Finance Commission Agenda

Tuesday, April 9, 2024
6:30 PM
City Council Chambers

(Any times listed are approximate – please note that items may be earlier or later than listed on the agenda)

1. **Roll Call - Barclay, Bester, Dahir, Davy, Sagisser, Tupy, Vervoort**
2. **Oath of Office New Commissioners - Kevin Davy and Anna Vervoort**
3. **Receive Public Comment**
4. **Approval of Meeting Minutes**
   a. Approve Minutes
5. **Business Items**
   a. Receive Finance Commission Tracking Report
   b. Review 2023 year-end cash reserve levels
6. **Other Business**
   a. Staff Update - Council amended Commission Ordinance
   b. Future meeting topics and work plan
7. **Adjourn**

Roseville Finance Commission
Agenda Item

DATE: April 9, 2024 **ITEM:** 4.a.

ITEM DESCRIPTION: Approve Minutes

Background
As an advisory commission to the City Council, the Finance Commission's discussions and recommendations play an important role in setting City policies and influencing decisions on programs and services.

To ensure an accurate historical account of the Finance Commission's activities are preserved, the City maintains a practice of keeping meeting minutes. The attached file contains the draft minutes from the March 12, 2024 meeting. The Commission is asked to review the minutes and identify any typos, errors or inaccuracies of the discussion that took place.

Where applicable, Commission members are asked to identify any necessary corrections at the meeting. The Commission should subsequently vote to approve the amended (if necessary) minutes. Once the minutes are approved, they become part of the City's permanent records.

Recommendation
Review the draft minutes.

Requested Commission Action
Amend (as necessary) and approve the Finance Commission meeting minutes for the March 12, 2024 meeting.

Attachments
1. FC Minutes 03.12.2024

Finance Commission
Meeting Minutes
DRAFT – March 12, 2024 - DRAFT

Roll Call/Announcements

The Finance Commission (FC) meeting was called to order at 6:30 p.m. Acting Chair Sagisser called the roll.

Commissioners Present: Bruce Bester, Joe Tupy, Dan Sagisser and Sadiq Dahir

Commissioners Absent: Wanda Davies, and Siafa Barclay

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 Acting Chair moved to the next agenda item.

Approval of Meeting Minutes

Acting Chair Sagisser stated Commissioner Bester had sent out revisions and asked if there were additional changes.

Commissioner Bester stated lines 141-142 suggested deleting the words ~~after analyzing financials and grants available as it appears to be less expensive or equivalent between the two~~ and add despite the extra cost associated with electric engines, Finance understands that there are environmental advantages that are in line with City priorities, also, grant opportunities that may offset some of the costs and possible opportunities to negotiate a lower purchase price. He explained that is in line with the actual financial analysis that was presented, which is number eight four.

Commissioner Bester stated line 120-121, add the fiscal analysis shows that when the costs of electric and diesel are amortized over their twenty and fifteen year lives, the cost of electric is $15,333 greater per year. He indicated that is in line with the fiscal analysis.

Commissioner Bester stated line 127, add the discrepancy/misunderstanding had to do with the annual cost of fuel for diesel engines which has been confirmed to be approximately five thousand dollars per vehicle per year.

Commissioner Bester moved, seconded by Commissioner Tupy to approve the January 9, 2024 meeting minutes as amended. **The motion carried unanimously.**

<u>Selection of Commission Chair, Vice-Chair and Ethics Commission Representative</u>
Finance Director Michelle Pietrick asked the Commission to appoint the Commission Chair, Vice-Chair and representative to the Ethics Commission.

Commissioner Bester indicated he would be willing to be Chair of the Commission.

Commissioner Tupy indicated he would be interested in the Vice Chair position and volunteered for the Ethics Commission to gain more knowledge.

Commissioner Sagisser made a motion, seconded by Commissioner Dahir, to appoint Commissioner Bester as Chair, Commissioner Tupy as Vice-Chair of the Finance Commission and Commissioner Tupy as representative of the Ethics Commission. **The motion passed unanimously.**

<u>Receive Finance Commission Recommendations Tracking Report</u>

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

<u>Receive 2023 Investment Portfolio Performance</u>

Finance Director Pietrick reviewed the 2023 Investment Portfolio Performance with the Commission.

