



2021 Operating Budget 2021-2026 CIP

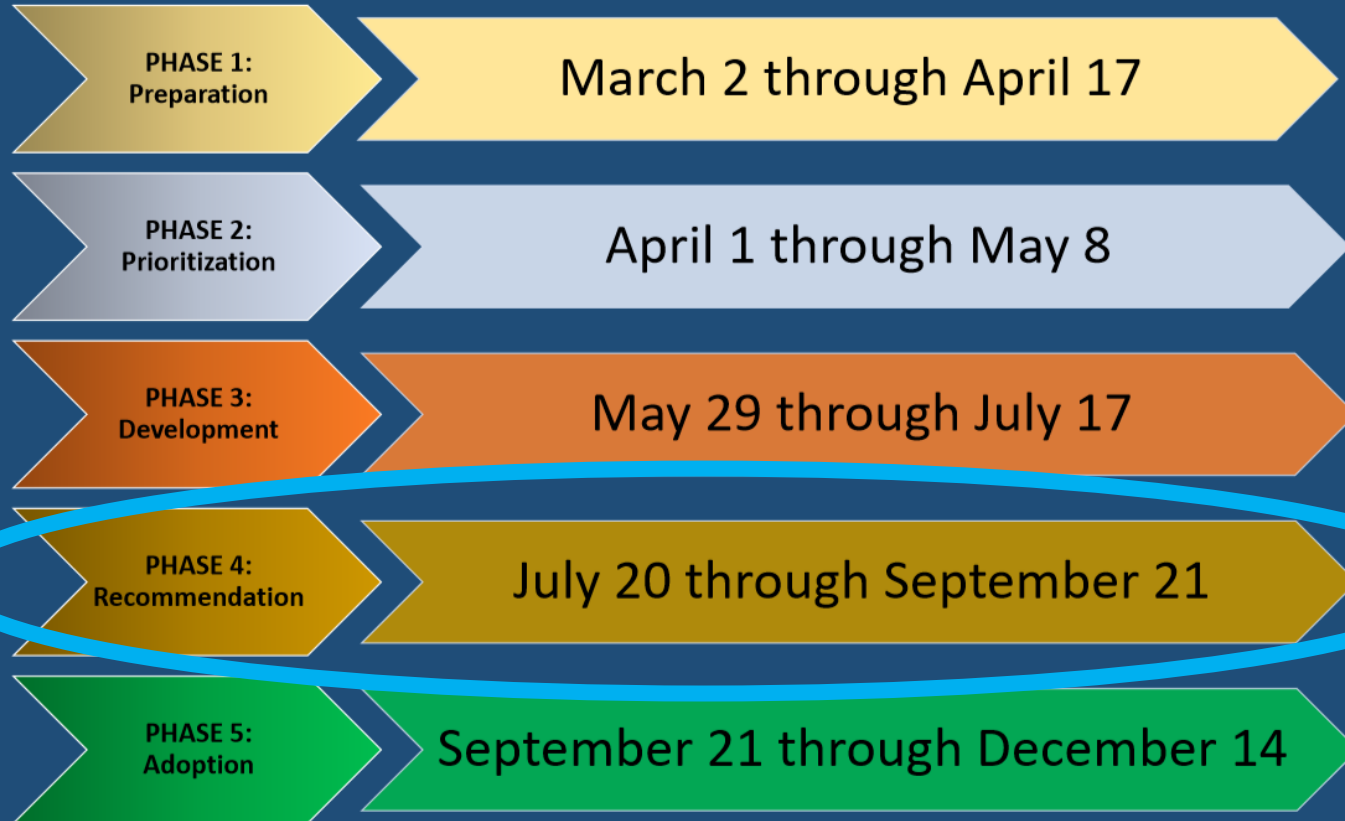
City Council Study Session
Budget Meeting #3
September 21, 2020



