



CITY OF MERRILL
COMMON COUNCIL
AGENDA • TUESDAY JULY 11, 2017

Regular Meeting

City Hall Council Chambers

7:00 PM

1. Call to Order
2. Silent Prayer
3. Pledge of Allegiance
4. Roll Call
5. Public Comment Period
6. Minutes of previous Common Council meeting(s):
 1. Minutes of June 13, 2017 meeting
7. Revenue & Expense Reports(s):
 1. Revenue & Expense Report for Period Ending June 30, 2017
8. General agenda items:
 1. Employee Years of Service Recognition:
 - Daniel J. Wendorf, 15 years (Parks & Recreation)
 - Matthew J. Drabek, 10 years (Police Department)
 2. 2016 Audit Presentation by Schenck SC representatives
9. Board of Public Works:
 1. Consider Street Use Permit from Humphrey's Pub to close Genesee Street (from Main Street to the alley) from 5:00 p.m. to midnight on Thursday, August 10, 2017, for Crazy Days. The Board of Public Works recommends approval.
10. Committee of the Whole/Redevelopment Authority:
 1. Consider sale of Fox Point site (TID No. 10) to the Merrill Area Housing Authority (MAHA). The Committee of the Whole/Redevelopment Authority recommend approval.
11. Health and Safety Committee:
 1. Applications from Merrill Fastpitch for three temporary Class "B" (picnic) licenses to sell fermented malt beverages in the concession stands and the softball field stands at the Merrill Area Recreation Complex (MARC), 1100 MARC Drive, during the annual Merrill Fastpitch Tournament, July 21-23, 2017. The Health and Safety Committee recommends approval.

2. Request from Humphery's Pub, 500 West Main Street, for a premises extension to sell alcoholic beverages on Genesee Street, from Main Street to the southern edge of the alley, from 5 P.M. to midnight, on Crazy Daze, Thursday, August 10th, 2017. Outdoor music would also be allowed from 7:00 P.M. to 11:00 P.M. that night. The Health and Safety Committee recommends approval.
12. Personnel and Finance Committee:
 1. Consider request to write-off Personal Property Tax Bill (total of \$235.20) for Heritage House, 1601 East Tenth Street. The Personnel and Finance Committee recommends approval.
 13. Placing Committee Reports on File:
 1. Consider placing the following committee reports on file: Airport Commission, Board of Public Works, Board of Review, City Plan Commission, Committee of the Whole/Redevelopment Authority, Health and Safety Committee, Housing Authority, Merrill Enrichment Center Committee, Personnel and Finance Committee, Water and Sewage Disposal Committee and Zoning Board of Appeals.
 14. Ordinances:
 1. An Ordinance amending Code of Ordinances Chapter 2, Article VII, Section 2-191, related to hiring of relatives. The Personnel and Finance Committee recommends approval.
 2. An Ordinance amending Code of Ordinances Chapter 38, Article 2, Division 3, Section 38-81, related to Cross Connection Control. The Water & Sewage Committee recommends approval.
 15. Resolutions:
 1. A Resolution approving a Certified Survey Map on County Road G in the Town of Merrill by Mark Skic. The City Plan Commission recommends approval.
 2. A Resolution approving a Certified Survey Map on South Alexander Street requested by Dennis and Karla Yorde. The City Plan Commission recommends approval.
 3. A Resolution authorizing City purchase of two Badger Portfolio, LLC (Continental Properties) tax parcels. The Committee of the Whole/Redevelopment Authority recommend approval.
 4. A Resolution authorizing a Development Agreement by and between the City and TSI State Property, LLC (Nelson's Power House). The Committee of the Whole/Redevelopment Authority recommend approval.
 5. A Resolution supporting a constitutional amendment. Alderman Norton is bringing this resolution directly to the Common Council.

16. Mayor's Communications
17. Adjournment

William N. Heideman, CMC, WCMC
City Clerk

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



CITY OF MERRILL
COMMON COUNCIL
MINUTES • TUESDAY JUNE 13, 2017

Regular Meeting**City Hall Council Chambers****7:00 PM****1. Call to Order**

Mayor Bialecki called the meeting to order at 7:03 P.M.

Attendee Name	Title	Status	Arrived
Paul Russell	Aldersperson - First District	Present	
Pete Lokemoen	Aldersperson - Second District	Present	
Ryan Schwartzman	Aldersperson - Third District	Present	
Kandy Peterson	Aldersperson - Fourth District	Present	
John Burgener	Aldersperson - Fifth District & President	Present	
Mary Ball	Aldersperson - Sixth District	Excused	
Rob Norton	Aldersperson - Seventh District	Present	
Tim Meehean	Aldersperson - Eighth District	Present	
Bill Bialecki	Mayor	Present	

Also in attendance: Public Works Director/City Engineer Rod Akey, Police Captain Dale Bacher, Street Superintendent Dustin Bonack, City Attorney Tom Hayden, Building Inspector/Zoning Administrator Darin Pagel, Fire Chief Dave Savone, Utility Operations Manager Gabe Steinagel, Library Director Stacy Stevens, Finance Director Kathy Unertl, Park and Recreation Director Dan Wendorf and City Clerk Bill Heideman. Police Chief Corey Bennett, Transit Director Rich Grenfell and City Administrator Dave Johnson had excused absences.

2. Silent Prayer**3. Pledge of Allegiance****4. Roll Call****5. Public Comment Period**

None.

6. Minutes of previous Common Council meeting(s):**1. Minutes of May 9, 2017 meeting**

Motion (Burgener/Schwartzman) to approve.

RESULT:	APPROVED
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7. Revenue & Expense Reports(s):**1. Revenue & Expense Report for Period Ending May 31, 2017**

Motion (Burgener/Meehean) to approve.

RESULT: APPROVED

8. Board of Public Works:

1. Street Use Permit application from Ballyhoo's to close Prospect Street (from Grand Avenue to West Main Street) from 11:00 A.M. to 11:00 P.M. on Saturday, July 22, 2017, for Lobsterfest event. The Board of Public Works recommends approval.

Motion (Schwartzman/Russell) to approve.

RESULT: APPROVED

2. Consider 2017 Paving Project Bids. Mayor Bialecki is bringing the bid(s) directly to the Common Council. The bid(s) are due and scheduled to be opened on June 12th. The results of the bid opening will be provided at the June 13th Common Council meeting.

The only bid received was from American Asphalt of Wisconsin, and was for \$458,008.20.

Motion (Meehean/Burgener) to approve the bid.

RESULT: APPROVED

3. Street Use Permit application from Ott's Garage, to close a portion of the street in the vicinity of Ott's Garage, from 3:00 to 9:00 P.M., on Friday, July 7, 2017, in conjunction with an extreme sports/music youth event. This agenda item is part of an amended agenda, and is being brought directly to the Common Council by Alderman Norton.

Motion (Norton/Peterson) to approve.

RESULT: APPROVED

9. City Plan Commission:

1. Site Plan for garden shed at Trinity Lutheran School, 611 West Main Street. The City Plan Commission recommends approval.

Motion (Schwartzman/Russell) to approve.

RESULT: APPROVED

2. Site Plan for Northcentral Technical College (NTC) Transportation Center, near the NTC Public Safety Center of Excellence. The City Plan Commission recommends approval, which would be contingent upon rezoning (Industrial to Public) of the site plan location.

Motion (Meehean/Norton) to approve.

RESULT: APPROVED

10. Committee of the Whole/Redevelopment Authority:

1. Consider recommendation(s) from June 13, 2017 joint Committee of the Whole/Redevelopment Authority meeting related to notification of Weinbrenner Shoe Company intent to purchase factory property, subject to lease agreement.

City Attorney Hayden reported that, at the June 13th, 2017 meeting, the Redevelopment Authority/Committee of the Whole recommended selling the Weinbrenner Shoe Company factory to the Weinbrenner Shoe Company for \$10, per the 1993 lease provisions.

Motion (Schwartzman/Peterson) to approve the recommendation.

RESULT: APPROVED

2. Consider recommendation(s) from June 13, 2017 joint Committee of the Whole/Redevelopment Authority meeting related to a request from Horizon Development Group Inc. to extend, into 2018, the authorization for Tax Increment District (TID) #10 development agreement and sale of the City-owned property.

City Attorney Hayden reported that, at the June 13th, 2017 meeting, the Redevelopment Authority recommended approving the request. However, at that same meeting, the Committee of the Whole took no action to concur with the Redevelopment Authority recommendation. Based on this, City Attorney Hayden suggested that the only course of action at this time would be to acknowledge receipt of the request and place it on file.

Motion (Norton/Meehean) to acknowledge receipt of the request and place it on file.

RESULT: PLACED ON FILE

11. Health and Safety Committee:

1. Applications from Fraternal Order of Eagles for five temporary Class "B" (picnic) licenses to sell fermented beverages in the Eagle's Fairstand at the Merrill Festival Grounds during the Lincoln County Free Fair, July 26-July 30, 2017. The Health and Safety Committee recommends approval.

Motion (Russell/Burgener) to approve all the temporary Class "B" (picnic) licenses on the agenda (six agenda items).

RESULT: APPROVED

2. Application from Fraternal Order of Eagles for a temporary Class "B" (picnic) license to sell fermented beverages in the Eagle's Fairstand at the Merrill Festival Grounds during the Labor Day Celebration on September 4, 2017. The Health and Safety Committee recommends approval.

See previous motion.

RESULT: APPROVED

3. Applications from Merrill Wrestling for five temporary Class "B" (picnic) licenses to sell fermented malt beverages in a fenced-in area at the Merrill Festival Grounds during the Lincoln County Free Fair, July 26-July 30, 2017. The Health and Safety Committee recommends approval.

See previous motion.

RESULT: APPROVED

4. Applications from VFW Post 1638 for five temporary Class "B" (picnic) licenses to sell fermented beverages in the VFW Fairstand at the Merrill Festival Grounds during the Lincoln County Free Fair, July 26-July 30, 2017. The Health and Safety Committee recommends approval.

See previous motion.

RESULT: APPROVED

5. Applications from VFW Post 1638 for two temporary Class "B" (picnic) licenses to sell fermented beverages in the VFW Fairstand at the Merrill Festival Grounds during the Merrill Tractor Pull, July 7-July 8, 2017. The Health and Safety Committee recommends approval.

See previous motion.

RESULT: APPROVED

6. Application from VFW Post 1638 for a temporary Class "B" (picnic) license to sell fermented beverages in the VFW Fairstand at the Merrill Festival Grounds during the VFW Post 1638 75th Anniversary Celebration on August 5, 2017. The Health and Safety Committee recommends approval.

See previous motion.

RESULT: APPROVED

7. Request from V-F Inc (Loz Mezcales), 3340 E. Main Street, for a change of agent to Valeria Melendez for the license period to expire June 30, 2017. The Health and Safety Committee recommends approval.

Motion (Peterson/Norton) to approve.

RESULT: APPROVED

8. 2017-2018 Liquor License Applications (per list). The Health and Safety Committee recommends approval.

Motion (Meehean/Russell) to approve.

RESULT: APPROVED

- 9. Request from Ballyhoos for an extension of premise to sell alcoholic beverages from Ballyhoo's (124 N. Prospect Street) to a fenced in area east of their front door into Cenotaph Park next to Park Place on July 22, 2017, in conjunction with Merrill Lobster Fest. The Health and Safety Committee recommends approval.

Motion (Meehean/Russell) to approve.

RESULT: APPROVED

12. Personnel and Finance Committee:

- 1. Request to write-off Personal Property Tax Bill (total of \$117.02) for Roberts Broadcasting, 1106 West Main Street. The Personnel and Finance Committee recommends approval.

Motion (Schwartzman/Norton) to approve.

RESULT: APPROVED

- 2. Request to write-off Real Estate Tax Bill for 1005 Grand Avenue (\$852.24). The Personnel and Finance Committee recommends approval.

Motion (Schwartzman/Meehean) to approve.

RESULT: APPROVED

13. Placing Committee Reports on File:

- 1. Consider placing the following committee reports on file: Airport Commission, Board of Public Works, City Plan Commission, Community Development Committee, Festival Grounds Committee, Health and Safety Committee, Housing Authority, Joint Review Board, Library Board, Merrill Enrichment Center Committee, Parks and Recreation Commission, Personnel and Finance Committee, Police and Fire Commission, Redevelopment Authority, Transit Commission, Water and Sewage Disposal Committee and Zoning Board of Appeals.

Motion (Meehean/Burgener) to place on file.

RESULT: PLACED ON FILE

14. Ordinances:

- 1. An Ordinance amending the District Zoning Map of the City to rezone (Industrial to Public) a parcel lying between West Taylor Street and Commerce Street, to facilitate the Northcentral Technical College (NTC) Transportation Center (Ordinance 2017-03).

City Attorney Hayden gave the ordinance a first reading by title only.

Motion (Schwartzman/Peterson) to suspend the rules and give the ordinance a second reading and a third reading by title only. Carried.

City Attorney Hayden gave the ordinance a second reading and a third reading by title only.

RESULT:	APPROVED BY ROLL CALL VOTE [7 TO 0]
MOVER:	Ryan Schwartzman, Alderperson - Third District
SECONDER:	John Burgener, Alderperson - Fifth District & President
AYES:	Russell, Lokemoen, Schwartzman, Peterson, Burgener, Norton, Meehean
EXCUSED:	Ball

15. Resolutions:

1. A Resolution approving a Certified Survey Map on County Road K in the Town of Scott by Pete Borchardt (Resolution #2508).

WHEREAS, Pete Borchardt has applied for approval of a division of land by certified survey map pursuant to Code of Ordinances Sections 111-116 and 111-119 for land located in the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 24, Township 31 North, Range 6 East, Town of Scott, Lincoln County, Wisconsin; and,

WHEREAS, the application was referred to the City Plan Commission which considered the proposed division at a meeting on June 6, 2017; and,

WHEREAS, the City Plan Commission has recommended approval of the land division by certified survey map;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13th day of June, 2017, that the proposed certified survey map presented by Pete Borchardt and prepared by Josh W. Prentice, Land Surveyor, involving the Southwest $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of Section 24, Township 31 North, Range 6 East, Town of Scott, Lincoln County, Wisconsin is hereby approved.

BE IT FURTHER RESOLVED, that the City Clerk is directed to so certify the approval of this certified survey map and return the original to the applicant together with a certified copy of this resolution.

Motion (Schwartzman/Meehean) to approve.

RESULT:	APPROVED
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2. A Resolution approving the 2016 Compliance Maintenance Annual Report for the City of Merrill Wastewater Treatment Plant (Resolution #2509).

WHEREAS, the City of Merrill is required by the Wisconsin Department of Natural Resources (WDNR) to complete a Compliance Maintenance Annual

Report on its Wastewater Treatment Plant; and

WHEREAS, the Water and Sewage Committee, of the City of Merrill, has reviewed the Compliance Maintenance Report for the year 2016, and has determined that it reflects the performance of the Wastewater Treatment Plant during 2016; and

WHEREAS, the report indicates a need for continued improvements at the Wastewater Treatment Plant and its operations to meet the requirements set forth by the WDNR;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN, this 13th day of June, 2017, that:

1. The Compliance Maintenance Annual Report for 2016 is hereby approved and authorized to be filed with the WDNR.
2. That the Compliance Maintenance Annual Report for 2016 is an accurate indication of the performance of the City of Merrill Wastewater Treatment Plant for the year 2016.

Motion (Norton/Burgener) to approve.

RESULT:	APPROVED
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3. A Resolution honoring Donald S. Litzer for his long-time service to the City of Merrill (Resolution #2510).

WHEREAS, Donald S. Litzer has served the City of Merrill T.B. Scott Library for 8 years; and,

WHEREAS, these years of service have been marked by dedication to the best interests of our community and citizens; and

WHEREAS, Donald S. Litzer has earned the admiration and respect of his fellow employees by the way in which he has carried out his duties; and

WHEREAS, Donald S. Litzer's skills and experience will be missed at the City of Merrill T.B. Scott Library;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13th day of June, 2017, that the Common Council, and the people of Merrill officially acknowledge with deep appreciation the dedicated and faithful service Donald S. Litzer has given the City of Merrill T.B. Scott Library and commends him for those 8 years of service; and

BE IT FURTHER RESOLVED, that we hereby commend the meritorious and dedicated service of Donald S. Litzer, congratulate him upon the occasion of

his retirement from the City of Merrill T.B. Scott Library, and extend our warmest wishes for his enjoyment of continued prosperity in the years that lie ahead.

Motion (Common Council/Common Council) to approve.

RESULT: APPROVED

16. Mayor's Communications

Mayor Bialecki thanked the Redevelopment Authority and the Committee of the Whole for the work they did at their joint meeting earlier in the evening.

The annual fireworks show will be held at the Merrill Area Recreation Complex (MARC) on the Fourth of July. In the event of rain, that event will be rescheduled for Labor Day weekend.

The Merrill Tractor Pull will be held on Saturday, July 8th.

17. Adjournment

Motion (Burgener/Norton) to adjourn. Carried. Adjourned at 7:25 P.M.



William R. Bialecki

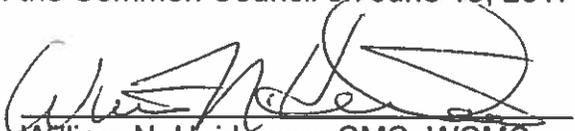
Mayor



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 June 19, 2017.



William N. Heideman, CMC, WCMC

City Clerk

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
=====					
<u>Non-Departmental</u>					
Taxes (or Utility Rev.)	4,288,131.00	296,786.55	3,504,583.01	81.73	783,547.99
Intergovernmental	4,029,394.91	0.00	327,648.04	8.13	3,701,746.87
Licenses and Permits	41,271.00	12,525.00	37,904.86	91.84	3,366.14
Fines, Forfeits, & Pen.	115,500.00	8,631.67	65,366.26	56.59	50,133.74
Public Charges-Services	6,625.00	1,168.85	4,826.21	72.85	1,798.79
Miscellaneous Revenues	106,175.00	6,512.72	43,681.84	41.14	62,493.16
TOTAL Non-Departmental	8,587,096.91	325,624.79	3,984,010.22	46.40	4,603,086.69
<u>Municipal Court</u>					
Intergov Charges (Misc.)	5,835.00	425.00	2,139.00	36.66	3,696.00
TOTAL Municipal Court	5,835.00	425.00	2,139.00	36.66	3,696.00
<u>City Attorney</u>					
Intergov Charges (Misc.)	9,975.00	0.00	2,693.25	27.00	7,281.75
Miscellaneous Revenues	11,598.00	0.00	0.00	0.00	11,598.00
TOTAL City Attorney	21,573.00	0.00	2,693.25	12.48	18,879.75
<u>Mayor</u>					
Miscellaneous Revenues	1,355.00	0.00	0.00	0.00	1,355.00
TOTAL Mayor	1,355.00	0.00	0.00	0.00	1,355.00
<u>City Administrator</u>					
Miscellaneous Revenues	22,750.00	0.00	0.00	0.00	22,750.00
TOTAL City Administrator	22,750.00	0.00	0.00	0.00	22,750.00
<u>City Clerk</u>					
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL City Clerk	0.00	0.00	0.00	0.00	0.00
<u>Clerk/Treasurer Staff</u>					
Miscellaneous Revenues	2,509.00	0.00	0.00	0.00	2,509.00
TOTAL Clerk/Treasurer Staff	2,509.00	0.00	0.00	0.00	2,509.00
<u>Treasurer/Finance Dir.</u>					
Licenses and Permits	500.00	132.10	793.20	158.64	(293.20)
Miscellaneous Revenues	22,883.00	0.00	0.00	0.00	22,883.00
TOTAL Treasurer/Finance Dir.	23,383.00	132.10	793.20	3.39	22,589.80
<u>City Hall Maintenance</u>					
Intergovernmental	813.47	0.00	813.47	100.00	0.00
Miscellaneous Revenues	2,050.00	0.00	2,050.00	100.00	0.00
TOTAL City Hall Maintenance	2,863.47	0.00	2,863.47	100.00	0.00

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CITY OF MERRILL

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REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Over-Collected Taxes</u>					
Miscellaneous Revenues	250.00	0.00	0.00	0.00	250.00
TOTAL Over-Collected Taxes	250.00	0.00	0.00	0.00	250.00
<u>Police</u>					
Intergovernmental	19,000.00	0.00	0.00	0.00	19,000.00
Public Charges-Services	11,500.00	945.13	4,325.47	37.61	7,174.53
Intergov Charges (Misc.)	8,000.00	0.00	5,774.59	72.18	2,225.41
Miscellaneous Revenues	200.00	304.48	319.48	159.74	(119.48)
TOTAL Police	38,700.00	1,249.61	10,419.54	26.92	28,280.46
<u>Traffic Control</u>					
Miscellaneous Revenues	0.00	0.00	1,013.05	0.00	(1,013.05)
TOTAL Traffic Control	0.00	0.00	1,013.05	0.00	(1,013.05)
<u>Fire Protection</u>					
Intergovernmental	0.00	308.04	779.16	0.00	(779.16)
Public Charges-Services	7,050.00	810.00	5,050.00	71.63	2,000.00
Intergov Charges (Misc.)	213,282.00	106,641.00	213,282.00	100.00	0.00
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Fire Protection	220,332.00	107,759.04	219,111.16	99.45	1,220.84
<u>Ambulance/EMS</u>					
Intergovernmental	1,023,130.00	71,991.39	398,579.68	38.96	624,550.32
TOTAL Ambulance/EMS	1,023,130.00	71,991.39	398,579.68	38.96	624,550.32
<u>Bldg. Inspection/Zoning</u>					
Licenses and Permits	25,000.00	2,625.00	9,960.00	39.84	15,040.00
Miscellaneous Revenues	11,400.00	0.00	0.00	0.00	11,400.00
TOTAL Bldg. Inspection/Zoning	36,400.00	2,625.00	9,960.00	27.36	26,440.00
<u>Public Works/Engineer</u>					
Miscellaneous Revenues	60,000.00	0.00	0.00	0.00	60,000.00
TOTAL Public Works/Engineer	60,000.00	0.00	0.00	0.00	60,000.00
<u>Operations Support (M&E)</u>					
Intergovernmental	315,000.00	26,761.30	109,903.95	34.89	205,096.05
TOTAL Operations Support (M&E)	315,000.00	26,761.30	109,903.95	34.89	205,096.05
<u>Roads</u>					
Intergovernmental	31,000.00	8,400.00	17,131.09	55.26	13,868.91
Public Charges-Services	2,500.00	0.00	0.00	0.00	2,500.00
Miscellaneous Revenues	0.00	0.00	6,777.68	0.00	(6,777.68)
TOTAL Roads	33,500.00	8,400.00	23,908.77	71.37	9,591.23

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CITY OF MERRILL

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REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Snow and Ice					
Public Charges-Services	12,500.00	0.00	3,836.39	30.69	8,663.61
TOTAL Snow and Ice	12,500.00	0.00	3,836.39	30.69	8,663.61
Stormwater Maintenance					
Intergovernmental	0.00	0.00	0.00	0.00	0.00
TOTAL Stormwater Maintenance	0.00	0.00	0.00	0.00	0.00
Street Painting-Marking					
Intergovernmental	2,500.00	0.00	0.00	0.00	2,500.00
TOTAL Street Painting-Marking	2,500.00	0.00	0.00	0.00	2,500.00
Street Lighting					
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
Stormwater Plan/Const.					
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
Airport					
Public Charges-Services	25,000.00	3,175.00	18,590.86	74.36	6,409.14
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Airport	25,000.00	3,175.00	18,590.86	74.36	6,409.14
Transit					
Specials (Utility Rev.)	235,000.00	0.00	63,691.00	27.10	171,309.00
Intergovernmental	90,000.00	21,954.00	21,954.00	24.39	68,046.00
Public Charges-Services	148,000.00	11,094.35	66,139.05	44.69	81,860.95
Miscellaneous Revenues	20,000.00	0.00	0.00	0.00	20,000.00
TOTAL Transit	493,000.00	33,048.35	151,784.05	30.79	341,215.95
Garbage Collection					
Miscellaneous Revenues	6,000.00	816.00	3,670.00	61.17	2,330.00
TOTAL Garbage Collection	6,000.00	816.00	3,670.00	61.17	2,330.00
Recycling					
Intergovernmental	30,000.00	32,537.43	32,537.43	108.46	(2,537.43)
Miscellaneous Revenues	7,500.00	300.00	2,459.28	32.79	5,040.72
TOTAL Recycling	37,500.00	32,837.43	34,996.71	93.32	2,503.29
Weed & Nuisance Control					
Public Charges-Services	5,000.00	0.00	100.00	2.00	4,900.00
Miscellaneous Revenues	2,500.00	0.00	0.00	0.00	2,500.00
TOTAL Weed & Nuisance Control	7,500.00	0.00	100.00	1.33	7,400.00

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>MACEC - Enrichment</u>					
Public Charges-Services	0.00	0.00	0.00	0.00	0.00
TOTAL MACEC - Enrichment	0.00	0.00	0.00	0.00	0.00
<u>Library</u>					
Intergovernmental	448,400.00	0.00	224,200.00	50.00	224,200.00
Public Charges-Services	16,000.00	1,095.89	7,525.66	47.04	8,474.34
Miscellaneous Revenues	0.00	1,568.32	3,662.23	0.00	(3,662.23)
TOTAL Library	464,400.00	2,664.21	235,387.89	50.69	229,012.11
<u>Parks</u>					
Public Charges-Services	15,250.00	197.48	8,198.46	53.76	7,051.54
Miscellaneous Revenues	1,250.00	0.00	650.00	52.00	600.00
TOTAL Parks	16,500.00	197.48	8,848.46	53.63	7,651.54
<u>River Bend Trail</u>					
Taxes (or Utility Rev.)	1,964.00	300.00	6,358.56	323.76	(4,394.56)
Miscellaneous Revenues	8,716.00	0.00	1,000.00	11.47	7,716.00
TOTAL River Bend Trail	10,680.00	300.00	7,358.56	68.90	3,321.44
<u>Recreation Programs</u>					
Public Charges-Services	84,026.00	9,568.75	58,897.25	70.09	25,128.75
TOTAL Recreation Programs	84,026.00	9,568.75	58,897.25	70.09	25,128.75
<u>CATV - MP3</u>					
Licenses and Permits	5,000.00	0.00	0.00	0.00	5,000.00
TOTAL CATV - MP3	5,000.00	0.00	0.00	0.00	5,000.00
<u>MARC - Smith Center</u>					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Public Charges-Services	73,400.00	200.00	32,593.14	44.40	40,806.86
Miscellaneous Revenues	0.00	0.00	2,050.00	0.00	(2,050.00)
TOTAL MARC - Smith Center	73,400.00	200.00	34,643.14	47.20	38,756.86
<u>Aquatic Center</u>					
Public Charges-Services	105,000.00	14,632.73	23,380.23	22.27	81,619.77
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL Aquatic Center	105,000.00	14,632.73	23,380.23	22.27	81,619.77
<hr/>					
TOTAL REVENUE	11,738,433.38	642,408.18	5,346,888.83	45.55	6,391,544.55
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EXPENDITURES					
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REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Common Council</u>					
Personnel Services	34,100.00	3,355.18	13,922.40	40.83	20,177.60
Contractual Services	6,750.00	0.00	500.02	7.41	6,249.98
Supplies & Expenses	11,150.00	689.92	4,057.30	36.39	7,092.70
TOTAL Common Council	52,000.00	4,045.10	18,479.72	35.54	33,520.28
<u>Municipal Court</u>					
Personnel Services	78,513.00	8,483.16	39,126.48	49.83	39,386.52
Contractual Services	750.00	0.00	0.00	0.00	750.00
Supplies & Expenses	6,500.00	411.05	2,053.54	31.59	4,446.46
Technology	5,300.00	0.00	4,929.00	93.00	371.00
TOTAL Municipal Court	91,063.00	8,894.21	46,109.02	50.63	44,953.98
<u>City Attorney</u>					
Personnel Services	203,248.00	21,909.39	100,446.52	49.42	102,801.48
Contractual Services	3,700.00	220.50	1,681.50	45.45	2,018.50
Supplies & Expenses	7,375.00	581.71	2,719.93	36.88	4,655.07
TOTAL City Attorney	214,323.00	22,711.60	104,847.95	48.92	109,475.05
<u>Mayor</u>					
Personnel Services	13,780.00	1,565.10	6,782.10	49.22	6,997.90
Supplies & Expenses	1,575.00	34.53	394.53	25.05	1,180.47
TOTAL Mayor	15,355.00	1,599.63	7,176.63	46.74	8,178.37
<u>City Administrator</u>					
Personnel Services	108,379.00	12,009.18	53,348.68	49.22	55,030.32
Contractual Services	700.00	56.50	678.85	96.98	21.15
Supplies & Expenses	850.00	299.00	368.96	43.41	481.04
TOTAL City Administrator	109,929.00	12,364.68	54,396.49	49.48	55,532.51
<u>Personnel - HR</u>					
Contractual Services	5,250.00	260.05	1,652.25	31.47	3,597.75
Supplies & Expenses	500.00	34.63	211.52	42.30	288.48
TOTAL Personnel - HR	5,750.00	294.68	1,863.77	32.41	3,886.23
<u>City Clerk</u>					
Personnel Services	74,080.00	8,176.58	36,801.74	49.68	37,278.26
Supplies & Expenses	4,650.00	871.28	1,700.30	36.57	2,949.70
Technology	5,400.00	0.00	450.00	8.33	4,950.00
TOTAL City Clerk	84,130.00	9,047.86	38,952.04	46.30	45,177.96
<u>Clerk/Treasurer Staff</u>					
Personnel Services	163,677.00	19,785.86	87,460.61	53.43	76,216.39
Supplies & Expenses	1,100.00	7.99	260.54	23.69	839.46
TOTAL Clerk/Treasurer Staff	164,777.00	19,793.85	87,721.15	53.24	77,055.85

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CITY OF MERKILL

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REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Elections - AVERAGED					
Personnel Services	24,950.00	0.00	13,003.60	52.12	11,946.40
Contractual Services	12,000.00	0.00	3,304.20	27.54	8,695.80
Supplies & Expenses	1,550.00	16.67	682.81	44.05	867.19
TOTAL Elections - AVERAGED	38,500.00	16.67	16,990.61	44.13	21,509.39
Treasurer/Finance Dir.					
Personnel Services	98,715.00	11,089.65	48,686.98	49.32	50,028.02
Contractual Services	4,600.00	161.38	887.66	19.30	3,712.34
Supplies & Expenses	25,150.00	(150.05)	10,006.84	39.79	15,143.16
TOTAL Treasurer/Finance Dir.	128,465.00	11,100.98	59,581.48	46.38	68,883.52
Information Technology					
Personnel Services	87,205.00	4,825.49	23,044.62	26.43	64,160.38
Technology	112,795.00	8,299.75	50,300.77	44.59	62,494.23
TOTAL Information Technology	200,000.00	13,125.24	73,345.39	36.67	126,654.61
Assessment of Property					
Contractual Services	27,400.00	0.00	12,450.00	45.44	14,950.00
Supplies & Expenses	100.00	0.00	0.00	0.00	100.00
TOTAL Assessment of Property	27,500.00	0.00	12,450.00	45.27	15,050.00
Independent Auditing					
Contractual Services	15,000.00	0.00	7,813.22	52.09	7,186.78
Technology	1,850.00	0.00	957.00	51.73	893.00
TOTAL Independent Auditing	16,850.00	0.00	8,770.22	52.05	8,079.78
City Hall Maintenance					
Personnel Services	78,267.00	10,737.08	39,330.50	50.25	38,936.50
Contractual Services	66,000.00	7,738.17	32,470.56	49.20	33,529.44
Supplies & Expenses	14,600.00	1,330.27	4,644.30	31.81	9,955.70
Capital Outlay	10,223.47	0.00	2,863.47	28.01	7,360.00
TOTAL City Hall Maintenance	169,090.47	19,805.52	79,308.83	46.90	89,781.64
Over-Collected Taxes					
Supplies & Expenses	900.00	962.64	1,791.36	199.04	(891.36)
TOTAL Over-Collected Taxes	900.00	962.64	1,791.36	199.04	(891.36)
Insurance/Employee					
Personnel Services	0.00	0.00	0.00	0.00	0.00
Fixed Charges	321,725.00	3,126.08	259,862.64	80.77	61,862.36
TOTAL Insurance/Employee	321,725.00	3,126.08	259,862.64	80.77	61,862.36
Police					
Personnel Services	2,222,727.00	236,464.21	1,054,474.89	47.44	1,168,252.11
Contractual Services	52,900.00	1,151.85	10,593.28	20.03	42,306.72
Supplies & Expenses	58,100.00	4,343.00	28,868.20	49.69	29,231.80
Capital Outlay	11,000.00	0.00	5,077.49	46.16	5,922.51
Technology	13,500.00	0.00	2,124.46	15.74	11,375.54
TOTAL Police	2,358,227.00	241,959.06	1,101,138.32	46.69	1,257,088.68

