



CITY OF MERRILL

COMMON COUNCIL

AGENDA • TUESDAY SEPTEMBER 8, 2020

Regular Meeting

City Hall Council Chambers

6:00 PM

1. Call to Order
2. Invocation by Pastor William Hohman, New Testament Church
3. Pledge of Allegiance
4. Roll Call
5. Public Comment Period
6. Minutes of previous Common Council meeting(s):
 1. Minutes of August 12, 2020 Common Council meeting
7. Revenue & Expense Reports(s):
 1. Revenue & Expense Report for the period ending August 31, 2020
8. Communications and Petitions:
 1. Insurance claim from Progressive Insurance, as Subrogee of James Swanson, related to insured vehicle damage, allegedly caused by City of Merrill Firefighters at 111 E. Riverside Avenue on February 7th, 2020. The City's insurance carrier recommends that this claim be disallowed. This is based on the fact that an investigation revealed no liability on behalf of the City. The City does not accept responsibility for the damage being claimed. In addition, it is the City's insurance carrier's stance that the City is subject to discretionary immunity in this situation.
9. General agenda items:
 1. Employee Years of Service Recognition:

Vincent L. Conrad, 30 years (Street Department)

Joshua J. Grovogel, 10 years (Fire Department)
 2. Presentation of and discussion of 2019 City of Merrill Audit Reports
10. Board of Public Works:
 1. Consider alley improvements for alley between East Eighth Street and East Ninth Street, between Cedar Street and Elm Street. The Board of Public Works recommends approval.
11. Health and Safety Committee:
 1. Application from Casa-Amigos Mexican Restaurant, LLC, Yareldi Gutierrez, Agent, for Class "B" (beer) and "Class B" (liquor) licenses for Casa-Amigos Restaurant, N2410 State Highway 107, effective September 9th, 2020. The Health and Safety Committee recommends approval.

2. Application from Schmitt-Manecke-Donner VFW Post 1638 to transfer their Class "B" (beer) and "Class B" (liquor) licenses from one premises to another (205 N. Cleveland Street to 601 Johnson Street). Alderman Hass is bringing this application directly to the Common Council.
12. Personnel and Finance Committee:
 1. Consider writing off 2019 over-collected Personal Property tax bill of \$234.74 for Winter Chiropractic, as well as future 2020 Personal Property tax bill. The Personnel and Finance Committee recommends approval.
13. Placing Committee Reports on File:
 1. Consider placing the following committee reports on file: Board of Public Works, Health & Safety Committee, Library Board, Merrill Enrichment Center Committee, Parks & Recreation Commission, Personnel & Finance Committee and Redevelopment Authority.
14. Mayor's Appointments:
 1. Alderman Hass, as temporary member and chairperson of the Health and Safety Committee, during the absence of Alderman Russell.
15. Ordinances:
 1. An Ordinance amending Code of Ordinances Chapter 36, Article V, Section 36-251, related to ATV/UTV routes
16. Resolutions:
 1. Initial Resolution authorizing \$1,395,000 General Obligation Bonds for Street Improvement Projects
 2. Initial Resolution authorizing \$50,000 General Obligation Bonds for Parks and Public Grounds Projects
 3. Initial Resolution authorizing \$275,000 General Obligation Bonds for Community Development Projects in Tax Incremental Districts
 4. Initial Resolution authorizing \$210,000 General Obligation Bonds for Sewerage Projects
 5. Initial Resolution authorizing \$75,000 General Obligation Bonds for Library Projects
 6. Initial Resolution authorizing \$360,000 General Obligation Bonds for Water System Projects
 7. Initial Resolution authorizing \$1,145,000 General Obligation Refunding Bonds
 8. Resolution directing publication of Notice to Electors relating to bond issues
 9. Resolution providing for the sale of not to exceed \$3,510,000 General Obligation Corporate Purpose Bonds
 10. Resolution authorizing the issuance and sale of a \$266,000 General Obligation Promissory Note

11. A Resolution temporarily moving Aldermanic Districts 3 and 6 polling places to the Bierman Building at the Merrill Festival Grounds for the election to be held on November 3, 2020.
12. An Authorizing Resolution for a Wisconsin Department of Natural Resources Urban Forestry Grant and Catastrophic Storm Grant Programs
17. Mayor's Communications
18. Closed Session:
 1. The Common Council may convene in closed session pursuant to Wisconsin State Statutes 19.85(1)(e) & (g) for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session and to confer with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved in, to discuss and consider the rural fire contracts.
19. The Common Council may reconvene in open session for potential action(s) on closed session issues.
20. Adjournment

William N. Heideman, CMC, WCMC
City Clerk

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CITY OF MERRILL
COMMON COUNCIL
MINUTES • WEDNESDAY AUGUST 12, 2020

Regular Meeting**City Hall Council Chambers****6:00 PM**

1. **Call to Order**

Mayor Woellner called the meeting to order at 6:00 P.M.

Attendee Name	Title	Status	Arrived
Paul Russell	Aldersperson - First District	Excused	
Steve Hass	Aldersperson - Second District	Present	
Rick Blake	Aldersperson - Third District	Excused	
Steve Osness	Aldersperson - Fourth District	Present	
John M. Van Lieshout	Aldersperson - Fifth District	Present	
Mike Rick	Aldersperson - Sixth District	Present	
Mark Weix	Aldersperson - Seventh District	Present	
Steve Sabatke	Alderman - Eighth District	Present	
Derek Woellner	Mayor	Present	

2. **Silent Prayer**

3. **Pledge of Allegiance**

4. **Roll Call**

5. **Public Comment Period**

Bill Bialecki urged the Common Council to approve the resolution supporting the aggressive use of the tax delinquent property sale mechanism and process.

Karen Krueger spoke against removing the fluoride from City water.

6. **Minutes of Previous Common Council Meeting(s):**

1. **Minutes of July 14, 2020 Common Council meeting**

Motion (Osness/Van Lieshout) to approve.

RESULT: APPROVED

7. **Revenue & Expense Reports(s):**

1. **Revenue & Expense Report for the period ending July 31, 2020**

Motion (Hass/Van Lieshout) to approve.

RESULT: APPROVED

8. **General Agenda Items:**

1. **Employee Years of Service Recognition:**

Jamie A. Jaeger, 25 years (Police Department)

City Clerk Heideman read a certificate of recognition for Jamie Jaeger.

Gabriel S. Steinagel, 20 years (Water & Sewer Utilities)

Attachment: Council Minutes 8-12-2020 (5237 : Minutes of August 12, 2020 Common Council meeting)

City Clerk Heideman read a certificate of recognition for Gabe Steinagel.

Nicole M. Cimino, 15 years (Police Department)

City Clerk Heideman read a certificate of recognition for Nicole Cimino.

2. Receive input and discuss November polling place locations (final decision expected at September 8, 2020 Common Council meeting).

City Clerk Heideman reported that both the T.B. Scott Free Library and the Prairie River Middle School will be unavailable for use as a polling site during the upcoming November election. Also, since it is anticipated there will be ice in the Smith Center, the maximum number of districts that can be housed for the election at the MARC is two (Alderman District #4 and Aldermanic District #5).

Based on this information, City Clerk Heideman stated that, in his opinion, the best option at this time would seem to be relocating Aldermanic District 3 and Aldermanic District 6 to the Enrichment Center at the Festival Grounds.

As the agenda states, no final decision will be made until the September 8th Common Council meeting. In the meantime, the option presented as well as other options will be evaluated based on circumstances. No action was taken at this time.

9. Board of Public Works:

1. Street Use Permit application from The Haunted Sawmill to close the street in the area in front of the Haunted Sawmill (Hendricks Street from East Seventh Street to East Eighth Street) from 5:00 P.M. to 1 A.M. on the following dates in 2020: October 9, October 10, October 16, October 17, October 23, October 24, October 30 and October 31, in conjunction with a haunted house event. The Board of Public Works recommends approval.

Alderman Hass requested that floor privileges be granted to Gerald Hersil. Without objection, it was so ordered.

Representing the Haunted Sawmill, Gerald Hersil distributed a "Haunted Sawmill 2020 Overall Covid-19 Plan" document. He also provided additional verbal information and answered questions.

Motion (Van Lieshout/Sabatke) to approve the Street Use Permit.

RESULT:	APPROVED
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10. Committee of the Whole:

1. Discussion and potential action(s) on final proposed Strategic Plan for 2020-2024.

Alderman Hass and Alderman Van Lieshout thanked Mike Ravn for his work during the entire process.

Mike Ravn stressed that it was critical to revisit and reevaluate the plan often and it is important to encourage continued citizen involvement.

Motion (Hass/Sabatke) to adopt the 2020-2024 City of Merrill Strategic Plan.

RESULT: CARRIED

11. Health and Safety Committee:

1. Consider application for "Class A" (liquor) license for Northwoods Maple Farm, LLC, Rebecca Renken, Agent, doing business as Northwoods Maple & More at 811 East First Street. The Health & Safety Committee recommends approval.

Motion (Hass/Rick) to approve.

RESULT: APPROVED

2. Request from Caylor's Trophy Bar, LLC, for an extension of premises to allow the sale and consumption of alcoholic beverages in a tented area directly behind their building (808 East Main Street), along with the private walkway alongside the building. This event will be Saturday, August 29, 2020, from noon to 11:00 P.M. This event is being held in conjunction with the J.O.H. Memorial Raffle, to benefit the Lincoln County Humane Society. The extended premises with further allow social distancing. Alderman Hass is brining this request directly to the Common Council.

Motion (Hass/Van Lieshout) to approve.

RESULT: APPROVED

12. Water & Sewage Disposal Committee:

1. Consider removing the fluoride from City water. The Water & Sewage Disposal Committee recommends removing the fluoride. Mayor Woellner requests that this agenda item be referred back to the Water & Sewage Disposal Committee.

Motion (Rick/Van Lieshout) to remove the fluoride.

Motion (Hass/Weix) to refer back to the Water and Sewage Disposal Committee (W & S).

RESULT: REFERRED TO W & S

Next: 8/26/2020 5:00 PM

13. Placing Committee Reports on File:

1. Consider placing the following committee reports on file: Board of Public Works, Health & Safety Committee, Library Board, Personnel & Finance Committee and Water & Sewage Disposal Committee.

Motion (Hass/Van Lieshout) to place on file.

RESULT:	PLACED ON FILE
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14. Ordinances:

None.

15. Resolutions:

1. A Resolution in support of the aggressive use of the tax delinquent property sale mechanism and process (Resolution #2642).

WHEREAS, Lincoln County Tax records indicate that there are numerous parcels of Real Estate located in the City of Merrill that are delinquent in Real Estate Taxes for a period of 3 years or more; and,

WHEREAS, the non-payment of the taxes owed on those parcels and the resulting property value deterioration places a greater burden on the taxpaying land owners of Lincoln County; and,

WHEREAS, Lincoln County has demanded payment on these delinquent taxes through the statutory tax collection process with collection demands going unheeded; and,

WHEREAS, it becomes necessary for the City of Merrill to issue raze orders and demolish sub-standard and non-compliant structures on these properties; and,

WHEREAS, the City of Merrill wishes to purchase many of these properties, and improve them, resulting in an increased tax base, a more attractive community, and a more vibrant city;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 12th day of August, 2020, that it encourages and promotes transfer of these tax delinquent properties by Lincoln County to the City of Merrill at the earliest date allowed by Wisconsin Statutes to effectuate the goals described above

RESULT:	APPROVED BY ROLL CALL VOTE [6 TO 0]
MOVER:	Steve Hass, Alderperson - Second District
SECONDER:	Steve Sabatke, Alderman - Eighth District
AYES:	Hass, Osness, Van Lieshout, Rick, Weix, Sabatke
EXCUSED:	Russell, Blake

2. A Resolution honoring Christopher P. Clabots for his extended service and great contribution to the City of Merrill.

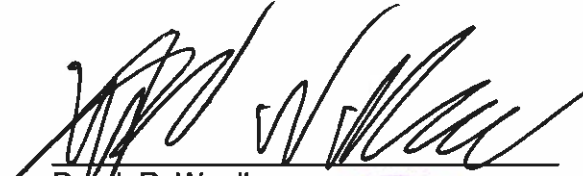
Mayor Woellner reported that a resolution honoring Christopher Clabots was adopted at the July 14th, 2020 Common Council meeting. Therefore, no action was necessary, requested or taken.

16. Mayor's Communications

Mayor Woellner thanked the poll workers and the National Guard for their help during the August 11th election.

17. Adjournment

Motion (Van Lieshout/Sabatke) to adjourn. Carried. Adjourned at 6:47 P.M.


Derek R. Woellner
Mayor

William N. Heideman, CMC, WCMC
City Clerk

I, William N. Heideman, City Clerk of the City of Merrill, Wisconsin, do hereby certify that the Mayor approved the above action of the Common Council on August 17th, 2020.


William N. Heideman, CMC, WCMC
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: September 1st, 2020

To: Mayor Derek Woellner
Alderpersons

From: Kathy Unertl, Finance Director

RE: August 2020 - Revenue & Expense Reports

Grand Ave. Infrastructure – Jake's Excavating:

There have been three construction payments to Jake's Excavating. Total payments of \$1,268,312.

Revenues – General Fund:

Consistent with budgeted amounts – especially with Parks & Recreation Commission decision not to open aquatic center or hold summer playground, as well as Common Council policy decision to have reduced Liquor License fees.

There has been \$5,977.34 in Ambulance/EMS Federal CARES reimbursements. This is separate from the Wisconsin Road to Recovery, Transit, and Airport CARES funding.

Expenses – General Fund:

Consistent with budgeted amounts – with lower Parks & Recreation expenditures.

The deficits in Fixed Costs are COVID-19 related expenditures. I will be submitting reimbursement requests from the Wisconsin Road to Recovery allocation to the City of Merrill (i.e. total of \$158,088 for general City/Utility expenses).

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
Non-Departmental					
Taxes (or Utility Rev.)	4,472,229.00	510,714.73	4,443,237.20	99.35	28,991.80
Intergovernmental	4,335,605.78	0.00	1,496,055.59	34.51	2,839,550.19
Licenses and Permits	40,018.00	571.70	19,056.57	47.62	20,961.43
Fines, Forfeits, & Pen.	116,500.00	6,976.08	79,319.79	68.09	37,180.21
Public Charges-Services	7,650.00	391.63	4,630.12	60.52	3,019.88
Miscellaneous Revenues	129,650.00	6,274.48	99,987.86	77.12	29,662.14
TOTAL Non-Departmental	9,101,652.78	524,928.62	6,142,287.13	67.49	2,959,365.65
Municipal Court					
Intergov Charges (Misc.)	7,990.00	570.00	3,106.50	38.88	4,883.50
TOTAL Municipal Court	7,990.00	570.00	3,106.50	38.88	4,883.50
City Attorney					
Intergov Charges (Misc.)	11,000.00	0.00	1,919.00	17.45	9,081.00
Miscellaneous Revenues	15,329.00	0.00	0.00	0.00	15,329.00
TOTAL City Attorney	26,329.00	0.00	1,919.00	7.29	24,410.00
City Administrator					
Miscellaneous Revenues	30,318.00	0.00	0.00	0.00	30,318.00
TOTAL City Administrator	30,318.00	0.00	0.00	0.00	30,318.00
Personnel - HR					
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Personnel - HR	0.00	0.00	0.00	0.00	0.00
Clerk/Treasurer Staff					
Miscellaneous Revenues	1,000.00	0.00	0.00	0.00	1,000.00
TOTAL Clerk/Treasurer Staff	1,000.00	0.00	0.00	0.00	1,000.00
Elections - AVERAGED					
Intergovernmental	0.00	0.00	5,488.80	0.00	(5,488.80)
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Elections - AVERAGED	0.00	0.00	5,488.80	0.00	(5,488.80)
Treasurer/Finance Dir.					
Intergovernmental	0.00	0.00	884.51	0.00	(884.51)
Licenses and Permits	400.00	304.81	2,517.27	629.32	(2,117.27)
Miscellaneous Revenues	28,750.00	0.00	0.00	0.00	28,750.00
TOTAL Treasurer/Finance Dir.	29,150.00	304.81	3,401.78	11.67	25,748.22

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Over-Collected Taxes</u>					
Miscellaneous Revenues	75.00	0.00	264.45	352.60	(189.45)
TOTAL Over-Collected Taxes	75.00	0.00	264.45	352.60	(189.45)
<u>Police</u>					
Intergovernmental	15,700.00	0.00	0.00	0.00	15,700.00
Public Charges-Services	7,525.00	601.55	4,099.21	54.47	3,425.79
Intergov Charges (Misc.)	10,000.00	0.00	7,466.49	74.66	2,533.51
Miscellaneous Revenues	0.00	0.00	2,242.73	0.00	(2,242.73)
TOTAL Police	33,225.00	601.55	13,808.43	41.56	19,416.57
<u>Traffic Control</u>					
Miscellaneous Revenues	0.00	0.00	86.73	0.00	(86.73)
TOTAL Traffic Control	0.00	0.00	86.73	0.00	(86.73)
<u>Fire Protection</u>					
Intergovernmental	0.00	0.00	0.00	0.00	0.00
Public Charges-Services	8,275.00	425.31	6,811.08	82.31	1,463.92
Intergov Charges (Misc.)	221,898.59	0.00	221,898.60	100.00	(0.01)
Miscellaneous Revenues	0.00	1,368.25	10,809.02	0.00	(10,809.02)
TOTAL Fire Protection	230,173.59	1,793.56	239,518.70	104.06	(9,345.11)
<u>Ambulance/EMS</u>					
Intergovernmental	1,091,000.00	169,724.51	606,697.44	55.61	484,302.56
Miscellaneous Revenues	0.00	1,969.20	1,969.20	0.00	(1,969.20)
TOTAL Ambulance/EMS	1,091,000.00	171,693.71	608,666.64	55.79	482,333.36
<u>Bldg. Inspection/Zoning</u>					
Licenses and Permits	32,500.00	3,510.00	21,281.00	65.48	11,219.00
Miscellaneous Revenues	12,500.00	0.00	0.00	0.00	12,500.00
TOTAL Bldg. Inspection/Zoning	45,000.00	3,510.00	21,281.00	47.29	23,719.00
<u>Public Works/Engineer</u>					
Miscellaneous Revenues	83,204.00	0.00	0.00	0.00	83,204.00
TOTAL Public Works/Engineer	83,204.00	0.00	0.00	0.00	83,204.00
<u>Street Superintendent</u>					
Miscellaneous Revenues	7,500.00	0.00	0.00	0.00	7,500.00
TOTAL Street Superintendent	7,500.00	0.00	0.00	0.00	7,500.00
<u>Garage Maintenance</u>					
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Garage Maintenance	0.00	0.00	0.00	0.00	0.00

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Operations Support (M&E)</u>					
Intergovernmental	353,500.00	18,253.73	171,302.35	48.46	182,197.65
Miscellaneous Revenues	0.00	26.35	1,702.95	0.00	(1,702.95)
TOTAL Operations Support (M&E)	353,500.00	18,280.08	173,005.30	48.94	180,494.70
<u>Roads</u>					
Intergovernmental	78,000.00	0.00	13,502.60	17.31	64,497.40
Public Charges-Services	2,500.00	0.00	2,298.00	91.92	202.00
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Roads	80,500.00	0.00	15,800.60	19.63	64,699.40
<u>Snow and Ice</u>					
Public Charges-Services	10,000.00	0.00	1,838.73	18.39	8,161.27
TOTAL Snow and Ice	10,000.00	0.00	1,838.73	18.39	8,161.27
<u>Stormwater Maintenance</u>					
Intergovernmental	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Stormwater Maintenance	0.00	0.00	0.00	0.00	0.00
<u>Street Painting-Marking</u>					
Intergovernmental	0.00	0.00	0.00	0.00	0.00
TOTAL Street Painting-Marking	0.00	0.00	0.00	0.00	0.00
<u>Street Lighting</u>					
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Street Lighting	0.00	0.00	0.00	0.00	0.00
<u>Stormwater Plan/Const.</u>					
Licenses and Permits	750.00	0.00	0.00	0.00	750.00
TOTAL Stormwater Plan/Const.	750.00	0.00	0.00	0.00	750.00
<u>Airport</u>					
Public Charges-Services	25,500.00	675.00	20,010.86	78.47	5,489.14
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Airport	25,500.00	675.00	20,010.86	78.47	5,489.14
<u>Transit</u>					
Specials (Utility Rev.)	242,500.00	0.00	125,113.27	51.59	117,386.73
Intergovernmental	82,500.00	51,924.00	69,232.00	83.92	13,268.00
Public Charges-Services	126,000.00	4,284.10	47,622.35	37.80	78,377.65
Miscellaneous Revenues	24,000.00	0.00	3,019.00	12.58	20,981.00
TOTAL Transit	475,000.00	56,208.10	244,986.62	51.58	230,013.38

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Garbage Collection</u>					
Miscellaneous Revenues	6,000.00	278.00	2,602.00	43.37	3,398.00
TOTAL Garbage Collection	6,000.00	278.00	2,602.00	43.37	3,398.00
<u>Recycling</u>					
Intergovernmental	32,500.00	0.00	32,576.79	100.24	(76.79)
Miscellaneous Revenues	5,000.00	0.00	945.00	18.90	4,055.00
TOTAL Recycling	37,500.00	0.00	33,521.79	89.39	3,978.21
<u>Weed & Nuisance Control</u>					
Public Charges-Services	5,000.00	0.00	527.50	10.55	4,472.50
Miscellaneous Revenues	1,000.00	0.00	0.00	0.00	1,000.00
TOTAL Weed & Nuisance Control	6,000.00	0.00	527.50	8.79	5,472.50
<u>MEC - Enrichment</u>					
Public Charges-Services	11,766.00	0.00	0.00	0.00	11,766.00
TOTAL MEC - Enrichment	11,766.00	0.00	0.00	0.00	11,766.00
<u>Library</u>					
Intergovernmental	449,305.00	837.93	228,490.43	50.85	220,814.57
Public Charges-Services	13,500.00	863.68	4,514.60	33.44	8,985.40
Miscellaneous Revenues	0.00	0.00	2,456.00	0.00	(2,456.00)
TOTAL Library	462,805.00	1,701.61	235,461.03	50.88	227,343.97
<u>Parks</u>					
Intergovernmental	0.00	0.00	0.00	0.00	0.00
Public Charges-Services	19,500.00	75.00	3,037.22	15.58	16,462.78
Miscellaneous Revenues	0.00	0.00	50.00	0.00	(50.00)
TOTAL Parks	19,500.00	75.00	3,087.22	15.83	16,412.78
<u>Recreation Programs</u>					
Public Charges-Services	81,000.00	(256.00)	2,339.28	2.89	78,660.72
TOTAL Recreation Programs	81,000.00	(256.00)	2,339.28	2.89	78,660.72
<u>Decorations & Banners</u>					
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Decorations & Banners	0.00	0.00	0.00	0.00	0.00
<u>Outside Agencies</u>					
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Outside Agencies	0.00	0.00	0.00	0.00	0.00
<u>Cable Franchise Adm</u>					
Licenses and Permits	6,000.00	0.00	0.00	0.00	6,000.00
TOTAL Cable Franchise Adm	6,000.00	0.00	0.00	0.00	6,000.00

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>MARC - Smith Center</u>					
Public Charges-Services	70,500.00	200.00	31,787.50	45.09	38,712.50
TOTAL MARC - Smith Center	70,500.00	200.00	31,787.50	45.09	38,712.50
<u>Aquatic Center</u>					
Public Charges-Services	105,000.00	0.00	1,151.89	1.10	103,848.11
TOTAL Aquatic Center	105,000.00	0.00	1,151.89	1.10	103,848.11
TOTAL REVENUE	12,437,938.37	780,564.04	7,805,949.48	62.76	4,631,988.89
EXPENDITURES					
<u>Common Council</u>					
Personnel Services	32,900.00	3,022.36	20,335.76	61.81	12,564.24
Contractual Services	4,876.00	697.98	2,761.16	56.63	2,114.84
Supplies & Expenses	7,149.00	397.97	5,700.68	79.74	1,448.32
TOTAL Common Council	44,925.00	4,118.31	28,797.60	64.10	16,127.40
<u>Municipal Court</u>					
Personnel Services	89,284.00	6,658.88	57,663.90	64.58	31,620.10
Contractual Services	500.00	0.00	114.08	22.82	385.92
Supplies & Expenses	4,750.00	52.90	1,543.74	32.50	3,206.26
Capital Outlay	500.00	0.00	0.00	0.00	500.00
Technology	6,000.00	0.00	5,754.00	95.90	246.00
TOTAL Municipal Court	101,034.00	6,711.78	65,075.72	64.41	35,958.28
<u>City Attorney</u>					
Personnel Services	215,230.00	15,470.12	134,094.54	62.30	81,135.46
Contractual Services	3,700.00	2,789.57	10,995.04	297.16	(7,295.04)
Supplies & Expenses	7,000.00	230.00	2,746.01	39.23	4,253.99
Technology	0.00	0.00	0.00	0.00	0.00
TOTAL City Attorney	225,930.00	18,489.69	147,835.59	65.43	78,094.41
<u>Mayor</u>					
Personnel Services	13,780.00	1,043.40	8,868.88	64.36	4,911.12
Supplies & Expenses	825.00	158.00	198.00	24.00	627.00
TOTAL Mayor	14,605.00	1,201.40	9,066.88	62.08	5,538.12
<u>City Administrator</u>					
Personnel Services	123,525.00	9,352.97	80,176.28	64.91	43,348.72
Contractual Services	675.00	42.89	297.32	44.05	377.68
Supplies & Expenses	550.00	21.04	120.63	21.93	429.37
Technology	0.00	0.00	285.00	0.00	(285.00)
TOTAL City Administrator	124,750.00	9,416.90	80,879.23	64.83	43,870.77

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Personnel - HR					
Contractual Services	4,500.00	415.50	2,403.20	53.40	2,096.80
Supplies & Expenses	250.00	90.00	139.67	55.87	110.33
TOTAL Personnel - HR	4,750.00	505.50	2,542.87	53.53	2,207.13
City Clerk					
Personnel Services	79,565.00	6,065.05	51,962.02	65.31	27,602.98
Supplies & Expenses	4,550.00	347.40	3,078.03	67.65	1,471.97
Technology	4,500.00	0.00	6,251.18	138.92	(1,751.18)
TOTAL City Clerk	88,615.00	6,412.45	61,291.23	69.17	27,323.77
Clerk/Treasurer Staff					
Personnel Services	170,900.00	9,418.30	91,956.76	53.81	78,943.24
Supplies & Expenses	1,100.00	86.50	1,538.58	139.87	(438.58)
Technology	0.00	0.00	0.00	0.00	0.00
TOTAL Clerk/Treasurer Staff	172,000.00	9,504.80	93,495.34	54.36	78,504.66
Elections - AVERAGED					
Personnel Services	25,250.00	5,050.54	37,374.09	148.02	(12,124.09)
Contractual Services	13,000.00	0.00	0.00	0.00	13,000.00
Supplies & Expenses	1,525.00	452.97	3,880.61	254.47	(2,355.61)
Fixed Charges	0.00	1,660.99	2,365.57	0.00	(2,365.57)
TOTAL Elections - AVERAGED	39,775.00	7,164.50	43,620.27	109.67	(3,845.27)
Treasurer/Finance Dir.					
Personnel Services	112,435.00	8,724.00	73,598.67	65.46	38,836.33
Contractual Services	6,250.00	170.98	1,428.83	22.86	4,821.17
Supplies & Expenses	25,300.00	1,324.73	20,353.78	80.45	4,946.22
Technology	0.00	0.00	310.93	0.00	(310.93)
TOTAL Treasurer/Finance Dir.	143,985.00	10,219.71	95,692.21	66.46	48,292.79
Information Technology					
Personnel Services	72,150.00	5,176.16	40,906.28	56.70	31,243.72
Technology	122,100.00	9,467.62	66,897.91	54.79	55,202.09
TOTAL Information Technology	194,250.00	14,643.78	107,804.19	55.50	86,445.81
Assessment of Property					
Contractual Services	28,825.00	0.00	19,950.00	69.21	8,875.00
Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
TOTAL Assessment of Property	28,825.00	0.00	19,950.00	69.21	8,875.00
Independent Auditing					
Contractual Services	15,500.00	1,050.00	14,553.19	93.89	946.81
Technology	1,250.00	0.00	1,218.00	97.44	32.00
TOTAL Independent Auditing	16,750.00	1,050.00	15,771.19	94.16	978.81

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>City Maintenance</u>					
Personnel Services	133,607.00	6,687.80	72,898.36	54.56	60,708.64
Contractual Services	69,400.00	9,178.52	44,604.20	64.27	24,795.80
Supplies & Expenses	17,050.00	908.85	10,493.39	61.54	6,556.61
Fixed Charges	0.00	203.97	4,389.50	0.00	(4,389.50)
Capital Outlay	7,000.00	0.00	5,744.96	82.07	1,255.04
Technology	0.00	0.00	0.00	0.00	0.00
TOTAL City Maintenance	227,057.00	16,979.14	138,130.41	60.84	88,926.59
<u>City Maint-Library</u>					
Personnel Services	0.00	927.86	20,541.61	0.00	(20,541.61)
Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
TOTAL City Maint-Library	0.00	927.86	20,541.61	0.00	(20,541.61)
<u>City Maint-Fire Station</u>					
Personnel Services	0.00	0.00	0.00	0.00	0.00
TOTAL City Maint-Fire Station	0.00	0.00	0.00	0.00	0.00
<u>Over-Collected Taxes</u>					
Supplies & Expenses	350.00	0.00	1,439.35	411.24	(1,089.35)
TOTAL Over-Collected Taxes	350.00	0.00	1,439.35	411.24	(1,089.35)
<u>Insurance/Employee</u>					
Personnel Services	0.00	0.00	0.00	0.00	0.00
Fixed Charges	343,750.00	120,477.29	347,068.43	100.97	(3,318.43)
TOTAL Insurance/Employee	343,750.00	120,477.29	347,068.43	100.97	(3,318.43)
<u>Police</u>					
Personnel Services	2,452,928.00	174,480.27	1,531,592.45	62.44	921,335.55
Contractual Services	47,900.00	896.65	38,232.90	79.82	9,667.10
Supplies & Expenses	67,100.00	4,883.19	31,770.95	47.35	35,329.05
Fixed Charges	0.00	153.78	1,806.20	0.00	(1,806.20)
Capital Outlay	11,000.00	0.00	0.00	0.00	11,000.00
Technology	13,000.00	0.00	12,500.88	96.16	499.12
TOTAL Police	2,591,928.00	180,413.89	1,615,903.38	62.34	976,024.62
<u>Traffic Control</u>					
Personnel Services	13,345.00	263.13	4,978.56	37.31	8,366.44
Supplies & Expenses	17,500.00	215.16	12,968.54	74.11	4,531.46
TOTAL Traffic Control	30,845.00	478.29	17,947.10	58.18	12,897.90
<u>Fire Protection</u>					
Personnel Services	1,509,328.00	106,770.10	978,532.57	64.83	530,795.43
Contractual Services	21,800.00	2,136.88	17,844.89	81.86	3,955.11
Supplies & Expenses	54,500.00	25,265.13	55,574.31	101.97	(1,074.31)
Fixed Charges	0.00	10.47	3,125.39	0.00	(3,125.39)
Capital Outlay	0.00	0.00	0.00	0.00	0.00
Technology	5,000.00	356.42	2,917.87	58.36	2,082.13
TOTAL Fire Protection	1,590,628.00	134,539.00	1,057,995.03	66.51	532,632.97

