

**Commissioners:**

Siafa Barclay  
Bruce Bester  
Sadiq Dahir  
Wanda Davies  
Sandra Klein-Hegge  
John Murray  
Dan Sagisser



**Finance Commission Agenda**

Tuesday, May 10, 2022

City Council Chambers

6:30 pm

**Address:**

2660 Civic Center Dr.  
Roseville, MN 55113

**Phone:**

651-792-7002

**Website:**

[www.cityofroseville.com](http://www.cityofroseville.com)

1. 6:30 P.M. Roll Call / Announcements
2. 6:35 P.M. Receive Public Comments
3. 6:40 P.M. Discussion With Chief Of Police - Staffing, Forfeitures, Collaborations

Documents:

[ITEM 3 - POLICE CHIEF DISCUSSION ON OPERATIONS AND FORFEITURE ACCOUNTS.PDF](#)

4. 7:10 P.M. Approve Meeting Minutes

Documents:

[ITEM 4 - MINUTES.PDF](#)

5. 7:20 P.M. Receive Finance Commission Recommendations Tracking Report

Documents:

[ITEM 5 - TRACKING REPORT.PDF](#)

6. 7:25 P.M. Discuss Options Regarding Internal Loan

Documents:

[ITEM 6 - DISCUSS INTERNAL LOAN OPTIONS.PDF](#)

7. 7:45 P.M. Staff Update

8. 7:50 P.M. Identify Discussion Items For Future Meetings

Documents:

[ITEM 8 - ANNUAL\\_WORKPLAN\\_2022.PDF](#)

9. 8:00 P.M. Adjourn

# Memo

**To:** Roseville Finance Commission

**From:** Michelle Pietrick, Finance Director

**Date:** May 10, 2022

**Re:** Item #3: Police Chief will discuss recruitment and staffing, working with Sheriff's Department, impact of housing development on workload, and overview of forfeiture accounts

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## Background

The Finance Commission members have had a number of questions on certain areas of policing. Chief of Police Erika Scheider will be attending the meeting to address the following areas which the commission had compiled:

- Recruitment and how Roseville compares to other cities
- Future staffing needs
- How the department works with the Sheriff's Department
- Impact of housing development on department work load
- Overview of forfeiture accounts.

Originally Chief Scheider was unable to attend but she will be able to attend in person to address the areas that the Commission had identified for discussion.

## Staff Recommendation

NA.

## Requested Commission Action

No action required.

Prepared by: Michelle Pietrick, Finance Director

Attachments:

# Memo

**To:** Roseville Finance Commission  
**From:** Michelle Pietrick, Finance Director  
**Date:** May 10, 2022  
**Re:** Item #4: Approve the Minutes from the April 12, 2022 Meeting

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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 April 12, 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 April 12, 2022 meeting.

Prepared by: Michelle Pietrick, Finance Director  
Attachments: A: Draft Minutes from the April 12, 2022 Finance Commission Meeting

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**Finance Commission  
Meeting Minutes  
DRAFT – April 12, 2022 - DRAFT**

**Roll Call/Announcements**

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

**Commissioners Present:** Siafa Barclay, Bruce Bester, Wanda Davies, Dan Sagisser, Sandra Klein-Hegge, and Sadiq Dahir

**Commissioners Absent:** John Murray

**Staff Present:** Finance Director Michelle Pietrick

**Oath of Office for Commissioner Sadiq Dahir**

Chair Davies introduced Sadiq Dahir and administered the Oath of Office to Commissioner Sadiq Dahir.

Commissioner Dahir reviewed his background with the Commission and public.

**Receive Public Comments**

Chair Davies noted there was an email received from Mr. Roger Hess regarding water questions. She noted the resident has raised this issue previously per Ms. Pietrick.

Ms. Pietrick indicated Mr. Hess has raised the issue at least four times in the two years she has been with the City about why Roseville has not joined St. Paul Water instead of having its own water utility system. She explained the City Council has not been receptive and the answer has been no. The other question Mr. Hess raised is looking at the Sheriff's Department doing policing and that was discussed five years ago and not only was the City Council not receptive but residents were not in favor of this as well. She indicated Mr. Hess means well but the Council has said no, unless the Council were to decide that they want the Commission to look at this topic in more depth financially, there isn't any traction right now to do that.

Chair Davies asked if there have been studies done to look at the benefits or not of that.

