Memo

To: Roseville Finance Commission

From: Michelle Pietrick, Finance Director

Date: January 10, 2023

Re: Item #3: Approve the Minutes from the November 15, 2022 Meetings

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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 November 15, 2022 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.

Staff Recommendation

Review the draft minutes.

Requested Commission Action

Amend (as necessary) and approve the Finance Commission meeting minutes for the November 15, 2022 meeting.

Prepared by: Michelle Pietrick, Finance Director
Attachments: A: Draft Minutes from the November 15, 2022 Finance Commission Meeting

Finance Commission
Meeting Minutes
DRAFT – November 15, 2022 - DRAFT

<u>Roll Call/Announcements</u>

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

Commissioners Present: Bruce Bester, Wanda Davies, John Murray, and Dan Sagisser

Commissioners Absent: Siafa Barclay, Sandra Klein-Hegge and Sadiq Dahir

Staff Present: Finance Director Michelle Pietrick

<u>Receive Public Comments</u>

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.

<u>Approval of Meeting Minutes</u>

Chair Davies stated she called the roll, but the minutes indicate that she requested staff to call the roll. She asked if there were additional changes.

Commissioner Bester moved, seconded by Commissioner Sagisser to approve the October 11, 2022 meeting minutes as amended. **The motion carried unanimously.**

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

Commissioner Bester reviewed the Finance Commission Tracking Report.

Ms. Pietrick discussed the underbilled water accounts with the Commission.

<u>Adopt 2023 Meeting Calendar</u>

Chair Davis reviewed with the Commission, the Finance Commission meeting schedule for 2023.

Commissioner Sagisser moved, seconded by Commissioner Murray to adopt the 2023 Meeting Calendar. **The motion carried unanimously.**

Adopt 2023 Work Plan

Finance Director Pietrick reviewed the 2023 work plan with the Commission.

Commissioner Bester moved, seconded by Commissioner Sagisser to adopt the 2023 Work Plan, removing the planning of the joint meeting in February 2023. **The motion carried unanimously.**

Discuss Internal Loan Balance

Finance Director Pietrick explained in 2018 the City purchased the shopping center at 2719 Lexington Avenue. To accomplish this purchase, $1.5 million of funds were loaned from the Pavement Management (PMP) fund and a receivable was recorded. The sale of the former fire station on Fairview was seen as a way to repay this loan, hence the interfund loan receivable and payable were recorded. The former fire station was sold and $1,233,171.30 was received on February 28, 2022 and the internal loan has been reduced to a remaining balance of $266,828.70.

Ms. Pietrick reviewed the information with the Commission and instructed the Commission to discuss alternatives for addressing the remaining interfund loan balance. She noted staff would recommend either using the Excess Cash Reserve fund or the General Fund reserves to repay the PMP fund. Staff is also willing to leave the receivable sit in the PMP fund until the fund needs the cash.

Chair Davies did not see any reason why not to clean it up. She asked if there was a reason to leave it there.

Ms. Pietrick indicated she would prefer to clean this up before the end of the year.

Commissioner Bester asked if this put the City in any kind of jeopardy with the cash positions, general fund cash or does it help.

Ms. Pietrick indicated the City is at roughly forty-seven percent right now through the end of the year and the City also has excess money in the excess cash reserve. Some of that is being used for the 2023 budget.

Chair Davies indicated her preference would be to take it out of excess cash reserve fund. She asked if the PMP fund is running out of money.

Ms. Pietrick indicated there is enough money in the PMP fund for approximately ten years' worth or projects, if not longer. It would make that fund whole cash wise.

Commissioner Murray thought transferring the funds would be the way to do it. He noted he emailed Chair Davies that this problem should not have occurred because he thought the Council should look ahead and if something is going to be done, funding for it should be provided.

Chair Davies wondered how the shortfall happened.

Commissioner Murray reviewed the history of this shortfall with the rest of the Commission.

Ms. Pietrick reviewed with the Commission the purchase of the shopping center and the intention of the City for the purchase.

Commissioner Murray made a motion, seconded by Commission Sagisser to transfer funds from the Excess Cash Reserve fund to the PMP fund. **The motion passed unanimously.**

Staff Update

Vice Chair Sagisser asked for an update on the local sales tax initiative at the Legislation.

Ms. Pietrick reviewed the initiative and what the City Council would like to use the local sales tax monies for.

Chair Davies asked if the City Council has had any additional hearings on the budget.

Ms. Pietrick indicated the public hearing will occur on November 28th. She indicated staff has narrowed the choice of financial systems and hoped to bring that to the Council at the December 5th meeting. She reviewed the choices and timeline with the Commission.

Adjourn

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

Meeting adjourned at 7:14 p.m.