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Fire Protection-Hydrants</u>					
Contractual Services	125,160.00	31,290.00	93,870.00	75.00	31,290.00
TOTAL Fire Protection-Hydrants	125,160.00	31,290.00	93,870.00	75.00	31,290.00
<u>Ambulance/EMS</u>					
Personnel Services	971,548.00	70,649.63	604,401.58	62.21	367,146.42
Contractual Services	27,700.00	2,136.88	17,803.97	64.27	9,896.03
Supplies & Expenses	86,752.00	14,814.10	57,096.78	65.82	29,655.22
Fixed Charges	0.00	1,503.68	8,059.11	0.00	(8,059.11)
Technology	5,000.00	356.42	2,917.87	58.36	2,082.13
TOTAL Ambulance/EMS	1,091,000.00	89,460.71	690,279.31	63.27	400,720.69
<u>Bldg. Inspection/Zoning</u>					
Personnel Services	149,135.00	12,061.39	101,903.40	68.33	47,231.60
Contractual Services	450.00	8.77	61.39	13.64	388.61
Supplies & Expenses	4,280.00	113.80	2,151.77	50.28	2,128.23
Technology	0.00	0.00	0.00	0.00	0.00
TOTAL Bldg. Inspection/Zoning	153,865.00	12,183.96	104,116.56	67.67	49,748.44
<u>City Sealer</u>					
Contractual Services	4,800.00	0.00	4,800.00	100.00	0.00
TOTAL City Sealer	4,800.00	0.00	4,800.00	100.00	0.00
<u>Public Works/Engineer</u>					
Personnel Services	113,541.00	5,737.66	48,724.92	42.91	64,816.08
Contractual Services	1,500.00	0.00	0.00	0.00	1,500.00
Supplies & Expenses	2,000.00	164.29	532.62	26.63	1,467.38
Technology	1,500.00	0.00	0.00	0.00	1,500.00
TOTAL Public Works/Engineer	118,541.00	5,901.95	49,257.54	41.55	69,283.46
<u>Street Commissioner</u>					
Personnel Services	2,690.00	207.02	1,759.67	65.42	930.33
Contractual Services	250.00	17.55	122.85	49.14	127.15
Supplies & Expenses	810.00	0.00	523.81	64.67	286.19
TOTAL Street Commissioner	3,750.00	224.57	2,406.33	64.17	1,343.67
<u>Street Superintendent</u>					
Personnel Services	89,460.00	6,812.03	56,831.59	63.53	32,628.41
Supplies & Expenses	1,490.00	25.08	536.10	35.98	953.90
Technology	0.00	0.00	245.92	0.00	(245.92)
TOTAL Street Superintendent	90,950.00	6,837.11	57,613.61	63.35	33,336.39
<u>Garage Maintenance</u>					
Personnel Services	976.00	0.00	0.00	0.00	976.00
Contractual Services	34,000.00	1,783.95	18,844.06	55.42	15,155.94
Supplies & Expenses	12,500.00	614.78	14,016.95	112.14	(1,516.95)
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL Garage Maintenance	47,476.00	2,398.73	32,861.01	69.22	14,614.99

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Operations Support (M&E)					
Personnel Services	207,139.00	14,878.36	122,293.83	59.04	84,845.17
Contractual Services	3,250.00	0.00	3,024.00	93.05	226.00
Supplies & Expenses	376,850.00	24,875.98	208,154.89	55.24	168,695.11
Technology	575.00	0.00	0.00	0.00	575.00
TOTAL Operations Support (M&E)	587,814.00	39,754.34	333,472.72	56.73	254,341.28
Roads					
Personnel Services	206,338.00	14,792.67	169,126.58	81.97	37,211.42
Supplies & Expenses	91,000.00	15,509.04	58,880.12	64.70	32,119.88
TOTAL Roads	297,338.00	30,301.71	228,006.70	76.68	69,331.30
Street Cleaning					
Personnel Services	45,542.00	3,957.47	25,750.78	56.54	19,791.22
Supplies & Expenses	1,250.00	12.76	1,274.49	101.96	(24.49)
TOTAL Street Cleaning	46,792.00	3,970.23	27,025.27	57.76	19,766.73
Snow and Ice					
Personnel Services	225,954.00	0.00	126,913.35	56.17	99,040.65
Contractual Services	1,350.00	0.00	1,142.52	84.63	207.48
Supplies & Expenses	60,250.00	0.00	33,456.79	55.53	26,793.21
TOTAL Snow and Ice	287,554.00	0.00	161,512.66	56.17	126,041.34
Stormwater Maintenance					
Personnel Services	37,930.00	4,661.02	29,325.57	77.31	8,604.43
Contractual Services	2,000.00	0.00	0.00	0.00	2,000.00
Supplies & Expenses	20,500.00	451.24	16,078.43	78.43	4,421.57
TOTAL Stormwater Maintenance	60,430.00	5,112.26	45,404.00	75.13	15,026.00
Street Painting-Marking					
Personnel Services	23,000.00	4,305.61	11,010.29	47.87	11,989.71
Supplies & Expenses	20,000.00	6,030.48	6,052.45	30.26	13,947.55
TOTAL Street Painting-Marking	43,000.00	10,336.09	17,062.74	39.68	25,937.26
Street Leave Expenses					
Personnel Services	73,313.00	4,853.93	26,545.59	36.21	46,767.41
TOTAL Street Leave Expenses	73,313.00	4,853.93	26,545.59	36.21	46,767.41
Street Lighting					
Contractual Services	158,775.00	22,713.77	100,187.64	63.10	58,587.36
Capital Outlay	5,000.00	0.00	0.00	0.00	5,000.00
TOTAL Street Lighting	163,775.00	22,713.77	100,187.64	61.17	63,587.36
Stormwater Plan/Const.					
Contractual Services	7,250.00	0.00	2,500.00	34.48	4,750.00
TOTAL Stormwater Plan/Const.	7,250.00	0.00	2,500.00	34.48	4,750.00

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Airport					
Personnel Services	1,250.00	134.79	641.49	51.32	608.51
Contractual Services	116,419.00	29,312.04	80,910.29	69.50	35,508.71
Supplies & Expenses	27,325.00	11,728.86	27,610.29	101.04	(285.29)
TOTAL Airport	144,994.00	41,175.69	109,162.07	75.29	35,831.93
Transit					
Personnel Services	382,575.00	26,455.36	229,096.86	59.88	153,478.14
Contractual Services	3,000.00	167.71	1,753.93	58.46	1,246.07
Supplies & Expenses	127,775.00	1,588.91	25,170.64	19.70	102,604.36
Fixed Charges	33,350.00	0.00	24,384.75	73.12	8,965.25
Technology	4,795.00	551.81	3,808.91	79.44	986.09
TOTAL Transit	551,495.00	28,763.79	284,215.09	51.54	267,279.91
Garbage Collection					
Personnel Services	122,065.00	8,384.60	72,997.97	59.80	49,067.03
Supplies & Expenses	97,150.00	9,579.52	63,244.66	65.10	33,905.34
Capital Outlay	24,000.00	2,288.60	18,682.41	77.84	5,317.59
TOTAL Garbage Collection	243,215.00	20,252.72	154,925.04	63.70	88,289.96
Recycling					
Personnel Services	144,495.00	9,933.52	99,441.81	68.82	45,053.19
Supplies & Expenses	95,050.00	7,728.84	67,823.14	71.36	27,226.86
TOTAL Recycling	239,545.00	17,662.36	167,264.95	69.83	72,280.05
Weed & Nuisance Control					
Personnel Services	16,859.00	2,229.80	7,543.35	44.74	9,315.65
Contractual Services	250.00	50.00	175.00	70.00	75.00
Supplies & Expenses	1,250.00	0.00	761.95	60.96	488.05
TOTAL Weed & Nuisance Control	18,359.00	2,279.80	8,480.30	46.19	9,878.70
Health Officer					
Personnel Services	3,660.00	0.00	1,830.06	50.00	1,829.94
Supplies & Expenses	100.00	0.00	0.00	0.00	100.00
TOTAL Health Officer	3,760.00	0.00	1,830.06	48.67	1,929.94
MEC - Enrichment					
Personnel Services	134,617.00	9,736.76	81,464.20	60.52	53,152.80
Contractual Services	500.00	48.91	383.15	76.63	116.85
Supplies & Expenses	3,275.00	31.99	886.22	27.06	2,388.78
Technology	0.00	0.00	1,155.19	0.00	(1,155.19)
TOTAL MEC - Enrichment	138,392.00	9,817.66	83,888.76	60.62	54,503.24
Library					
Personnel Services	755,995.00	55,405.77	470,580.90	62.25	285,414.10
Contractual Services	49,000.00	3,627.50	33,035.99	67.42	15,964.01
Supplies & Expenses	47,885.00	5,306.93	27,413.63	57.25	20,471.37
Fixed Charges	9,400.00	580.79	5,769.09	61.37	3,630.91
Capital Outlay	0.00	0.00	7,891.95	0.00	(7,891.95)

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Print Media - Library	51,000.00	2,580.12	20,856.82	40.90	30,143.18
Non-Print Media-Library	17,855.00	1,279.19	11,354.89	63.60	6,500.11
Technology	46,315.00	827.01	29,044.34	62.71	17,270.66
TOTAL Library	977,450.00	69,607.31	605,947.61	61.99	371,502.39
Parks					
Personnel Services	238,828.00	21,766.91	151,289.59	63.35	87,538.41
Contractual Services	34,250.00	3,314.89	13,681.23	39.95	20,568.77
Supplies & Expenses	37,150.00	2,661.67	19,017.50	51.19	18,132.50
Fixed Charges	0.00	164.08	1,757.21	0.00	(1,757.21)
Capital Outlay	24,000.00	5,293.30	10,041.80	41.84	13,958.20
TOTAL Parks	334,228.00	33,200.85	195,787.33	58.58	138,440.67
Athletic Park Lights					
Contractual Services	1,800.00	242.13	862.87	47.94	937.13
Supplies & Expenses	200.00	0.00	0.00	0.00	200.00
TOTAL Athletic Park Lights	2,000.00	242.13	862.87	43.14	1,137.13
Ott's Park Lights					
Contractual Services	1,400.00	202.06	736.75	52.63	663.25
Supplies & Expenses	100.00	0.00	0.00	0.00	100.00
TOTAL Ott's Park Lights	1,500.00	202.06	736.75	49.12	763.25
Recreation Programs					
Personnel Services	217,311.00	12,124.31	96,933.44	44.61	120,377.56
Contractual Services	5,650.00	147.75	3,947.07	69.86	1,702.93
Supplies & Expenses	38,900.00	370.36	6,052.13	15.56	32,847.87
TOTAL Recreation Programs	261,861.00	12,642.42	106,932.64	40.84	154,928.36
Marketing - PR					
Personnel Services	2,905.00	0.00	746.32	25.69	2,158.68
Supplies & Expenses	18,345.00	216.00	693.00	3.78	17,652.00
TOTAL Marketing - PR	21,250.00	216.00	1,439.32	6.77	19,810.68
Decorations & Banners					
Personnel Services	2,775.00	0.00	548.31	19.76	2,226.69
Contractual Services	300.00	0.00	0.00	0.00	300.00
Supplies & Expenses	1,000.00	0.00	0.00	0.00	1,000.00
Capital Outlay	1,500.00	0.00	0.00	0.00	1,500.00
TOTAL Decorations & Banners	5,575.00	0.00	548.31	9.84	5,026.69
Outside Agencies					
Supplies & Expenses	46,500.00	6,000.00	45,500.00	97.85	1,000.00
TOTAL Outside Agencies	46,500.00	6,000.00	45,500.00	97.85	1,000.00

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>MARC - Smith Center</u>					
Personnel Services	36,550.00	2,495.97	22,238.97	60.85	14,311.03
Contractual Services	54,250.00	2,197.35	32,404.13	59.73	21,845.87
Supplies & Expenses	17,700.00	372.68	7,841.77	44.30	9,858.23
Capital Outlay	5,000.00	0.00	3,722.32	74.45	1,277.68
TOTAL MARC - Smith Center	113,500.00	5,066.00	66,207.19	58.33	47,292.81
<u>Aquatic Center</u>					
Personnel Services	88,325.00	0.00	181.32	0.21	88,143.68
Contractual Services	24,300.00	760.72	2,991.84	12.31	21,308.16
Supplies & Expenses	41,250.00	0.00	2,966.08	7.19	38,283.92
Technology	2,500.00	0.00	5,755.67	230.23	(3,255.67)
TOTAL Aquatic Center	156,375.00	760.72	11,894.91	7.61	144,480.09
<u>Economic Development</u>					
Contractual Services	20,200.00	0.00	20,200.00	100.00	0.00
TOTAL Economic Development	20,200.00	0.00	20,200.00	100.00	0.00
<u>Transfers</u>					
Transfers	0.00	0.00	0.00	0.00	0.00
TOTAL Transfers	0.00	0.00	0.00	0.00	0.00
 TOTAL EXPENDITURES	 12,467,759.00	 1,056,483.16	 7,813,592.51	 62.67	 4,654,166.49
 REVENUES OVER/(UNDER) EXPENDITURES	 (29,820.63)	 (275,919.12)	 (7,643.03)	 0.00	 (22,177.60)

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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20 -Remedial Action-Landfill

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
EXPENDITURES					
Remediation Action					
Personnel Services	7,825.00	357.40	6,072.53	77.60	1,752.47
Contractual Services	19,750.00	160.41	15,901.43	80.51	3,848.57
Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
TOTAL Remediation Action	27,575.00	517.81	21,973.96	79.69	5,601.04
TOTAL EXPENDITURES	27,575.00	517.81	21,973.96	79.69	5,601.04
REVENUES OVER/(UNDER) EXPENDITURES	(27,575.00)	(517.81)	(21,973.96)	0.00	(5,601.04)

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21 -Police - SRO

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
=====					
Police-SRO					
Taxes (or Utility Rev.)	59,572.00	0.00	59,572.00	100.00	0.00
Intergovernmental	63,071.00	0.00	28,831.88	45.71	34,239.12
TOTAL Police-SRO	122,643.00	0.00	88,403.88	72.08	34,239.12
TOTAL REVENUE	122,643.00	0.00	88,403.88	72.08	34,239.12
	=====	=====	=====	=====	=====
EXPENDITURES					
=====					
Police-SRO					
Personnel Services	119,768.00	8,034.79	70,813.38	59.13	48,954.62
Supplies & Expenses	725.00	0.00	0.00	0.00	725.00
Fixed Charges	2,150.00	0.00	2,214.00	102.98	(64.00)
TOTAL Police-SRO	122,643.00	8,034.79	73,027.38	59.54	49,615.62
TOTAL EXPENDITURES	122,643.00	8,034.79	73,027.38	59.54	49,615.62
	=====	=====	=====	=====	=====
REVENUES OVER/(UNDER) EXPENDITURES	0.00	(8,034.79)	15,376.50	0.00	(15,376.50)
	=====	=====	=====	=====	=====

*** END OF REPORT ***

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24 -Merrill Festival Grounds

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
Merrill Festival Grounds					
Taxes (or Utility Rev.)	36,000.00	0.00	36,000.00	100.00	0.00
Public Charges-Services	11,750.00	350.00	11,311.25	96.27	438.75
Miscellaneous Revenues	44,400.00	0.00	0.00	0.00	44,400.00
TOTAL Merrill Festival Grounds	92,150.00	350.00	47,311.25	51.34	44,838.75
Room Tax					
Taxes (or Utility Rev.)	97,500.00	0.00	37,247.75	38.20	60,252.25
TOTAL Room Tax	97,500.00	0.00	37,247.75	38.20	60,252.25
Bierman Building					
Public Charges-Services	12,500.00	(600.00)	850.00	6.80	11,650.00
Miscellaneous Revenues	20,000.00	0.00	0.00	0.00	20,000.00
TOTAL Bierman Building	32,500.00	(600.00)	850.00	2.62	31,650.00
TOTAL REVENUE	222,150.00	(250.00)	85,409.00	38.45	136,741.00
EXPENDITURES					
Merrill Festival Grounds					
Personnel Services	6,445.00	16,665.08	19,851.17	308.01	(13,406.17)
Contractual Services	35,669.00	3,043.44	18,481.97	51.82	17,187.03
Supplies & Expenses	6,000.00	0.00	0.00	0.00	6,000.00
Fixed Charges	0.00	0.00	0.00	0.00	0.00
Capital Outlay	41,700.00	1,364.56	3,864.81	9.27	37,835.19
TOTAL Merrill Festival Grounds	89,814.00	21,073.08	42,197.95	46.98	47,616.05
Room Tax					
Supplies & Expenses	76,525.00	0.00	28,570.46	37.33	47,954.54
TOTAL Room Tax	76,525.00	0.00	28,570.46	37.33	47,954.54
Bierman Building					
Personnel Services	18,305.00	627.82	6,121.99	33.44	12,183.01
Contractual Services	22,500.00	932.70	10,899.13	48.44	11,600.87
Supplies & Expenses	4,875.00	121.47	1,094.03	22.44	3,780.97
Fixed Charges	0.00	0.00	1,067.69	0.00	(1,067.69)
Capital Outlay	20,000.00	0.00	4,313.80	21.57	15,686.20
TOTAL Bierman Building	65,680.00	1,681.99	23,496.64	35.77	42,183.36
TOTAL EXPENDITURES	232,019.00	22,755.07	94,265.05	40.63	137,753.95
REVENUES OVER/(UNDER) EXPENDITURES	(9,869.00)	(23,005.07)	(8,856.05)	0.00	(1,012.95)

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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25 -Community Development

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>CDBG Grants/Loans</u>					
Miscellaneous Revenues	165,300.00	26,296.05	294,339.18	178.06	(129,039.18)
TOTAL CDBG Grants/Loans	165,300.00	26,296.05	294,339.18	178.06	(129,039.18)
<u>Community Development</u>					
Taxes (or Utility Rev.)	14,000.00	0.00	14,000.00	100.00	0.00
Intergov Charges (Misc.)	13,185.00	125.00	125.00	0.95	13,060.00
TOTAL Community Development	27,185.00	125.00	14,125.00	51.96	13,060.00
TOTAL REVENUE	192,485.00	26,421.05	308,464.18	160.25	(115,979.18)
EXPENDITURES					
<u>CDBG Grants/Loans</u>					
Special Services	150,500.00	14,139.00	164,269.82	109.15	(13,769.82)
TOTAL CDBG Grants/Loans	150,500.00	14,139.00	164,269.82	109.15	(13,769.82)
<u>Community Development</u>					
Personnel Services	24,810.00	1,849.13	16,415.04	66.16	8,394.96
Contractual Services	400.00	8.77	61.39	15.35	338.61
Supplies & Expenses	1,975.00	139.73	893.60	45.25	1,081.40
Technology	0.00	0.00	0.00	0.00	0.00
TOTAL Community Development	27,185.00	1,997.63	17,370.03	63.90	9,814.97
TOTAL EXPENDITURES	177,685.00	16,136.63	181,639.85	102.23	(3,954.85)
REVENUES OVER/(UNDER) EXPENDITURES	14,800.00	10,284.42	126,824.33	0.00	(112,024.33)

*** END OF REPORT ***

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27 -Merrill Airport Fuel

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
=====					
<u>Aviation Fuel</u>					
Public Charges-Services	88,900.00	9,067.24	51,639.55	58.09	37,260.45
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
Other Financing Sources	100.00	0.00	150.00	150.00	(50.00)
TOTAL Aviation Fuel	89,000.00	9,067.24	51,789.55	58.19	37,210.45
TOTAL REVENUE	89,000.00	9,067.24	51,789.55	58.19	37,210.45
EXPENDITURES					
=====					
<u>Aviation Fuel</u>					
Contractual Services	3,425.00	2,137.62	4,690.19	136.94	(1,265.19)
Special Services	83,250.00	297.64	42,457.03	51.00	40,792.97
Fixed Charges	1,625.00	0.00	0.00	0.00	1,625.00
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL Aviation Fuel	88,300.00	2,435.26	47,147.22	53.39	41,152.78
TOTAL EXPENDITURES	88,300.00	2,435.26	47,147.22	53.39	41,152.78
REVENUES OVER/(UNDER) EXPENDITURES	700.00	6,631.98	4,642.33	0.00	(3,942.33)

*** END OF REPORT ***

*** END OF REPORT ***

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30 -Debt Service

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					

<u>Debt Service</u>					
Taxes (or Utility Rev.)	2,333,005.44	0.00	1,552,201.00	66.53	780,804.44
Miscellaneous Revenues	519.00	0.00	0.00	0.00	519.00
Other Financing Sources	11,500.00	0.00	13,668.00	118.85	(2,168.00)
TOTAL Debt Service	2,345,024.44	0.00	1,565,869.00	66.77	779,155.44
TOTAL REVENUE	2,345,024.44	0.00	1,565,869.00	66.77	779,155.44
EXPENDITURES					

<u>Debt Service</u>					
Debt Service	1,628,123.68	0.00	261,258.32	16.05	1,366,865.36
TOTAL Debt Service	1,628,123.68	0.00	261,258.32	16.05	1,366,865.36
<u>TID - Debt Service</u>					
Debt Service	806,914.44	0.00	39,881.91	4.94	767,032.53
TOTAL TID - Debt Service	806,914.44	0.00	39,881.91	4.94	767,032.53
TOTAL EXPENDITURES	2,435,038.12	0.00	301,140.23	12.37	2,133,897.89
REVENUES OVER/(UNDER) EXPENDITURES	(90,013.68)	0.00	1,264,728.77	0.00	(1,354,742.45)

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40 -TID No. 10 - Fox Point

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #10-Fox Point					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	1.00	0.00	0.00	0.00	1.00
TOTAL TID #10-Fox Point	1.00	0.00	0.00	0.00	1.00
TOTAL REVENUE	1.00	0.00	0.00	0.00	1.00
EXPENDITURES					
TID #10-Fox Point					
Personnel Services	4,575.00	0.00	0.00	0.00	4,575.00
Contractual Services	10,400.00	85.00	911.00	8.76	9,489.00
Fixed Charges	20,024.81	0.00	0.00	0.00	20,024.81
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL TID #10-Fox Point	34,999.81	85.00	911.00	2.60	34,088.81
TOTAL EXPENDITURES	34,999.81	85.00	911.00	2.60	34,088.81
REVENUES OVER/(UNDER) EXPENDITURES	(34,998.81)	(85.00)	(911.00)	0.00	(34,087.81)

*** END OF REPORT ***

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41 -TID No. 11- Apartments

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
=====					
<u>TID #11 - Apartments</u>					
Taxes (or Utility Rev.)	363,059.95	0.00	113,059.95	31.14	250,000.00
Specials (Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Intergovernmental	16,305.00	0.00	16,304.81	100.00	0.19
Public Charges-Services	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL TID #11 - Apartments	379,364.95	0.00	129,364.76	34.10	250,000.19
TOTAL REVENUE	379,364.95	0.00	129,364.76	34.10	250,000.19
=====					
EXPENDITURES					
=====					
<u>TID #11 - Apartments</u>					
Personnel Services	3,435.00	0.00	0.00	0.00	3,435.00
Contractual Services	8,150.00	33.00	2,433.00	29.85	5,717.00
Special Services	230,000.00	100,000.00	200,000.00	86.96	30,000.00
Fixed Charges	63,179.00	0.00	0.00	0.00	63,179.00
Capital Outlay	8,500.00	0.00	0.00	0.00	8,500.00
TOTAL TID #11 - Apartments	313,264.00	100,033.00	202,433.00	64.62	110,831.00
TOTAL EXPENDITURES	313,264.00	100,033.00	202,433.00	64.62	110,831.00
=====					
REVENUES OVER/(UNDER) EXPENDITURES	66,100.95	(100,033.00)	(73,068.24)	0.00	139,169.19
=====					

*** END OF REPORT ***

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42 -TID # 12 - Weinbrenner

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #12 - Weinbrenner					
Taxes (or Utility Rev.)	20,970.36	0.00	20,970.36	100.00	0.00
TOTAL TID #12 - Weinbrenner	20,970.36	0.00	20,970.36	100.00	0.00
TOTAL REVENUE					
	20,970.36	0.00	20,970.36	100.00	0.00
EXPENDITURES					
TID #12 - Weinbrenner					
Personnel Services	6,625.00	0.00	0.00	0.00	6,625.00
Contractual Services	400.00	0.00	900.00	225.00	(500.00)
Fixed Charges	7,920.00	0.00	0.00	0.00	7,920.00
Capital Outlay	125,000.00	0.00	0.00	0.00	125,000.00
TOTAL TID #12 - Weinbrenner	139,945.00	0.00	900.00	0.64	139,045.00
TOTAL EXPENDITURES					
	139,945.00	0.00	900.00	0.64	139,045.00
REVENUES OVER/(UNDER) EXPENDITURES					
	(118,974.64)	0.00	20,070.36	0.00	(139,045.00)

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43 -TID #3 - East Side

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #3 - East Side					
Taxes (or Utility Rev.)	889,641.37	118,323.84	889,741.41	100.01	(100.04)
Specials (Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Intergovernmental	87,811.08	0.00	87,708.50	99.88	102.58
TOTAL TID #3 - East Side	977,452.45	118,323.84	977,449.91	100.00	2.54
TID #3 -Festival Grounds					
Taxes (or Utility Rev.)	150,000.00	0.00	0.00	0.00	150,000.00
TOTAL TID #3 -Festival Grounds	150,000.00	0.00	0.00	0.00	150,000.00
TID #3 - Idle Sites Grant					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	266,436.27	0.00	0.00	0.00	266,436.27
TOTAL TID #3 - Idle Sites Grant	266,436.27	0.00	0.00	0.00	266,436.27
TID #3 - Wal-Mart Dev.					
Miscellaneous Revenues	89,409.13	0.00	89,409.13	100.00	0.00
TOTAL TID #3 - Wal-Mart Dev.	89,409.13	0.00	89,409.13	100.00	0.00
TOTAL REVENUE	1,483,297.85	118,323.84	1,066,859.04	71.92	416,438.81
EXPENDITURES					
TID #3 - East Side					
Personnel Services	24,975.00	0.00	1,796.00	7.19	23,179.00
Contractual Services	18,400.00	0.00	1,650.00	8.97	16,750.00
Special Services	294,500.00	165,000.00	265,000.00	89.98	29,500.00
Fixed Charges	542,555.00	0.00	0.00	0.00	542,555.00
Capital Outlay	13,122.27	0.00	10,772.75	82.10	2,349.52
Transfers	110,000.00	0.00	0.00	0.00	110,000.00
TOTAL TID #3 - East Side	1,003,552.27	165,000.00	279,218.75	27.82	724,333.52
TID #3 -Festival Grounds					
Personnel Services	7,225.00	2,931.37	7,425.80	102.78	(200.80)
Capital Outlay	150,000.00	0.00	4,381.14	2.92	145,618.86
TOTAL TID #3 -Festival Grounds	157,225.00	2,931.37	11,806.94	7.51	145,418.06
TID #3 - Idle Sites Grant					
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL TID #3 - Idle Sites Grant	0.00	0.00	0.00	0.00	0.00

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43 -TID #3 - East Side

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>TID #3 - Wal-Mart Dev.</u>					
Capital Outlay	89,409.13	0.00	89,409.13	100.00	0.00
TOTAL TID #3 - Wal-Mart Dev.	89,409.13	0.00	89,409.13	100.00	0.00
 TOTAL EXPENDITURES	 1,250,186.40	 167,931.37	 380,434.82	 30.43	 869,751.58
 REVENUES OVER/(UNDER) EXPENDITURES	 233,111.45	 (49,607.53)	 686,424.22	 0.00	 (453,312.77)

*** END OF REPORT ***

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44 -TID #4 - Thielman/P Ridge

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #4 -Thielman/P Ridge					
Taxes (or Utility Rev.)	208,266.60	0.00	208,266.60	100.00	0.00
Intergovernmental	23,916.00	0.00	23,877.64	99.84	38.36
TOTAL TID #4 -Thielman/P Ridge	232,182.60	0.00	232,144.24	99.98	38.36
TOTAL REVENUE	232,182.60	0.00	232,144.24	99.98	38.36
EXPENDITURES					
TID #4 -Thielman/P Ridge					
Personnel Services	10,973.00	0.00	0.00	0.00	10,973.00
Contractual Services	9,900.00	0.00	2,400.00	24.24	7,500.00
Special Services	25,000.00	0.00	0.00	0.00	25,000.00
Fixed Charges	93,902.00	0.00	0.00	0.00	93,902.00
Capital Outlay	30,000.00	0.00	25,700.35	85.67	4,299.65
Transfers	50,000.00	0.00	0.00	0.00	50,000.00
TOTAL TID #4 -Thielman/P Ridge	219,775.00	0.00	28,100.35	12.79	191,674.65
TOTAL EXPENDITURES	219,775.00	0.00	28,100.35	12.79	191,674.65
REVENUES OVER/(UNDER) EXPENDITURES	12,407.60	0.00	204,043.89	0.00	(191,636.29)

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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45 -TID #5 - Hwy 107/Taylor

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #5 - Hwy 107/Taylor					
Taxes (or Utility Rev.)	17,322.30	0.00	17,322.30	100.00	0.00
Intergovernmental	560.00	0.00	137.21	24.50	422.79
TOTAL TID #5 - Hwy 107/Taylor	17,882.30	0.00	17,459.51	97.64	422.79
TOTAL REVENUE	17,882.30	0.00	17,459.51	97.64	422.79
EXPENDITURES					
TID #5 - Hwy 107/Taylor					
Personnel Services	1,645.00	0.00	0.00	0.00	1,645.00
Contractual Services	650.00	0.00	650.00	100.00	0.00
Fixed Charges	2,448.00	0.00	0.00	0.00	2,448.00
Capital Outlay	35,000.00	3,160.00	5,351.04	15.29	29,648.96
TOTAL TID #5 - Hwy 107/Taylor	39,743.00	3,160.00	6,001.04	15.10	33,741.96
TOTAL EXPENDITURES	39,743.00	3,160.00	6,001.04	15.10	33,741.96
REVENUES OVER/(UNDER) EXPENDITURES	(21,860.70)	(3,160.00)	11,458.47	0.00	(33,319.17)

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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46 -TID #6 - Downtown

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
=====					
<u>TID #6 - Downtown</u>					
Taxes (or Utility Rev.)	41,796.72	0.00	41,796.72	100.00	0.00
Intergovernmental	2,845.00	0.00	2,844.45	99.98	0.55
Miscellaneous Revenues	36,895.00	0.00	5,000.00	13.55	31,895.00
TOTAL TID #6 - Downtown	81,536.72	0.00	49,641.17	60.88	31,895.55
TOTAL REVENUE	81,536.72	0.00	49,641.17	60.88	31,895.55
EXPENDITURES					
=====					
<u>TID #6 - Downtown</u>					
Personnel Services	2,985.00	0.00	0.00	0.00	2,985.00
Contractual Services	6,150.00	0.00	1,150.00	18.70	5,000.00
Special Services	45,000.00	10,000.00	20,000.00	44.44	25,000.00
Fixed Charges	33,985.00	0.00	0.00	0.00	33,985.00
Capital Outlay	2,500.00	0.00	0.00	0.00	2,500.00
TOTAL TID #6 - Downtown	90,620.00	10,000.00	21,150.00	23.34	69,470.00
TOTAL EXPENDITURES	90,620.00	10,000.00	21,150.00	23.34	69,470.00
REVENUES OVER/(UNDER) EXPENDITURES	(9,083.28)	(10,000.00)	28,491.17	0.00	(37,574.45)

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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47 -TID #7 - N Center Ave

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #7 - N Center Ave					
Taxes (or Utility Rev.)	18,501.32	0.00	18,501.32	100.00	0.00
Intergovernmental	36,712.00	0.00	1,475.77	4.02	35,236.23
Miscellaneous Revenues	2,028.00	0.00	0.00	0.00	2,028.00
TOTAL TID #7 - N Center Ave	57,241.32	0.00	19,977.09	34.90	37,264.23
TOTAL REVENUE	57,241.32	0.00	19,977.09	34.90	37,264.23
EXPENDITURES					
TID #7 - N Center Ave					
Personnel Services	2,674.00	0.00	0.00	0.00	2,674.00
Contractual Services	900.00	0.00	1,400.00	155.56	(500.00)
Special Services	28,946.07	0.00	28,946.07	100.00	0.00
Fixed Charges	13,261.00	0.00	0.00	0.00	13,261.00
Capital Outlay	40,000.00	0.00	0.00	0.00	40,000.00
TOTAL TID #7 - N Center Ave	85,781.07	0.00	30,346.07	35.38	55,435.00
TOTAL EXPENDITURES	85,781.07	0.00	30,346.07	35.38	55,435.00
REVENUES OVER/(UNDER) EXPENDITURES	(28,539.75)	0.00	(10,368.98)	0.00	(18,170.77)