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Traffic Control					
Personnel Services	7,525.00	466.25	4,521.47	60.09	3,003.53
Supplies & Expenses	18,618.00	1,052.63	8,217.97	44.14	10,400.03
TOTAL Traffic Control	26,143.00	1,518.88	12,739.44	48.73	13,403.56
Fire Protection					
Personnel Services	1,399,784.00	133,593.40	628,761.40	44.92	771,022.60
Contractual Services	26,750.00	2,504.27	14,930.82	55.82	11,819.18
Supplies & Expenses	52,000.00	4,851.66	29,056.47	55.88	22,943.53
Capital Outlay	0.00	0.00	2,454.00	0.00	(2,454.00)
Technology	6,000.00	326.18	4,043.33	67.39	1,956.67
TOTAL Fire Protection	1,484,534.00	141,275.51	679,246.02	45.75	805,287.98
Fire Protection-Hydrants					
Contractual Services	121,515.00	0.00	60,757.50	50.00	60,757.50
TOTAL Fire Protection-Hydrants	121,515.00	0.00	60,757.50	50.00	60,757.50
Ambulance/EMS					
Personnel Services	914,730.00	92,013.76	442,177.29	48.34	472,552.71
Contractual Services	28,250.00	2,504.31	13,626.17	48.23	14,623.83
Supplies & Expenses	75,150.00	8,074.93	42,955.26	57.16	32,194.74
Technology	5,000.00	326.17	2,740.13	54.80	2,259.87
TOTAL Ambulance/EMS	1,023,130.00	102,919.17	501,498.85	49.02	521,631.15
Bldg. Inspection/Zoning					
Personnel Services	103,920.00	11,380.51	50,494.34	48.59	53,425.66
Contractual Services	1,650.00	115.57	696.64	42.22	953.36
Supplies & Expenses	5,030.00	710.79	1,489.19	29.61	3,540.81
TOTAL Bldg. Inspection/Zoning	110,600.00	12,206.87	52,680.17	47.63	57,919.83
City Sealer					
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
Public Works/Engineer					
Personnel Services	97,941.00	7,204.11	32,464.94	33.15	65,476.06
Contractual Services	1,500.00	0.00	1,300.00	86.67	200.00
Supplies & Expenses	2,250.00	170.51	660.76	29.37	1,589.24
Capital Outlay	0.00	0.00	0.00	0.00	0.00
Technology	1,250.00	0.00	17.09	1.37	1,232.91
TOTAL Public Works/Engineer	102,941.00	7,374.62	34,442.79	33.46	68,498.21
Street Commissioner					
Personnel Services	0.00	0.00	0.00	0.00	0.00
TOTAL Street Commissioner	0.00	0.00	0.00	0.00	0.00

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Street Superintendent					
Personnel Services	93,046.00	10,173.02	46,100.89	49.55	46,945.11
Supplies & Expenses	1,600.00	195.60	482.04	30.13	1,117.96
TOTAL Street Superintendent	94,646.00	10,368.62	46,582.93	49.22	48,063.07
Garage Maintenance					
Personnel Services	820.00	0.00	379.45	46.27	440.55
Contractual Services	41,250.00	2,947.72	18,255.56	44.26	22,994.44
Supplies & Expenses	11,500.00	479.55	7,568.77	65.82	3,931.23
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL Garage Maintenance	53,570.00	3,427.27	26,203.78	48.92	27,366.22
Operations Support (M&E)					
Personnel Services	199,449.00	19,250.02	90,069.61	45.16	109,379.39
Contractual Services	3,000.00	0.00	3,036.00	101.20	(36.00)
Supplies & Expenses	351,700.00	47,438.24	189,841.85	53.98	161,858.15
Technology	1,750.00	0.00	525.00	30.00	1,225.00
TOTAL Operations Support (M&E)	555,899.00	66,688.26	283,472.46	50.99	272,426.54
Roads					
Personnel Services	233,500.00	6,165.03	91,535.19	39.20	141,964.81
Supplies & Expenses	99,250.00	615.08	13,106.65	13.21	86,143.35
TOTAL Roads	332,750.00	6,780.11	104,641.84	31.45	228,108.16
Street Cleaning					
Personnel Services	51,275.00	5,666.18	14,954.86	29.17	36,320.14
Supplies & Expenses	1,000.00	88.09	603.53	60.35	396.47
TOTAL Street Cleaning	52,275.00	5,754.27	15,558.39	29.76	36,716.61
Snow and Ice					
Personnel Services	178,700.00	0.00	97,374.24	54.49	81,325.76
Contractual Services	1,350.00	0.00	945.00	70.00	405.00
Supplies & Expenses	59,000.00	1,643.24	27,496.97	46.61	31,503.03
TOTAL Snow and Ice	239,050.00	1,643.24	125,816.21	52.63	113,233.79
Stormwater Maintenance					
Personnel Services	32,580.00	2,227.88	2,953.32	9.06	29,626.68
Contractual Services	2,500.00	0.00	260.00	10.40	2,240.00
Supplies & Expenses	15,000.00	6,879.22	8,064.71	53.76	6,935.29
TOTAL Stormwater Maintenance	50,080.00	9,107.10	11,278.03	22.52	38,801.97
Street Painting-Marking					
Personnel Services	18,100.00	1,636.45	1,636.45	9.04	16,463.55
Supplies & Expenses	8,500.00	0.00	0.00	0.00	8,500.00
TOTAL Street Painting-Marking	26,600.00	1,636.45	1,636.45	6.15	24,963.55

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CITY OF MERRILL

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REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Street Leave Expenses</u>					
Personnel Services	71,275.00	5,517.64	21,731.58	30.49	49,543.42
TOTAL Street Leave Expenses	71,275.00	5,517.64	21,731.58	30.49	49,543.42
<u>Marking - Ped & Bike</u>					
Personnel Services	5,950.00	0.00	0.00	0.00	5,950.00
TOTAL Marking - Ped & Bike	5,950.00	0.00	0.00	0.00	5,950.00
<u>Street Lighting</u>					
Contractual Services	165,150.00	14,161.55	70,255.08	42.54	94,894.92
Capital Outlay	2,350.00	0.00	0.00	0.00	2,350.00
TOTAL Street Lighting	167,500.00	14,161.55	70,255.08	41.94	97,244.92
<u>Stormwater Plan/Const.</u>					
Contractual Services	7,250.00	1,000.00	3,500.00	48.28	3,750.00
TOTAL Stormwater Plan/Const.	7,250.00	1,000.00	3,500.00	48.28	3,750.00
<u>Airport</u>					
Personnel Services	925.00	234.43	638.25	69.00	286.75
Contractual Services	114,168.00	13,665.47	54,937.75	48.12	59,230.25
Supplies & Expenses	31,907.00	4,342.52	14,335.39	44.93	17,571.62
TOTAL Airport	147,000.00	18,242.42	69,911.38	47.56	77,088.62
<u>Transit</u>					
Personnel Services	436,007.00	40,142.01	200,283.76	45.94	235,723.24
Contractual Services	3,750.00	267.81	1,836.03	48.96	1,913.97
Supplies & Expenses	129,450.00	12,297.19	49,158.03	37.97	80,291.97
Fixed Charges	28,907.00	0.00	14,428.66	49.91	14,478.34
Technology	1,500.00	0.00	0.00	0.00	1,500.00
TOTAL Transit	599,614.00	52,707.01	265,706.48	44.31	333,907.52
<u>Garbage Collection</u>					
Personnel Services	139,600.00	13,204.94	65,715.55	47.07	73,884.45
Supplies & Expenses	97,000.00	9,185.95	38,232.29	39.41	58,767.71
Capital Outlay	27,400.00	1,480.46	9,381.27	34.24	18,018.73
TOTAL Garbage Collection	264,000.00	23,871.35	113,329.11	42.93	150,670.89
<u>Recycling</u>					
Personnel Services	138,450.00	14,096.45	64,467.22	46.56	73,982.78
Supplies & Expenses	56,050.00	4,904.75	27,174.80	48.48	28,875.20
TOTAL Recycling	194,500.00	19,001.20	91,642.02	47.12	102,857.98
<u>Weed & Nuisance Control</u>					
Personnel Services	17,825.00	3,817.29	4,721.14	26.49	13,103.86
Contractual Services	250.00	50.00	50.00	20.00	200.00
Supplies & Expenses	1,500.00	188.63	248.63	16.58	1,251.37
TOTAL Weed & Nuisance Control	19,575.00	4,055.92	5,019.77	25.64	14,555.23

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CITY OF MERRILL

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REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Health Officer</u>					
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
<u>MACEC - Enrichment</u>					
Personnel Services	109,590.00	12,204.62	53,245.86	48.59	56,344.14
Contractual Services	100.00	0.00	0.00	0.00	100.00
Supplies & Expenses	4,585.00	392.87	1,294.00	28.22	3,291.00
TOTAL MACEC - Enrichment	114,275.00	12,597.49	54,539.86	47.73	59,735.14
<u>Library</u>					
Personnel Services	735,337.00	76,782.78	362,118.26	49.25	373,218.74
Contractual Services	55,550.00	3,110.81	21,917.22	39.45	33,632.78
Supplies & Expenses	40,555.00	6,206.70	19,911.79	49.10	20,643.21
Fixed Charges	8,400.00	0.00	1,800.00	21.43	6,600.00
Capital Outlay	0.00	0.00	126.26	0.00	(126.26)
Print Media - Library	55,650.00	5,466.84	21,788.96	39.15	33,861.04
Non-Print Media-Library	20,350.00	1,133.62	9,885.75	48.58	10,464.25
Technology	60,329.00	9,746.72	36,191.66	59.99	24,137.34
TOTAL Library	976,171.00	102,447.47	473,739.90	48.53	502,431.10
<u>Parks</u>					
Personnel Services	215,511.00	30,380.63	100,198.79	46.49	115,312.21
Contractual Services	31,250.00	3,937.47	10,912.63	34.92	20,337.37
Supplies & Expenses	38,100.00	3,533.71	18,342.62	48.14	19,757.38
Capital Outlay	24,000.00	4,831.68	10,453.96	43.56	13,546.04
TOTAL Parks	308,861.00	42,683.49	139,908.00	45.30	168,953.00
<u>River Bend Trail</u>					
Personnel Services	4,230.00	0.00	0.00	0.00	4,230.00
Contractual Services	1,200.00	129.52	531.95	44.33	668.05
Supplies & Expenses	250.00	0.00	0.00	0.00	250.00
Capital Outlay	5,000.00	241.99	1,290.99	25.82	3,709.01
TOTAL River Bend Trail	10,680.00	371.51	1,822.94	17.07	8,857.06
<u>Athletic Park Lights</u>					
Contractual Services	1,800.00	260.08	610.71	33.93	1,189.29
Supplies & Expenses	200.00	0.00	0.00	0.00	200.00
TOTAL Athletic Park Lights	2,000.00	260.08	610.71	30.54	1,389.29
<u>Ott's Park Lights</u>					
Contractual Services	1,400.00	190.44	555.72	39.69	844.28
Supplies & Expenses	100.00	0.00	0.00	0.00	100.00
TOTAL Ott's Park Lights	1,500.00	190.44	555.72	37.05	944.28

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

10 -General Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Recreation Programs					
Personnel Services	200,530.00	31,181.90	85,134.23	42.45	115,395.77
Contractual Services	2,725.00	335.33	1,483.52	54.44	1,241.48
Supplies & Expenses	40,500.00	3,678.25	12,422.39	30.67	28,077.61
TOTAL Recreation Programs	243,755.00	35,195.48	99,040.14	40.63	144,714.86
Marketing - PR					
Personnel Services	2,875.00	330.98	330.98	11.51	2,544.02
Supplies & Expenses	20,625.00	4,138.90	9,868.87	47.85	10,756.13
TOTAL Marketing - PR	23,500.00	4,469.88	10,199.85	43.40	13,300.15
Christmas Decorations					
Personnel Services	2,775.00	0.00	597.71	21.54	2,177.29
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	3,000.00	0.00	0.00	0.00	3,000.00
TOTAL Christmas Decorations	7,075.00	0.00	597.71	8.45	6,477.29
Outside Agencies					
Supplies & Expenses	41,875.00	0.00	35,876.00	85.67	5,999.00
TOTAL Outside Agencies	41,875.00	0.00	35,876.00	85.67	5,999.00
MARC - Smith Center					
Personnel Services	47,050.00	2,074.34	14,979.24	31.84	32,070.76
Contractual Services	59,000.00	2,274.60	25,524.13	43.26	33,475.87
Supplies & Expenses	23,950.00	(647.61)	8,089.36	33.78	15,860.64
Capital Outlay	6,500.00	0.00	2,957.49	45.50	3,542.51
TOTAL MARC - Smith Center	136,500.00	3,701.33	51,550.22	37.77	84,949.78
Aquatic Center					
Personnel Services	80,475.00	20,072.72	20,545.03	25.53	59,929.97
Contractual Services	26,500.00	6,887.13	10,729.05	40.49	15,770.95
Supplies & Expenses	42,862.00	10,933.95	15,133.78	35.31	27,728.22
Technology	3,750.00	0.00	0.00	0.00	3,750.00
TOTAL Aquatic Center	153,587.00	37,893.80	46,407.86	30.22	107,179.14
Economic Development					
Contractual Services	19,700.00	0.00	19,700.00	100.00	0.00
TOTAL Economic Development	19,700.00	0.00	19,700.00	100.00	0.00
Transfers					
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	11,797,020.47	1,117,916.23	5,511,614.87	46.72	6,285,405.60
REVENUES OVER/(UNDER) EXPENDITURES	(58,587.09)	(475,508.05)	(164,726.04)	0.00	106,138.95

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

20 -Remedial Action-Landfill

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
EXPENDITURES					
<u>Remediation Action</u>					
Personnel Services	1,200.00	304.80	4,925.53	410.46	(3,725.53)
Contractual Services	18,750.00	4,618.78	9,220.14	49.17	9,529.86
Supplies & Expenses	250.00	0.00	0.00	0.00	250.00
TOTAL Remediation Action	20,200.00	4,923.58	14,145.67	70.03	6,054.33
TOTAL EXPENDITURES	20,200.00	4,923.58	14,145.67	70.03	6,054.33
REVENUES OVER/(UNDER) EXPENDITURES	(20,200.00)	(4,923.58)	(14,145.67)	0.00	(6,054.33)

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

21 -Police - SRO

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES =====					
<u>Police-SRO</u>					
Taxes (or Utility Rev.)	53,350.00	0.00	53,350.00	100.00	0.00
Intergovernmental	56,600.00	0.00	0.00	0.00	56,600.00
TOTAL Police-SRO	109,950.00	0.00	53,350.00	48.52	56,600.00
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TOTAL REVENUE	109,950.00	0.00	53,350.00	48.52	56,600.00
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EXPENDITURES =====					
<u>Police-SRO</u>					
Personnel Services	107,498.00	10,523.97	50,771.38	47.23	56,726.62
Supplies & Expenses	450.00	0.00	225.00	50.00	225.00
Fixed Charges	2,002.00	0.00	0.00	0.00	2,002.00
TOTAL Police-SRO	109,950.00	10,523.97	50,996.38	46.38	58,953.62
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TOTAL EXPENDITURES	109,950.00	10,523.97	50,996.38	46.38	58,953.62
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REVENUES OVER/ (UNDER) EXPENDITURES	0.00	(10,523.97)	2,353.62	0.00	(2,353.62)
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*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

24 -Merrill Festival Grounds

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>Grandstand</u>					
Intergovernmental	57,500.60	0.00	57,500.60	100.00	0.00
TOTAL Grandstand	57,500.60	0.00	57,500.60	100.00	0.00
<u>Events/Sponsored</u>					
Public Charges-Services	17,500.00	0.00	0.00	0.00	17,500.00
Miscellaneous Revenues	33,000.00	0.00	0.00	0.00	33,000.00
TOTAL Events/Sponsored	50,500.00	0.00	0.00	0.00	50,500.00
<u>Merrill Festival Grounds</u>					
Taxes (or Utility Rev.)	56,000.00	0.00	26,000.00	46.43	30,000.00
Fines, Forfeits, & Pen.	0.00	0.00	0.00	0.00	0.00
Public Charges-Services	0.00	0.00	10,661.25	0.00	(10,661.25)
Miscellaneous Revenues	3,000.00	0.00	0.00	0.00	3,000.00
TOTAL Merrill Festival Grounds	59,000.00	0.00	36,661.25	62.14	22,338.75
<u>Room Tax</u>					
Taxes (or Utility Rev.)	82,500.00	13,590.24	32,575.08	39.48	49,924.92
TOTAL Room Tax	82,500.00	13,590.24	32,575.08	39.48	49,924.92
<u>Bierman Building</u>					
Public Charges-Services	10,000.00	0.00	0.00	0.00	10,000.00
TOTAL Bierman Building	10,000.00	0.00	0.00	0.00	10,000.00
TOTAL REVENUE	259,500.60	13,590.24	126,736.93	48.84	132,763.67
EXPENDITURES					
<u>Grandstand</u>					
Contractual Services	0.00	0.00	0.00	0.00	0.00
Capital Outlay	57,500.60	0.00	57,500.60	100.00	0.00
TOTAL Grandstand	57,500.60	0.00	57,500.60	100.00	0.00
<u>Events/Sponsored</u>					
Contractual Services	20,500.00	0.00	0.00	0.00	20,500.00
Supplies & Expenses	21,000.00	928.45	1,209.45	5.76	19,790.55
Fixed Charges	700.00	0.00	0.00	0.00	700.00
Capital Outlay	3,000.00	0.00	0.00	0.00	3,000.00
TOTAL Events/Sponsored	45,200.00	928.45	1,209.45	2.68	43,990.55

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

24 -Merrill Festival Grounds

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
Merrill Festival Grounds					
Personnel Services	3,772.00	27,413.45	28,513.92	755.94	(24,741.92)
Contractual Services	30,375.00	3,325.26	10,214.25	33.63	20,160.75
Supplies & Expenses	6,500.00	0.00	0.00	0.00	6,500.00
Capital Outlay	48,200.00	5,601.88	5,601.88	11.62	42,598.12
TOTAL Merrill Festival Grounds	88,847.00	36,340.59	44,330.05	49.89	44,516.95
Room Tax					
Supplies & Expenses	64,750.00	11,887.24	25,558.45	39.47	39,191.55
TOTAL Room Tax	64,750.00	11,887.24	25,558.45	39.47	39,191.55
Bierman Building					
Personnel Services	8,075.00	0.00	0.00	0.00	8,075.00
Contractual Services	13,750.00	1,848.95	4,887.90	35.55	8,862.10
Supplies & Expenses	2,675.00	0.00	9.83	0.37	2,665.17
Capital Outlay	4,500.00	299.95	3,299.95	73.33	1,200.05
TOTAL Bierman Building	29,000.00	2,148.90	8,197.68	28.27	20,802.32
TOTAL EXPENDITURES	285,297.60	51,305.18	136,796.23	47.95	148,501.37
REVENUES OVER/(UNDER) EXPENDITURES	(25,797.00)	(37,714.94)	(10,059.30)	0.00	(15,737.70)

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

25 -Community Development

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>CDBG Grants/Loans</u>					
Miscellaneous Revenues	86,850.00	4,188.73	100,088.89	115.24	(13,238.89)
TOTAL CDBG Grants/Loans	86,850.00	4,188.73	100,088.89	115.24	(13,238.89)
<u>Community Development</u>					
Taxes (or Utility Rev.)	41,500.00	0.00	41,500.00	100.00	0.00
Intergov Charges (Misc.)	10,864.00	325.00	1,300.00	11.97	9,564.00
TOTAL Community Development	52,364.00	325.00	42,800.00	81.74	9,564.00
TOTAL REVENUE	139,214.00	4,513.73	142,888.89	102.64	(3,674.89)
EXPENDITURES					
<u>CDBG Grants/Loans</u>					
Special Services	100,500.00	3,282.44	32,378.42	32.22	68,121.58
TOTAL CDBG Grants/Loans	100,500.00	3,282.44	32,378.42	32.22	68,121.58
<u>Community Development</u>					
Personnel Services	49,539.00	5,204.82	24,325.78	49.10	25,213.22
Contractual Services	700.00	38.52	830.18	118.60	(130.18)
Supplies & Expenses	2,125.00	207.50	477.27	22.46	1,647.73
TOTAL Community Development	52,364.00	5,450.84	25,633.23	48.95	26,730.77
TOTAL EXPENDITURES	152,864.00	8,733.28	58,011.65	37.95	94,852.35
REVENUES OVER/(UNDER) EXPENDITURES	(13,650.00)	(4,219.55)	84,877.24	0.00	(98,527.24)

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

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	107,550.00	6,783.48	18,033.15	16.77	89,516.85
Other Financing Sources	100.00	0.00	175.00	175.00	(75.00)
TOTAL Aviation Fuel	107,650.00	6,783.48	18,208.15	16.91	89,441.85
TOTAL REVENUE	107,650.00	6,783.48	18,208.15	16.91	89,441.85
EXPENDITURES					
<u>Aviation Fuel</u>					
Contractual Services	6,200.00	176.58	1,039.61	16.77	5,160.39
Special Services	84,025.00	44,870.14	45,373.00	54.00	38,652.00
Fixed Charges	1,580.00	0.00	0.00	0.00	1,580.00
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL Aviation Fuel	91,805.00	45,046.72	46,412.61	50.56	45,392.39
TOTAL EXPENDITURES	91,805.00	45,046.72	46,412.61	50.56	45,392.39
REVENUES OVER/(UNDER) EXPENDITURES	15,845.00	(38,263.24)	(28,204.46)	0.00	44,049.46

*** END OF REPORT ***

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

30 -Debt Sevice

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>Debt Service</u>					
Taxes (or Utility Rev.)	1,362,880.86	0.00	1,240,403.00	91.01	122,477.86
Miscellaneous Revenues	3,708.94	0.00	9,556.90	257.67	(5,847.96)
Other Financing Sources	536,153.24	0.00	13,173.00	2.46	522,980.24
TOTAL Debt Service	1,902,743.04	0.00	1,263,132.90	66.38	639,610.14
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TOTAL REVENUE	1,902,743.04	0.00	1,263,132.90	66.38	639,610.14
EXPENDITURES					
<u>Debt Service</u>					
Debt Service	1,909,253.58	0.00	867,501.95	45.44	1,041,751.63
TOTAL Debt Service	1,909,253.58	0.00	867,501.95	45.44	1,041,751.63
<u>Borrowing</u>					
Debt Service	0.00	0.00	0.00	0.00	0.00
TOTAL Borrowing	0.00	0.00	0.00	0.00	0.00
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TOTAL EXPENDITURES	1,909,253.58	0.00	867,501.95	45.44	1,041,751.63
REVENUES OVER/(UNDER) EXPENDITURES	(6,510.54)	0.00	395,630.95	0.00	(402,141.49)

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

43 -TID #3 - East Side

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>TID #3 - East Side</u>					
Taxes (or Utility Rev.)	666,256.88	48,849.12	781,291.67	117.27	(115,034.79)
Intergovernmental	16,750.00	0.00	0.00	0.00	16,750.00
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL TID #3 - East Side	683,006.88	48,849.12	781,291.67	114.39	(98,284.79)
<u>TID #3 - Borrowing</u>					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
TOTAL TID #3 - Borrowing	0.00	0.00	0.00	0.00	0.00
<u>TID #3 -Festival Grounds</u>					
Taxes (or Utility Rev.)	300,000.00	0.00	0.00	0.00	300,000.00
TOTAL TID #3 -Festival Grounds	300,000.00	0.00	0.00	0.00	300,000.00
TOTAL REVENUE	983,006.88	48,849.12	781,291.67	79.48	201,715.21
EXPENDITURES					
<u>TID #3 - East Side</u>					
Personnel Services	11,225.00	0.00	0.00	0.00	11,225.00
Contractual Services	17,900.00	6,138.32	11,253.50	62.87	6,646.50
Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Special Services	230,695.12	0.00	0.00	0.00	230,695.12
Fixed Charges	13,750.00	0.00	0.00	0.00	13,750.00
Capital Outlay	5,000.00	0.00	0.00	0.00	5,000.00
Transfers	0.00	0.00	0.00	0.00	0.00
TOTAL TID #3 - East Side	278,570.12	6,138.32	11,253.50	4.04	267,316.62
<u>TID #3 -Festival Grounds</u>					
Personnel Services	7,250.00	2,187.13	2,267.27	31.27	4,982.73
Contractual Services	0.00	0.00	0.00	0.00	0.00
Capital Outlay	300,000.00	2,148.74	2,148.74	0.72	297,851.26
TOTAL TID #3 -Festival Grounds	307,250.00	4,335.87	4,416.01	1.44	302,833.99
TOTAL EXPENDITURES	585,820.12	10,474.19	15,669.51	2.67	570,150.61
REVENUES OVER/(UNDER) EXPENDITURES	397,186.76	38,374.93	765,622.16	0.00	(368,435.40)

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

44 -TID #4 - Thielman/P Ridge

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>TID #4 -Thielman/P Ridge</u>					
Taxes (or Utility Rev.)	218,751.84	0.00	0.00	0.00	218,751.84
Intergovernmental	6,000.00	0.00	0.00	0.00	6,000.00
TOTAL TID #4 -Thielman/P Ridge	224,751.84	0.00	0.00	0.00	224,751.84
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TOTAL REVENUE	224,751.84	0.00	0.00	0.00	224,751.84
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EXPENDITURES					
<u>TID #4 -Thielman/P Ridge</u>					
Personnel Services	1,300.00	0.00	0.00	0.00	1,300.00
Contractual Services	1,000.00	0.00	900.00	90.00	100.00
Special Services	0.00	0.00	0.00	0.00	0.00
Fixed Charges	31,640.00	0.00	0.00	0.00	31,640.00
Capital Outlay	2,500.00	0.00	0.00	0.00	2,500.00
TOTAL TID #4 -Thielman/P Ridge	36,440.00	0.00	900.00	2.47	35,540.00
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TOTAL EXPENDITURES	36,440.00	0.00	900.00	2.47	35,540.00
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REVENUES OVER/ (UNDER) EXPENDITURES	188,311.84	0.00	(900.00)	0.00	189,211.84

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

45 -TID #5 - Hwy 107/Taylor

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>TID #5 - Hwy 107/Taylor</u>					
Taxes (or Utility Rev.)	17,301.15	0.00	0.00	0.00	17,301.15
Intergovernmental	200.00	0.00	0.00	0.00	200.00
TOTAL TID #5 - Hwy 107/Taylor	17,501.15	0.00	0.00	0.00	17,501.15
TOTAL REVENUE	17,501.15	0.00	0.00	0.00	17,501.15
EXPENDITURES					
<u>TID #5 - Hwy 107/Taylor</u>					
Personnel Services	2,145.00	0.00	0.00	0.00	2,145.00
Contractual Services	400.00	0.00	650.00	162.50	(250.00)
Special Services	0.00	0.00	0.00	0.00	0.00
Fixed Charges	2,500.00	0.00	0.00	0.00	2,500.00
Capital Outlay	5,000.00	0.00	0.00	0.00	5,000.00
TOTAL TID #5 - Hwy 107/Taylor	10,045.00	0.00	650.00	6.47	9,395.00
TOTAL EXPENDITURES	10,045.00	0.00	650.00	6.47	9,395.00
REVENUES OVER/(UNDER) EXPENDITURES	7,456.15	0.00	(650.00)	0.00	8,106.15

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

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.)	0.00	0.00	0.00	0.00	0.00
Intergovernmental	3,000.00	0.00	0.00	0.00	3,000.00
Miscellaneous Revenues	197,730.00	0.00	5,787.66	2.93	191,942.34
TOTAL TID #6 - Downtown	200,730.00	0.00	5,787.66	2.88	194,942.34
<u>TID #6 - Borrowing</u>					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
TOTAL TID #6 - Borrowing	0.00	0.00	0.00	0.00	0.00
TOTAL REVENUE	200,730.00	0.00	5,787.66	2.88	194,942.34
EXPENDITURES					
<u>TID #6 - Downtown</u>					
Personnel Services	5,330.00	0.00	0.00	0.00	5,330.00
Contractual Services	25,900.00	175.00	1,919.00	7.41	23,981.00
Special Services	81,000.00	0.00	147.70	0.18	80,852.30
Fixed Charges	21,000.00	0.00	0.00	0.00	21,000.00
Capital Outlay	73,500.00	0.00	0.00	0.00	73,500.00
TOTAL TID #6 - Downtown	206,730.00	175.00	2,066.70	1.00	204,663.30
TOTAL EXPENDITURES	206,730.00	175.00	2,066.70	1.00	204,663.30
REVENUES OVER/ (UNDER) EXPENDITURES	(6,000.00)	(175.00)	3,720.96	0.00	(9,720.96)

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

47 -TID #7 - N Center Ave

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>TID #7 - N Center Ave</u>					
Taxes (or Utility Rev.)	12,921.93	0.00	80,000.00	619.10	(67,078.07)
Intergovernmental	41,750.00	0.00	0.00	0.00	41,750.00
Miscellaneous Revenues	36,619.00	0.00	10,429.00	28.48	26,190.00
TOTAL TID #7 - N Center Ave	91,290.93	0.00	90,429.00	99.06	861.93
TOTAL REVENUE	91,290.93	0.00	90,429.00	99.06	861.93
EXPENDITURES					
<u>TID #7 - N Center Ave</u>					
Personnel Services	6,116.00	24,207.16	57,155.49	934.52	(51,039.49)
Contractual Services	11,150.00	0.00	3,752.86	33.66	7,397.14
Special Services	60,500.00	0.00	23,240.00	38.41	37,260.00
Fixed Charges	3,103.00	0.00	0.00	0.00	3,103.00
Capital Outlay	7,500.00	6,159.48	47,027.89	627.04	(39,527.89)
TOTAL TID #7 - N Center Ave	88,369.00	30,366.64	131,176.24	148.44	(42,807.24)
TOTAL EXPENDITURES	88,369.00	30,366.64	131,176.24	148.44	(42,807.24)
REVENUES OVER/(UNDER) EXPENDITURES	2,921.93	(30,366.64)	(40,747.24)	0.00	43,669.17

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

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.)	0.00	0.00	0.00	0.00	0.00
Intergovernmental	3,250.00	0.00	0.00	0.00	3,250.00
Public Charges-Services	0.00	0.00	0.00	0.00	0.00
Miscellaneous Revenues	187,054.00	0.00	0.00	0.00	187,054.00
TOTAL TID #8 - West Side	190,304.00	0.00	0.00	0.00	190,304.00
TID #8 - Borrowing					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
TOTAL TID #8 - Borrowing	0.00	0.00	0.00	0.00	0.00
TID #8 - 201 S Prospect					
Intergovernmental	160,000.00	0.00	0.00	0.00	160,000.00
Miscellaneous Revenues	40,000.00	0.00	0.00	0.00	40,000.00
TOTAL TID #8 - 201 S Prospect	200,000.00	0.00	0.00	0.00	200,000.00
TOTAL REVENUE	390,304.00	0.00	0.00	0.00	390,304.00
EXPENDITURES					
TID #8 - West Side					
Personnel Services	7,160.00	1,516.57	1,516.57	21.18	5,643.43
Contractual Services	31,400.00	858.18	5,753.78	18.32	25,646.22
Special Services	147,372.00	0.00	0.00	0.00	147,372.00
Fixed Charges	1,872.00	0.00	0.00	0.00	1,872.00
Capital Outlay	142,500.00	759.90	2,837.40	1.99	139,662.60
TOTAL TID #8 - West Side	330,304.00	3,134.65	10,107.75	3.06	320,196.25
TID #8 - 201 S Prospect					
Contractual Services	0.00	0.00	0.00	0.00	0.00
Special Services	200,000.00	0.00	0.00	0.00	200,000.00
TOTAL TID #8 - 201 S Prospect	200,000.00	0.00	0.00	0.00	200,000.00
TOTAL EXPENDITURES	530,304.00	3,134.65	10,107.75	1.91	520,196.25
REVENUES OVER/(UNDER) EXPENDITURES	(140,000.00)	(3,134.65)	(10,107.75)	0.00	(129,892.25)