Team Rochester

Original: 2/27/2020
Revised: 3/3/2020

Budget, Capital Improvement, and Long Term Financial Management Plan Process





September 21 Discussion Goals

Teammate Wellness Program

Outside Agency Funding

Short Term Online Rental Marketplace



- **September 21 City Council Meeting**
 - Adopt maximum 2021 property tax levy
 - Adopt 2021 preliminary budget
- **September 28 Budget Meeting #4**
 - Discuss 2021-2026 Capital Improvement Plan (CIP)
 - Follow up on items from previous budget meetings
 - Silver Lake Pool

*MARK YOUR
CALENDAR!*



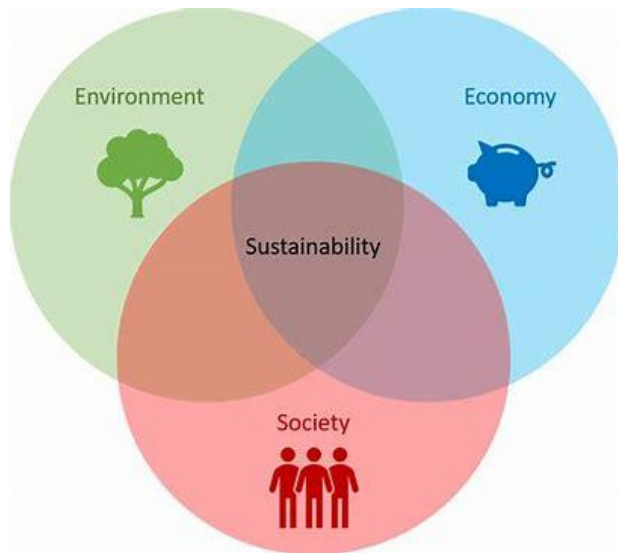
Recommended Budget Overview

-All Funds Combined-



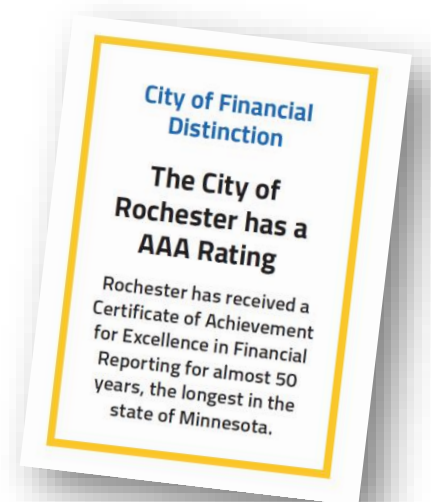
Organizational Vision

A vibrant, compassionate,
innovative team



Foundational Principles

- Compassion
- Environmental Stewardship
- Fiscal Responsibility & Sustainability
- Public Safety
- Social Equity





City of Rochester Budget 2021, inclusive of RPU

\$476 Million Budget All Funds Combined

- **No** tax levy increase
- **No** electric or water rate increases
- **No** parking ramp or transit rate increases
- **\$97.8 million reduction** from 2020





Contingency includes additional \$250,000

- Diversity+Equity+Inclusion Director: \$160,000
 - Discussed 9/14/20
 - Requesting City Council approval to commence recruitment
- Teammate Wellness Program: \$65,000
- City Council Discretion: \$25,000



Teammate Wellness Program

Appropriate \$65K to Human Resources

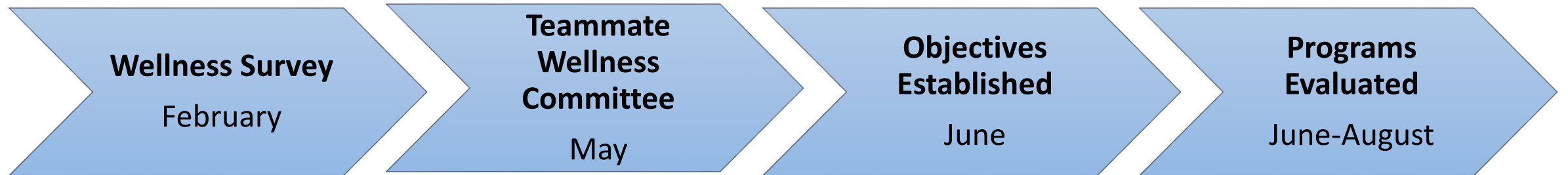
Strategic Priority: Foster a team-oriented culture