Commissioner Bester asked what some of the latest investments are that staff has seen.

Ms. Pietrick reviewed the interest rate information and indicated the more recent investments have all been over five percent.

Mr. Roger Ness, Jr.
Mr. Ness indicated he was wondering about the water meter deposit fee. He wondered if that was in long term or short-term funds.

Ms. Pietrick indicated the deposits were across all terms, not in one specific investment.

Mr. Ness asked if it would affect the investments if the money was given back to the water/meter users because it is a deposit and the City said it was not needed anymore. The City is going to change to a one-time fee from now on and the City has all this deposit money laying around, he thought it was $1.4 million dollars and if the City does not need it anymore then it should be returned to the residents. He asked what would happen if the City gave all the money back to the residents that paid the deposits in one quarter of a year.

Ms. Pietrick explained the revenues would be down in one quarter and the cash in the water fund would go to zero.

Mr. Ness wondered why the City cannot give the residents their deposits back immediately.

Ms. Pietrick indicated the water fund program has had a cash problem for well over four years. The City is looking at alternatives because Public Works has decided the City is not taking a deposit any longer and new developments will pay a fee.

Mr. Ness explained the fee would be better for the City because it can collect the fee and never have to return it.

Mr. Ness thought the City had a fiduciary duty to hang onto the money for the residents since it is a deposit, and he could sell his house and ask for it at any time.

Ms. Pietrick indicated that was correct and the cash flow on sales of property versus outright refunding the full amount is where the issue is. She indicated the City is working on the cash flow issue to come up with a reasonable plan to refund the deposits.

Mr. Ness stated the City is using his deposit money for something else at the moment rather than just hanging onto it in a fund somewhere that the City has invested. He explained he was trying to find out how it works. He is not saying anything is right or wrong. He thought it would be in a secure fund somewhere, separate from all of the other money.

Mr. Ness asked about the campus master plan and the local sales tax.

Ms. Pietrick reviewed the local sales tax, the process along with bonding and other financial forecasting with the Commission.

Commissioner Bester explained he has been working on the Investment Policy recommendation on equities over the last several months, as demonstrated by his spreadsheets. He indicated looking back the City could have had ten million dollars in cash that could be invested potentially with the fifteen percent maximum limitation in equities. He noted he used $1.5 million and on the first table he did an analysis of it, if the City used the S&P 500 growth rate over the same ten-year period as Ms. Pietrick has included in the report. He noted the investment difference is significant, over a ten-year period there would be another $1.9 million dollars that would have benefited the City.

Ms. Pietrick explained that the City has only had this option for investing in equities since 2017 when it was added to the Investment Statute which is pretty clear that once the fifteen percent of is hit there would have to be a sweeping mechanism. She indicated this would not be done through a broker because the Statute recommends a city go through the State Investment Board. She indicated she is trying to get some of the particulars on how the City would set up an account and what would happen if the account achieved the fifteen percent maximum.

Commissioner Daher left the meeting at 7:06 p.m.

Commissioner Bester asked if the Commission would like him to take the recommendation further and play out some of the mechanics of it such as the sweeping.

Ms. Pietrick indicated she has emailed the State Investment Board asking for information on this.

Commissioner Bester's spreadsheets assume a max of $1.5 million invested looking backwards over time. One option to consider is starting at one hundred thousand dollars going forward, what that might look like. Commissioner Bester indicated he could use those numbers.

Commissioner Tupy indicated he would be curious to find out what the return rates because he reviewed the State Board and did a lot of research on them, because at first, he was really apprehensive about this type of venture but when he did the research on the Board and who runs the Board, it seems really solid, and Minnesota based and quality, but he wondered if the return of funds was considering the fees and commissions and structures.

Commissioner Bester indicated when he looked at this, the State Investment Board actually beat the S&P 500 numbers, which kind of blew him away and he wondered how they managed that.

Ms. Pietrick indicated that maybe some of their pension investments factored into these numbers. Commissioner Bester indicated he was looking at the State Investment Board's index, the S&P 500 index.