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

48 -TID #8 - West Side

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #8 - West Side					
Taxes (or Utility Rev.)	650,347.70	0.00	40,347.70	6.20	610,000.00
Intergovernmental	3,675.00	0.00	3,667.68	99.80	7.32
Miscellaneous Revenues	36,688.00	0.00	0.00	0.00	36,688.00
TOTAL TID #8 - West Side	690,710.70	0.00	44,015.38	6.37	646,695.32
TOTAL REVENUE	690,710.70	0.00	44,015.38	6.37	646,695.32
EXPENDITURES					
TID #8 - West Side					
Personnel Services	19,562.00	1,522.17	8,866.40	45.32	10,695.60
Contractual Services	2,400.00	0.00	1,400.00	58.33	1,000.00
Special Services	0.00	56.00	191.00	0.00	(191.00)
Fixed Charges	49,863.00	0.00	0.00	0.00	49,863.00
Capital Outlay	610,000.00	548,282.15	568,177.91	93.14	41,822.09
TOTAL TID #8 - West Side	681,825.00	549,860.32	578,635.31	84.87	103,189.69
TOTAL EXPENDITURES	681,825.00	549,860.32	578,635.31	84.87	103,189.69
REVENUES OVER/(UNDER) EXPENDITURES	8,885.70	(549,860.32)	(534,619.93)	0.00	543,505.63

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
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49 -TID#9 -WI River/S Center

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
TID #9-WI River/S Center					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Intergovernmental	4,775.00	0.00	4,895.82	102.53	(120.82)
Miscellaneous Revenues	47,840.00	234.96	1,879.68	3.93	45,960.32
TOTAL TID #9-WI River/S Center	52,615.00	234.96	6,775.50	12.88	45,839.50
TID #9-Idle Sites (Page)					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL TID #9-Idle Sites (Page)	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUE	52,615.00	234.96	6,775.50	12.88	45,839.50
EXPENDITURES					
TID #9-WI River/S Center					
Personnel Services	2,315.00	0.00	0.00	0.00	2,315.00
Contractual Services	31,650.00	0.00	1,650.00	5.21	30,000.00
Special Services	0.00	0.00	0.00	0.00	0.00
Fixed Charges	18,650.00	0.00	0.00	0.00	18,650.00
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL TID #9-WI River/S Center	52,615.00	0.00	1,650.00	3.14	50,965.00
TID #9-Idle Sites (Page)					
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL TID #9-Idle Sites (Page)	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	52,615.00	0.00	1,650.00	3.14	50,965.00
REVENUES OVER/(UNDER) EXPENDITURES	0.00	234.96	5,125.50	0.00	(5,125.50)

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

52 -Capital Projects

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					

<u>Non-Departmental</u>					
Taxes (or Utility Rev.)	1,928,000.00	2.00	233,206.39	12.10	1,694,793.61
Specials (Utility Rev.)	30,000.00	0.00	3,129.35	10.43	26,870.65
Intergovernmental	1,220,855.00	0.00	0.00	0.00	1,220,855.00
Public Charges-Services	0.00	0.00	540.00	0.00	(540.00)
Miscellaneous Revenues	0.00	0.00	1,000.00	0.00	(1,000.00)
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
TOTAL Non-Departmental	3,178,855.00	2.00	237,875.74	7.48	2,940,979.26
<u>Streets - Sealcoat</u>					
Taxes (or Utility Rev.)	52,385.00	0.00	0.00	0.00	52,385.00
TOTAL Streets - Sealcoat	52,385.00	0.00	0.00	0.00	52,385.00
<u>Streets - Resurfacing</u>					
Taxes (or Utility Rev.)	100,000.00	0.00	0.00	0.00	100,000.00
TOTAL Streets - Resurfacing	100,000.00	0.00	0.00	0.00	100,000.00
TOTAL REVENUE	3,331,240.00	2.00	237,875.74	7.14	3,093,364.26

EXPENDITURES					

<u>Streets - Sealcoat</u>					
Personnel Services	18,135.00	0.00	0.00	0.00	18,135.00
Supplies & Expenses	34,250.00	50,521.28	50,521.28	147.51	(16,271.28)
TOTAL Streets - Sealcoat	52,385.00	50,521.28	50,521.28	96.44	1,863.72
<u>Streets - Resurfacing</u>					
Personnel Services	23,000.00	0.00	0.00	0.00	23,000.00
Supplies & Expenses	77,000.00	75,221.35	76,003.58	98.71	996.42
TOTAL Streets - Resurfacing	100,000.00	75,221.35	76,003.58	76.00	23,996.42
<u>Capital Outlay/Projects</u>					
Personnel Services	0.00	796.86	3,423.64	0.00	(3,423.64)
Capital Outlay	2,810,464.60	(8,535.03)	772,467.99	27.49	2,037,996.61
TOTAL Capital Outlay/Projects	2,810,464.60	(7,738.17)	775,891.63	27.61	2,034,572.97
<u>Financing Costs</u>					
Debt Service	0.00	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL Financing Costs	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENDITURES	2,962,849.60	118,004.46	902,416.49	30.46	2,060,433.11

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

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62 -Water Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
=====					
<u>Non-Departmental</u>					
Taxes (or Utility Rev.)	111,276.00	9,604.28	68,027.32	61.13	43,248.68
Specials (Utility Rev.)	(1,438.00)	0.00	0.00	0.00	(1,438.00)
Public Charges-Services	1,509,660.00	66,913.86	949,674.54	62.91	559,985.46
Intergov Charges (Misc.)	23,775.00	328.43	9,093.55	38.25	14,681.45
Miscellaneous Revenues	7,500.00	0.55	704.15	9.39	6,795.85
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
TOTAL Non-Departmental	1,650,773.00	76,847.12	1,027,499.56	62.24	623,273.44
TOTAL REVENUE	1,650,773.00	76,847.12	1,027,499.56	62.24	623,273.44
EXPENDITURES					
=====					
<u>Non-Departmental</u>					
Work Orders - Utility	280,000.00	27,671.05	359,655.63	128.45	(79,655.63)
TOTAL Non-Departmental	280,000.00	27,671.05	359,655.63	128.45	(79,655.63)
<u>Pumping Expenses</u>					
	79,750.00	1,539.82	38,735.10	48.57	41,014.90
TOTAL Pumping Expenses	79,750.00	1,539.82	38,735.10	48.57	41,014.90
<u>Water Treatment Expenses</u>					
	67,750.00	1,598.94	47,780.90	70.53	19,969.10
TOTAL Water Treatment Expenses	67,750.00	1,598.94	47,780.90	70.53	19,969.10
<u>Trans & Distribution Exp</u>					
	286,250.00	14,810.12	166,200.65	58.06	120,049.35
TOTAL Trans & Distribution Exp	286,250.00	14,810.12	166,200.65	58.06	120,049.35
<u>Customer Accts Expenses</u>					
	85,250.00	6,345.29	62,195.93	72.96	23,054.07
TOTAL Customer Accts Expenses	85,250.00	6,345.29	62,195.93	72.96	23,054.07
<u>Admin & General Expenses</u>					
	759,206.00	19,977.16	226,899.59	29.89	532,306.41
TOTAL Admin & General Expenses	759,206.00	19,977.16	226,899.59	29.89	532,306.41
<u>Contract Work</u>					
	3,500.00	329.64	1,339.10	38.26	2,160.90
TOTAL Contract Work	3,500.00	329.64	1,339.10	38.26	2,160.90

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

PAGE: 2

62 -Water Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Taxes</u>					
	409,000.00	2,313.24	389,762.72	95.30	19,237.28
TOTAL Taxes	409,000.00	2,313.24	389,762.72	95.30	19,237.28
<u>Debt Service</u>					
	25,019.00	0.00	15,569.59	62.23	9,449.41
TOTAL Debt Service	25,019.00	0.00	15,569.59	62.23	9,449.41
 TOTAL EXPENDITURES	 1,995,725.00	 74,585.26	 1,308,139.21	 65.55	 687,585.79
 REVENUES OVER/(UNDER) EXPENDITURES	 (344,952.00)	 2,261.86	 (280,639.65)	 0.00	 (64,312.35)

*** END OF REPORT ***

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
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PAGE: 1

63 -Sewer Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
=====					
<u>Non-Departmental</u>					
Taxes (or Utility Rev.)	20,000.00	2,165.82	8,428.35	42.14	11,571.65
Intergov Charges (Misc.)	8,000.00	45.68	1,339.01	16.74	6,660.99
Miscellaneous Revenues	2,650.00	0.51	556.15	20.99	2,093.85
Other Financing Sources	8,500.00	0.00	0.00	0.00	8,500.00
Public Charges-Services	1,523,000.00	79,069.94	977,752.82	64.20	545,247.18
Other Charges-Services	125,000.00	13,674.81	94,513.40	75.61	30,486.60
TOTAL Non-Departmental	1,687,150.00	94,956.76	1,082,589.73	64.17	604,560.27
TOTAL REVENUE	1,687,150.00	94,956.76	1,082,589.73	64.17	604,560.27
EXPENDITURES					
=====					
<u>Non-Departmental</u>					
Work Orders - Utility	420,000.00	53,619.05	251,983.74	60.00	168,016.26
TOTAL Non-Departmental	420,000.00	53,619.05	251,983.74	60.00	168,016.26
<u>Contract Work</u>					
	500.00	0.00	40.98	8.20	459.02
TOTAL Contract Work	500.00	0.00	40.98	8.20	459.02
<u>Taxes - SS/Medicare</u>					
	33,500.00	2,979.12	23,633.34	70.55	9,866.66
TOTAL Taxes - SS/Medicare	33,500.00	2,979.12	23,633.34	70.55	9,866.66
<u>Operations</u>					
	278,750.00	9,783.84	187,442.64	67.24	91,307.36
TOTAL Operations	278,750.00	9,783.84	187,442.64	67.24	91,307.36
<u>Maintenance</u>					
	286,072.00	16,312.90	159,850.41	55.88	126,221.59
TOTAL Maintenance	286,072.00	16,312.90	159,850.41	55.88	126,221.59
<u>Customer Accts Expenses</u>					
	103,500.00	7,249.60	70,859.71	68.46	32,640.29
TOTAL Customer Accts Expenses	103,500.00	7,249.60	70,859.71	68.46	32,640.29
<u>Admin & General Expenses</u>					
	451,650.00	23,936.96	246,205.44	54.51	205,444.56
TOTAL Admin & General Expenses	451,650.00	23,936.96	246,205.44	54.51	205,444.56

Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

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CITY OF MERRILL
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: AUGUST 31ST, 2020

PAGE: 2

63 -Sewer Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Taxes & Depreciation</u>					
	325,500.00	0.00	0.00	0.00	325,500.00
TOTAL Taxes & Depreciation	325,500.00	0.00	0.00	0.00	325,500.00
<u>Transfers</u>					
	2,750.00	0.00	3,052.90	111.01	(302.90)
TOTAL Transfers	2,750.00	0.00	3,052.90	111.01	(302.90)
 TOTAL EXPENDITURES	 1,902,222.00	 113,881.47	 943,069.16	 49.58	 959,152.84
 REVENUES OVER/(UNDER) EXPENDITURES	 (215,072.00)	 (18,924.71)	 139,520.57	 0.00	 (354,592.57)

*** END OF REPORT ***

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Attachment: August 2020 Revenue & Expense Reports (5235 : Revenue & Expense Report for the period ending August 31, 2020)

Statewide Services, Inc.**Claim Division**

1241 John Q. Hammons Dr.
P.O. Box 5555
Madison, WI 53705-0555
877-204-9712

August 7, 2020

City of Merrill
Attn: Brenda Grefe
1004 E. 1st St.
Merrill, WI 54452

Program: League of Wisconsin Municipalities Mutual Insurance
Our Insured: City of Merrill
Date of loss: 2/07/2020
Our Claim # WM000350140174
Claimant: Progressive Insurance as Subrogee of James Swanson
P.O. Box 512929
Los Angeles, CA 90051
ATTN: Claim # 20-7392356

Dear Ms. Grefe,

Statewide Services, Inc. administers the claims for the League of Wisconsin Municipalities Mutual Insurance which insures the City of Merrill. We are in receipt of the claim submitted by Progressive Insurance for insured vehicle damage, allegedly caused by City of Merrill Firefighters.

We have reviewed the matter and recommend that the City of Merrill deny this claim pursuant to the Wisconsin statute for disallowance of claim 893.80(lg). The disallowance will shorten the statute of limitations period to six (6) months.

Our denial is based on the fact that the investigation revealed no liability on behalf of the City. The City does not accept responsibility for the damage being claimed. In addition, it is Statewide's stance that the City is subject to discretionary immunity in this situation.

Please submit the disallowance directly to Progressive at the above address. The disallowance should be sent certified or registered mail and must be received by the claimant within 120 days after you receive Notice of Claim. Please send a copy of the disallowance to Statewide Services Inc. Claims.

Attachment: Disallowance of Damage to Car by Fire Dept (5240 : Insurance claim from Progressive Insurance (James Swanson))

Sincerely,

Sarah Bourgeois
Claims Rep. I
Statewide Services Inc.
PO Box 5555
Madison, WI 53705-0555
608-828-5439 Phone
800-854-1537 Fax
sbourgeois@statewidesvcs.com

CC: Bill Barnes

Attachment: Disallowance of Damage to Car by Fire Dept (5240 : Insurance claim from Progressive Insurance (James Swanson))

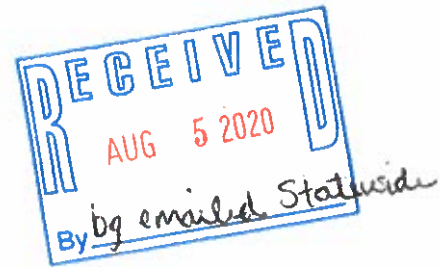
PROGRESSIVE

Payment Address
24344 Network Place
Chicago, IL 60673-1243

Document Address
P.O. Box 512929
Los Angeles, Ca 90051
Phone: (877)818-0139
Fax: (888) 781-6947

7/27/2020 1:11:00 PM
Certified Mail 9489 0090 0027 6301 127
3 29 Return Receipt Requested

CITY OF MERRILL
CITY CLERK:
BILL HEIDEMAN
CITY HALL
1004 E 1ST ST
MERRILL, WI 54452



Your Client: MERRILL FIRE DEPT
Your Claim Number: MFD2000217
Our Insured: SWANSON, JAMES
Our Claim Number: 20-7392356
Amount Subject to Reimbursement: 4788.34
Amount of Insured's Deductible: 500

Please take this as formal notice of our subrogation rights relative to the above -captioned claim. We have completed our investigation into the facts of the above-captioned loss and find that your insured was the proximate cause of the accident.

Location of Loss: 111 E RIVERSIDE AVE IN MERRILL
Date and Time of Loss: 02/07/2020 AT 1:00AM

Description of Loss: PROGRESSIVE WAS PARKED AND UNOCCUPIED WHEN FIRE DEPT CAME TO PUT FIRE OUT AT RESIDENCE. FIRE DEPT SCRATCHED PROGRESSIVE VEHICLE IN GARAGE.

Please make your draft payable to Progressive Universal Insurance Company as subrogee of "SWANSON, JAMES ", in the amount stated above and mail it to the attention of the undersigned at your earliest convenience.

All supporting documentation is enclosed. Thank you for your anticipated, prompt attention to this matter.

Nichole Krause

Progressive Subrogation
Progressive Universal Insurance Company
Tel. 877-818-0139
Fax. 888-781-6947
GovernmentStatus@email.progressive.com

Attachment: Info from Progressive on insurance claim (5240 : Insurance claim from Progressive Insurance (James Swanson))

Claim Payment Detail (20-7392356)

Payment Information

Disbursement Number:	363882990	Total Amount:	\$4,288.34
Draft Number:	2032790952	Invoice Number:	73508190
Pay to the Order of:	RONS AUTO BODY LLC		
Mailing Address:	311 FARMLAND DR KAUKAUNA, WI 54130-9672 USA		
In Payment Of:	Progressive Invoice Number: 73508190		

Reviewed Summary

Issuing Rep:	A023898	Approved By:	
Issue Date:	07-21-20	Review Date:	
Last Updated Rep:	A023898	Reviewed By:	

Bank Information

Type:	Loss	Bank Code:	1CD
Stop Reason:		Cleared:	No
Stop Date:			

Exposure Detail: COMP

Party Name:	SWANSON, JAMES W	Amount Paid:	\$4,288.34
Property Description:	16 SUBARU OUTBACK W/EYESIGHT	Deductible Taken:	\$500.00
Payment Type:	FINAL PAYMENT	Property Damage:	\$0.00
		Rental:	\$0.00

Attachment: Info from Progressive on insurance claim (5240 : Insurance claim from Progressive Insurance (James Swanson))

City of Merrill - 2019 Audit Reports

The CLA (Clifton Larson Allen, LLP) 2019 audit reports are drafts without some of the standard boiler-plate pages inserted.

Key points to assist in review:

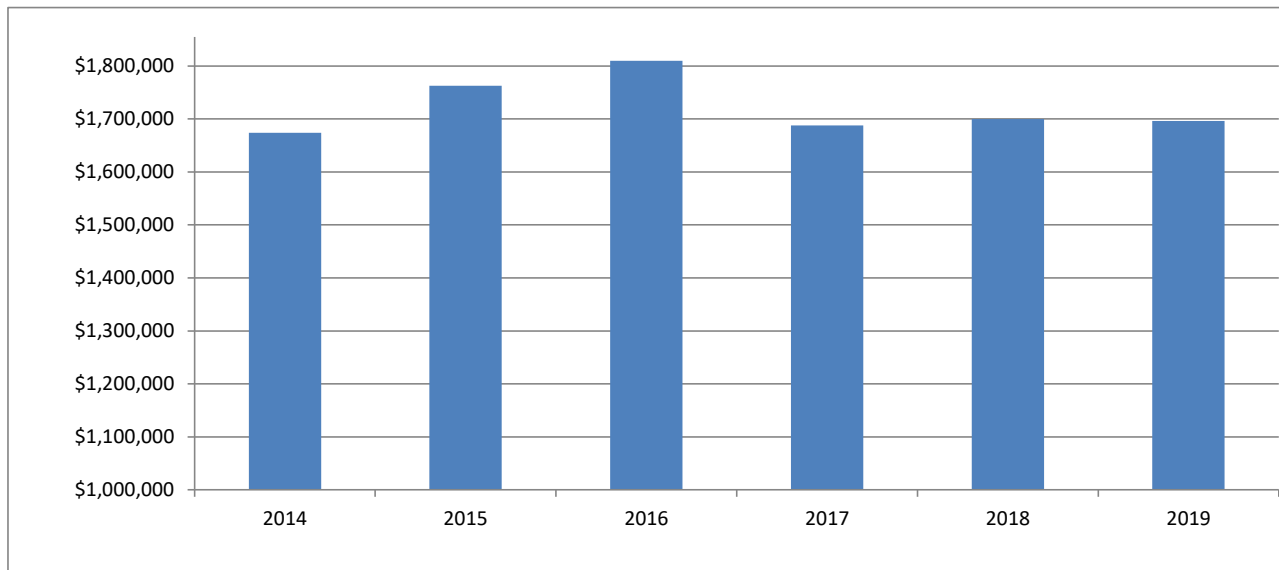
Management Communications provides the best format for comparing 2019 with 2018 fiscal information.

Due to the total 2019 expenditures in Tax Increment District (TID) No. 3, GASB (Governmental Accounting Standards Board) requirement is to show as a Major Fund. As a result, TID No. 3 isn't shown with the other TIDs in the more detailed Annual Financial Report.

Due to final invoicing/payment for 2019 infrastructure projects (i.e. 1/20/2020), offsetting grant revenues of about \$325,000 for Tax Increment Districts (TIDs) No. 3 and No. 9 will be credited as 2020 revenues.

The joint Redevelopment Authority (RDA) and Committee of Whole meeting on Wednesday, 9/23/2020 at 6:00 p.m. will provide expanded detail on fiscal status of Merrill's Tax Increment Districts (TIDs); upcoming TID Plan amendments to facilitate expanded tax increment sharing (such as from TID No. 4); and planning for future close-out of Tax Increment District (TID) No. 3.

City of Merrill - Undesignated General Fund Balance



City capital project borrowing in 2013 and 2016 through 2019.
City capital project borrowing in process for 2020.

As of 12/31st	Undesignated General Fund	Undesignated Change	
2014	\$1,673,673	(\$170,593)	Adjusted for \$705,578 reimbursement borrowing in 2016
2015	\$1,762,535	\$88,862	Adjusted for \$1,229,727 reimbursement borrowing in 2016
2016	\$1,809,741	\$47,206	
2017	\$1,687,571	(\$122,170)	
2018	\$1,699,745	\$12,174	
2019	\$1,696,353	(\$3,392)	Paid off State Trust Fund 2004 Pension Loan @ 5.25% Int.

Undesignated Balance is:
2020 Budget \$12,627,049 **13.4%** of 2020 Operations Budget

Prepared by: Finance Director Kathy Unertl

City of Merrill, Wisconsin
MANAGEMENT COMMUNICATIONS

December 31, 2019

City of Merrill, Wisconsin

DECEMBER 31, 2019

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CliftonLarsonAllen LLP
CLAAconnect.com

To the City Council
City of Merrill, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Merrill as of and for the year ended December 31, 2019, and have issued our report thereon dated August __, 2020. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Merrill are described in Note 1 to the financial statements.

As described in Note 1.B, the City changed accounting policies related to fiduciary activities by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 84, *Fiduciary Activities*, in 2019. As a result, the City established a custodial fund for taxes and special charges collected for other governments.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions, except as disclosed in Note 4.F, have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were:

- Management's estimate of the unbilled water and sewer charges is based upon analysis of billings in the first quarter of 2020. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the unbilled water and sewer charges in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the depreciable life of the capital assets is based upon analysis of the expected useful life of the capital assets. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the depreciable life in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability (asset) and related deferred outflows/inflows of resources is based on information received from the Wisconsin Retirement System. We evaluated the key factors and assumptions used to develop the net pension liability (asset) and related deferred outflows/inflows of resources in determining that they are reasonable in relation to the financial statements taken as a whole.



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Attachment: Audit 2019 - CLA Draft Reports (5275 : Presentation of and discussion of 2019 City of Merrill Audit Reports)

- Management's estimate of accumulated sick leave is based upon analysis of the employees sick leave balance. We evaluated the key factors and assumptions and the consistency in these factors and assumptions used to develop the estimate in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the other postemployment benefits is based on an actuarial report. We evaluated the key factors and assumptions used to develop the other postemployment benefits in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management:

- Adjusted deferred inflows/outflows and net pension liability in the Water and Sewer Utility based on WRS provided data
- Adjusted deferred inflows/outflows and other postemployment benefits liability in the Water and Sewer Utility based on WRS provided date
- Recorded depreciation expense in Water and Sewer Utility
- Recorded prior period adjustment for library trust received in prior year

Disagreements with management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated August __, 2020.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements,

our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

We have provided a separate letter to you dated [Date], communicating internal control related matters identified during the audit.

Other information in documents containing audited financial statements

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

With respect to the combining nonmajor governmental funds statements (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated August __, 2020.

* * *

This communication is intended solely for the information and use of the City Council and management of City of Merrill and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
August __, 2020

Summary Financial Information

GOVERNMENTAL FUND BALANCES

Presented below is a summary of the City's governmental fund balances on December 31, 2019 and 2018. This information is provided for assessing financial results for 2019 and for indicating financial resources available at the start of the 2020 budget year.

	12/31/19	12/31/18
General Fund		
Nonspendable for		
Inventories and prepaid items	\$ 169,094	\$ 158,781
Restricted for		
Capital improvements	311,252	380,014
Committed for		
Nonlapsing reserves	842,619	808,223
Unassigned	1,696,353	1,699,745
Total General Fund Balance	<u>3,019,318</u>	<u>3,046,763</u>
Debt Service Fund		
Restricted for debt service	<u>1,038</u>	<u>53,163</u>
Special Revenue Funds		
Restricted for		
Community development	537,010	516,643
Library	443,521	405,798
Library trust	1,381,055	1,155,292
Remedial action	358,878	384,896
Total Special Revenue Funds	<u>2,720,464</u>	<u>2,462,629</u>
Capital Projects Funds		
Restricted for TID project plan		
TIF No. 3	-	533,870
TIF No. 4	150,500	14,529
TIF No. 5	22,220	7,680
TIF No. 12	115,796	-
Unassigned		
TIF No. 3	(119,599)	-
TIF No. 6	(564,263)	(504,491)
TIF No. 7	(139,629)	(45,237)
TIF No. 8	(599,123)	(476,247)
TIF No. 9	(567,672)	(545,093)
TIF No. 10	(31,517)	(31,387)
TIF No. 11	(162,174)	(154,338)
TIF No. 12	-	(13,031)
Total Capital Projects Funds	<u>(1,895,461)</u>	<u>(1,213,745)</u>
Total Governmental Fund Balances	<u>\$ 3,845,359</u>	<u>\$ 4,348,810</u>

Overall the general fund decreased by \$27,445 with unassigned fund balance of \$1,696,353. The general fund, as reported, incorporates both operating and capital components, as summarized below:

	12/31/19	12/31/18
General Fund		
General operations	\$ 1,851,194	\$ 1,845,600
Nonlapsing reserve	842,619	808,223
School resource officer	-	372
Merrill festival grounds	5,275	5,274
Airport aviation fuel	8,978	7,280
Capital improvements	311,252	380,014
Total	<u>\$ 3,019,318</u>	<u>\$ 3,046,763</u>

The general fund is currently advancing funds to TID capital projects funds with deficit cash positions, providing the financing source for project plan expenditures. If these advances are not anticipated to be repaid within a year, or borrowing reimbursements made portions of general fund balance should be segregated and shown as not available for appropriation, as they are committed to covering cash deficits of these funds.

WATER UTILITY

A comparative summary of the Water Utility's change in net position for the years ended December 31, 2019 and 2020 appears below:

	2019	2018
Operating revenues		
Charges for services	\$ 1,466,772	\$ 1,505,277
Other	125,190	141,234
Total operating revenues	<u>1,591,962</u>	<u>1,646,511</u>
Operating expenses		
Operation and Maintenance	794,222	795,510
Depreciation	449,737	418,284
Taxes	17,591	16,846
Total operating expenses	<u>1,261,550</u>	<u>1,230,640</u>
Operating income	<u>330,412</u>	<u>415,871</u>
Nonoperating revenues (expenses)		
Interest income	10,908	8,913
Interest and fiscal charges	(41,801)	(26,403)
Other income	4,682	16,265
Total nonoperating revenues (expenses)	<u>(26,211)</u>	<u>(1,225)</u>
Income before contributions and transfers	304,201	414,646
Capital contributions	31,588	142,689
Transfer in	33,628	
Transfers out - payment in lieu of taxes	<u>(370,793)</u>	<u>(374,442)</u>
Change in net position	<u>\$ (1,376)</u>	<u>\$ 182,893</u>

The City's water utility reported an operating income of \$330,412 compared to \$415,871 for the prior year. To further evaluate the operating activities, we have calculated the water utility's rate of return below.

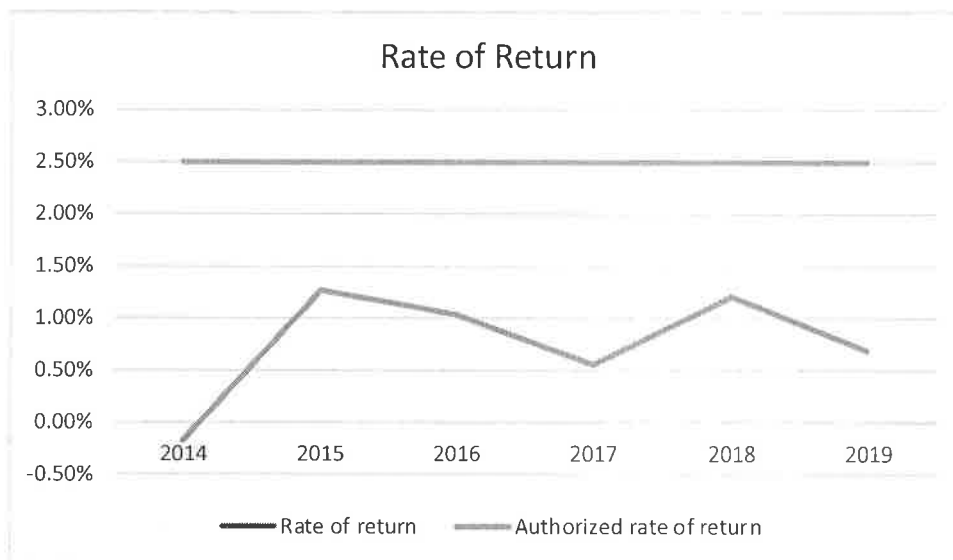
Rate of Return: The Public Service Commission of Wisconsin (PSC) determines rates charged to customers of the water utility by calculating rate of return on the water utility's average net rate base. Presented below is the calculation of the rates of return for 2019 and 2018 for the water utility based on the format used by the PSC: The PSC operating income differs from the above operating income by the following items:

- ▶ The PSC considers the property tax equivalent to be an expense in the year accrued while the property tax equivalent is considered an expense for financial reporting purposes in the year transferred to the City.
- ▶ The PSC no longer allows the water utility to recover depreciation on contributed plant from current rates; therefore, this depreciation expense is removed from PSC operating income.

	2019	2018
Rate of Return	0.69%	1.21%

Rate of Return

An analysis of rate of return for the last five years follows:



Summary Comment: The rate of return generated was lower than the authorized rate of return (2.50%). The water utility reported a cash and investment balance at December 31, 2019 of \$761,177, compared to a balance of \$804,817 at December 31, 2018. The water utility generated cash flows from operations of \$891,636 in 2019 compared to \$849,875 in 2018 and a negative net cash inflow from all activities of \$43,640 in 2019 compared to a positive \$304 in 2018.

SEWER UTILITY

A comparative summary of the Sewer Utility's change in net position for the years ended December 31, 2019 and 2018 appears below:

	<u>2019</u>	<u>2018</u>
Operating revenues		
Charges for services	\$ 1,495,758	\$ 1,495,239
Other	159,404	138,376
Total operating revenues	<u>1,655,162</u>	<u>1,633,615</u>
Operating expenses		
Operation and maintenance	983,494	1,100,279
Depreciation	409,810	392,036
Taxes	45,691	42,401
Total operating expenses	<u>1,438,995</u>	<u>1,534,716</u>
Operating income	<u>216,167</u>	<u>98,899</u>
Nonoperating revenues (expenses)		
Interest income	24,871	14,090
Interest expense	(7,027)	(10,836)
Other income	1,206	4,444
Total nonoperating revenues (expenses)	<u>19,050</u>	<u>7,698</u>
Income before contributions	235,217	106,597
Capital contributions	-	107,673
Transfer out	<u>(33,628)</u>	<u>-</u>
Change in net position	<u>\$ 201,589</u>	<u>\$ 214,270</u>

Because the sewer utility is not regulated by the PSC and treatment plants are typically capital intensive with depreciation expense being a significant component of operating expenses, it is important to consider cash flows when evaluating the sewer utility operating results. For the year ended December 31, 2019, the cash generated by operating activities totaled \$611,780 compared to \$495,529 for 2018. As of December 31, 2019, the sewer utility had cash from operations of \$0, a decrease of \$62,022 from the prior year, and restricted cash and investment balance of \$1,294,223.

As of December 31, 2019, the future debt services are as follows:

<u>Year Ended December 31</u>	<u>General Obligation</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 38,744	\$ 2,920	\$ 41,664
2021	10,000	3,075	13,075
2022	10,000	2,925	12,925
2023	10,000	2,775	12,775
2024	10,000	2,625	12,625
2025-2029	50,000	10,875	60,875
2030-2034	55,000	7,013	62,013
2035-2039	75,000	1,487	76,487
	<u>\$ 258,744</u>	<u>\$ 33,695</u>	<u>\$ 292,439</u>

New Accounting Standard

ACCOUNTING AND REPORTING FOR LEASES

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases* which establishes a single model for lease accounting and revises reporting requirements.

