

## **Finance Commission Meeting Minutes February 11, 2020**

### **Roll Call/Announcements**

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

**Commissioners Present:** Matt Harold, Edwin Hodder, Ryan Lee, John Murray, and Dan Sagisser

**Commissioners Absent:** Wanda Davies, Jack Reif

**Staff Present:** City Manager Patrick Trudgeon

### **Receive Public Comments**

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**

Chair Hodder asked if there were any changes to the minutes.

Commissioner Murray stated line 79 should be changed to: “liked.” Line 93, he would remove the word “for” and insert “with all the”. Line 125 indicated he would insert after the word “thought”, the word “that”. Line 179 should be changed to “...effectively and from his...”. Line 180, change “have” to “has”. Line 212, after OVAL change “go” to “is going with the Legislature”. He also indicated he mentioned, in a tangent, on lines 245-248, the effect of property taxes and sales taxes and evaluations, etc. and there is no specific substantiation that nobody has ever done a study on that. He read that as sort of a theory, but no study has been done. The minutes are accurate of what was said but is not factual.

Commissioner Murray moved, seconded by Commissioner Harold to approve the January 14, 2020 meeting minutes as amended. **The motion carried unanimously.**

### **Receive Finance Commission Recommendations Tracking Report**

Commissioner Harold updated the changes to the tracking report from January. He indicated since this is his second to last meeting someone else should consider taking ownership of the tracking report or discuss how it should be handled going forward.

Chair Hodder thought the nice thing about the tracking report is it helps the Commission remember what has been done, what is pending and what needs to be completed. He thought it was a very nice tool. He thought the other thing that Commissioner Harold was involved in was a lot of the scenarios and the Finance Commission will need to think about that as well..

Mr. Trudgeon indicated he was looking to bring forward to the Council for ratification on March 23<sup>rd</sup>, the two policies adopted in January.

### **Receive City Communications Fund Update**

City Manager Patrick Trudgeon stated as part of the final approval of the 2020 City Budget, the City Council cut \$45,000 from the Communications Division Budget due to concern about the declining fund balance of the Communications Fund. All communication-related expenditures are currently funded from the Communications Fund.

Mr. Trudgeon reviewed the staff report with the Commission.

Commissioner Harold asked if there are any other potential revenue streams that the city is thinking about investigating to try to make up the declining franchise fees.

Mr. Trudgeon indicated nothing has come to mind to date for creating new fees. Space on the water tower and other areas for cell towers and antenna are being leased out and that goes towards the city's portion of IT services locally. No levy dollars are being used for the city's IT services and support. There are levy dollars that are used for Capital Expenditures. The 5G network could impact the leases as the technology changes. More spots will be needed to put transmitters and receivers with 5G. The only other option is through other franchise fees for other utilities, not related to communications. It is a charge back to the customer that uses it.

Commissioner Murray asked if other options were looked at such as lower the cost to create the newsletter.

Mr. Trudgeon explained there are a lot of options that could be looked at. There is not a local newspaper anymore, so a newsletter is needed and the residents like it.

Chair Hodder asked if a local sales tax could be considered.

Mr. Trudgeon indicated it was talked about briefly, but nothing is planned in the current Legislative session. He thought the Council was interested in discussing it further.

### **Discuss City Facility Study**

City Manager Patrick Trudgeon stated the City Council authorized sending out a Request for Proposals (RFP) in 2019 to hire a firm to develop a master plan for the City's Civic Campus. The City Council has authorized the hiring of BKV Group to develop the master plan for the campus. He indicated BKV will be at the February 10<sup>th</sup> City Council meeting to review the schedule for its work and public engagement efforts.

Commissioner Murray asked which building in the information is being referred to when it says, “the building is about 25 years old”.

Mr. Trudgeon indicated it is referring to the Lexington Shoppes.

Commissioner Murray asked what the broad estimate would be on cost for this.

Mr. Trudgeon indicated he could not give a broad estimate because it all depends on what the final recommendations are. He thought one of the more expensive options would be if the city were to move the maintenance facility off-site which would require to be purchased for a new building so that cost could easily reach ten million dollars. The rest depends on what the city decides to do with the land surrounding the current city campus.

### **Receive City Development Update**

City Manager Patrick Trudgeon stated the Community Development Department reviews and makes recommendations regarding development proposals and inspects and issue permits for all new and remodeled buildings in Roseville. 2019 was an extremely busy year for the department as there was a tremendous amount of development that occurred in Roseville.

Mr. Trudgeon reviewed the 2019 development year in Roseville.

Commissioner Harold asked if \$210 million in 2019 reflected in the last levy cycle or would that development be reflected in the 2021 budget.

Mr. Trudgeon believed it is the assessed value in January so will start to be captured in 2020 for taxes paid in 2021. To be careful of that number, that is the value assigned through a formula of the State Building Code. What the actual County Assessor does might be something different.

Commissioner Murray noticed Roseville High School did a couple of things and also the Lutheran Church and he wondered if the city charged the non-profits and other governments the same for fees.

Mr. Trudgeon indicated the fees were the same.

Commissioner Murray noted the Rental License Program has been moved to the Fire Department and wondered if that could be done or is it restricted.

Mr. Trudgeon explained the Fire Department is providing the service directly and does all of the inspections. It was originally done through the Building Department and its inspectors, but the Building Department has become too busy, so the Fire Department was willing to take it over.

Chair Hodder indicated he heard about Macy closing stores and wondered if that impacted Rosedale.

Mr. Trudgeon indicated he did not know but thought Macy's and J.C. Penny in Roseville was pretty strong. He noted there is massive remodeling being done at Macy's right now.

**Identify Discussion Items for the Future Meeting**

City Manager Patrick Trudgeon stated the next agenda would include discussions on the 2019 Investment Portfolio performance review and discussion regarding selecting the Chair, Vice-Chair and Ethics Commissions Representative because Chair Hodder and Vice Chair Harold will be leaving in April and new Commissioners will be appointed. He indicated the city has hired a new Finance Director, Michelle Pietrick and she will start on February 18<sup>th</sup>. He would like to introduce her to the Commission before the March meeting. He noted he will not be at the March 10<sup>th</sup> meeting because he will be out of town.

Commissioner Sagisser wondered if the Commission meeting could be moved to the first Tuesday in March to accommodate Mr. Trudgeon.

Mr. Trudgeon indicated it could not because there are other meetings scheduled that night.

Commissioner Murray asked how many applicants there are for the open Commission spots.

Mr. Trudgeon explained the city is currently taking applications so if anyone knows any resident who is interested then please have them apply.

**Adjourn**

Commissioner Harold made a motion, seconded by Commissioner Sagisser to adjourn. **The motion passed unanimously.**

Meeting adjourned at 7:28 p.m.