,000)
New Borrowing	\$1,513,500	\$983,900	\$1,306,240	\$322,340
Total Revenues	\$14,275,144	\$15,809,957	\$15,209,144	(\$600,813)
				-3.8%
Expenditures:				
	2018 Budget	2019 Budget	2020 Budget	Difference
General Government	\$1,885,558	\$1,909,694	\$1,930,016	\$20,322
Public Safety	\$5,213,967	\$5,298,860	\$5,489,133	\$190,273
Public Works	\$2,951,409	\$2,962,351	\$3,017,691	\$55,340
Health and Human Services	\$140,510	\$142,886	\$147,152	\$4,266
Culture and Recreation	\$1,811,717	\$1,845,411	\$1,854,864	\$9,453
Conservation and Development	\$34,883	\$35,193	\$35,193	\$0
Capital Outlay/Projects	\$2,237,100	\$3,615,562	\$2,735,095	(\$880,467)
Total Expenditures	\$14,275,144	\$15,809,957	\$15,209,144	(\$600,813)
				-3.8%

Attachment: Budget 2020 - Appendix A (4702 : Ordinance on 2020 Budget)

CITY OF MERRILL					
2020 BUDGET AND TAX LEVY					
					Revised - 11/15/2019
DEBT SERVICE (PRINCIPAL & INTEREST)					
	2018 Budget	2019 Budget	2020 Budget	Difference	
Revenue:					
Property Tax - Debt Service Levy	\$1,401,207	\$1,600,516	\$1,552,201	(\$48,315)	
Federal Stimulus - Build America Bonds	\$2,125	\$1,589	\$519	(\$1,070)	
Tax Increment Districts (TIDs)	\$511,863	\$805,775	\$806,914	\$1,139	
Debt Service - Fund 30	\$0	\$0	\$76,050	\$76,050	
	\$1,915,195	\$2,407,880	\$2,435,684	\$27,804	1.2%
	2018 Budget	2019 Budget	2020 Budget	Difference	
Expenditures:					
General Obligation (GO) - Tax Levy	\$1 403 332	\$1,602,105	\$1,628,770	\$26,665	
Tax Increment Districts (TIDs)	\$511,863	\$805,775	\$806,914	\$1,139	
	\$1,915,195	\$2,407,880	\$2,435,684	\$27,804	1.2%
Budget Ordinance - Section 5 - Expenditures					
	2018 Budget	2019 Budget	2020 Budget	Difference	
TOTAL GENERAL & DEBT SERVICE					-3.1%
	\$16,190,339	\$18,217,837	\$17,644,828	(\$573,009)	
The above categorical amounts are based on the line item budget document as adopted by the Common Council on November 12, 2019 and incorporated by reference.					
Katherine G. Unertl, Finance Director/Treasurer					
See also Tax Increment Districts (TIDs) and Utility budget summaries.					

CITY OF MERRILL 2020 BUDGET AND TAX LEVY				
Tax Increment Districts (TIDs)				
Revenue:	2018 Actual	2019 Budget	2020 Budget	Difference
TID No. 3 - East Side	\$2,303,609	\$3,475,541	\$1,146,375	(\$2,329,166)
TID No. 4 - Thielman/Pine Ridge Area	\$232,106	\$245,388	\$232,027	(\$13,361)
TID No. 5 - State Hwy 107 Area	\$16,774	\$17,346	\$17,346	\$0
TID No. 6 - Downtown Area	\$110,915	\$100,099	\$81,505	(\$18,594)
TID No. 7 - N. Center Ave. Area	\$37,523	\$138,921	\$57,228	(\$81,693)
TID No. 8 - West Side Area	\$524,181	\$126,173	\$655,681	\$529,508
TID No. 9 - WI River/S. Center Ave.	\$6,405	\$4,750	\$52,615	\$47,865
TID No. 10 - Highway G/Fox Point	\$0	\$0	\$1	\$1
TID No. 11 - State Hwy 107/Rock Ridge	\$13,251	\$82,528	\$379,281	\$296,753
TID No. 12 - Weinbrenner Area	\$0	\$157,005	\$20,955	(\$136,050)
Total TID Revenues	\$3,244,764	\$4,347,751	\$2,643,014	(\$1,704,737)
Expenditures:	2018 Actual	2019 Budget	2020 Budget	Difference
TID No. 3 - East Side	\$1,802,966	\$3,276,499	\$1,167,655	(\$2,108,844)
TID No. 4 - Thielman/Pine Ridge Area	\$104,765	\$185,135	\$219,775	\$34,640
TID No. 5 - State Hwy 107 Area	\$9,567	\$9,780	\$9,780	\$0
TID No. 6 - Downtown Area	\$197,518	\$130,236	\$80,620	(\$49,616)
TID No. 7 - N. Center Ave. Area	\$37,523	\$138,921	\$56,835	(\$82,086)
TID No. 8 - West Side Area	\$645,021	\$125,952	\$654,825	\$528,873
TID No. 9 - WI River/S. Center Ave.	\$42,899	\$46,725	\$52,615	\$5,890
TID No. 10 - Highway G/Fox Point	\$23,852	\$21,707	\$35,000	\$13,293
TID No. 11 - State Hwy 107/Rock Ridge	\$78,435	\$68,834	\$363,264	\$294,430
TID No. 12 - Weinbrenner Area	\$975	\$142,025	\$139,945	(\$2,080)
Total TID Expenditures	\$2,943,521	\$4,145,814	\$2,780,314	(\$1,365,500)
Notes: Tax increment transfers from TID No. 3 and TID No. 4 to TIDs No. 6, 7, 8, and 9 are planned for 2020.				
Landfill Remediation Fund - Operations				
	2018 Actual	2019 Budget	2020 Budget	Difference
Revenues	\$0	\$0	\$0	\$0
Expenditures	\$24,857	\$28,500	\$27,575	(\$925)
Net (Revenue) or Cost	\$24,857	\$28,500	\$27,575	(\$925)
Note: Landfill Fund balance as of 12/31/2018 was \$384,896.. City General Fund (Pension) loan of \$269,450 will have principal payments made beginning in about 2027.				
Water and Sewer Utility Funds				
There are separate summaries for the Water Fund and the Sewer Fund. These are Enterprise Funds entirely funded by utility customers.				

