Finance Commission
Meeting Minutes
April 11, 2023

Roll Call/Announcements

The Finance Commission (FC) meeting was called to order at 6:30 p.m. Chair Davies requested staff call the roll.

Commissioners Present: Siafa Barclay, Bruce Bester, Wanda Davies, and Sadiq Dahir

Commissioners Absent: Dan Sagisser

Staff Present: Finance Director Michelle Pietrick

Receive Public Comments

There being no one present wishing to speak to the Commission on an item not on the agenda, the Chair moved to the next agenda item.

Approval of Meeting Minutes

Commissioner Bester indicated on line 70 he wondered if it would make sense to delete the words "exactly the year or not" to help make the sentence work.

Commissioner Bester moved, seconded by Commissioner Dahir to approve the March 14, 2023 meeting minutes as amended. **The motion carried unanimously.**

Receive Finance Commission Recommendations Tracking Report

Commissioner Bester updated the Commission on the tracking report.

Review 2022 Year End Cash Reserve Levels

Finance Director Pietrick reviewed the 2022-year end Cash Reserve levels with the Commission.

Chair Davies stated she wasn't clear on the reason for having a General Fund and a Cash Reserve Fund. She asked for an explanation on why there are two separate funds.

Ms. Pietrick indicated she was not sure why it was created and had never seen anything quite like this.

Chair Davies thought the General Fund was sort of like the Cash Reserve Fund.

Ms. Pietrick indicated it is and the way she understood it, the separate fund was created because the Council at the time felt there were certain funds that were building up excess cash reserves and this fund was created to either fund one-time unbudgeted things that might come up or perhaps to reduce the tax levy in an upcoming year. She has seen and heard both reasons for creating the fund. In her past experience, if a fund exceeded its maximum, generally those funds were moved into the Capital Fund to fund the Capital needs. Capital is one area where it is hard to build up enough reserves to pay for capital items. Roseville took a different approach and actually dedicated a specific tax levy into each Capital Fund. It might be something to put on the agenda when meeting with the City Council whether there is still value in having this separate fund or would the value be better served by transferring it into Capital Funds.

The Commission discussed the process of moving money from fund to fund with staff.

Chair Davies indicated it appeared that Parks and Recreation, most of the time ends up with surplus that is swept into the Reserve Fund, which might suggest that Parks and Recreation may not need as much money budgeted.

Ms. Pietrick explained that the City does put a tax levy into that fund. There are fees that are generated for their programs. She reviewed the fund balances for 2022 and noted the parks programs have really rebounded, much more than was anticipated, making the fund balance larger.

The Commission and staff discussed operation funds.

Staff Update

Ms. Pietrick indicated the City Council appointed two new members to the Finance Commission and will be at the May meeting.

Future Meeting Topics and Work Plan

Chair Davies stated the next agenda would include discussions on preparing for the Joint City Council-Finance meeting.

Adjourn

Commissioner Bester made a motion, seconded by Commissioner Dahir, to adjourn. The m**otion passed unanimously.**

The meeting adjourned at 7:08 p.m.