



Finance Commission Agenda

Tuesday, March 10, 2026

6:00 PM

City Council Chambers

In accordance with [Minnesota Statutes §13D.02](#) and City policy, Council and Commission members may attend meetings remotely up to three times per calendar year.

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

- 1. Roll Call - Barclay, Bergquist, Bester, Dahir, Davy, Kanzenbach, Vervoort**
- 2. Approval of Agenda**
- 3. Receive Public Comment**
- 4. Approval of Meeting Minutes**
 - a. Approve minutes
- 5. Business Items**
 - a. Select Chair, Vice-Chair, and Ethics Commission Representative
 - b. Review 2025 Investment Portfolio Performance
 - c. Maintenance and Operations Center Update/Discussion
 - d. Workplan and future discussion items
 - e. Tracking Report
- 6. Commission Direction on Member Initiated Agenda Items**
- 7. Other Business**
- 8. Adjourn**

Roseville Finance Commission Agenda Item

DATE: March 10, 2026

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, meeting minutes are maintained. The attached file contains the draft minutes from the February 10, 2026, 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, amend (as necessary), and approve the Finance Commission meeting minutes for the February 10, 2026, meeting.

Attachments

1. FC 02-10-2026 Mtg Minutes

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**Finance Commission
Meeting Minutes
DRAFT – February 10, 2026 - DRAFT**

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Roll Call/Announcements

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

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Commissioners Present: Safia Barclay, Bruce Bester, Sadiq Dahir, and Raye Kanzenbach

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Youth Commissioners Present: Aldo Bergquist

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Commissioners Absent: Kevin Davy and Anna Vervoort.

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Staff Present: Finance Director Sam Magureanu and City Manager Patrick Trudgeon

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Approval of Agenda

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The agenda was approved, as presented, by general consensus.

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Receive Public Comments

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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.

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Approval of Meeting Minutes

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Chair Bester stated that lines 121 and 122 appeared to duplicate what was already stated. He suggested the sentence that begins with “The council did not direct...” He also indicated on line 170 add the words “have been included in the 2026 budget.” Because that was the question he was asking.

Commissioner Barclay moved, seconded by Commissioner Dahir, to approve the January 13, 2026, meeting minutes as amended. **The motion carried unanimously.**

Introduction of the New Finance Director

City Manager Trudgeon formally introduced the City’s new Finance Director, Mr. Magureanu, to the Finance Commission and the public.

City Manager Trudgeon explained that Mr. Magureanu most recently served as Finance Director for the City of Little Canada for approximately 3.5 years. Before that, he held the same role in Lake Elmo and worked as Assistant Finance Director for the City of Stillwater. Earlier in his career, Mr. Magureanu worked as an auditor for ABDO. He highlighted Mr. Magureanu’s

47 extensive experience across all areas of municipal finance, including general accounting, utility
48 billing, large-scale budgeting, and audit preparation.

49
50 City Manager Trudgeon noted that Mr. Magureanu has experience working in smaller finance
51 departments where he handled a wide range of responsibilities and expressed confidence in his
52 ability to adapt quickly to Roseville’s structure.

53
54 City Manager Trudgeon shared that Mr. Magureanu began his role on January 26 and overlapped
55 briefly with the outgoing Finance Director, Michelle, who officially retired the previous
56 Monday. He thanked Michelle for her service and expressed enthusiasm about Mr. Magureanu
57 joining the City, noting that he will work closely with the City Council, Finance Commission,
58 and staff on budget and financial matters. He concluded by welcoming Mr. Magureanu to the
59 City and invited him to share additional background information if desired.

60
61 The commissioners shared their expertise with Mr. Magureanu and the reasons for joining the
62 Finance Commission.

63

64 **Receive Finance Commission Recommendations Tracking Report**

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66 Chair Bester reviewed the Finance Commission Tracking Report. He recommended expanded
67 disclosures in the statistical section of the ACFR.