Ms. Pietrick explained Public Works has looked at the water, St. Paul vs Roseville, and on the surface there might be a little benefit but St. Paul Regional Water is going through rate increases to address their capital funding needs. Over the next few years, she believes St. Paul residents are going to start to see some incremental changes. She indicated even if Roseville's water system

47 would be sold to St. Paul Regional Water the City would still have to issue bills because the  
48 utility bills consist of water, sanitary sewer, storm water and recycling. There would not be any  
49 financial benefit on the billing side and the work would not be reduced. If the Council were  
50 interested in entertaining a full-blown analysis then the Finance Commission and staff would do  
51 a more in-depth review of not only the cost of the water but the capital needs of the system.

52  
53 Commissioner Klein-Hegge arrived at the meeting at 6:08 p.m.

54  
55 There being no one present wishing to speak to the Commission on an item not on the agenda,  
56 the Chair moved to the next agenda item.

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58

### 59 **Approval of Meeting Minutes**

60  
61 Commissioner Barclay moved, seconded by Commissioner Klein-Hegge to approve the March  
62 15, 2022 meeting minutes as amended. **The motion carried unanimously.**

63  
64

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

66  
67 Commissioner Bester updated the Commission on tracking report.

68  
69 Ms. Pietrick noted the request for consideration of the proposed draft of the Investment Policy  
70 will be before the City Council on April 25<sup>th</sup> due to the length of the April 11<sup>th</sup> City Council  
71 meeting.

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### 74 **Review 2021 Cash Reserve Report and Cash Reserve Levels**

75  
76 Finance Director Pietrick summarized the 2021 Cash Reserve report and Cash Reserve levels.

77  
78 Chair Davies asked whether staffing could be reduced given that some work has transferred at  
79 the License Center.

80  
81 Ms. Pietrick indicated that if staff is reduced then we can't handle as many customers.

82  
83 Commissioner Bester indicated right now the wait is pretty long and he had to go to a different  
84 City in order to get his license renewed so it did not expire.

85  
86 Ms. Pietrick indicated there are two working modes for the License Center, one is the online  
87 appointment and the other is walk-in and the staff is working to accommodate both at this time.

88  
89 Chair Davies thought the expectation is that this is not going to return to pre-pandemic levels in  
90 the absence of a change in the fee structure.

91

92 Ms. Pietrick did not think so unless people start buying cars which is one of the lines of business  
93 that is down, but right now cars are hard to purchase. She thought this will take a couple more  
94 years before this gets back to pre-pandemic levels.

95  
96 Ms. Pietrick stated that the passport side of the License Center has seen an increase in business,  
97 nearing pre-pandemic levels.

98  
99 Ms. Pietrick reviewed the ARPA funds and what the City is using them for.

100  
101 Chair Davies asked if the donations from the General Fund and Parks and Recreation were  
102 restricted for specific purposes.

103  
104 Ms. Pietrick indicated those donations are restricted and have to be removed from the cash  
105 reserves.

106  
107 Commissioner Barclay indicated it sounds like the License Center is not doing well.

108  
109 Ms. Pietrick indicated the License Center is doing better but thought it will take a year or two  
110 before it is back in the black, hopefully sooner.

111  
112 Commissioner Bester thought it was a good idea that the General fund reserve level was bumped  
113 up by the Commission. It looked like the City is safe this year.

114  
115 Ms. Pietrick indicated if there is a one-time project that comes in or one time purchase, the City  
116 might want to use the excess reserves to fund that. The City does not want to get back into the  
117 habit of tapping reserves for operations because bond rating agencies do not look favorably upon  
118 that.

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120

121 **Staff Update**

122  
123 Ms. Pietrick indicated staff is working through the audit and also working on the budget.

124  
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126 **Identify Discussion Items for the Future Meetings**

127  
128 Chair Davies stated the next agenda would include discussions regarding the Police Department  
129 and a tour of the Ice Oval/Arena at 5:30 p.m., before the meeting starts.

130  
131 Ms. Pietrick indicated the tour is not mandatory and should take approximately an hour. She  
132 asked for Commissioners to let her know if they can make the tour.

133  
134 Chair Davies explained if the Commission had any questions for the Police Chief she would like  
135 them to be brought forward at this time. Some questions to ask:

136

- 137       • Are there things the Police Chief feels are needed to be effective that have not been  
138       budgeted for.

139  
140               Ms. Pietrick indicated this was asked of the Police Chief and answered that there  
141               is not really anything needed because she asks for what she needs to run an  
142               effective department. The Police Department did turn in its 2023 Capital  
143               Improvement Plan (CIP) but she has not had time to review it.

- 144  
145       • How many open spots are there in the Police Department and if compensation is an issue.  
146  
147       • How competitive is Roseville with other cities police departments.

148  
149               Ms. Pietrick indicated the City Council did approve some signing bonuses, some  
150               lateral signing bonuses.