49 -TID#9 -WI River/S Center

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>TID #9-WI River/S Center</u>					
Taxes (or Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Intergovernmental	6,500.00	0.00	0.00	0.00	6,500.00
Public Charges-Services	0.00	75.00	75.00	0.00	(75.00)
Miscellaneous Revenues	49,930.00	0.00	0.00	0.00	49,930.00
TOTAL TID #9-WI River/S Center	56,430.00	75.00	75.00	0.13	56,355.00
<u>TID #9-Former D&L</u>					
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL TID #9-Former D&L	0.00	0.00	0.00	0.00	0.00
<u>TID #9-Idle Sites (Page)</u>					
Taxes (or Utility Rev.)	225,000.00	0.00	0.00	0.00	225,000.00
Intergovernmental	30,000.00	0.00	41,671.00	138.90	(11,671.00)
Miscellaneous Revenues	356,500.00	0.00	0.00	0.00	356,500.00
TOTAL TID #9-Idle Sites (Page)	611,500.00	0.00	41,671.00	6.81	569,829.00
TOTAL REVENUE	667,930.00	75.00	41,746.00	6.25	626,184.00
EXPENDITURES					
<u>TID #9-WI River/S Center</u>					
Personnel Services	5,575.00	1,743.71	6,189.89	111.03	(614.89)
Contractual Services	15,550.00	0.00	4,282.31	27.54	11,267.69
Special Services	40,000.00	0.00	0.00	0.00	40,000.00
Capital Outlay	2,500.00	4,000.00	5,946.72	237.87	(3,446.72)
TOTAL TID #9-WI River/S Center	63,625.00	5,743.71	16,418.92	25.81	47,206.08
<u>TID #9-Former D&L</u>					
Personnel Services	0.00	0.00	0.00	0.00	0.00
Contractual Services	0.00	0.00	0.00	0.00	0.00
Supplies & Expenses	0.00	0.00	0.00	0.00	0.00
Special Services	0.00	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00	0.00
TOTAL TID #9-Former D&L	0.00	0.00	0.00	0.00	0.00
<u>TID #9-Idle Sites (Page)</u>					
Contractual Services	0.00	1,185.00	1,185.00	0.00	(1,185.00)
Special Services	50,000.00	0.00	0.00	0.00	50,000.00
Capital Outlay	550,000.00	143.50	29,988.44	5.45	520,011.56
TOTAL TID #9-Idle Sites (Page)	600,000.00	1,328.50	31,173.44	5.20	568,826.56
TOTAL EXPENDITURES	663,625.00	7,072.21	47,592.36	7.17	616,032.64

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CITY OF MERRILL

PAGE: 2

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

49 -TID#9 -WI River/S Center

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES OVER/ (UNDER) EXPENDITURES	4,305.00	(6,997.21)	(5,846.36)	0.00	10,151.36

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

40 -TID No. 10 - Fox Point

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
REVENUES					
<u>TID #10-Fox Point</u>					
Taxes (or Utility Rev.)	19,202.00	0.00	49,495.08	257.76	(30,293.08)
Miscellaneous Revenues	16,950.00	0.00	0.00	0.00	16,950.00
TOTAL TID #10-Fox Point	36,152.00	0.00	49,495.08	136.91	(13,343.08)
<hr/>					
TOTAL REVENUE	36,152.00	0.00	49,495.08	136.91	(13,343.08)
<hr/>					
EXPENDITURES					
<u>TID #10-Fox Point</u>					
Personnel Services	3,050.00	0.00	0.00	0.00	3,050.00
Contractual Services	11,400.00	0.00	650.00	5.70	10,750.00
Special Services	0.00	0.00	0.00	0.00	0.00
Fixed Charges	19,201.88	0.00	0.00	0.00	19,201.88
Capital Outlay	2,500.00	0.00	0.00	0.00	2,500.00
TOTAL TID #10-Fox Point	36,151.88	0.00	650.00	1.80	35,501.88
<hr/>					
TOTAL EXPENDITURES	36,151.88	0.00	650.00	1.80	35,501.88
<hr/>					
REVENUES OVER/(UNDER) EXPENDITURES	0.12	0.00	48,845.08	0.00	(48,844.96)
<hr/>					

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

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.)	669,590.00	0.00	297,259.16	44.39	372,330.84
Specials (Utility Rev.)	100,500.00	0.00	0.00	0.00	100,500.00
Public Charges-Services	50.00	0.00	0.00	0.00	50.00
Miscellaneous Revenues	0.00	0.00	0.00	0.00	0.00
TOTAL TID #11 - Apartments	770,140.00	0.00	297,259.16	38.60	472,880.84
<hr/>					
TOTAL REVENUE	770,140.00	0.00	297,259.16	38.60	472,880.84
EXPENDITURES					
<u>TID #11 - Apartments</u>					
Personnel Services	2,230.00	2,753.08	2,753.08	123.46	(523.08)
Contractual Services	5,400.00	0.00	2,150.00	39.81	3,250.00
Special Services	500,000.00	0.00	99,950.96	19.99	400,049.04
Fixed Charges	19,589.79	0.00	0.00	0.00	19,589.79
Capital Outlay	277,500.00	0.00	0.00	0.00	277,500.00
TOTAL TID #11 - Apartments	804,719.79	2,753.08	104,854.04	13.03	699,865.75
<hr/>					
TOTAL EXPENDITURES	804,719.79	2,753.08	104,854.04	13.03	699,865.75
<hr/>					
REVENUES OVER/(UNDER) EXPENDITURES	(34,579.79)	(2,753.08)	192,405.12	0.00	(226,984.91)

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

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.)	133,500.00	0.00	133,577.32	100.06	(77.32)
Specials (Utility Rev.)	30,000.00	417.56	589.10	1.96	29,410.90
Intergovernmental	256,000.00	0.00	0.00	0.00	256,000.00
Public Charges-Services	0.00	100.00	275.00	0.00	(275.00)
Miscellaneous Revenues	12,500.00	0.00	2,928.00	23.42	9,572.00
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
TOTAL Non-Departmental	432,000.00	517.56	137,369.42	31.80	294,630.58
<u>Streets - Sealcoat</u>					
Taxes (or Utility Rev.)	78,245.00	0.00	0.00	0.00	78,245.00
TOTAL Streets - Sealcoat	78,245.00	0.00	0.00	0.00	78,245.00
TOTAL REVENUE	510,245.00	517.56	137,369.42	26.92	372,875.58
EXPENDITURES					
<u>Streets - Sealcoat</u>					
Personnel Services	19,245.00	0.00	0.00	0.00	19,245.00
Supplies & Expenses	59,000.00	0.00	0.00	0.00	59,000.00
TOTAL Streets - Sealcoat	78,245.00	0.00	0.00	0.00	78,245.00
<u>Capital Outlay/Projects</u>					
Personnel Services	0.00	1,618.24	1,678.60	0.00	(1,678.60)
Capital Outlay	2,782,028.00	482,593.37	1,048,469.49	37.69	1,733,558.51
TOTAL Capital Outlay/Projects	2,782,028.00	484,211.61	1,050,148.09	37.75	1,731,879.91
<u>Financing Costs</u>					
Debt Service	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	2,860,273.00	484,211.61	1,050,148.09	36.71	1,810,124.91
REVENUES OVER/(UNDER) EXPENDITURES	(2,350,028.00)	(483,694.05)	(912,778.67)	0.00	(1,437,249.33)

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

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.)	93,706.00	8,741.26	59,176.73	63.15	34,529.27
Specials (Utility Rev.)	(1,438.00)	0.00	0.00	0.00	(1,438.00)
Public Charges-Services	1,443,515.00	126,184.68	701,792.96	48.62	741,722.04
Intergov Charges (Misc.)	16,050.00	1,917.51	14,371.95	89.54	1,678.05
Miscellaneous Revenues	2,500.00	0.00	864.58	34.58	1,635.42
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
TOTAL Non-Departmental	1,554,333.00	136,843.45	776,206.22	49.94	778,126.78
TOTAL REVENUE	1,554,333.00	136,843.45	776,206.22	49.94	778,126.78
EXPENDITURES					
<u>Non-Departmental</u>					
Work Orders - Utility	140,000.00	0.00	32,385.11	23.13	107,614.89
TOTAL Non-Departmental	140,000.00	0.00	32,385.11	23.13	107,614.89
<u>Pumping Expenses</u>					
TOTAL Pumping Expenses	76,250.00	5,893.10	29,052.96	38.10	47,197.04
<u>Water Treatment Expenses</u>					
TOTAL Water Treatment Expenses	74,000.00	4,289.01	20,529.10	27.74	53,470.90
<u>Trans & Distribution Exp</u>					
TOTAL Trans & Distribution Exp	236,000.00	26,916.40	124,374.09	52.70	111,625.91
<u>Customer Accts Expenses</u>					
TOTAL Customer Accts Expenses	66,750.00	8,399.99	39,166.00	58.68	27,584.00
<u>Admin & General Expenses</u>					
TOTAL Admin & General Expenses	689,131.00	25,226.06	196,319.49	28.49	492,811.51
<u>Contract Work</u>					
TOTAL Contract Work	3,500.00	268.41	2,018.86	57.68	1,481.14

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

62 -Water Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<hr/>					
<u>Taxes</u>					
	372,373.00	2,809.06	371,362.73	99.73	1,010.27
TOTAL Taxes	372,373.00	2,809.06	371,362.73	99.73	1,010.27
<u>Debt Service</u>					
	29,159.00	0.00	15,021.33	51.52	14,137.67
TOTAL Debt Service	29,159.00	0.00	15,021.33	51.52	14,137.67
<hr/>					
TOTAL EXPENDITURES	1,687,163.00	73,802.03	830,229.67	49.21	856,933.33
<hr/>					
REVENUES OVER/(UNDER) EXPENDITURES	(132,830.00)	63,041.42	(54,023.45)	0.00	(78,806.55)
<hr/>					

*** END OF REPORT ***

REVENUE & EXPENSE REPORT (UNAUDITED)

AS OF: JUNE 30TH, 2017

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.)	4,250.00	0.00	1,873.65	44.09	2,376.35
Specials (Utility Rev.)	0.00	0.00	0.00	0.00	0.00
Intergov Charges (Misc.)	7,500.00	851.29	5,605.13	74.74	1,894.87
Miscellaneous Revenues	479.00	0.00	478.99	100.00	0.01
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
Public Charges-Services	1,492,250.00	145,841.66	725,848.76	48.64	766,401.24
Other Charges-Services	87,500.00	9,713.07	59,561.97	68.07	27,938.03
TOTAL Non-Departmental	1,591,979.00	156,406.02	793,368.50	49.84	798,610.50
<hr/>					
TOTAL REVENUE	1,591,979.00	156,406.02	793,368.50	49.84	798,610.50
=====					
EXPENDITURES					
=====					
<u>Non-Departmental</u>					
Work Orders - Utility	580,000.00	75,602.94	187,370.00	32.31	392,630.00
TOTAL Non-Departmental	580,000.00	75,602.94	187,370.00	32.31	392,630.00
<u>Contract Work</u>					
	500.00	0.00	441.60	88.32	58.40
TOTAL Contract Work	500.00	0.00	441.60	88.32	58.40
<u>Taxes - SS/Medicare</u>					
	31,250.00	3,661.95	16,284.64	52.11	14,965.36
TOTAL Taxes - SS/Medicare	31,250.00	3,661.95	16,284.64	52.11	14,965.36
<u>Operations</u>					
	277,000.00	29,301.74	135,122.44	48.78	141,877.56
TOTAL Operations	277,000.00	29,301.74	135,122.44	48.78	141,877.56
<u>Maintenance</u>					
	232,572.00	32,967.13	108,705.83	46.74	123,866.17
TOTAL Maintenance	232,572.00	32,967.13	108,705.83	46.74	123,866.17
<u>Customer Accts Expenses</u>					
	71,000.00	8,334.37	42,714.55	60.16	28,285.45
TOTAL Customer Accts Expenses	71,000.00	8,334.37	42,714.55	60.16	28,285.45

REVENUE & EXPENSE REPORT (UNAUDITED)

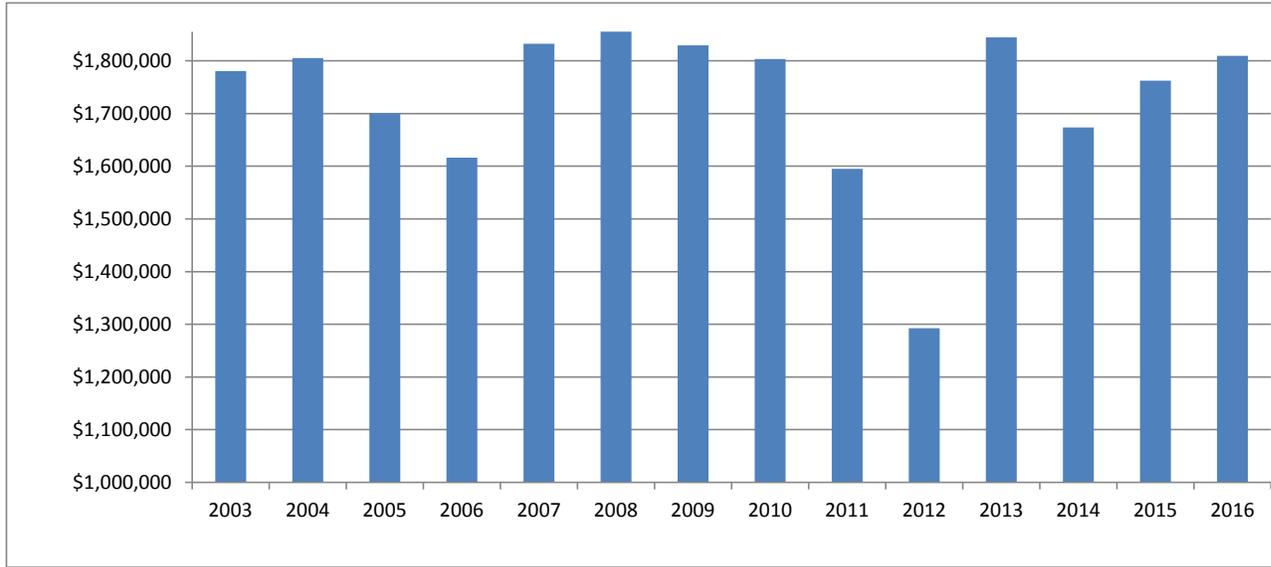
AS OF: JUNE 30TH, 2017

63 -Sewer Fund

SUMMARY	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACTUAL	% OF BUDGET	BUDGET BALANCE
<u>Admin & General Expenses</u>					
	438,300.00	25,899.01	160,062.16	36.52	278,237.84
TOTAL Admin & General Expenses	438,300.00	25,899.01	160,062.16	36.52	278,237.84
<u>Taxes & Depreciation</u>					
	271,500.00	0.00	0.00	0.00	271,500.00
TOTAL Taxes & Depreciation	271,500.00	0.00	0.00	0.00	271,500.00
<u>Transfers</u>					
	2,789.00	0.00	2,710.48	97.18	78.52
TOTAL Transfers	2,789.00	0.00	2,710.48	97.18	78.52
<hr/>					
TOTAL EXPENDITURES	1,904,911.00	175,767.14	653,411.70	34.30	1,251,499.30
<hr/>					
REVENUES OVER/(UNDER) EXPENDITURES	(312,932.00)	(19,361.12)	139,956.80	0.00	(452,888.80)
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*** END OF REPORT ***

City of Merrill - Undesignated General Fund Balance



City borrowing in 2013 and in 2016

As of 12/31st	Undesignated General Fund	Undesignated Change	
2003	\$1,780,590	(\$87,354)	
2004	\$1,805,016	\$24,426	WRS Prior Service Liability paid off 1/2004
2005	\$1,700,091	(\$104,925)	General Fund Offset included in 2005 Budget
2006	\$1,616,388	(\$83,703)	Of which (\$52,181) - Manufacturing Tax Refunds
2007	\$1,832,655	\$216,267	From Interest Income and position vacancies
2008	\$1,855,618	\$22,963	
2009	\$1,829,333 *	(\$26,285)	**Adjusted BAB 2010 & \$161,535 Debt Service
2010	\$1,803,202	(\$26,131)	
2011	\$1,594,870	(\$208,332)	\$150,000 to payoff GO1998 two-years early
2012	\$1,292,555 **	(\$302,315)	
2013	\$1,844,266	\$551,711	
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	

Undesignated Balance is:

2017 Budget \$11,960,740 **15.1%** of 2017 Operations Budget

*Adjusted from Schenck Management Report amount of \$1,369,558 for Build America Bonds (BAB) proceeds - \$199,500 in Jan. 2010 and \$260,275 for 2009 infrastructure received in Dec. 2010.

**Adjusted by \$1,185,263 borrowing reimbursements (Series 2013A/2013B) - from \$107,292 Schenck balance

Attachment: City Fund Balance-2016 Audit (2612 : 2016 Audit Presentation by Schenck SC representatives)

MANAGEMENT COMMUNICATIONS
CITY OF MERRILL, WISCONSIN
DECEMBER 31, 2016

CITY OF MERRILL, WISCONSIN
December 31, 2016

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Attachment: Audit - 2016 Management Letter (2612 : 2016 Audit Presentation by Schenck SC representatives)



To the City Council
 City of Merrill
 Merrill, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Merrill, Wisconsin (the "City") for the year ended December 31, 2016. The City's financial statements, including our report thereon dated July 5, 2017, are presented in a separate audit report document. Professional standards require that we provide you with the following information related to our audit.

Our Responsibilities Under U.S. Generally Accepted Auditing Standards and Government Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your responsibilities.

In planning and performing our audit, we considered the City's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting.

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. While our audit provides a reasonable basis for our opinion, it does not provide a legal determination on the City's compliance with those requirements.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our correspondence about planning matters.

Significant Audit Findings

Consideration of Internal Control

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended December 31, 2016, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing auditing 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. Our report on internal control over financial reporting and on compliance and other matters is presented on pages 44 - 45 of the annual report.

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

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. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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. We consider the following deficiency in the City's internal control to be a significant deficiency:

Finding 2016-001 Preparation of Annual Financial Report

This finding is described in detail in the schedule of findings and responses on page 46 of the annual report.

The City's written response to the significant deficiency identified in our audit has not been subjected to the audit procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note A to the financial statements. As described in Note C.1 to the financial statements, the City changed accounting policies related to fair value measurement by adopting Statement of Governmental Accounting Standards Board (GASB) No. 72, *Fair Value Measurement and Application* in 2016. Also, as described in Note D.1 to the financial statements, the City changed accounting policies related to tax abatements by adopting Statement of Governmental Accounting Standards Board (GASB) No. 77, *Tax Abatement Disclosures* in 2016. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. To the best of our knowledge, all significant transactions have been recognized in the financial statements in the proper period.

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 estimates included in the financial statements were:

- 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 fair value of the investments is based on ending market values as of December 31, 2016 as reported by the investment managers. We evaluated the key factors and assumptions used in valuing the investments in determining that they are 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.

- 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 liability in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of unbilled utility revenue is based upon a prorated calculation of the billing registers for the first quarter of 2017. We evaluated key factors and assumptions and the consistency in these factors and assumptions used to develop the receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

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.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Copies of the audit adjustments are available from management. The following material misstatement was detected as a result of audit procedures were corrected by management:

- Adjusted compensated absences in the Sewer Utility, increasing net assets \$31,226
- Recorded the payoff of a loan in the Sewer Utility, reducing net assets \$55,000
- Recorded a transfer from TIF No. 3 to the Debt Service Fund for a total of \$90,000
- Adjusted entry for a loan payoff due in 2017, increasing net position in the Debt Service Fund \$524,653
- Recorded depreciation expense in the Water Utility for a total of \$338,097
- Recorded the City's net pension liability, resulting in an expense of \$545,823 on the government-wide statement of activities. The information to record this adjustment was provided by the Wisconsin Retirement System.

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 the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 5, 2017. The management representation letter follows this communication.

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 City'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.

Other Audit Findings or Issues

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

In addition, during our audit, we noted certain other matters that are presented for your consideration. We will review the status of these comments during our next audit engagement. Our comments and recommendations are intended to improve the internal control or result in other operating efficiencies. We will be pleased to discuss these matters in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized in the comments and observations section of this report.

Other Matters

We applied certain limited procedures to the schedules relating to pensions, which are required supplementary information (RSI) that supplement the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the supplementary information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, 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, 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.

Restriction on Use

This information is intended solely for the 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.

Sincerely,



Certified Public Accountants
Green Bay, Wisconsin
July 5, 2017

SUMMARY FINANCIAL INFORMATION

1. City Governmental Fund Balances

Presented below is a summary of the various City governmental fund balances on December 31, 2016, including a comparison to the prior year. This information is provided for assisting management in assessing financial results for 2016 and for indicating financial resources available at the start of the 2016 budget year.

	12/31/16	12/31/15
General Fund		
Nonspendable		
Inventories and prepaid items	\$ 134,996	\$ 139,826
Restricted		
Capital improvements	428,748	-
Committed for		
Nonlapsing reserves	1,100,051	1,097,308
Unassigned	1,809,741	7,808
Total Fund Balance	<u>3,473,536</u>	<u>1,244,942</u>
Special Revenue Funds		
Community development block grant		
Restricted for community development	399,120	406,325
Library		
Restricted for library endowment	493,376	483,340
Remedial action		
Restricted for landfill monitoring	435,822	452,907
Total Special Revenue Funds	<u>1,328,318</u>	<u>1,342,572</u>
Debt Service Fund		
Restricted for debt service	<u>677,273</u>	710
Capital Projects Funds		
Restricted for TID project plan		
TIF No. 3	935	21,280
TIF No. 5	-	13,914
Unassigned		
TIF No. 4	(273,264)	(264,838)
TIF No. 5	(6,602)	-
TIF No. 6	(623,003)	(715,831)
TIF No. 7	(143,033)	(86,833)
TIF No. 8	(557,577)	(620,112)
TIF No. 9	(416,591)	(103,893)
TIF No. 10	(38,538)	(8,491)
TIF No. 11	(187,456)	-
Total Capital Projects Funds	<u>(2,245,129)</u>	<u>(1,764,804)</u>
Total Governmental Fund Balances	<u>\$ 3,233,998</u>	<u>\$ 823,420</u>

Attachment: Audit - 2016 Management Letter (2012 : 2016 Audit Presentation by Schenck SC representatives)

1. City Governmental Fund Balances (Continued)

General Fund

Overall general fund increased by \$2,228,594 with unassigned fund balance of \$2,238,489. The general fund, as reported, incorporates both operating and capital components, as summarized below:

	12/31/16	12/31/15
General Fund		
General operations	\$ 2,132,061	\$ 4,951,803
Nonlapsing reserve	941,626	942,419
School resource officer	(21,267)	(20,237)
Merrill Festival Grounds	(16,814)	3,347
Airport aviation fuel	9,182	-
Capital improvements	428,748	(4,632,390)
	<u>428,748</u>	<u>(4,632,390)</u>
 Total	 <u>\$ 3,473,536</u>	 <u>\$ 1,244,942</u>

The capital improvements deficit in the prior year was restored through 2016 debt proceeds. The restricted balance reported for 2016 represents portions of the City's 2016A Notes and 2016B Bonds which will be spent in 2017 for various projects.

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 the general fund balance should be segregated and shown as not available for appropriation, as they are committed to covering cash deficits of these funds.

Subsequent to December 31, 2016, the City borrowed an additional \$426,754 for TID No. 7, No. 10 and No. 11 (Series 2016C – Draw 2) which was received on March 16, 2017.

Attachment: Audit - 2016 Management Letter (2612 : 2016 Audit Presentation by Schenck SC representatives)

2. Water Utility Operating Results

A comparative summary of the water utility's operating results for the years ending December 31, 2016 and 2015 follows:

	2016	2015
Operating Revenues		
Charges for services	\$ 1,412,106	\$ 1,379,380
Other	110,891	109,099
Total Operating Revenues	<u>1,522,997</u>	<u>1,488,479</u>
Operating Expenses		
Operation and maintenance	748,925	729,083
Depreciation	396,072	366,574
Total Operating Expenses	<u>1,144,997</u>	<u>1,095,657</u>
Operating Income	<u>378,000</u>	<u>392,822</u>
Nonoperating Revenues (Expenses)		
Interest income	1,464	1,833
Merchandising and jobbing	753	43
Interest and fiscal charges	(30,489)	(32,475)
Other income	1,774	-
Total Nonoperating Revenues (Expenses)	<u>(26,498)</u>	<u>(30,599)</u>
Income before contributions and transfers	351,502	362,223
Capital contributions	161,211	-
Transfers out - payment in lieu of taxes	<u>(355,747)</u>	<u>(348,498)</u>
Change in Net Position	<u>\$ 156,966</u>	<u>\$ 13,725</u>

The City's water utility reported an operating income of \$378,000 compared to \$392,822 for the prior year. To further evaluate the operating activities, we have calculated the water utility's rate of return below.

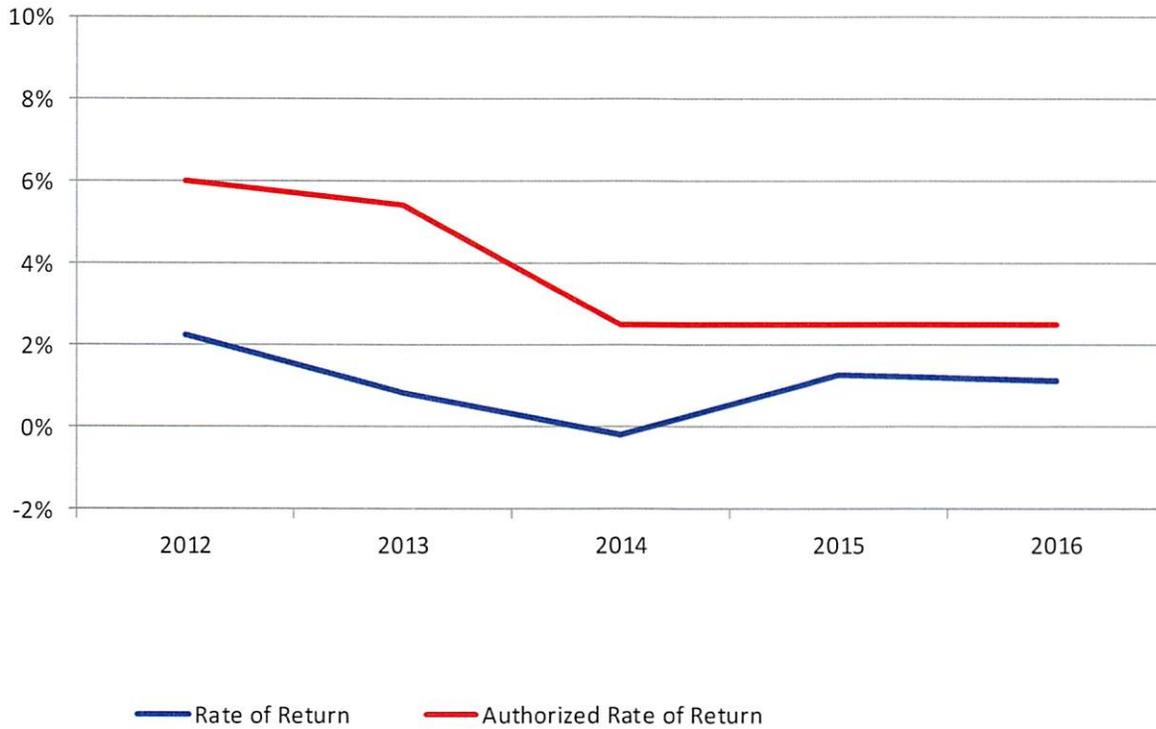
Rate of Return - The Public Service Commission of Wisconsin (PSC) determines rates charged to customers of the water utility by calculating a rate of return on the water utility's average net rate base. Presented below is the calculation of the rates of return for 2016 and 2015 for the water utility 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.

	2016	2015
Rate of Return	<u>1.05%</u>	<u>1.27%</u>

2. Water Utility Operating Results (Continued)

An analysis of rate of return 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 the December 31, 2016 of \$877,755, compared to a balance of \$1,403,644 at December 31, 2015. There was over \$425,000 increase in water capital improvements in 2016 compared to 2015 without any new borrowing. The water utility generated cash flows from operations of \$851,056 in 2016 compared to \$758,950 in 2015 and a negative net cash inflow from all activities of \$525,889 in 2016 compared to cash expended from all activities of \$52,645 in 2015.

Attachment: Audit - 2016 Management Letter (2012 : 2016 Audit Presentation by Schenck SC representatives)

3. Sewer Utility Operating Results

A comparative summary of the sewer utility's operating results for the years ending December 31, 2016 and 2015 follows:

	2016	2015
Operating Revenues		
Charges for services	\$ 1,467,845	\$ 1,448,556
Other	122,125	126,246
Total Operating Revenues	1,589,970	1,574,802
Operating Expenses		
Operation and maintenance	948,718	932,297
Depreciation	360,892	343,073
Total Operating Expenses	1,309,610	1,275,370
Operating Income	280,360	299,432
Nonoperating Revenues (Expenses)		
Interest income	1,652	2,249
Interest expense	(4,862)	(5,817)
Other income	1,774	-
Total Nonoperating Revenues (Expenses)	(1,436)	(3,568)
Income before contributions	278,924	295,864
Capital contributions	204,557	-
Change in Net Position	\$ 483,481	\$ 295,864

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, 2016, the cash generated by operating activities totaled \$636,864 compared to \$615,690 for 2015. As of December 31, 2016, the sewer utility had cash from operations of \$852,343, an increase of \$664,839 from the prior year, and restricted cash and investment balance of \$351,377. As of December 31, 2016, the future debt services are as follows:

Year Ended December 31	General Obligation	Interest	Total
2017	\$ 27,048	\$ 2,789	\$ 29,837
2018	27,595	2,080	29,675
2019	28,334	1,357	29,691
2020	28,741	612	29,353
	\$ 111,718	\$ 6,838	\$ 118,556

NEW ACCOUNTING STANDARD AND COMPLIANCE REQUIREMENT

New Reporting Requirements for Tax Increment Districts

The Wisconsin State legislature has expanded reporting requirements for tax increment districts (“districts”). In addition to providing an accounting of the district’s activity to the overlying taxing jurisdictions, an annual report must now be submitted to the Wisconsin Department of Revenue (DOR).

Elements required to be included in the report are:

- Name of the district
- Declared classification of the district
 - Blighted area district
 - Rehabilitation or conservation district
 - Industrial district
 - Mixed-use district
- Name of any developer named in a developer’s agreement with the municipality or who receives any financial assistance from tax increments
- Date the municipality expects the district to terminate
- Amount of tax increments collected
- Analysis of district finances
 - Beginning fund balance
 - Amounts collected
 - Listing of expenditures by project plan budget items
 - Ending fund balance
- Contact information of the person designated to respond to questions or concerns regarding the annual report

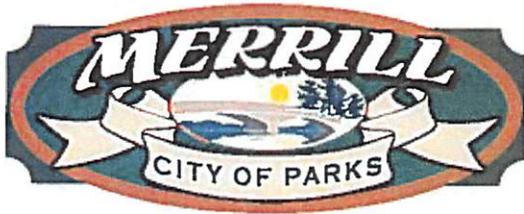
The new annual report will be required to be filed electronically with the DOR by July 1 of each subsequent year. A copy of that report must also be provided to each overlying taxing jurisdiction by July 1.

One additional requirement related to the issuance of the new annual report is the Joint Review Board must meet prior to July 1 to review each district’s annual report, performance and status.

Information regarding the report and its filing can be located at the Wisconsin Department of Revenue website.

For help with any questions you may have regarding this new report, please feel free to contact your Schenck Team.