City of Merrill - Water Utility Budget Summary			Enterprise Fund		
There have been Simplified Water Rate increases as of 7/1st in 2015 and 2016 and as of 8/1st in 2017 authorized by the Wisconsin Public Service Commission (PSC). Pending potential 2018 rate adjustment.					
Finance Director has included Depreciation Adjustment to better reflect Water Utility cash flow.					
	2017	2018	2019	2020	Difference
Revenues	Actual	Actual	Budget	Budget	
New Borrowing - Series 2019A Bonds	\$0	\$0	\$341,134	\$0	(\$341,134)
Utility Revenue - Cellular Towers/Jobbing	\$117,936	\$115,936	\$105,301	\$111,276	\$5,975
Utility Revenue - Specials/Amortized	(\$1,438)	(\$1,438)	(\$1,438)	(\$1,438)	\$0
Public Charges - Services	\$1,442,456	\$1,505,278	\$1,453,410	\$1,509,660	\$56,250
Miscellaneous Revenues	\$33,326	\$23,880	\$20,775	\$23,775	\$3,000
Miscellaneous Revenues - Interest	\$2,365	\$7,378	\$4,000	\$7,500	\$3,500
Other Financing Sources - Including TIDs	\$28,931	\$154,969	\$150,000	\$0	(\$150,000)
Total Revenues	\$1,623,576	\$1,806,003	\$2,073,182	\$1,650,773	(\$422,409)
Expenditures					
Capital Projects** & Work Orders - Utility	\$154,756	\$221,858	\$597,750	\$230,000	(\$367,750)
Pumping	\$73,210	\$75,478	\$79,750	\$79,750	\$0
Water Treatment	\$54,650	\$50,392	\$62,000	\$67,750	\$5,750
Transportation & Distribution (Including Water Towers)	\$260,075	\$289,526	\$257,250	\$286,250	\$29,000
Customer Accounts (Collection)	\$79,789	\$81,026	\$84,000	\$85,250	\$1,250
Administration, General, & Depreciation	\$757,773	\$746,786	\$741,706	\$759,206	\$17,500
Depreciation Adjustment	(\$412,817)	(\$418,285)	(\$413,000)	(\$420,500)	(\$2,215)
Contract Work	\$7,774	\$3,403	\$3,500	\$3,500	\$0
Taxes (Including PILOT to City)	\$385,640	\$401,795	\$391,500	\$409,000	\$17,500
Debt Service - Interest	\$28,465	\$27,109	\$25,019	\$32,402	\$7,383
Total Expenditures	\$1,389,315	\$1,479,088	\$1,829,475	\$1,532,608	(\$291,582)
Net Revenues minus Expenditures	\$234,261	\$326,915	\$243,707	\$118,165	(\$130,827)
	2017	2018	2019	2020	Difference
Debt Service - Principal (Balance Sheet)	\$104,483	\$106,517	\$108,592	\$125,037	\$16,445
Debt service for Water Treatment Improvements - Safe Drinking Water Loan Program (SDWLP) beginning in 2013.					
**Capital projects are reclassified as Assets during the year-end audit process. Shown in this analysis for informational purposes.					