68

69 Mr. Magureanu discussed the audit preparation and the drafting of the 2025 report, suggesting
70 that the recommendations could be incorporated into the 2025 report.

71

72 Commissioner Kanzenbach emphasized the importance of including the percentage increase in
73 property tax in the report for clarity.

74

75 Mr. Magureanu agreed to assess the feasibility of including the median home value and the
76 percentage increase in property taxes in the report. He further recommended that this type of
77 information might better be presented in the annual Budget Book.

78

79 **CIP Discussion on Updates or Changes**

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81 City Manager Trudgeon and Finance Director Magureanu provided an overview of the CIP,
82 outlining its purpose and the minimum capital expenditure threshold. He discussed the impact of
83 franchise fees on the CIP, highlighting the increased funding for capital needs.

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85 The discussion included the need to update costs due to rising prices, especially post-COVID,
86 and the challenge of predicting future costs.

87

88 City Manager Trudgeon and Finance Director Magureanu emphasized the importance of
89 focusing on immediate needs and making adjustments annually to ensure sufficient funds.

90

91 The commission reviewed various funds, including the administration equipment fund, finance
92 equipment fund, and public works equipment fund.
93
94 Discussions included the need for new voting equipment, the impact of inflation on costs, and
95 the potential for borrowing to fund vehicle purchases. The commission considered the feasibility
96 of leasing police vehicles and the importance of maintaining sufficient capital funds. The
97 discussion also covered the need for state funding for refrigeration-related projects at the OVAL
98 and the potential for naming-rights revenue.
99
100 Commissioner Kanzenbach suggested continuing the 20-year CIP and adding a rough 3%
101 inflation adjustment to 10 years only.
102
103 City Manager Trudgeon and Finance Director Magureanu discussed the impact of inflating
104 revenues by three percent annually and the potential issues that may arise.
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106 Commissioner Kanzenbach emphasized that the forecast was not accurate and should not be
107 interpreted as an automatic levy increase.
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109 Chair Bester sought clarification on whether the 3% inflation applied to expenses or income.
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111 Commissioner Kanzenbach and Mr. Magureanu discussed the importance of understanding both
112 revenue and expense scenarios for better planning.
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114 Commissioner Kanzenbach suggested adding a description of the inflation scenarios on the page
115 to improve clarity.
116
117 Mr. Magureanu explained that some funds may not require revenue increases due to surpluses,
118 while others may require inflation-adjusted cost adjustments.
119
120 Chair Bester inquired about recommendations for grant assumptions and borrowing for various
121 projects.
122
123 Commissioner Kanzenbach clarified that bonding estimates should be made when needed, not as
124 part of the forecast.
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126 Commissioner Dahir suggested using different revenue and expense percentages and considering
127 borrowing strategies.
128
129 Mr. Magureanu described the iterative process of gathering information and making adjustments
130 based on data. He advised bundling multiple projects for borrowing to reduce costs and time.
131
132 Commissioner Kanzenbach and Chair Bester discussed the feasibility of including various
133 projects in a single bond issue.
134

135 The commission discussed the importance of balancing revenue and expenses to avoid over-
136 increasing the levy. The discussion concluded with a recommendation to present the revised CIP,
137 including inflation adjustments, for further review.
138

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

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141 City Manager Trudgeon provided an update on the Maintenance and Operations Center project,
142 including conceptual plans and cost estimates. The project was estimated to cost \$60.8 million,
143 with \$4.2 million for the maintenance operations center and \$12.7 million for the license and
144 passport center. The project included relocating the dance studio and other facilities to make
145 room for the new center. He mentioned LHB as the architect and Kraus-Anderson as the
146 construction manager.
147

148 City Manager Trudgeon explained the sales tax collection process and its impact on project
149 funding. The sales tax was expected to generate \$6 million annually, with a total collection
150 potential of \$97 million over 16.25 years. The license and passport center would require
151 additional funding, potentially through debt issuance.
152