APPENDIX



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

July 5, 2017

Schenck SC
 2200 Riverside Drive
 P.O. Box 23819
 Green Bay, WI 54305-3819

This representation letter is provided in connection with your audit of the financial statements of the City of Merrill, Wisconsin, (the "City"), which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2016, and the respective changes in the financial position and where applicable, cash flows for the year then ended, and the related notes to the financial statements for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of July 5, 2017, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 16, 2017, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
2. The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
3. We acknowledge our responsibility for 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.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

Schenck SC
 July 5, 2017
 Page 2

5. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
6. In regards to accounting estimates:
 - The measurement processes used by management in determining accounting estimates is appropriate and consistent.
 - The assumptions appropriately reflect management's intent and ability to carry out specific courses of action.
 - The disclosures related to accounting estimates are complete and appropriate.
 - No subsequent event has occurred that would require adjustment to the accounting estimates or disclosures included in the financial statements.
7. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
8. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
9. We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the City's accounts.
10. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
11. Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

12. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
13. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

Schenck SC
 July 5, 2017
 Page 3

14. We made an assessment of the risk that the financial statements may be materially misstated as a result of fraud. We have disclosed the results of our assessment as follows:
 - a. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - i. Management,
 - ii. Employees who have significant roles in internal control, or
 - iii. Others where the fraud could have a material effect on the financial statements.
 - b. Except as made known to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.
15. Except as made known to you, we have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
16. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
17. We have disclosed to you the identity of the City's related parties and all the related party relationships and transactions of which we are aware.

Government - specific

18. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
19. We have a process to track the status of audit findings and recommendations.
20. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
21. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
22. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, deferred inflows/outflows of resources, or equity.
23. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
24. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
25. We have identified and disclosed to you all instances, which have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

Schenck SC
July 5, 2017
Page 4

26. We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
27. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
28. As part of your audit, you assisted with preparation of the financial statements and related notes, state financial report, and Public Service Commission annual report. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, state financial report, and Public Service Commission annual report.
29. The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as disclosed in the financial statements.
30. The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
31. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
32. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
33. The financial statements properly classify all funds and activities, in accordance with GASB Statement No. 34.
34. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
35. Components of net position (net investment in capital assets, restricted, and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
36. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
37. Provisions for uncollectible receivables have been properly identified and recorded.
38. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
39. Revenues are appropriately classified in the statement of activities within program revenues or general revenues.
40. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

Schenck SC
July 5, 2017
Page 5

41. Deposits and investment securities and derivative transactions are properly classified as to risk and are properly disclosed.
42. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
43. Joint ventures, jointly governed organizations, and other related organizations have been properly disclosed in the financial statements.
44. We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
45. If City has policy: We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.
46. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
47. We acknowledge our responsibility for presenting the nonmajor fund combining statements (the supplementary information) in accordance with accounting principles generally accepted in the United States of America, and we believe the supplementary information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
48. We agree with the findings of specialists in evaluating the pension benefits, and have adequately considered the qualifications of the specialist in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the specialists.
49. The fact that the amount of "uncollateralized" deposits or "uninsured, unregistered securities held by the counterparty, or by its trust department or agent but not in the City's name" during the period significantly exceeded the amounts in those categories as of the balance sheet was properly disclosed in the financial statements.
50. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.

Schenck SC
July 5, 2017
Page 6

51. The methods and significant assumptions used to determine fair values of financial instruments are as follows: Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
52. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the balance sheet date and have been reduced to their estimated net realizable value.
53. Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility.
54. We do not plan to make frequent amendments to our pension benefit plans.
55. Tax abatement agreements have been properly disclosed in the notes to the financial statements.
56. We have evaluated and classified any subsequent events as recognized or nonrecognized through the date of this letter. No events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements or in the schedule of findings and questioned costs.

Signed:



Katherine Unertl, Finance Director

**CITY OF MERRILL, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2016**

CITY OF MERRILL, WISCONSIN
December 31, 2016

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INDEPENDENT AUDITORS' REPORT

To the City Council
City of 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, 2016, 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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Community Development Block Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note C.1 to the financial statements, in 2016 the City adopted new accounting guidance, GASB Statement No. 72, *Fair Value Measurement and Application*. As discussed in Note D.1 to the financial statements, the City also adopted new accounting guidance, Statement No. 77, *Tax Abatement Disclosures*. 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 on page 41 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 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Report on Summarized Financial Information

We have previously audited the City of Merrill, Wisconsin's 2015 financial statements, and our report dated May 18, 2016, expressed unmodified opinions on those respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 5, 2017, 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 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 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.



Certified Public Accountants
Green Bay, Wisconsin
July 5, 2017

BASIC FINANCIAL STATEMENTS

CITY OF MERRILL, WISCONSIN

Statement of Net Position

December 31, 2016

(With summarized comparative information as of December 31, 2015)

	Governmental Activities	Business-type Activities	Totals	
			2016	2015
ASSETS				
Cash and investments	\$ 7,299,084	\$ 1,634,542	\$ 8,933,626	\$ 6,979,523
Receivables				
Taxes	7,706,867	-	7,706,867	7,701,272
Accounts	877,102	727,710	1,604,812	1,073,902
Special assessments	44,203	-	44,203	42,622
Loans	3,152,633	-	3,152,633	3,153,001
Other	-	107,043	107,043	106,947
Due from other governments	38,405	-	38,405	71,250
Inventories and prepaid items	134,996	32,768	167,764	174,488
Restricted assets				
Cash and investments	-	446,933	446,933	1,044,023
Net pension asset	-	-	-	1,460,592
Capital assets, nondepreciable				
Land	3,236,344	56,563	3,292,907	2,506,665
Construction in progress	623,364	94,701	718,065	3,658,432
Capital assets, depreciable				
Land improvements	7,393,308	-	7,393,308	4,476,287
Buildings and improvements	19,887,198	-	19,887,198	18,395,170
Machinery and equipment	9,442,861	-	9,442,861	8,564,684
Infrastructure	10,239,145	-	10,239,145	9,271,501
Utility plant in service	-	29,183,912	29,183,912	27,526,895
Less: Accumulated depreciation	(16,757,998)	(12,292,474)	(29,050,472)	(27,581,770)
Net Capital Assets	34,064,222	17,042,702	51,106,924	46,817,864
TOTAL ASSETS	53,317,512	19,991,698	73,309,210	68,625,484
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	5,137,031	348,607	5,485,638	1,548,131
Deferred charge on refunding	62,871	-	62,871	78,923
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,199,902	348,607	5,548,509	1,627,054
LIABILITIES				
Accounts payable	715,374	129,472	844,846	836,017
Accrued and other current liabilities	206,788	-	206,788	199,157
Accrued interest payable	166,063	9,745	175,808	152,378
Due to other governments	5,594,734	-	5,594,734	5,929,145
Unearned revenues	7,186	-	7,186	9,061
Long-term obligations				
Due within one year	1,277,282	141,530	1,418,812	1,361,597
Due in more than one year	14,293,376	1,630,149	15,923,525	11,444,423
Net pension liability	915,672	61,969	977,641	-
TOTAL LIABILITIES	23,176,475	1,972,865	25,149,340	19,931,778
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	6,330,726	-	6,330,726	6,023,770
Deferred inflows related to pensions	1,937,580	131,129	2,068,709	-
TOTAL DEFERRED INFLOWS OF RESOURCES	8,268,306	131,129	8,399,435	6,023,770
NET POSITION				
Net investment in capital assets	20,353,349	15,371,155	35,724,504	35,321,967
Restricted for				
Debt service	-	90,774	90,774	91,720
Capital projects	428,748	351,377	780,125	948,231
Community development	3,551,753	-	3,551,753	3,559,326
Library endowment	493,376	-	493,376	483,340
Pension benefits	-	-	-	1,460,592
TID project plan	935	-	935	35,194
Landfill monitoring	435,822	-	435,822	452,907
Unrestricted	1,808,650	2,423,005	4,231,655	1,943,713
TOTAL NET POSITION	\$ 27,072,633	\$ 18,236,311	\$ 45,308,944	\$ 44,296,990

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, 2016
(With summarized comparative information for the year ended December 31, 2015)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 1,878,161	\$ 129,580	\$ 152	\$ 660
Public safety	5,633,918	399,255	1,374,997	5,436
Public works	3,728,053	247,995	1,075,540	142,226
Health and human services	18,336	-	-	3,342
Culture and recreation	2,389,831	375,555	441,208	2,225,231
Conservation and development	2,461,181	20,217	-	1,790
Interest on debt	473,488	-	-	-
Total Governmental Activities	16,582,968	1,172,602	2,891,897	2,378,685
Business-type Activities				
Water utility	1,175,486	1,522,997	-	161,211
Sewer utility	1,314,472	1,589,970	-	204,557
Total Business-type Activities	2,489,958	3,112,967	-	365,768
Total	\$ 19,072,926	\$ 4,285,569	\$ 2,891,897	\$ 2,744,453

General revenues

Taxes

Property taxes, levied for general purposes

Tax increments

Other taxes

Federal and state grants and other contributions
not restricted to specific functions

Interest and investment earnings

Miscellaneous

Gain on sale of asset

Transfers

Total general revenues and transfers

Change in net position

Net position - January 1

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	Totals	
		2016	2015
\$ (1,747,769)	\$ -	\$ (1,747,769)	\$ (1,322,740)
(3,854,230)	-	(3,854,230)	(3,656,248)
(2,262,292)	-	(2,262,292)	(2,052,417)
(14,994)	-	(14,994)	(14,538)
652,163	-	652,163	1,726,740
(2,439,174)	-	(2,439,174)	(1,751,911)
(473,488)	-	(473,488)	(336,900)
<u>(10,139,784)</u>	<u>-</u>	<u>(10,139,784)</u>	<u>(7,408,014)</u>
-	508,722	508,722	360,347
-	480,055	480,055	293,615
-	<u>988,777</u>	<u>988,777</u>	<u>653,962</u>
<u>(10,139,784)</u>	<u>988,777</u>	<u>(9,151,007)</u>	<u>(6,754,052)</u>
5,344,579	-	5,344,579	5,309,384
565,023	-	565,023	587,298
156,316	-	156,316	127,544
3,442,853	-	3,442,853	3,391,615
79,772	3,116	82,888	86,390
567,001	4,301	571,302	386,866
-	-	-	348,720
355,747	(355,747)	-	-
<u>10,511,291</u>	<u>(348,330)</u>	<u>10,162,961</u>	<u>10,237,817</u>
371,507	640,447	1,011,954	3,483,765
<u>26,701,126</u>	<u>17,595,864</u>	<u>44,296,990</u>	<u>40,813,225</u>
<u>\$ 27,072,633</u>	<u>\$ 18,236,311</u>	<u>\$ 45,308,944</u>	<u>\$ 44,296,990</u>

Attachment: Audit - 2016 Financial Report (2012 : 2016 Audit Presentation by Schenck SC representatives)

CITY OF MERRILL, WISCONSIN

Balance Sheet

Governmental Funds

December 31, 2016

(With summarized comparative information as of December 31, 2015)

	General	Community Development Block Grant	Debt Service	Other Governmental Funds
ASSETS				
Cash and investments	\$ 5,554,180	\$ 399,519	\$ 677,273	\$ 668,112
Receivables				
Taxes	5,509,629	41,500	1,240,403	915,335
Accounts	729,703	-	-	37,796
Special assessments	44,203	-	-	-
Loans	-	3,152,633	-	-
Due from other funds	2,249,283	-	-	-
Advance to other funds	-	-	-	269,450
Due from other governments	109,603	-	-	38,405
Inventories and prepaid items	134,996	-	-	-
TOTAL ASSETS	\$ 14,331,597	\$ 3,593,652	\$ 1,917,676	\$ 1,929,098
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 684,564	\$ 399	\$ -	\$ 30,411
Accrued and other current liabilities	149,982	-	-	-
Deposits	-	-	-	50,000
Due to other funds	-	-	-	2,249,283
Due to other governments	5,601,540	-	-	-
Advance from other funds	269,450	-	-	-
Unearned revenues	7,186	-	-	-
Total Liabilities	6,712,722	399	-	2,329,694
Deferred Inflows of Resources				
Property taxes levied for subsequent year	4,133,488	41,500	1,240,403	915,335
Loans receivable	-	3,152,633	-	-
Special assessments	11,851	-	-	-
Total Deferred Inflows of Resources	4,145,339	3,194,133	1,240,403	915,335
Fund Balances				
Nonspendable				
Inventories and prepaid items	134,996	-	-	-
Restricted for				
Debt service	-	-	677,273	-
Community development	-	399,120	-	-
Library endowment	-	-	-	493,376
TID project plan	-	-	-	935
Landfill monitoring	-	-	-	435,822
Capital improvements	428,748	-	-	-
Committed for				
Nonlapsing reserves	1,100,051	-	-	-
Unassigned, reported in				
General fund	1,809,741	-	-	-
Capital projects funds	-	-	-	(2,246,064)
Total Fund Balances	3,473,536	399,120	677,273	(1,315,931)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 14,331,597	\$ 3,593,652	\$ 1,917,676	\$ 1,929,098

(Continued)

Totals	
2016	2015
\$ 7,299,084	\$ 5,484,167
7,706,867	7,701,272
767,499	337,322
44,203	42,622
3,152,633	3,153,001
2,249,283	1,822,850
269,450	269,450
148,008	71,250
134,996	139,826
<u>\$ 21,772,023</u>	<u>\$ 19,021,760</u>

\$ 715,374	\$ 773,124
149,982	149,136
50,000	50,000
2,249,283	1,822,850
5,601,540	5,929,145
269,450	269,450
7,186	9,061
<u>9,042,815</u>	<u>9,002,766</u>

6,330,726	6,023,770
3,152,633	3,153,001
11,851	18,803
<u>9,495,210</u>	<u>9,195,574</u>

134,996	139,826
677,273	710
399,120	406,325
493,376	483,340
935	35,194
435,822	452,907
428,748	-
1,100,051	1,097,308
1,809,741	7,808
(2,246,064)	(1,799,998)
<u>3,233,998</u>	<u>823,420</u>

<u>\$ 21,772,023</u>	<u>\$ 19,021,760</u>
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CITY OF MERRILL, WISCONSIN

Balance Sheet (Continued)

Governmental Funds

December 31, 2016

(With summarized comparative information as of December 31, 2015)

	2016	2015
<u>Reconciliation to the Statement of Net Position</u>		
Total Fund Balances as shown on previous page	\$ 3,233,998	\$ 823,420
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.	34,064,222	30,751,641
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Special assessments receivable	\$ 11,851	
Loans receivable	<u>3,152,633</u>	3,171,804
	3,164,484	
The City's proportionate share of the Wisconsin Retirement System pension plan is not an available financial resource, therefore, it is not reported in the fund financial statements:		
Deferred outflows of resources	\$ 5,137,031	
Net pension liability	(915,672)	
Deferred inflows of resources	<u>(1,937,580)</u>	2,829,602
	2,283,779	
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	\$(14,447,837)	
Deferred charge on refunding	62,871	
Compensated absences	(843,513)	
Bond premium	(279,308)	
Accrued interest on long-term obligations	<u>(166,063)</u>	(10,875,341)
	(15,673,850)	
Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 4)	<u>\$ 27,072,633</u>	<u>\$ 26,701,126</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, 2016
(With summarized comparative information for the year ended December 31, 2015)

	General	Community Development Block Grant	Debt Service	Other Governmental Funds
Revenues				
Taxes	\$ 4,246,995	\$ 40,000	\$ 1,222,234	\$ 565,023
Special assessments	101,699	-	-	13,818
Intergovernmental	5,785,429	-	12,462	76,353
Licenses and permits	175,402	-	-	-
Fines and forfeits	125,302	-	-	-
Public charges for services	647,334	-	-	663
Intergovernmental charges for services	1,558,018	650	-	-
Miscellaneous	1,917,264	100,296	-	95,782
Total Revenues	14,557,443	140,946	1,234,696	751,639
Expenditures				
Current				
General government	1,624,150	-	-	-
Public safety	5,184,210	-	-	-
Public works	2,795,096	-	-	17,085
Health and human services	116,405	-	-	-
Culture and recreation	2,646,638	-	-	35,378
Conservation and development	100,920	148,151	-	656,989
Debt service				
Principal	-	-	909,688	-
Interest and fiscal charges	125,915	-	339,453	2,434
Capital outlay	4,055,330	-	-	1,671,055
Total Expenditures	16,648,664	148,151	1,249,141	2,382,941
Excess of Revenues Under Expenditures	(2,091,221)	(7,205)	(14,445)	(1,631,302)
Other Financing Sources (Uses)				
Long-term debt issued	3,827,257	-	1,726,742	1,289,246
Debt premium	104,134	-	3,932	15,016
Principal retired	-	-	(1,200,000)	-
Insurance recoveries	14,248	-	-	-
Sale of capital assets	18,429	-	-	-
Transfers in	355,747	-	160,334	300,000
Transfers out	-	-	-	(460,334)
Total Other Financing Sources (Uses)	4,319,815	-	691,008	1,143,928
Net Change in Fund Balances	2,228,594	(7,205)	676,563	(487,374)
Fund Balances (Deficit) - January 1	1,244,942	406,325	710	(828,557)
Fund Balances (Deficit) - December 31	\$ 3,473,536	\$ 399,120	\$ 677,273	\$ (1,315,931)

(Continued)

Totals	
2016	2015

\$ 6,074,252	\$ 6,034,745
115,517	147,150
5,874,244	5,193,301
175,402	152,575
125,302	111,290
647,997	578,015
1,558,668	1,574,966
2,113,342	3,105,685
<u>16,684,724</u>	<u>16,897,727</u>

1,624,150	1,649,364
5,184,210	5,172,449
2,812,181	2,866,970
116,405	117,522
2,682,016	2,021,556
906,060	1,092,351

909,688	947,376
467,802	361,880
5,726,385	6,329,797
<u>20,428,897</u>	<u>20,559,265</u>

<u>(3,744,173)</u>	<u>(3,661,538)</u>
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6,843,245	-
123,082	-
(1,200,000)	-
14,248	42,623
18,429	372,669
816,081	921,210
(460,334)	(572,712)
<u>6,154,751</u>	<u>763,790</u>

2,410,578	(2,897,748)
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<u>823,420</u>	<u>3,721,168</u>
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<u>\$ 3,233,998</u>	<u>\$ 823,420</u>
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Attachment: Audit - 2016 Financial Report (2012 : 2016 Audit Presentation by Schenck SC representatives)

CITY OF MERRILL, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended December 31, 2016
(With summarized comparative information for the year ended December 31, 2015)

Reconciliation to the Statement of Activities

	2016	2015
Net Change in Fund Balances as shown on previous page	\$ 2,410,578	\$ (2,897,748)
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 expenditures in governmental fund statements	\$ 4,647,610	
Depreciation expense reported in the statement of activities	<u>(1,296,778)</u>	
Amount by which capital expenditures are greater than depreciation in the current period	3,350,832	5,391,251
In governmental funds the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the statement of activities only the gain (or loss) on the disposal is reported.		
Loss on disposition reported on the statement of activities		
Net book value of assets disposed	(38,251)	(243,253)
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits decreased (increased) by:	77,311	(76,516)
Change in the net pension liability (asset) and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between expected and actual experience of the pension plan.	(545,823)	50,650
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.	(6,952)	15,661
Loans issued by the City as part of its revolving loan fund are recorded as expenditures and revenue when repaid in the governmental funds. On the statement of net position, loans issued are recorded as a receivable and subsequent collections reduce this receivable. Loans repaid or written off were more than loans issued in the current year by:	(368)	(23,297)
Some capital assets acquired during the year were financed with debt. The amount of the debt is reported in the governmental funds as a source of financing. In the statement of net position, however, debt constitutes a long-term liability. The amount of debt reported in the governmental funds statement is:	(6,843,245)	-
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:	2,109,688	947,373
Governmental funds report the effect of, premium, discounts, deferred charges on advance refundings, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(117,659)	3,860
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.	<u>(24,604)</u>	<u>6,195</u>
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 5 - 6)	<u>\$ 371,507</u>	<u>\$ 3,174,176</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 Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2016
(With summarized comparative information for the year ended December 31, 2015)

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)	2015 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 4,194,094	\$ 4,221,094	\$ 4,246,995	\$ 25,901	\$ 4,186,469
Special assessments	84,917	154,917	101,699	(53,218)	75,468
Intergovernmental	5,094,190	5,817,489	5,785,429	(32,060)	5,157,121
Licenses and permits	170,021	183,151	175,402	(7,749)	152,575
Fines and forfeits	122,150	138,103	125,302	(12,801)	111,290
Public charges for services	454,934	486,790	647,334	160,544	578,015
Intergovernmental charges for services	1,573,325	1,575,665	1,558,018	(17,647)	1,627,250
Miscellaneous	741,245	692,157	1,917,264	1,225,107	2,694,899
Total Revenues	12,434,876	13,269,366	14,557,443	1,288,077	14,583,087
Expenditures					
Current					
General government	1,583,675	1,524,558	1,624,150	(99,592)	1,648,966
Public safety	5,133,638	5,160,405	5,184,210	(23,805)	5,172,449
Public works	3,143,533	3,075,065	2,795,096	279,969	2,844,440
Health and human services	123,454	119,336	116,405	2,931	117,522
Culture and recreation	1,933,700	2,057,650	2,646,638	(588,988)	1,968,450
Conservation and development	146,200	125,838	100,920	24,918	103,850
Debt service					
Interest and fiscal charges	-	-	125,915	(125,915)	-
Capital outlay	2,509,168	3,287,899	4,055,330	(767,431)	5,848,106
Total Expenditures	14,573,368	15,350,751	16,648,664	(1,297,913)	17,703,783
Excess of Revenues Under Expenditures	(2,138,492)	(2,081,385)	(2,091,221)	(9,836)	(3,120,696)
Other Financing Sources (Uses)					
Long-term debt issued	-	-	3,827,257	3,827,257	-
Capital leases issued	-	-	104,134	104,134	-
Insurance recoveries - tornado	-	-	14,248	14,248	42,623
Sale of capital assets	-	7,312	18,429	11,117	372,669
Transfers in	354,736	354,736	355,747	1,011	348,498
Transfers out	-	-	-	-	(1,000)
Total Other Financing Sources (Uses)	354,736	362,048	4,319,815	3,957,767	762,790
Net Change in Fund Balance	(1,783,756)	(1,719,337)	2,228,594	3,947,931	(2,357,906)
Fund Balance - January 1	1,244,942	1,244,942	1,244,942	-	3,602,848
Fund Balance - December 31	\$ (538,814)	\$ (474,395)	\$ 3,473,536	\$ 3,947,931	\$ 1,244,942

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
For the Year Ended December 31, 2016
(With summarized comparative information for the year ended December 31, 2015)

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)	2015 Actual Amounts
	Original	Final			
Revenues					
Taxes	\$ 40,000	\$ 40,000	\$ 40,000	\$ -	\$ 38,744
Intergovernmental charges for services	11,250	11,250	650	(10,600)	975
Miscellaneous	86,225	86,225	100,296	14,071	119,543
Total Revenues	<u>137,475</u>	<u>137,475</u>	<u>140,946</u>	<u>3,471</u>	<u>159,262</u>
Expenditures					
Conservation and development	151,750	151,750	148,151	3,599	135,111
Net Change in Fund Balance	(14,275)	(14,275)	(7,205)	7,070	24,151
Fund Balance - January 1	406,325	406,325	406,325	-	382,174
Fund Balance - December 31	<u>\$ 392,050</u>	<u>\$ 392,050</u>	<u>\$ 399,120</u>	<u>\$ 7,070</u>	<u>\$ 406,325</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, 2016

(With summarized comparative information as of December 31, 2015)

	Enterprise Funds		Totals	
	Water	Sewer		
	Utility	Utility	2016	2015
ASSETS				
Cash and investments	\$ 782,199	\$ 852,343	\$ 1,634,542	\$ 1,495,356
Receivables				
Accounts	343,811	383,899	727,710	736,580
Other	40,928	66,115	107,043	106,947
Inventories and prepaid items	32,094	674	32,768	34,662
Restricted assets				
Cash and investments	95,556	351,377	446,933	1,044,023
Net pension asset	-	-	-	74,526
Capital assets, nondepreciable				
Land	35,320	21,243	56,563	56,563
Construction in progress	52,108	42,593	94,701	74,910
Capital assets, depreciable	15,145,237	14,038,675	29,183,912	27,526,895
Less: Accumulated depreciation	(5,739,179)	(6,553,295)	(12,292,474)	(11,592,145)
TOTAL ASSETS	10,788,074	9,203,624	19,991,698	19,558,317
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pension	199,609	148,998	348,607	104,595
LIABILITIES				
Accounts payable	65,931	63,541	129,472	62,893
Accrued and other current liabilities	-	-	-	21
Accrued interest payable	6,165	3,580	9,745	10,919
Long-term obligations				
Due within one year	112,319	29,211	141,530	146,994
Due in more than one year	1,525,948	104,201	1,630,149	1,846,221
Net pension liability	35,929	26,040	61,969	-
TOTAL LIABILITIES	1,746,292	226,573	1,972,865	2,067,048
DEFERRED OUTFLOWS OF RESOURCES				
Deferred inflows related to pension	76,027	55,102	131,129	-
NET POSITION				
Net investment in capital assets	7,933,657	7,437,498	15,371,155	14,205,683
Restricted for				
Debt service	90,774	-	90,774	91,010
Capital projects	-	351,377	351,377	948,231
Pension benefits	-	-	-	74,526
Unrestricted	1,140,933	1,282,072	2,423,005	2,276,414
TOTAL NET POSITION	\$ 9,165,364	\$ 9,070,947	\$ 18,236,311	\$ 17,595,864

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, 2016
(With summarized comparative information for the year ended December 31, 2015)

	Enterprise Funds		Totals	
	Water Utility	Sewer Utility	2016	2015
Operating Revenues				
Charges for services	\$ 1,412,106	\$ 1,467,845	\$ 2,879,951	\$ 2,827,936
Other	110,891	122,125	233,016	235,345
Total Operating Revenues	1,522,997	1,589,970	3,112,967	3,063,281
Operating Expenses				
Operation and maintenance	748,925	948,718	1,697,643	1,661,380
Depreciation	396,072	360,892	756,964	709,647
Total Operating Expenses	1,144,997	1,309,610	2,454,607	2,371,027
Operating Income	378,000	280,360	658,360	692,254
Nonoperating Revenues (Expenses)				
Interest income	1,464	1,652	3,116	4,082
Merchandising and jobbing	753	-	753	43
Interest expense	(30,489)	(4,862)	(35,351)	(38,292)
Miscellaneous	1,774	1,774	3,548	-
Total Nonoperating Revenues (Expenses)	(26,498)	(1,436)	(27,934)	(34,167)
Income Before Transfers and Contributions	351,502	278,924	630,426	658,087
Capital contributions	161,211	204,557	365,768	-
Transfers out	(355,747)	-	(355,747)	(348,498)
Change in Net Position	156,966	483,481	640,447	309,589
Net Position - January 1	9,008,398	8,587,466	17,595,864	17,286,275
Net Position - December 31	\$ 9,165,364	\$ 9,070,947	\$ 18,236,311	\$ 17,595,864

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, 2016
(With summarized comparative information for the year ended December 31, 2015)

	Enterprise Funds		Totals	
	Water Utility	Sewer Utility	2016	2015
Cash Flows from Operating Activities				
Cash received from user charges	\$ 1,409,619	\$ 1,600,139	\$ 3,009,758	\$ 2,973,124
Cash payments to suppliers and employees	(674,847)	(963,275)	(1,638,122)	(1,713,024)
Public fire protection charge from City	116,284	-	116,284	114,540
Net Cash Provided by Operating Activities	851,056	636,864	1,487,920	1,374,640
Cash Flows from Noncapital Financing Activities				
Transfer - payment in lieu of taxes	(355,747)	-	(355,747)	(348,498)
Cash Flows from Capital and Related Financing Activities				
Acquisition and construction of capital assets	(889,007)	(478,668)	(1,367,675)	(606,328)
Cost of removal on retirement of plant	-	-	-	(3,197)
Principal paid on long-term debt	(102,487)	(86,506)	(188,993)	(131,499)
Interest paid on long-term debt	(31,168)	(5,357)	(36,525)	(39,258)
Net Cash Used by Capital and Related Financing Activities	(1,022,662)	(570,531)	(1,593,193)	(780,282)
Cash Flows from Investing Activities				
Interest and dividends on investments	1,464	1,652	3,116	4,082
Change in Cash and Cash Equivalents	(525,889)	67,985	(457,904)	249,942
Cash and Cash Equivalents - January 1	1,403,644	1,135,735	2,539,379	2,289,437
Cash and Cash Equivalents - December 31	\$ 877,755	\$ 1,203,720	\$ 2,081,475	\$ 2,539,379
Reconciliation to Statement of Net Position				
Unrestricted	\$ 782,199	\$ 852,343	\$ 1,634,542	\$ 1,495,356
Restricted	95,556	351,377	446,933	1,044,023
Total	\$ 877,755	\$ 1,203,720	\$ 2,081,475	\$ 2,539,379
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:				
Operating income	\$ 378,000	\$ 280,360	\$ 658,360	\$ 692,254
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	396,072	360,892	756,964	709,647
Depreciation charged to sewer utility	18,181	(18,181)	-	-
Change in pension liability (asset) and related outflows and inflows of resources	16,816	6,796	23,612	(6,716)
Miscellaneous nonoperating revenue	2,527	1,774	4,301	43
Changes in current assets and liabilities				
Receivables				
Accounts receivable	5,867	3,003	8,870	(13,559)
Other	(5,488)	5,392	(96)	37,899
Inventories and prepaid items	1,750	144	1,894	(1,617)
Accounts payable	38,669	27,910	66,579	(25,056)
Accrued and other current liabilities	(21)	-	(21)	(25,542)
Compensated absences	(1,317)	(31,226)	(32,543)	7,287
Net Cash Provided by Operating Activities	\$ 851,056	\$ 636,864	\$ 1,487,920	\$ 1,374,640

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, 2016

NOTE A - 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:

1. Reporting Entity

The City of Merrill, Wisconsin 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 (the primary government) 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 by GASB Statement No. 61.

2. 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 and proprietary funds. 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 main 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

To account for the accumulation of resources used for the payment of general obligation bonds and notes issued by the City. Financing for the debt service fund is generally provided from general property taxes and transfers from other funds.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major enterprise funds:

WATER UTILITY

To account for the provision of water service to City residents, public authorities and business entities.

SEWER UTILITY

To account for the provision of sewage treatment service to City residents, public authorities and business entities.

3. 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 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, other 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 enterprise funds are charges to customers for services. Operating expenses for enterprise funds include the cost 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, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

a. 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 are considered to be cash equivalents.

b. Accounts Receivable

Accounts receivable are recorded at gross amount 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.

c. 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 general fund 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 activities and business-type activities.

d. 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 offset by nonspendable fund balance to indicate that they do not represent spendable available financial resources.

e. Prepaid Items

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

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

f. 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 one 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.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

g. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with bargaining unit agreements and City administrative policies. 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.

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category in the government-wide statement of net position. The first is the deferred charge on refunding resulting from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has two types of items that qualify for reporting in this category in the government-wide statement of net position. The first is property taxes, which will be recognized as an inflow of resources in the subsequent year for which it was levied. The second is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants. The City also has an additional type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, special assessments and loan receivables. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. 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, whether or not withheld from the actual debt proceeds received, are reported as expenses.

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.

j. 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.

k. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

Fund balance of governmental funds are 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.

The City has not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 inflow 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.

5. 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.

6. Summarized Comparative Information

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2015, from which the summarized information was derived.

7. Reclassifications

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance, or changes in fund balance.

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting

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

- a. 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.
- b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the 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.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

- c. During the year, formal budgetary integration is employed as a management control device for the general, special revenue and debt service funds. Management control for the capital projects funds is achieved through project authorizations included in debt issue resolutions.
- d. Expenditures may not exceed appropriations at the function level for the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.
- e. Encumbrance accounting is used by the City to record commitments related to unperformed contracts for goods or services. All outstanding encumbrances lapse at year end.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2016.

2. Deficit Fund Equity

The following funds had deficit fund balances as of December 31, 2016:

Funds	Deficit Fund Balance
TIF No. 4	\$ 273,264
TIF No. 5	6,602
TIF No. 6	623,003
TIF No. 7	143,033
TIF No. 8	557,577
TIF No. 9	416,591
TIF No. 10	38,538
TIF No. 11	187,456

The City anticipates funding the above deficits from future revenues, tax levies and future borrowings. Subsequent to year end, the City borrowed an additional \$426,754 from the Series 2016C (draw 2) for use by TIF NO. 7, No. 10 and No. 11.