Commissioner Tupy indicated he would be interested in working with Commissioner Bester on this because he thought it would be very interesting. Commissioner Bester indicated he would like help and could meet to go over this with Commissioner Tupy.

Ms. Pietrick continued reviewing the investment portfolio with the Commission.

Staff Update

Ms. Pietrick updated the Commission on Council approved items including two new Commissioners.

Identify Discussion Items for the Future Meeting

Vice Chair Sagisser stated the next agenda would include discussions on the 2023 Preliminary Year-End Cash Reserve levels.

Adjourn

Commissioner Bester made a motion, seconded by Commissioner Tupy to adjourn. **The motion passed unanimously.**

Meeting adjourned at 7:28 p.m.

Roseville Finance Commission
Agenda Item

DATE: April 9, 2024 **ITEM:** 5.a.

ITEM DESCRIPTION: Receive Finance Commission Tracking Report

Background
A summary of the Finance Commission's recent recommendations submitted to the City Council is included in Attachment 1 for review. The report has been updated to reflect items that have been closed or added, per Commissioner Bester.

Recommendation
Not applicable.

Requested Commission Action
For review and discussion purposes only. No formal Commission action is necessary.

Attachments
1. Tracking Report

Roseville Finance Commission
Recommendation Tracking Report
Report Date - April 9, 2024

No.	Recommendation	Description	Date Recommended	Date Presented	Status	Discussion and Next Steps
2023-01	Finance Commission recommends that steps be taken to begin to act on incorporating limited equities in the City's investment portfolio.	Option to permit limited investment in equity investments	3/14/2023	3/14/2023	Pending	On 4/25/22 the City Council approved expanded Investment Policy language to permit limited use of equity investments.
2024-01	The Finance Commission recommends the purchase of electric fire engine over the diesel engine. Despite the extra cost associated with electric engines, Finance understands that there are environmental advantages that are in line with the City priorities. Also grant opportunities that may offset some of the cost and possible opportunities to negotiate a lower purchase price.	The Fire Department is proposing to transition to Electric Fire Engines.	1/9/2024	11/14/2023	Implemented	On 11/14/23 Fire Chief Brosnahan and Finance Director Pietrick presented information about electric vs diesel fire engines. Further discussion and financial analysis presented by Finance Commissioners on 1/9/24. Information and recommendation will be presented to City Council on 1/22/24. Approved by Council 1/22/24.

Roseville Finance Commission
Recommendation Tracking Report - Definitions

Status	Definition
Pending	Recommendation has not yet been presented to the City Council
Received	Recommendation has been received by the City Council but has not received a formal reply or action
Accepted	Recommendation has been accepted by the City Council but action has not yet been taken
Rejected	Recommendation has been rejected by the City Council and will not move further
Implemented	Recommendation has been accepted by the City Council and action has been implemented
Rescinded	Recommendation has been rescinded by the Finance Commission
Received - Closed	Recommendation has been received by the City Council but has not received a formal reply or action and will be considered closed from future updates tracking.
Received - Further Development	Recommendation has been received by the City Council and returned to the Commission for modifications or further development.

Roseville Finance Commission
Agenda Item

DATE: April 9, 2024 **ITEM:** 5.b.

ITEM DESCRIPTION: Review 2023 year-end cash reserve levels

Background

At the March 18, 2024, City Council meeting the preliminary 2023 year-end cash reserves report was presented which showed 2 funds above the high target level. The City's Operating Fund Reserve Policy (*Attachment 1*) states that excess reserves above the maximum reserve level for that specific fund (less funds needed for capital expenditures and funds received as donations) shall be placed into the Cash Reserve Fund.

Identifying Excess Cash Reserves

Attachment 2 shows the cash reserve levels along with the targets for each fund. In accordance with the cash reserve policy, the Council approved the following transfers to the cash reserve fund.

From Parks & Recreation	$162,207	above the high target range of 30%
From License Center	$327,318	above the high target range of 15%
Transfers to the Cash Reserve Fund	$489,525	

The Cash Reserve Fund had a balance of $1,005,292 after these transfers were approved.