153 City Manager Trudgeon discussed the potential use of port authority powers to issue debt for the
154 project.
155

156 **Workplan and Future Discussion Items**

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158 City Manager Trudgeon updated the commission on the workplan.
159

160 Chair Bester suggested conducting quarterly or semi-annual reviews of operating results.
161

162 City Manager Trudgeon and Finance Director Magureanu confirmed that quarterly financial
163 updates were already being provided to the council. He outlined the typical timing and content of
164 quarterly financial reports, noting that some quarters are more eventful than others.
165

166 The Commission discussed the timing and format of future financial reviews, with a preference
167 for maintaining the current quarterly updates.
168

169 **Commission Direction on Member Initiated Agenda Items**

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171 **Other Business**

172
173 **Adjourn**

174
175 Chair Bester adjourned the meeting at 8:31 p.m.

Roseville Finance Commission Agenda Item

DATE: March 10, 2026

ITEM: 5.a.

ITEM DESCRIPTION: Select Chair, Vice-Chair, and Ethics Commission Representative

Background

Recommendation

Attachments

None

Roseville Finance Commission Agenda Item

DATE: March 10, 2026

ITEM: 5.b.

ITEM DESCRIPTION: Review 2025 Investment Portfolio Performance

Background

See attachement

Recommendation

Attachments

1. Investments as of January 31, 2026

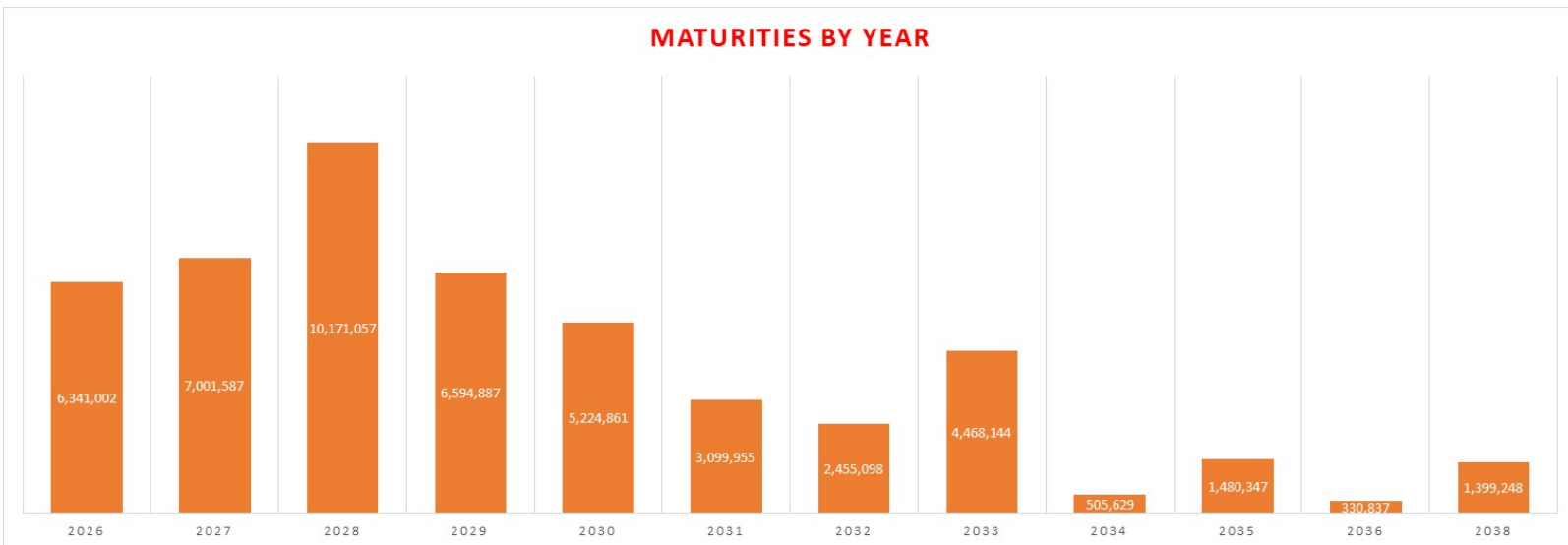
Investments

As of January 31, 2026, total investments for all City Funds totaled \$49,072,652.07 and Money Market \$21,083,093.40, the allocation by investment type is as follows:

Type	Amount	Percentage
MM	21,083,093.40	30.05%
CD	484,877.56	0.69%
Agency	2,495,992.11	3.56%
G.O. Bond	37,840,569.81	53.94%
Revenue Bonds	8,251,213.19	11.76%
<i>Total</i>	<i>70,155,746.07</i>	<i>100.00%</i>

All CDs held by the City are under \$250,000 and are FDIC insured. All current investments are within the City's Investment Policy.

Since the City's cash and investments are needed for cash flow in its operating and capital activities, it is helpful to understand the maturities to structure future investment opportunities. Below are the future maturities for the City's cash and investments.



The City budgets investment income as part of the budget process, so it is helpful to understand the coupons (interest rate) for the cash and investments.

During 2025 fiscal year the City earned a total of \$1,445,274.18 on all its investments or approximately 3% return on investments. In the month of January, the City purchased two new Investments \$1,560,000 G.O Bond at YTM 4.260% and \$1,000,000 Agency at YTM 3.950%.

As of Decemebr 31, 2025		
Coupon	Amount	Percentage
0% to 1%	1,943,944.31	4.09%
1% to 2%	29,092,951.94	61.23%
2% to 3%	3,018,914.52	6.35%
3% to 4%	2,752,936.05	5.79%
4% to 5%	10,702,580.76	22.53%
Total	47,511,327.58	100%

Roseville Finance Commission Agenda Item

DATE: March 10, 2026

ITEM: 5.c.

ITEM DESCRIPTION: Maintenance and Operations Center Update/Discussion

Background

At each meeting throughout the planning and construction process, staff will provide updates on the progress of the Maintenance and Operations Center. The February 11th Commission meeting contained a lot of information with regard to this project, and it is recommended that Commission members bring this information to each meeting for reference.

The Below information was provided by the City Public Works Director, Jesse Freihammer:

Both the License Passport Center and Dance Studio (LPCDS) and Maintenance Operations Center (MOC) are still in schematic design. The LPCDS portion of the project is about a month ahead of the MOC. The focus has been on size of space and layout on the site.

The Civic Campus Final Design Stakeholder Group is a group composed of residents surrounding the project area, a representative of the VFW, one representative from five of the City commissions (Finance, Parks and Recreation, Public Works, Environment & Transportation, Planning, and Equity and Inclusion), and one City Council member. They held their 2nd meeting on February 12. They reviewed design advancement for the overall site. The LPCDS is currently looking to be a 1-story facility. The overall shared parking lot between the LPCDS, VFW and park is being developed with around 150 stalls. The group provided feedback on parking lot configurations, potential uses of park space, building aesthetic types, LPCDS west facade window types/coverage, screening types along Lexington Avenue. The next meeting for this group has not been scheduled. Stakeholder minutes and presentations can be found here. <https://www.cityofroseville.com/4017/Civic-Campus-Final-Design-Stakeholder-Gr>

The overall project is looking to be bid late this year with construction starting in 2027.

Recommendation

No recommendation at this time.

Attachments

None

Roseville Finance Commission Agenda Item

DATE: March 10, 2026

ITEM: 5.d.

