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# CITY OF MERRILL

Finance Director/City Treasurer

**Kathy Unertl, Finance Director**

1004 East First Street • Merrill, Wisconsin • 54452

Phone (715) 536-5594 • FAX (715) 539-2668

e-mail: [Kathy.Unertl@ci.merrill.wi.us](mailto:Kathy.Unertl@ci.merrill.wi.us)

Date: October 31<sup>st</sup>, 2013

To: Mayor Bill Bialecki and Alderpersons

From: Kathy Unertl, Finance Director

RE: 2014 Preliminary City and Utility Budgets

You will find the following documents for your three-ring binders:

- Landfill Fund, Water Fund, and Sewer Fund budgets [Some reductions were made at the Water & Sewage Disposal Committee on 10/30/2013]
- Replacement Appendix A and Revenue/Expense Summaries [Matching the revised Operational department budget information, as well as the list of 2014 Operational Budget changes]
- Replacement City Operational budget [Reflecting the changes made at the 10/29/2013 Committee of Whole, as well as some minor technical corrections]

City Administrator Dave Johnson will be preparing potential options for Committee of Whole discussion/consideration.

	APPENDIX A		Revised - 10/30/2013		
CITY OF MERRILL					
PRELIMINARY 2014 BUDGET AND TAX LEVY					
Budget Category - General Fund	2012 Budget	2013 Budget	2014 Budget	Difference	
<b>Expenditures:</b>					
General Government	\$1,546,628	\$1,573,856	\$1,588,183	\$14,327	
Public Safety	\$4,837,153	\$4,927,410	\$4,923,568	(\$3,842)	
Public Works	\$2,820,169	\$2,870,961	\$2,828,171	(\$42,790)	
Health and Human Service	\$8,760	\$8,760	\$8,760	\$0	
Culture and Recreation	\$1,946,187	\$1,942,428	\$1,949,490	\$7,062	
Conservation and Development	\$58,444	\$58,444	\$58,444	\$0	
Capital Outlay/Projects	\$1,242,006	\$4,874,006	\$1,038,150	(\$3,835,856)	
Capital - Non-Lapsing (From PFP)	\$55,000	\$82,500	\$82,500	\$0	
Debt Service Payments	\$925,482	\$921,619	\$1,683,425	\$761,806	
<b>Total Expenditures</b>	<b>\$13,439,829</b>	<b>\$17,259,984</b>	<b>\$14,160,691</b>	<b>(\$3,099,293)</b>	<b>-18.0%</b>
<b>Revenue:</b>					
Property Tax - General Purposes	\$3,862,475	\$3,864,685	\$3,865,860	\$1,175	
Property Tax - SRO	\$49,887	\$52,400	\$51,225	(\$1,175)	
Property Tax - Community Dev.	\$38,744	\$38,744	\$38,744	\$0	
General Fund Offset	\$0	\$2,925	\$0	(\$2,925)	
Other Funding - Grant, NL, TID	\$67,500	\$55,928	\$305,705	\$249,777	
Property Tax - Debt Service	\$925,482	\$921,619	\$1,571,135	\$649,516	
Other Tax Revenue	\$396,000	\$422,000	\$419,151	(\$2,849)	
Special Assessments	\$35,500	\$240,500	\$47,500	(\$193,000)	
Intergovernmental Revenue	\$6,286,539	\$6,302,559	\$6,255,320	(\$47,239)	
Licenses and Permits	\$64,421	\$76,704	\$71,771	(\$4,933)	
Law and Ordinance Violations	\$131,500	\$118,000	\$137,225	\$19,225	
Public Charges for Services	\$481,931	\$490,352	\$511,880	\$21,528	
Miscellaneous Revenue	\$79,850	\$121,717	\$111,850	(\$9,867)	
Prior Year Borrowing	\$45,000	\$0	\$21,875	\$21,875	
New Borrowing	\$0	\$4,551,851	\$751,450	(\$3,800,401)	
Future Borrowing	\$975,000	\$0	\$0	\$0	
<b>Total Revenue</b>	<b>\$13,439,829</b>	<b>\$17,259,984</b>	<b>\$14,160,691</b>	<b>(\$3,099,293)</b>	<b>-18.0%</b>
<b>City of Merrill Tax Levy</b>	<b>2012 Budget</b>	<b>2013 Budget</b>	<b>2014 Budget</b>		
General Purpose	\$3,862,475	\$3,864,685	\$3,865,860	\$1,175	0.03%
SRO - School Resource Officer	\$49,887	\$52,400	\$51,225	(\$1,175)	-2.24%
Community Development	\$38,744	\$38,744	\$38,744	\$0	0.00%
Debt Service	\$925,482	\$921,619	\$1,571,135	\$649,516	70.48%
<b>Total City of Merrill Tax Levy</b>	<b>\$4,876,588</b>	<b>\$4,877,448</b>	<b>\$5,526,964</b>	<b>\$649,516</b>	<b>13.32%</b>