Parks and Recreation fund achieved higher than anticipated reserves as a result of higher participation in various programs than were anticipated during the budget preparation.

License Center fund received a one-time transfer of $127,697 from the State to offset additional time spent processing driver's licenses on the new MNDRIVE system. Deputy Registrars are now doing all the data entry that previously was done by the State, so in recognition of the additional time it takes to process these transactions, a one-time infusion was received.

General Fund, exclusive of the cash reserve fund ended the year at a 38% cash reserve level which is a good financial sign. When the City's Comprehensive Annual Financial Report is prepared, the Cash Reserve Fund is rolled up with this fund, so the audit report will show a higher reserve level.

Communications fund ended the year with a 12% cash reserve level, which within the target range set for this fund of 10-30%.

Information about the other City fund balances will be included as part of the audit presentation in May.

Recommendation

Requested Commission Action

For information purposes only

Attachments

1. Attachment 1 - Operting Reserve Policy
2. Attachment 2 - 2023 Unaudited Cash Reserves

City of ROSEVILLE Minnesota, USA

Operating Fund Reserve Policy

Revised September 20, 2021

Purpose

- To provide a cushion against unexpected revenue and income interruptions
- To provide working capital by ensuring sufficient cash flow to meet the City's needs throughout the year
- To provide funds to address unexpected or unplanned events

Policy

- The City will maintain a general fund reserve of 35-50% of the general fund's total annual operating budget. This ensures that the City has adequate funds on hand to provide for operations between bi-annual property tax collection periods. Any surplus beyond the required general fund reserve may be transferred to another reserve fund with a funding shortfall.

- The City will strive to create a reserve in the Recreation Fund of 20-30% of the annual recreation budget. This reserve will provide a cash flow cushion to cover operations between bi-annual property tax collections and the fluctuation in charges for services revenues during the year. Because of more frequent cash inflows during the year, a 20-30% reserve will be adequate to support the daily cash needs of the fund.

- The Community Development Fund is supported solely by building permit fees and charges. Because the economic environment has a major effect on this Fund, a fund balance of 25-50 % of the annual budget is a reasonable target. It is expected that as economic downturns take place, this reserve will provide for a transition period during which the Council will be able to assess and to better match operations with the economic need.

- City enterprise funds shall have operating cash reserves sufficient to provide for monthly cash flow, and for a reasonable level of equipment and infrastructure replacement. Major reconstruction or system upgrades, may need to be funded from enterprise revenue bonds. Annual utility rate reviews will be made in regard to projected operating expenses and capital improvements. The Council will, on an annual basis, establish rates in accordance to operating cost recovery and the projected capital improvements. Based on consulting other cities, a minimum cash reserve level of 25% of the operating budget is a target that the City of Roseville will strive to maintain, though major capital projects may cause periodic deviations from this reserve level.

- The Communications Fund had greater cash flow variability in prior years and now receives a small amount of property tax levy support It is expected to operate with reserve balances of 10-30% of the annual operating budget.

- The License Center fund has consistently demonstrated strong cash flows which allowed for a lower overall reserve level. Based on the experiences of 2020, these fund reserves may need to be increased in the future. At this time the License Center fund will operate with balances of 10-15%of the annual operating budget.

Operating Fund Reserve Policy

Revised September 20, 2021

- The Information Technology fund will operate with positive reserve balances of 10-15% which will eventually be eliminated once Metro Inet is fully established at which time, the IT function will simply be a division of the General Fund.

- Capital Project funds are identified in the Capital investment policy. Annual property tax levies supply funding for the various projects and fund balances increase over time to pay for equipment and infrastructure projects, the balances then drop and rebuild over time to cover the next projects.

- For the EDA, its General Operating Fund should maintain a reserve level of 35% of the annual budget to ensure that it has sufficient funds to provide for operations in-between property tax collection periods.

- In the event the minimum fund balance drops below prescribed levels, the City shall dedicate new incoming property tax or program revenues (where applicable) in an amount sufficient to bring fund balance levels back into compliance within three fiscal years.

