

1 **Finance Commission**
2 **Meeting Minutes**
3 **July 11, 2023**
4

5
6 **Roll Call/Announcements**
7

8 The Finance Commission (FC) meeting was called to order at 6:30 p.m. Chair Davies requested
9 staff call the roll.
10

11 **Commissioners Present:** Bruce Bester, Wanda Davies, Joe Tupy, Karin Derauf, Dan Sagisser
12 and Sadiq Dahir
13

14 **Commissioners Absent:** Siafa Barclay
15

16 **Staff Present:** Finance Director Michelle Pietrick
17
18

19 **Receive Public Comments**
20

21 There being no one present wishing to speak to the Commission on an item not on the agenda,
22 the Chair moved to the next agenda item.
23

24 **Approval of Meeting Minutes**
25

26 Commissioner Bester stated line 74 should be changed to: “Code” from “letter”.
27

28 Commissioner Derauf explained her first name is misspelled in the minutes. She stated line 131,
29 the spelling of Michelle Pietrick’s name is incorrect.
30

31 Commissioner Bester moved, seconded by Commissioner Sagisser to approve the June 13, 2023
32 meeting minutes as amended. **The motion carried unanimously with one abstention (Davies).**
33

34 **Receive Finance Commission Recommendations Tracking Report**
35

36 Commissioner Bester updated the Commission on the Finance Commission tracking report.
37

38 **Continue Discussion on Council Request to Review Commission’s Purpose, Scope, Duties**
39 **and Functions**
40

41 Commissioner Bester explained he refers to this document quite a bit to try to help guide him
42 and it feels as though the Council was looking for the Commission to add a purpose statement.
43 He indicated he drafted a few words on that, otherwise, his feeling is he really likes the language
44 and thought it said a lot about what it should say.
45

Chair Davies indicated the one comment she had is in regard to the membership that says, “a minimum of three members shall have financial management experience or training”. She thought it seemed hard for the Council to keep track of when appointing people. She thought the sentence seemed unnecessary. She was a little confused where the Council made this request because the Council is asking for the Commission to review its purpose, scope, duties and functions. She indicated there is no purpose in the Finance Commission chapter.

Commissioner Bester explained some of the Commissions have the purpose statement. He indicated he drafted a purpose statement that read “Purpose: the Finance Commission is established to provide a method for citizen input regarding the financial affairs of the City. The Finance Commission is advisory to the City Council, the City Manager, the City Finance Director and has no decision-making authority except as expressly established by the City Code or State Statutes.” He indicated that language, in part, is lifted from some of the other Commissions.

Chair Davies thought it seemed like the Commission does more than provide a method for citizen input. The Commission is another set of eyes looking at the financial affairs of the City. She thought the citizens would be the Commission.

Chair Davies thought the sentence could also be changed from “citizen input” to “citizen review and input”.

Commissioner Sagisser indicated he liked the purpose statement proposed but would reword the second sentence to read: “The Finance Commission is established to provide a method for citizen review and input regarding the financial affairs of the City. The Finance Commission shall advise the City Council, the City Manager, and the City Finance Director, though has no decision-making authority except as expressly established by the City Code.”

Commissioner Sagisser indicated he suggested some things at the last meeting but after looking at this he thought the only thing that needed to be changed was to add the purpose statement.

Chair Davies thought what the Commission will send back to the Council is just the addition of the purpose statement and the rest should be left as is.

The Commission concurred.

Commissioner Sagisser moved, seconded by Commissioner Tupy, to recommend to the City Council adding the attached Finance Commission Purpose Statement. **The motion carried unanimously.**

Discuss Commission’s Questions Regarding Pension Obligation

Chair Davies explained this item is in regard to the questions Commissioner Bester had about the Pension Liability.

Finance Director Pietrick reviewed the answers to the questions brought forward with the Commission.

First Review of Draft Capital Improvement Plan 2024-2043

Chair Davies asked how staff handles inflation in these forecasts.

Ms. Pietrick noted there was a clear directive to everyone that staff was to look at the larger ticket items, specifically, but to look at all the items and to value them as of today's cost. Previously, the Capital Improvement Plan was based on historical costs. She reviewed the process with the Commission. She indicated staff prepares a twenty-year plan and it is a good planning tool to look long range to see what might be coming up and to start incrementally looking at increasing a small dollar amount in taxes to see what that does to upcoming years. Staff looks at this every year and updates projects and costs each year. She reviewed the Police Department's planning for vehicles. She indicated staff has been ordering 2024 vehicles even though the CIP has not been approved due to the fact that it takes so long to get the vehicles.

Commissioner Derauf explained by ordering the vehicles now it actually saves the City money because if the City waits to order the vehicles until the year the vehicle is needed the price will have gone up.

Ms. Pietrick indicated that was correct. She explained a lot of the cities in her peer group have been trying to order vehicles and right now production has been constrained because it is still recovering from the COVID years and in Roseville's case, the Police Officers like the Dodge Chargers and the City has been told that those vehicles probably will not be made after 2024. The City is looking at switching to the Durango, which is slightly more expensive, and another problem is going from Charger to Charger sometimes the equipment can be moved but the equipment cannot go from a Charger to a Durango.

Chair Davies noticed the numbers in there for 2024 for a Police vehicle was \$40,000 and she wondered if that will be the actual cost in 2024 but then there is the same price going out 20 years. She wondered if this was just a placeholder.

Ms. Pietrick explained staff has really focused attention on the first five years. When staff went through this and recommended additional levies, the charts were all negative without the infusions of additional resources. During discussion with the City Manager, levy increases were forecasted or one time grant dollars were used to help fund a minimum of five years of capital improvements. For Police and Fire equipment funds, in place of levy increases we are using a one-time public safety aid the City is getting from the State.

Ms. Pietrick reviewed with the Commission the different equipment for the departments and the process staff went through to figure out what future costs may be. She thought next year there will be more details on specific projects. All of the departments do a very good job of planning and if something is not needed it is moved further out.

Commissioner Bester asked if the State Bonding for the Oval, \$756,024, is locked in.

Ms. Pietrick explained the City has requested it, but she did not remember if it was successful this Legislative Session or not. She knew the City received some State Bonding last year but did not get everything that was requested so the City requested the remaining projects and if it was not approved this Legislative Session the City will pursue State Bonding again next year.

The Commission discussed with staff the recycling contract and trash collection agreements.

Staff Update

Ms. Pietrick indicated the Finance Commission could tour the Public Works facility at the September meeting. The Commission would meet at 5:30 p.m. to go on the tour and then meet back at City Hall for the meeting.

Identify Discussion Items for the Future Meeting

Chair Davies stated the next agenda would include discussions on the 2024 City Manager recommended Budget and Tax Levy and continuation of the 2024-2043 Capital Improvement Plan review. She noted she will not be at the August meeting.

Adjourn

Commissioner Sagisser made a motion, seconded by Commissioner Dahir to adjourn. The **motion passed unanimously.**

Meeting adjourned at 8:13 p.m.