NOTE C - DETAILED NOTES ON ALL FUNDS

1. 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 in 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. Investments in the library foundation special revenue fund may be invested in other types of investments as authorized under Wisconsin Statute 881.01, "Uniform Prudent Investor Act".

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The carrying amount of the City's cash and investments totaled \$9,380,559 December 31, 2016 as summarized below:

Petty cash and cash on hand	\$ 12,130
Deposits with financial institutions	9,182,793
Investments	185,636
	<u>\$ 9,380,559</u>

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Cash and investments	\$ 8,933,626
Restricted cash and investments	446,933
	<u>\$ 9,380,559</u>

Fair Value Measurements

The City implemented GASB Statement No. 72 *Fair Value measurement and Application*, for the year ending December 31, 2016. 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 District has the following fair value measurements as of December 31, 2016:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
Corporate Bonds	\$ 18,393	\$ -	\$ -

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 City does not have an additional custodial credit risk 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 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 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.

As of December 31, 2016, \$7,278,663 of the City's deposits with financial institutions were in excess of federal and state depository insurance.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)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 investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City does not have an additional credit risk policy.

Investment Type	Amount	Exempt From Disclosure	A	BBB	Not Rated
Corporate Bonds	\$ 18,393	\$ -	\$ 10,755	\$ 7,638	\$ -
Money Market Mutual Fund	71,687	-	-	-	71,687
Wisconsin Local Government Investment Pool	95,556	-	-	-	95,556
Totals	\$ 185,636	\$ -	\$ 10,755	\$ 7,638	\$ 167,243

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 the 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	\$ 18,393	\$ 10,755	\$ -	\$ -	\$ 7,638
Money Market Mutual Fund	71,687	71,687	-	-	-
Wisconsin Local Government Investment Pool	95,556	95,556	-	-	-
Totals	\$ 185,636	\$ 177,998	\$ -	\$ -	\$ 7,638

Investments

The City has investments in the Wisconsin local government investment pool of \$95,556 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, 2016, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

2. Property Taxes

Property taxes consist of taxes on real estate and personal property. 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 are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in six equal installments from January through June. Real estate taxes not paid by June 30 are purchased by the County as part of the August tax settlement. Delinquent personal property taxes remain the collection responsibility of the City.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The City bills and collects its own property taxes and also levies and collects taxes for the Merrill School District, Lincoln County, North Central Technical College and the State of Wisconsin. Collections and remittances of taxes for other entities are accounted for in the general fund.

3. Restricted Assets

Restricted assets on December 31, 2016 totaled \$446,933 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Enterprise Fund - sewer utility Plant replacement fund	\$ 351,377	To be used for sewer plant replacement.
Enterprise Fund - water utility Debt retirement	<u>95,556</u>	To be used for retirement of revenue bonds.
Total Restricted Assets	<u>\$ 446,933</u>	

4. Capital Assets

Capital asset activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 2,450,102	\$ 796,242	\$ 10,000	\$ 3,236,344
Construction in progress	3,583,522	623,364	3,583,522	623,364
Total capital assets, not being depreciated	6,033,624	1,419,606	3,593,522	3,859,708
Capital assets, being depreciated:				
Land improvements	4,476,287	3,256,603	339,582	7,393,308
Buildings and improvements	18,395,170	1,637,706	145,678	19,887,198
Machinery and equipment	8,564,684	949,573	71,396	9,442,861
Infrastructure	9,271,501	967,644	-	10,239,145
Subtotals	40,707,642	6,811,526	556,656	46,962,512
Less accumulated depreciation for:				
Land improvements	2,462,087	298,844	339,582	2,421,349
Buildings and improvements	7,605,367	323,184	131,589	7,796,962
Machinery and equipment	4,723,919	489,004	57,234	5,155,689
Infrastructure	1,198,252	185,746	-	1,383,998
Subtotals	15,989,625	1,296,778	528,405	16,757,998
Total capital assets, being depreciated, net	24,718,017	5,514,748	28,251	30,204,514
Governmental activities capital assets, net	<u>\$ 30,751,641</u>	<u>\$ 6,934,354</u>	<u>\$ 3,621,773</u>	34,064,222
Less related long-term debt outstanding				<u>13,710,873</u>
Net investment in capital assets				<u>\$ 20,353,349</u>

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 56,563	\$ -	\$ -	\$ 56,563
Construction in progress	74,910	19,791	-	94,701
Total capital assets, not being depreciated	<u>131,473</u>	<u>19,791</u>	<u>-</u>	<u>151,264</u>
Capital assets, being depreciated:				
Utility plant in service -				
Water utility	14,148,714	1,042,913	46,390	15,145,237
Sewer utility	13,378,181	670,739	10,245	14,038,675
Subtotals	<u>27,526,895</u>	<u>1,713,652</u>	<u>56,635</u>	<u>29,183,912</u>
Less accumulated depreciation for:				
Utility plant in service -				
Water utility	5,371,316	396,072	28,209	5,739,179
Sewer utility	6,220,829	360,892	28,426	6,553,295
Subtotals	<u>11,592,145</u>	<u>756,964</u>	<u>56,635</u>	<u>12,292,474</u>
Total capital assets, being depreciated, net	<u>15,934,750</u>	<u>956,688</u>	<u>-</u>	<u>16,891,438</u>
Business-type activities capital assets, net	<u>\$ 16,066,223</u>	<u>\$ 976,479</u>	<u>\$ -</u>	<u>17,042,702</u>
Less related long-term debt outstanding				<u>1,671,547</u>
Net investment in capital assets				<u>\$ 15,371,155</u>

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

Governmental activities		
General government		\$ 66,483
Public safety		240,179
Public works		656,414
Culture and recreation		333,702
Total depreciation expense - governmental activities		<u>\$ 1,296,778</u>
Business-type activities		
Water utility		\$ 396,072
Sewer utility		360,892
Total depreciation expense - business-type activities		<u>\$ 756,964</u>

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**5. 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, 2016 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Cash Advances to Finance Operating Cash		
Deficits of Other Funds		
General Fund	\$ 2,249,283	\$ -
Capital Projects Funds		
TIF No. 4	-	273,264
TIF No. 5	-	6,574
TIF No. 6	-	623,003
TIF No. 7	-	135,211
TIF No. 8	-	538,341
TIF No. 9	-	454,387
TIF No. 10	-	38,538
TIF No. 11	-	179,965
Totals	<u>\$ 2,249,283</u>	<u>\$ 2,249,283</u>
Long-term Advances		
Advance for Retirement of Unfunded Pension Liability		
General Fund	\$ -	\$ 269,450
Remedial Action Special Revenue Fund	269,450	-
Totals	<u>\$ 269,450</u>	<u>\$ 269,450</u>

The advance 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.

Interfund transfers for the year ended December 31, 2016 were as follows:

	Transfer to:					Total
	General	Debt Service	TIF No. 6	TIF No. 7	TIF No. 8	
Transfers from:						
Capital Projects Funds						
TIF No. 3	\$ -	\$ 104,064	\$ 75,000	\$ 150,000	\$ 75,000	\$ 404,064
TIF No. 4	-	32,400	-	-	-	32,400
TIF No. 5	-	2,589	-	-	-	2,589
TIF No. 6	-	21,281	-	-	-	21,281
Enterprise Funds						
Water Utility	355,747	-	-	-	-	355,747
Totals	<u>\$ 355,747</u>	<u>\$ 160,334</u>	<u>\$ 75,000</u>	<u>\$ 150,000</u>	<u>\$ 75,000</u>	<u>\$ 816,081</u>

Transfers were made for payment of the payment in lieu of taxes due to the City from the water utility and to provide financial resources for debt service payments.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2016:

	Outstanding 1/1/16	Issued	Retired	Outstanding 12/31/16	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	\$ 9,004,974	\$ 4,095,000	\$ 1,981,734	\$ 11,118,240	\$ 878,543
Notes	709,306	2,095,000	127,954	2,676,352	188,739
Total General Obligation Debt	9,714,280	6,190,000	2,109,688	13,794,592	1,067,282
Note anticipation note	-	653,245	-	653,245	-
Compensated absences	920,824	141,722	219,033	843,513	210,000
Premium received on debt	177,701	123,082	21,475	279,308	-
Governmental activities long-term obligations	<u>\$ 10,812,805</u>	<u>\$ 7,108,049</u>	<u>\$ 2,350,196</u>	<u>\$ 15,570,658</u>	<u>\$ 1,277,282</u>
Business-type activities:					
General Obligation Debt					
Bonds	\$ 108,458	\$ -	\$ 69,263	\$ 39,195	\$ 9,457
Notes	223,050	-	42,847	180,203	43,711
Total General Obligation Debt	331,508	-	112,110	219,398	53,168
Revenue bonds	1,529,032	-	76,883	1,452,149	78,362
Compensated absences	132,675	-	32,543	100,132	10,000
Business-type activities long-term obligations	<u>\$ 1,993,215</u>	<u>\$ -</u>	<u>\$ 221,536</u>	<u>\$ 1,771,679</u>	<u>\$ 141,530</u>

Total interest paid during the year on long-term debt totaled \$374,954.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Bonds

\$885,000 issued 1/3/08, \$100,000 to \$140,000 due annually through 2027; interest 3.6% to 4.4%	\$ 655,000
\$632,275 issued 12/21/10, \$29,000 to \$43,275 due annually through 2030; interest 5.0%	504,285
\$430,150 issued 12/21/10, \$49,000 to \$52,150 due annually through 2020; interest 3.75%	203,150
\$4,290,000 issued 9/4/13, \$180,000 to \$290,000 due annually through 2033; interest 2.25% to 4.20%	3,775,000
\$2,765,000 issued 9/4/13, \$125,000 to \$370,000 due annually through 2023; interest 2.25% to 3.00%	1,925,000
\$4,095,000 issued 10/10/2016, \$145,000 to \$290,000 due annually through 2036; interest 2.00 to 2.35%	4,095,000
Total Bonds	<u>11,157,435</u>

Notes

\$425,000 issued 1/15/04; \$23,138 to \$31,451 due annually through 2023; interest 5.25%	189,807
\$275,000 issued 8/25/05; \$15,077 to \$22,275 due annually through 2025; interest 5.0%	166,225
\$730,000 issued 1/5/05; \$53,306 to \$56,594 due annually through 2020; interest 2.0%	219,755
\$106,500 issued 2/10/09; \$13,470 to \$14,078 due annually through 2018; interest 4.5%	27,548
\$110,000 issued 11/10/09; \$13,458 to \$14,697 due annually through 2019; interest 4.5%	42,220
\$299,500 issued 1/8/10; \$38,000 to \$39,000 due annually through 2019; interest 4.5%	116,000
\$2,095,000 issued 10/11/2016; \$75,000 to \$310,000 due annually through 2026; interest at 0.80% to 2.20%	2,095,000
Total Notes	<u>2,856,555</u>

Total Outstanding General Obligation Debt	<u>\$ 14,013,990</u>
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CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$14,013,990 as of December 31, 2016 are detailed below:

Year Ended December 31	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 1,067,282	\$ 381,085	\$ 53,168	\$ 4,747	\$ 1,120,450	\$ 385,832
2018	1,087,463	357,116	54,232	3,512	1,141,695	360,628
2019	1,082,900	327,895	55,526	2,252	1,138,426	330,147
2020	1,033,669	298,656	56,472	960	1,090,141	299,616
2021	1,029,717	269,943	-	-	1,029,717	269,943
2022-2026	4,831,286	970,664	-	-	4,831,286	970,664
2027-2031	2,327,275	439,306	-	-	2,327,275	439,306
2032-2036	1,335,000	82,884	-	-	1,335,000	82,884
	<u>\$13,794,592</u>	<u>\$ 3,127,549</u>	<u>\$ 219,398</u>	<u>\$ 11,471</u>	<u>\$14,013,990</u>	<u>\$ 3,139,020</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund. The City's debt issues for 2010 qualified for the Build America Bonds rebate. The total future rebate on these debt issues is \$81,135 at December 31, 2016.

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2016 was \$5,021,343 as follows:

Equalized valuation of the City	\$ 367,161,200
Statutory limitation percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	<u>18,358,060</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 14,013,990
Less: Amounts available for financing general obligation debt	
Debt service fund	<u>677,273</u>
Total outstanding general obligation debt applicable to debt limitation	<u>13,336,717</u>
Legal Margin for New Debt	<u><u>\$ 5,021,343</u></u>

Revenue Bonds

Revenue bond debt service requirements are financed from operations of the water utility enterprise fund. Revenue bonds outstanding on December 31, 2016 totaled \$1,452,149 and were comprised of the following issue:

Water Utility

\$1,961,565 authorized 9/26/12; \$1,745,386 issued; \$78,362 to \$96,133 due annually through 2032; interest 1.93%	<u><u>\$ 1,452,149</u></u>
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CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the above outstanding water utility enterprise fund revenue bonds of \$1,452,149 on December 31, 2016 are shown below:

Year Ended December 31	Business-type Activities		
	Principal	Interest	Total
2017	\$ 78,362	\$ 27,200	\$ 105,562
2018	79,871	25,677	105,548
2019	81,409	24,124	105,533
2020	82,976	22,542	105,518
2021	84,573	20,929	105,502
2022-2026	447,922	79,350	527,272
2027-2031	492,727	34,114	526,841
2032	104,309	1,004	105,313
	<u>\$ 1,452,149</u>	<u>\$ 234,940</u>	<u>\$ 1,687,089</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 system. The bonds are payable through 2032. The total principal and interest remaining to be paid on the bonds is \$1,687,089. Principal and interest paid for the current year and total customer net revenues were \$105,577 and \$774,072, respectively.

Taxable Note Anticipation Notes

In 2016, the City issued a taxable note anticipation note in the amount of \$1,080,000. Interest on this note is 3.99%, with the principal balance due in 2021. Annual principal and interest payments are shown below:

Year Ended December 31	Governmental Activities		
	Principal	Interest	Total
2017	\$ -	\$ 41,895	\$ 41,895
2018	-	43,092	43,092
2019	-	43,092	43,092
2020	-	43,092	43,092
2021	1,080,000	43,092	1,123,092
	<u>\$ 1,080,000</u>	<u>\$ 214,263</u>	<u>\$ 1,294,263</u>

The City had drawn funds in total of \$653,246 at December 31, 2016. On March 16, 2017, the City drew down the remaining funds of \$426,754.

Current Refunding

During 2016, the City currently refunded two general obligation bonds, issued in 2004 and 2006. The City issued \$4,095,000 of general obligation refunding bonds to call the refunded debt. This current refunding was undertaken to reduce total debt service payments over the next ten years by \$119,718, and to obtain an economic gain of \$105,049.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

7. Pension Plan

a. 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.

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 State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

b. 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:

Year	Core Fund Adjustment	Variable Fund Adjustment
2006	0.8%	3%
2007	3.0%	10%
2008	6.6%	0%
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%

c. 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, and Executives and Elected Officials. 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 reporting period, the WRS recognized \$596,197 in contributions from the City.

Contribution rates as of December 31, 2016 are:

Employee Category	Employee	Employer
General (including teachers)	6.6%	6.6%
Executives & Elected Officials	6.6%	6.6%
Protective with Social Security	6.6%	9.4%
Protective without Social Security	6.6%	13.2%

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

At December 31, 2016, the City reported a liability of \$977,641 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014 rolled forward to December 31, 2015. 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, 2015, the City's proportion was 0.06016318%, which was an increase of 0.00069946% from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the City recognized pension expense of \$1,180,783.

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows or resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 165,389	\$ 2,057,427
Net differences between projected and actual earnings on pension plan investments	4,002,738	-
Changes in assumptions	683,999	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	16,344	11,282
Employer contributions subsequent to the measurement date	617,168	-
Total	\$ 5,485,638	\$ 2,068,709

\$617,168 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 asset in the year ended December 31, 2017. 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	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	\$ 1,264,628	\$ 500,631
2017	1,264,628	500,631
2018	1,264,628	500,631
2019	1,052,703	500,631
2020	21,883	66,185
Total	\$ 4,868,470	\$ 2,068,709

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

e. Actuarial Assumption

The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2014
Measurement Date of Net Pension Liability:	December 31, 2015
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

* *No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 - 2011. The total pension liability for December 31, 2015 is based upon a roll-forward of the liability calculated from the December 31, 2014 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 %	Destination Target Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>				
U.S. Equities	27%	23%	7.6%	4.7%
International Equities	24.5%	22%	8.5%	5.6%
Fixed Income	27.5%	37%	4.4%	1.6%
Inflation Sensitive Assets	10%	20%	4.2%	1.4%
Real Estate	7%	7%	6.5%	3.6%
Private Equity/Debt	7%	7%	9.4%	6.5%
Multi-Asset	4%	4%	6.7%	3.8%
Total Core Fund	107%	120%	7.4%	4.5%
<u>Variable Fund Asset Class</u>				
U.S. Equities	70%	70%	7.6%	4.7%
International Equities	30%	30%	8.5%	5.6%
Total Variable Fund	100%	100%	7.9%	5.0%

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Single Discount Rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.57%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% 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 member 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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 7.20 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 (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
City's proportionate share of the net pension liability (asset)	\$ 6,857,186	\$ 977,641	\$ (3,614,390)

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>.

f. Payable to WRS

At December 31, 2016, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2016.

NOTE D - OTHER INFORMATION

1. Tax Incremental Financing Districts

The City has established separate capital projects funds for Tax Incremental Financing Districts (TID) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the TID was created, the property tax base within the TID was "frozen" and increment taxes resulting from increases to the property tax base are used to finance TID 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 Districts are still eligible to incur project costs.

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

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE D - OTHER INFORMATION (Continued)

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

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

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

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

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

The City established TID No. 11 on May 10, 2016 as a blighted area district. The City intends that the District will be used to assure a combination of private industrial, commercial, and residential development.

Since creation of the above Districts, the City has provided various financing sources to each TID and has also recorded eligible TID project costs in other funds of the City. The foregoing amounts are not recorded as liabilities in the TID capital project funds but can be recovered by the City from any future excess tax increment revenues.

	Total	TIF No. 3	TIF No. 4	TIF No. 5	TIF No. 6
Net Unreimbursed Costs	\$ 3,182,841	\$ (449,065)	\$ 553,264	\$ 37,401	\$ 952,801

	TIF No. 7	TIF No. 8	TIF No. 9	TIF No. 10	TIF No. 11
Net Unreimbursed Costs	\$ 143,033	\$ 649,577	\$ 416,590	\$ 484,043	\$ 395,197

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE D - OTHER INFORMATION (Continued)

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

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

Tax Abatements

The City has created tax incremental financing districts the "Districts" in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law* and has adopted GASB Statement No. 77, *Tax Abatement Disclosures* for the year ended December 31, 2016. As part of the project plans for the Districts, the City entered into agreements with developers for the creation of tax base within the Districts. The agreements require the City to make annual repayments of property taxes collected within the Districts 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, 2016, the City abated property taxes totaling \$80,626 under this program, including the following tax abatement agreements that each exceeded 10% of the total amount abated:

- A property tax abatement of \$50,626 to Walgreen Co. within the District.
- A property tax abatement of \$20,000 to Gateway North, LLC, within the District.
- A property tax abatement of \$10,000 to Pine Dells Investment LLC, within the District.

2. 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.

3. 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 2016 and 2017 budget years, the increase in the maximum allowable tax levy is limited to the percentage change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2016 budget was 0.83%. The actual limit for the City for the 2017 budget was 0.32%. 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.

CITY OF MERRILL, WISCONSIN
Notes to Basic Financial Statements
December 31, 2016

NOTE D - OTHER INFORMATION (Continued)

4. 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.

5. Subsequent Events

On January 4, 2017 the City retired a State Trust Fund loan, which was originally issued in 2010. The total amount of the payoff is \$524,653, with \$504,275 representing the principal balance, and \$20,378 the remaining interest. This note was originally scheduled to mature in 2030.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MERRILL, WISCONSIN
 Schedule of Proportionate Share of the Net Pension Liability (Asset)
 Wisconsin Retirement System
 Last 10 Fiscal Years

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	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)
12/31/15	0.05946372%	\$ (1,460,591)	\$ 6,308,015	23.15%	102.74%
12/31/16	0.06016318%	977,641	6,640,714	14.72%	98.20%

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	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 590,770	\$ 590,770	\$ -	\$ 6,308,015	9.37%
12/31/16	596,197	596,197	-	6,640,714	8.98%

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the prior fiscal year. 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.

SUPPLEMENTARY INFORMATION

CITY OF MERRILL, WISCONSIN
 Combining Balance Sheet
 Nonmajor Governmental Funds
 December 31, 2016
 (With summarized comparative information as of December 31, 2015)

	Special Revenue Funds		Capital Projects Funds								Totals		
	Library	Remedial Action	TIF No. 3	TIF No. 4	TIF No. 5	TIF No. 6	TIF No. 7	TIF No. 8	TIF No. 9	TIF No. 10	TIF No. 11	2016	2015
ASSETS													
Cash and investments	\$ 493,376	\$ 166,699	\$ 8,037	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 668,112	\$ 707,243
Receivables													
Taxes	-	-	666,257	218,752	17,301	-	12,922	-	-	103	-	915,335	645,849
Accounts	-	-	-	-	-	-	-	-	37,796	-	-	37,796	65,923
Advance to other funds	-	269,450	-	-	-	-	-	-	-	-	-	269,450	269,450
Due from other governments	-	-	-	-	-	-	-	38,405	-	-	-	38,405	71,250
TOTAL ASSETS	\$ 493,376	\$ 436,149	\$ 674,294	\$ 218,752	\$ 17,301	\$ -	\$ 12,922	\$ 38,405	\$ 37,796	\$ 103	\$ -	\$ 1,929,098	\$ 1,759,715
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)													
Liabilities													
Accounts payable	\$ -	\$ 327	\$ 7,102	\$ -	\$ 28	\$ -	\$ 7,822	\$ 7,641	\$ -	\$ -	\$ 7,491	\$ 30,411	\$ 69,573
Deposits	-	-	-	-	-	-	-	50,000	-	-	-	50,000	50,000
Due to other funds	-	-	-	273,264	6,574	623,003	135,211	538,341	454,387	38,538	179,965	2,249,283	1,822,850
Total Liabilities	-	327	7,102	273,264	6,602	623,003	143,033	595,982	454,387	38,538	187,456	2,329,694	1,942,423
Deferred Inflows of Resources													
Property taxes levied for subsequent year	-	-	666,257	218,752	17,301	-	12,922	-	-	103	-	915,335	645,849
Fund Balances (Deficits)													
Restricted for													
Library endowment	493,376	-	-	-	-	-	-	-	-	-	-	493,376	483,340
TID project plan	-	-	935	-	-	-	-	-	-	-	-	935	35,194
Landfill monitoring	-	435,822	-	-	-	-	-	-	-	-	-	435,822	452,907
Unassigned, reported in													
Capital projects funds	-	-	-	(273,264)	(6,602)	(623,003)	(143,033)	(557,577)	(416,591)	(38,538)	(187,456)	(2,246,064)	(1,799,998)
Total Fund Balances (Deficits)	493,376	435,822	935	(273,264)	(6,602)	(623,003)	(143,033)	(557,577)	(416,591)	(38,538)	(187,456)	(1,315,931)	(828,557)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	\$ 493,376	\$ 436,149	\$ 674,294	\$ 218,752	\$ 17,301	\$ -	\$ 12,922	\$ 38,405	\$ 37,796	\$ 103	\$ -	\$ 1,929,098	\$ 1,759,715

Attachment: Audit - 2016 Financial Report (2612) : 2016 Audit Presentation by Schenck SC

CITY OF MERRILL, WISCONSIN
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 Nonmajor Governmental Funds
 For the Year Ended December 31, 2016
 (With summarized comparative information for the year ended December 31, 2015)

	Special Revenue Funds		Capital Projects Funds								Totals		
	Library	Remedial Action	TIF No. 3	TIF No. 4	TIF No. 5	TIF No. 6	TIF No. 7	TIF No. 8	TIF No. 9	TIF No. 10	TIF No. 11	2016	2015
Revenues													
Taxes	\$ -	\$ -	\$ 523,703	\$ 25,917	\$ 15,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 565,023	\$ 587,298
Special assessments	-	-	-	-	-	-	13,818	-	-	-	-	13,818	18,423
Intergovernmental	-	-	16,587	6,360	207	4,623	1,206	40,825	6,545	-	-	76,353	22,328
Public charges for services	-	-	-	-	-	-	-	388	-	-	275	663	-
Miscellaneous	45,414	-	698	-	-	10,001	-	1,790	37,879	-	-	95,782	291,243
Total Revenues	45,414	-	540,988	32,277	15,610	14,624	15,024	43,003	44,424	-	275	751,639	919,292
Expenditures													
Current													
Public works	-	17,085	-	-	-	-	-	-	-	-	-	17,085	22,530
Culture and recreation	35,378	-	-	-	-	-	-	-	-	-	-	35,378	69,740
Conservation and developmen	-	-	286,766	2,316	15,480	25,424	19,481	37,858	269,664	-	-	656,989	782,488
Debt service													
Interest and fiscal charges	-	-	-	-	-	-	-	2,434	-	-	-	2,434	-
Capital outlay	-	-	331,128	5,987	18,057	46,310	201,743	109,348	87,458	475,552	395,472	1,671,055	536,357
Total Expenditures	35,378	17,085	617,894	8,303	33,537	71,734	221,224	149,640	357,122	475,552	395,472	2,382,941	1,411,115
Excess of Revenues Over (Under) Expenditures	10,036	(17,085)	(76,906)	23,974	(17,927)	(57,110)	(206,200)	(106,637)	(312,698)	(475,552)	(395,197)	(1,631,302)	(491,823)
Other Financing Sources (Uses)													
Long-term debt issued	-	-	450,000	-	-	94,000	-	92,000	-	445,505	207,741	1,289,246	-
Capital leases	-	-	10,625	-	-	2,219	-	2,172	-	-	-	15,016	-
Transfers in	-	-	-	-	-	75,000	150,000	75,000	-	-	-	300,000	500,000
Transfers out	-	-	(404,064)	(32,400)	(2,589)	(21,281)	-	-	-	-	-	(460,334)	(571,712)
Total Other Financing Sources (Uses)	-	-	56,561	(32,400)	(2,589)	149,938	150,000	169,172	-	445,505	207,741	1,143,928	(71,712)
Net Change in Fund Balances	10,036	(17,085)	(20,345)	(8,426)	(20,516)	92,828	(56,200)	62,535	(312,698)	(30,047)	(187,456)	(487,374)	(563,535)
Fund Balances (Deficit) - January 1	483,340	452,907	21,280	(264,838)	13,914	(715,831)	(86,833)	(620,112)	(103,893)	(8,491)	-	(828,557)	(265,022)
Fund Balances (Deficit) - December 31	\$ 493,376	\$ 435,822	\$ 935	\$ (273,264)	\$ (6,602)	\$ (623,003)	\$ (143,033)	\$ (557,577)	\$ (416,591)	\$ (38,538)	\$ (187,456)	\$ (1,315,931)	\$ (828,557)

Attachment: Audit - 2016 Financial Report (2612 : 2016 Audit Presentation by Schenck SC

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



**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, 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, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City of Merrill's basic financial statements, and have issued our report thereon dated July 5, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Merrill, Wisconsin'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 of Merrill, Wisconsin's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Merrill, Wisconsin'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. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2016-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Merrill, Wisconsin'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 Findings

City of Merrill, Wisconsin's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. City of Merrill, Wisconsin'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 result of that testing, and not to provide an opinion on the effectiveness of City of Merrill, Wisconsin'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 of Merrill, Wisconsin's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Green Bay, Wisconsin
July 5, 2017

CITY OF MERRILL, WISCONSIN
 Schedule of Findings and Responses
 For the Year Ended December 31, 2016

Section I - Internal Control Over Financial Reporting

Finding No.	Control Deficiencies
2016-001	<p>Preparation of Annual Financial Report</p> <p>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 formats, 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 Financial Report Form C and the Public Service Commission Report.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>Management Response: Management believes that the cost of hiring additional staff to prepare year end adjusting and closing entries and to prepare financial reports outweighs the benefits to be received. Management will continue to review and approve the financial statements prior to issuance.</p>

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, 2016.

CITY OF MERRILL STREET USE PERMIT

Name of Applicant: BETH HUMPHREY

Applicant Address: 500 W. MAIN ST Applicant Phone #: 715-536-1881
218-2443

Club or Organization (if applicable): HUMPHREY'S PUB

Name of Responsible Person: BETH HUMPHREY

Responsible Person Address: 500 W. MAIN ST Phone #: 715-218-2443

Date of proposed street use: AUG 10, 2017

Time of street use: From: 5:00 P.M. To: MIDNIGHT

Describe portion of street to be used: GENESEE ST. FROM
MAIN ST TO THE ALLEY

Approximate number of persons who will attend: 100-150

Proposed use (in detail): LIVE MUSIC, FOOD, GAMES

.....
Petition for Street Use Permit

We, the undersigned residents of the ___ hundred block of _____ Street/Avenue in the City of Merrill, hereby consent to the use of this street as requested above and hereby consent to the City of Merrill granting a Street Use Permit for use of the said portion of said street for said purpose and do hereby agree to abide by such conditions of use as the City of Merrill shall attach to the granting of the requested Street Use Permit. We further understand that the permit will not be granted for longer than twelve (12) hours on the date above specified. We agree to remove from the street all equipment, vehicles and other personal property placed or driven thereon during the event for which the permit is granted prior to the end of said period. We further agree to designate _____ as the responsible person or persons who have applied for said Street Use Permit.

Name Address

Name Address

Seubert, Kathy

From: Heideman, Bill
Sent: Wednesday, June 21, 2017 1:17 PM
To: Seubert, Kathy
Subject: FW: Humphrey's street use permit

From: Bennett, Corey
Sent: Wednesday, June 21, 2017 11:15 AM
To: Heideman, Bill
Subject: Humphrey's street use permit

Beth will be in today or tomorrow with the completed application. She intends on having music from 7-11p as usual. In fact the whole setup is as usual and there are not any affected neighbors in the requested area. She occupies the upstairs apartment across Genesee St. and the business below should be closed during the hours she requested. Feel free to place it on the DPW agenda with no reservations from the PD.

Corey A Bennett, Chief of Police
Merrill Police Department
1004 E. 1st St
Merrill, WI 54452
715-536-8311



"Serving Merrill With Pride"

City of Merrill
Joint Meeting of Redevelopment Authority (RDA)
and Committee of Whole (COW)

Motions coming from Tuesday, June 27th, 2017 at 6:00 p.m.

Consider sale of Fox Point site (TID No. 10) to the Merrill Area Housing Authority (MAHA):

RDA motion (Laufenberg/Schwartzman) to recommend sale of the Fox Point property to Merrill Area Housing Authority (MAHA) for proposed \$200,000 price with details of the development timeframe and PILOT terms to be finalized. Carried unanimously.

COW motion (Meehean/Norton) to negotiate agreement with the Merrill Area Housing Authority (MAHA). Carried 5-1 with Russell abstaining and Ball voting no.

There will be additional discussion of potential terms of sale at Committee of Whole meeting on Tuesday, July 11th at 6:00 p.m.

Prepared by: Finance Director/RDA Secretary Kathy Unertl

Unertl, Kathy

From: Unertl, Kathy
Sent: Monday, July 03, 2017 12:26 PM
To: Paul Russell
Cc: Bialecki, Bill; Johnson, David; Hayden, Tom
Subject: TID10 - Fox Point Sale/PILOT Agreement
Attachments: 2017-06-27 RDA-COW Minutes.pdf

Importance: High

Paul – The main items that need resolution are:

- When would Phase I of proposed MAHA market-rate housing construction begin?
- When would Phase I housing be ready for occupancy?
- Would proposed Phase II be WHEDA tax credit-supported? If so, what would be potential application timeframe (i.e. for December 2017 or some potential future year)?

Next steps – Something firm from Merrill Area Housing Authority Board (which we think is scheduled for Monday, 7/10th meeting)?

There will be a 6:00 p.m. Committee of Whole meeting on Tuesday, July 11th before the regular Merrill Common Council meeting to consider what MAHA Board authorizes.