Lease accounting is required when a government contracts to use another entity's equipment, building, or other nonfinancial assets for a specific period of time. Under the new guidance, a lease asset and a lease liability are recorded in the government-wide and proprietary financial statements for this contract. The lease liability is calculated by including the following: fixed payments, variable payments, interest rate, purchase options, residual value guarantees, and termination or extension options. The lease liability is discounted and is amortized over the lease term. The lease asset is calculated by starting with the lease liability amount and adjusting for incentives and other costs and is amortized over the shorter of the lease term or the useful life of the underlying asset. The lease asset is reported in the financial statements as an intangible right to use asset, rather than a capital asset under current guidance. Footnote disclosures including lease assets by asset class and related accumulated amortization and future minimum payments among other details are required under the new Statement.

When the government is leasing one of its assets to another entity, a lease receivable and deferred inflow of resources related to the lease receivable is recorded. The lease receivable is calculated similar to the lease asset described above. The lease receivable is discounted and is amortized over the lease term. The deferred inflow of resources is calculated by starting with the lease receivable and adjusting for incentives and other payments. The deferred inflow would be recognized as an inflow of resources in a systematic and rational manner over the lease term.

Some contracts include a nonlease component such as maintenance services. The government will need to allocate the contract cost between the lease component and the nonlease component, unless it is not practicable to do so. If it is not practicable, the entire contract should be treated as a lease.

This new standard is effective for fiscal years beginning after June 15, 2021. Early adoption is encouraged by GASB. We recommend the City review the new standard, gather all lease contracts, and identify the terms and conditions of each contract, noting the lease term, all payments, and options in order to properly determine the value of each lease. The City should also review contracts that have both lease and nonlease components to determine if a price allocation is practicable.

APPENDIX

City of Merrill, Wisconsin ANNUAL FINANCIAL REPORT

December 31, 2019

City of Merrill, Wisconsin

DECEMBER 31, 2019

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Independent auditors' report

To the City Council
City of Merrill
Merrill, Wisconsin

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Merrill, Wisconsin (the "City") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund and the Community Development Block Grant fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

EMPHASIS OF MATTER

As described in Note 1.B., during 2019, the City adopted new accounting guidance, Statement No. 84, *Fiduciary Activities*. As a result, the City established a custodial fund for taxes and specials charges collected for other governments. In prior years, these amounts were reported in the general fund. Our opinions are not modified with respect to this matter.

As described in Note 4.F., the City recorded a prior period adjustment of \$1,155,292 in the government-wide and governmental fund statements to report a trust that was gifted to the City in a prior year. Our opinions are not modified with respect to this matter.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions and other postemployment benefits on pages 49 through 50 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Other Information

Our audit for the year ended December 31, 2019 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Merrill, Wisconsin's basic financial statements. The combining nonmajor fund financial statements for the year ended December 31, 2019 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The combining nonmajor fund financial statements have been subjected to the auditing procedures applied in the audits of the basic financial statements for the year ended December 31, 2019, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2019.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated August __, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
August __, 2020

City of Merrill, Wisconsin

STATEMENT OF NET POSITION DECEMBER 31, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 6,391,552	\$ 663,283	\$ 7,054,835
Receivables			
Taxes and special charges	4,696,736	-	4,696,736
Delinquent taxes	403	-	403
Accounts	331,110	723,461	1,054,571
Special assessments	43,924	-	43,924
Loans	2,989,545	-	2,989,545
Other	-	81,682	81,682
Internal balances	78,983	(78,983)	-
Inventories and prepaid items	169,094	45,107	214,201
Restricted assets			
Cash and investments	-	1,392,117	1,392,117
Capital assets, nondepreciable	4,318,470	315,526	4,633,996
Capital assets, depreciable	37,776,672	17,817,016	55,593,688
Total assets	<u>56,796,489</u>	<u>20,959,209</u>	<u>77,755,698</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on advance refunding	14,715	-	14,715
Pension related amounts	5,724,084	410,536	6,134,620
Other postemployment related amounts	40,853	2,945	43,798
Total deferred outflows of resources	<u>5,779,652</u>	<u>413,481</u>	<u>6,193,133</u>
LIABILITIES			
Accounts payable	470,111	39,179	509,290
Accrued and other current liabilities	31,577	-	31,577
Due to other governments	819	-	819
Accrued interest payable	162,425	7,015	169,440
Special deposits	146,969	-	146,969
Unearned revenues	4,200	-	4,200
Long-term obligations			
Due within one year	3,297,709	164,451	3,462,160
Due in more than one year	21,187,259	1,753,447	22,940,706
Net pension liability	2,110,577	152,135	2,262,712
Other postemployment benefits	326,479	23,533	350,012
Total liabilities	<u>27,738,125</u>	<u>2,139,760</u>	<u>29,877,885</u>
DEFERRED INFLOWS OF RESOURCES			
Property taxes levied for subsequent year	7,198,750	-	7,198,750
Pension related amounts	2,926,601	210,955	3,137,556
Other postemployment related amounts	87,329	6,294	93,623
Total deferred inflows of resources	<u>10,212,680</u>	<u>217,249</u>	<u>10,429,929</u>
NET POSITION			
Net investment in capital assets	18,779,354	16,288,361	35,067,715
Restricted	5,710,012	1,392,117	7,102,129
Unrestricted	135,970	1,335,203	1,471,173
Total net position	<u>\$ 24,625,336</u>	<u>\$ 19,015,681</u>	<u>\$ 43,641,017</u>

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General government	\$ 2,431,787	\$ 180,786	\$ 1,505	\$ 3,139
Public safety	6,489,444	406,183	1,495,727	-
Public works	2,099,988	204,111	1,131,165	27,120
Health and human services	29,121	-	-	3,061
Culture and recreation	2,242,235	360,409	461,493	68,022
Conservation and development	2,720,519	3,010	25,000	-
Interest and fiscal charges	665,920	-	-	-
Total governmental activities	16,679,014	1,154,499	3,114,890	101,342
BUSINESS-TYPE ACTIVITIES				
Water utility	1,303,351	1,591,962	-	31,588
Sewer utility	1,446,022	1,655,162	-	-
Total business-type activities	2,749,373	3,247,124	-	31,588
Total	\$ 19,428,387	\$ 4,401,623	\$ 3,114,890	\$ 132,930
General revenues				
Taxes				
Property taxes				
Tax increments				
Other taxes				
Federal and state grants and other contributions not restricted to specific functions				
Interest and investment earnings				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - January 1, as originally reported				
Prior period adjustment				
Net position - January 1, as restated				
Net position - December 31				

The notes to the basic financial statements are an integral part of this statement.

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Total
\$ (2,246,357)	\$ -	\$ (2,246,357)
(4,587,534)	-	(4,587,534)
(737,592)	-	(737,592)
(26,060)	-	(26,060)
(1,352,311)	-	(1,352,311)
(2,692,509)	-	(2,692,509)
(665,920)	-	(665,920)
<u>(12,308,283)</u>	<u>-</u>	<u>(12,308,283)</u>
-	320,199	320,199
-	209,140	209,140
-	529,339	529,339
<u>(12,308,283)</u>	<u>529,339</u>	<u>(11,778,944)</u>
5,856,189	-	5,856,189
1,065,732	-	1,065,732
163,467	-	163,467
3,542,201	-	3,542,201
429,567	35,779	465,346
339,474	5,888	345,362
370,793	(370,793)	-
<u>11,767,423</u>	<u>(329,126)</u>	<u>11,438,297</u>
<u>(540,860)</u>	<u>200,213</u>	<u>(340,647)</u>
24,010,904	18,815,468	42,826,372
<u>1,155,292</u>	<u>-</u>	<u>1,155,292</u>
<u>25,166,196</u>	<u>18,815,468</u>	<u>43,981,664</u>
<u>\$ 24,625,336</u>	<u>\$ 19,015,681</u>	<u>\$ 43,641,017</u>

City of Merrill, Wisconsin

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2019

	General	Community Development Block Grant	Debt Service
ASSETS			
Cash and investments	\$ 2,923,254	\$ 441,949	\$ 543,521
Receivables			
Taxes and special charges	2,799,435	9,107	1,009,718
Delinquent taxes	403	-	-
Accounts	270,294	-	-
Special assessments	43,924	-	-
Loans	-	2,989,545	-
Due from other funds	1,928,468	-	-
Advance to other funds	99,896	100,000	-
Inventories and prepaid items	169,094	-	-
Total assets	<u>\$ 8,234,768</u>	<u>\$ 3,540,601</u>	<u>\$ 1,553,239</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 465,778	\$ 43	\$ -
Accrued and other current liabilities	31,577	-	-
Due to other funds	-	-	-
Advance from other funds	269,450	-	-
Due to other governments	819	-	-
Special deposits	146,969	-	-
Unearned revenues	4,200	-	-
Total liabilities	<u>918,793</u>	<u>43</u>	<u>-</u>
Deferred inflows of resources			
Property taxes levied for subsequent year	4,282,643	14,000	1,552,201
Loans receivable	-	2,989,548	-
Special assessments	14,014	-	-
Total deferred inflows of resources	<u>4,296,657</u>	<u>3,003,548</u>	<u>1,552,201</u>
Fund balances			
Nonspendable	169,094	-	-
Restricted	311,252	537,010	1,038
Committed	842,619	-	-
Unassigned	1,696,353	-	-
Total fund balances	<u>3,019,318</u>	<u>537,010</u>	<u>1,038</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,234,768</u>	<u>\$ 3,540,601</u>	<u>\$ 1,553,239</u>

The notes to the basic financial statements are an integral part of this statement.

<u>TIF No. 3</u>	<u>Other Governmental Funds</u>	<u>Total</u>
\$ 194,111	\$ 2,288,717	\$ 6,391,552
578,950	299,526	4,696,736
-	-	403
-	60,816	331,110
-	-	43,924
-	-	2,989,545
-	-	1,928,468
-	269,450	469,346
-	-	169,094
<u>\$ 773,061</u>	<u>\$ 2,918,509</u>	<u>\$ 17,020,178</u>
\$ 3,019	\$ 1,271	\$ 470,111
-	-	31,577
-	1,849,485	1,849,485
-	199,896	469,346
-	-	819
-	-	146,969
-	-	4,200
<u>3,019</u>	<u>2,050,652</u>	<u>2,972,507</u>
889,641	460,265	7,198,750
-	-	2,989,548
-	-	14,014
<u>889,641</u>	<u>460,265</u>	<u>10,202,312</u>
-	-	169,094
-	2,471,970	3,321,270
-	-	842,619
<u>(119,599)</u>	<u>(2,064,378)</u>	<u>(487,624)</u>
<u>(119,599)</u>	<u>407,592</u>	<u>3,845,359</u>
<u>\$ 773,061</u>	<u>\$ 2,918,509</u>	<u>\$ 17,020,178</u>

City of Merrill, Wisconsin

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2019

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total fund balances as shown on previous page	\$ 3,845,359
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	42,095,142
Long-term assets are not available; therefore, are not reported in the funds:	
Loans receivable	2,989,548
Special assessments	14,014
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Loss on advance refunding	14,715
Deferred outflows related to pensions	5,724,084
Deferred inflows related to pensions	(2,926,601)
Deferred outflows related to other postemployment benefits	40,853
Deferred inflows related to other postemployment benefits	(87,329)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and notes payable	(23,352,163)
Premium on debt	(289,593)
Compensated absences	(843,212)
Net pension liability	(2,110,577)
Other postemployment benefit	(326,479)
Accrued interest on long-term obligations	(162,425)
Net position of governmental activities as reported on the statement of net position (see page 4)	<u>\$ 24,625,336</u>

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	General	Community Development Block Grant	Debt Service
REVENUES			
Taxes	\$ 4,421,210	\$ 14,993	\$ 1,600,516
Special assessments	27,120	-	-
Intergovernmental	5,080,598	-	1,596
Licenses and permits	196,606	-	-
Fines and forfeits	119,836	-	-
Public charges for services	609,429	-	-
Intergovernmental charges for services	1,661,013	1,300	-
Miscellaneous	458,019	162,387	916
Total revenues	12,573,831	178,680	1,603,028
EXPENDITURES			
Current			
General government	1,718,902	-	-
Public safety	5,623,359	-	-
Public works	2,790,629	-	-
Health and human services	157,437	-	-
Culture and recreation	2,385,316	-	-
Conservation and development	20,200	158,313	-
Debt service			
Principal	-	-	1,906,587
Interest and fiscal charges	63,602	-	607,966
Capital outlay	1,711,493	-	-
Total expenditures	14,470,938	158,313	2,514,553
Excess of revenues over (under) expenditures	(1,897,107)	20,367	(911,525)
OTHER FINANCING SOURCES (USES)			
Long-term debt issued	1,506,200	-	-
Premium on debt issued	13,602	-	-
Proceeds from sale of capital assets	32,692	-	-
Transfers in	370,793	-	859,400
Transfers out	(53,625)	-	-
Total other financing sources (uses)	1,869,662	-	859,400
Net change in fund balances	(27,445)	20,367	(52,125)
Fund balances - January 1, as originally reported	3,046,763	516,643	53,163
Prior period adjustment	-	-	-
Fund balances - January 1, as restated	3,046,763	516,643	53,163
Fund balances - December 31	\$ 3,019,318	\$ 537,010	\$ 1,038

The notes to the basic financial statements are an integral part of this statement.

Attachment: Audit 2019 - CLA Draft Reports (5275 : Presentation of and discussion of 2019 City of Merrill Audit Reports)

TIF No. 3	Other Governmental Funds	Total
\$ 681,185	\$ 384,547	\$ 7,102,451
-	-	27,120
45,044	84,969	5,212,207
-	-	196,606
-	-	119,836
-	-	609,429
-	-	1,662,313
8,402	339,025	968,749
734,631	808,541	15,898,711
-	-	1,718,902
-	-	5,623,359
-	26,018	2,816,647
-	-	157,437
-	47,719	2,433,035
246,863	271,055	696,431
-	-	1,906,587
33,885	1,888	707,341
2,094,476	86,629	3,892,598
2,375,224	433,309	19,952,337
(1,640,593)	375,232	(4,053,626)
1,500,000	125,000	3,131,200
-	1,888	15,490
-	-	32,692
-	43,177	1,273,370
(512,876)	(336,076)	(902,577)
987,124	(166,011)	3,550,175
(653,469)	209,221	(503,451)
533,870	(956,921)	3,193,518
-	1,155,292	1,155,292
533,870	198,371	4,348,810
\$ (119,599)	\$ 407,592	\$ 3,845,359

City of Merrill, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net change in fund balances as shown on previous page \$ (503,451)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital assets reported as capital outlay in governmental fund statements	4,101,090
Depreciation expense reported in the statement of activities	(1,665,781)
Net book value of disposals	(384,718)

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.

(75,426)

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Long-term debt issued	(3,131,200)
Premium on debt issued	(15,490)
Principal repaid	1,906,587

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Accrued interest on long-term debt	24,151
Amortization of debt premium and loss on advance refunding	15,675
Compensated absences	2,696
Net pension liability	(2,110,577)
Net pension asset	(1,730,063)
Deferred outflows of resources related to pensions	2,548,078
Deferred inflows of resources related to pensions	508,381
Other postemployment benefits	52,869
Deferred outflows of resources related to other postemployment benefits	(1,696)
Deferred inflows of resources related to other postemployment benefits	(81,985)

Change in net position of governmental activities as reported in the statement of activities (see pages 5 - 6)

\$ (540,860)

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 4,532,468	\$ 4,532,468	\$ 4,421,210	\$ (111,258)
Special assessments	30,000	30,000	27,120	(2,880)
Intergovernmental	5,333,806	5,333,806	5,080,598	(253,208)
Licenses and permits	193,771	193,771	196,606	2,835
Fines and forfeits	117,500	117,500	119,836	2,336
Public charges for services	636,125	636,125	609,429	(26,696)
Intergovernmental charges for services	1,749,833	1,749,833	1,661,013	(88,820)
Miscellaneous	392,050	392,050	458,019	65,969
Total revenues	12,985,553	12,985,553	12,573,831	(411,722)
EXPENDITURES				
Current				
General government	1,741,077	1,741,077	1,718,902	22,175
Public safety	5,539,814	5,539,814	5,623,359	(83,545)
Public works	3,100,047	3,100,047	2,790,629	309,418
Health and human services	137,886	137,886	157,437	(19,551)
Culture and recreation	2,264,559	2,264,559	2,385,316	(120,757)
Conservation and development	20,200	20,200	20,200	-
Debt service				
Interest and fiscal charges	-	-	63,602	(63,602)
Capital outlay	1,862,475	1,862,475	1,711,493	150,982
Total expenditures	14,666,058	14,666,058	14,470,938	195,120
Excess of revenues under expenditures	(1,680,506)	(1,680,506)	(1,897,107)	(216,601)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	37,500	37,500	1,506,200	1,468,700
Premium on debt issued	-	-	13,602	13,602
Proceeds from sale of capital assets	-	-	32,692	32,692
Transfers in	363,612	363,612	370,793	7,181
Transfers out	(1,625)	(1,625)	(53,625)	(52,000)
Total other financing sources (uses)	399,487	399,487	1,869,662	1,470,175
Net change in fund balance	(1,281,019)	(1,281,019)	(27,445)	1,253,574
Fund balance - January 1	3,046,763	3,046,763	3,046,763	-
Fund balance - December 31	\$ 1,765,744	\$ 1,765,744	\$ 3,019,318	\$ 1,253,574

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Budget		Actual	Variance Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 14,993	\$ 14,993	\$ 14,993	\$ -
Intergovernmental charges for services	11,500	11,500	1,300	(10,200)
Miscellaneous	139,635	139,635	162,387	22,752
Total revenues	166,128	166,128	178,680	12,552
EXPENDITURES				
Current				
Conservation and development	126,993	126,993	158,313	(31,320)
Net change in fund balance	39,135	39,135	20,367	(18,768)
Fund balance - January 1	516,643	516,643	516,643	-
Fund balance - December 31	<u>\$ 555,778</u>	<u>\$ 555,778</u>	<u>\$ 537,010</u>	<u>\$ (18,768)</u>

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2019

	Water Utility	Sewer Utility	Total
ASSETS			
Current assets			
Cash and investments	\$ 663,283	\$ -	\$ 663,283
Receivables			
Customer accounts	342,723	380,738	723,461
Other	29,314	52,368	81,682
Inventories and prepaid items	37,339	7,768	45,107
Total current assets	1,072,659	440,874	1,513,533
Noncurrent assets			
Restricted assets			
Cash and investments	97,894	1,294,223	1,392,117
Capital assets			
Nondepreciable	146,281	169,245	315,526
Depreciable	9,616,112	8,200,904	17,817,016
Total capital assets	9,762,393	8,370,149	18,132,542
Total assets	10,932,946	10,105,246	21,038,192
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	236,653	173,883	410,536
Other postemployment related amounts	1,686	1,259	2,945
Total deferred outflows of resources	238,339	175,142	413,481
LIABILITIES			
Current liabilities			
Accounts payable	25,337	13,842	39,179
Due to other funds	-	78,983	78,983
Accrued interest	5,414	1,601	7,015
Current portion of long-term debt	125,707	38,744	164,451
Total current liabilities	156,458	133,170	289,628
Long-term obligations, less current portion			
General obligation debt	326,134	224,066	550,200
Revenue bonds	1,129,530	-	1,129,530
Compensated absences	22,538	51,179	73,717
Net pension liability	87,112	65,023	152,135
Other postemployment benefits	13,475	10,058	23,533
Total long-term liabilities	1,578,789	350,326	1,929,115
Total liabilities	1,735,247	483,496	2,218,743
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	120,792	90,163	210,955
Other postemployment related amounts	3,604	2,690	6,294
Total deferred inflows of resources	124,396	92,853	217,249
NET POSITION			
Net investment in capital assets	8,181,022	8,107,339	16,288,361
Restricted	97,894	1,294,223	1,392,117
Unrestricted	1,032,726	302,477	1,335,203
Total net position	\$ 9,311,642	\$ 9,704,039	\$ 19,015,681

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Water Utility	Sewer Utility	Total
OPERATING REVENUES			
Charges for services	\$ 1,466,772	\$ 1,495,758	\$ 2,962,530
Other	125,190	159,404	284,594
Total operating revenues	1,591,962	1,655,162	3,247,124
OPERATING EXPENSES			
Operation and maintenance	794,222	983,494	1,777,716
Depreciation	449,737	409,810	859,547
Taxes	17,591	45,691	63,282
Total operating expenses	1,261,550	1,438,995	2,700,545
Operating income	330,412	216,167	546,579
NONOPERATING REVENUES (EXPENSES)			
Interest income	10,908	24,871	35,779
Interest and fiscal charges	(41,801)	(7,027)	(48,828)
Other nonoperating revenues (expenses)	4,682	1,206	5,888
Total nonoperating revenues (expenses)	(26,211)	19,050	(7,161)
Income before contributions and transfers	304,201	235,217	539,418
Capital contributions	31,588	-	31,588
Transfers in	33,628	-	33,628
Transfers out	(370,793)	(33,628)	(404,421)
Change in net position	(1,376)	201,589	200,213
Net position - January 1	9,313,018	9,502,450	18,815,468
Net position - December 31	<u>\$ 9,311,642</u>	<u>\$ 9,704,039</u>	<u>\$ 19,015,681</u>

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Water Utility	Sewer Utility	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,606,375	\$ 1,647,270	\$ 3,253,645
Cash paid for employee wages and benefits	(335,373)	(160,762)	(496,135)
Cash paid to suppliers	(379,366)	(874,728)	(1,254,094)
Net cash provided by operating activities	891,636	611,780	1,503,416
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer out	(337,165)	45,355	(291,810)
Net cash provided (used) by noncapital financing activities	(337,165)	45,355	(291,810)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(800,407)	(679,129)	(1,479,536)
Proceeds of issuance of long-term debt	341,134	234,066	575,200
Principal paid on long-term debt	(108,592)	(28,340)	(136,932)
Interest paid on long-term debt	(41,154)	(8,409)	(49,563)
Net cash used by capital and related financing activities	(609,019)	(481,812)	(1,090,831)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	10,908	24,871	35,779
Change in cash and cash equivalents	(43,640)	200,194	156,554
Cash and cash equivalents - January 1	804,817	1,094,029	1,898,846
Cash and cash equivalents - December 31	<u>\$ 761,177</u>	<u>\$ 1,294,223</u>	<u>\$ 2,055,400</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 330,412	\$ 216,167	\$ 546,579
Adjustments to reconcile operating income to net cash provided by operating activities			
Depreciation	449,737	409,810	859,547
Depreciation charged to sewer utility	26,644	(26,644)	-
Change in liability (asset) and deferred outflows and inflows of resources			
Change in WRS Asset/Liability	159,421	120,031	279,452
Change in WRS Deferred Outflow	(104,128)	(75,966)	(180,094)
Change in WRS Deferred Inflow	(22,775)	(19,053)	(41,828)
Change in OPEB Liability	(2,380)	(2,004)	(4,384)
Change in OPEB Deferred Outflow	92	94	186
Change in OPEB Deferred Inflow	3,381	2,520	5,901
Miscellaneous nonoperating revenue	4,682	1,206	5,888
Change in operating assets and liabilities			
Accounts receivables	6,575	(7,576)	(1,001)
Other receivables	3,156	(1,522)	1,634
Inventories and prepaid items	52,144	(2,034)	50,110
Accounts payable	4,275	(53,782)	(49,507)
Compensated absences	(19,600)	50,533	30,933
Net cash provided by operating activities	<u>\$ 891,636</u>	<u>\$ 611,780</u>	<u>\$ 1,503,416</u>
Reconciliation of cash and cash equivalents to the statement of net position			
Cash and cash equivalents in current assets	\$ 663,283	\$ -	\$ 663,283
Cash and cash equivalents in restricted assets	97,894	1,294,223	1,392,117
Total cash and cash equivalents	<u>\$ 761,177</u>	<u>\$ 1,294,223</u>	<u>\$ 2,055,400</u>
Noncash capital and related financing activities			
Contributed capital assets	<u>\$ 31,588</u>	<u>\$ -</u>	<u>\$ 31,588</u>

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUND DECEMBER 31, 2019

	Tax Collection Custodial Fund
ASSETS	
Cash and investments	\$ 2,172,442
LIABILITIES	
Due to other governments	2,172,442
FIDUCIARY NET POSITION	
Restricted	\$ -

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUND FOR THE YEAR ENDED DECEMBER 31, 2019

	Tax Collection Custodial Fund
ADDITIONS	
Property tax collections	\$ 4,308,310
DEDUCTIONS	
Payments to taxing jurisdictions	4,308,310
Change in net position	-
Fiduciary net position - January 1	-
Fiduciary net position - December 31	\$ -

The notes to the basic financial statements are an integral part of this statement.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Merrill, Wisconsin (the "City"), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

A. REPORTING ENTITY

The City is a municipal corporation governed by an elected nine member council. In accordance with GAAP, the basic financial statements are required to include the City and any separate component units that have a significant operational or financial relationship with the City. The City has not identified any component units that are required to be included in the basic financial statements in accordance with standards established in GASB Statement No. 61.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The City has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund

This is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Community Development Block Grant Fund

To account for all transactions relating to the operation of the City's revolving loan program. Significant revenues are loan repayments.

Debt Service Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of government funds.

TIF No. 3

This fund accounts for the resources accumulated for the District's project plan and the retirement of debt issued.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

The City reports the following major enterprise funds:

Water Utility Fund

This fund accounts for the operations of the City's water utility.

Sewer Utility Fund

This fund accounts for the operations of the City's sewer utility.

The City also reports the following fiduciary fund:

Custodial Fund

The custodial fund accounts for property taxes and special charges collected on behalf of other governments. These amounts were recorded in the general fund in prior years. Due to the implementation of GASB 84, *Fiduciary Activities*, they are now recorded in a custodial fund.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, and fees and fines, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources, as they are needed.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

2. Property Taxes and Special Charges Receivable

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against City properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City. Special charges not paid by January 31 are held in trust by the County and remitted to the City, including interest, when collected by the County.

In addition to its levy, the City also levies and collects taxes for the Merrill School District, Lincoln County, and North Central Technical College.

3. Accounts Receivable

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements.

4. Loans Receivable

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The City records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the City records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

5. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Noncurrent portions of the interfund receivables for the governmental funds are reported as "advances to other funds" and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

6. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

7. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefited.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

8. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-type Activities
	Years	
Land improvements	20 - 40	-
Buildings and improvements	25 - 50	25 - 50
Machinery and equipment	3 - 20	3 - 20
Infrastructure	30 - 50	25 - 100

9. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

10. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for special assessments, grants, and loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

11. Long-term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

12. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wisconsin Retirement System (WRS) and additions to/deductions from WRS' fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

13. Other Postemployment Benefits Other Than Pensions (OPEB)

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

14. Fund Equity

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- ▶ **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- ▶ **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- ▶ **Committed fund balance.** Amounts that are constrained for specific purposes by action of the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.
- ▶ **Assigned fund balance.** Amounts that are constrained for specific purposes by action of City management. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- ▶ **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

Equity is classified as net position and displayed in three components:

- ▶ **Net investment in capital assets.** Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- ▶ **Restricted net position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- ▶ **Unrestricted net position.** Net position that is neither classified as restricted nor as net investment in capital assets.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 2: STEWARDSHIP AND COMPLIANCE

A. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During October, City management submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds. Management control for the capital projects funds is also achieved through project authorizations included in debt issue resolutions.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.
5. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2019.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

B. DEFICIT FUND EQUITY

The following funds had deficit fund balance as of December 31, 2019:

Funds	Deficit Fund Balance
TIF No. 3	\$ 119,599
TIF No. 6	564,263
TIF No. 7	139,629
TIF No. 8	599,123
TIF No. 9	567,672
TIF No. 10	31,517
TIF No. 11	162,174

The City anticipates future tax increments will finance the deficits of the funds.

C. PROPERTY TAX LEVY LIMIT

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2019 and 2020 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2019 budget was 1.50%. The actual limit for the City for the 2020 budget was 1.78%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

NOTE 3: DETAILED NOTES ON ALL FUNDS

A. CASH AND INVESTMENTS

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments".

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

The carrying amount of the City's cash and investments totaled \$10,619,394 on December 31, 2019 as summarized below:

Petty cash and cash on hand	\$ 6,328
Deposits with financial institutions	9,039,755
Investments	1,573,311
	<u>\$ 10,619,394</u>

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Cash and investments	\$ 7,054,835
Restricted cash and investments	1,392,117
Fiduciary Fund Statement of Net Position	
Cash and investments	2,172,442
	<u>\$ 10,619,394</u>

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2019:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
Corporate bonds	\$ -	\$ 8,036	\$ -
Mutual bond funds	-	175,928	-
Money market mutual funds	62,138	-	-
Exchange traded funds	-	219,327	-
Common stock	-	1,009,988	-
	<u>\$ 62,138</u>	<u>\$ 1,413,279</u>	<u>\$ -</u>

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the City's deposits and investments and the related risks.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City does not have an additional custodial credit policy.

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the State of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2019, \$2,876,043 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits but was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the City's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Investment Type	Amount	Exempt from Disclosure	A	BBB	Not Rated
Corporate bonds	\$ 8,036	\$ -	\$ -	\$ 8,036	\$ -
Mutual bond funds	175,928	-	-	-	175,928
Money market mutual funds	62,138	-	-	-	62,138
Exchange traded funds	219,327	-	-	-	219,327
Wisconsin local government investment pool	97,894	-	-	-	97,894
Totals	<u>\$ 563,323</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,036</u>	<u>\$ 555,287</u>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer.