City of Merrill - Sewer Utility Budget Summary			Enterprise Fund		
Annual 2.5% rate increases for 2018 through 2021 were approved by Merrill Common Council on 12/12/2017 (Ordinance 2017-32).					
Finance Director has included Depreciation Adjustment to better reflect Sewer Utility cash flow.					
There is designated a Sewer Replacement Fund which will be used for some capital equipment and facility improvements.					
	2017	2018	2019	2020	Difference
Revenues	Actual	Actual	Budget	Budget	
New Borrowing - Series 2019A Bonds	\$0	\$0	\$234,066	\$0	(\$234,066)
Sewage Replacement Fund	\$282,433	\$475,113	\$95,000	\$46,500	(\$48,500)
Utility Revenue - Contracts/Interest	\$12,035	\$16,079	\$10,000	\$20,000	\$10,000
Utility Revenue - Sale of Equipment	\$0	\$140,000	\$0	\$0	\$0
Utility Revenue - Interest	\$11,457	\$9,000	\$9,000	\$9,000	\$0
Utility Revenue - BAB Federal	\$479	\$365	\$247	\$150	(\$97)
Other Financing Sources (Including TIDs)	\$7,596	\$107,673	\$0	\$8,500	\$8,500
Public Charges - Services	\$1,465,098	\$1,502,799	\$1,484,000	\$1,523,000	\$39,000
Other Charges - Services	\$115,813	\$90,000	\$110,000	\$110,000	\$0
Total Revenues	\$1,894,911	\$2,341,029	\$1,942,313	\$1,717,150	(\$225,163)
Expenditures					
Capital Projects** & Work Orders - Utility	\$333,134	\$502,595	\$725,000	\$410,000	(\$315,000)
Contract Work	\$442	\$500	\$500	\$500	\$0
Taxes - Social Security/Medicare	\$32,143	\$32,500	\$33,500	\$33,500	\$0
Operations	\$251,914	\$262,901	\$276,250	\$278,750	\$2,500
Maintenance	\$246,891	\$379,449	\$273,072	\$286,072	\$13,000
Customer Accounts (Collection)	\$98,431	\$91,127	\$100,500	\$103,500	\$3,000
Administration, General, & Depreciation	\$448,675	\$451,719	\$451,150	\$451,650	\$500
Taxes & Depreciation on Plant	\$298,828	\$312,729	\$278,500	\$315,000	\$36,500
Depreciation Adjustment	(\$378,135)	(\$392,229)	(\$358,000)	(\$394,307)	\$36,307
Tax Equivalent - Meters	\$9,716	\$10,507	\$7,500	\$10,500	\$3,000
Transfers (Amortization/Debt Service Interest)	\$3,600	\$11,503	\$2,750	\$5,439	\$2,689
Total Expenditures	\$1,345,639	\$1,663,301	\$1,790,722	\$1,500,604	(\$290,118)
Net Revenues minus Expenditures	\$549,271	\$677,728	\$151,591	\$216,546	\$64,955
	2017	2018	2019	2020	Difference
Debt Service - Principal (Balance Sheet)	\$35,496	\$36,043	\$38,000	\$43,117	\$5,117
**Capital projects are reclassified as Assets during the year-end audit process. Shown in this analysis for informational purposes.					

City of Merrill - Tax Rate Summary

2019 Tax Rate - For 2020 Budget - Estimated TID Out

Estimated tax rate - Revised 11/15/2019

- This would be the about the % shown on tax bills.

Levy Year	Budget Year	City Tax Levy	Total Levy Change	Estimated Assessed TID Out	Levy Year	City Tax Rate	Change in Tax Rate	% Tax Rate Change	Per \$50,000 Assessment	Difference Per \$50,000
2017	2018	\$5,617,836	\$241,450	\$385,208,271	2017	\$14.584	\$0.268	1.87%	\$729	\$13
2018	2019	\$5,862,689	\$486,303	\$374,412,917	2018	\$15.658	\$1.074	7.51%	\$783	\$54
2019	2020	\$5,810,002	(\$52,687)	\$371,036,862	2019	\$15.659	\$0.000	0.00%	\$783	\$0

City of Merrill revaluation as of 1/1/2016 was completed in Fall 2016 - first revaluation since 2000.
Prior Year (i.e. 2016) Equalized Valuation adjustments were made by Wisconsin Department of Revenue in 2017.

Board or Committee: Special Common Council Meeting

Date of Meeting: Tuesday – November 19th, 2019

Request by: Finance Director Kathy Unertl



Final 2020 Tax-Levy Supported Capital Budget:

Actions from Tuesday, 11/12th Common Council meeting:

Parks	One Zero Turn Mower	\$20,000 reduced from Tax Levy
Parks	Infield Dragger	\$ 2,000 Tax Levy for new motor instead of \$25,000 borrowing
Streets	Parking Lot	\$18,000 shifted to Tax Levy instead of borrowing

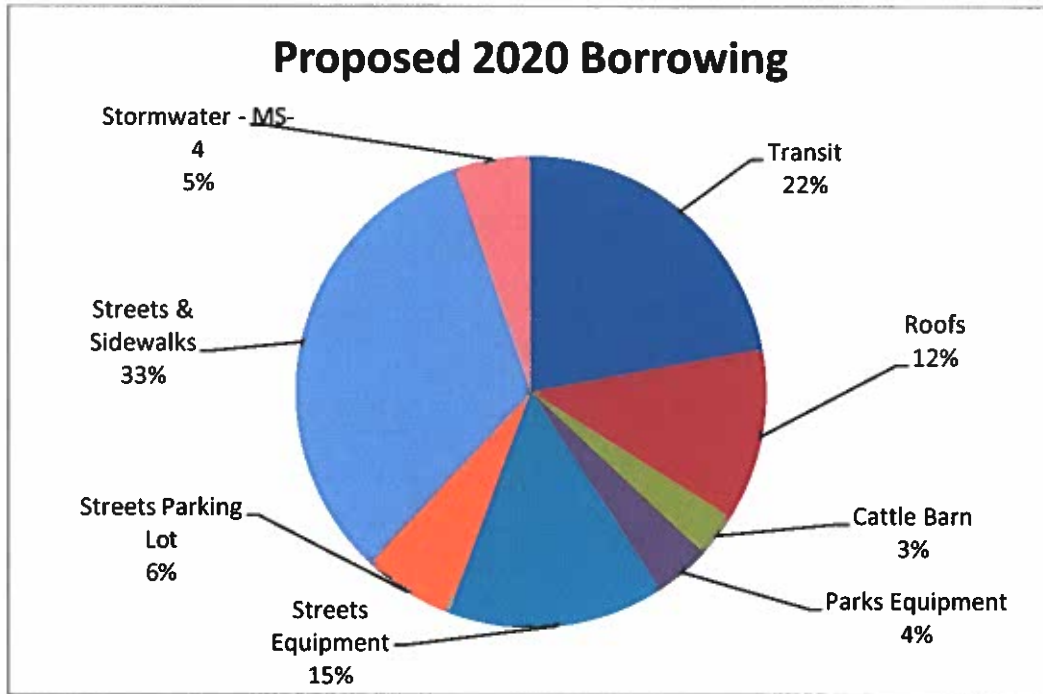
Net fiscal impact – proposed 2020 borrowing reduced by \$43,000

