

1 **Finance Commission**
2 **Meeting Minutes**
3 **September 9, 2025**
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6 **Roll Call/Announcements**
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8 The Finance Commission (FC) meeting was called to order at 6:30 p.m. Chair Bester called the
9 roll.
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11 **Commissioners Present:** Bruce Bester, Sadiq Dahir, Kevin Davy, Raye Kanzenbach, and
12 Anna Vervoort
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14 **Youth Commissioners Present:** Aldo Bergquist
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16 **Commissioners Absent:** Siafa Barclay and Joe Tupy
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18 **Staff Present:** Finance Director Michelle Pietrick
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21 **Approval of Agenda**
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23 There were no changes to the agenda. The commission reached a consensus to approve it.
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25 **Receive Public Comments**
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27 Since no one was present to address the Commission on an item not listed on the agenda, the
28 Chair moved on to the following item.
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30 **Approval of Meeting Minutes**
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32 Commissioner Kanzenbach moved, seconded by Commissioner Vervoort, to approve the August
33 27, 2025, meeting minutes as presented. The motion carried unanimously.
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35 **Establish Recommendation on the 2026 City Manager Budget and Tax Levy Scenarios and**
36 **the 2026-2045 Capital Improvement Plan**
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38 Chair Bester introduced the item and explained the addition of scenario three, which has a
39 smaller impact on the levy. He reviewed scenario three, which included adding seven police
40 positions with a grant and fifteen fire positions, assuming grants, and creating a franchise fee.
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42 Chair Bester discussed the advantages and disadvantages of franchise fees, mentioning that most
43 cities use them, and Roseville was currently among the few that do not.
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45 Commissioner Kanzenbach emphasized the fairness of taxing properties, such as churches and
46 universities, that are currently tax-exempt.

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Ms. Pietrick shared information on the number of tax-exempt properties and the potential impact of franchise fees on commercial properties.

Commissioner Vervoort raised concerns about how franchise fees affect commercial properties such as Rosedale Mall.

Ms. Pietrick described various methods for setting franchise fees and their impact on capital improvement funds.

Commissioner Kanzenbach discussed the potential reduction of Minnesota property tax credits for homeowners and renters due to franchise fees.

Chair Bester and Ms. Pietrick discussed the potential use of Payment in Lieu of Taxes (PILOTs) as an alternative to franchise fees. They also discussed Public Safety staffing requests from the Fire and Police Chiefs.

Commissioner Kanzenbach said he didn't feel comfortable making a recommendation on the levy amount and suggested reducing the staffing requests to more manageable levels.

Chair Bester shared his experience in talks with the fire and police chiefs, noting their hesitation to discuss staffing levels. He voiced disappointment over the absence of an answer or a compromise from the public safety chiefs.

Commissioner Davy suggested reducing the requested staffing levels and finding a long-term solution for the capital budget.

Commissioner Vervoort questioned the role of the Finance Commission in recommending public safety staffing levels.

Ms. Pietrick discussed how federal grants affect public safety staffing and emphasized the importance of a balanced budget.

Chair Bester indicated he would like to have the levy number around seven percent.

Commissioner Davy moved, seconded by Commissioner Kanzenbach, to recommend that the City Council not introduce franchise fees for the 2026 budget. The motion carried unanimously.

Commissioners discussed the need for detailed communication from the city on the budget and the impact of franchise fees and levy increases.

Chair Bester and Ms. Pietrick discuss how not using franchise fees impacts the city's budget scenarios.

92 Commissioner Kanzenbach suggested improving the budget's transparency by adding detailed
93 explanations to the city's newsletter.

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95 The commission discussed how raising the levy could influence public opinion.

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97 Commissioner Kanzenbach recommended setting a target for the levy increase and providing
98 detailed explanations in the city's newsletter.

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100 **Commissioner Davy moved, seconded by Commissioner Dahir, to recommend that the City**
101 **Council recognize the public safety need but also acknowledge that 22 people is not a**
102 **reasonable request, and to set a base budget with a levy increase of less than 10%. The**
103 **motion carried unanimously.**

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105 **Maintenance and Operations Center Update/Discussion**

106 Finance Director Michelle Pietrick updated the Commission on the maintenance and operations
107 center.

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109 **Commission Direction on Member-Initiated Agenda Items**

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111 **Future Meeting Topics and Work Plan**

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113 Chair Bester stated the next agenda would include discussions on the City Budget, with a
114 presentation from staff.

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116 **Adjourn**

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118 Commissioner Vervoort made a motion, seconded by Commissioner Bester, to adjourn. The
119 motion passed unanimously.

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121 Meeting adjourned at 8:03 p.m.