Kathy Unertl, Finance Director/RDA Secretary
City of Merrill

REQUEST TO INCLUDE ITEM ON AGENDA

Board or Committee:

Date of Meeting:

Request by:

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

Consider sale of Fox Point site (TID No. 10) to the Merrill Area Housing Authority (MAHA) and PILOT (Payment in lieu of property tax agreement)

TID No. 10 Site Acquisition Cost:

Purchase Price	\$445,505	
Property Tax - 2016	\$8,873	
Total Expenditure	\$454,378	
Environmental/Demo	(\$150,000)	TID No. 10*
Site Acquisition	\$304,378	

*City acquired site without former building as part of the sale agreement.

Proposed sale terms to Merrill Area Housing Authority (MAHA):

Sale price of \$200,000* payable annually as follows:

- \$ 25,000 by September 1st, 2017
- \$ 25,000 by September 1st, 2018
- \$ 25,000 by September 1st, 2019
- \$ 25,000 by September 1st, 2020
- \$100,000 by September 1st, 2021*

*An additional One Hundred thousand dollars (\$100,000) will be paid to the City of Merrill by MAHA if at least twenty-four (24) apartment units are not constructed/ready for occupancy by August 31st, 2021.

City site acquisition was financed by NAN Series 2016C (Note Anticipation Note) which has a balloon payment due in October 1st, 2021. New housing construction on the Fox Point site must be underway before the City seeks bond financing.

Additional terms of PILOT (Payment in lieu of property taxes) agreement between the City of Merrill and MAHA:

Because future TID No. 10 cash flow is dependent upon completion of Phase II of the multi-family housing development, MAHA also agrees to cover any potential TID No. 10 fiscal deficit through additional PILOT payment.

MAHA will also contribute special assessments equivalent for up to three (3) new streetlights serving Lincoln County Hwy G and Sales St. area after additional streetlighting installed.

Planned Unit Development (PUD) Zoning:

MAHA will submit new site plan and request for PUD zoning for consideration by the Merrill Plan Commission and Common Council.

Potential Phase II TID No. 10 Development Incentive:

The City of Merrill will consider potential TID No. 10 cash development incentive of at least \$250,000 toward future Phase 2 construction of at least forty (40) additional apartment units.

Terms and amount of this potential TID No. 10 development incentive will be finalized in a separate future development agreement between the City of Merrill and Merrill Area Housing Authority (MAHA).

Definitions on fiscal cash flow spreadsheets:

MAHA is a tax-exempt entity and pays a PILOT (Payment in lieu of property taxes) to the City of Merrill.

If there is a future WHEDA tax credit partner involved in Phase II, this partner would be a taxable entity that would pay property taxes. Wisconsin Statutes require an income-based assessment for Federal tax credit housing.

Signed: _____

Date:

City of Merrill - TID No. 10 (Former Fox Point site redevelopment)

Version 1 - If all Market Rate

PRELIMINARY FISCAL

Projected cash flow for proposed multi-family housing development - 64 units (two phases)

Starting Fall 2017 24 Market-Rate Units

Potential Fall 2020 If 40 Market-Rate Units

Projected Revenues:

Projected Expenses:

Net:

Const. Year	Value Year	Revenue Year	PILOT Projection	Sale to MAHA	Future Borrowing	TID No. 10 Projection	TIF Fees - Administrative	Mowing & Snow	Series 2016C NAN \$495,000	Future Debt Service \$500,000	Projected Total	Available TIF	
		2015	\$0			\$0	\$8,491				\$8,491	(\$8,491)	
		2016	\$0			\$0	\$12,191	\$2,220	\$6,763		\$21,174	(\$21,174)	
	City purchase - 7/2016	2017	\$0	\$25,000		\$25,000	\$1,500	\$3,500	\$19,202		\$24,202	\$798	
		2018	\$0	\$25,000		\$25,000	\$1,500		\$19,750		\$21,250	\$3,750	
		2019	\$0	\$25,000		\$25,000	\$1,500		\$19,750		\$21,250	\$3,750	
I	2018	2019	2020	\$25,000	\$25,000	\$50,000	\$5,500		\$19,750		\$25,250	\$24,750	
	2019	2020	2021	\$25,000	\$100,000	\$500,000	\$1,500		\$514,750		\$516,250	\$108,750	
II	2020	2021	2022	\$57,500		\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2023	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2024	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2025	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2026	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2027	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2028	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2029	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2030	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2031	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2032	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2033	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2034	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2035	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2036	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2037	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2038	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2039	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2040	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
		2041	\$57,500			\$57,500	\$1,500			\$36,000	\$37,500	\$20,000	
				\$1,200,000	\$200,000	\$500,000	\$1,900,000	\$62,182	\$5,720	\$599,965	\$720,000	\$1,387,866	\$512,134

City of Merrill - TID No. 10 (Former Fox Point site redevelopment)							Version 2 - Both Market & Tax Credits						PRELIMINARY FISCAL	
Projected Tax Increment for proposed multi-family housing development - 64 units (two phases)														
Projected Income-Based Property Tax Generation:							Starting Fall 2017		24 Market-Rate Units					
TID No. 10	Land Valuation	Improved Valuation	Total RE Valuation	Base Property Taxes			Potential Fall 2020		Potential 40 Tax Credit Units					
01/01/15	\$43,400	\$289,800	\$333,200	\$8,957										
				x 15 Years			This base value and property tax deducted from TID No. 10 revenue projections with private-section property owner.							
				\$134,349										
Projected Revenues:							Projected Expenses:					Net:		
Const. Year	Value Year	Revenue Year	PILOT/Tax Projection	Sale to MAHA	Future Borrowing	TID No. 10 Projection	TIF Fees - Administrative	Mowing & Snow	Series 2016C NAN \$495,000	Future Debt Service \$500,000	Projected Total	Available TIF		
		2015	\$0			\$0	\$8,491				\$8,491	(\$8,491)		
		2016	\$0			\$0	\$12,191	\$2,220	\$6,763		\$21,174	(\$21,174)		
	City purchase - 7/2016	2017	\$0	\$25,000		\$25,000	\$1,500	\$3,500	\$19,202		\$24,202	\$798		
		2018	\$0	\$25,000		\$25,000	\$1,500		\$19,750		\$21,250	\$3,750		
		2019	\$0	\$25,000		\$25,000	\$1,500		\$19,750		\$21,250	\$3,750		
I	2018	2019	2020	\$25,000	\$25,000	\$50,000	\$5,500		\$19,750		\$25,250	\$24,750		
	2019	2020	2021	\$25,000	\$100,000	\$500,000	\$625,000	\$1,500	\$514,750		\$516,250	\$108,750		
II	2020	2021	2022	\$55,000		\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2023	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2024	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2025	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2026	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2027	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2028	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2029	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2030	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2031	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2032	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2033	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2034	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2035	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2036	\$55,000			\$46,043	\$46,043	\$1,500		\$36,000	\$37,500	\$8,543		
		2037	\$55,000			\$55,000	\$55,000	\$1,500		\$36,000	\$37,500	\$17,500		
		2038	\$55,000			\$55,000	\$55,000	\$1,500		\$36,000	\$37,500	\$17,500		
		2039	\$55,000			\$55,000	\$55,000	\$1,500		\$36,000	\$37,500	\$17,500		
		2040	\$55,000			\$55,000	\$55,000	\$1,500		\$36,000	\$37,500	\$17,500		
		2041	\$55,000			\$55,000	\$55,000	\$1,500		\$36,000	\$37,500	\$17,500		
			\$1,150,000	\$200,000	\$500,000	\$1,715,651	\$62,182	\$5,720	\$599,965	\$720,000	\$1,387,866	\$327,785		

Application for Temporary Class "B" / "Class B" Retailer's License

See Additional Information on reverse side. Contact the municipal clerk if you have questions.

FEE \$ 30

Application Date: 6-20-17

Town Village City of Merrill

County of Lincoln

The named organization applies for: (check appropriate box(es).)

- A Temporary Class "B" license to sell fermented malt beverages at picnics or similar gatherings under s. 125.26(6), Wis. Stats.
- A Temporary "Class B" license to sell wine at picnics or similar gatherings under s. 125.51(10), Wis. Stats.

at the premises described below during a special event beginning 7-21-17 and ending 7-23-17 and agrees to comply with all laws, resolutions, ordinances and regulations (state, federal or local) affecting the sale of fermented malt beverages and/or wine if the license is granted.

1. Organization (check appropriate box) →
- Bona fide Club
 - Church
 - Lodge/Society
 - Chamber of Commerce or similar Civic or Trade Organization
 - Veteran's Organization
 - Fair Association

(a) Name Merrill Fastpitch

(b) Address 961 Naugart Dr, Athens WI 54411
(Street) Town Village City

(c) Date organized 2003

(d) If corporation, give date of incorporation _____

(e) If the named organization is not required to hold a Wisconsin seller's permit pursuant to s. 77.54 (7m), Wis. Stats., check this box:

(f) Names and addresses of all officers:

- President Chad Krueger 961 Naugart Dr Athens WI 54411
- Vice President Scott Semling 1307 hark St Merrill WI 54452
- Secretary Lynette Trapp 2710 Glen Dr Merrill WI 54452
- Treasurer Steven Orlov 11418 Norell Dr Merrill WI 54452

(g) Name and address of manager or person in charge of affair:
Chad & Renee Krueger 961 Naugart Dr Athens WI 54411

2. Location of Premises Where Beer and/or Wine Will Be Sold, Served, Consumed, or Stored, and Areas Where Alcohol Beverage Records Will be Stored:

(a) Street number 1100 Marc Dr MARC

(b) Lot _____ Block _____

(c) Do premises occupy all or part of building? Softball field - concessions stand

(d) If part of building, describe fully all premises covered under this application, which floor or floors, or room or rooms, license is to cover:

3. Name of Event

(a) List name of the event Merrill Fastpitch Tournament

(b) Dates of event 7-21-17, 7-22-17, 7-23-17

DECLARATION

The Officer(s) of the organization, individually and together, declare under penalties of law that the information provided in this application is true and correct to the best of their knowledge and belief.

Officer [Signature] 6-20-17
(Signature/date)

Merrill Fastpitch
(Name of Organization)

Officer _____
(Signature/date)

Officer _____
(Signature/date)

Date Filed with Clerk 6/20/17

Officer _____
(Signature/date)

Date Reported to Council or Board _____

Date Granted by Council _____

License No. _____

Heideman, Bill

From: Beth Humphrey <BHumphrey@co.lincoln.wi.us>
Sent: Monday, June 12, 2017 3:00 PM
To: Heideman, Bill
Subject: crazy days

This message was sent securely using ZixCorp.

To whom it may concern,

I am requesting from the City of Merrill to close the street from 5:00 p.m. till 12:00 a.m. on August 10, 2017 for Crazy Days. I would close Genesee Street from the corner at W Main St. to the alley that runs behind the 400 block of W Main. I would also like to extend my sellers permit to include that area for that time frame. This is the same as I have done in the past years. Thank you for the consideration.

Humphrey's Pub
500 W Main St
Merrill, WI

Beth M. Humphrey

This message was secured by [ZixCorp](#)^(R).

REQUEST TO INCLUDE ITEM ON AGENDA

Board or Committee: Personnel & Finance Committee

Date of Meeting: Tuesday – June 27th, 2017

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 2016 uncollectable personal property tax bill of \$235.20

- Heritage House – apartment building at 1601 E. 10th St. which was sold to new ownership

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.

Last outstanding Personal Property account:

City Attorney's Office continues collection efforts on personal property tax bills for one other operating business (\$940.15 for 2015 & 2016).

Signed: _____

Kathy Unertl

Date: 6/16/2017



CITY OF MERRILL

Office of the City Attorney

Thomas N. Hayden, City Attorney

1004 East First Street • Merrill, Wisconsin • 54452

Phone (715) 539-3510 • FAX (715) 536-0514

e-mail: tom.hayden@ci.merrill.wi.us

M E M O R A N D U M

DATE: June 14, 2017
TO: Finance Director Unertl
FROM: City Attorney Thomas N. Hayden
RE: Personal Property Tax for Heritage House

A handwritten signature in black ink, appearing to read "Tom H.", is written over the "FROM:" line of the memorandum.

At the suggestion of the Assessor, I am requesting that the attached billing statement be written off as this building/business was sold.

HERITAGE HOUSE

\$235.20 w/interest of \$11.76 and Penalty \$5.88 through **June** for a total of \$252.84.

Thank you

P ID 251 111 - 111 626 City of MERRILL
tKey 34 0000000626 Status: A
1 1601 E 10TH ST MERRILL 54452 0000

Own 1 HERITAGE HOUSE B

Taxes Due Years: 2016 2015 2014 2013 2012
Year

2016 Taxes/Charges Due :	235.20	Unpaid Taxes/Charges . . . :	235.20
Unpaid Interest :	11.76	Unpaid Penalty :	5.88
Lottery Credit Claimed :		Full Payment Amount . . . :	252.84
Delinquent : Y		Installation Pay Amount . . . :	252.84
Installments Paid :			

Lottery Credit has NOT been claimed for this parcel. +
F1=Help F2=Receipts F3=Exit F5=Fold F6=Take Payment F7=Previous F8=Next
F12=Cancel F13=Detail F14=Browse F15=Print F16=Dog/Cat F22=Restrict F23=Adjust
Positioning to Owner: HERITAGE HOUSE +

AIRPORT COMMISSION MEETING
Wednesday, June 21, 2017 at 7:00 p.m.
Merrill Municipal Airport Terminal

MINUTES

Members Present: Chairman Gary Schwartz, Gary Schulz, Lyle Banser, Joe Malsack, Airport Manager Rich McCullough, Alderman Ryan Schwartzman

Also Present: Camera Man Anthony Kromire, Mary Ball

1. Meeting Called to Order - Chairman Schwartz called the meeting to order at 19:00 hours.
2. Approve minutes of May 7, 2017 Meeting. Motion by Malsack, second by Schulz. All ayes. Motion carried.
3. Approval of Vouchers - Vouchers were reviewed and initialed by all. Motion by Banser, second by Malsack to approve vouchers. All ayes. Motion carried.
4. Brown Property Status – Should close by end of June. Joe Brown asked to keep timber when we cut, so an agreement was drawn up by State and signed by Chairman Schwartz.
5. Runway 16/34 Project – Chairman Schwartz call Rob at FAA, who handed it off to Gary Johnson, who said it would be reviewed by the end of the week. Chairman Schwartz is working with and making numerous calls to FAA and Becker & Hoppe to keep the approval process moving to completion by the end of the year so we are ready to begin construction in early 2018.
6. Lightning Suppression Project – Airport Manager McCullough received plans back from BOA for fence; and Becker & Hoppe are looking for AWOS Plans from 1980s. We are acquiring these records to determine if there were any mistakes in installation of fence/gates.

Peiper Electric is putting together plans for lightning suppression. Schultz reported that lights by new Terminal are not working properly, probably due to lightning. ATL Electric will be fixing light problems.
7. Airport Day – Malsack reported a planning meeting for the September 9th Airport Day is on June 22 at the new FBO at 7:00pm.

8. Flight Instruction Status – Not much action due to the weather.
9. Airport Signage – McCullough will present samples of signs for approval to the group.
10. Manager's Report – Hamburger Night is June 28 with a start of 5:00pm.

North gate key pad is working again.

McCullough has been working on fixing fences and spraying vegetation. His crew has cut vegetation and sprayed past Lincoln Wood to Airport Road. He reported that the new mower zero turn is helping to keep up with grass cutting. Malsack asked about spraying the future blacktop areas by the new FBO. McCullough will keep working to find someone to spray it.

Fahrner was here doing crack re-patching on 7-25 and will be coming back to do taxi ways and parking lot.

11. Airport General Maintenance –

Replace airlines in FBO Hanger – Not yet installed. Will do when McCullough frees up time in July/August.

Re-sheet N, W and S Walls of Old Terminal – New estimates are still pending.

Airport Rd. Terminal Windows – McCullough shared quotes for windows. Will get estimate for installation. We will reconsider this project in the fall of 2017

HVAC System – The new Terminal system is on hold until cost of lightning suppression work is known.

12. Chairman's Report – Chairman Schwartz talked to Kathy Unertl about replacing the courtesy car. There may be a chance in 2018 to get a newer pool car from the City to upgrade the airport courtesy car.
13. Aviation Happenings – Schulz reported on several pieces of legislation dealing with funding of airports and the privatization of air traffic systems. He reported that the new basic med system is working well in its first month of implementation. He has set up a monitor so pilots using fuel systems have access to current weather info. at the new FBO. Schulz reported that a problem with the flushing unit in the men's restroom was corrected by Steve Krueger donating a \$250 automatic motion-detecting flushing unit.

14. Public Comment – Mary Ball asked for information about Air Cup Race. She commented that we could have a pamphlet about all the services offered at the Airport; and we should advertise to the public to promote observing the planes arriving and departing. McCullough will advertise the services he and the Airport provide on Facebook.
15. Agenda Items for Next Meeting – No new items.
16. Adjournment – Motion by Schwartzman, second by Schulz. All ayes. Motion Carried.

Minutes prepared by Lyle Banser



CITY OF MERRILL
BOARD OF PUBLIC WORKS
MINUTES • WEDNESDAY JUNE 28, 2017

Regular Meeting

City Hall Council Chambers

4:00 PM

1. Call to Order

Mayor Bialecki called the meeting to order at 4:00 P.M.

Attendee Name	Title	Status	Arrived
Pete Lokemoen	Aldersperson - Second District	Present	
Ryan Schwartzman	Aldersperson - Third District	Present	
Rob Norton	Aldersperson - Seventh District	Present	
Bill Bialecki	Mayor	Present	

Also in attendance: City Administrator Dave Johnson, Finance Director Kathy Unertl, Public Works Director/City Engineer Rod Akey, Street Superintendent Dustin Bonack, Building Inspector/Zoning Administrator Darin Pagel, City Attorney Tom Hayden, Alderwoman Mary Ball, Diane Thoune, Richard Bjorklund, Gary Schwartz, Diane Wais (arr. 4:30) and City Clerk Bill Heideman.

2. Preliminary items:

1. Vouchers

The vouchers were in the meeting packet.

Motion (Schwartzman/Lokemoen) to approve.

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

3. Other agenda items for consideration:

1. Discussion on policies related to disposal of City property.

Building Inspector/Zoning Administrator Pagel had requested that this item be included on the agenda.

Discussion was held on the disposition of City-owned vacant lots.

No action was taken.

2. Consider Street Use Permit from Humphrey's Pub to close Genesee Street (from Main Street to the alley) from 5:00 p.m. to midnight on Thursday, August 10, 2017, for Crazy Days.

Motion (Schwartzman/Norton) to approve.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 7/11/2017 7:00 PM
----------------	---------------------------------------	--------------------------------

3. Signage and safety concerns on Cottage Street.

Richard Bjorklund, 307 Cottage Street, has submitted a letter related to traffic on Cottage Street. Mr. Bjorklund has concerns that City actions have resulted in the mixing of increased truck/vehicle traffic with bicycle traffic. He suggests that, to remedy this situation, stop signs be placed at each intersection on Cottage Street and the "No Parking" signs on the east side of Cottage Street be removed.

Public Works Director/City Engineer Akey stated that he has met with the Police Department and other City staff to discuss this issue. The result of that discussion was a suggestion that "No Truck Route" signs be placed on both ends of Cottage Street.

Mayor Bialecki suggested that stop signs be installed.

Alderman Lokemoen suggested that the "No Truck Route" signs be installed and then some time be taken to observe the results.

No action was taken at this time.

4. Discuss traffic flow on North Pine Ridge Avenue.

Alderman Bialecki requested that, in order to accommodate Gary Schwartz, this agenda item be considered immediately after the vouchers. Without objection, it was so ordered.

Gary Schwartz explained that he has concerns with traffic backing up in the area of the driveway to his business. He has witnessed potential customers bypassing his business due to these traffic backups, which frequently block the driveway to his business.

Mayor Bialecki suggested striping/painting the road to remind drivers to refrain from blocking the driveway. Public Works Director/City Engineer Akey stated that he was not in favor of painting.

Mr. Schwartz noted that this a two-year old problem that was created due to increased traffic in the area.

City staff will continue to work with Mr. Schwartz to address his concerns. No formal action was taken at this time.

5. Estimate for replacing pavers on East First Street from Scott Street to Mill Street (from May 2017 meeting).

An estimate was included in the meeting packet.

Motion (Lokemoen/Norton) to approve the \$11,700 estimate to replace pavers on the north side of East First Street (from Scott Street to Mill Street). The replacement is to match the look of the existing pavers as much as possible.

RESULT: APPROVED

4. Monthly Reports:

- 1. Building Inspector/Zoning Administrator

The report was in the meeting packet.

Building Inspector/Zoning Administrator Pagel reported that, weather permitting, the 2017 Sidewalk Maintenance project would begin soon.

2. Public Works Director/City Engineer Akey

The report was in the meeting packet.

Public Works Director/City Engineer Akey gave a verbal update on the 2017 street projects.

3. Consider placing monthly reports on file

Motion (Schwartzman/Lokemoen) to place the monthly reports on file.

RESULT: PLACED ON FILE

5. Establish date, time and location of next regular meeting

Wednesday, July 26th, 2017 at 4:00 P.M. in the City Hall Common Council Chambers.

6. Public Comment Period

None.

7. Adjournment

Motion (Norton/Schwartzman) to adjourn. Carried. Adjourned at 4:42 P.M.



CITY OF MERRILL
BOARD OF REVIEW
MINUTES • THURSDAY MAY 25, 2017

Regular Meeting

City Hall Basement Conference Room

4:00 PM

I. Call to Order

Mayor Bialecki called the meeting to order at 4:00 P.M.

Attendee Name	Title	Status	Arrived
Bill Heideman	City Clerk	Present	
Pete Lokemoen	Aldersperson - Second District	Excused	
John Burgener	Aldersperson - Fifth District & President	Present	
Bill Bialecki	Mayor	Present	
Mary Ball	Aldersperson - Sixth District	Present	

Other attendees: City Assessor Kitt Koski, City Administrator Dave Johnson and Finance Director Kathy Unertl.

II. Agenda items:

1. Verify that at lease one member has met the mandatory training requirements.

City Clerk Heideman reported that he has met the training requirements. He urged that, in the future, all Board of Reveiw members consdier taking the training.

2. Opening Comments - Mayor Bialecki

None.

3. Consider policy regarding the procedure for sworn telephone testimony and sworn written testimony.

Motion (Heideman/Burgener) to approve.

RESULT:	APPROVED
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4. Consider policy regarding the procedure for waiver of Board of Review hearing requests.

Motion (Heideman/Ball) to approve.

RESULT:	APPROVED
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5. Annual Assessment Report - Bowmar Appraisal

City Assessor Koski provided verbal information.

6. Receipt of the assessment roll from the assessor

City Assessor Koski presented the assessment roll to City Clerk Heideman, who then signed the roll.

City Clerk Heideman announced that the roll is available for public inspection.

7. Board of Review Hearings

No hearings were held.

III. Public Comment Period

None.

IV. Adjournment

Motion (Burgener/Ball) to adjourn. Carried. Adjourned at 6:00 P.M.

A handwritten signature in blue ink, appearing to read "W. A. H. H. H.", is written across the page.



CITY OF MERRILL
CITY PLAN COMMISSION
MINUTES • MONDAY JULY 3, 2017

Regular Meeting

City Hall Council Chambers

5:00 PM

I. Call to Order

Mayor Bialecki called the meeting to order at 5:00 P.M.

Attendee Name	Title	Status	Arrived
Tim Meehean	Aldersperson - Eighth District	Excused	
Bill Bialecki	Mayor	Present	
Mike Willman	Chairman - Park & Rec	Present	
Ralph Sturm		Present	
Melissa Schroeder		Present	
Ken Maule		Excused	
Robert Reimann		Excused	

Also in attendance: City Attorney Hayden, Building Inspector/Zoning Administrator Darin Pagel and City Clerk Bill Heideman.

II. Minutes of previous meeting(s):

1. Minutes of June 6, 2017 meeting

Motion (Schroeder/Willman) to approve.

RESULT: APPROVED

III. Agenda items for consideration:

1. Estraterritorial Certified Survey Map (Highway G in the Town of Merrill) for land owned by Mark Skic.

Bulidng Inspector/Zoning Administrator Pagel reported that he has no issues with the map as submitted.

Motion (Willman/Sturm) to approve.

RESULT: APPROVED & SENT TO COUNCIL **Next: 7/11/2017 7:00 PM**

2. Certified Survey Map submitted by Dennis and Karla Yorde, for land owned by Harold Fox, for a land split on South Alexander Street.

Building Inspector/Zoning Administrator Pagel reported that the map meets all regulations and that he has no issues with the map as submitted.

Motion (Schroeder/Willman) to approve.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 7/11/2017 7:00 PM
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IV. Public Comment Period

City Attorney Hayden asked who scheduled this meeting for July 3rd. Mayor Bialecki replied that he scheduled the meeting on this date because the two Certified Survey Maps needed City Plan Commission action prior to consideration at the July 11th Common Council meeting.

V. Establish date, time and location of next meeting

Tuesday, August 1st, 2017 in the City Hall Common Council Chambers. The start time for the meeting is yet to be determined.

VI. Adjournment

Motion (Willman/Schroeder) to adjourn. Carried. Adjourned at 5:03 P.M.

City of Merrill
Joint Meeting of Redevelopment Authority (RDA) and
Committee of Whole (COW)

Tuesday, June 13th, 2017 at 6:00 p.m.
City Hall Common Council Chambers

- RDA Present: Bill Bialecki, Ryan Schwartzman, Tim Haight, Jill Laufenberg, and Tony Kusserow
- RDA Absent: Clyde Nelson and Karen Karow (Excused)
- COW Present: Bill Bialecki, Ryan Schwartzman, Kandy Peterson, Pete Lokemoen, Paul Russell, John Burgener, Rob Norton, and Tim Meehean
- COW Absent: Mary Ball (Excused)
- Others: City Clerk Bill Heideman, City Attorney Tom Hayden, Finance Director Kathy Unertl, Public Works Director Rod Akey, City Building Inspector Darin Pagel, Street Superintendent Dustin Bonack, Ken Maule from Lincoln County Economic Development Corp. (LCEDC), Gene Bebel, Scott Kwiecinski from Horizon Development Group, and Jeremy Radliff from FotoNews/Courier

Call to Order: Bialecki called the meeting to order at 6:00 p.m.

Public Comment: None.

Notification of Weinbrenner Shoe Company intent to purchase factory property subject to lease agreement:

City Attorney Hayden reported that the Weinbrenner Shoe Factory has provided written notice of intent to exercise their option to purchase the factory property pursuant to the 1993 lease agreement. Documentation has been provided as to Weinbrenner's maintenance improvements of over \$400,000. The 1993 lease established purchase price of \$234,300 less maintenance improvements, but not less than \$10.00.

Motion (Meehean/Burgener) to recommend sale of the factory property to Weinbrenner Shoe Company for \$10.00 per the 1993 lease provisions. Carried.

Consider request from Horizon Development Group, Inc. to extend authorization for TID No. 10 development agreement and sale of the City-owned property into 2018:

Bialecki reported that Horizon was not awarded 2017 WHEDA tax credits for the proposed 60 unit housing development on the former Fox Point site. Scott Kwiecinski from Horizon Development Group advised that tax credits likely would have been awarded if the housing application had been submitted in the Rural Set Aside category. That tax credit category is limited to maximum of 40 housing units. For the proposed new WHEDA tax credit application, Kwiecinski proposed two phase project – Phase 1 of 40 units and future Phase II of 24 units. Russell distributed proposed site layout for Prairie View Townhomes.

Lokemoen commented that a new PUD (Planned Unit Development) zoning would be needed. Bialecki and City staff advised that consideration of new PUD zoning would be an offer to purchase contingency.

Kwiecinski advised that first deadline is grant application to Federal Home Loan Bank which is due June 16th. One key application criteria is having site control through a revised offer to purchase. As far as WHEDA tax credits, the application timeframe has been moved up to December 2017 and award notification should occur in February 2018. This would allow for construction to start by the end of 2018.

Bialecki requested Finance Director Unertl to highlight her fiscal memo and background information. Unertl noted that the base valuation for TID No. 10 at creation was \$333,200 (i.e. \$8,957 in property taxes) and that no tax increment into TID No. 10 will be generated until over this base valuation.

Two conceptual fiscal spreadsheets prepared by Unertl were included in the agenda packet – one version with just forty units which would have annual negative TID No. 10 cash flow and the second version with an additional twenty-four units which would generate positive annual TID No. 10 cash flow once constructed. Merrill Area Housing Authority (MAHA) Executive Director Paul Russell has committed to PILOT (Payment in lieu of property taxes) from MAHA to cover any annual deficits, as well as special assessment contributions for streetlight improvements.

Haight asked how soon the proposed Phase 2 addition units would be constructed. Russell committed on behalf of MAHA for market-rate housing construction by 2020 even if unsuccessful in obtaining WHEDA tax credits for these additional 24 units.

Unertl asked for update on the Horizon contingency to conduct a market study by March 3, 2017 related to potential demand for 60 units of housing. Unertl noted that there were more two and three bedroom units being proposed for the Phase 1 – forty unit development. Kwiecinski noted that the unit size configuration had been changed and that the market analysis is being updated. Russell reported on MAHA information on affordable housing needs of over two hundred units. The last new family housing was constructed in 1979.

Consider request from Horizon Development Group, Inc. (Continued):

Meehean asked about WHEDA scoring compared between the different programs. Kwiecinski reported that the same scoring would be used for 2018 tax credit awards. Other developers would also be retooling their development projects, so there is no guarantee for successful 2018 WHEDA tax credits in the Rural Set Aside category.

Kwiecinski reported that the Fox Point site scores well on the WHEDA tax credit criteria although the walkability score was not high. WHEDA representatives have reviewed the Fox Point site and had positive comments. The Park Place WHEDA tax credit process took two applications.

Meehean commented that the City should consider issuing another Request for Proposal (RFP) to see if additional development interest. Lokemoen questioned what is in it for us and whether there is a demand for housing. Russell reported that MAHA has waiting list of over forty from Lincoln County for family housing and another forty whom currently live elsewhere.

Kusserow asked if there were other things that would improve the ranking. Kwiecinski from Horizon emphasized that additional City financial participation (such as through a loan) would provide additional scoring points. Haight noted that the other housing developer had requested \$250,000 of TIF development incentive in addition to the property at no cost.

Redevelopment Authority (RDA) Action:

Motion (Schwartzman/Laufenberg) to recommend extension of TID No. 10 development agreement and sale of the City owned property to Horizon Development Group into 2018 contingent upon Payment in lieu of Taxes (PILOT) from Merrill Area Housing Authority (MAHA) for any annual TID No. 10 deficits and subject to Planned Unit Development (PUD) zoning approval. Carried. RDA Commissions also requested MAHA to provide timeframe for proposed Phase 2 – 24 unit development.

Committee of Whole Action:

Mayor Bialecki reported that Alderperson Russell would be abstaining.

Motion (Schwartzman) to concur with the RDA recommendation. Since there was no second to the motion, no further consideration occurred.

Adjournment: Motion (Burgener/Meehean) to adjourn at 6:57 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

City of Merrill
Joint Meeting of Redevelopment Authority (RDA)
and Committee of Whole (COW)

Tuesday, June 27th, 2017 at 6:00 p.m.
City Hall Common Council Chambers

- RDA Present: Bill Bialecki, Ryan Schwartzman, Tim Haight, Jill Laufenberg, Tony Kusserow, Clyde Nelson and Karen Karow
- RDA Absent: None
- COW Present: Bill Bialecki, Ryan Schwartzman, Kandy Peterson, Mary Ball, Paul Russell, John Burgener, Rob Norton, and Tim Meehean
- COW Absent: Pete Lokemoen (Excused)
- Others: City Clerk Bill Heideman, City Attorney Tom Hayden, Finance Director Kathy Unertl, Public Works Director Rod Akey, City Building Inspector Darin Pagel, Ken Maule from Lincoln County Economic Development Corp. (LCEDC), Gene Bebel, and Lori Anderson Malm

Call to Order: Bialecki called the meeting to order at 6:00 p.m.