Airport T-Hangar proposed \$300,000 reconsideration request also rejected

Prepared: 11/15/2019

City of Merrill - Proposed 2020 Borrowing

General Fund - Tax Levy Supported



Transit	\$288,000	Local match for three (3) buses
Roofs	\$155,000	City Hall and Library
Cattle Barn	\$40,000	
Parks Equipment	\$50,000	
Streets Equipment	\$195,000	
Streets Parking Lot	\$82,000	
Streets & Sidewalks	\$427,385	See detail below
Stormwater - MS-4	\$68,855	This is 50% match for WI DNR Grant
Total (Except T-Hangar)	\$1,306,240	

Streets & Sidewalks

Sidewalk-Concrete	\$75,000
Street Sealcoat	\$52,385
Street Resurfacing	\$100,000
Curshing - Streets	\$50,000
M-1 Streets Projects	\$150,000
Subtotal	<u>\$427,385</u>

City of Merrill, Wisconsin
Capital Plan
 2020

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	1-Year Total
Borrowing-10-Years (City Tax Levy)			
City Hall Roof Replacement	CH-20-001	1	80,000
Borrowing-10-Years (City Tax Levy)			80,000
Total			
Borrowing-20-Years (City Tax Levy)			
Transit Bus Replacement	BUS-20-001	1	288,000
Library Roofs - Replacement	LIB-20-003	1	75,000
Cattle Barn - Rehab	MFG-20-001	1	40,000
Park Dump Truck Replacement	P&R-20-004	1	50,000
Streets Paint Truck	STR-20-006	2	50,000
Streets Loader Tractor	STR-20-007	1	95,000
City Garage Parking Lot	STR-20-015	2	82,000
Streets One-Ton Dump Truck	STR-21-002	2	50,000
Street Sealcoat	TCAP-14-005	1	52,385
Sidewalk-Concrete Maintenance	TCAP-15-001	2	75,000
Crushing - Street Materials	TCAP-18-013	2	50,000
M-1 StreetsProjects	TCAP-19-010	2	150,000
Street Resurfacing	TCAP-20-010	1	100,000
Stormwater Detention - MS-4	TCAP-23-003	1	68,855
Borrowing-20-Years (City Tax Levy)			1,226,240
Total			
Federal Grant			
Transit Bus Replacement	BUS-20-001	1	1,152,000
Federal Grant Total			1,152,000
Grant - WI DNR			
Stormwater Detention - MS-4	TCAP-23-003	1	68,855
Grant - WI DNR Total			68,855
Non-Lapsing - Timber Sales			
Smith Center Office-Carpet Tile	P&R-20-007	1	15,000
Smith Center LED (Non-Arena)	P&R-20-009	2	15,000
Disc Golf Improvements	P&R-20-014	2	10,000
Non-Lapsing - Timber Sales Total			40,000
Special Assessments			
Sidewalk-Concrete Maintenance	TCAP-15-001	2	15,000
Special Assessments Total			15,000

Attachment: Budget 2020 - Capital 2019-11-12 (4702 : Ordinance on 2020 Budget)

Source	Project #	Priority	1-Year Total
Tax Levy			
Revaluation	AS-16-001	1	15,000
Carpeting Replacement - City Hall	CH-16-012	2	23,500
Zero Turn Mower - One Unit	P&R-20-002	1	20,000
Infield Dragger - Motor	P&R-20-005	1	2,000
Parks Parking Lots	P&R-20-010	2	10,000
Police Vehicles & Equipment	POL-15-001	1	30,000
K-9 Replacement	POL-18-007	2	7,000
Bulk Ammo Purchases	POL-20-005	5	5,000
City Garage Parking Lot	STR-20-015	2	18,000
Street Lawn Trees	TCAP-13-002	2	10,000
Black Dirt Screening	TCAP-18-009	1	12,500
Tax Levy Total			153,000
GRAND TOTAL			2,735,095

Source	Project #	Priority	1-Year Total
Tax Levy			
Revaluation	AS-16-001	1	15,000
Carpeting Replacement - City Hall	CH-16-012	2	23,500
Zero Turn Mower - One Unit	P&R-20-002	1	20,000
Infield Dragger - Motor	P&R-20-005	1	2,000
Parks Parking Lots	P&R-20-010	2	10,000
Police Vehicles & Equipment	POL-15-001	1	30,000
K-9 Replacement	POL-18-007	2	7,000
Bulk Ammo Purchases	POL-20-005	5	5,000
City Garage Parking Lot	STR-20-015	2	18,000
Street Lawn Trees	TCAP-13-002	2	10,000
Black Dirt Screening	TCAP-18-009	1	12,500
Tax Levy Total			153,000
GRAND TOTAL			2,735,095