ITEM DESCRIPTION: Workplan and future discussion items

Background

Recommendation

Attachments

1. Annual Workplan 2026

Roseville Finance Commission

2026 Meeting Topics & Calendar

Month	2026 Discussion Topics (Tentative)
January 13	<ul style="list-style-type: none"> ▪ Review final 2026 Budget & Levy ▪ Government Budget and Financial Processes Review ▪ Maintenance and Operations Center update
February 10	<ul style="list-style-type: none"> ▪ CIP Discussion-should inflation be factored in, debt issuance, other changes ▪ Maintenance and Operations Center update ▪ Commissioner request for additional information in the ACFR
March 10	<ul style="list-style-type: none"> ▪ Select Chair, Vice-Chair, and Ethics Commission Representative ▪ Review 2025 Investment Portfolio performance ▪ Maintenance and Operations Center update
April 14	<ul style="list-style-type: none"> ▪ Oath of Office by new Commissioners ▪ Review 2025 preliminary year-end cash reserve levels ▪ Maintenance and Operations Center update
May 12	<ul style="list-style-type: none"> ▪ Discuss items for Joint City Council-Finance Commission meeting ▪ Review 2025 Audit Reports ▪ Maintenance and Operations Center update
June 9	<ul style="list-style-type: none"> ▪ Finalize discussion items for joint City Council-Finance Commission meeting ▪ Maintenance and Operations Center update
July 14	<ul style="list-style-type: none"> ▪ 2027-2046 Capital Improvement Plan review #1 ▪ Maintenance and Operations Center update
August 26 * Wednesday	<ul style="list-style-type: none"> ▪ Discuss the 2027 City Manager Recommended Budget & Tax Levy ▪ 2027-2046 Capital Improvement Plan review #2 ▪ Maintenance and Operations Center update
September 15	<ul style="list-style-type: none"> ▪ Establish Recommendation on 2026 City Manager Recommended Budget & Tax Levy ▪ Establish Recommendation on 2027-2046 Capital Improvement Plan ▪ Maintenance and Operations Center update
September 21	<ul style="list-style-type: none"> ▪ Present Budget Recommendation to City Council
October 13	<ul style="list-style-type: none"> ▪ Update on the Council-adopted 2027 preliminary Budget & Tax Levy ▪ Review and adopt a recommendation on the 2027 proposed utility rates ▪
November 10	<ul style="list-style-type: none"> ▪ Adopt 2027 Meeting Calendar ▪ Adopt 2027 Work Plan ▪

Roseville Finance Commission Agenda Item

DATE: March 10, 2026

ITEM: 5.e.

ITEM DESCRIPTION: Tracking Report

Background

Recommendation

Attachments

1. Tracking Report

**Roseville Finance Commission
Recommendation Tracking Report
Report Date - March 10, 2026**

No.	Recommendation	Description	Date Recommend	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.
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	6/17/2024	6/17/2024	Received	On 6/17/24 the Finance Commission in its annual joint meeting with the City Council, presented a recommendation for limited investment in equities.
2025-03	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	6/10/2025	6/16/2025	Received	On 6/16/25 in its annual joint meeting with the City Council, the Finance Commission affirmed its recommendation for limited investment in equities. Finance Commission further recommends that we not act on the recommendation at this time. The Finance Commission will monitor market conditions and will update its recommendation based on updated market conditions.
2025-01	Finance Commission recommends revisions to the Capital Investment Policy	Raise capitalization threshold from \$10,000 to \$25,000. Also require individual assets to be at least \$5,000 when the aggregate purchase is greater than \$100,000.	3/12/2025	4/7/2025	Implemented	Recommending these updates to the City Council at the next suitable time - 4/7/25
2025-02		See page 127 of the 2024 ACFR. The reported collections on levied property taxes for the years 2022, 2023, and 2024 appeared to be understated. This is an error in reporting, not a collection issue.	5/13/2025		Rescinded	There is no recommendation for action other than careful proofreading of future ACFRs.