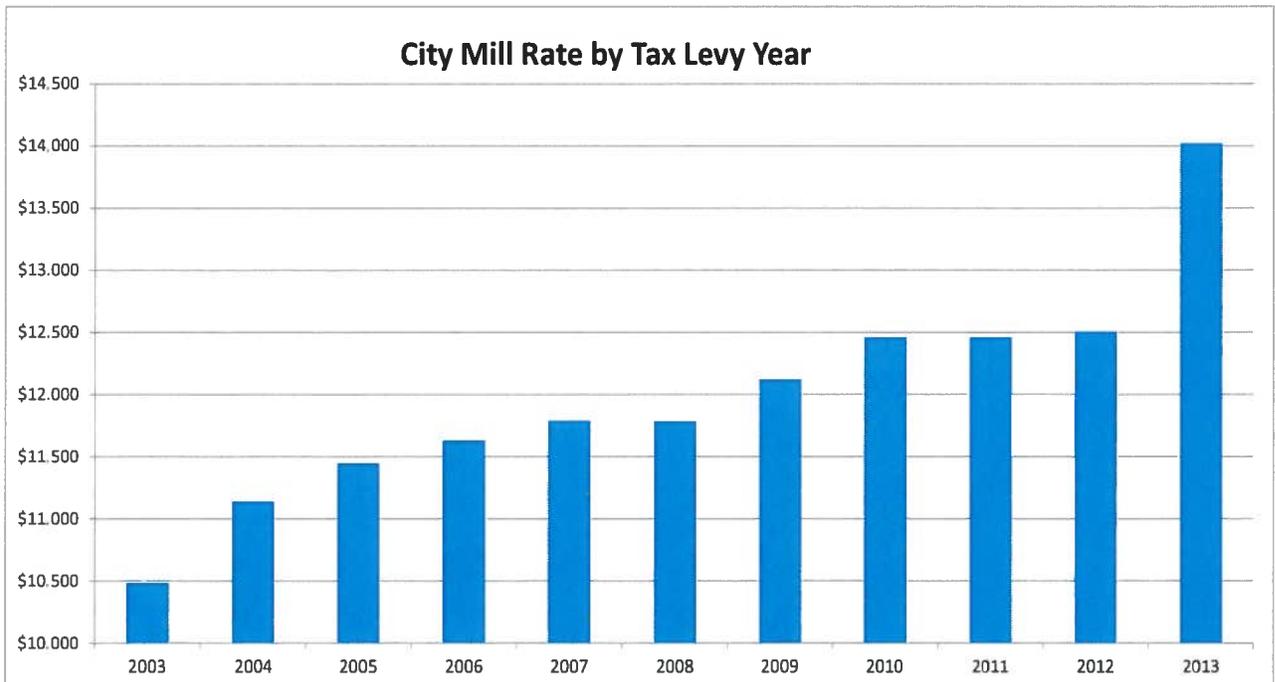
# City of Merrill - Tax Rate Summary

## Proposed 2013 Tax Levy - For 2014 Budget - Debt Service Increase

Levy Year	Budget Year	City Tax Rate without TIF	Change in Tax Rate	% Tax Rate Change	Per \$75,000 Assessment	Difference Per \$75,000	Tax Levy Increase	Tax Levy Amount
2003	2004	\$10.486	\$0.000	0.0%	\$786	\$0	None City	
2004	2005	\$11.140	\$0.655	6.2%	\$836	\$49	8.00% *	\$303,761
2005	2006	\$11.447	\$0.306	2.7%	\$859	\$23	3.50%	\$142,994
2006	2007	\$11.630	\$0.183	1.6%	\$872	\$14	2.60%	\$182,933
2007	2008	\$11.786	\$0.156	1.3%	\$884	\$12	2.50%	\$109,084
2008	2009	\$11.784	(\$0.002)	0.0%	\$884	\$0	2.00%	\$89,449
2009	2010	\$12.122	\$0.338	2.9%	\$909	\$25	3.00%	\$136,856
2010	2011	\$12.462	\$0.340	2.8%	\$935	\$26	3.24%	\$152,254
2011	2012	\$12.460	(\$0.002)	0.0%	\$935	\$0	0.86%	\$25,600
2012	2013	\$12.508	\$0.048	0.4%	\$938	\$4	0.02%	\$860

<b>Tax Levy of \$5,526,964</b>						Operational	0.00%	\$0	
2013	2014	\$14.019	\$1.511	12.1%	\$1,051	\$113	<b>Debt Service</b>	<b>70.48%</b>	<b>\$649,516</b>
						<b>Total Levy</b>	<b>13.32%</b>	<b>\$649,516</b>	

\* Debt service increased significantly in 2004. The tax levy for 2005 budget included 3.0% increase (\$113,362) for debt service.