City of Merrill, Wisconsin
Capital Plan
 2020

PROJECTS BY FUNDING SOURCE

Source	Project #	Priority	1-Year Total
Borrowing-10-Years (City Tax Levy)			
City Hall Roof Replacement	CH-20-001	1	80,000
Borrowing-10-Years (City Tax Levy) Total			80,000
Borrowing-20-Years (City Tax Levy)			
Transit Bus Replacement	BUS-20-001	1	288,000
Library Roofs - Replacement	LIB-20-003	1	75,000
Cattle Barn - Rehab	MFG-20-001	1	40,000
Park Dump Truck Replacement	P&R-20-004	1	50,000
Streets Paint Truck	STR-20-006	2	50,000
Streets Loader Tractor	STR-20-007	1	95,000
City Garage Parking Lot	STR-20-015	2	82,000
Streets One-Ton Dump Truck	STR-21-002	2	50,000
Street Sealcoat	TCAP-14-005	1	52,385
Sidewalk-Concrete Maintenance	TCAP-15-001	2	75,000
Crushing - Street Materials	TCAP-18-013	2	50,000
M-1 StreetsProjects	TCAP-19-010	2	150,000
Street Resurfacing	TCAP-20-010	1	100,000
Stormwater Detention - MS-4	TCAP-23-003	1	68,855
Borrowing-20-Years (City Tax Levy) Total			1,226,240
Federal Grant			
Transit Bus Replacement	BUS-20-001	1	1,152,000
Federal Grant Total			1,152,000
Grant - WI DNR			
Stormwater Detention - MS-4	TCAP-23-003	1	68,855
Grant - WI DNR Total			68,855
Non-Lapsing - Timber Sales			
Smith Center Office-Carpet Tile	P&R-20-007	1	15,000
Smith Center LED (Non-Arena)	P&R-20-009	2	15,000
Disc Golf Improvements	P&R-20-014	2	10,000
Non-Lapsing - Timber Sales Total			40,000
Special Assessments			
Sidewalk-Concrete Maintenance	TCAP-15-001	2	15,000
Special Assessments Total			15,000

Attachment: Budget 2020 - Capital 2019-11-12 (4702 : Ordinance on 2020 Budget)

Unertl, Kathy

From: Woellner, Derek
Sent: Thursday, November 14, 2019 11:13 AM
To: Unertl, Kathy; Johnson, David
Subject: Fwd: 2020 Cuts

Kathy and Dave,

Below are proposed cuts from Alderperson Osness.

Can you please provide the budget impact of the wage freeze that Hass had proposed, a quote from Fokjer to replace the city attorney position, any pertinent info on the effects of making the grade 10 position a grade 6, and any ideas to cut additional money from the budget.

If any of this can't be provided by Tuesday, can you provide a timeline of when it can be?

Thank you,
 Derek

Begin forwarded message:

From: "Osness, Steve" <Steve.Osness@ci.merrill.wi.us>
Date: November 13, 2019 at 5:37:59 PM CST
To: "Woellner, Derek" <Derek.Woellner@ci.merrill.wi.us>
Subject: 2020 Cuts

- Wage freeze like Steve Hass requested for dept heads and supervisors etc.
- Quote from Fokjer law firm to do the city attorney work.
- level 6 pay grade for another secretary in the office for Kathy U.
- And any other suggestions to cut \$100000 from the budget.

Also keep current cuts from last nights meeting.

Steve

Sent from my iPad

Attachment: Budget 2020 - Research Requests (4702 : Ordinance on 2020 Budget)

Unertl, Kathy

From: Woellner, Derek
Sent: Thursday, November 14, 2019 11:18 AM
To: Unertl, Kathy; Johnson, David
Subject: Fwd: Budget considerations

Below is a message from Alderperson Hass with his budget considerations.

These two items are already included in the request I sent from Osness, so no more information needed, just wanted you to be aware that Alderperson Hass is also requesting info.

Thanks again,
 Derek

Begin forwarded message:

From: "Hass, Steve" <Steve.Hass@ci.merrill.wi.us>
Date: November 13, 2019 at 3:47:31 PM CST
To: "Woellner, Derek" <Derek.Woellner@ci.merrill.wi.us>
Subject: Budget considerations

Quote from Frojkers for legal services.
 Freezing wages and step for all non elected department heads to include fire battalion chiefs and police lieutenants and captains.

Steve Hass

Sent from my iPad

Attachment: Budget 2020 - Research Requests (4702 : Ordinance on 2020 Budget)

Board or Committee: Special Common Council Meeting

Date of Meeting: Tuesday – November 19th, 2019

Request by: Finance Director Kathy Unertl



Potential wage freeze for Department Heads and Police/Fire Supervisors

With the input from the Thursday, 11/14th Personnel & Finance Committee, the following fiscal impacts of Steps and Cost-of-Living % adjustments have been updated with offsetting Non-Tax Levy Funding.