At December 31, 2019, the City had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Corporate bonds	\$ 8,036	\$ -	\$ -	\$ -	\$ 8,036
Mutual bond funds	175,928	-	-	175,928	-
Money market mutual fund	62,138	62,138	-	-	-
Wisconsin local government investment pool	97,894	97,894	-	-	-
Totals	<u>\$ 343,996</u>	<u>\$ 160,032</u>	<u>\$ -</u>	<u>\$ 175,928</u>	<u>\$ 8,036</u>

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$97,894 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

B. RESTRICTED ASSETS

Restricted assets on December 31, 2019 totaled \$1,392,117 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Enterprise Funds		
Water Utility		
Debt retirement	\$ 97,894	To be used for retirement of revenue bonds
Sewer Utility		
Plant replacement	1,294,223	To be used for the replacement of certain assets for the sewer utility
Total	<u>\$ 1,392,117</u>	

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, nondepreciable:				
Land	\$ 4,426,226	\$ 9,535	\$ 363,870	\$ 4,071,891
Construction in progress	285,000	246,579	285,000	246,579
Total capital assets, nondepreciable	<u>4,711,226</u>	<u>256,114</u>	<u>648,870</u>	<u>4,318,470</u>
Capital assets, depreciable:				
Land improvements	7,770,765	753,163	-	8,523,928
Buildings and improvements	18,872,181	728,674	12,177	19,588,678
Machinery and equipment	11,244,263	630,739	133,318	11,741,684
Infrastructure	13,445,347	2,017,400	-	15,462,747
Subtotals	<u>51,332,556</u>	<u>4,129,976</u>	<u>145,495</u>	<u>55,317,037</u>
Less accumulated depreciation for:				
Land improvements	3,081,496	406,989	-	3,488,485
Buildings and improvements	5,728,863	397,558	12,177	6,114,244
Machinery and equipment	5,270,263	494,607	112,470	5,652,400
Infrastructure	1,918,609	366,627	-	2,285,236
Subtotals	<u>15,999,231</u>	<u>1,665,781</u>	<u>124,647</u>	<u>17,540,365</u>
Total capital assets, depreciable, net	<u>35,333,325</u>	<u>2,464,195</u>	<u>20,848</u>	<u>37,776,672</u>
Governmental activities capital assets, net	<u>\$ 40,044,551</u>	<u>\$ 2,720,309</u>	<u>\$ 669,718</u>	<u>42,095,142</u>
Less: Capital related debt				23,040,910
Add: Deferred charge on refunding				(14,715)
Less: Debt premium				289,593
Net investment in capital assets				<u>\$ 18,779,354</u>

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, nondepreciable:				
Land	\$ 87,348	\$ -	\$ -	\$ 87,348
Construction in progress	133,478	173,464	78,764	228,178
Total capital assets, nondepreciable	220,826	173,464	78,764	315,526
Capital assets, depreciable:				
Water utility	15,834,542	759,156	78,824	16,514,874
Sewer utility	14,998,031	657,268	-	15,655,299
Subtotals	30,832,573	1,416,424	78,824	32,170,173
Less accumulated depreciation for:				
Water utility	6,501,204	476,381	78,824	6,898,761
Sewer utility	7,071,230	383,166	-	7,454,396
Subtotals	13,572,434	859,547	78,824	14,353,157
Total capital assets, depreciable, net	17,260,139	556,877	-	17,817,016
Business-type activities capital assets, net	\$ 17,480,965	\$ 730,341	\$ 78,764	18,132,542
Less: Capital related debt				1,833,981
Less: Debt premium				10,200
Net investment in capital assets				\$ 16,288,361

Depreciation expense was charged to functions of the City as follows:

Governmental activities	
General government	\$ 76,973
Public safety	283,957
Public works	765,116
Health and human services	8,816
Culture and recreation	530,919
Total depreciation expense - governmental activities	\$ 1,665,781
Business-type activities	
Water utility	\$ 449,737
Sewer utility	409,810
Total depreciation expense - business-type activities	\$ 859,547

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

D. INTERFUND RECEIVABLE, PAYABLES, AND TRANSFERS

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2019 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary cash advances to finance operating cash deficits		
Governmental Funds		
General	\$ 1,928,468	\$ -
TIF No. 6	-	549,666
TIF No. 7	-	67,236
TIF No. 8	-	585,032
TIF No. 9	-	593,240
TIF No. 10	-	31,517
TIF No. 11	-	22,794
Proprietary Funds		
Sewer utility	-	78,983
Subtotal	<u>1,928,468</u>	<u>1,928,468</u>
Long-term advances		
General	99,896	269,450
Remedial action	269,450	-
TIF No. 11	-	99,896
Community development block grant	100,000	-
TID No. 7	-	100,000
Subtotal	<u>469,346</u>	<u>469,346</u>
Totals	<u>\$ 2,397,814</u>	<u>\$ 2,397,814</u>

The advance to the general fund for the retirement of the unfunded pension liability will be repaid at \$26,945 per year from 2021 through 2030. The advance does not bear interest. The advance to tax incremental district no. 11 does not have an established repayment schedule. The advance from CDBG to the TID No. 7 is expected to be repaid by 2023 with an interest rate at 3.00%.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Interfund transfers for the year ended December 31, 2019 were as follows:

Fund	Transfer In	Transfer Out
General	\$ 370,793	\$ 53,625
Debt service	859,400	-
Library	43,177	-
Library trust	-	43,177
TIF No. 3	-	512,876
TIF No. 4	-	88,910
TIF No. 5	-	2,485
TIF No. 6	-	34,515
TIF No. 7	-	13,411
TIF No. 8	-	50,674
TIF No. 9	-	18,950
TIF No. 10	-	20,025
TIF No. 11	-	63,929
Water utility	33,628	370,793
Sewer utility	-	33,628
	<u>\$ 1,306,998</u>	<u>\$ 1,306,998</u>

Interfund transfers were made for the following purposes:

Tax equivalent payment made by water utility to general fund	\$ 370,793
Tax incremental district transfers for debt retirement related to the District	805,775
Library expenditures	43,177
General fund debt service	53,625
Transfer from sewer utility to water utility for sick leave payouts	33,628
	<u>\$ 1,306,998</u>

E. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2019:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental activities:					
General obligation debt					
Bonds	\$ 11,725,000	\$ 1,380,000	\$ 595,000	\$ 12,510,000	\$ 660,000
Notes	5,225,000	-	650,000	4,575,000	660,000
Direct borrowings	434,549	251,200	263,586	422,163	69,709
Total general obligation debt	17,384,549	1,631,200	1,508,586	17,507,163	1,389,709
Tax increment revenue bonds	3,663,000	-	398,000	3,265,000	408,000
Note anticipation notes	1,080,000	1,500,000	-	2,580,000	1,500,000
Premium on bond issuance	305,830	15,490	31,727	289,593	
Compensated absences	845,908	-	2,696	843,212	
Governmental activities					
Long-term obligations	<u>\$ 23,279,287</u>	<u>\$ 3,146,690</u>	<u>\$ 1,941,009</u>	<u>\$ 24,484,968</u>	<u>\$ 3,297,709</u>

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Business-type activities:					
General obligation debt					
Bonds	\$ -	\$ 565,000	\$ -	\$ 565,000	\$ 25,000
Notes	-	-	-	-	-
Direct borrowings	111,998	-	55,523	56,475	56,475
Total general obligation debt	111,998	565,000	55,523	621,475	81,475
Revenue bonds	1,293,915	-	81,409	1,212,506	82,976
Debt premium	-	10,200	-	10,200	-
Compensated absences	42,784	30,933	-	73,717	-
Business-type activities					
Long-term obligations	\$ 1,448,697	\$ 606,133	\$ 136,932	\$ 1,917,898	\$ 164,451

Total interest paid during the year on long-term debt totaled \$470,708.

For governmental activities, the other long-term liabilities are generally funded by the general fund.

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
General Obligation Bonds					
Series 2013A	09/04/13	05/01/33	2.25 - 4.2%	\$ 4,290,000	\$ 3,230,000
Series 2016B	10/11/16	10/01/36	2 - 2.5%	4,095,000	3,485,000
Series 2017C	10/26/17	10/01/37	2 - 3.375%	3,210,000	2,900,000
Series 2018B	09/27/18	04/01/38	2.00 - 3.7%	1,575,000	1,515,000
Series 2019A	11/05/19	10/01/39	2.25 - 3.0%	1,945,000	1,945,000
General Obligation Notes					
Series 2013B	09/04/13	05/01/23	2.25 - 3%	2,765,000	790,000
Series 2016A	10/11/16	10/01/26	0.8 - 2.2%	2,020,000	1,870,000
Series 2017D	10/26/17	10/01/27	1.25 - 2.15%	860,000	720,000
Series 2018A	09/27/18	04/01/28	1.9 - 2.95%	1,310,000	1,195,000
Direct Borrowing					
State Infrastructure Bank (SIB)	12/28/06	10/18/20	2.00%	730,000	56,597
State Trust Fund Loan	08/16/05	03/15/25	5.00%	275,000	118,691
State Trust Fund Loan	12/21/10	03/15/20	3.75%	430,150	52,150
State Trust Fund Loan	12/17/19	03/15/29	3.25%	251,200	251,200
Total outstanding general obligation debt					\$ 18,128,638

The City's outstanding notes from direct borrowings related to governmental activities and business type activities of \$422,041 are subject to a statutory provision that in an event of late or non-payment, a one percent per month penalty will be charged and the payment will be collected through a reduction in payments from the State of Wisconsin. The City's outstanding notes from direct borrowings related to governmental activities of \$56,597 contain a provision that in an event of default, outstanding amounts become immediately due if the City is unable to make payment.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Build America Bond

The general obligation debt issued on 12/21/2010 qualifies as Build America Bonds, as described in Section 54AA of the Internal Revenue Code. The interest on the debt is taxable as set forth in the regulations. The City is eligible to receive a 35% subsidy of the annual interest payment from the Federal government. In order to receive this subsidy it is necessary for the City to file a claim form annually.

Annual principal and interest maturities of the outstanding general obligation debt of \$18,128,661 on December 31, 2019 are detailed below:

Year Ended December 31,	Governmental Activities					
	Bonds and Notes		Direct Borrowings		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 1,320,000	\$ 450,960	\$ 69,709	\$ 7,661	\$ 1,389,709	\$ 458,621
2021	1,355,000	422,410	41,063	15,217	1,396,063	437,627
2022	1,380,000	392,671	44,709	11,571	1,424,709	404,242
2023	1,400,000	359,940	46,499	9,782	1,446,499	369,722
2024	1,290,000	330,096	48,342	7,939	1,338,342	338,035
2025-2029	5,160,000	1,193,161	171,841	16,012	5,331,841	1,209,173
2030-2034	3,485,000	563,438	-	-	3,485,000	563,438
2035-2039	1,695,000	116,670	-	-	1,695,000	116,670
	<u>\$ 17,085,000</u>	<u>\$ 3,829,346</u>	<u>\$ 422,163</u>	<u>\$ 68,182</u>	<u>\$ 17,507,163</u>	<u>\$ 3,897,528</u>

Year Ended December 31,	Business-type Activities					
	Bonds and Notes		Direct Borrowings		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 25,000	\$ 14,557	\$ 56,475	\$ 960	\$ 81,475	\$ 15,517
2021	25,000	14,715	-	-	25,000	14,715
2022	25,000	13,874	-	-	25,000	13,874
2023	25,000	13,033	-	-	25,000	13,033
2024	25,000	12,192	-	-	25,000	12,192
2025-2029	125,000	48,604	-	-	125,000	48,604
2030-2034	145,000	32,069	-	-	145,000	32,069
2035-2039	170,000	13,356	-	-	170,000	13,356
	<u>\$ 565,000</u>	<u>\$ 162,400</u>	<u>\$ 56,475</u>	<u>\$ 960</u>	<u>\$ 621,475</u>	<u>\$ 163,360</u>

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2019 was \$4,166,620 as follows:

Equalized valuation of the City		\$445,884,400
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		<u>22,294,220</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 18,128,638	
Less: Amounts available for financing general obligation debt		
Debt service fund	<u>1,038</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>18,127,600</u>
Legal margin for new debt		<u>\$ 4,166,620</u>

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Note Anticipation Notes

Note anticipation notes outstanding on December 31, 2019 was comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
Taxable Note Anticipation Notes Series 2016C	10/11/16	10/01/21	3.99%	\$ 1,080,000	\$ 1,080,000
Taxable Note Anticipation Notes Series 2019B	10/30/19	12/01/20	1.90%	1,500,000	1,500,000
					<u>\$ 2,580,000</u>

Annual principal and interest maturities of the outstanding note anticipation note debt of \$2,580,000 on December 31, 2019 are detailed below:

Year Ended December 31,	Governmental Activities		
	Principal	Interest	Total
2020	\$ 1,500,000	\$ 74,046	\$ 1,574,046
2021	1,080,000	43,092	1,123,092
	<u>\$ 2,580,000</u>	<u>\$ 117,138</u>	<u>\$ 2,697,138</u>

Tax Increment Revenue Bonds

Tax increment revenue bonds are limited obligations of the City, payable from tax increments or other appropriated funds and shall not constitute an indebtedness of the City nor a charge against its general credit or taxing power. Tax increment revenue bonds outstanding on December 31, 2019 totaled \$3,265,000 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
Tax Increment Revenue Bonds Series 2017A (TID No. 3)	10/10/17	10/01/26	2.92%	\$ 1,561,000	\$ 1,247,000
Series 2017B (TID No. 4)	10/10/17	10/01/28	3.06%	579,000	487,000
Series 2018C (TID No. 3)	10/23/18	10/01/26	3.50%	1,724,000	1,531,000
					<u>\$ 3,265,000</u>

Annual principal and interest maturities of the outstanding tax increment revenue bonds of \$3,265,000 on December 31, 2019 are detailed below:

Year Ended December 31,	Governmental Activities					
	TID No. 3		TID No. 4		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 360,000	\$ 89,998	\$ 48,000	\$ 14,902	\$ 408,000	\$ 104,900
2021	371,000	78,343	49,000	13,433	420,000	91,776
2022	384,000	66,332	51,000	11,934	435,000	78,266
2023	396,000	53,896	52,000	10,373	448,000	64,269
2024	409,000	41,068	54,000	8,782	463,000	49,850
2025-2028	858,000	41,949	233,000	18,085	1,091,000	60,034
	<u>\$ 2,778,000</u>	<u>\$ 371,586</u>	<u>\$ 487,000</u>	<u>\$ 77,509</u>	<u>\$ 3,265,000</u>	<u>\$ 449,095</u>

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Tax Incremental Revenue Pledged

The City has pledged future tax increments within TIF No. 3 and TIF no. 4 to pay for the debt service on the tax increment bonds.

Water System Revenue Bonds

Revenue bonds outstanding on December 31, 2019 totaled \$1,212,506 and were comprised of the following issue:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/19</u>
Direct borrowings					
Safe water drinking bond	10/10/17	10/01/26	2.92%	\$ 1,745,386	<u>\$ 1,212,506</u>

The City's outstanding bonds from direct borrowings of \$1,212,506 contain the following provisions in the event of a default: 1) Wisconsin Department of Administration can deduct amounts due from any state payments due to the City or add the amounts due as a special charge to the property taxes apportioned; 2) may appoint a receiver for the Program's benefit; 3) may declare the principal amount immediately due and payable; 4) may enforce any right or obligation under the financing agreement including the right to seek specific performance or mandamus; and 5) may increase the interest rate set forth in the financing agreement to the market interest rate.

Annual principal and interest maturities of the outstanding water system revenue bonds of \$1,212,506 on December 31, 2019 are detailed below:

<u>Year Ended</u>	<u>Business-type Activities</u>		
<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 82,976	\$ 22,542	\$ 105,518
2021	84,573	20,929	105,502
2022	86,201	19,286	105,487
2023	87,861	17,610	105,471
2024	89,552	15,903	105,455
2025-2029	474,291	52,727	527,018
2030-2032	307,052	8,941	315,993
	<u>\$ 1,212,506</u>	<u>\$ 157,938</u>	<u>\$ 1,370,444</u>

Utility Revenues Pledged

The City has pledged future water customer revenues, net of specified operating expenses, to repay the water system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the systems. The bonds are payable solely from water customer net revenues and are payable through 2032. The total principal and interest remaining to be paid on the bonds is \$1,370,444. Principal and interest paid for the current year and total customer net revenues were \$105,533 and \$791,057, respectively.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

F. PENSION PLAN

1. Plan Description

The WRS is a cost-sharing, multiple-employer, defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, and expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

For employees beginning participation on or after January 1, 1990, and no longer actively employed on or after April 24, 1998, creditable service in each of five years is required for eligibility for a retirement annuity. Participants employed prior to 1990 and on or after April 24, 1998, and prior to July 1, 2011, are immediately vested. Participants who initially became WRS eligible on or after July 1, 2011, must have five years of creditable service to be vested.

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

Final average earnings is the average of the participant's three highest earnings periods. Creditable service includes current service and prior service for which a participant received earnings and made contributions as required. Creditable service also includes creditable military service. The retirement benefit will be calculated as a money purchase benefit based on the employee's contributions plus matching employer's contributions, with interest, if that benefit is higher than the formula benefit.

Vested participants may retire at or after age 55 (50 for protective occupations) and receive an actuarially-reduced benefit. Participants terminating covered employment prior to eligibility for an annuity may either receive employee-required contributions plus interest as a separation benefit or leave contributions on deposit and defer application until eligible to receive a retirement benefit.

The WRS also provides death and disability benefits for employees.

2. Post-Retirement Adjustments

The Employee Trust Funds Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system's consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the "floor") set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Year	Core Fund Adjustment	Variable Fund Adjustment
2009	(2.1)%	(42)%
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

3. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the year ended December 31, 2019, the WRS recognized \$684,500 in contributions from the City.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019, the City reported a liability \$2,262,712 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.06360067%, which was an increase of 0.00104404% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$1,522,103.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,762,309	\$ 3,115,130
Net differences between projected and actual earnings on pension plan investments	3,304,537	-
Changes in assumptions	381,410	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	1,864	22,426
Employer contributions subsequent to the measurement date	684,500	-
Total	<u>\$ 6,134,620</u>	<u>\$ 3,137,556</u>

\$684,500 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31,	Expenses
2020	\$ 835,102
2021	204,626
2022	367,770
2023	905,066
Total	<u>\$ 2,312,564</u>

5. Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date:	December 31, 2017
Actuarial cost method:	Entry Age
Asset valuation method:	Fair Value
Long-term expected rate of return:	7.0%
Discount rate:	7.0%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

Long-term Expected Return on Plan Assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-term Expected Nominal Rate of Return %	Long-term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Global Equities	49%	8.1%	5.5%
Fixed Income	24.5%	4.0%	1.5%
Inflation Sensitive Assets	15.5%	3.8%	1.3%
Real Estate	9%	6.5%	3.9%
Private Equity/Debt	8%	9.4%	6.7%
Multi-asset	4%	6.7%	4.1%
Total Core Fund	110%	7.3%	4.7%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	7.6%	5.0%
International Equities	30%	8.5%	5.9%
Total Variable Fund	100%	8.0%	5.4%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 8,992,256	\$ 2,262,712	\$ (2,741,225)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

6. Payables to the Pension Plan

At December 31, 2019, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

G. OTHER POSTEMPLOYMENT BENEFITS

Local Retiree Life Insurance Fund

Plan Description

The LRLIF is a cost sharing, multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees.

OPEB Plan Fiduciary Net Position

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post-retirement coverage	40% of employee contribution
25% Post-retirement coverage	20% of employee contribution

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are listed below:

Life Insurance Employee Contribution Rates* For the Year Ended December 31, 2018		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30 - 34	0.06	0.06
35 - 39	0.07	0.07
40 - 44	0.08	0.08
45 - 49	0.12	0.12
50 - 54	0.22	0.22
55 - 59	0.39	0.39
60 - 64	0.49	0.49
65 - 69	0.57	0.57

*Disabled members under age 70 receive a waiver-of-premium benefit.

During the year ended December 31, 2019, the LRLIF recognized \$2,037 in contributions from the employer.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2019, the City reported a liability of \$350,012 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.13564600%, which was an increase of 0.000278% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized OPEB expense of \$35,129.

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 17,755
Net differences between projected and actual earnings on OPEB plan investments	8,364	-
Changes in assumptions	33,397	75,868
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,037	-
Total	\$ 43,798	\$ 93,623

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

\$2,037 reported as deferred outflows related to OPEB resulting from the LRLIF employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Expense
2020	\$ (6,531)
2021	(6,531)
2022	(6,531)
2023	(7,706)
2024	(8,916)
Thereafter	(13,610)
	<u>\$ (49,825)</u>

Actuarial assumptions. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial valuation date:	January 1, 2018
Actuarial cost method:	Entry age normal
20 year tax-exempt municipal bond yield:	4.10%
Long-term expected rate of return:	5.00%
Discount rate:	4.22%
Salary increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience, actuarial assumptions used to measure the total OPEB liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The total OPEB liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

Long-term expected return on plan assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Asset Class	Index	Target Allocation	Long-term Expected Geometric Real Rate of Return %
U.S. Government Bonds	Barclays Government	1%	1.44%
U.S. Credit Bonds	Barclays Credit	40%	2.69%
U.S. Long Credit Bonds	Barclays Long Credit	4%	3.01%
U.S. Mortgages	Barclays MBS	54%	2.25%
U.S. Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-term expected rate of return			5.00%

Single discount rate. A single discount rate of 4.22% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

Sensitivity of the City's proportionate share of net OPEB liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 4.22%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22 %) or 1-percentage-point higher (5.22%) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
City's proportionate share of the net OPEB liability (asset)	\$ 497,916	\$ 350,012	\$ 235,939

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

Payable to the OPEB Plan

At December 31, 2019, the City reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2019.

H. FUND EQUITY

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2019, nonspendable fund balance was as follows:

General Fund	
Nonspendable	
Inventory and prepaids	\$ 169,094

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2019, restricted fund balance was as follows:

General Fund		
Restricted for		
Capital projects	\$	311,252
Special Revenue Funds		
Restricted for		
Community development		537,010
Library endowment		443,521
Library trust		1,381,055
Remedial action		358,878
Capital Projects Funds		
Restricted for		
TIF No. 4		150,500
TIF No. 5		22,220
TIF No. 12		115,796
Debt Service Fund		
Restricted for		
Debt service		1,038
Total Restricted Fund Balance	\$	<u>3,321,270</u>

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2019, General Fund balance was committed as follows:

General Fund		
Committed for		
Nonlapsing reserves		
General government	\$	325,456
Public safety		267,370
Public works		37,448
Culture and recreation		212,345
Total Committed Fund Balance	\$	<u>842,619</u>

City of Merrill, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Restricted Net Position

In the statement of net position, portions are legally restricted for a specific purpose. At December 31, 2019, restricted net position was as follows:

Governmental activities	
Restricted for	
Community development	\$ 3,526,558
Remedial action	358,878
Library endowment	443,521
Library trust	1,381,055
Total governmental activities restricted net position	<u>5,710,012</u>
Business-type activities	
Restricted for	
Water utility debt retirement	97,894
Sewer utility plant replacement	1,294,223
Total business-type activities restricted net position	<u>1,392,117</u>
Total restricted net position	<u>\$ 7,102,129</u>

NOTE 4: OTHER INFORMATION

A. TAX INCREMENTAL FINANCING DISTRICTS

The City has established separate capital projects funds for Tax Incremental Financing Districts (TIFs) which were created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the TIFs were created, the property tax base within the TIFs were "frozen" and increment taxes resulting from increase in the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date. The City's TIFs are still eligible to incur project costs.

The City established TIF No. 3 on September 13, 2005 as a mixed-use district and amended the boundaries on July 11, 2006, September 24, 2013, September 22, 2015 and on April 26, 2017. The City intends that the TIF will include industrial, commercial, and residential development.

The City established TIF No. 4 on September 11, 2007 as a mixed-use district and amended the boundaries on September 24, 2013. The City intends that the District will be used to assure a combination of private industrial and commercial development.

The City established TIF No. 5 on September 11, 2007 as a mixed-use district. The City intends that the District will be used to assure a combination of private industrial and residential development.

The City established TIF No. 6 on May 12, 2009 as a blighted area district and amended the boundaries on September 22, 2015. The City intends that the TIFs will be used to assure a combination of private industrial, commercial, and residential development.

The City established TIF No. 7 on August 11, 2009 as a blighted area district and amended the boundaries on September 22, 2015. The City intends that the TIFs will be used to assure a combination of private industrial, commercial, and residential development.

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

The City established TIF No. 8 on September 27, 2011 as a blighted area district and amended the boundaries on September 24, 2013, September 22, 2015 and on August 23, 2017. The City intends that the TIFs will be used to assure a combination of private industrial, commercial, and residential development.

The City established TIF No. 9 on September 24, 2013 as a blighted area district. The City intends that the TIFs will be used to assure a combination of private industrial, commercial, and residential development.

The City established TIF No. 10 on September 22, 2015 as a blighted area district. The City intends that the TIFs will be used to assure a combination of private industrial, commercial, and residential development.

The City established TIF No. 11 on May 10, 2016 as a mixed use development district. The City intends that the TIFs will be used to assure a combination of private industrial, commercial, and residential development.

The City established TIF No. 12 on August 23, 2017 as a mixed-use development district. The City intends that the TIFs will be used to assure a combination of private industrial, commercial, and residential development.

Since creation of the above TIFs, the City has provided various financing sources to the TIF. The following amounts are not recorded as liabilities in the TIF capital project fund but can be recovered by the City from any future excess tax increment revenues.

	Unreimbursed Costs
TIF No. 3	\$ 4,776,525
TIF No. 4	556,499
TIF No. 5	4,133
TIF No. 6	948,471
TIF No. 7	389,629
TIF No. 8	1,269,122
TIF No. 9	857,673
TIF No. 10	526,517
TIF No. 11	1,262,174
TIF No. 12	9,204

The intent of the City is to recover the above amounts from future TIF surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the City prior thereto, each TIF has a statutory termination year as follows:

	Termination Year
TIF No. 3	2025
TIF No. 4	2027
TIF No. 5	2027
TIF No. 6	2036
TIF No. 7	2036
TIF No. 8	2038
TIF No. 9	2040
TIF No. 10	2042
TIF No. 11	2030
TIF No. 12	2038

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

B. TAX ABATEMENTS

The City has created tax incremental financing districts (the "TIFs") in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law*. As part of the project plan for the TIFs, the City entered into agreements with developers for a creation of tax base within the TIFs. The agreements require the City to make annual repayments of property taxes collected within the TIFs to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2019, the City abated property taxes totaling \$36,618 under this program, including the following tax abatement agreements that each exceeded 10% of the total amount abated:

- ▶ A property tax abatement of \$5,882 to Pine Dells Investment LLC, for within Tax Incremental District No. 3.
- ▶ A property tax abatement of \$14,979 to Gateway North, LLC for within Tax Incremental District No. 3.
- ▶ A property tax abatement of \$15,757 to Alamsa, LLC for within Tax Incremental District No. 6.

C. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City completes an annual review of its insurance coverage to ensure adequate coverage. Settled claims have not exceeded coverage in each of the last three years.

D. CONTINGENCIES

From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

E. UPCOMING ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued Statement No. 87, *Leases*. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after December 15, 2019. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

F. PRIOR PERIOD ADJUSTMENT

The City recorded a prior period adjustment of \$1,155,292 in the government-wide and governmental fund statements to report a trust that was gifted to the City in a prior year.

G. SUBSEQUENT EVENT

Subsequent to year-end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the City of Green Bay, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, costs for emergency preparedness, additional costs related to usage of personnel and other City resources, ridership revenues on bus routes, decrease in parking utility revenue, decrease in other recreation revenues, and overall delay in spring and summer operations related to the City operations. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to the year-end and are still developing.

City of Merrill, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) WISCONSIN RETIREMENT SYSTEM LAST 10 FISCAL YEARS

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (plan year)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.05946372%	\$ (1,460,591)	\$ 6,308,015	23.15%	102.74%
12/31/15	0.06016318%	977,641	6,640,714	14.72%	98.20%
12/31/16	0.06118127%	504,280	6,647,432	7.59%	99.12%
12/31/17	0.06255663%	(1,857,380)	6,746,319	27.53%	102.93%
12/31/18	0.06360067%	2,262,712	6,972,423	32.45%	96.45%

SCHEDULE OF CONTRIBUTIONS WISCONSIN RETIREMENT SYSTEM LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 596,197	\$ 596,197	\$ -	\$ 6,640,714	8.98%
12/31/16	587,229	587,229	-	6,647,432	8.83%
12/31/17	649,476	649,476	-	6,746,319	9.63%
12/31/18	672,929	672,929	-	6,972,423	9.65%
12/31/19	684,500	684,500	-	7,254,328	9.44%

See notes to required supplementary information.

City of Merrill, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) LOCAL RETIREE LIFE INSURANCE FUND LAST 10 FISCAL YEARS

Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered- Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered- Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.13536800%	\$ 407,265	\$ 6,746,319	6.04%	44.81%
12/31/18	0.13564600%	350,012	\$ 6,972,423	5.02%	48.69%

SCHEDULE OF CONTRIBUTIONS LOCAL RETIREE LIFE INSURANCE FUND LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
12/31/18	\$ 2,571	\$ 2,571	\$ -	\$ 6,972,423	0.04%
12/31/19	2,662	2,662	-	7,254,328	0.04%

See notes to required supplementary information.

City of Merrill, Wisconsin

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2019

A. WISCONSIN RETIREMENT SYSTEM

Changes of benefit terms. There were no changes of benefit terms for any participating employer in WRS.

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

B. LRLIF OPEB

Changes of benefit terms. There were no changes of benefit terms for any participating employer in LRLIF.

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience, actuarial assumptions used to measure the total OPEB liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates.

The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

City of Merrill, Wisconsin

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2019

	Special Revenue			TIF No. 4	TIF No. 5
	Library	Library Trust	Remedial Action		
ASSETS					
Cash and investments	\$ 443,521	\$ 1,381,055	\$ 89,519	\$ 223,234	\$ 28,269
Receivables					
Taxes and special charges	-	-	-	135,533	11,273
Accounts	-	-	-	-	-
Advance to other funds	-	-	269,450	-	-
Total assets	<u>\$ 443,521</u>	<u>\$ 1,381,055</u>	<u>\$ 358,969</u>	<u>\$ 358,767</u>	<u>\$ 39,542</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 91	\$ -	\$ -
Due to other funds	-	-	-	-	-
Advance from other funds	-	-	-	-	-
Total liabilities	-	-	91	-	-
Deferred inflows of resources					
Property taxes levied for subsequent year	-	-	-	208,267	17,322
Fund balances					
Restricted	443,521	1,381,055	358,878	150,500	22,220
Unassigned	-	-	-	-	-
Total fund balances	<u>443,521</u>	<u>1,381,055</u>	<u>358,878</u>	<u>150,500</u>	<u>22,220</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 443,521</u>	<u>\$ 1,381,055</u>	<u>\$ 358,969</u>	<u>\$ 358,767</u>	<u>\$ 39,542</u>

Capital Projects

TIF No. 6	TIF No. 7	TIF No. 8	TIF No. 9	TIF No. 10	TIF No. 11	TIF No. 12	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,119	\$ 2,288,717
27,200	12,040	26,257	-	-	73,576	13,647	299,526
-	35,248	-	25,568	-	-	-	60,816
-	-	-	-	-	-	-	269,450
<u>\$ 27,200</u>	<u>\$ 47,288</u>	<u>\$ 26,257</u>	<u>\$ 25,568</u>	<u>\$ -</u>	<u>\$ 73,576</u>	<u>\$ 136,766</u>	<u>\$ 2,918,509</u>
\$ -	\$ 1,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,271
549,666	67,236	585,032	593,240	31,517	22,794	-	1,849,485
-	100,000	-	-	-	99,896	-	199,896
549,666	168,416	585,032	593,240	31,517	122,690	-	2,050,652
41,797	18,501	40,348	-	-	113,060	20,970	460,265
-	-	-	-	-	-	115,796	2,471,970
(564,263)	(139,629)	(599,123)	(567,672)	(31,517)	(162,174)	-	(2,064,378)
(564,263)	(139,629)	(599,123)	(567,672)	(31,517)	(162,174)	115,796	407,592
<u>\$ 27,200</u>	<u>\$ 47,288</u>	<u>\$ 26,257</u>	<u>\$ 25,568</u>	<u>\$ -</u>	<u>\$ 73,576</u>	<u>\$ 136,766</u>	<u>\$ 2,918,509</u>

City of Merrill, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue			TIF No. 4	TIF No. 5
	Library	Library Trust	Remedial Action		
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 221,852	\$ 17,645
Intergovernmental	-	-	-	23,921	348
Miscellaneous	42,265	268,940	-	-	-
Total revenues	42,265	268,940	-	245,773	17,993
EXPENDITURES					
Current					
Public works	-	-	26,018	-	-
Culture and recreation	47,719	-	-	-	-
Conservation and development	-	-	-	18,554	968
Debt service					
Interest and fiscal charges	-	-	-	-	-
Capital outlay	-	-	-	2,338	-
Total expenditures	47,719	-	26,018	20,892	968
Excess of revenues over (under) expenditures	(5,454)	268,940	(26,018)	224,881	17,025
OTHER FINANCING SOURCES (USES)					
Long-term debt issued	-	-	-	-	-
Premium on debt issued	-	-	-	-	-
Transfers in	43,177	-	-	-	-
Transfers out	-	(43,177)	-	(88,910)	(2,485)
Total other financing sources (uses)	43,177	(43,177)	-	(88,910)	(2,485)
Net change in fund balances	37,723	225,763	(26,018)	135,971	14,540
Fund balances - January 1, as originally reported	405,798	-	384,896	14,529	7,680
Prior period adjustment	-	1,155,292	-	-	-
Fund balances - January 1, as restated	405,798	1,155,292	384,896	14,529	7,680
Fund balances - December 31	<u>\$ 443,521</u>	<u>\$ 1,381,055</u>	<u>\$ 358,878</u>	<u>\$ 150,500</u>	<u>\$ 22,220</u>

Capital Projects							
TIF No. 6	TIF No. 7	TIF No. 8	TIF No. 9	TIF No. 10	TIF No. 11	TIF No. 12	Total
\$ 32,863	\$ -	\$ 20,221	\$ -	\$ -	\$ 69,961	\$ 22,005	\$ 384,547
2,844	36,724	3,668	4,896	-	12,568	-	84,969
-	-	-	2,820	25,000	-	-	339,025
35,707	36,724	23,889	7,716	25,000	82,529	22,005	808,541
-	-	-	-	-	-	-	26,018
-	-	-	-	-	-	-	47,719
34,188	112,749	92,333	3,834	-	1,000	7,429	271,055
-	-	-	-	-	-	1,888	1,888
26,776	4,956	3,758	7,511	5,105	25,436	10,749	86,629
60,964	117,705	96,091	11,345	5,105	26,436	20,066	433,309
(25,257)	(80,981)	(72,202)	(3,629)	19,895	56,093	1,939	375,232
-	-	-	-	-	-	125,000	125,000
-	-	-	-	-	-	1,888	1,888
-	-	-	-	-	-	-	43,177
(34,515)	(13,411)	(50,674)	(18,950)	(20,025)	(63,929)	-	(336,076)
(34,515)	(13,411)	(50,674)	(18,950)	(20,025)	(63,929)	126,888	(166,011)
(59,772)	(94,392)	(122,876)	(22,579)	(130)	(7,836)	128,827	209,221
(504,491)	(45,237)	(476,247)	(545,093)	(31,387)	(154,338)	(13,031)	(956,921)
-	-	-	-	-	-	-	1,155,292
(504,491)	(45,237)	(476,247)	(545,093)	(31,387)	(154,338)	(13,031)	198,371
<u>\$ (564,263)</u>	<u>\$ (139,629)</u>	<u>\$ (599,123)</u>	<u>\$ (567,672)</u>	<u>\$ (31,517)</u>	<u>\$ (162,174)</u>	<u>\$ 115,796</u>	<u>\$ 407,592</u>



Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards*

To the Mayor and City Council
City of Merrill
Merrill, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Merrill, Wisconsin (the "City") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated August __, 2020.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2019-001 that we consider to be a significant deficiency.