## City of Merrill - 2014 Operational Budget

Changes made from 10/29/2013 Committee of Whole  
and Finance Director technical corrections

<b><u>Revenues - Non-Departmental</u></b>		<b>Fiscal Impact</b>
General Tax Levy	No 2014 increase	N/A
Shared Revenue	Correct State Projection	(\$5,214)
Muni Court Revenue	Increased - Offset Judge Salary	\$2,000
Muni Court - Tomahawk	Increased - Offset Judge Salary	\$1,225
Mayor	Kept \$1,595 of \$2,500 from TIDs	\$1,595
<b>Total Revenue - Impact</b>		<b><u>(\$394)</u></b>
Common Council	No Alderperson compensation increase	(\$1,500)
Municipal Court	Increase in Judge salary	\$2,440
City Attorney	Proposed wage freeze @ 2013 \$	(\$1,370)
Mayor	No Mayor compensation increase	(\$4,000)
Treasurer/Finance	Reduced Financial Advisor Services	(\$2,000)
Information Technology	Computer Hardware/Upgrade	(\$10,000)
Police	Health Insurance	(\$1,000)
Fire Protection	No 1/2 time administrative assistant	(\$15,525)
Building Inspector/Zoning	1.5% contractor increase	\$908
City Hall Maintenance	Removed winter LTE	(\$500)
Streets	Corrected 2013 LTE distribution Also, minor typo corrections	N/A
Outside Agencies	HAVEN increase to \$6,000	\$1,000
<b>Total Expenditure Change</b>		<b><u>(\$31,547)</u></b>

Finance Director some technical corrections made to reach ZERO increase operational budget.