- Offsetting funding include: Water/Sewer Utility, Tax Increment District (TIDs), and Grants/State Aids.
- Several departments are using Non-Lapsing accounts to offset operational increases (i.e. zero increase between 2019 and 2020 budgets) include Parks & Recreation and Merrill Enrichment Center.
- City is providing \$ amount to T.B. Scott Library Board and has never reduced the preliminary budget amount which is almost 50% funded through Lincoln County.
- Total Cost-of-Living impacting on Tax Levy is \$20,369 – of which **52.3%** is for Police and Fire Management.
- Total Steps impacting on Tax Levy is \$21,652 – of which **69.0%** is for Police and Fire Management.
- Wage compression between Police/Fire Management and Union members these positions supervise would be negatively impacted by potential wage freeze.

Prepared: 11/15/2019

City of Merrill - Non-Union			Fiscal Impacts of Steps and Cost-of-Living % Increases				With offsetting Non-Tax Levy \$				
Management & Professional Positions											
Steps are based upon anniversary date in City position. So, employee whom was hired or promoted on 7/1st would only have Step increase six months in 2020.											
			1.0% - Effective 12/23/2019								
			1.0% - Effective 06/22/2020								
		Employees					Non-Tax Levy Funding		Net Tax-Levy Funding		
	Employees	With	Non-Union	2020	2020	2020	Non-Tax Levy Funding	Non-Tax Levy Funding	2020	2020	2020
Department	- No Steps	Steps	Total	1%+1%	Steps	Total	Offsetting	Offsetting	1%+1%	Steps	Total
							1%+1%	Steps			
City Clerk	1	N/A		\$1,213		\$1,213			\$1,213		\$1,213
		Full-Time Elected									
Management & Professional Positions											
City Attorney	1		1	\$1,729		\$1,729	(\$130)		\$1,599		\$1,599
City Administrator	1		1	\$1,842		\$1,842	(\$276)		\$1,566		\$1,566
Public Works Director		1	1	\$1,578	\$2,766	\$4,344	(\$1,420)	(\$2,489)	\$158	\$277	\$434
Information Technology Manager		1	1	\$1,726	\$420	\$2,146	(\$863)	(\$210)	\$863	\$210	\$1,073
Finance Director		1	1	\$1,536	\$2,579	\$4,115	(\$553)	(\$928)	\$983	\$1,651	\$2,634
City Maintenance Manager - 63.5%*		1	1	\$415	\$528	\$943			\$415	\$528	\$943
Building Inspector/Zoning Admin.		1	1	\$1,179	\$2,323	\$3,502	(\$88)	(\$174)	\$1,091	\$2,149	\$3,239
Parks & Rec Director		1	1	\$1,203	\$692	\$1,895	(\$1,203)	(\$692)	Non-Lapsing Funds		
Police Chief		1	1	\$1,426	\$1,915	\$3,341			\$1,426	\$1,915	\$3,341
Police Captains & Lieutenants	2	3	5	\$3,419	\$5,739	\$9,158			\$3,419	\$5,739	\$9,158
Fire Chief		1	1	\$1,384	\$1,472	\$2,856			\$1,384	\$1,472	\$2,856
Fire Battalion Chiefs		4	4	\$4,426	\$5,812	\$10,238			\$4,426	\$5,812	\$10,238
Street Superintendent		1	1	\$1,117	\$1,456	\$2,573	(\$28)	(\$36)	\$1,089	\$1,420	\$2,509
Enrichment Center - Director 80%		1	1	\$763	\$449	\$1,212	(\$763)	(\$449)	Non-Lapsing Funds		
Transit Administrator		1	1	\$985	\$640	\$1,625	(\$246)	(\$160)	\$739	\$480	\$1,219
Utility Operations Manager		1	1	\$866	\$171	\$1,037	(\$866)	(\$171)	Water & Sewer Funded		
Totals - Non-Union (Except Library)	4	19	23	\$26,806	\$26,963	\$53,769	(\$6,437)	(\$5,311)	\$20,369	\$21,652	\$42,021
	17.4%	82.6%	100.0%	49.9%	50.1%	100.0%			48.5%	51.5%	100.0%
	No Steps	Steps		1%+1%	Steps				1%+1%	Steps	
*Position shared with T. B. Scott Library											

City of Merrill - Non-Union**Fiscal Impacts of Steps and Cost-of-Living % Increases**

Almost 61% of the 2020 proposed compensation adjustments are for Police and Fire management employees.
Both Steps and Cost-of-Living % increases are important to encourage employee promotions.

	Employees			2020 1%+1%	2020 Steps	2020 Total
	Employees - No Steps	With Steps	Non-Union Total			
Police Chief		1	1	\$1,426	\$1,915	\$3,341
Police Captains & Lieutenants	2	3	5	\$3,419	\$5,739	\$9,158
Fire Chief		1	1	\$1,384	\$1,472	\$2,856
Fire Battalion Chiefs		4	4	\$4,426	\$5,812	\$10,238
	2	9	11	\$10,655	\$14,938	\$25,593
				52.3%	69.0%	60.9%
Total Non-Union (Except Library)				\$20,369	\$21,652	\$42,021

Potential Compression between Police/Fire Management and Union Employees:

	2019	2020
Police Lieutenant	\$35.49	\$35.49 Without Steps or Cost-of-Living
Police Investigator	\$31.57	\$31.89
Difference - Lieutenant vs. Union	\$3.92 12.4%	\$3.60 10.2%
Fire Battalion Chiefs	\$24.67	\$24.67 Without Steps or Cost-of-Living
Paramedic	\$22.27	\$22.49
Difference - Battalion vs. Union	\$2.40 10.8%	\$2.18 8.8%

City of Merrill - Contracting for City Attorney:

Over the past fifteen years, potential contracting for legal services has been reviewed several times.

