

City of Merrill 2014 and Beyond Budget Reduction Options

The following options are available to reduce the 2014 and future budgets. These are neither endorsed or recommended at this time but are the types of actions that will have to be considered if future increases are to be reduced or eliminated. What services do taxpayers want and how much are they willing to pay for these services? These are the hard questions that will have to be addressed by this and future City Councils.

Library

- Close Sundays all year (Saves salaries and utilities).
- Reduce hours open each weekday and Saturday (Saves salaries and utilities).

Police Department

- Reduce staffing one officer per shift (Saves salaries, benefits and vehicle, but must pay unemployment).

Parks & Recreation

- No indoor ice at the MARC (Saves cost of electric, water and gas, Zamboni, part-time personnel but lose ice-time revenue).
- Don't operate outdoor skating rinks (Saves part-time personnel, water, electric).
- Reduce summer programs (Saves on part-time personnel and supplies, lose program fee revenue).
- Eliminate summer programs (Saves on part-time personnel and supplies, lose program fee revenue).
- Reduce sports programs (Save field upkeep).
- Don't replace swimming pool (Saves personnel, water, electric and chemical costs, but lose fees).
- Close one or more parks and sell the property (Saves maintenance expenses and produces one-time revenue).

Transit

- Reduce transit service (Saves salaries and other operating costs, but these are highly subsidized).
- Eliminate transit service (Saves salaries and other operating costs, but these are highly subsidized).
- Don't utilize old fire station for transit garage (Saves some rehab costs but rest is 80% federal dollars).

Enrichment Center

- Reduce hours (Saves salaries and program costs).
- Close the Center (Saves salaries and program costs).

Street Department

- Eliminate garbage, recycling, leaf and heavy item pickup (Save on personnel, vehicles, fuel, maintenance, tipping fees, but will cost each household more to contract with a private hauler).
- Only plow snow when 3 or more inches fall (Saves OT, fuel, maintenance and supplies)
- Only plow snow during regular working hours (Saves overtime)
- Limit winter work hours, only have employees work when specifically needed on an on-call basis.
- Reduce chip sealing of streets (Saves on debt service for borrowed funds but roads deteriorate faster)
- Reduce sidewalk replacement program (Saves contractor costs).
- Property owner pays all costs of sidewalk replacement (Saves tax dollars but costs individuals more).

Airport

- Close the airport and sell the airport property, we are not required to have an airport (Saves operating and maintenance costs but hurts the City in long-run).

Outside Agencies

- Reduce funding.
- Eliminate funding.

Inspections

- Reduce inspection services (Save salary and contract costs)

11/7/2013

Fire Department

- Reduce staffing per shift (Save salaries but no longer able to operate as a paid professional department which was one of the items often mentioned that respondents liked most about Merrill in the citizen survey).

Economic Development

- Reduce or eliminate economic development efforts (Saves some costs now but reduces potential for increasing property tax base – equalized value, which is presently the City’s only way to increase revenue to continue with present levels).

Taking operating funds from general fund reserves has the potential to lower the City’s bond rating making any future borrowing more costly because of higher interest rates that come with a lower bond rating.

Draft – For Discussion Purposes (11/7/2013)

Do you want to hold Committee of Whole (COW) at 5:30 p.m. before regular Common Council meetings? Or, some other meeting date/time?

Potential COW schedule for 2014:

December 2013 COW – Operational fiscal/options: Garbage/Recycling

January – Strategic Plan [Will need more meetings scheduled]

February – 5 Year Capital Plan

March - 5 Year Capital Plan and Potential Financing/Debt Service

April – Election and New Council Organizational meeting

May – Presentation of 2013 Audit and review fiscal status of TIDs. Also update on development/redevelopment projects and plans.

June – Operational fiscal/options: Library, Enrichment Center, Parks and Recreation, and General Government

July – Mid-Year 2014 fiscal status report
Operational fiscal/options: Streets - Utility - Transit - Airport
Preliminary 2015 budget discussion

August – Operational fiscal/options: Police - Fire

September – 2015 Capital Requests/Policy Discussion and Decisions

October – 2015 Operational Budget Requests/Policy Discussions and Decisions

November Council – 2015 Budget Public Hearing and Tax Levy

December – Joint with Redevelopment Authority (RDA)(- Update on economic development COW/Objectives for 2015