- Unless otherwise directed by the City Council, monies held in individual Funds shall be expended first from restricted fund balances, second from committed fund balances, then from assigned fund balances, before using unassigned fund balance.

Implementation

All fund reserves shall be reviewed each year at the time of the annual budget preparation and at the annual audit for the purpose of complying with this policy. Budgets shall be prepared on an "All Resources" basis, so that the City Council and Community can readily discern the current and projected management of all reserves.

If aggregate unrestricted reserves in the tax-supported operating funds are outside of targeted goals, the Council is advised to create a plan to get reserves into targeted goal ranges by committing reserve funds, using aggregate excess reserves to reduce the levy, or making appropriate budget or tax levy adjustments. With the creation of the Cash Reserve Fund, certain funds will have their reserves swept if they exceed the high target range, see the next section.

Cash Reserve Fund

The City has established a Cash Reserve Fund that will take the excess cash reserves from selected funds that are over the maximum reserve levels as defined under this policy, less funds needed for capital expenditures or funds donated to the City. The following funds are subject to the Cash Reserve Fund policy:

- General Fund (unrestricted portion)
- Parks and Recreation Fund
- Communication Fund
- Information Technology Fund
- License Center

Operating Fund Reserve Policy

Revised September 20, 2021

As part of the annual audit, the excess funds above the maximum reserve level at December 31 of the previous year (less funds needed for capital expenditures and funds donated to these accounts) shall be transferred to the Cash Reserve Fund before the books are closed for that particular year. The funds transferred to the Cash Reserve Fund shall be tracked on an annual basis and reported to the Finance Commission and approved by the City Council by April of the subsequent year.

Any expenditures from the Cash Reserve Fund must be authorized by the City Council.

City of Roseville

Cash Reserve Levels: Unrestricted Operating Funds
12/31/23 Cash Reserves Updated 3/11/2024

Cash Reserve Levels: *Unrestricted* Operating Funds

Operating Fund	12/31/2023 Cash Reserves	Less From Donations	12/31/2023 *Available* Cash Reserves	12/31/2023 Reserve Level	2024 Operating Budget	Target Low	Target High	12/31/2023 **Low** Target Reserve Level	12/31/2023 **High** Target Reserve Level	Variance from Low Target	Variance from High Target
General: Primary	$ 8,973,090	$ (93,340)	$ 8,879,750	38%	$23,637,883	35%	50%	$ 8,273,259	$ 11,818,942	$ 606,491	$ (2,939,192)
General: Cash Reserve Fund	717,390	-	717,390								
Parks & Recreation	2,334,066	(337,281)	1,996,785	33%	6,115,259	20%	30%	1,223,051	1,834,578	773,734	162,207
Communications	78,343	-	78,343	12%	631,260	10%	30%	63,126	189,378	15,217	(111,035)
License Center	665,849	-	665,849	30%	2,256,876	10%	15%	225,688	338,531	440,161	327,318

(1) See analysis below

City of Roseville

Cash Reserve Levels: Cash Reserve Fund

Unaudited 12/31/23 Cash Reserves Updated 3/12/2024

		Funding Sources (Uses)						
	Year	General	Information Technology	Parks & Recreation	License Center	Communi- cations	Use of Funds	Excess Cash Reserve Fund
Cash Balance: January 1	2018	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions	2018	-	170,000	635,000	81,000	-	-	886,000
Cash Balance December 31	2018	-	170,000	635,000	81,000	-	-	886,000
Contributions	2019	-	234,924	169,985	249,140	124,947	-	778,996
Interest Revenue	2019	10,084	-	-	-	-	-	10,084
Tranfer to Gen Fd-min. balance	2019	-	-	-	-	-	(918,583)	(918,583)
Cash Balance December 31	2019	10,084	404,924	804,985	330,140	124,947	(918,583)	756,497
Contributions	2020	-	193,990	-	-	-	-	193,990
Interest Revenue	2020	6,323	-	-	-	-	-	6,323
Equity Consultant	2020	-	-	-	-	-	(100,000)	(100,000)
Trf to Parks & Recreation	2020	-	-	-	-	-	(235,798)	(235,798)
Trf to License Center	2020	-	-	-	-	-	(354,958)	(354,958)
Cash Balance December 31	2020	16,407	598,914	804,985	330,140	124,947	(1,609,339)	266,054
Contributions	2021	-	360,160	79,662	-	-	-	439,822
Interest Revenue	2021	1,070	-	-	-	-	-	1,070
Cash Balance December 31	2021	17,477	959,074	884,647	330,140	124,947	(1,609,339)	706,946
Contributions	2022			20,317				20,317
Trf to Communications	2022						(31,436)	(31,436)
Interest Revenue	2022	10,444						10,444
Cash Balance December 31	2022	27,921	959,074	904,964	330,140	124,947	(1,640,775)	706,271
Trf to Parks & Rec Vehicle & Equip	2023						(200,000)	(200,000)
Contributions				162,207	327,318			489,525
Interest Revenue	2023	9,496						9,496
Cash Balance December 31		37,417	959,074	1,067,171	657,458	124,947	(1,840,775)	1,005,292