**Roseville Finance Commission
Recommendation Tracking Report
Report Date - March 10, 2026**

No.	Recommendation	Description	Date Recommend	Date Presented	Status	Discussion and Next Steps
2025-03	Finance Commission recommends that Franchise Fees not be used as a source of revenue in the 2026 City budget.	Use of Franchise Fees as a source of revenue. Cable and utility Franchise Fees would be added to local utility bills. These fees would add some \$2.0 million in revenue for the City budget in 2026.	9/9/2025	9/15/2025	Rejected	Discussed numerous pros and cons. Pros - most cities already use this source of revenue. Cons - it is essentially a tax, a regressive tax, that is identified as a fee, not a tax, on utility bills. Note that non-residential accounts pay 60% of Franchise fees and residential pays 40%. Franchise fees were approved by City Council 12/8/25
2025-04	Finance Commission recommends a levy increase not to exceed 10%.	A base budget and 4 budget scenarios were presented by City Manager. Scenarios included additions to Public Safety staffing, with and without grants, with and without Franchise Fees.	9/9/2025	9/15/2025	Implemented	Finance Commission discussed and considered various budget scenarios as presented by the City Manager. The base budget w/o Franchise fees results in levy increase of 11.54%. Scenario #2 was approved by Council on 12/8/25 using Franchise fees and a levy increase of 7.59%.
2025-05	Finance Commission agrees with and endorses the staff recommended utility rate increases. Water Fund 5.5%, Storm Drainage 0%, Sanitary Sewer 2%, Recycling 3%. Finance Commission recommends approval by City Council	Annual review of proposed utility rates for the year 2026	10/14/2025	11/12/2025	Implemented	Finance Commission reviewed and discussed staff rate recommendations including estimated impact on single family home. Approved by City Council 12/8/25
2025-06	Finance Commission agrees with the proposed update and revisions including the update to the statutory limit of 3% of estimated market value of taxable property. The Commission recommends changing the "AAA Bond rating" to "Strong Credit Rating". With these changes the Commission recommends approval by City Council.	Debt Policy review and revision	10/14/2025	10/27/2025	Implemented	Finance Commission reviewed and discussed proposed changes and updates to Debt Policy.

**Roseville Finance Commission
Recommendation Tracking Report
Report Date - March 10, 2026**

No.	Recommendation	Description	Date Recommend	Date Presented	Status	Discussion and Next Steps
2026-01	Finance Commission recommends expanded disclosures in the statistical section of the Annual Comprehensive Financial Report. (ACFR)	Recommendation is to expand disclosures in Table 5. Recommends adding a new column to disclose the annual % increase in Property Tax. Further recommends adding new columns for Sales Tax and Franchise Fees. The intent of this recommendation is to show the annual change in city tax burden for homeowners and businesses. <u>Also report annual property tax on median value home</u>	1/13/2026		Pending	Finance Commission will continue the conversation about this recommendation at the meeting of 2/10/26. We expect the continuing conversation will include an examination of the annual change in city tax burden on median value home.
2026-02	Finance Commission would like to review a sample copy of a simplified ACFR report to determine if it might be a worthy addition to our standard financial reports.	Finance Director made reference to a simplified ACFR format that might be easier to read and understand.	1/13/2026		Pending	Discussion about the complex format of the ACFR. Probably beyond what is reasonable for the average reader to comprehend and synthesize.
2026-03	Numerous questions or recommendations were discussed in many of the City Funds. For example, suggested use of borrowing as a source of funds for fire engines. Another example is use of state grants or borrowed funds for OVAL improvements. A common theme of these suggestions is creative or alternative sources of funding so that levy is not the sole source of CIP funding.	Finance Commission reviewed the first draft of the Capital Improvement Plan for 2027.	1/13/2026		Pending	The Finance Commission asked questions or made recommendations about the CIP draft for the consideration of staff or City Council.
2026-04	Finance Commission recommends 20 year CIP report without inflation. Also recommends 10 year CIP report with a 3% inflation factor.	Finance Commission discussed format options for the CIP budget worksheets. Are the last 10 years of a 20 year look ahead really useful? Should we add a cost of living escalator of some sort?	1/13/2026		Pending	It was noted that costs contained in the CIP budget worksheets are updated to estimated market conditions each year

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.