Budget Priority: Research an employee wellness program





Teammate Wellness Program Development Steps





My Health Rewards by Medica®

My Health Rewards by Medica is powered by Virgin Pulse, a pioneer in digital health and wellness solutions that help members build healthy habits and live their best life.





Wellness Committee Recommendations

1. Purchase **My Health Rewards by Medica**
2. Offer gym membership discount to teammates who do not have access to gym equipment at their current work facility
3. Purchase wellness training modules for Aspire

Wellness Committee Goals - 2022

- Evaluate healthcare savings as an incentive option
- Evaluate biometrics screenings



Outside Agency Funding

City-owned Facility Expenses

- Same amounts as 2020 budget
- Hold in account until conclusion of assessments
 - “One Roof” Concept
 - Art Center space \$154,600
 - Civic Theatre space \$200,000
 - 125 Live/Recreation Center review
 - 125 Live space \$187,000



Outside Agency Funding

- 10% less than 2020
- Celebration of City and 4th of July
 - In Mayor's budget
- RAEDI
 - \$67,500 in Economic Development budget
- Youth Commission
 - Potential to save \$7,500 if 2021 NLC conference is virtual

	2018 <u>Actual</u>	2019 <u>Actual</u>	2020 <u>Estimated</u>	2021 <u>Projected</u>
1. Diversity Council.	\$75,000	\$75,000	\$75,000	\$67,500
2. Intercultural City Initiative.	\$0	\$2,000	\$2,000	\$2,000
3. Greater Rochester Advocates for Universities & Colleges.	\$20,000	\$20,000	\$20,000	
4. Human Rights Commission.*	\$0	\$6,000	\$6,000	
5. Youth Commission.*	\$0	\$29,000	\$29,000	\$26,100
6. RNeighbors.	\$113,000	\$113,000	\$113,000	\$101,700
7. History Center of Olmsted County.	\$30,000	\$30,000	\$30,000	
8. Celebration of a City.**	\$25,000	\$25,000	\$0	\$0
9. SE MN Initiative Fund.	\$20,000	\$20,000	\$20,000	
10. Rochester Downtown Alliance.	\$100,000	\$100,000	\$100,000	\$90,000
11. 4th of July.**	\$0	\$35,000	\$0	\$0
Total.	\$383,000	\$455,000	\$395,000	\$287,300



Outside Agency Funding

Discretionary Funds

- Programmatic funds 10% less than 2020
- Recommend allocating the following amounts in 2021
 - Rochester Art Center \$173,160
 - 125 Live \$108,000
- Review future funding following completion of current assessments



Outside Agency Funding

- Discretionary funds
 - 10% less than 2020 amounts

- Human Rights Commission \$ 5,400
- History Center \$27,000
- SMIF \$18,000
- GRAUC \$10,000 (50% and final year)

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Short Term Online Rental Marketplace (STORM)

- License
 - Allowed in all residential districts & number of units based upon zoning district (i.e. R-1 allows 1 unit, R-2 allows SF/Duplex, etc.)
 - 2-Year Rental license fee (Structure fee + Per Unit fee)
- Inspect
 - Single Family (SF) Owner Occupied (O/O) registered but not inspected
 - SF Non-O/O and STORM in Multi-family buildings register and inspected
- Teammate Resources – 1 FTE, annual expense \$ 136,700



Short Term Online Rental Marketplace (STORM)

- Program to be cost neutral
- Fee increase recommended
 - Structure Fee increases \$90 to \$112
 - Per Unit Fee increase \$30 to \$37
- No fee increase since 2004



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