City of Roseville
ORDINANCE NO.

AMENDING TITLE 2 CHAPTERS 201, 202, 203, 204, 206, 207, AND 208 TO CLARIFY THE PURPOSE, MEMBERSHIP, SCHEDULE, DUTIES, AND FUNCITONS OF CERTAIN ROSEVILLE ADVISORY COMMISSIONS.

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1: Title 2, Section 201 "Advisory Commissions" of the Roseville City Code is amended and renumbered to read as follows:

201.01 ESTABLISHMENT AND PURPOSE.

A. All permanent standing advisory commissions to the City shall be established by adoption of an ordinance under this Title and shall be governed by the provisions of this Chapter.

B. Advisory commissions are established to provide a method for citizen input and are advisory to the City Council. No advisory commission will have decision-making authority for the City, except as expressly established by this Code or State Statutes.

C. From time to time, the City Council may elect to establish other advisory groups by adoption of a resolution establishing, among other things, the purpose, membership, organization, duties, and term of service for such advisory groups.

D. Advisory commissions and commission members will engage with the Roseville community and serve as community liaisons and resources for issues, ideas and proposals related to the commission's subject matter, and will provide appropriate information and resources. Commissions and commission members may initiate ideas and proposals for further consideration by their commission and the City.

201.02 COMPOSITION AND TERMS.

A. Composition: All members of advisory commissions must be residents of the City and will be appointed by majority vote of the City Council. In addition to the regular commission members, the City Council may appoint up to two additional residents of the City who are the age of 18 or under and enrolled in high school to serve one-year terms on a commission as youth commissioners.

B. Term Length: Members shall serve terms of three years, except for youth members and the first members appointed following the creation of the commission. First members shall be appointed as follows: At least one third of the members shall be appointed for three-year terms, up to one third of the members shall be appointed for two-year terms, and the balance of the members shall serve a one-year term. Term length for any member will be established by the Council at the time of the appointment.

C. Oath of Office: Every appointed member, before beginning his or her duties shall take an oath stating that he or she will faithfully discharge of the duties of the commission to which he or she was appointed. Individual commissioners are expected to understand and adhere to the Roseville Ethics Code and attend the annual ethics training.

D. Expiration of Terms: A member's term shall expire on March 31 of the year of the expiration of the term, or at such time as a successor is appointed. Youth commissioner terms expire on July 31 of each year.

E. Term Limits:

1. Members are eligible to serve two consecutive full terms on a commission in addition to any partial term served to complete an unexpired term resulting from a vacancy or an initial term upon creation of a commission.

2. When members of an existing commission are transferred by the City Council to a new commission, term limits apply to the combined time on both commissions.

3. Youth commissioners may serve up to three consecutive terms. Youth commissioners may not be appointed or re-appointed to a term during which they will turn 19 years of age.

4. Upon completion of service on one commission, residents can be eligible for appointment to another commission, or after a period of at least one year, for appointment to the same commission on which they have previously served.

5. The Council may reappoint a person for a period not exceeding one additional year if the Council, by four-fifths vote, determines that reappointment is in the best interest of such commission and the City.