COMPLIANCE AND OTHER MATTERS

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

CITY OF MERRILL, WISCONSIN'S RESPONSE TO FINDING

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

PURPOSE OF THIS REPORT

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
August __, 2020

City of Merrill, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION I. INTERNAL CONTROL OVER FINANCIAL REPORTING

FINDING NO.	CONTROL DEFICIENCIES
2019-001	Preparation of Annual Financial Report Repeat of Finding 2018-001
Condition:	Current City staff maintains accounting records which reflect the City's financial transactions; however, preparing the City's annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The City contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. For the same reasons, the City contracts with us to compile the Wisconsin Municipal Report Form C and the Public Service Commission Report.
Criteria:	The preparation and review of the annual financial report, Municipal Financial Report, and Public Service Commission Report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.
Cause:	City management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.
Effect:	Without our involvement, the City may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.
Recommendation:	We recommend the City continue reviewing the annual financial report. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the City is necessary to obtain a complete and adequate understanding of the City's annual financial report, Municipal Financial Report and Public Service Commission Report.
Management Response:	Management believes the cost for additional staff time and training to prepare year-end closing entries and reports outweigh the benefits to be received. Management will continue to review and approve the annual financial report prior to issuance.

SECTION II. COMPLIANCE AND OTHER MATTERS

There are no findings related to compliance and other matters that are required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2019.



Roderick J. Akey, PE
Public Works Director/City Engineer
1004 East First Street, Merrill, WI 54452
Rod.Akey@ci.merrill.wi.us (715) 536-5594

August 20, 2020

Re: Alley improvements on alley located between E 8th Street and E 9th Street,
between Cedar Street and Elm Street.

We will be discussing possible improvements (placing granite) on the alley mentioned above, at the Board of Public Works meeting August 26th, 2020 at 5:30 pm in the City Hall Council Chambers. Your input is welcome at the meeting, or email or call the above contact information and leave a message and we will read your input at the meeting.

Thank you,

Roderick J. Akey, PE
Public Works Director/City Engineer

Attachment: Letter to residents on proposed alley improvements (5250 : Consider alley improvement on alley between 8th and 9th)

Heideman, Bill

From: Joanne Drew <jgulke@indy.rr.com>
Sent: Wednesday, August 26, 2020 3:27 PM
To: Akey, Rod
Cc: Heideman, Bill
Subject: Public Works Meeting 8-26-2020

RE: Possible Change to Alley between E 8th & E 9th between Cedar & Elm

I will not be able to attend the meeting tonight for the discussion of possibly placing granite on the alley vs the current grass. Therefore, I am submitting my input for the meeting via email.

I would like to see the alley stay with it's present surface, grass. I don't view putting granite on the alley as an improvement for the following reasons:

- Granite surface will cause dust when vehicles drive through, grass does not and is much more aesthetic looking.
- Granite surface will likely attract more traffic, with grass many people don't even realize it is an alleyway. ATV's have used it as a trail to ride and granite may attract more riders and they are also noisy. I do enjoy the peace and quite of sitting in my backyard, watching birds, etc. My yard is a certified wildlife habitat and I have lots of landscaping to give green space back to nature and humans.
- When plowed in the winter, a granite surface will lead to gravel being pushed into my lawn and landscaping.
- Whether surface is granite or grass, salting the alley in the winter will damage lawns, landscaping and the environment. It takes years for salt to leach from the soil, therefore, salting should not be a standard practice or not used at all. Plowing pushes snow onto my property-landscaping, and if it is salt laden snow, it will cause damage.

I also have a couple of questions:

- Will there be a special assessment if granite is placed in the alley? If so, how much would each property owner be expected to pay?
- Do you know how many property owners (10) are for or against having granite placed in the alley? Will the majority of the property owners wishes be considered when making the decision?

Thank you for allowing me to submit my input regarding this possible change. I look forward to hearing what decision is reached and the answers to my questions.

Joanne Drew
 1305 E 9th St
 715-539-8005

Sent from my iPad

Attachment: Email from Joanne Drew on alley improvements (5250 : Consider alley improvement on alley between 8th and 9th)

Original Alcohol Beverage Retail License Application

(Submit to municipal clerk.)

For the license period beginning: 9/9/2020 ending: 6/30/2021
(mm dd yyyy) (mm dd yyyy)

To the Governing Body of the: ☐ Town of } Merrill
☐ Village of }
☒ City of }

County of Lincoln Aldermanic Dist. No. _____
(if required by ordinance)

Check one: ☐ Individual ☒ Limited Liability Company
☐ Partnership ☐ Corporation/Nonprofit Organization

Applicant's Wisconsin Seller's Permit Number	
FEIN Number <u>85-2306600</u>	
TYPE OF LICENSE REQUESTED	FEE
☐ Class A beer	\$
☒ Class B beer	\$ <u>0</u>
☐ Class C wine	\$
☐ Class A liquor	\$ <u>41.90</u>
☐ Class A liquor (cider only)	\$ N/A
☒ Class B liquor	\$
☐ Reserve Class B liquor	\$
☐ Class B (wine only) winery	\$
Publication fee	\$ <u>10.00</u>
TOTAL FEE	\$ <u>51.90</u>

Name (individual / partners give last name, first, middle; corporations / limited liability companies give registered name)
Yareldi B. Go, Casa-Amigos Mexican Restaurant LLC

An "Auxiliary Questionnaire," Form AT-103, must be completed and attached to this application by each individual applicant, by each member of a partnership, and by each officer, director and agent of a corporation or nonprofit organization, and by each member/manager and agent of a limited liability company. List the full name and place of residence of each person.

President / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
Vice President / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
Secretary / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
Treasurer / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
Agent Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
<u>Gutierrez</u>	<u>Yareldi</u>	<u>B</u>	<u>11630 N Whitney Dr Appleton, WI</u>
Directors / Managers Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)

1. Trade Name Casa-Amigos Mexican Restaurant Business Phone Number 9204150854

2. Address of Premises N 2410 State Highway 107 Post Office & Zip Code 54452

3. Premises description: Describe building or buildings where alcohol beverages are to be sold and stored. The applicant must include all rooms including living quarters, if used, for the sales, service, consumption, and/or storage of alcohol beverages and records. (Alcohol beverages may be sold and stored only on the premises described.)

Casa-Amigos Mexican Restaurant located in
N 2410 State Highway 107 Merrill, WI 54452
will be selling alcohol/liquor.

Main Bar, Dining room, side parking lot with fencing

4. Legal description (omit if street address is given above): _____

5. (a) Was this premises licensed for the sale of liquor or beer during the past license year? ☒ Yes ☐ No

(b) If yes, under what name was license issued? MBC entertainment LLC

6. Is individual, partners or agent of corporation/limited liability company subject to completion of the responsible beverage server training course for this license period? If yes, explain Will take course online ☒ Yes ☐ No
7. Is the applicant an employee or agent of, or acting on behalf of anyone except the named applicant? ☐ Yes ☒ No
If yes, explain.
8. Does any other alcohol beverage retail licensee or wholesale permittee have any interest in or control of this business? If yes, explain ☐ Yes ☒ No
9. (a) Corporate/limited liability company applicants only: Insert state WI and date 8/3/2020 of registration.
- (b) Is applicant corporation/limited liability company a subsidiary of any other corporation or limited liability company? If yes, explain ☐ Yes ☒ No
- (c) Does the corporation, or any officer, director, stockholder or agent or limited liability company, or any member/manager or agent hold any interest in any other alcohol beverage license or permit in Wisconsin? If yes, explain ☐ Yes ☒ No
10. Does the applicant understand they must register as a Retail Beverage Alcohol Dealer with the federal government, Alcohol and Tobacco Tax and Trade Bureau (TTB) by filing (TTB form 5630.5d) before beginning business? [phone 1-877-882-3277] ☒ Yes ☐ No
11. Does the applicant understand they must hold a Wisconsin Seller's Permit? [phone (608) 266-2776] ☒ Yes ☐ No
12. Does the applicant understand that they must purchase alcohol beverages only from Wisconsin wholesalers, breweries and brewpubs? ☒ Yes ☐ No

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the signer. Any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000. Signer agrees to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted, will not be assigned to another. (Individual applicants, or one member of a partnership applicant must sign; one corporate officer, one member/manager of Limited Liability Companies must sign.) Any lack of access to any portion of a licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license.

Contact Person's Name (Last, First, M.I.) <u>Gutierrez, Varelidi, B</u>	Title/Member	Date <u>8/5/2020</u>
Signature <u>Yusuf B. Gutierrez</u>	Phone Number <u>9204150891</u>	Email Address <u>Varelidicom1991@gmail.com</u>

TO BE COMPLETED BY CLERK

Date received and filed with municipal clerk <u>8/5/2020</u>	Date reported to council / board	Date provisional license issued	Signature of Clerk / Deputy Clerk
Date license granted	Date license issued	License number issued	

Application for Transfer of Retail Licenses for Sale of Fermented Malt Beverages and/or Intoxicating Liquor From One Premises to Another

FEE \$ 10-
pd 8/24/2020
cc.

Merrill, Wisconsin
8/21, 20 20

To the governing body of the ☒ City ☐ Village ☐ Town of Merrill
 County of Lincoln Wisconsin.

The undersigned hereby applies for a transfer of Class B license from 205 N
Cleveland (Present Location) to 601 Johnson (Proposed Location)
 on or about 9-9-2020 (Date).

1. APPLICANT: (print name and address plainly)

- (a) Full name of applicant VFW 1638
 (b) Address 205 N Cleveland

2. LOCATION AND DESCRIPTION OF PREMISES TO WHICH APPLICATION FOR TRANSFER IS MADE:
 Describe building or buildings where alcohol beverages are to be sold, served, consumed, and stored.

- (a) Street number 601 Johnson St Merrill WI
 (b) Trade name of establishment VFW 1638
 (c) Physical description of building, buildings and/or land area comprising licensed premises.

bar area, patio area, banquet hall, storage areas, kitchen, storage areas, meeting rooms

- (d) Legal description (omit if street address is given above.) _____

- (e) Is any other business conducted on same premises? ☒ Yes ☐ No If so, what? sale of food; non profit fund raisers; organization meetings

- (f) Was this location licensed for beer or liquor during the past year? ☐ Yes ☒ No

- (g) Give name and address of previous licensee. _____

- (h) Will the previous licensee surrender its license? ☐ Yes ☒ No

Attachment: VFW Liquor License Transfer to 601 Johnson St (5253 : Transfer VFW license to new address)

ALL APPLICANTS FOR TRANSFER OF CLASS B LICENSES MUST ANSWER THE FOLLOWING:

3. If granted, state any interest, directly or indirectly, that any brewer, bottler, wholesaler, manufacturer, or rectifier will hold in the premises for which you are applying

None

4. If you do not own the fixtures, state the manner, terms and conditions under which said fixtures are held

Own

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the applicant. Applicant agrees to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted, cannot be assigned to another.

Any lack of access to any portion of a licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license. Any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000.

Suean Alkerson
(Signature)

CLASS OF BUSINESS

Name Class B Combo

Original Location 205 N Cleveland St

Ward _____

Proposed Location 601 Johnson St

Ward _____

License No. _____

Treasurer's Receipt No. 00190707

Filed 8/21/2020

Submitted to Council or Board

9/8/2020

Approved _____ Date _____

Denied _____ Date _____

Attachment: VFW Liquor License Transfer to 601 Johnson St (5253 : Transfer VFW license to new address)

REQUEST TO INCLUDE ITEM ON AGENDA

Board or Committee: Personnel & Finance Committee

Date of Meeting: Tuesday – August 25th, 2020

Request by: Finance Director Kathy Unertl

Describe below the item(s) you wish to have put on the agenda:
(please attach any pertinent information):

Consider writing off 2019 over-collected Personal Property tax bill of \$234.74 for Winter Chiropractic, as well as future 2020 Personal Property tax bill

- Please see following letter from LaCrosse Law Office on behalf of surviving spouse. The amount listed included Interest & Penalty...
- It will also be necessary to write-off the future 2020 Personal Property tax bill (i.e. on 1/1/2020 assessment).

Will be charged to 10-51910-03-40000 **Over-Collected Taxes account** and City of Merrill will file necessary State paperwork to recover funds from other local units of government.

Signed: Kathy Unertl

Date: 8/13/2020

Attachment: PP Tax Write-Off - Winters 2019-2020 (5245 : Write off personal property for Winter Chiropractic)

LaCrosse Law Office, LLC

Susan M. LaCrosse
 Attorney at Law
 N1623 Town Hall Road
 Kewaunee, WI 54216
 920-495-8522
 susanmlacrosse@gmail.com

August 3, 2020

Via Email tom.hayden@ci.merrill.wi.us

City of Merrill
 Attn: Attorney Thomas N. Hayden
 1004 East First Street
 Merrill, WI 54452

Re: Winter Chiropractic

Dear Tom:

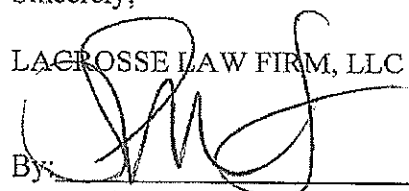
I represent Mrs. Rita Winter, the surviving spouse of Mr. Jeffrey Winter. Mr. Winter owned and operated Winter Chiropractic which was located at 402 Main Street in the City of Merrill. Mr. Winter unexpectedly died on June 18, 2020. Unfortunately, this has put Mrs. Winter in a precarious financial situation as she relied on her husband's income for support. Accordingly, she is unable to pay her husband's obligation to the City of Merrill for the unpaid personal property taxes in the amount of \$255.87. At this time there is no estate to be filed and while we are still attempting to ascertain what accounts, if any, Mr. Winter had, we do not anticipate our findings to prove fruitful. Therefore, we would kindly request, the City to write off this debt.

I appreciate your understanding and cooperation in this matter. Should any questions arise, please don't hesitate to reach out to me.

Thank you.

Sincerely,

LACROSSE LAW FIRM, LLC

By: 

Attorney Susan M. LaCrosse
 State Bar No. 1036439

cc: Mrs. Rita Winter

Attachment: PP Tax Write-Off - Winters 2019-2020 (5245 : Write off personal property for Winter Chiropractic)



CITY OF MERRILL
BOARD OF PUBLIC WORKS
MINUTES • WEDNESDAY AUGUST 26, 2020

Regular Meeting

City Hall Council Chambers

5:30 PM

1. Call to Order

Mayor Woellner called the meeting to order at 5:30 P.M.

Attendee Name	Title	Status	Arrived
John M. Van Lieshout	Aldersperson - Fifth District	Present	
Derek Woellner	Mayor	Present	
Steve Sabatke	Alderman - Eighth District	Present	
Mike Rick	Aldersperson - Sixth District	Present	

Also in attendance: City Administrator Dave Johnson, Public Works Director/City Engineer Rod Akey, Street Superintendent Dustin Bonack, Building Inspector/Zoning Administrator Darin Pagel, City Attorney Tom Hayden, Alderman Steve Hass, Alderman Mark Weix, Ryan Schwartzman, Jim Whittinghill, David Hayes, Nancy Hayes, Candice Fechtner, Geoff Hooch, Brenton Vruwink, Rob Bucknell, Julie Bucknell, Bob Krueger, Roger Drewek, Mike Pulver, Kris Kleinschmidt and City Clerk Bill Heideman. A representative from Merrill Productions was present to videotape the meeting. Street & Weed Commissioner Ron Liberty was excused.

2. Preliminary items:

1. Vouchers

Motion (Van Lieshout/Rick) to approve.

RESULT: APPROVED

3. Other agenda items for consideration:

1. Appeal of invoice (\$316.50) for City removal of grass and weeds at 406 N. Genesee Street.

Information was in the meeting packet.

Street Superintendent Bonack reported that a property owner contacted him to appeal a bill (\$316.50) from the City. The bill was for the City removing tall grass and weeds at 406 N. Genesee St., a rental property owned by Michael Pulver.

Michael Pulver was at the meeting and explained that the people living at the property are elderly and it is difficult for them to maintain the property. Both the property owner and the person hired to maintain the property have been dealing with medical issues.

Motion (Rick/Van Lieshout) to approve a reduction in the bill from \$316.50 to \$100.

Attachment: Committee Reports (5276 : File committee reports)

RESULT:	APPROVED
----------------	-----------------

2. Consider alley improvements for alley between East Eighth Street and East Ninth Street, between Cedar Street and Elm Street.

Public Works Director/City Engineer Akey reported that consideration of these improvements has been delayed by the COVID-19 pandemic.

The improvements would change the alley surface from grass to granite. This would make it easier for the Street Department to maintain the alley, especially in the winter.

Public Works Director/City Engineer Akey reported that he personally delivered a notice of the meeting to all landowners in the vicinity of the alley.

Candace Fechtner, 1309 East Ninth St., made comments and asked questions. She asked whether the property owners would have to pay for the improvements. She was told that they would not be required to pay for them via special assessment.

Rob and Julie Bucknell, 1308 East Eighth St., remarked that the alley has been grass since 1995. They stated that they have frequently has access problems and they are in favor of the improvements.

Mayor Woellner referenced an e-mail received from Joanne Drew, 1305 East Ninth St. She is opposed to the improvements for the following reasons:

Granite will cause dust when vehicles drive through.

Granite surface will likely attract more traffic.

When plowed, granite will lead to gravel on her lawn & landscaping.

Plowing salt-laden snow onto her property will cause damage.

Joanne Drew's e-mail also asked two questions, as follows:

Will property owners receive a special assessment for the improvements? (NO).

Was a "poll" taken of property owners to get their opinion? (NO, but as noted earlier, they were informed of the meeting).

Motion (Van Lieshout/Rick) to recommend approving the improvements, and send this recommendation to the Common Council.

RESULT:	APPROVED & SENT TO COUNCIL
----------------	---------------------------------------

Next: 9/8/2020 6:00 PM

3. Hard surfacing of Zelich Custom parking lot

Attachment: Committee Reports (5276 : File committee reports)

Building Inspector/Zoning Administrator Pagel reported that, in 2018, Max Zelich requested funding from the Redevelopment Authority for improvements, including parking lot hard-surfacing, at Zelich Customs, 2213 East Main Street. The funding was approved but the funds have not yet been released. City policy dictates that hard-surfacing must be completed by one year after the permit expires. In this case, that deadline is October 1st, 2020.

Building Inspector/Zoning Administrator Pagel is seeking input from the Board as to whether they would consider a deadline extension. Although Max Zelich was mailed an agenda for this meeting, he did not appear and did not submit an extension request.

The Board agreed to delay consideration of this until the September meeting. Max Zelich will be notified to appear at the September meeting to provide an extension request and/or his hard-surfacing timeline.

4. Consider survey exhibit map for the property on Riverside Avenue

Public Works Director/City Engineer Akey reported that the cost of the map would be \$2,500. The City would pay \$1,500, and the other property owners would be charged the remaining \$1,000. Public Works Director/City Engineer is looking for a fair and consistent way to divide these charges among the property owners. He suggested the square footage method.

Without objection, Public Works Director/City Engineer Akey will proceed on this. No formal action was taken.

5. Bids on contracting for garbage/recycling services

Information on the bids and other related information were in the meeting packet.

Street Superintendent Bonack noted that four bids were received. He then distributed information related to the costs associated with providing garbage/recycling services.

David Hayes, Brenton Vruwink and Geoff Hoock then made comments and asked questions related to the possibility of contracting for garbage/recycling services.

Motion (Van Lieshout/Sabatke) to recommend approving the low bid (\$10.36 per property) from Eagle Waste & Recycling, Inc., and send this recommendation to the 2021 Budget process.

RESULT:	CARRIED
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6. Consider potential sales of City property in Aldermanic Districts 1 and 2:

Street Superintendent Bonack reported on seven properties in Aldermanic Districts 1 and 2 that could potentially be sold by the City. The seven properties are listed in the minutes that follow.

Alley between Cedar/Center/8th/9th

Street Superintendent Bonack reported.

Alley between Chestnut/Kyes/7th/8th

Street Superintendent Bonack

Alley between Chestnut/Kyes/8th/9th

Street Superintendent Bonack reported.

Gap between Hope/Sales/3rd/6th

Street Superintendent Bonack reported.

Lincoln Lanes

Street Superintendent Bonack reported.

Sawmill

Street Superintendent Bonack reported.

Poplar/Spruce/9th right-of-way

Street Superintendent reported.

Motion (Van Lieshout/Rick) to vacate the first four properties and, at this time, take no action on the other three properties. The properties to be vacated are as follows:

Alley between Cedar/Center/8th/9th
 Alley between Chestnut/Kyes/7th/8th
 Alley between Chestnut/Kyes/8th/9th
 Gap between Hope/Sales/3rd/6th

RESULT:	APPROVED
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4. Monthly Reports:

1. Building Inspector/Zoning Administrator Pagel

The report was in the meeting packet.

Building Inspector/Zoning Administrator Pagel reported that the razing at 405 N. Genesee St. is pending.

Alderman Sabatke spoke in favor the City pursuing and assuming ownership of tax-delinquent properties as soon as possible.

2. Public Works Director/City Engineer Akey

The report was in the meeting packet.

Public Works Director/City Engineer Akey reported that the Grand Avenue project is near completion. Work is being done on the S. Genesee Street project. The project on East Sixth Street and Logan Street is pending.

Work also being done on potential private developments.

3. Street Superintendent Bonack

The report was in the meeting packet.

Street Superintendent Bonack reviewed the report.

4. Street & Weed Commissioner Liberty

The report was in the meeting packet.

Street and Weed Commissioner Liberty was excused from attending the meeting, so Mayor Woellner reviewed the report.

5. Consider placing monthly reports on file

Motion (Rick/Sabatke) to place on file.

RESULT:	PLACED ON FILE
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5. Establish date, time and location of next regular meeting

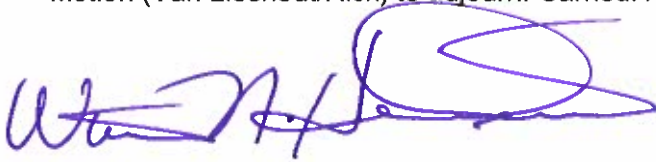
Wednesday, September 30th, 2020 at 5:15 P.M. on the City Hall Common Council Chambers.

6. Public Comment Period

None.

7. Adjournment

Motion (Van Lieshout/Rick) to adjourn. Carried. Adjourned at 6:48 P.M.





CITY OF MERRILL
HEALTH AND SAFETY COMMITTEE
MINUTES • MONDAY AUGUST 24, 2020

Regular Meeting

City Hall Council Chambers

5:15 PM

I. Call to Order

Acting Chairperson Hass called the meeting to order at 5:15 P.M.

Attendee Name	Title	Status	Arrived
Rick Blake	Aldersperson - Third District	Present	
Paul Russell	Aldersperson - First District	Excused	
Mark Weix	Aldersperson - Seventh District	Present	

Also in attendance: Acting Chairperson Alderman Steve Hass, City Administrator Dave Johnson, Fire Chief Josh Klug, Police Chief Corey Bennett, Deputy Health Officer Norbert Ashbeck, City Attorney Tom Hayden, Yareldi Gutierrez and City Clerk Bill Heideman. A representative from Merrill Productions was present to videotape the meeting.

II. COVID-19 Updates:

1. Lincoln County Health Department Director Shelley Hersil

Alderman Hass reported that he spoke with Lincoln County Health Department Director Hersil, who informed him she has nothing new to report at this time.

City Administrator Johnson reported that the Centers for Disease Control and Prevention (CDC) has instituted new travel guidelines related to the COVID-19 pandemic. This issue will be addressed to ensure that City employees follow the guidelines.

2. Lincoln County Emergency Planning Manager September Murphy

Alderman Hass stated that there was nothing new to report.

III. Nuisance Complaints and Vouchers:

1. Nuisance Complaints

The nuisance complaint summary report was in the meeting packet.

The report consisted of only one case. Deputy Health Officer Ashbeck reported that, in this case, compliance was not achieved. Therefore, a citation will be issued.

2. Vouchers

The vouchers were in the meeting packet.

Fire Chief Klug and Police Chief Bennett answered questions related to the vouchers.

Motion (Blake/Weix) to approve.

Attachment: Committee Reports (5276 : File committee reports)

RESULT:	APPROVED
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IV. Picnic and/or Liquor License Applications:

1. Application from Casa-Amigos Mexican Restaurant, LLC, Yareldi Gutierrez, Agent, for Class "B" (beer) and "Class B" (liquor) licenses for Casa-Amigos Restaurant, N2410 State Highway 107 , effective September 9th, 2020.

A copy of the application was in the meeting packet.

Representing Casa-Amigos Restaurant, Yareldi Gutierrez provided verbal information and answered questions. Police Chief Bennett has no concerns with the application.

Motion (Weix/Blake) to recommend approval and send to the Common Council.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 9/8/2020 6:00 PM
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V. Other agenda items to consider:

1. Continue discussion of ATV/UTV Ordinance

A copy of the proposed ordinance amendment was in the meeting packet. Police Chief Bennett explained that the amendment adds language stipulating that the City would erect signage identifying the ATV/UTV routes. The ordinance amendment also includes other minor changes.

Discussion was held on compliance and enforcement.

Motion (Blake/Weix) to recommend approving the ordinance amendment and sending it to the Common Council.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 9/8/2020 6:00 PM
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VI. Minutes and Monthly Reports:

1. Minutes of July 27, 2020 meeting

The minutes were in the meeting packet.

2. Monthly Report - Fire Chief Klug

The report was in the meeting packet.

Fire Chief Klug reviewed the report, including the following:

- Fire Inspector position
- Fire Inspections
- Preliminary report from Strand on Fire Station
- Retirement/Hiring
- Fire Engine sold via Wisconsin Surplus Auction
- Equipment Upgrades

3. Monthly Report - Police Chief Bennett

The report was in the meeting packet.

Police Chief Bennett reviewed the report, including the following:

CVR

New squad has arrived

Requesting disposal of vehicles & equipment (8/25 P & F meeting)

Taking Police Officer applications until September 18th

4. Monthly Report - Lincoln County Humane Society

The report was in the meeting packet.

5. Consider placing monthly reports on file

Motion (Blake/Weix) to place on file.

RESULT:	PLACED ON FILE
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VII. Establish date, time and location of next regular meeting

Monday, September 28th, 2020 at 5:15 in the City Hall Common Council Chambers.

VIII. Public Comment Period

None.

IX. Adjournment

Motion (Blake/Weix) to adjourn. Carried. Adjourned at 5:34 P.M.



T. B. Scott Free Library Board of Trustees
REGULAR MEETING
August 19th 2020
Minutes

1. Opening

President Mike Geisler called the Regular Meeting of the Board of Trustees to order at 4:00 p.m. in the Library Community Room. Present: Gene Bebel, Katie Breitenmoser, Darcy Dalsky, Paul Gilk, Audrey Huftel, Richard Mamer and Tim Meehean. Excused: Jim Wedemeyer. Also present: Carolyn Forde, Nick Wszalek and Draco F. from Merrill Productions.

There was no correspondence. There was no public comment.

2. Consent Items

M Meehean/S Huftel/C to approve the minutes of the July meeting as printed.

M Meehean/S Breitenmoser/C to accept the Monthly Revenue and Expense Report for July. CARES Act funds were briefly discussed.

3. Reports/Discussion Items/Action Items

A. Update on COVID-19 Building Closure, Curbside Pickup and Reopening: Ms. Stevens gave an update on services. Information regarding current status of WVLS libraries was provided. Reviewed current building capacity limit and quarantine period. Discussed status of items due before and during the period the library was closed and process that has taken place to notify patrons of need to return their items prior to initiating the city attorney process. Services to homebound, nursing home and assisted living facilities were discussed.

B. Policy Review: Standard of Conduct for Library Patrons-COVID-29 Restrictions/Protocols: Ms. Stevens provided a proposal for services to youth after school. There was much discussion as to the numerous factors to consider regarding the ability to provide safe after school services to youth during the pandemic. Board members and staff understand the need for services and staff's desire to provide services but recognize the challenges based on capacity limits and social distancing guidelines. M Meehean/S Gilk/C to continue with current hours as posted, provide after school programming Monday through Friday with adequate notification to parents explaining capacity limits and guidelines for social distancing & approve the policy revision as presented.

C. Library Board Standing Committee Assignments: A copy of the current board roster and committee assignments was provided. Mr. Geisler requested board members contact him regarding interest in serving on committees. He will consider any requests for assignment at the next board meeting.

D. Fines Free Discussion: Ms. Stevens presented several articles discussing fine free libraries as well as a resolution from the American Library Association. Also provided were documents which further detailed fine data by overall fines, material type and comparison of fines on juvenile vs. adult records.

E. 3-5 Year Capital Improvement Plan: Current Capital Improvement Plans were presented: One for projects considered to be City Capital projects and one for those projects which come below the budget threshold to be considered a City Capital project. The materials are here for the capital roof replacement, work to be done in the next few weeks. M Meehean/S Breitenmoser/C to approve the frosted skylight option for replacement of the leaking skylight and to await notification from the city regarding inclusion with the current roof replacement as it is of immediate concern & approve through Endowment Fund monies \$3,045 for the fence to be constructed and placed in front of the archway on the north side of the building as per the presented proposal.

F. Strategic Plan Progress: Goal #1: Updates to Goal #1 were provided.

G. Status of Church Property: Ms. Stevens and City Attorney Hayden met with the current owner regarding the mutual parking lot agreement. Following that discussion, it is our assumption that the building will continue to function as it had previously and the new owner will assume the agreement that is in effect. Mr. Hayden is currently drafting an assignment of the agreement for signature.

H. Wisconsin Trustee Essential #24-Library Friends & Library Foundations: Ms. Stevens provided copies of Trustee Essential #24.

I. Reports from Friends and WVLS Representative: Friends provided refreshments for staff to show appreciation for their hard work and effort.

4. Forthcoming Events & Library Director Report

- July Monthly Statistical Report was provided.
- Ms. Stevens checked in with Traci Lesneski, CEO, MSR Design regarding status of Space Needs Study. Ms. Stevens will be in monthly contact with Ms. Lesneski, although the project is on hold due to present pandemic restrictions.
- Great Scotty Bakeoff August 29th, virtual baking program where 3 judges will pick a winner for a Chamber of Commerce gift certificate.
- Cat's Colors Storywalk (a children's book taken apart, laminated and placed on signs) is planned to be placed at Normal Park in a highly visible area for safety.
- Staff are working with schools to offer class check out times.
- Summer Library Program has now ended. Prizes are being awarded.
- Budget passed Personnel & Finance and sent to Lincoln County without issue.
- Handout outlining library services which was given to City Council members at their all-day Council training/orientation in July was provided in the board packet.
- Update provided by WVLS on MCPL Task Force activities was distributed.