CITY OF MERRILL 2014 BUDGET (10/30/2014)					REVENUE SUMMARY				
	Taxes	Intergov.	Various	Licenses	Fines, Forfeits	Public	Misc.	Specials	Total
Non-Departmental	\$4,117,336		TIDs	& Permits	& Penalties	Charges			
General Property Tax	\$3,704,685								\$3,704,685
Other Tax Revenue	\$412,651							\$42,500	
								Capital Budget	
Other Non-Departmental		\$3,916,444		\$40,971	\$137,225	\$6,500	\$91,400		\$4,647,691
<b>Departmental</b>									
City Attorney		\$8,500	\$4,000						\$12,500
Mayor			\$1,595						\$1,595
City Administrator			\$16,500						\$16,500
Clerk-Treasurer Staff			\$2,200						\$2,200
Finance Director/RDA			\$17,995						\$17,995
Police		\$21,000				\$15,300	\$800		\$37,100
Traffic Control									
Fire Protection		\$225,101				\$4,550			\$229,651
Ambulance		\$987,000							\$987,000
Building Inspector/Zoning			\$6,500	\$25,000			Utility		
City Hall Maintenance							\$18,650	\$5,000	\$55,150
Operations Support (M&E)		\$300,000							\$300,000
Roads		\$7,500				\$2,500			\$10,000
Snow & Ice						\$4,925			\$4,925
Garbage Collection									
Recycling		\$32,500							\$32,500
Weed and Nuisance Control			\$3,500			\$2,500			\$6,000
Street Lighting									
Stormwater Plan/Construction				\$1,000					\$1,000
Airport						\$33,250			\$33,250
Transit		\$332,500				\$151,500			\$484,000
MACEC-Enrichment (Senior)						\$5,772			\$5,772
Library		\$424,775				\$20,500			\$445,275
Parks						\$14,000	\$1,000		\$15,000
Recreation Programs						\$75,700			\$75,700
MARC - Smith Center	\$6,500					\$93,883			\$100,383
Pool									\$0
CATV - MP3				\$4,800		\$81,000			\$85,800
<b>Total Revenue</b>	<b>\$4,123,836</b>	<b>\$6,255,320</b>	<b>\$52,290</b>	<b>\$71,771</b>	<b>\$137,225</b>	<b>\$511,880</b>	<b>\$111,850</b>	<b>\$47,500</b>	<b>\$11,311,672</b>
<b>Other Tax Revenue</b>	<b>\$419,151</b>								

CITY OF MERRILL 2014 Budget (10/30/2013)				EXPENDITURE SUMMARY			
	2013	2013	2013	2014	2014	Difference	
Department	Budget	Projected	Difference	Request	Council	13 to '14	Comment
Common Council	53,750	52,327	1,423	53,055	53,055	(695)	
Municipal Court	57,552	57,055	497	74,896	74,896	17,344	5/1/14 - Merrill-Tomahawk - Offsetting Revenues
City Attorney	200,351	185,610	14,741	187,826	187,826	(12,525)	Reduced Outside Legal
Mayor	16,500	15,925	575	16,225	16,225	(275)	
City Administrator	96,760	96,150	610	98,875	98,875	2,115	Offset by revenues - Including TIDs
Personnel - HR	6,250	5,820	430	6,250	6,250	0	
City Clerk	76,525	76,499	26	77,250	77,250	725	
Clerk/Treasurer Staff	139,725	140,478	(753)	140,755	140,755	1,030	
Elections (Averaged)	31,500	21,675	9,825	31,500	31,500	0	
Treasurer/Finance Director	130,060	119,482	10,578	119,376	119,376	(10,684)	
Information Technology	169,200	178,902	(9,702)	167,000	167,000	(2,200)	GIS - Non-Utility Departments
Assessment of Property	31,500	31,500	0	31,900	31,900	400	
Independent Auditing	15,500	15,186	314	15,500	15,500	0	
Over-Collected Taxes	1,150	1,000	150	1,150	1,150	0	
Insurance/Employee	275,000	313,831	(38,831)	285,000	285,000	10,000	For 2013 - SL lump sums & for 2014 - Insurance
City Sealer	4,000	4,000	0	4,000	4,000	0	
Police	2,310,289	2,302,196	8,093	2,313,490	2,313,490	3,201	
Police SRO (City Share)	52,400	52,400	0	51,225	51,225	(1,175)	
Traffic Control	23,018	20,055	2,963	25,000	25,000	1,982	
Hydrant Rental	138,488	138,488	0	138,488	138,488	0	
Fire Protection	1,417,215	1,404,360	12,855	1,408,365	1,408,365	(8,850)	
Ambulance/EMS	986,000	977,250	8,750	987,000	987,000	1,000	Offsetting Lincoln County Revenue
Building Inspector/Zoning	82,308	83,624	(1,316)	84,625	84,625	2,317	
Community Development	38,744	38,744	0	38,744	38,744	0	
Economic Development	19,700	19,700	0	19,700	19,700	0	Additional LCEDC from various TIDs
Engineering	6,500	11,500	(5,000)	8,500	8,500	2,000	
Stormwater Plan/Const.	27,500	8,500	19,000	7,500	7,500	(20,000)	Stormwater Utility Review <u>not</u> pursued in 2013
City Hall Maintenance	186,225	191,960	(5,735)	193,000	193,000	6,775	In 2014 - 75% of Individual Health Insurance
Street Commissioner	99,900	100,600	(700)	101,275	101,275	1,375	
Garage Maintenance	54,376	51,675	2,701	54,225	54,275	(101)	
Operations Support (M&E)	529,312	570,033	(40,721)	581,153	581,153	51,841	Fuel prices & 2014 Family vs. Individual Health
<b>SUMMARY - 2</b>							