F. Vacancies: Vacancies during a term shall be filled by the City Council for the unexpired portion of a term per the City's appointment policy. A vacancy occurs in any of the following circumstances: resignation, residence outside the City, removal, or death. The

City Council reserves the right to defer filling commission vacancies for any length of time deemed necessary.

G. Attendance: It is the expectation that commissioners attend all meetings of the commission. An absence is considered the same whether it is excused or unexcused. If a commissioner is absent three consecutive meetings and/or misses a total of 30% or more of commission meetings in a rolling 12-month period, the staff liaison or commission chair will forward the information to the City Council.

H. Removal: Members may be removed by the City Council without cause. A member's removal shall be by majority vote of the City Council. In addition:

1. If a member fails to comply with the Roseville Ethics Code, the City Council may remove the member.

2. If a member has absences from more than three consecutive commission meetings or is absent from more than 30% of the meetings in any rolling 12-month period, the City Council may remove the member.

I. Compensation: Members of all advisory commissions shall serve without compensation.

201.03 ORGANIZATION.

A. Election of Officers: At the last meeting preceding the end of regular terms of appointment, or at such other time as required by State Statutes, each advisory commission shall elect a chair and vice-chair from among its appointed members for a term of one-year and appoint a member to serve on the Ethics Commission as described in Chapter 207 of this code.

B. Governing Documents: City Code and State Statutes will govern commission activities. A commission shall not adopt separate by-laws or rules to govern commission duties or activities.

C. Committees, Subcommittees and Task Forces: Commissions may by majority vote appoint committees or subcommittees of their own members from time to time as required for the conduct of their business. Subcommittees shall report on work underway and completed on a regular basis to the full commission. The formation of any other committees, task forces and/or alternate work groups would be subject to the provisions of this Chapter and shall be created only after approval of the City Council.

D. Logo and Materials: To reflect the official nature of the commission and to preserve consistency of the City's brand, only the official city logo or a Council-approved derivative of the logo, which contains the words "City of Roseville," shall be used on commission materials.

E. Accessibility: Commission members will be available to residents of the City by providing a preferred phone number or email address that can be used on the City website and/or on print materials.

F. Staff Liaison: Each commission will be served by a staff liaison to assist in meeting planning and commission processes and serve as a conduit to city staff and the City Council.

G. New Commissioner Training: New commission members will receive both general and commission-specific training from the staff liaison and commission chair before beginning their term.

201.04 MEETINGS AND REPORTS.

A. Meeting Schedule: Prior to the start of each calendar year, each commission shall adopt a regular meeting schedule for the coming year. Commissions may amend their regular meeting schedule, cancel meetings, or call special meetings as needed by majority vote at a regular commission meeting. Commissions shall meet at least monthly, except as otherwise required by this Code or State Statutes. A regular meeting may be cancelled by agreement of the Chair and Staff Liaison if they determine that there is no business requiring a meeting. A special meeting of a commission may be called by the commission chair and/or the City Manager between regular meetings after consultation and approval of both parties.

B. Joint Meeting with City Council: At least once a year, each commission shall meet with the City Council to report on the previous year's work and to discuss work plans and pending issues for the upcoming year. Commissions may request additional joint meetings with the City Council whenever necessary to share information or seek guidance. A staff liaison is assigned to assist each commission and will work with the City Manager to schedule any joint meetings.

C. Open Meeting Law and Data Practices: All meetings of a quorum of a commission need to be properly noticed and shall be subject to the requirements of State Statutes section 13D, as applicable. Individual commissioners are expected to understand and adhere to applicable state laws and statutes. When a vacancy exists on a commission, a quorum shall consist of a majority of the commission's non-vacant seats.

D. Rules of Order: All commissions shall be subject to the same Rules of Order as are adopted annually by the City Council.

E. Meetings: Commission meetings shall be held in a public place and the time, date, and location of the meeting shall be publicly noticed. Commission must allow time for public comment on each agenda item and at a Public Comment portion of the agenda at the beginning of each meeting. All meetings shall be televised and recorded for future reference. External site tours by a commission shall be exempt from being televised, but such tours shall be publicly noticed as all other commission meetings.