Consider approval of meeting minutes from June 13th, 2016:

Motion (Laufenberg/Schwartzman) to approve the joint RDA-COW meeting minutes from June 13th, 2016. Carried with corrections of COW Absent listing instead of RDA Absent and noting that Mary Ball was excused.

Public Comment: None.

Consider sale of Fox Point site (TID No. 10) to the Merrill Area Housing Authority (MAHA):

The Merrill Area Housing Authorizing (MAHA) is interested in proceeding with market-rate Phase I multi-family housing development rather than delaying development until potential WHEDA tax credits awarded as proposed by Horizon Development Group, Inc.

Unertl highlighted overview of proposed terms for sale of the Fox Point site to MAHA and potential TID No. 10 cash flow projections. MAHA Executive Director Paul Russell indicated that proposed start of new construction could be as soon as spring 2018. Meehean noted need for hiring a construction manager, developing State-approved construction plans, and obtaining project financing.

Consider sale of Fox Point site (TID No. 10) to the MAHA - continued:

Schwartzman asked whether issuing another Request for Proposals (RFP) is required. City Attorney Hayden responded that not required. In August 2016, there were two RFP responses received from Horizon Development Group, Inc. (with planned MAHA management services and proposed ownership after the tax credit period) and from S. C. Swiderski LLC.

Discussion focused upon proposed construction/ready for occupancy timeframe and that needed to be earlier than preliminary August 31st, 2021 concept proposal which focused upon TID No. 10 cash flow requirements. Meehean requested further information on proposed construction timeframes and details of the PILOT (Payment in lieu of property taxes).

RDA Commissioners Karow and Laufenberg expressed support for proposed sale of the Fox Point site to MAHA. Haight emphasized need for faster proposed construction timeframe. Bialecki noted that housing owned by MAHA keeps the rental income/maintenance expenditures within the Merrill community. Bialecki added that the last affordable family housing development was constructed in 1979.

RDA motion (Laufenberg/Schwartzman) to recommend sale of the Fox Point property to Merrill Area Housing Authority (MAHA) for proposed \$200,000 price with details of the development timeframe and PILOT terms to be finalized. Carried unanimously.

COW motion (Meehean/Norton) to negotiate agreement with the Merrill Area Housing Authority (MAHA). Carried 5-1 with Russell abstaining and Ball voting no.

Overview of City of Merrill TIF-supported developments and discussion of potential use of “claw back” provisions:

At the April 26th, 2017 Common Council meeting, there was request to review potential use of “claw back” provisions within future TID development agreements. Unertl highlighted two previous City agreements with specific assessment valuation or job creation provisions. City generally does “pay-as-you-go” TID cash development incentive paid over multi-years after the development has been completed.

Meehean expressed support for including potential “claw back” provisions. Unertl advised that City Clerk-Treasurer staff will be assisting in documenting job creation information to go with the assessment valuation data.

The agenda packet background information included historical TID valuation information by TID District, as well as annual tax increment generated. There will be \$915,232 generated in tax increment for 2017 TID expenditures. With the improvements within the Pine Ridge Plaza (for Church Mutual Insurance and for Ministry Medical Clinic), the tax increment from TID No. 4 has increased from about \$26,000 in 2016 to almost \$220,000 in 2017. Based upon 1/1/2017 assessments, there will be increased 2018 tax increment generated for TIDs No. 3 and No. 4.

Review and discuss status of available industrial property in City of Merrill:

Merrill Area Development Corp (MADC) only has one 7.28 acre vacant site available in the Highway 107 industrial park. There have been two recent requests for potential manufacturing/business park parcels – for 50 acres and for 15 acres. Transportation access to US Highway 51 corridor is key location decision-making criteria.

Unertl highlighted agenda packet background information comparing City of Merrill with City of Wausau, Village of Weston, and Portage County Business Park. Unertl also noted that there is even a highly visible business park in Village of Amherst adjacent to US Highway 10.

Specific potential east side industrial/business park location will be discussed in closed session. Unertl reported that the cash flow from TID No. 4 would be able to fiscally support acquisition of vacant land.

RDA meeting: Next RDA meeting is scheduled for Tuesday, August 8th at 6:00 p.m. which will include public hearings on proposed TID No. 12 (Weinbrenner) creation and TID No. 8 boundary and plan amendment.

Bialecki read the following notice:

The RDA and Committee of Whole 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 authorization for potential acquisition of property for new east-side industrial/business park (Proposed TID No. 4 financing)
- b. Potential purchase of properties and potential TIF development incentives in TID No. 3 and TID No. 4 to facilitate new commercial developments

Motion (Schwartzman/Meehean) to move to closed session. Motion carried on 7-0 on RDA roll call vote and 6-1 (with Norton voting No) on Committee of Whole roll call vote at 6:55 p.m.

There was extensive review and discussion on above items in closed session. City staff will be following up on potential property acquisitions and TID development agreements. A petition for direct annexation is needed as the first step for development of new east side industrial/business park.

Adjournment: Motion (Burgener/Meehean) to adjourn at 7:45 p.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl



CITY OF MERRILL
HEALTH AND SAFETY COMMITTEE
MINUTES • MONDAY JUNE 26, 2017

Regular Meeting**City Hall Council Chambers****5:00 PM****I. Call to Order**

Alderswoman Peterson called the meeting to order at 5:00 P.M.

Attendee Name	Title	Status	Arrived
Kandy Peterson	Aldersperson - Fourth District	Present	
Mary Ball	Aldersperson - Sixth District	Present	
Paul Russell	Aldersperson - First District	Present	

Also in attendance: Police Chief Corey Bennett, Fire Chief Dave Savone, Deputy Health Officer Norbert Ashbeck, Holly Maron and City Clerk Bill Heideman.

II. Nuisance Complaints and Vouchers:**1. Nuisance Complaints**

The nuisance complaint report was in the meeting packet.

Deputy Health Officer Ashbeck reported on the following cases:

East First Street: A complaint signed by 15 neighbors has been filed. Building Inspector/Zoning Administrator Page is working on this case.

Memorial Drive: Alderman Russell reported that the builder has prepared a plan to address and achieve compliance with concerns related to this case.

Martin Street: Police Chief Bennett reported that this case has been resolved.

Riverside Avenue: The owner has addressed the issues, and Building Inspector/Zoning Administrator Pagel has determined that this case has achieved compliance.

Deputy Health Officer Ashbeck also reported that he has received several complaints related to lawns not being mowed. He has referred these complaints to the Street Department.

2. Vouchers

The vouchers were in the meeting packet. Fire Chief Savone answered a question related to the vouchers.

Motion (Russell/Ball) to approve.

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

1. Applications from Merrill Fastpitch for three temporary Class "B" (picnic) licenses to sell fermented malt beverages in the concession stands and the softball field stands at the Merrill Area Recreation Complex (MARC), 1100 MARC Drive, during the annual Merrill Fastpitch Tournament, July 21-23, 2017.

Motion (Ball/Russell) to approve.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 7/11/2017 7:00 PM
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2. Any other license application(s)

None.

IV. Other agenda items to consider:

1. Request from Humphery's Pub, 500 West Main Street, for a premises extension to sell alcoholic beverages on Genesee Street, from Main Street to the southern edge of the alley, from 5 P.M. to midnight, on Crazy Daze, Thursday, August 10th, 2017. Outdoor music would also be allowed from 7:00 P.M. to 11:00 P.M. that night.

Police Chief Bennett reported that he has no concerns with the application as submitted.

Motion (Russell/Ball) to approve.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 7/11/2017 7:00 PM
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2. Merrill Housing Authority request and Police Chief recommendation related to Park Place tenant parking near Park Place during the upcoming construction (anticipated start date of July 1, 2017).

Alderman Russell distributed an updated overhead map of the area being considered. A maximum of 10 parking spaces is being requested.

Police Chief Bennett requested that he be authorized to install temporary signage as necessary during the construction period.

Motion (Ball/Russell) to approve the request, as submitted.

RESULT:	APPROVED
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V. Monthly Reports:

1. Fire Chief Savone

The report was in the meeting packet.

Fire Chief Savone reported that a \$4,200 Hazmat grant and a \$2,500 grant to purchase air packs have been awarded to the Fire Department.

Fire Chief Savone distributed a report on the Community Care Paramedic program approved recently. He then provided verbal information on the status/progress of that program.

2. Police Chief Bennett

The report was in the meeting packet.

Police Chief Bennett noted that the number of arrests had increased. He added that this is typical during the summer months. He then provided additional statistical information related to his report.

The Police Department is currently evaluating three potential major equipment purchases.

3. Lincoln County Humane Society

The report was in the meeting packet.

4. Consider placing monthly reports on file

Motion (Ball/Russell) to place the monthly reports on file.

RESULT: PLACED ON FILE

VI. Establish date, time and location of next regular meeting

Monday, July 24th, 2017 at 5:00 P.M. in the City Hall Common Council Chambers.

VII. Public Comment Period

Holly Maron introduced herself and explained that she was working on a school project related to Community Health. Committee members and staff offered her the names of several people who could provide her with input/information for her project.

VIII. Adjournment

Motion (Ball/Russell) to adjourn. Carried. Adjourned at 5:35 P.M.

MERRILL AREA HOUSING AUTHORITY
PUBLIC HOUSING
PARK PLACE & WESTGATE
BOARD OF COMMISSIONERS
MEETING MINUTES

Regular Meeting

Tuesday, May 16, 2017

Main Office 7:30 AM

PRESENT: Jim Erno Chair, Paul Wagner Vice Chair, Nancy Kwiesielewicz, Kevin Cohrs, Rob Norton Ex-Officio, Paul Russell, and Lynn Ross

ABSENT: Jill Laufenberg

Call to Order: Chairman Jim Erno called the meeting to order at 7:29am. Motion to excuse Jill Laufenberg (Cohrs/Kwiesielewicz). Motion carried

Public Comment Period: None

Approval of April 11, 2017 Meeting Minutes: Motion to approve (Cohrs/Kwiesielewicz). Motion carried

Approval of Billing/Check Expenditures for April: Paul Russell briefed the commissioners on larger payments issued to vendors. Motion to approve (Wagner/Cohrs). Motion carried

Move-in/Move-out report for April: Commissioners would like to see notes added to further support the # of days vacant. Motion to approve (Wagner/Kwiesielewicz). Motion carried

Park Place Westgate LLC Decisions – Closed Session: Motion to enter closed session at 7:39am (Cohrs/Wagner). Motion carried. The Board may convene in Closed Session pursuant to Wisconsin State Statutes 19.85(1)(e) Deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. *The minutes from this closed session will be filed separately and confidentially.* The committee reconvened in open session at 8:28am (Wagner/Cohrs) Motion Carried. Motion to approve the amended Resolution 420 Allocation of Jenny Tower Additional Reserves for Park Place Redevelopment (Wagner/Cohrs). Motion carried

For the Good and Betterment of the Public Housing Program:

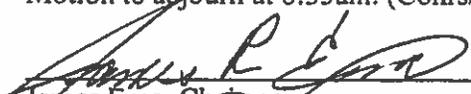
A. Commissioner Items/Comments: None.

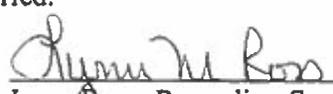
B. Executive Director's Items/Comments:

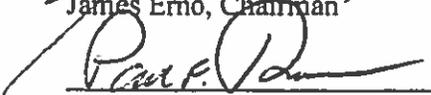
- i. Park Place RAD Conversion Project Milestones: Tenants have selected a name for 38 Unit Apartment building; Stonebridge Apts. Commissioners would like an announcement in the Foto News.
- ii. Health, Morale, and Welfare: Addressed complaints on housekeeping items at Westgate, overall appearance of Park Place being addressed, steady tenant appointments, and having a meeting with the ADRC regarding the future of the meal program.

Next meeting date: Tuesday, June 20, 2017 at 7:30am (Main Office, 101 E. First Street, Merrill, WI)

Motion to adjourn at 8:33am. (Cohrs/Wagner). Motion carried.


James Erno, Chairman


Lynn Ross, Recording Secretary


Paul Russell, Executive Director

MERRILL AREA HOUSING AUTHORITY
SECTION 8 NEW CONSTRUCTION
JENNY TOWERS AND FAMILY HOUSING
BOARD OF COMMISSIONERS
MEETING MINUTES

Regular Meeting

Tuesday, May 16, 2017

Main Office 8:34AM

PRESENT: Jim Erno Chair, Paul Wagner Vice Chair, Nancy Kwiesielewicz, Kevin Cohrs, Rob Norton Ex-Officio, Paul Russell, and Lynn Ross

ABSENT: Jill Laufenberg

Call to Order: Chairman Jim Erno called the meeting to order at 8:34am. Motion to excuse Jill Laufenberg (Wagner/Kwiesielewicz). Motion carried

Public Comment Period: None

Approval of April 11, 2017 Meeting Minutes: Motion to approve (Kwiesielewicz/Cohrs). Motion carried

Approval of Billing/Check Expenditures for April: Paul Russell briefed the commissioners on larger payments issued to vendors. Motion to approve (Wagner/Kwiesielewicz). Roll Call - Motion carried

Move-in/Move-out report for April: Motion to approve (Wagner/Cohrs). Motion carried

Discussion on ED 2017 benefits & project budgets/investments – Closed Session: Motion to enter closed session at 8:42am and excuse Paul Russell and Lynn Ross (Wagner/Cohrs). Motion carried. The Board may convene in Closed Session pursuant to Wisconsin State Statutes 19.85(1)(c) Considering employment, promotion, compensation, or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility. The board may convene in Closed Session pursuant to Wisconsin State Statutes 19.85 (1)(c) Deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session. *The minutes from this closed session will be filed separately and confidentially.* The committee reconvened in open session at 9:01am (Wagner/Kwiesielewicz) Motion Carried. Motion to approve Executive Director pay increase of retro to anniversary date (Wagner/Cohrs). Roll Call - Motion carried

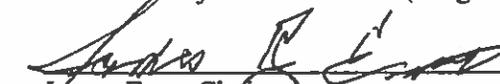
Approve Report on Investments: Motion to approve (Wagner/Kwiesielewicz) – Motion carried

For the Good and Betterment of the Public Housing Program:

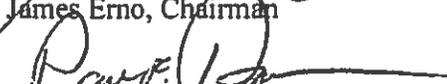
- A. Commissioner Items/Comments: Paul Wagner reported on a meeting that Paul Russell and Lynn Ross attended with ARC Document Solutions regarding the electronic scanning of permanent documents. Jim Erno mentioned about streamlining the meetings to keep them from exceeding an hour as commissioners have work obligations.
- B. Executive Director’s Items/Comments:
 - i. Health, Morale, and Welfare: No updates

Next meeting date: Tuesday, June 20, 2017 at 7:30am (Main Office, 101 E. First Street, Merrill, WI)

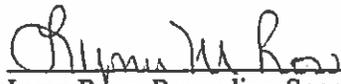
Motion to adjourn at 9:20am. (Wagner/Kwiesielewicz). Motion carried.



 James Erno, Chairman



 Paul Russell, Executive Director



 Lynn Ross, Recording Secretary

JUNE MEETING MINUTES

Merrill Enrichment Center Committee

Meeting was held on Wednesday June 28th, 2017 at 8:00 a.m.

At 303 N. Sales Street

Present: Rev. Kyle Carnes (Chair), Rose Akey, Mary Ball (Aldersperson) Gene Bebel, Diane Goetsch, Erin Wells (ADRC Representative)

Absent: Art Lersch, S. Peggy Jackelen

1. Opening

- a. Carnes called the meeting to order after a tour of the facility was complete.

2. Consent Items

- a. Motion made by Ball, second by Bebel to approve May minutes. Motion carried.
- b. Motion made by Ball, second by Bebel to approve May/June vouchers. Motion carried.

3. Public Comment - none

4. Director discussed upcoming events

- a. Ribbon Cutting July 12th at 1pm
- b. Grand Opening August 22nd at 4pm – Optimists Pasta Bowl fundraising event. Committee recommended an open invitation to the public which will be done for both events.

5. Discussion

- a. SOAR analysis was not discussed and will be on July's meeting agenda. Committee recommended getting a hard copy of this analysis to all Committee's members. Director will ask Bill Heideman for direction on this.

6. Adjournment

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

Next meeting will be held on July 19th at 8am. *(Please note this is the third Wednesday rather than the fourth, due to the fair).*

Vouchers will be available for review 15 minutes prior to meeting time.

Respectfully submitted,

TMrachek

Tammie Mrachek

MACEC Director

Enrichment Center Mission Statement: Dedicated to Enhancing Lives and Bringing Generations Together



CITY OF MERRILL
PERSONNEL AND FINANCE COMMITTEE
MINUTES • TUESDAY JUNE 27, 2017

Regular Meeting

City Hall Council Chambers

5:00 PM

I. Call to Order

Alderman Schwartzman called the meeting to order at 5:00 P.M.

Attendee Name	Title	Status	Arrived
Ryan Schwartzman	Aldersperson - Third District	Present	
Tim Meehean	Aldersperson - Eighth District	Present	
Paul Russell	Aldersperson - First District	Present	

Also in attendance: City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Alderwoman Kandy Peterson, Alderwoman Mary Ball (arr. 5:15), Kortney Pike, Roger Drewek, Lara Millis, Diane Wais, Duane Pfister, Lori Anderson-Malm and City Clerk Bill Heideman.

Alderman Schwartzman requested that he be authorized to change the order of agenda items. He is making this request to ensure that certain agenda items are addressed prior to 6:00 P.M., the scheduled start time for a Committee of the Whole/Redevelopment Authority meeting. Without objection, it was so ordered.

II. Vouchers:

1. Vouchers

The vouchers were in the meeting packet. Finance Director Unertl answered questions related to the vouchers

Motion (Meehean/Russell) to place on file.

RESULT:	PLACED ON FILE
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III. Agenda items for consideration:

1. Consider request to write-off Personal Property Tax Bill (total of \$235.20) for Heritage House, 1601 East Tenth Street.

Motion (Meehean/Russell) to approve.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 7/11/2017 7:00 PM
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2. Discussion and potential action(s) on Wisconsin Professional Police Association (WPPA) bargaining request.

City Administrator Johnson reported that the Wisconsin Professional Police Association (WPPA) has submitted a letter requesting the opening of contract negotiations.

Motion (Meehean/Russell) to authorize commencing the bargaining process.

RESULT: APPROVED

3. Update on Lincoln County delinquent tax foreclosure issue.

Finance Director Unertl reported on the continuing efforts of Lincoln County to streamline the delinquent tax foreclosure process.

No action was necessary, requested or taken.

4. Review and discuss plan of action related to employee disability retirement request.

Finance Director Unertl reported that an employee has submitted a request for a disability retirement.

Motion (Meehean/Schwartzman) to proceed with, per the City policy, the necessary steps involved in the disability retirement process.

RESULT: APPROVED

5. Ordinance amending Code of Ordinances Chapter 2, Article VII, Section 2-191, related to hiring of relatives.

Motion (Meehean/Schwartzman) to approve.

RESULT: APPROVED & SENT TO COUNCIL **Next: 7/11/2017 7:00 PM**

6. Continue consideration of Personnel Policies/Handbook revisions.

Discussion was held on the minimum number of weekly work hours necessary to be considered a full-time employee. Currently, employees working between 30 and 39 hours per week are given prorated benefits.

It was reported that the portions of the manual related to the State and Federal Family and Medical Leave Acts (FMLA) are still being rewritten.

Section 6-10 (Longevity) was discussed. Currently, some employees are receiving annual longevity bonuses. No changes to this section were proposed or made.

City Administrator Johnson suggested that in Section 17 (Discipline and Grievance), the names of the four steps in the disciplinary process should be changed to verbal, written, suspension and termination.

Alderman Meehan suggested that Fair Labor Standards Act (FSLA) rules be followed when calculating overtime pay. Discussion was then held on whether employees are eligible for overtime pay if they use a vacation day during the week, but are then are called in to work on the following weekend. No decision was made.

Finance Director Unertl noted that Section 14-5 will be updated to reflect the current amounts related to Group Health Insurance.

Diane Wais reported that the one chapter of the manual is still being rewritten, so it has not yet been distributed.

No official action on any portion of the manual was taken at this time.

7. Consider vacation accrual/payout policies.

Finance Director Unertl provided information on changes that made to the vacation accrual method in 2008. At that time, the City changed to a method which accrues leave on a monthly basis, as earned. This process replaced a lump sum method which recorded the previous year earned leave on January 1st of the following year.

Alderman Meehean suggested that an internal survey be conducted to help evaluate whether employees prefer the current method, or whether they would rather reinstall the previous accrual method. He then suggested that, after a decision is made regarding the accrual method, the issues related to excess vacation accrual/carryover will need to be addressed.

No action was taken at this time.

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.

5. City Administrator Johnson

The report was in the meeting packet.

6. Consider placing monthly reports on file

Motion (Meehean/Russell) to place the monthly reports on file.

RESULT: PLACED ON FILE

V. Establish date, time and location of next regular meeting

Tuesday, July 25th, 2017 at 5:00 P.M. in the City Hall Common Council Chambers.

VI. Public Comment Period

None.

VII. Adjournment

Motion (Meehean/Russell) to adjourn. Carried. Adjourned at 5:56 P.M.

A handwritten signature in blue ink, appearing to read "W. Meehean", is written over the text of the adjournment motion.



CITY OF MERRILL
WATER & SEWAGE DISPOSAL COMMITTEE
MINUTES • WEDNESDAY JUNE 28, 2017

Regular Meeting

City Hall Council Chambers

5:00 PM

I. Call to Order

Alderswoman Peterson called the meeting to order at 5:00 P.M.

Attendee Name	Title	Status	Arrived
Kandy Peterson	Aldersperson - Fourth District	Present	
John Burgener	Aldersperson - Fifth District & President	Present	
Rob Norton	Aldersperson - Seventh District	Present	

Also in attendance: City Administrator Dave Johnson, Utility Operations Manager Gabe Steinagel, Public Works Director/City Engineer Rod Akey and City Clerk Bill Heideman.

II. Preliminary Items:

1. Vouchers

The vouchers were in the meeting packet.

Motion (Peterson/Burgener) to approve.

RESULT:	APPROVED
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III. Agenda items for consideration:

1. Update on Water SRC effective date of August 1, 2017 (instead of July 1st)

Utility Operations Manager Steinagel reported that, due to a delay in the submission to the Wisconsin Public Service Commission, the effective date for the 3% Simplified Water Case (SRC) increase will be August 1st, 2017 instead of July 1st, 2017.

This was on the agenda for informational and public awareness purposes only. No action was necessary, requested or taken.

2. Discussion & Recommendation on changes to Cross Connection Ordinance Sec. 38-81

Motion (Burgener/Peterson) to recommend approval and forward to the Common Council.

RESULT:	APPROVED & SENT TO COUNCIL	Next: 7/11/2017 7:00 PM
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3. Operations Report

The report was in the meeting packet. Utility Operations Manager Steinagel verbally reviewed the report.

IV. Public Comment Period

None.

V. Establish date, time and location of next meeting

Wednesday, July 26th, 2017 at 5:00 P.M. in the City Hall Common Council Chambers.

VI. Adjournment

Motion (Burgener/Peterson) to adjourn. Carried. Adjourned at 5:04 P.M.

A handwritten signature in blue ink, appearing to be "W. Peterson", is written over the text of the adjournment motion. The signature is stylized and includes a large loop at the end.

ZONING BOARD OF APPEALS MINUTES

July 5, 2017, 6:00 p.m.

PRESENT: Chairman Bill Schneider, Ron Burrows, Dean Haas, Dave Sukow and Zoning Administrator Darin Pagel.

Absent: Adam Rekau, Jim Koebe, Alderman Burgener

Motion to approve June 6, 2017 minutes Mr. Haas, second Mr. Burrow, carried.

Chairman Schneider read the meeting notice and explained procedure.

First item on agenda is Michael Klempke, variance request for lot coverage and setbacks for new building at 823 Superior Street.

Motion to open hearing Mr. Haas, second Mr. Burrow, carried.

The ZA explained the variance request. Mr. Klempke spoke in favor of the variance stating need for storage. No one to speak in opposition.

Motion to close hearing Mr. Sukow, second Mr. Haas, carried.

Motion to approve variance by Mr. Haas, second Mr. Burrow, motion carried unanimously.

With no other business, Motion to adjourn Mr. Sukow, second Mr. Burrow, carried.

Meeting adjourned 6:10pm

Darin Pagel, Recording Secretary.

CITY OF MERRILL

1004 EAST FIRST STREET
MERRILL, WI 54452-2586

AN ORDINANCE: By Personnel and Finance
Committee
Re: Amending Chapter 2, Article VII, Section 2-191
– Hiring of Relatives

ORDINANCE NO. 2017
Introduced: July 11, 2017
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 2, Article VII, Section 2-191 of the Code of Ordinances for the City of Merrill is hereby amended as follows:

Sec. 2-191. - Hiring relatives.

- (a) This section governs the proposed hiring of individuals for regular fulltime or parttime work as city employees who are members of the immediate family of city employees or elected officials. Excluded from the provisions of this section are seasonal or temporary employees. The term "immediate family" includes those relatives by blood or marriage defined in [section 2-184](#) as personal interests.
- (b) Members of immediate families may not be employed in a direct superior-subordinate relationship. When applicants who are relatives of the selecting official, are reached for appointment in the conventional manner, the selection should be deferred to the next higher administrative level. This policy is not for the purpose of depriving any citizen of an equal opportunity to City employment. It is solely to eliminate the possibility of preferential treatment in favor of relatives or to subject the employing authority to possible criticism. Nothing in this Ordinance affects persons so employed prior to its effective date. ~~Hiring an immediate family member of any current city employee or elected city official is discouraged and will be considered only if that individual has the knowledge and skills, experience or other job-related qualifications that warrant consideration for the position. It is required that either the current employee or the relative seeking employment will make the personal interest relationship known to the hiring authority (department head, city board or commission or common council) before a hiring decision is made; in every case, the decision to hire an immediate family member or former spouse will be subject to common council approval, with notice, before the new employee is permitted to begin work. Marriage between two~~

Attachment: Ordinance on hiring of relatives (2591 : Ordinance on hiring of relatives)

~~individuals already employed by the city or their relatives will not be considered a violation of this policy.~~

- (c) This section does not apply to nonelected officials who are asked to accept appointment as members of a city board, commission or committee; nonelected officials, however, will be expected to disqualify themselves from participation in matters under consideration which may affect the hiring, retention, classification or compensation of their immediate family, if currently employed or being considered for employment by the city.
(Code 1993, § 2-5-9)

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.

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.

Moved by: _____
 Adopted: _____
 Approved: _____
 Published: _____

Approved:

 William R. Bialecki,
 Mayor

Attest:

 William N. Heideman, City Clerk

Attachment: Ordinance on hiring of relatives (2591 : Ordinance on hiring of relatives)

CITY OF MERRILL
1004 EAST FIRST STREET
MERRILL, WI 54452-2586

AN ORDINANCE: By Water and Sewage Committee
Re: Amending Chapter 38, Article 2, Division 3,
Section 38-81 – Cross Connection Control

ORDINANCE NO. 2017-
Introduced: July 11, 2017
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 38, Article 2, Division 3, Section 38-81 of the Code of Ordinances for the City of Merrill is amended as follows:

• **Sec. 38-81 – Cross Connection Control.**

(b) Cross connections prohibited. No person, firm or corporation shall establish or permit to be established or maintain or permit to be maintained any cross connection. No interconnection shall be established whereby potable water from a private, auxiliary or emergency water supply other than the regular public water supply of the city may enter the supply or distribution system of said municipality, unless such private, auxiliary or emergency water supply and the method of connection and use of such supply shall have been approved by the Water Utility and by the state department of natural resources in accordance with Wis. Admin. Code § SPS 382~~NR 811.09(2)~~.

(c) Inspections. It shall be the duty of the water utility to cause inspections to be made of all properties served by the public water system where cross connections with the public water system is deemed possible. The frequency of inspections and reinspections based on potential health hazards involved shall be as established by the water utility and as approved by the state department of natural resources. Any unprotected cross connections identified by the inspection shall be corrected with 90 days. Failure to correct an unprotected cross connection within 90 days shall be sufficient cause for the water utility to discontinue water service to the property, as provided under subsection (f) of this ordinance.

(d) *Right to inspect.* Upon presentation of credentials, the representative of the water utility shall have the right to request entry at any reasonable time to examine any property served by a connection to the public water system of the city for cross connections. If entry is refused, such representative shall obtain a special inspection warrant under Wis. Stats. § 66.0119. On request the owner, lessee or occupant of any property so served shall furnish to the inspection agency any pertinent information regarding the piping system or systems on such property.

(e) *Discontinuation of service.* The water utility is hereby authorized and directed to discontinue water service to any property wherein any connection in violation of this section exists, and to take such other precautionary measures deemed necessary to eliminate any danger of contamination of the public water system. Water service shall be discontinued only after reasonable notice and opportunity for hearing

Attachment: Ordinance on Cross Connection Control (2574 : Change to Cross Connection Ordinance)

under Wis. Stats. ch. 68, except as provided in subsection (f) of this section. Water service to such property shall not be restored until the cross connection has been eliminated in compliance with the provisions of this section.

(f) *Immediate discontinuation.* If it is determined by the water utility that a cross connection or an emergency endangers public health, safety or welfare and requires immediate action, and a written finding to that effect is filed with the city clerk and delivered to the customer's premises, service may be immediately discontinued. The customer shall have an opportunity for hearing under Wis. Stats. ch. 68, within ten (10) days of such emergency discontinuance. Water service to such property shall not be restored until the unprotected cross connection has been eliminated.

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.

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.

Moved by: _____
Adopted: _____
Approved: _____
Published: _____

Approved: _____
William R. Bialecki, Mayor
Attest: _____
William N. Heideman, City Clerk

Attachment: Ordinance on Cross Connection Control (2574 : Change to Cross Connection Ordinance)

RESOLUTION NO. _____

A RESOLUTION APPROVING A CERTIFIED SURVEY MAP ON COUNTY ROAD G IN THE TOWN OF MERRILL BY MARK SKIC

WHEREAS, Mark Skic has applied for approval of a division of land by certified survey map pursuant to Code of Ordinances Sections 111-116 and 111-119 for land located in Lot Two of Certified Survey Map #1446, located in the Southwest ¼ of the Southeast ¼ of Section 6, township 31 North, Range 7 East, Town of Merrill, Lincoln County, Wisconsin; and,

WHEREAS, the application was referred to the City Plan Commission which considered the proposed division at a meeting on July 3, 2017; and,

WHEREAS, the City Plan Commission has recommended approval of the land division by certified survey map;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 11th day of July, 2017, that the proposed certified survey map presented by Mark Skic and prepared by Timothy G. Vreeland, Land Surveyor, of Vreeland Associates, Inc., involving Lot Two of Certified Survey Map #1446, located in the Southwest ¼ of the Southeast ¼ of Section 6, township 31 North, Range 7 East, Town of Merrill, Lincoln County, Wisconsin is hereby approved.

BE IT FURTHER RESOLVED, that the City Clerk is directed to so certify the approval of this certified survey map and return the original to the applicant together with a certified copy of this resolution.