5. Adjournment

M Gilk/S Meehan/C to adjourn the meeting at 5:15 p.m. The next regularly scheduled meeting of the Board of Trustees will be held on September 16th at 4:00 p.m. in the Library Community Room.

Stacy D. Stevens, Secretary

AUGUST '20 MEETING MINUTES**Merrill Enrichment Center Committee**Meeting was held on August 20th, 2020 at 3:15pm

Merrill Enrichment Center Conference Room – 303 N. Sales Street

Present: Laura Bertagnoli (Chair), Gene Bebel, Rose Akey, Sharon Harvey,*Absent:* Rev. Lucas Williams, Jennifer Clark (ADRC representative), Paul Russell (Alderpersion)**1. Opening**

- a. Laura called the meeting to order.

2. Consent Items

- a. Motion by Bebel second by Harvey to approve July minutes. Motion carried.
- b. Motion by Akey second by Harvey to approve May-July vouchers. Motion carried.

3. Public Comment – no public comment**4. COVID-19 – Phase 2 – Update on Operations**

- a. Director provided the following information on attendance and outreach. We are pleased with the amount of people attending and note that the mask mandate actually increased our numbers.
 - i. July 20 – Aug 17 attendance for exercise classes was 320 (many are repeat participants), 11 walkers (as expected with great weather), 77 additional participants for art classes.
- b. Masks sales were once again strong at \$644. Demand is steady. *MEC will be donating masks to public grade schools starting in September and throughout the school year as needed.*
- c. September calendar includes bingo, an ice cream float drive through/social, new craft classes, quilters group starting up again for outreach (alternate days to keep numbers in room low). Director also shared the purchase of a ping pong table. This is a safe activity for two people to participate in. Hour long time slots are available. We will thoroughly disinfect between times.
- d. The MEC October craft show is cancelled due to the uncertainty of the coronavirus. Plans for the Spring Craft Show in April will begin.
- e. St. Stephens will host the Thanksgiving Day Meal/Outreach. Plans are still in place as to how this will look, specifically as to whether or not there will be a sit down meal. Carry out and delivery will be available. The MEC will begin working with Rev. Lucas in September to organize this annual outreach.
- f. Christmas Joy will look different this year as well. Committee will discuss this in detail beginning in September.

5. ADRC

- a. Jennifer Clark was not available but will be sending updated programming for us to share. Bertagnoli suggested that the MEC include the recent UW-Extension Flyer 'Coping with COVID' in our future outreach bags.

6. Discussion

- a. Director shared budget numbers to date. We are pleased to be fairly close to our normal activity revenues. Our craft shop is running slightly in the red. MEC staff is working on a plan for the fourth quarter to increase shop sales.
 - i. Committee would like Kathy Unertl to call in to our next meeting to discuss the MEC budget as we had planned prior to the shutdown. Director will speak with Kathy to arrange this for September meeting.
- b. Bebel revisited our ability to find those who are isolated. He recommended reaching out to churches, social services, our participants, Haven, etc. Bebel also shared the Minister Association has been revived. This will be an important group for the MEC to collaborate with. Bertagnoli asked if the MEC has connections to other Centers in the state. Director has maintained connections with some of the Centers and receives communications from GWAAR and other Centers. Director will strengthen those relationships moving forward. The MEC staff continues to make calls to participants to stay connected.

7. Adjournment

- a. Motion to adjourn made by Bebel second by Harvey.

The next meeting date is **September 17th at 3:15pm in the MEC Conference room.**

Public invited to call in: 419-684-0258 PIN: 697 859 403 #

Vouchers will be available for review 10 minutes prior to meeting time.

Respectfully submitted,

TMrachek

Tammie Mrachek
MEC Director

Attachment: Committee Reports (5276 : File committee reports)

PARKS AND RECREATION COMMISSION

August 5, 2020

The Merrill Parks and Recreation Commission met on Wednesday, August 5, 2020 at 4:15 p.m. at the Merrill City Hall.

Members Present: Dan Novitch, Kyle Gulke, Jean Ravn, Joan Tabor, Brian Artac, Amanda Groth and John Van Lieshout.

Members Excused Absent:

Department Staff Present: Dan Wendorf and Dawn Smith

Visitors: City Administrator Dave Johnson, Mark Weix and MP3

***Motion by Artac, seconded by Ravn to approve the minutes from the July meeting.

***Carried unanimously.

***Motion by Van Lieshout, seconded by Groth, to approve the claims from July.

***Carried unanimously.

Public Comment:

The next item on the agenda was continued discussion on 2021 Capital Budget requests. Wendorf stated that since the last meeting he spoke with his department workers, Jim Yates and Joe Weckwerth and they both stated that in addition to the items listed they would also like to ask for funding for the following projects:

1. City Forest main road & parking lot reconstruct
2. Replace Ott's Dock and repair landing
3. Replace water supply line to Kitchenette restrooms
4. Concrete aprons around park shelters.

Wendorf stated that he would also like to see the Solar panel installation at the Smith Center, stating that it would be nice to see it start paying for itself. Wendorf stated that he realizes we will not receive all of the items listed but would like to see at least half the items. Ravn stated that she would like to see the curling center back on the list as a future item. Gulke stated it would be nice if the council just gave the departments a set amount of money and they could spend as they see fit instead of the council deciding what each department should have. Novitch stated that he would like to see the council follow the direction of the Park and Recreation Commission instead of the council making the decision on what is needed most in the department. Novitch stated that the commission spends a lot of time on capital planning and would like the council to consider as many projects as possible. This item will remain on the agenda.

The next item on the agenda was COVID-19 discussion. Wendorf stated that the Park and Recreation Department has been impacted very hard from everything that is going on but continue to do the best possible job we can. Wendorf stated that he has received updated recommendations from the LCHD and it is suggested that all youth sports be postponed, no festivals, large gatherings or parades. Wendorf stated that he believes that flag football will be impossible to keep kids safe so his recommendation is not to have it this year. Wendorf also stated that he believes that it will be impossible to run the Labor Day Parade this year. People

would not be able to safely distance themselves on floats and there could not be any handouts and no throwing candy. Wendorf also stated that it would be impossible to make sure everyone watching the parade could socially distance themselves. Wendorf also stated that it will be impossible for us to have the Colorama bike ride this year. A lot of the riders are from out of town and we would not be able to serve them any meal after the ride. We also have over 70 riders every year which would go against the no crowds of 50 or more. Barleyfest will also be cancelled this year. Wendorf stated that in regards to the ice this year at the Smith Center, we will be putting ice in. There will be some changes on how things will operate. There will be no locker room usage, kids will have to come dressed ready to play, and bleachers will have an X on them to where people will be able to sit. Wendorf also stated that if recommendations change from the LCHD and it's not going to be worth our time, there is a possibility of the ice not going in. This item will remain on the agenda. Groth and Van Lieshout both suggested following LCHD guidelines/recommendations to help make decisions.

The next item on the agenda was to review/approve potential resolution of support to apply for 2021 WDNR Urban Forestry Grant. Wendorf stated that for approval of the grant there needs to be a resolution of support. Fifty percent of funds are matched. Wendorf said he would like to use funding for more tree plantings and to review and possibly update forestry ordinances.

***Motion by Van Lieshout, seconded by Tabor to approve potential resolution of support to apply for 2021 WDNR Urban Forestry Grant.

***Carried unanimously.

Wendorf stated that this agenda item will be sent to City Council for approval.

The next item on the agenda was monthly reports. Wendorf asked if anyone had any questions. Wendorf stated that the department is working with only 3 seasonal staff this year. Wendorf stated that hopefully soon the River Rat will be back in place by the Library. Wendorf thanked Parks and Recreation staff for coming together and helping wherever needed to get things done.

The next regular meeting is scheduled for Wednesday, September 2, 2020 at 4:15 p.m. at the Merrill City Hall.

Public Comment:

***Motion by Artac, seconded by Van Lieshout to adjourn at 5:15 p.m.

***Carried unanimously.

Dawn Smith
Recording Secretary

PARKS AND RECREATION COMMISSION

September 2, 2020

The Merrill Parks and Recreation Commission met on Wednesday, September 2, 2020 at 4:15 p.m. at the Merrill City Hall.

Members Present: Dan Novitch, Kyle Gulke, Jean Ravn, Joan Tabor, Brian Artac, Amanda Groth and John Van Lieshout joined the meeting at 4:25 p.m.

Members Excused Absent:

Department Staff Present: Dan Wendorf and Dawn Smith

Visitors: City Administrator Dave Johnson, Mark Weix and Draco Fink from MP3 and Steve Sabatke.

***Motion by Artac, seconded by Ravn to approve the minutes from the August meeting.

Novitch stated that he would like the minutes to reflect about him stating that the commission will always welcome comments or suggestions from the City Council.

***Carried unanimously.

***Motion by Ravn, seconded by Artac, to approve the claims from August.

***Carried unanimously.

Public Comment: Steve Sabatke stated that he was at the meeting to start the process for next years budget.

The next item on the agenda was to review and potentially approve 2021 Operating Budget, to include request for lifting hiring freeze to hire one additional park laborer. Wendorf led the commission through each page of the budget. Wendorf stated that he has attached all the information regarding the increase to the Park and Recreation Department operating budget if they would be able to hire a third person. Wendorf stated that this year the Park and Recreation Departments budget was \$865,964 and have only used \$377,644 to date. Wendorf stated that they are \$488,000 under budget. Wendorf stated that with all the new parks, new projects and maintaining what they already have, the Park and Recreation Dept. is struggling to keep up. Wendorf stated they will not be able to take on any new work, the department is stretched to the max. Johnson stated that the good news is there will be no health insurance increase. Johnson also stated that in 2021 another part to the River Bend Trail will be added on to the existing trail, that will have to be maintained. Gulke stated that he was in favor of adding another employee, there is a lot to maintain and having another employee is long overdue. Artac stated he was also in favor of another employee. Johnson stated that even if the City Council approves hiring another park laborer, the Personal and Finance Committee would have to lift the hiring freeze.

***Motion by Van Lieshout, seconded by Artac, to approve the 2021 operating budget, with the request to lift the hiring freeze to hire one additional park laborer in March of 2021.

***Carried unanimously.

The next item on the agenda was COVID-19 updates and discussion. Wendorf stated that they are continuing to work with the LCHD in regards to setting a return to ice plan in place. Wendorf stated that park rentals went good this summer with no problems.

The next item on the agenda was to request to remove dilapidated tennis courts and fencing at current skate park area. Wendorf stated that they would like to remove the old tennis courts by the skate park. Wendorf stated they are beyond repair and would like to turn that space into green space. The commission agreed that the area should be cleaned up.

The next item on the agenda was monthly reports. Wendorf asked if anyone had any questions. Wendorf stated that the River Rat is up and the windows are the only thing that has to be put up yet. Wendorf stated that they will probably end up closing the steps by Lion's Park over the winter months. The future of the steps is undecided at this point. Wendorf said he met on site with City Engineer and the Street Superintendent to review options. Wendorf felt the best option would be to remove upper and lower areas and railings and block it off to limit liabilities and no longer maintain them.

The next regular meeting is scheduled for Wednesday, October 7, 2020 at 4:15 p.m. at the Merrill City Hall.

Public Comment: Kyle Gulke was wondering what ever happened to sign at Lion's Park where it changed with the seasons. Gulke stated that someone brought that to his attention and he thought that would be kind of neat to have back at the park. Mark Weix stated that he would like to see the pole replace on the back stop at Streeter Square.

***Motion by Ravn, seconded by Van Lieshout to adjourn at 5:20 p.m.

***Carried unanimously.

Dawn Smith
Recording Secretary

One of the vehicles is a 2016 Ford Taurus that has been replaced. One vehicle is a seized vehicle and one has been abandoned by the owner.

Motion (Osness/Blake) to approve the request.

RESULT:	APPROVED
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3. Consider method to include sales tax on facility rental fees

Information was in the meeting packet.

City Administrator Johnson reported that the City has learned that it should be charging a sales tax on all facility rentals. If the City does not add this tax to the rental fee, the City would actually lose money on rentals. The options discussed were to simply add the tax to the fee or raise the fees to cover the tax.

Motion (Blake/Osnes) to add sales tax to facility rental fees.

RESULT:	APPROVED
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4. Review of 2020 borrowing plan and timeframes

Information was in the meeting packet.

Finance Director Unertl reported the good news that the "extra" \$100,000 for the Grand Avenue Project will not be needed.

Discussion was held on the purchase of the new transit buses. It was suggested that the title "Merrill-Go-Round" should be displayed somewhere on the new buses. Alderman Blake will bring that to the Transit Commission for consideration.

A special Personnel and Finance Committee meeting was scheduled for 5:15 P.M. on Tuesday, September 8th. The purpose of the meeting will be to further discuss borrowing. It is anticipated that actual borrowing will be finalized at the October 13th Common Council meeting.

No action was taken at this time.

5. Begin scheduling process for 2021 budget meetings

Alderman Hass had requested that this item be placed on the agenda.

Finance Director Unertl reported that Ehlers is currently evaluating options related to Tax Increment Districts. It was suggested that a joint Redevelopment Authority/Committee of the Whole meeting be held to discuss the options. Suggested dates for this meeting were September 23rd or September 30th.

Finance Director Unertl then reported that several departments are requesting new positions. Alderman Hass stated that he would like to see a meeting held to discuss these requests.

IV. Monthly Reports:

1. Municipal Court

The report was in the meeting packet.

2. Finance Director Unertl

The report was in the meeting packet.

3. City Attorney Hayden

The report was in the meeting packet.

4. City Clerk Heideman

The report was in the meeting packet.

City Clerk Heideman reported that the order of a ballot "drop box" is pending. The box will be located in front of City Hall, near the flag pole and next to the "payments" box. This order is the result of increased interest by voters to submit their ballots this way.

Alderman Osness asked who should be notified when there are concerns related to election day procedures. City Clerk Heideman reported that the Clerk/Treasurer office should be notified so the concerns can be addressed as soon as possible.

5. City Administrator Johnson

The report was in the meeting packet.

City Administrator Johnson reported on new COVID-19 travel guidelines approved by the Centers for Disease Control and Prevention (CDC).

6. Consider placing monthly reports on file

Motion (Blake/Osness) to place on file.

RESULT:	PLACED ON FILE
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V. Establish date, time and location of next regular meeting

As noted earlier, the Personnel and Finance Committee will have a special meeting in the City Hall Common Council Chambers at 5:15 P.M. on Tuesday, September 8th.

The next regular Personnel and Finance Committee meeting will be held in the City Hall Common Council Chambers at 5:15 P.M. on Tuesday, September 29th.

VI. Public Comment Period

Alderman Sabatke commented on the ongoing consideration of contracting the garbage/recycling services. This will be discussed at the August 27th Board of Public Works meeting.

Alderman Hass complimented Library Director Stacy Stevens and the entire library staff on their "Park Walk" held recently at Normal Park.

VII. Closed Session:

1. Consideration of motion to adjourn into closed session pursuant to Section 19.85(1)(c) of the Wisconsin Statutes for the purpose of discussing performance evaluation of a public employee over which the Council exercises responsibility, including discussion regarding performance evaluation of City Administrator.

Motion (Blake/Osness) to convene in closed session. Carried 3-0 on roll call vote.

Convened in closed session at 5:38 P.M.

The closed session minutes will be filed separately and confidentially.

Note: The Committee will not reconvene into open session after the closed session portion of the meeting.

VIII. Adjournment

Motion (Osness/Blake) to adjourn. Adjourn (from closed session) at 6:21 P.M.

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, July 8th, 2020 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Clyde Nelson, Derek Woellner, Tony Kusserow, Steve Sabatke, Sheila Polak, Lori Anderson-Malm, and Val Mindak

Others: City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Public Works Director/ City Engineer Rod Akey, City Building Inspector/Zoning Administrator Darin Page, Bill Bialecki from Lincoln County Economic Development Corp., Mike Harrigan and Steve Apfelbacher of H&A Advisors, LLC, Chester Kwiesielewicz, several members of the public from Merrill area and Tomahawk, and camera operator from Merrill Productions

Call to Order: Chair Nelson called the meeting to order at 8:00 a.m.

Consider approval of RDA meeting minutes from June 17th, 2020:

Motion (Polak/Kusserow) to approve the meeting minutes from June 17th. Carried.

Public Comment: None.

Presentation by H&A Advisors, LLC and discussion of potential workforce housing endowment program:

Mike Harrigan and Steve Apfelbacher of H&A Advisors, LLC presented information on potential workforce housing endowment program with specific examples related to Lincoln County household income information. Both emphasized workforce housing as key to economic development in a community. There is an affordability gap with housing often exceeding 30% of household wages.

The proposed housing endowment program could facilitate new construction, as well as existing home rehabilitation. After an initial rent-to-own period of four to eight years, homeowners should be able to obtain traditional home mortgages based upon their home equity. The revolving loan pool would be set up with initial stakeholder investments and then from the interest paid for the rent-to-own participants.

It was noted that Tax Increment District (TID) No. 3 is scheduled to end in 2026. It is possible to extend the TID lifespan an additional year for workforce housing initiatives.

Bill Bialecki from Lincoln County Economic Development Corp. (LEDC) will continue to work on this proposed concept including potential county-wide program. Several individuals from City of Tomahawk attended this presentation.

Review and discuss proposed covenants (RDA Commissioner Kusserow):

Kusserow advised that he had further discussions with City staff. With City existing zoning, the Kientz property as R-1 was limited to single-family homes. Kusserow noted that covenants were likely not needed if home ownership instead of potentially rental properties.

Potential proposal request for residential development on former Kientz parcel (Tax Increment District No. 11):

Chester Kwiesielewicz proposed construction of 1,600 to 2,000 sq. ft. single-family home with about 30' by 40" storage building. He would like to build within the City of Merrill. His proposed location is the 2 ½ acres west of the undeveloped Superior Street. Kwiesielewicz suggested that there might be future sales of vacant lots.

Unertl emphasized that without single-family home construction on West St. Paul Street, there would be inadequate TID No. 11 cash flow to extend utilities and develop the Superior Street infrastructure between West 10th Street and West St. Paul Street. Previous RDA discussions have focused upon workforce housing area with potentially ten to fifteen developable lots.

There was no RDA action. Polak emphasized the need for strategic vision for the site. Woellner recommended issuing a Request for Proposals if the Ryan Ott single-family development did not proceed.

Review FreMarq Innovations quarterly employee count information for 2020 (Tax Increment District No. 7):

RDA Commissioners discussed the employment counts from March and June 2020. City staff will follow-up to obtain further information on why the employment dipped; impacts of COVID-19; and future business directions. A minimum of 50 employees for two years was included in the TID No. 7 development agreement to move from \$100,000 potentially forgivable loan to a TID cash development grant status (i.e. no repayment).

Unertl emphasized that one of the RDA's major policy objectives was to see reoccupation of the former mill property with manufacturing after Graham curtain wall manufacturing shut down. The TID No. 7 development incentive facilitated relocation of FreMarq Innovations equipment and operations from Wausau to Merrill.

Next RDA meeting: Tentatively scheduled for Thursday, August 13th at 8:00 a.m. However, later rescheduled for Wednesday, August 19th at 8:00 a.m.

Adjournment: (Polak/Sabatke) to adjourn at 9:28 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, August 19th, 2020 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Clyde Nelson, Tony Kusserow, Steve Sabatke, Lori Anderson-Malm, Val Mindak, Derek Woellner (via phone), and Sheila Polak (whom arrived at 8:05 a.m.)

Others: Alderperson Mark Weix, City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Public Works Director/City Engineer Rod Akey, City Building Inspector/Zoning Administrator Darin Page, Bill Bialecki from Lincoln County Economic Development Corp. (LCEDC), Jeff Burns from Weinbrenner Shoe Company, Inc., several members of the public, and camera operator from Merrill Productions

Call to Order: Chair Nelson called the meeting to order at 8:00 a.m.

Consider approval of RDA meeting minutes from July 8th, 2020:

Motion (Kusserow/Sabatke) to approve the meeting minutes from July 8th. Carried.

Public Comment: None.

Update on potential restaurant development – Tax Increment District (TID) No. 3:

Due to the uncertainties related to COVID-19, the proposed family restaurant development north of Wal-Mart is no longer viable and will not happen. LCEDC's Bialecki reported that he continues discussions with potential restaurant developers.

Update on 1/1/2020 Equalized Valuations (Overall City and Tax Increment Districts) and 1/1/2020 Assessed Valuations of 2019 TID Developments:

Unertl highlighted the 1/1/2020 Equalized Valuations provided by the Wisconsin Department of Revenue (DOR). Merrill has had four years of growth. Overall community tax base growth since 2013 has been almost 25%. There is faster tax base growth occurring within Tax Increment Districts (TIDs). The City's Net New Construction percentage would have been higher than 1.0% if both Golden Harvest and Nelson's Powerhouse had been completed as of 1/1st.

For 2020, there was almost \$3.25 million increase in TID No. 3; there was over \$3.3 million increase in TID No. 7 (with Wisconsin DOR manufacturing reassessment of former mill property); and over \$1.1 million increase in TID No. 11 with completion of Phase 2 of Rock Ridge Apartments.

Update on 1/1/2020 Equalized Valuations (Overall City and Tax Increment Districts) and 1/1/2020 Assessed Valuations of 2019 TID Developments - Continued:

As for specific TID developments, Unertl highlighted TID No. 11 Rock Ridge Apartments. Total Assessment Valuation has gone from \$65,000 as of 1/1/2016 to \$4,125,100 as of 1/1/2020. Property taxes have increased from \$2,747 in 12/2016 to projected \$125,000 in 12/2020.

Although it has taken longer timeframe, the former mobile home frontage on State Highway 64 was assessed at \$491,600 as of 1/1/2015. With partial valuations on Nelson's Powerhouse and Golden Harvest and full valuations on Park City Brickner's Park City, LLC, the assessed valuation total was \$1,949,240 as of 1/1/2020. Corresponding property taxes were \$13,243 in 12/2015 and are projected at about \$63,220 as of 12/2020. There will be full assessed valuations as of 1/1/2021 and additional future tax increment generated.

Unertl also provided information on assessments and property tax for 3201 E. Main St. (Dollar Store development). There has now been increase of \$545,890 in assessed valuation and projected \$17,314 increase in property taxes for this private-sector redevelopment project.

The successful rapid increase in City TID equalization tax base represents almost 12.0% of the City's total equalized valuation. The maximum allowed by the State of Wisconsin is 12.0%. Unertl emphasized that the City by this time in 2021 would likely be above this limit which could limit potential creation of new TIDs (such as to facilitate Lincoln County Hwy G Industrial/Business Park development). Representatives from Ehlers & Associates, the City's independent financial consultant, are reviewing potential future TID-related options.

Presentation on and discussion of potential options for single-family home development on former Kientz parcel (Tax Increment District No. 11):

Bialecki advised that the Wausau developer potentially interested in building single-family homes in Merrill thought the meeting was at 8:00 p.m. (evening). The developer will provide background proposal and would come to the next RDA meeting.

Ryan Ott expressed concern with proposed changes to the Development Agreement with Ryan Ott Development and Construction, LLC. for the one single-family home that RDA Commissioners had authorized at the May 6th RDA meeting. These legal agreement concerns were discussed in Closed Session.

Update on and discussion of potential redevelopment options for former Hurd Windows & Doors parcels 2020 (Tax Increment District No. 8):

Unertl distributed assessed valuation history of the about 28 acre site from 2000 through 2020. The highest assessed valuation was in 2003 at \$3,750,200. Lowest valuation was \$786,800 in 2012 and 2013. Although the assessed valuation has rebounded to about \$1.4 million level the last five years, Unertl emphasized that there is potential for substantial valuation increase if the property was redeveloped for manufacturing.

Johnson reported that there are potentially three interested businesses in redevelopment of the property that is owned and now back under the legal control of Merrill Area Development Corp. (MADC). Weinbrenner Shoe Company, Inc. is requesting consideration of potential \$300,000 TID cash development incentive.

Update on and discussion of potential redevelopment options for former Hurd Windows & Doors parcels 2020 (Tax Increment District No. 8) - Continued:

Weinbrenner Shoe Company, Inc. is interested in the buildings for expansion of their manufacturing and warehousing. Weinbrenner President Jeff Burns emphasized that the company has been in Merrill since 1936 and is committed to the community. Due to Federal CARES Payroll Protection Program (PPP) loan, Weinbrenner would first be fiscally able to purchase the property this Fall.

Update on and discussion of potential redevelopment options for former Hurd Windows & Doors parcels 2020 (Tax Increment District No. 8) - Continued:

Weinbrenner management has identified potential \$3 million in improvements to the buildings, including about \$1 million for roof replacement. Timing of roof replacement would be about May/June 2021 and then additional building improvements and relocation of equipment and employees by Fall 2021. The existing Polk Street manufacturing facility would continue to be used. A potential interested purchaser for the Taylor Street warehouse facility has already been identified. There is potential for hiring 25 to 30 additional employees.

RDA Commissioners had further consideration of the TID development incentive request in Closed Session.

Next RDA meeting: Wednesday, September 2nd at 8:00 a.m.

Unertl advised that she is requesting joint RDA and Committee of Whole meeting for later September so that Ehlers & Associates representative would be able to present fiscal overview of Merrill's Tax Increment Districts (TIDs) and discuss potential future options. That would likely be a 6:00 p.m. meeting timeframe with date to-be-determined.

Chair Nelson read the following:

The RDA may convene in closed session per Wis. Stats. Sec. 19.85(1)(e) – deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session to consider:

- a. Consider approval of closed session RDA meeting minutes from June 17th
- b. Consider potential negotiation terms for cash development incentive(s) to facilitate single-family home development on former Kienitz Parcel in Tax Increment District (TID) No. 11
- c. Consider potential negotiation terms for cash development incentive(s) to facilitate manufacturing relocation into vacant buildings located in Tax Increment District (TIDs) No. 8

Motion (Sabatke/Mindak) to move into closed session. Carried 6-0 on roll call vote at about 8:48 a.m. At some point during the meeting, Woellner's phone connection ended and City Administrator Johnson was unable to reestablish voice communication in response to Woellner's texts.

Nelson advised that the June 17th Closed Session minutes will be provided for consideration at a future RDA meeting after Unertl completes preparation.

Ryan Ott requested that an option of first refusal for up to three (3) lots be restored to the draft development agreement. RDA Commissioner consensus to allow option for up to three lots on the former Kienitz development parcel. First home would be constructed on Lot 1 of the Certified Survey Map (CSM).

Unertl reported that construction of only one single-family home on West St. Paul St. would not facilitate TID No. 11 cash flow for paving West St. Paul St. or extension of Superior St. utility and new street infrastructure.

Mindak questioned liability considerations in the draft development agreement. Unertl noted that basic provisions include in Section 3.02 – Liability. RDA Commissioners requested City staff to further review provisions related to liability (including if only partially built); specific requirement for timely payment of property taxes; and compliance with City exterior maintenance ordinance code requirements.

Mindak showed copy of City of Milton, WI's Tax Incremental Financing Policy and Application and requested that City staff consider pulling together various City of Merrill policies in comparable document. City Administrator Johnson will take the lead on this document project. Key items include what City of Merrill policy is; what is eligible for TIF funding; and what potential decision criteria are used.

As to former Hurd Windows & Doors vacant buildings (Tax Increment District No. 8), RDA Commissioners discussed the \$300,000 TIF funding request and how to potentially structure (i.e. cash development incentive grant and/or potential forgivable loan). Formal action would be considered at a future RDA meeting if Weinbrenner Shoe Company, Inc. successfully negotiated purchase of the property and buildings from Merrill Area Development Corp. (MADC).

Mindak had to leave the RDA meeting about 9:30 a.m. due to work commitment.

Adjournment: (Kuesserow/Polak) to adjourn at 9:40 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

CITY OF MERRILL

1004 EAST FIRST STREET
MERRILL, WI 54452-2586

AN ORDINANCE: Health & Safety Committee

Re: Amending Chapter 36, Article V, Section 36-251, related to ATV/UTV routes.

ORDINANCE NO. 2020-

Introduced: September 8, 2020

1st Reading: _____

2nd Reading: _____

3rd Reading: _____

Committee/Commission Action:

RECOMMENDED FOR PASSAGE

AN ORDINANCE

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

Section 1. Chapter 36, Article V, Section 36-251 of the Code of Ordinances for the City of Merrill is amended to read as follows:

The intent of this article is to provide ~~a means for persons to travel from a residence and/or lodging establishment within the limits of the City of Merrill for the shortest distance necessary for a person to operate an all-terrain vehicle or utility-terrain vehicle to the all-terrain vehicle or utility-terrain vehicle route or trail that is closest to that residence or lodging establishment.~~ for the recreational use of all terrain vehicles and utility terrain vehicles within the City limits of Merrill as permitted by and consistent with WI Statutes.

- (a) Such travel shall be allowed only when the connecting Lincoln County all-terrain vehicle and utility-terrain vehicle ~~trails routes~~ are open and operational.
- (b) Routes may be closed at any time, by order of the chief of police.
- (c) The city shall, from time to time, designate a route within the city limits, maps of which shall be kept on file with the office of the city clerk and the Merrill Police Department. That map delineates allowed routes of travel for all-terrain vehicles or utility-terrain vehicles.
- (d) ~~The City shall erect signage at the entrances to the City identifying approved streets of travel and/or prohibited routes of travel. Prohibited routes may have additional signage erected.~~

Section 2. 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.

Attachment: Ordinance related to ATV UTV trail routes (5273 : Ordinance on ATV and UTV)

Section 3. 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.

