

Memo

To: Roseville Finance Commission
From: Michelle Pietrick, Finance Director
Date: November 9, 2021
Re: Item #3: Approve the Minutes from the October 12, 2021 Meeting

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 October 12, 2021 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 October 12, 2021 meeting.

Prepared by: Michelle Pietrick, Finance Director
Attachments: A: Draft Minutes from the October 12, 2021 Finance Commission Meeting

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**Finance Commission
Meeting Minutes
DRAFT – October 12, 2021 - DRAFT**

Roll Call/Announcements

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

Commissioners Present: Siafa Barclay, Bruce Bester, Wanda Davies, John Murray, Dan Sagisser and Sandra Klein-Hegge

Commissioners Absent: Ryan Lee.

Staff Present: Finance Director Michelle Pietrick

Administer Oath of Office for Finance Commissioner

Chair Davies administered the Oath of Office to Commissioner Klein-Hegge.

Receive Public Comments

Chair Davies indicated an email was received from Mr. Hess regarding the way storm water is charged. She noted this item is on the agenda so the questions will be addressed at that time.

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.

Approval of Meeting Minutes

Commissioner Sagisser moved, seconded by Commissioner Murray to approve the September 14, 2021 meeting minutes as amended. **The motion carried unanimously.**

Receive Finance Commission Recommendations Tracking Report

Commissioner Bester indicated he did not label the report accurately, so the wrong month was submitted and published in the packet. He stated there was a bench handout which he will be referring to. He reviewed the Tracking report with the Commission.

Ms. Pietrick indicated the City Council did approve the Operating Fund Reserve Policy. She indicated that closes the Enterprise Fund, Cash Reserve Policy language and the Operating Fund

47 items. The only adjustment the Council did change from the Finance Commission
48 recommendation was with regards to Parks and Recreation. The Council went with a twenty to
49 thirty percent range.

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52 **Update on the Council Adopted 2022 Preliminary Budget & Tax Levy**

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54 Finance Director Pietrick stated at the September 27, 2021 City Council meeting, the Council
55 adopted the Preliminary 2022 Budget and Tax Levy. The Council adopted the City Manager
56 recommended budget, which the Finance Commission also recommended at the September 14,
57 2021 Commission meeting. She reviewed the highlights of the 2022 preliminary budget with the
58 Commission.

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61 **Review and Adopt Recommendation on 2022 Proposed Utility Rates**

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63 Finance Director Pietrick explained over the past several months, City staff has been reviewing
64 the City’s utility operations to determine what customer rate adjustments are necessary for 2022.
65 The City engaged Ehlers to perform a comprehensive utility rate study of the Water and Storm
66 Drainage Funds based on the cash situations in these two funds in 2021. She reviewed the 2022
67 proposed utility rates with the Commission.

68

69 Chair Davies asked if there is any adjustment for commercial operations that install pervious
70 parking surfaces.

71

72 Ms. Pietrick explained there is not any adjustment offered. The City uses the same standard for
73 storm fees as every other city does. She noted she could ask Public Works if newer commercial,
74 that generally requires storm ponding, has been factored in to reduce costs.

75

76 Chair Davies explained she could see that being an incentive for a business to spend the extra
77 money to install a type of parking surface that is permeable. She thought it would be something
78 to look at for the long haul to reduce stormwater runoff.

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80 Ms. Pietrick agreed. She continued with her presentation.

81

82 Commissioner Bester asked if it would be fair to say that, especially based on the “no revenue
83 sharing”, a lot of the risk was taken out of the contract from the City and this year the cost would
84 be more but in future years the costs would be less.

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86 Ms. Pietrick indicated that was correct. The next two years the increases would not be that large.
87 This was moved to a mid-year renewal from a year end renewal, but also, the Council still needs
88 to decide if they want to be prepared to purchase carts at the end of this contract.

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90 Commissioner Sagisser asked if the City was going to start saving money to purchase carts rather
91 than purchase carts now.

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93 Ms. Pietrick explained that is what Public Works would like to do. When the contract was
94 presented to the Council that was posed to them as a possibility. She knew that Mr. Culver will
95 be posing that to the Public Works and Environmental Transportation Commission at the end of
96 October.

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98 Commissioner Sagisser indicated he would like to see the numbers on that.

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100 Ms. Pietrick explained this was discussed and she would not recommend a huge increase by any
101 means. They were looking at rounding the \$12.60 up to \$13.00 for the quarter.

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103 Chair Davies thought that would not save near enough money to buy a cart.

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105 Ms. Pietrick indicated that was correct. She indicated this would be phased in so there would be
106 around fifty percent of the cost of the carts in the fund.

107
108 Commissioner Murray explained it was his understanding from the previous discussion on the
109 cart ownership was that the City was not too enthusiastic about it because the City would have to
110 store them and take them out to the residents' home, and they would need to be replaced if
111 damaged. If the contract were to change and a company provided carts than the City would need
112 to store them.

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114 Ms. Pietrick explained the company would store the carts, even if the City owned them.

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116 Commissioner Bester did not think the carrier was enthusiastic about promoting that.

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118 Ms. Pietrick explained that was correct. The current vendor has carts.

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120 Commissioner Sagisser indicated the thought was that if the City owned the carts, it would allow
121 them to get more competitive bids with the option to go with other competitors.

122
123 Ms. Pietrick indicated that was correct. She continued with her presentation. She indicated the
124 utility rates will be presented to the City Council at their November 8th meeting with a final
125 approval on December 6th. She explained if the Commission had a preliminary recommendation
126 that could be included in the presentation. This can also be revisited at the November
127 Commission meeting if the PWETC makes any changes.

128
129 The Commission reviewed the utility fund with Ms. Pietrick, asking for history and background
130 on some of the different items.

131
132 Chair Davies asked if the Commission wanted to make a recommendation to the City Council.

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134 Commissioner Sagisser explained this could be recommended as is with the stipulation that the
135 Finance Commission has been informed there may be an adjustment to this, so their
136 recommendation does not include any subsequent adjustments.

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138 Commissioner Murray indicated the Commission could recommend the water and sewer and
139 storm sewer without recommending recycling.

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141 Chair Davies thought the Commission could recommend recycling as is as well.

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143 Commissioner Sagisser indicated he did not have any objections regarding the carts, he just did
144 not know anything about them.

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146 Ms. Pietrick stated what she was presenting to the Commission excludes the carts. She was
147 saying Public Works may change these rates but that is the PWETC decision. If the Finance
148 Commission feels strongly that the City should start setting aside money for carts, that could be a
149 recommendation.

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151 Chair Davies felt that this is a pretty large increase, and it may not be the time to start setting
152 aside the money for carts. She recommended to the City Council approval as presented.

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154 Commissioner Sagisser agreed.

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156 Commissioner Bester made a motion, seconded by Commissioner Sagisser to recommend
157 approval to the City Council of the 2022 proposed Utility rates as presented. **The motion**
158 **carried unanimously.**

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161 **Identify Discussion Items for the Future Meeting (November 9)**

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163 Chair Davies stated the next agenda would include discussions on Park Dedication and other
164 fees, adopt the 2022 meeting calendar and adoption of the 2022 Work Plan.

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166 Chair Davies thought there could be discussion on the purchase of recycling carts, if needed.

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168
169 **Adjourn**

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171 Commissioner Murray made a motion, seconded by Commissioner Bester to adjourn. **The**
172 **motion carried unanimously.**

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174 Meeting adjourned at 7:32 p.m.