Result would be **NO savings** and less responsible to City of Merrill legal needs. To handle Joint Merrill-Tomahawk Municipal Court, as well as City/Utility legal matters would require more than 15 hours per week.

From January 13, 2005, there is written proposal from Ament, Wulf, Frokjer & Hersil, S.C. for flat \$10,000 per month (i.e. \$120,000 per year). This would have been for potentially twenty hours for legal services/per week.

Conceptual - for illustration purposes:

If outside legal counsel potentially charged **\$200 per hour**

if 15 hours per week (780 Hours) = **\$156,000** Increase of \$144
Plus no Tomahawk revenue of \$11,000

5) Contracting for City Attorney: - from 10/29/2019 Committee of Whole background information:

Medford does not have a Municipal Court
City would still need full-time Administrative Assistant or there would be additional outside charges

Total City Attorney 2020 - Wages & Benefits (2,080 Hours) **\$155,856**
Per Hour \$75

No savings and less responsive to City legal needs -
Outside legal counsel is charging **\$275 per hour in 2019**

if 10 hours per week (520 Hours) = **\$143,000** Plus no Tomahawk revenue of \$11,000

if 15 hours per week (780 Hours) = **\$214,500** Increase of \$58,644

Board or Committee: Special Common Council Meeting

Date of Meeting: Tuesday – November 19th, 2019

Request by: Finance Director Kathy Unertl



Clerk-Treasurer Staff – Grade 6 New Hire:

As discussed at Thursday, 11/14th Personnel & Finance Committee meeting:

- Duties of former Grade 10 position are being reallocated among existing employees and between City General Fund and Utility Funds. Job descriptions are being updated
- There will be Carlson-Dettman review and recommendations on potential reclassifications for current incumbents.
- Last working date for upcoming retiree is 1/3/2020. There will be payouts of remaining vacation and personal holiday time.
- Other City departments will be assisting Clerk-Treasurer staff during December 2019 – January 2020 transition timeframe.
- New hire will be at Grade 6. Anticipate hire date is late January or early February 2020.
- There is revised 2020 budget request for Clerk-Treasurer Staff with **reduction of \$11,500 in Tax Levy.**

Prepared: 11/15/2019

11-15-2019 11:34 AM

CITY OF MERRILL
PROPOSED BUDGET WORKSHEET
AS OF: OCTOBER 31ST, 2019

10 -General Fund
Clerk/Treasurer Staff

	2017 ACTUAL	2018 ACTUAL	(----- 2019 -----) CURRENT BUDGET	(----- 2019 -----) Y-T-D ACTUAL	(----- 2019 -----) PROJECTED YEAR END	(----- 2020 -----) REQUESTED BUDEGT	(----- 2020 -----) BUDGET CHANGE	(----- 2020 -----) PROPOSED BUDGET
REVENUES								
=====								
<u>Miscellaneous Revenues</u>								
41430-48111 Various TIDs	0	0	2,500	0	0	1,000	(1,500)	
TOTAL Miscellaneous Revenues	0	0	2,500	0	0	1,000	(1,500)	
TOTAL REVENUES	0	0	2,500	0	0	1,000	(1,500)	
EXPENDITURES								
=====								
<u>Personnel Services</u>								
51430-01-21000 Wages - Perm - Regular	124,765	130,806	128,117	109,436	128,117	128,117	0	
51430-01-22000 Overtime	3,763	7,701	5,000	2,200	5,000	3,500	(1,500)	
51430-01-23000 Longevity	1,053	1,053	923	0	923	225	(698)	
51430-01-25000 Wages - Temp - Regular	0	3,286	0	0	0	0	0	
51430-01-51000 Social Security	9,034	10,525	9,995	7,991	9,995	9,995	0	
51430-01-52000 Retirement (WRS)	8,809	9,708	8,558	7,312	8,558	8,558	0	
51430-01-54000 Health Insurance	26,947	20,032	18,918	13,249	18,918	20,000	1,082	
51430-01-55000 Life Insurance	647	967	872	898	872	505	(367)	
TOTAL Personnel Services	175,017	184,079	172,383	141,086	172,383	170,900	(1,483)	
51430-01-2100Wages - Perm - Regular								
PERMANENT NOTES: Parts of four positions directly charged to Utility Funds - changed allocations projected effective 2020.								
51430-01-2100Wages - Perm - Regular								
CURRENT YEAR NOTES: New hire in 2020 will be at Grade 6. Pending Carlson-Dettman evaluation of Grades for three positions as duties restructured after employee retirement.								
51430-01-2500Wages - Temp - Regular								
PERMANENT NOTES: In 2018, City Maintenance employee on Workers Comp.								
<u>Supplies & Expenses</u>								
51430-03-10000 Office Supplies	564	717	1,000	519	1,000	1,000	0	
51430-03-32000 Education & Conference	95	154	100	54	100	100	0	
TOTAL Supplies & Expenses	659	871	1,100	573	1,100	1,100	0	

Attachment: Budget 2020 - CT Staff (4702 : Ordinance on 2020 Budget)