Approved:

Moved by: _____

Adopted: _____

Approved: _____

Published: _____

Derek Woellner, Mayor

Attest:

William N. Heideman, City Clerk

Attachment: Ordinance related to ATV UTV trail routes (5273 : Ordinance on ATV and UTV)



Merrill - Council

2020 Borrowing Discussion

September 8, 2020



Discussion Items

- Current Profile
 - G.O. Borrowing Capacity
 - Levy for Debt Service
- 2020 Capital Projects Financing
 - Projects
 - Preliminary Debt Issues and Sizing
 - Impact Scenarios
- Calendar

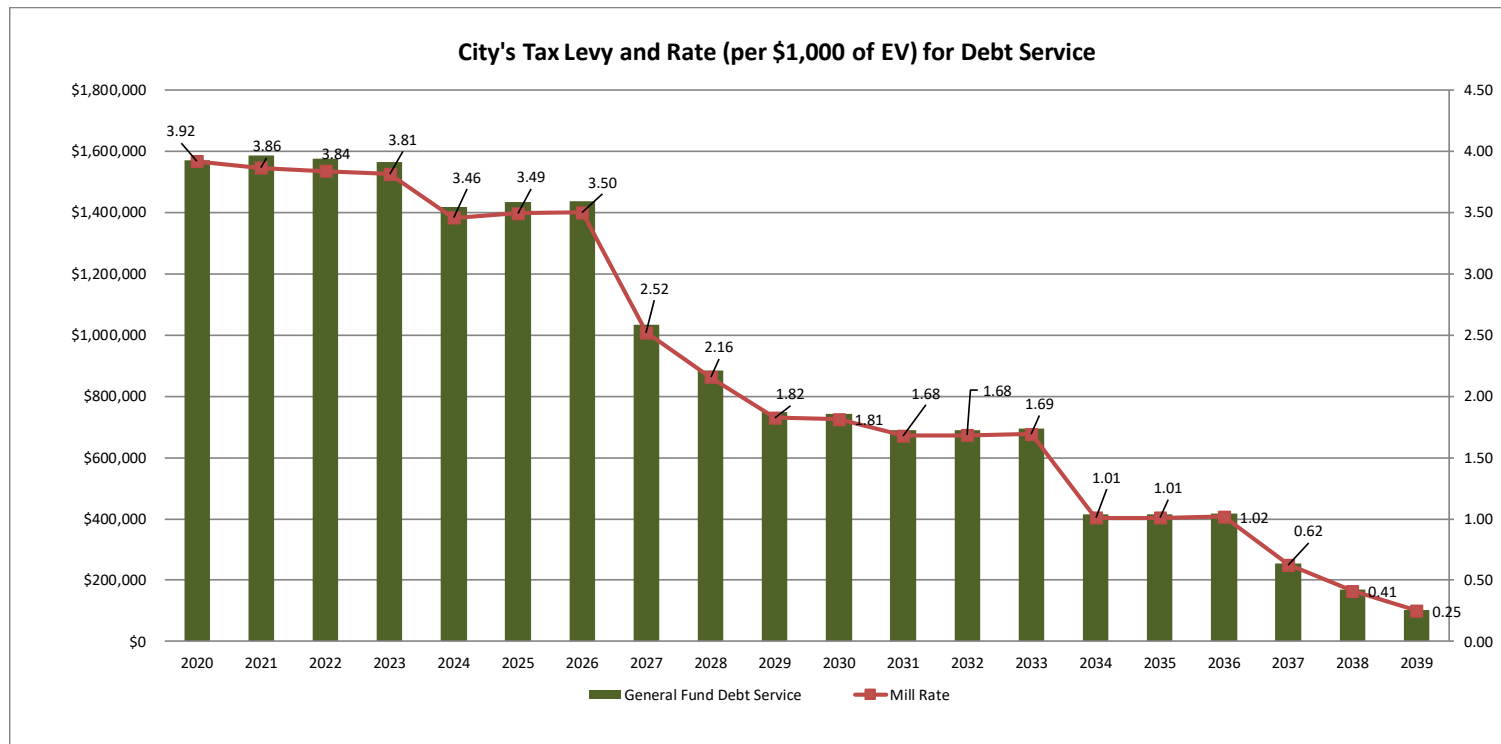


Current Profile – G.O. Borrowing Capacity

- G.O. Borrowing limited to 5% of total equalized value
 - 2020 EV: \$464,066,900
 - Borrowing Capacity: \$23,203,345
 - Available Capacity: **\$6,465,891 (28%)**
- City has typically used G.O. debt for projects, including public infrastructure, utilities and economic development (TIDs)
- Use revenues from non-levy sources to reduce amount of levy for G.O. debt service
- Retiring \$1.4MM+ in principal through 2026 fiscal year



Current Profile – Levy for G.O. Debt Service





2020 Capital Projects and Financing Needs

- | | | | |
|--------------------------------|-----------|--|------------------------|
| • Streets & Street equipment | \$811,500 |  | <div>\$2,295,000</div> |
| • Parks & equipment | \$48,500 | | |
| • Library | \$75,000 | | |
| • Water | \$350,000 | | |
| • Sanitary Sewer | \$200,000 | | |
| • TID No. 8 Streets & lighting | \$610,000 | | |
| • Transit buses | \$266,000 | | |
| • TID No. 11 Dev. Incentives | \$200,000 | | |
- *TO be financed with G.O. Bonds. Buses interim financed to be able to combine with Bonds as a refunding purpose.*



2020 Capital Projects and (Re)Financing Needs

- G.O. Bonds will also refinance:
 1. Interim Note for City's portion of bus acquisition
 2. 2013B G.O. Promissory Notes
 3. 2019 State Trust Fund Loan \$251,200
 4. 2020 State Trust Fund Loan \$101,254 (refinanced 2005 loan)
 5. 2020 State Trust Fund Loan \$80,000

- Refinancing to produce savings and provide for consolidation, eliminating admin burden and savings on annual expenses



Finance Plan

- G.O. Bonds (new \$ & refinancing) \$3,510,000
 - *Interim Note for bus acquisitions included in this amount*
- Anticipation (Interim) financing \$1,065,000
 - *Retired in full upon receipt of grant funding for buses*
- Tax Increment Revenue Bond \$4,000,000+
 - Secured by TID 3 revenues
 - Refinances
 1. 2017 TIRB
 2. 2018 TIRB
 3. 2019 Note Anticipation Note



Preliminary G.O. Bond Issue

Preliminary Debt Service and Capitalization Schedules

\$3,500,000 General Obligation Corporate Purpose Bonds, Series 2020

Year	Principal	Rate	Interest	Total P&I	Tax Levy Streets	TID 8	TID 11	Water	Sewer
2020									
2021	250,000	0.45%	37,593	287,593	205,600	37,557	12,358	19,569	12,509
2022	255,000	0.50%	36,183	291,183	209,593	37,373	12,298	19,473	12,448
2023	255,000	0.55%	34,844	289,844	208,595	37,215	12,245	19,394	12,395
2024	230,000	0.55%	33,510	263,510	182,619	37,050	12,190	19,311	12,340
2025	200,000	0.60%	32,278	232,278	151,760	36,878	12,133	19,225	12,283
2026	180,000	0.70%	31,048	211,048	130,953	36,683	12,068	19,128	12,218
2027	180,000	0.80%	29,698	209,698	130,090	36,458	11,993	19,015	12,143
2028	180,000	0.90%	28,168	208,168	129,113	36,203	11,908	18,888	12,058
2029	200,000	1.05%	26,308	226,308	137,939	40,884	11,810	23,715	11,960
2030	165,000	1.15%	24,309	189,309	101,765	40,499	11,700	23,495	11,850
2031	170,000	1.30%	22,255	192,255	100,663	40,070	16,545	23,250	11,728
2032	170,000	1.40%	19,960	189,960	99,448	39,598	16,343	22,980	11,593
2033	140,000	1.45%	17,755	157,755	68,383	39,099	16,129	22,695	11,450
2034	140,000	1.55%	15,655	155,655	67,483	38,574	15,904	22,395	11,300
2035	140,000	1.65%	13,415	153,415	66,523	38,014	15,664	22,075	11,140
2036	140,000	1.75%	11,035	151,035	65,503	37,419	15,409	21,735	10,970
2037	140,000	1.85%	8,515	148,515	64,423	36,789	15,139	21,375	10,790
2038	130,000	1.90%	5,985	135,985	68,250	36,133	-	21,000	10,603
2039	135,000	2.00%	3,400	138,400	66,983	40,400	-	20,610	10,408
2040	100,000	2.05%	1,025	101,025	65,666	-	-	20,205	15,154
Totals	3,500,000		432,936	3,932,936	2,321,346	722,891	231,832	419,532	237,335

9/4/2020

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Attachment: Borrowing 2020 - Ehlers Presentation (5278 : Resolution 01 Borrowing)



General Obligation vs. (TIF) Revenue Obligation

- G.O. debt secured by the City's full faith and credit & an irrevocable pledge to levy an amount unlimited by rate or amount to pay debt service
 - Other revenues can be used to pay debt service, but taxing authority is ultimate security for the debt if other revenues unavailable/insufficient
 - Limited by law to no more than 5% of total EV & 20 years in term from date of issue
- Revenue debt secured by a specific pledge of and lien against revenues and covenants to maintain sufficient revenues
 - Typically secured by utility revenues – can be also be TIF revenues
 - Total dollar amount not limited under statute
 - No specific pledge of taxing authority

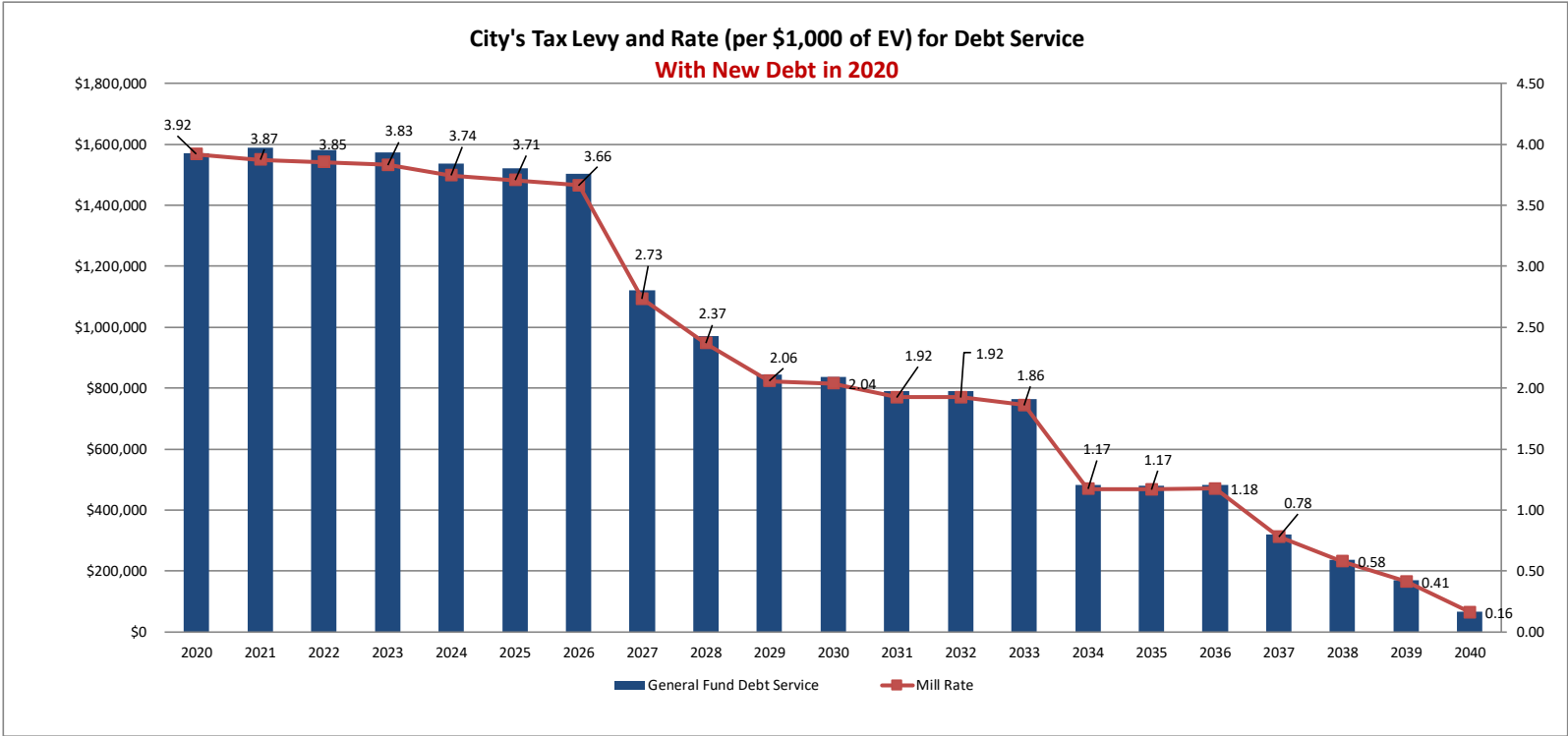


Impacts and Scenarios

- G.O. Borrowing Capacity
 - \$3,778,345 remaining (16%)
 - Back to 50% by 2025 based on scheduled principal payments
- Utilities are self-supporting
- TIDs 8 & 11 generating sufficient revenues to pay debt service
- Levy impact
 - Decisions can be made and debt structured in relation to anticipated tax impact



Preliminary Levy Impact





TID 3 Impact - Projected

TID No. 3

District Classification Mixed-Use
 Creation Year 2005
 Creation Date 9/13/2005
 End of Expenditure Period 9/13/2020
 Maximum Life of District (Final Year) 9/13/2025
 Final Revenue Year 2026

2019 Audit
 Cash Balance: 194,111

YEAR			REVENUE						Expenses										BALANCE		
Construction Year	Valuation Year	Revenue Year	New Valuation	TID Value Increment	Tax Rate (\$s/1,000)	Projected Tax Revenue	Other Revenues	Total Projected Revenue	First Lien Debt Service				Subordinate Expenditures						Total Projected Expenses	Annual Balance	Cumulative Balance
									2017A Tax Inc. Rev. Bond	2018 Tax Inc. Rev. Bond	PROJECTED 2020 Tax Inc. Rev. Bond	Rev. Pledge Debt Svc. Coverage	2016B G.O. Bonds	Transfer to TID No. 6	Transfer to TID No. 7	Transfer to TID No. 8	Admin. Expenses	Other Expenses			
2018	2019	2020	-	29,654,200	30.00	889,641	-	889,641	199,412	250,585	742,169	1.98	57,814	-	-	-	2,500	165,000	675,312	214,330	408,441
2019	2020	2021	-	32,885,900	30.00	986,594	-	986,594	REFUNDED	REFUNDED	744,298	1.33	54,899	-	-	-	2,500	169,500	969,068	17,526	425,967
2020	2021	2022	-	32,885,900	30.00	986,594	-	986,594			744,298	1.33	54,383	-	-	-	2,500	45,000	846,180	140,414	566,381
2021	2022	2023	-	32,885,900	30.00	986,594	-	986,594			743,423	1.33	53,866	-	-	-	2,500	45,000	844,789	141,806	708,187
2022	2023	2024	-	32,885,900	30.00	986,594	-	986,594			743,080	1.33	58,825	-	-	-	2,500	25,000	829,405	157,190	865,376
2023	2024	2025	-	32,885,900	30.00	986,594	-	986,594			742,243	1.33	57,778	-	-	-	2,500	-	802,521	184,073	1,049,450
2024	2025	2026	-	32,885,900	30.00	986,594	-	986,594			743,910	1.33	56,737	-	-	-	2,500	-	803,147	183,447	1,232,897

- 2020 Tax Increment Revenue Bonds Refinances:
 - 2017 TIRB
 - 2018 TIRB
 - 2019 Note Anticipation Note

Cash Flow
 Remains
 Positive

9/4/2020

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Calendar

- **September 8** Council considers initial resolutions
Council authorizes interim note (buses)
- **October 13** Debt sales and award consideration
 - G.O. Bonds
 - Tax Increment Revenue Bond
 - Anticipation Finance (buses funded from grant)
- **Late October** Closing – all issues

City of Merrill - 2020 Borrowing/Capital

Key Points:

Brian Reilly from Ehlers & Associates will be at the Special Personnel & Finance Committee meeting on Tuesday, 9/8th at 5:15 p.m. to present and discuss the 2020 borrowing plan. This includes new borrowing; refinancing of existing tax levy debt; fiscal impacts on future tax levy debt service; and future refinancing of Tax Increment District No. 3 TID Revenue Bonds.

Transit buses can't be financed directly through General Obligation (GO) Bonds under WI Statutes. The GO Promissory Note will be short-term (i.e. maturity date of 4/1/2021) through mBank. However, it is anticipated that the \$266,000 will be included within the Bond refinancing.

There are ten (10) borrowing resolutions on the Common Council agenda. There are two-steps to the GO Bond borrowing approval process. After bid process, there will be consideration of awarding the GO Bond bids at the October 13th Common Council meeting.

The following summary of 2020 Borrowing/Capital is by the Bond Categories allowed under WI Statutes. The debt service schedules provided by Ehlers & Associates will show the repayment distribution by the various City of Merrill accounting funds.

Prepared by: Finance Director Kathy Unertl

City of Merrill - 2020 Borrowing/Capital

By Bond Categories under WI Statutes

Series 2020 - Bonds

			Budget Amount	Projected 2020	Difference	Borrowing Bonds
Streets	Seal Coating		\$52,385.00	\$55,000.00	\$2,615.00	\$55,000
Streets	Resurfacing		\$100,000.00	\$100,000.00	\$0.00	\$100,000
Streets	Crushing	Recycling asphalt/concrete	\$50,000.00	\$50,000.00	\$0.00	\$50,000
Streets	M2020 - Grand Ave. Project		\$350,000.00	\$350,000.00	\$0.00	\$350,000
Streets	M2020 - Grand Ave. Project - TID No. 8		\$540,000.00	\$540,000.00	\$0.00	\$540,000
Storm	MS-4 Stormwater	Planning-Engineering - 50%*	\$68,855.00	\$68,855.00	\$0.00	\$68,500
Streets	Dump Truck	Replacement	\$50,000.00	\$48,577.50	(\$1,422.50)	\$48,500
Streets	Paint Truck	Replacement	\$50,000.00	\$50,000.00	\$0.00	\$50,000
Streets	Loader Tractor	Replacement	\$95,000.00	\$89,650.00	(\$5,350.00)	\$89,500
						\$1,351,500
						Streets
Parks	Dump Truck	Replacement	\$50,000.00	\$48,668.50	(\$1,331.50)	\$48,500
						Parks
Library	Roofs	Replacements	\$75,000.00	\$75,000.00	\$0.00	\$75,000
						Library
Total - GO Tax-Levy			\$1,481,240.00	\$1,475,751.00	(\$5,489.00)	\$1,475,000.00

*There is also WI DNR grant for \$68,855

		Projected 2020	Bonds
Fund 62 - Water Infrastructure	M2020 - Grand Ave. Project	\$350,000	\$350,000 Water
Fund 63 - Sewer Infrastructure	M2020 - Grand Ave. Project	\$200,000	\$200,000 Sewer
Fund 41 - Tax Increment District No. 11	Rock Ridge Phase II (2019 and 2020 annual development incentive)	\$200,000	Community Dev \$200,000 - TID No. 11
Fund 48 - Tax Increment District No. 8	M2020 - Grand Ave. Project - within Streets Bond Category - \$540,000		
	Streetlight - Grand Ave. Project	\$70,000	Community Dev
		<u>\$70,000</u>	\$70,000 - TID No. 8
Total - GO			\$2,295,000.00

Series 2020 - Notes	Total Cost	Projected 2020 - 2021	Borrowing Notes
Transit Buses - 20% Local			
Three Buses - 2020	\$1,328,712 *	\$265,742	\$266,000 Transit

*Wisconsin DOT reimbursement of \$1,062,970 will take 4 to 6 weeks (after proof of City payment of entire cost)

Resolution No. _____

**INITIAL RESOLUTION AUTHORIZING
\$1,395,000 GENERAL OBLIGATION BONDS
FOR STREET IMPROVEMENT PROJECTS**

BE IT RESOLVED by the Common Council of the City of Merrill, Lincoln County, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$1,395,000 for the public purpose of paying the cost of street improvement projects.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 01 on Borrowing (5278 : Resolution 01 Borrowing)

Resolution No. _____

**INITIAL RESOLUTION AUTHORIZING
\$50,000 GENERAL OBLIGATION BONDS
FOR PARKS AND PUBLIC GROUNDS PROJECTS**

BE IT RESOLVED by the Common Council of the City of Merrill, Lincoln County, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$50,000 for the public purpose of paying the cost of parks and public grounds projects.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 02 on Borrowing (5279 : Resolution 02 Borrowing)

Resolution No. _____

**INITIAL RESOLUTION AUTHORIZING
\$275,000 GENERAL OBLIGATION BONDS
FOR COMMUNITY DEVELOPMENT PROJECTS IN TAX
INCREMENTAL DISTRICTS**

BE IT RESOLVED by the Common Council of the City of Merrill, Lincoln County, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$275,000 for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs included in the project plans for the City's Tax Incremental Districts.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 03 on Borrowing (5280 : Resolution 03 Borrowing)

Resolution No. _____

**INITIAL RESOLUTION AUTHORIZING
\$210,000 GENERAL OBLIGATION BONDS
FOR SEWERAGE PROJECTS**

BE IT RESOLVED by the Common Council of the City of Merrill, Lincoln County, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$210,000 for the public purpose of paying the cost of sewerage projects.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 04 on Borrowing (5281 : Resolution 04 Borrowing)

Resolution No. _____

**INITIAL RESOLUTION AUTHORIZING
\$75,000 GENERAL OBLIGATION BONDS
FOR LIBRARY PROJECTS**

BE IT RESOLVED by the Common Council of the City of Merrill, Lincoln County, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$75,000 for the public purpose of paying the cost of library projects.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 05 on Borrowing (5282 : Resolution 05 Borrowing)

Resolution No. _____

**INITIAL RESOLUTION AUTHORIZING
\$360,000 GENERAL OBLIGATION BONDS
FOR WATER SYSTEM PROJECTS**

BE IT RESOLVED by the Common Council of the City of Merrill, Lincoln County, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$360,000 for the public purpose of paying the cost of water system projects.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 06 on Borrowing (5283 : Resolution 06 Borrowing)

Resolution No. _____

**INITIAL RESOLUTION AUTHORIZING \$1,145,000 GENERAL
OBLIGATION REFUNDING BONDS**

BE IT RESOLVED by the Common Council of the City of Merrill, Lincoln County, Wisconsin (the "City"), that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$1,145,000 for the public purpose of paying the cost of refunding certain outstanding obligations of the City.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 07 on Borrowing (5284 : Resolution 07 Borrowing)

Resolution No. _____

**RESOLUTION DIRECTING PUBLICATION OF NOTICE TO ELECTORS
RELATING TO BOND ISSUES**

WHEREAS, initial resolutions authorizing general obligation bonds have been adopted by the Common Council of the City of Merrill, Lincoln County, Wisconsin (the "City") and it is now necessary that said initial resolutions be published to afford notice to the residents of the City of their adoption;

NOW, THEREFORE, BE IT RESOLVED that the City Clerk shall, within 15 days, publish a notice to the electors in substantially the form attached hereto in the official City newspaper as a class 1 notice under ch. 985, Wis. Stats.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 08 on Borrowing (5285 : Resolution 08 Borrowing)

Resolution No. _____

**RESOLUTION PROVIDING FOR THE SALE OF NOT TO EXCEED
\$3,510,000 GENERAL OBLIGATION CORPORATE PURPOSE BONDS**

WHEREAS, the City of Merrill, Lincoln County, Wisconsin (the "City") has adopted initial resolutions (the "Initial Resolutions") authorizing the issuance of general obligation bonds for the following public purposes and in the following amounts:

- (a) \$1,395,000 for street improvement projects;
- (b) \$50,000 for parks and public grounds projects;
- (c) \$275,000 for providing financial assistance to community development projects;
- (d) \$210,000 for sewerage projects;
- (e) \$75,000 for library projects;
- (f) \$360,000 for water system projects; and
- (g) \$1,145,000 for refunding certain outstanding obligations of the City.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Combination of Issues. The issues referred to above are hereby combined into one issue of bonds designated "General Obligation Corporate Purpose Bonds" (the "Bonds") in an amount not to exceed \$3,510,000 for the purposes above specified.

Section 2. Sale of the Bonds. The Common Council hereby authorizes and directs that the Bonds be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Bonds as may have been received and take action thereon.

Section 3. Notice of Sale. The City Clerk (in consultation with Ehlers & Associates, Inc. ("Ehlers")) is hereby authorized and directed to cause the sale of the Bonds to be publicized at such times and in such manner as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

Attachment: Resolution 09 on Borrowing (5286 : Resolution 09 Borrowing)

Section 4. Official Statement. The City Clerk (in consultation with Ehlers) shall also cause an Official Statement to be prepared and distributed. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Official Statement, such certification to constitute full authorization of such Official Statement under this resolution.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 09 on Borrowing (5286 : Resolution 09 Borrowing)

RESOLUTION NO. _____

**RESOLUTION AUTHORIZING THE ISSUANCE AND SALE
OF A \$266,000 GENERAL OBLIGATION PROMISSORY
NOTE**

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Merrill, Lincoln County, Wisconsin (the "City") to raise funds for public purposes, including paying the cost of acquiring buses (the "Project");

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;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to sell a General Obligation Promissory Note (the "Note") to mBank (the "Purchaser") pursuant to the terms and conditions set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Authorization and Sale of the Note. For the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of TWO HUNDRED SIXTY-SIX THOUSAND DOLLARS (\$266,000) from the Purchaser. To evidence the obligation of the City, 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, the Note in the principal amount of TWO HUNDRED SIXTY-SIX THOUSAND DOLLARS (\$266,000).

Section 2. Terms of the Note. The Note shall be designated "General Obligation Promissory Note"; shall be issued in the principal amount of \$266,000; shall be dated its date of issuance; shall be in the denomination of \$100,000 or more; shall be initially numbered R-1; shall bear interest at the rate of 1.99% per annum and shall mature on April 1, 2021. Interest shall be payable at maturity. The schedule of principal and interest due on the Note is set forth on the Debt Service Schedule attached hereto as Exhibit A and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Note is subject to redemption prior to maturity, at the option of the City, on any date. The Note shall be redeemable in whole or in part, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. Form of the Note. The Note 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 Note 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 irrevocable tax in the year 2020 for payments due in the year 2021 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Note 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 Note, 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 Note 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 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 Note" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Note 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 Note; (ii) any premium which may be received by the City above the par value of the Note 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 Note when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Note 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 Note until all such principal and interest has been paid in full and the Note canceled; provided (i) the funds to provide for each payment of principal of and interest on the Note 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 Note may be used to

reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Note 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 the Note has 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 Note; Segregated Borrowed Money Fund. The proceeds of the Note (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Note into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purpose for which borrowed or for the payment of the principal of and the interest on the Note. 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 for which the Note has 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 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 Note to be an "arbitrage bond" 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 Note, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Note to the Purchaser which will permit the conclusion that the Note is not an "arbitrage bond," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the Project and the ownership, management and use of the Project will not cause the Note to be a "private activity bond" 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 Note 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 Note) if taking, permitting or omitting to take such action would cause the Note to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Note 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 Note 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 Note provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Note 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 Note is hereby designated as a "qualified tax-exempt obligation" 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 Note; Closing; Professional Services. The Note shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, 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 Note may be imprinted on the Note in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Note, 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 Note 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 Note 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 Note, 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 Note is hereby ratified and approved in all respects.

Section 12. Payment of the Note; Fiscal Agent. The principal of and interest on the Note shall be paid by the City Clerk or the City Treasurer (the "Fiscal Agent").

Section 13. Persons Treated as Owners; Transfer of Note. The City shall cause books for the registration and for the transfer of the Note 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. March 15, 2021 shall be the record date for the Note (the "Record Date"). Payment on the Note shall be made to the registered owners of the Note on any interest payment date as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Note allocable to the payment of issuance expenses to Old National Bank at Closing for further distribution as directed by Ehlers & Associates, Inc.

Section 16. 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 Note in the Record Book.

Section 17. 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.

Recommended by: The Common Council

CITY OF MERRILL, WISCONSIN

Derek Woellner
Mayor

Moved: _____

Passed: _____

William N. Heideman
City Clerk

(SEAL)

Attachment: Resolution 10 on Borrowing (5287 : Resolution 10 Borrowing)

EXHIBIT A

Debt Service Schedule

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

(See attached)

Attachment: Resolution 10 on Borrowing (5287 : Resolution 10 Borrowing)

EXHIBIT B

(Form of Note)

NUMBER	UNITED STATES OF AMERICA STATE OF WISCONSIN LINCOLN COUNTY CITY OF MERRILL	DOLLARS
R-1	GENERAL OBLIGATION PROMISSORY NOTE	\$266,000

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

April 1, 2021

[____], 2020

1.99%

REGISTERED OWNER: mBank

PRINCIPAL AMOUNT: TWO HUNDRED SIXTY-SIX THOUSAND DOLLARS (\$266,000)

FOR VALUE RECEIVED, the City of Merrill, Lincoln County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the registered owner identified above (or to registered assigns), the principal amount as set forth 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 at maturity.

Both the principal of and interest on this Note are payable in lawful money of the United States by the City Clerk or City Treasurer (the "Fiscal Agent"). Payment of principal and interest on this Note shall be payable only upon presentation and surrender of this Note 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 issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including paying the cost of acquiring buses improvements, all as authorized by a resolution of the Common Council duly adopted by said governing body at a meeting held on September 8, 2020. Said resolution is recorded in the official minutes of the Common Council for said date.

The Note is subject to redemption prior to maturity, at the option of the City, on any date. The Note shall be redeemable as a whole or in part at the principal amount thereof, plus accrued interest to the date of redemption.

Before the redemption of any portion of the Note, unless waived by the registered owner, the City shall give notice of such redemption by registered or certified mail at least five (5) days prior to the date fixed for redemption to the registered owner of each Note to be redeemed, in whole or in part, at the address shown on the registration books. Any notice provided as

Attachment: Resolution 10 on Borrowing (5287 : Resolution 10 Borrowing)

described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Note 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 with the registered owner at that time. Upon such deposit of funds for redemption the Note shall no longer be deemed to be outstanding.

The Note is issued in registered form in the denomination of \$100,000 or more. This Note may be exchanged at the office of the Fiscal Agent for a like aggregate principal amount of Notes of the same maturity in other authorized denominations.

This Note is transferable by a written assignment duly executed by the registered owner hereof or by such owner's duly authorized legal representative. Upon such transfer a new registered Note, in authorized denomination or denominations and in the same aggregate principal amount, shall be issued to the transferee in exchange hereof.

The City may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof, premium, if any, hereon and interest due hereon and for all other purposes, and the City shall not be affected by notice to the contrary.

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.

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: _____
Derek Woellner
Mayor

(SEAL)

By: _____
William N. Heideman
City Clerk

Attachment: Resolution 10 on Borrowing (5287 : Resolution 10 Borrowing)

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)

(Registered Owner)

(Authorized Officer)

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

*The Internal Revenue Code of 1986 (IRC Section 149) requires that for interest on a municipal obligation with a term greater than one year to be exempt from federal income tax, the obligation must be issued and remain in registered form.

Section 67.09, Wisconsin Statutes provides that the City Clerk of the City when acting as the registrar shall record the registration of each note or bond in its bond registrar. Therefore, if this Note is to be assigned, the City Clerk of the City should be notified and a copy of this Assignment should be sent to the City Clerk of the City for his or her records.

Attachment: Resolution 10 on Borrowing (5287 : Resolution 10 Borrowing)

RESOLUTION NO. _____

**A RESOLUTION TEMPORARILY MOVING ALDERMANIC DISTRICTS 3 AND
6 POLLING PLACES TO THE BIERMAN BUILDING AT THE MERRILL
FESTIVAL GROUNDS FOR THE ELECTION TO BE HELD ON
NOVEMBER 3, 2020**

WHEREAS, Ordinance No. 2012-04 provides that the designated polling place for Aldermanic Districts 3 and 6 is the TB Scott Library; and,

WHEREAS, the TB Scott Library nor the Prairie River Middle School will not be available for voting by the residents of Aldermanic Districts 3 and 6 for the November 3, 2020 election; and,

WHEREAS, the Bierman Building at the Merrill Festival Grounds is a desirable and fitting alternative polling location; and,

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 8th day of September, 2020, that the Common Council, does hereby temporarily relocate Aldermanic Districts 3 and 6 from TB Scott Library to the Bierman Building at the Merrill Festival Grounds at 2001 E 2nd St., for the November 3, 2020 election.

Recommended by:

CITY OF MERRILL, WISCONSIN

Moved: _____

Derek Woellner
Mayor

Passed: _____

William N. Heideman
City Clerk

RESOLUTION NO. _____

**AN AUTHORIZING RESOLUTION FOR A WISCONSIN DEPARTMENT OF
NATURAL RESOURCES URBAN FORESTRY GRANT AND CATASTROPHIC
STORM GRANT PROGRAMS**

WHEREAS, the applicant, City of Merrill Parks & Recreation Department, desires to obtain a cost-share grant from Wisconsin Department of Natural Resources for the purpose of funding urban and community forestry projects or urban forestry catastrophic storm projects specified in s. 23.097(1g) and (1r), Wis. Stats.; and,

WHEREAS, the applicant attests to the validity and veracity of the statements and representations contained in the grant application; and

WHEREAS, the applicant requests a grant agreement to carry out the project;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN, this 8th day of September, 2020, that the applicant, City of Merrill Parks & Recreation Department, will comply with all local, state, and federal rules, regulations and ordinances relating to this project and the cost-share agreement;

BE IT FURTHER RESOLVED, the applicant will budget a sum sufficient to fully and satisfactorily complete the project and hereby authorizes and empowers the Parks & Recreation Director/City Forester, its official or employee, to act on its behalf to:

1. Sign and submit the grant application
2. Sign a grant agreement between applicant and the WDNR
3. Submit interim and/or final reports to the WDNR to satisfy the grant agreement
4. Submit grant reimbursement request to the WDNR
5. Sign and submit other required documentation

Recommended by: Parks & Recreation
Commission

CITY OF MERRILL, WISCONSIN

Moved: _____

Derek Woellner
Mayor

Passed: _____

William N. Heideman
City Clerk