CITY OF MERRILL 2014 Budget (10/30/2013)				EXPENDITURE SUMMARY			
Department	2013 Budget	2013 Projected	2013 Difference	2014 Request	2014 Council	Difference 13 to '14	Comment
Roads	316,629	314,119	2,510	296,467	296,467	(20,162)	
Street Cleaning	46,692	44,679	2,013	48,280	48,280	1,588	
Snow & Ice	232,189	236,981	(4,792)	229,138	229,138	(3,051)	
Sealcoat	128,585	146,743	(18,158)	130,200	130,200	1,615	Sealcoat to Borrowing for 2013 & Future
Storm Water Maintenance	30,855	28,946	1,909	30,758	30,758	(97)	
Street Painting/Marking	23,286	19,761	3,525	22,347	22,347	(939)	
Street Leave Expenses	86,734	79,175	7,559	59,473	59,473	(27,261)	Many new employees - time to other functions
Garbage Collection	280,619	281,041	(422)	270,934	270,934	(9,685)	
Recycling	200,257	198,471	1,786	196,846	196,846	(3,411)	
Weed and Nuisance Control	11,455	3,402	8,053	11,887	11,887	432	
Christmas Decoration	11,121	13,301	(2,180)	13,356	13,356	2,235	
Street Lighting	197,500	197,500	0	197,500	197,500	0	Stable due to 2013 LED/Time of Use Meters
Airport	123,770	135,743	(11,973)	130,000	130,000	6,230	Offsetting insurance in 2013
Transit	603,387	582,117	21,270	581,838	581,838	(21,549)	One-hour vs. 1/2 hour headway = fuel reduction
Health Officer	3,760	3,760	0	3,760	3,760	0	
MACEC-Enrichment Center	107,400	105,656	1,744	107,277	107,277	(123)	
Library	961,768	961,768	0	960,268	960,268	(1,500)	
Parks	298,253	295,736	2,517	301,744	301,744	3,491	
Athletic Park Lights	1,700	2,000	(300)	2,000	2,000	300	
Ott's Field Lights	1,500	1,375	125	1,500	1,500	0	
Recreation Programs	218,575	227,967	(9,392)	232,450	232,450	13,875	Offsetting program revenues
MARC - Smith Center	156,111	154,466	1,645	156,895	156,895	784	
Pool	45,000	45,000	0	45,000	45,000	0	
Marketing - PR	21,000	21,367	(367)	20,500	20,500	(500)	
Outside Agencies	31,500	31,500	0	32,500	32,500	1,000	HAVEN \$6,000 instead of \$5,000 for 2014
CATV - MP3	79,000	83,220	(4,220)	81,000	81,000	2,000	
<b>Total (Excluding Outlay)</b>	<b>11,495,944</b>	<b>11,502,319</b>	<b>(6,375)</b>	<b>11,486,766</b>	<b>11,486,816</b>	<b>(9,128)</b>	<b>Various offsetting revenues</b>
<b>SUMMARY - 3</b>				Without Sealcoat =		<b>(139,328)</b>	