CITY OF MERRILL
PROPOSED BUDGET WORKSHEET
AS OF: OCTOBER 31ST, 2019

6.1.g

10 -General Fund
Clerk/Treasurer Staff

	2017 ACTUAL	2018 ACTUAL	(----- 2019 -----) CURRENT BUDGET	(----- 2019 -----) Y-T-D ACTUAL	(----- 2019 -----) PROJECTED YEAR END	(----- 2020 -----) REQUESTED BUDEGT	(----- 2020 -----) BUDGET CHANGE	(----- 2020 -----) PROPOSED BUDGET
<u>Technology</u>								
51430-15-45000 Tax Receipting-Software	0	8,000	0	0	0	0	0	
TOTAL Technology	0	8,000	0	0	0	0	0	
TOTAL EXPENDITURES	175,676	192,950	173,483	141,659	173,483	172,000	(1,483)	
REVENUE OVER/(UNDER) EXPENDITURES	(175,676)	(192,950)	(170,983)	(141,659)	(173,483)	(171,000)	(17)	

Attachment: Budget 2020 - CT Staff (4702 : Ordinance on 2020 Budget)

City of Merrill - Non-Union Compensation

APPENDIX B

Effective: 6/24/2019

Hourly Schedule

Grade	87.5% Step 1	90.0% Step 2	92.5% Step 3	95.0% Step 4	97.5% Step 5	100.0% Step 6	102.5% Step 7	105.0% Step 8	107.5% Step 9	110.0% Step 10	112.5% Step 11	Grade	
21	\$45.66	\$46.83	\$48.04	\$49.26	\$50.53	\$51.83	\$53.16	\$54.53	\$55.93	\$57.36	\$58.83	21	
20	\$42.89	\$43.98	\$45.11	\$46.26	\$47.44	\$48.65	\$49.89	\$51.18	\$52.51	\$53.84	\$55.23	20	
19	\$40.24	\$41.27	\$42.33	\$43.41	\$44.52	\$45.66	\$46.83	\$48.04	\$49.28	\$50.54	\$51.83	19	Finance Director
18	\$37.62	\$38.58	\$39.57	\$40.58	\$41.62	\$42.69	\$43.78	\$44.90	\$46.06	\$47.24	\$48.44	18	
17	\$35.20	\$36.10	\$37.03	\$37.97	\$38.94	\$39.94	\$40.96	\$42.01	\$43.10	\$44.20	\$45.33	17	
16	\$32.94	\$33.78	\$34.65	\$35.54	\$36.45	\$37.39	\$38.35	\$39.33	\$40.34	\$41.37	\$42.43	16	
15	\$30.87	\$31.66	\$32.48	\$33.31	\$34.16	\$35.04	\$35.94	\$36.85	\$37.80	\$38.77	\$39.77	15	
14	\$29.00	\$29.74	\$30.50	\$31.28	\$32.08	\$32.90	\$33.74	\$34.60	\$35.49	\$36.40	\$37.34	14	
13	\$27.19	\$27.89	\$28.60	\$29.33	\$30.08	\$30.86	\$31.65	\$32.46	\$33.29	\$34.14	\$35.01	13	
12	\$25.48	\$26.14	\$26.81	\$27.49	\$28.20	\$28.92	\$29.66	\$30.41	\$31.19	\$31.99	\$32.80	12	
11	\$23.95	\$24.57	\$25.20	\$25.85	\$26.51	\$27.18	\$27.88	\$28.60	\$29.34	\$30.09	\$30.86	11	
10	\$22.49	\$23.07	\$23.67	\$24.28	\$24.90	\$25.53	\$26.19	\$26.86	\$27.55	\$28.26	\$29.00	10	Lead Finance Adm Assist.
9	\$21.15	\$21.69	\$22.25	\$22.82	\$23.41	\$24.01	\$24.63	\$25.27	\$25.92	\$26.58	\$27.27	9	
8	\$19.89	\$20.41	\$20.93	\$21.46	\$22.01	\$22.57	\$23.15	\$23.74	\$24.35	\$24.97	\$25.61	8	Payroll/Benefits Specialist
7	\$18.70	\$19.19	\$19.68	\$20.19	\$20.71	\$21.24	\$21.79	\$22.35	\$22.92	\$23.50	\$24.11	7	
6	\$17.65	\$18.10	\$18.56	\$19.04	\$19.53	\$20.03	\$20.54	\$21.07	\$21.61	\$22.17	\$22.74	6	Adm. Assist. - Fiscal & Elections
5	\$16.66	\$17.09	\$17.53	\$17.98	\$18.44	\$18.91	\$19.39	\$19.89	\$20.40	\$20.92	\$21.46	5	
4	\$15.77	\$16.17	\$16.58	\$17.01	\$17.44	\$17.89	\$18.35	\$18.82	\$19.30	\$19.79	\$20.30	4	
3	\$14.6	\$14.97	\$15.35	\$15.74	\$16.14	\$16.55	\$16.98	\$17.41	\$17.86	\$18.32	\$18.79	3	
2	\$13.51	\$13.86	\$14.22	\$14.58	\$14.95	\$15.33	\$15.72	\$16.12	\$16.53	\$16.95	\$17.39	2	
1	\$12.50	\$12.82	\$13.15	\$13.49	\$13.84	\$14.20	\$14.56	\$14.93	\$15.31	\$15.70	\$16.10	1	
Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10	Step 11	Grade	