F. Minutes and Reports: Commissions are required to keep a record of all resolutions, transactions, findings, and other actions as well as other recommendations, votes, reports, studies, and other documents created or performed by or for a commission. Minutes of the meeting shall be detailed in the same way as the City Council minutes are written. All documents so recorded are public records.

1. Receive updates and provide recommendations to staff and the City Council regarding preservation of public green space, environmental stewardship of parkland, and climate resilience.

2. Act in all matters relating to the Urban Forest Management Ordinance contained in Chapter 706 of this code and will also act as the Tree Board as set forth in section 706.03 of this code.

SECTION 7: Title 2, Section 208 "Finance Commission" of the Roseville City Code is amended and renumbered to read as follows:

208.01 ESTABLISHMENT AND PURPOSE.

There is established a Finance Commission of the City. 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, City Manager, and City Finance Director, though it does not have decision-making authority except as expressly established by City Code.

208.02 MEMBERSHIP.

The commission will consist of seven members appointed by the City Council. A minimum of three members must have financial management experience or training.

208.03 SCOPE, DUTIES, AND FUNCTIONS.

The City Council has created the Finance Commission to serve in an advisory capacity regarding the City's financial matters to make recommendations that will provide clarity, transparency, and accessibility of financial information, to review policies and offer strategies for improved budgeting and funding for present-day operations and future needs, and to review the City's financial affairs.

The duties and functions of the commission may include:

A. Advise on short and long-term financial policy matters, including but not limited to cash reserve funds, budgets, financing, and capital replacement policies.

B. Review and recommend funding strategies for the Capital Improvement Plan.

C. Recommend budget goals including but not limited to spending levels, local tax rate, utility rates, and tax levy targets, for the general budget, the EDA and all funds.

D. Review and recommend standardized budget and financial reporting methods and tools to make financial communications and budget information more transparent, comprehensible, and accessible to the public.

E. Review and recommend the annual timeline and process for creating city budgets.

F. Review the annual financial information, the annual audit report and management letter.

G. Review the City's financial affairs and investment policy and portfolio and bring to the City Council any items of concern or suggested improvements.

H. Perform other duties and functions or conduct studies and investigations as specifically directed or delegated by the City Council.

SECTION 8: Effective date.

This ordinance shall take effect upon its passage and publication.

Passed by the City Council of the City of Roseville this ___ day of ______ 2024.

Ordinance – Title of Ordinance _______________-

(SEAL)

CITY OF ROSEVILLE

BY: ___________________________
Daniel J. Roe, Mayor

ATTEST:

____
Patrick Trudgeon, City Manager

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Roseville Finance Commission

2024 Meeting Topics & Calendar

Month	Discussion Topic (Tentative)
January 9	▪ Continue discussion and recommend Electric vs Diesel Fire Engine ▪ Follow up regarding vehicle maintenance
February 13	▪ CANCELLED
March 12	▪ Select Chair, Vice-Chair, and Ethics Commission Representative ▪ Review 2023 Investment Portfolio performance ▪
April 9	▪ Review 2023 preliminary year-end cash reserve levels ▪ Oath of office for new commissioners
May 14	▪ Discuss items for Joint City Council-Finance Commission meeting. ▪ Review 2023 Audit Reports, auditors will present ▪
June 13 Thursday	▪
July 9	▪ 2025-2044 Capital Improvement Plan review #1
August 22 * Thursday	▪ Discuss the 2025 City Manager Recommended Budget & Tax Levy ▪ 2025-2044 Capital Improvement Plan review #2 ▪
September 10	▪ Establish Recommendation on 2025 City Manager Recommended Budget & Tax Levy ▪ Establish Recommendation on 2025-2044 Capital Improvement Plan ▪
September 16	▪ Present Budget Recommendation to City Council
October 8	▪ Update on the Council-adopted 2025 preliminary Budget & Tax Levy ▪ Review and adopt a recommendation on the 2025 proposed utility rates
November 12	▪ Adopt 2025 Meeting Calendar ▪ Adopt 2025 Work Plan