Recommended by: City Plan Commission

CITY OF MERRILL, WISCONSIN

Moved: _____

William R. Bialecki
Mayor

Passed: _____

William N. Heideman
City Clerk

Attachment: Resolution on CSM in Town of Merrill for Mark Skic (2608 : Resolution on Certified Survey Map for Skic)

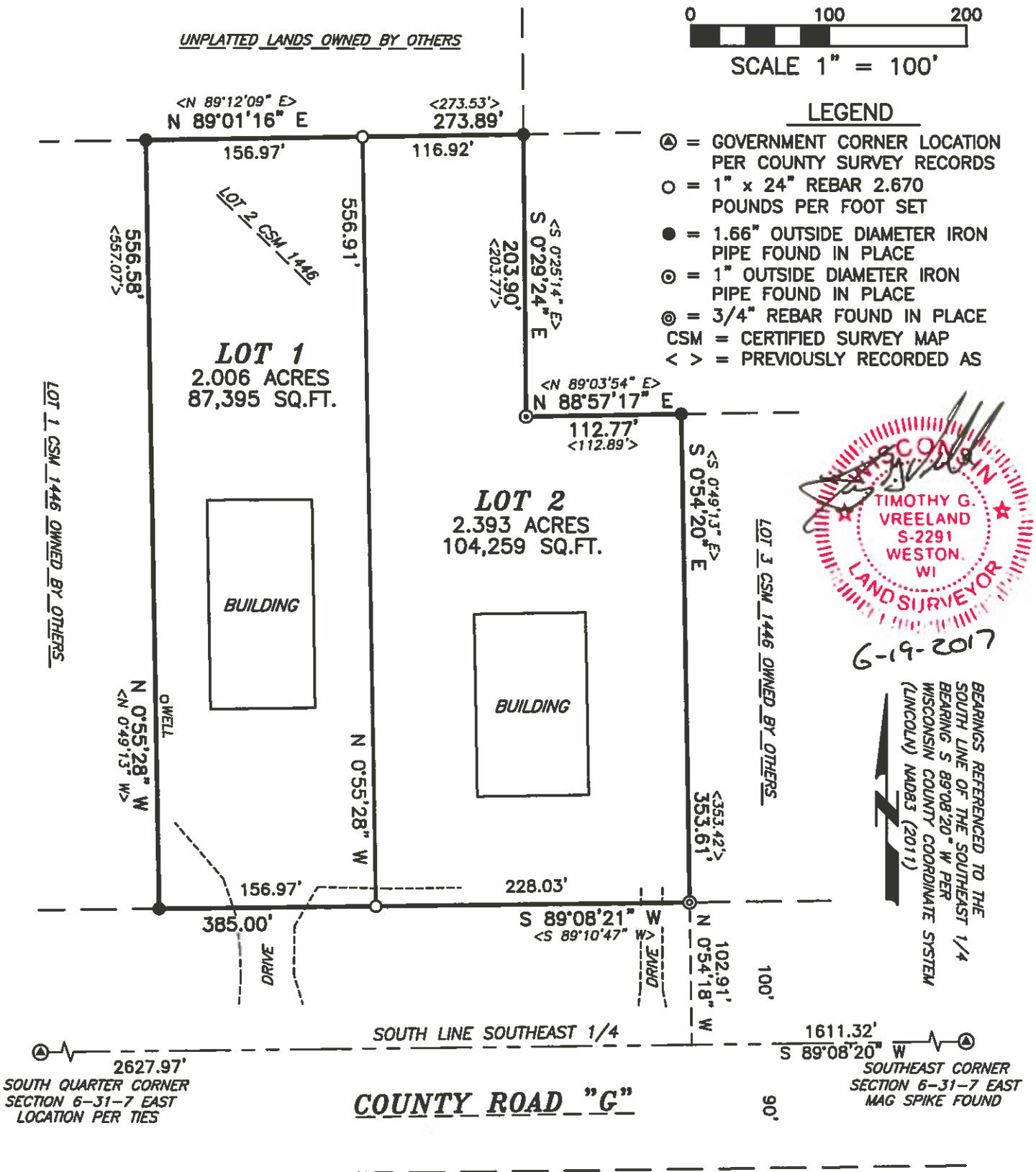
CERTIFIED SURVEY MAP

LINCOLN COUNTY NO. _____

LOT 2 OF CSM 1446, LOCATED IN THE
SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF
SECTION 6, TOWNSHIP 31 NORTH, RANGE 7 EAST,
TOWN OF MERRILL, LINCOLN COUNTY, WISCONSIN.

VREELAND ASSOCIATES, INC.	
6103 DAWN STREET WESTON, WI. 54476	
PH (715) 241-0947 OR TOLL FREE (866) 693-3979	
FAX (715) 241-9826 tim@vreelandassociates.us	
PREPARED FOR:	MARK SKIC
FILE #:	M-21 TAYLOR INSULATION
DRAFTED AND DRAWN BY: TIMOTHY G. VREELAND	

SHEET 1 OF 2 SHEETS



Attachment: CSM -Skic (2608 : Resolution on Certified Survey Map for Skic)

CERTIFIED SURVEY MAP

LINCOLN COUNTY NO. _____ VOL. _____ PAGE _____

LOT 2 OF CSM 1446, LOCATED IN THE SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 6, TOWNSHIP 31 NORTH, RANGE 7 EAST, TOWN OF MERRILL, LINCOLN COUNTY, WISCONSIN.

SHEET 2 OF 2 SHEETS

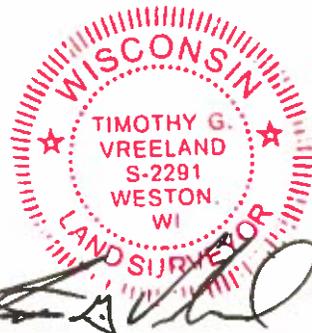
SURVEYORS CERTIFICATE

I, TIMOTHY G. VREELAND, PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT AT THE DIRECTION OF MARK SKIC, I SURVEYED, MAPPED AND DIVIDED ALL OF LOT 2 OF CERTIFIED SURVEY MAP NUMBER 1446, LOCATED IN THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 6, TOWNSHIP 31 NORTH, RANGE 7 EAST, TOWN OF MERRILL, LINCOLN COUNTY, WISCONSIN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 6; THENCE S 89°08'20" W ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER 1611.32 FEET; THENCE N 0°54'18" W 102.91 FEET TO THE NORTH LINE OF COUNTY ROAD "G" AND TO THE POINT OF BEGINNING; THENCE S 89°08'21" W ALONG THE NORTH LINE OF COUNTY ROAD "G" 385.00 FEET; THENCE N 0°55'28" W ALONG THE WEST LINE OF SAID LOT 2 556.58 FEET; THENCE N 89°01'16" E ALONG THE NORTH LINE OF SAID LOT 2 273.89 FEET; THENCE S 0°29'24" E ALONG THE EAST LINE OF SAID LOT 2 203.90 FEET; THENCE N 88°57'17" E ALONG THE NORTH LINE OF SAID LOT 2 112.77 FEET; THENCE S 0°54'20" E ALONG THE EAST LINE OF SAID LOT 2 353.61 FEET TO THE POINT OF BEGINNING. SUBJECT TO ALL EASEMENTS, RESTRICTIONS AND RIGHTS OF WAY OF RECORD AND USE.

THAT SUCH MAP IS A CORRECT REPRESENTATION OF ALL EXTERIOR BOUNDARIES OF THE LAND SURVEYED AND THE CERTIFIED SURVEY MAP THEREOF MADE.

THAT I HAVE FULLY COMPLIED WITH SECTION 236.34 OF THE WISCONSIN STATUTES, CHAPTER A-E 7 OF THE WISCONSIN ADMINISTRATIVE CODE AND THE LAND DIVISION ORDINANCE OF LINCOLN COUNTY AND THE TOWN OF MERRILL, ALL TO THE BEST OF MY KNOWLEDGE AND BELIEF IN SURVEYING, DIVIDING AND MAPPING THE SAME.



DATED THIS 19TH DAY OF JUNE, 2017

TIMOTHY G. VREELAND P.L.S. 2291

I, WILLIAM HEIDMAN, DULY ELECTED CITY CLERK, CITY OF MERRILL, HEREBY CERTIFY THE THE ABOVE CERTIFIED SURVEY WAS APPROVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN AT ITS REGULAR MEETING ON _____ BY RESOLUTION NO. _____

REVIEWED AND APPROVED FOR RECORDING BY LINCOLN COUNTY.

DATE: _____

LINCOLN COUNTY

Attachment: CSM -Skic (2608 : Resolution on Certified Survey Map for Skic)

RESOLUTION NO. _____

A RESOLUTION APPROVING A CERTIFIED SURVEY MAP ON SOUTH ALEXANDER STREET REQUESTED BY DENNIS AND KARLA YORDE

WHEREAS, Dennis and Karla Yorde have applied for approval of a division of land by certified survey map pursuant to Code of Ordinances Sections 111-116 for land located in part of the Southeast Quarter of the Northeast Quarter of Section 16, Township 31 North, Range 6 East, City of Merrill, Lincoln County, Wisconsin; and,

WHEREAS, the application was referred to the City Plan Commission which considered the proposed division at a meeting on July 3, 2017; and,

WHEREAS, the City Plan Commission has recommended approval of the land division by certified survey map;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 11th day of July, 2017, that the proposed certified survey map presented by Dennis and Karla Yorde and prepared by Jason J. Pflieger, of Northcentral Land Surveying, LLC, involving part of the Southeast Quarter of the Northeast Quarter of Section 16, Township 31 North, Range 6 East, City of Merrill, Lincoln County, Wisconsin is hereby approved.

BE IT FURTHER RESOLVED, that the City Clerk is directed to so certify the approval of this certified survey map and return the original to the applicant together with a certified copy of this resolution.

Recommended by: City Plan Commission

CITY OF MERRILL, WISCONSIN

Moved: _____

William R. Bialecki
Mayor

Passed: _____

William N. Heideman
City Clerk

Attachment: Resolution on CSM on Alexander for Yordes (2609 : Resolution on Certified Survey Map for Yordes)

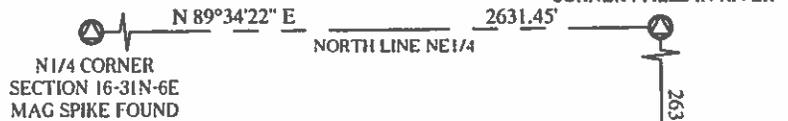
CERTIFIED SURVEY MAP

LINCOLN COUNTY NO. _____ VOL. _____ PAGE _____

NORTHCENTRAL LAND SURVEYING, LLC
 9703 TOWER ROAD WAUSAU, WI. 54403
 PHONE: 715-297-8343
 EMAIL: JASONPFLIEGER@GMAIL.COM
 DRAFTED & DRAWN BY: JASON J. PFLIEGER
 OWNER OF PROPERTY: HAROLD FOX
 SURVEY PREPARED FOR: DENNIS AND KARLA YORDE
 FILE NUMBER: 2017008 YORDE

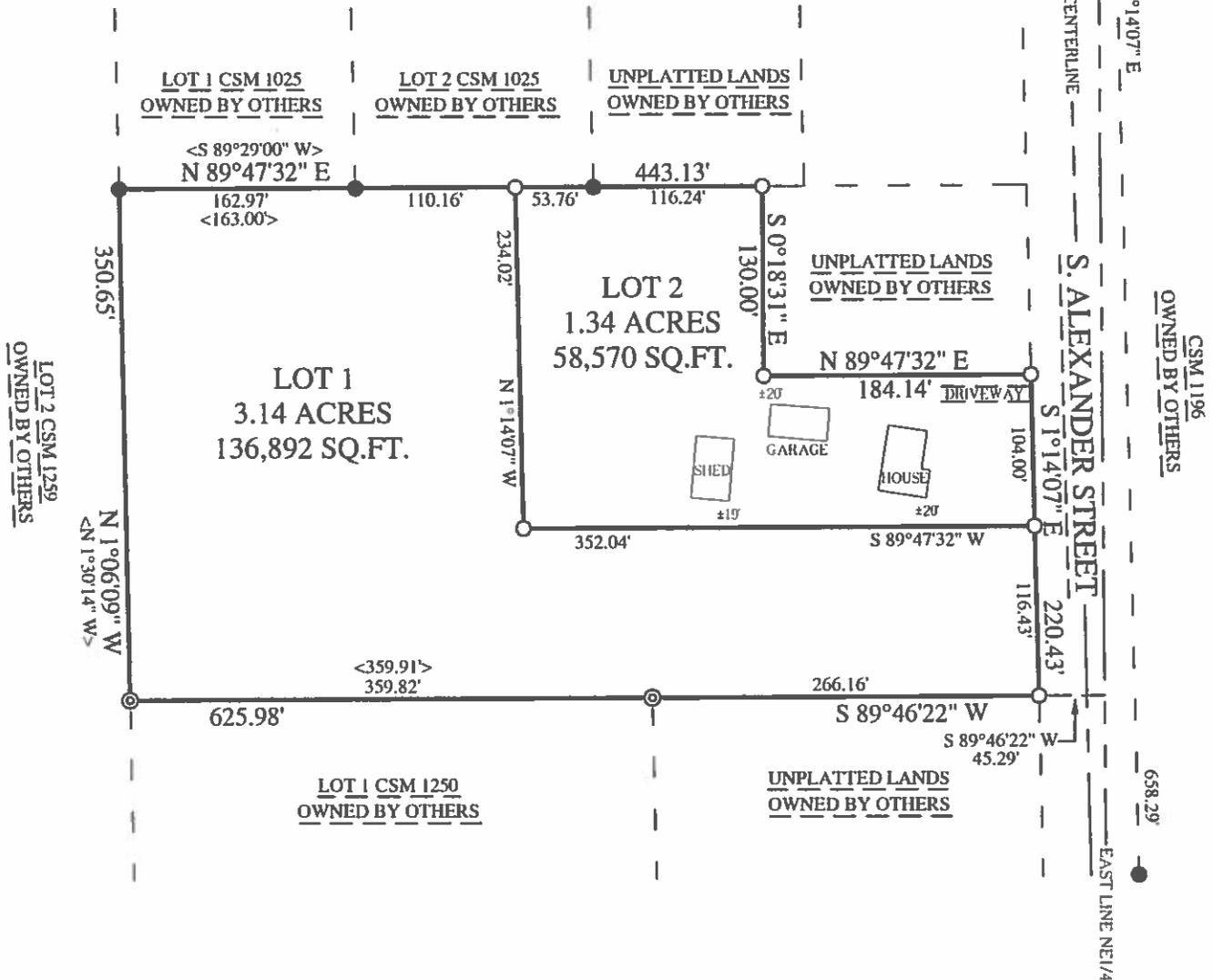
PART OF THE SE1/4 OF THE NE1/4 OF
 SECTION 16, TOWNSHIP 31 NORTH,
 RANGE 6 EAST, CITY OF MERRILL,
 LINCOLN COUNTY, WISCONSIN.

PAGE 1 OF 2



NOTES:

1. THE EAST LINE OF THE NORTHEAST QUARTER AND THE CENTERLINE OF SOUTH ALEXANDER STREET ARE NOT COMMON.
2. THE NORTHEAST CORNER OF SECTION 16 FALLS IN THE RIVER, POSITION WAS CALCULATED FROM SECTION SUMMARY OF SECTION 9 DATED 12-9-2002 BY S-2142.



LEGEND

- ⊙ = GOVERNMENT CORNER LOCATION PER COUNTY SURVEY RECORDS
- = 1.315" OD x 18" IRON PIPE 1.68lbs/ft SET
- ⊗ = 1.5" OD IRON PIPE FOUND
- = 3/4" REBAR FOUND
- < > = PREVIOUSLY RECORDED AS

BEARINGS REFERENCED TO THE
 EAST LINE OF THE NE1/4
 BEARING N 0°18'31" W PER
 WCCS(LINCOLN COUNTY) NAD83 (2011)



SCALE 1" = 120'



JJP
 6-27-17

Attachment: CSM - Yorde (2609) : Resolution on Certified Survey Map for Yordes

FIELDWORK COMPLETED 6-14-2017

CERTIFIED SURVEY MAP

LINCOLN COUNTY NO. _____ VOL. _____ PAGE _____

NORTHCENTRAL LAND SURVEYING, LLC
9703 TOWER ROAD WAUSAU, WI. 54403
PHONE: 715-297-8343
EMAIL: JASONPFLIEGER@GMAIL.COM
DRAFTED & DRAWN BY: JASON J. PFLIEGER
OWNER OF PROPERTY: HAROLD FOX
SURVEY PREPARED FOR: DENNIS AND KARLA YORDE
FILE NUMBER: 2017008 YORDE

PART OF THE SE1/4 OF THE NE1/4 OF SECTION 16, TOWNSHIP 31 NORTH, RANGE 6 EAST, CITY OF MERRILL, LINCOLN COUNTY, WISCONSIN.

PAGE 2 OF 2

SURVEYORS CERTIFICATE

I, JASON J. PFLIEGER, PROFESSIONAL LAND SURVEYOR, DO HEREBY CERTIFY THAT AT THE DIRECTION OF KARLA YORDE, I SURVEYED, MAPPED AND DIVIDED PART OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 16, TOWNSHIP 31 NORTH, RANGE 6 EAST, CITY OF MERRILL, LINCOLN COUNTY, WISCONSIN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST QUARTER CORNER OF SAID SECTION 16; THENCE N 0°18'31" W ALONG THE EAST LINE OF THE NORTHEAST QUARTER 780.87 FEET; THENCE S 89°46'22" W 45.29 FEET TO THE WEST LINE OF SOUTH ALEXANDER STREET AND TO THE POINT OF BEGINNING; THENCE CONTINUING S 89°46'22" W ALONG THE NORTH LINE OF CERTIFIED SURVEY MAP NUMBER 1250, 625.98 FEET; THENCE N 1°06'09" W ALONG THE EAST LINE OF LOT 2 OF CERTIFIED SURVEY MAP NUMBER 1259, 350.65 FEET; THENCE N 89°47'32" E ALONG THE SOUTH LINE OF LOTS 1 AND 2 OF CERTIFIED SURVEY MAP NUMBER 1025, 443.13 FEET; THENCE S 0°18'31" E 130.00 FEET; THENCE N 89°47'32" E 184.14 FEET TO THE WEST LINE OF SOUTH ALEXANDER STREET; THENCE S 1°14'07" E ALONG THE WEST LINE OF SOUTH ALEXANDER STREET 220.43 FEET TO THE POINT OF BEGINNING. SUBJECT TO ALL EASEMENTS, RESTRICTIONS, RESERVATIONS AND RIGHTS OF WAY OF RECORD AND USE.

THAT SUCH MAP IS A CORRECT REPRESENTATION OF ALL EXTERIOR BOUNDARIES OF THE LAND SURVEYED AND THE DIVISION AND THE CERTIFIED SURVEY MAP THEREOF MADE.

THAT I HAVE FULLY COMPLIED WITH SECTION 236.34 OF THE WISCONSIN STATUTES IN SURVEYING, MAPPING AND DIVIDING THE LANDS, CHAPTER A-E 7 OF THE WISCONSIN ADMINISTRATIVE CODE AND THE LAND DIVISION ORDINANCE OF THE CITY OF MERRILL, ALL TO THE BEST OF MY KNOWLEDGE AND BELIEF IN SURVEYING, DIVIDING AND MAPPING THE SAME.

DATED THIS 19TH DAY OF JUNE, 2017



 JASON J. PFLIEGER P.L.S. 3148-8



I, WILLIAM N. HEIDEMAN, DULY ELECTED CITY CLERK, CITY OF MERRILL, HEREBY CERTIFY THAT THE ABOVE CERTIFIED SURVEY WAS APPROVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN AT IT'S REGULAR MEETING ON _____ BY RESOLUTION NO. _____

WILLIAM N. HEIDEMAN

Attachment: CSM - Yorde (2609 : Resolution on Certified Survey Map for Yordes)

City of Merrill
Joint Meeting of Redevelopment Authority (RDA)
and Committee of Whole (COW)

Motion coming from Tuesday, June 27th, 2017 at 6:00 p.m.

Authorizing purchase of two Badger Portfolio, LLC parcels and authorizing TID No. 3 development agreement with TSI State Property LLC (Nelson's Power House):

Joint RDA-COW motion (Meehean/Ball) to authorize purchase of two Badger Portfolio, LLC parcels fronting on State Highway 64 and authorize TID No. 3 development agreement with TSI State Property LLC (Nelson's Power House).
Carried.

There are two separate resolutions implementing this motion on the Tuesday, July 11th Common Council agenda.

Prepared by: Finance Director/RDA Secretary Kathy Unertl

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING CITY OF MERRILL, WISCONSIN
PURCHASE OF TWO BADGER PORTFOLIO, LLC
(CONTINENTIAL PROPERTIES) TAX PARCELS**

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 3 on September 13, 2005 and amended the District boundaries on July 11, 2006, September 24, 2013, September 22, 2015, and April 26, 2017; and,

WHEREAS, State Highway 64 (East Main Street) is the gateway into the community from US Highway 51, has existing public infrastructure, and the City of Merrill acquired two adjacent small parcels at 2604 and 2606 East Main Street in 2016; and,

WHEREAS, Badger Portfolio, LLC owns a 15.572 acre parcel fronting on Thielman Street, which is located within TID No. 3, and will continue to operate the Whispering Pines mobile home community; and,

WHEREAS, the City of Merrill finds that the proposed commercial redevelopment of an approximately six and a half acre former residential area along State Highway 64 (East Main Street) near Memorial Drive serves a public purpose in accordance with State law; and,

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 11th day of July, 2017 to authorize the purchase of two tax parcels at amount not to exceed \$575,000.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are authorized to complete and sign any offer documents, agreements, or related paperwork required to facilitate the acquisition thereof.

Recommended by: Redevelopment Authority (RDA) & Committee of Whole

CITY OF MERRILL, WISCONSIN

Moved: _____

William R. Bialecki
Mayor

Passed: _____

William N. Heideman
City Clerk

City of Merrill - Potential Property Acquisition

Tax Increment District No. 3

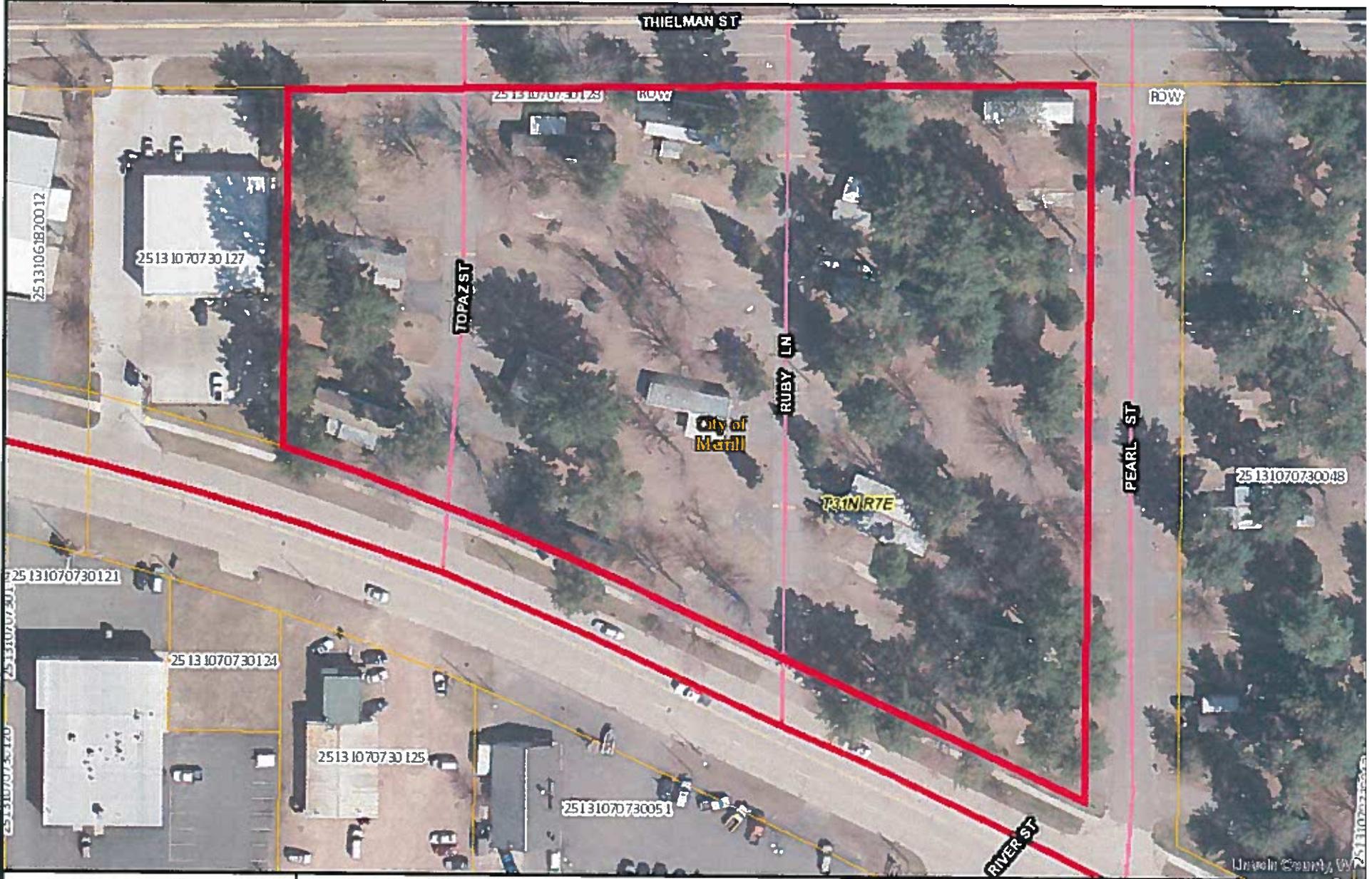
State Highway 64 frontage to Thielman Street (about 6.47 acres)

Proposed option to purchase two tax parcels in Whispering Pines Mobile Home Park
Mobile home park owned by Continental Communities (Oak Brook, IL)

PIN	Location	Ownership	Acres	2014 Assessment	2016 Assessment	Purchase Price
251-3107-073-0128	East of O'Reilly Auto	Badger Portfolio LLC	3.989	\$280,000	\$231,800	
251-3107-073-0048	Between Pearl/Gem Streets	Badger Portfolio LLC	2.479	\$152,000	\$150,200	
For clean site - potential closing in ninety (90) days						
			6.468	\$432,000	\$382,000	\$575,000
Per acre - clean site						\$88,899

Attachment: TID3 Res-Land Purchase (2623 : Resolution on purchase from Badger Portfolio)

Lincoln County Public Access Land Records Viewer



Attachment: TID3 Res-Land Purchase (2623 : Resolution on purchase from Badger Portfolio)

Author: Public
 Date Printed: 5/22/2017



The information depicted on this map is a compilation of public record information including aerial photography and other base maps. No warranty is made, express or implied, as to the accuracy of the information used. The data layers are a representation of current data to the best of our knowledge and may contain errors. It is not a legally recorded map and cannot be substituted for field-verified information. Map may be reproduced with permission of the Lincoln County Land Services Department. Errors should be reported to Land Services Department, 801 North Sales St, Merrill, WI, 54452. Copyright © 2015 Phone (715) 539-1049.

Lincoln County Public Access Land Records Viewer



Attachment: TID3 Res-Land Purchase (2623 : Resolution on purchase from Badger Portfolio)

Author: Public
 Date Printed: 5/22/2017



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RESOLUTION NO. _____

A RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MERRILL, WISCONSIN AND TSI STATE PROPERTY LLC (NELSON'S POWER HOUSE)

WHEREAS, the Common Council of the City of Merrill authorized a development agreement through Resolution No. 2460 on May 10, 2016 for a proposed site within Tax Increment District No. 8 that has been determined to be fiscally undevelopable due to environmental contamination; and

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 3 on September 13, 2005 and amended the boundary and TIF Plan to include the new proposed development area; and,

WHEREAS, TSI State Property LLC proposes construction of two new commercial buildings in the 2600 block of East Main St., which is located within TID No. 3; and,

WHEREAS, the City of Merrill finds that the proposed redevelopment and the fulfillment of the items and conditions of the attached Agreement are in the vital and best interest of the City of Merrill, Redevelopment Authority and City residents and serves a public purpose in accordance with State law; and,

WHEREAS, the City and TSI State Property LLC have negotiated the development agreement to include a site approximately one and half acre in size that is being purchased by the City of Merrill, and an incentive payment not to exceed \$125,000 to facilitate the construction of these new commercial buildings;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 11th day of July, 2017, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and TSI State LLC and to facilitate the implementation thereof.

Recommended by: Redevelopment Authority (RDA) and Committee of Whole

CITY OF MERRILL, WISCONSIN

Moved: _____

William R. Bialecki
Mayor

Passed: _____

William N. Heideman
City Clerk

City of Merrill - Projected Tax Increment for A Taylor Statigic Industries LLC						
East Side - TID No. 3						
Proposed location for:						
Nelson's Power House (East of O'Reilly Auto - 2600 block of East Main St.)						
PIN 251-3107-073-0128 - Now part of Badger Portfolio LLC's Whispering Pines Community						
Real Estate		<u>Existing Valuation</u>			<u>Projected Valuation</u>	
Existing	Land	\$87,000	About 1 1/2 acre site	Land	\$96,000	
	Improved	\$0		Improved	\$1,000,000	
	Total	\$87,000		Total	\$1,096,000	
Projected RE Tax Increment					\$1,009,000	
Personal Property				<u>Projected</u>		
				\$22,500 Averaged over TID lifespan Equipment and Fixtures		
Projected Tax Increment (TID No. 3 - East Side)						
Const. Year	Value Year	Revenue Year	Real Estate Increment	PP Increment 10% Depreciation	Tax Rate	Real Estate Tax Increment
2017	2018	2019	\$350,000		\$31.91	\$32,197
	2019	2020	\$350,000	\$35,000	\$31.91	\$33,314
	2020	2021	\$350,000	\$31,500	\$31.91	\$33,202
	2021	2022	\$350,000	\$28,350	\$31.91	\$33,102
	2022	2023	\$350,000	\$25,515	\$31.91	\$33,011
	2023	2024	\$350,000	\$22,964	\$31.91	\$32,930
	2024	2025	\$350,000	\$20,667	\$31.91	\$32,857
	2025	2026	\$350,000	\$18,600	\$31.91	\$32,791
Projected Tax Increment						\$263,404
TID Increment						

Lincoln County Public Access Land Records Viewer



Author: Public
 Date Printed: 5/22/2017

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Attachment: TID3 Res-Nelson's Power House (2624 : Resolution on Development Agreement with

Seubert, Kathy

From: Wais, Diane
Sent: Friday, June 23, 2017 8:19 AM
To: Seubert, Kathy
Subject: FW: Resolution

From: Norton, Rob
Sent: Thursday, June 22, 2017 7:20 PM
To: Wais, Diane
Cc: Hayden, Tom
Subject: Re: Resolution

I believe I was taking this straight to council since there was a lot on the agenda for Tuesday night.

Thanks,
Rob

Sent from my iPad

On Jun 22, 2017, at 2:08 PM, Wais, Diane <Diane.Wais@ci.merrill.wi.us> wrote:

Attached is the Resolution you brought in the other day, retyped in our format. Tom said you probably will be taking it directly to the next COW meeting and then to Council.

Please let Bill H know when you would like to do that.

Thanks!1. Anything else, please let me know.

Diane

<Res Rob.docx>

RESOLUTION NO. _____

A RESOLUTION SUPPORTING A CONSTITUTIONAL AMENDMENT

WHEREAS, government of, by and for the people has long been a cherished American value; and,

WHEREAS, free and fair elections are essential to democracy and effective self-governance; and,

WHEREAS, corporations are not and never have been human beings or persons, and therefore are rightfully subservient to human beings and governments as our legal creations; and rightly are provided ONLY privileges by the states; and,

WHEREAS, interpretation of the U.S. Constitution by appointed Supreme Court Justices to include corporations in the term “persons” has long denied We the People’s exercise of self-governance by endowing corporations with Constitutional protections intended by the Framers for ONLY We the People, and;

WHEREAS, in 1976 in the ruling on *Buckley v. Valeo*. The untenable decision of the Supreme Court changed the course of American elections and established the doctrine that spending money to influence elections is a form of speech; and,

WHEREAS, on January 10, 2010, in *Citizens United v. Federal Elections Commission*, the Supreme Court overturned a century of precedence by ruling that corporate spending on elections cannot be limited under the First Amendment,

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 11th day of July, 2017, that “We the People” of the City of Merrill, Lincoln County, Wisconsin, seek to reclaim democracy from the expansion of corporate personhood rights and the corrupting influence of unregulated political contributions and spending. We stand with communities across the country to support passage of an amendment to the United States Constitution stating:

1. **Only human beings are endowed with constitutional rights – not corporations, unions, nonprofits or other artificial entities, and**
2. **Money is not speech, and therefore regulating political contributions and spending is not equivalent to limiting political speech.**

FURTHER RESOLVED that the City of Merrill, Lincoln County, Wisconsin Clerk is directed to forward a copy of this resolution to our state and federal representatives – instructing them to enact resolutions and legislation to advance this effort.

Recommended by: Alderman Norton

CITY OF MERRILL, WISCONSIN

Moved: _____

William R. Bialecki
Mayor

Passed: _____

William N. Heideman
City Clerk

Attachment: Resolution on constitutional amendment (2611 : Resolution on constitutional amendment)