- 151  
152       • Commissioner Klein-Hegge asked if the Police Department feels like it needs to increase  
153       the number of police officers that the department carries because when the housing  
154       project by Snelling and County Road C opened, she was not sure how many housing  
155       units that will be but will certainly expand the population and need for police in the area.

156  
157               Ms. Pietrick indicated the Police Chief does have a staffing plan in place and the  
158               Chief did get three new officers recently so the department is probably good for a  
159               couple of years but she will have the Chief address that.

- 160  
161       • How short staffed is the Police Department.

162  
163               Ms. Pietrick thought there are two opening right now but is better than last year  
164               when four positions were open.

- 165  
166       • How does the Roseville Police Department interact with the St. Paul Sheriff's  
167       Department.

168  
169       Ms. Pietrick thought the Commission might want to review the Capital Improvement Policy  
170       before the Commission digs into the details of the Capital Improvement Plan.

171  
172       The Commission liked the idea.

173  
174       Commissioner Bester indicated as the City moves into the budgeting time of year, the City  
175       essentially budgets to break even each year and last year the City used some of the fund  
176       balance to make it work and yet each year the City seems to come up with a strong bottom  
177       line, which is a good thing. He was curious what drives the City to end up quite a bit better  
178       than budget and if this is something that can be tightened up a little bit.

179  
180       Ms. Pietrick noted in 2020 the City was fortunate and received CARES dollars from the  
181       Federal Government and a large chunk of that was used to cover salaries of the Police and

182 Fire staff and the City also used the money for a few other things but the General Fund got a  
183 million seven to cover those salaries which helped the General Fund bottom line. In 2020,  
184 only some Capital projects got done that were absolutely mandatory, such as what was in the  
185 Water and Sewer funds but other projects were postponed because most of staff was working  
186 from home. Projects were moved to future years so while the City programs and budgets for  
187 Capital expenditures some of the things got cancelled or postponed. She noted the supply  
188 chain is also impacting what the City is spending in certain areas of the budget.

189

190

191 **Adjourn**

192

193 Commissioner Bester made a motion, seconded by Commissioner Sagisser to adjourn. The  
194 **motion passed unanimously.**

195

196 Meeting adjourned at 7:18 p.m.

# Memo

**To:** Roseville Finance Commission  
**From:** Michelle Pietrick, Finance Director  
**Date:** May 10, 2022  
**Re:** Item #5: Review Finance Commission Recommendations: Tracking Report

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## **Background**

A summary of the Finance Commission's recent recommendations submitted to the City Council is included in *Attachment A* for review. The report has been updated to reflect items that have been closed or added per Commissioner Bester.

## **Staff Recommendation**

Not applicable.

## **Requested Commission Action**

For review and discussion purposes only. No formal Commission action is necessary.

Prepared by: Michelle Pietrick, Finance Director  
Attachments: A: Tracking Report

**Roseville Finance Commission  
Recommendation Tracking Report**

No.	Recommendation	Description	Date Recommended	Date Presented	Status	Discussion and Next Steps
2022-01	Expanding Investment Policy Language to permit limited use of equity investments	Proposal to permit Finance Commission to bring to the City Council for consideration - expanded policy language for limited equity based investments.	2/8/2022	2/14/2022 4/11/2022	Pending	Initial proposal presented to Finance Commission 2/8/22. Request for consideration presented to City Council 2/14/22. Draft of proposed policy to Finance Commission 3/15/22. Proposed policy draft presented to City Council 4/25/22.

## 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.

# Memo

**To:** Roseville Finance Commission

**From:** Michelle Pietrick, Finance Director

**Date:** May 10, 2022

**Re:** Item #6: Discuss options regarding internal loan between PMP and Shopping Center Funds

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## **Background**

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.

Staff have identified some alternatives to address this remaining interfund loan balance:

- Transfer funds from the Excess Cash Reserve fund to the PMP fund
- Transfer funds from the General Fund to the PMP fund
- Start increasing taxes to repay the internal loan which would then transition to PMP funding
- Do nothing until the PMP fund needs the cash

The Finance Commission is asked to discuss these options and determine which, if any they would recommend.

## **Staff Recommendation**

Discuss alternatives for addressing the remaining interfund loan balance. Staff would recommend any of the alternatives other than the do nothing option.

## **Requested Commission Action**

Discuss alternatives and determine if there is strong support for recommendation to the City Council.

Prepared by: Michelle Pietrick, Finance Director

Attachments:

## Roseville Finance Commission

### 2022 Meeting Topics & Calendar

Month	Discussion Topic (Tentative)
January 11	<ul style="list-style-type: none"> <li>▪ Discuss Items for a Joint Meeting with City Council</li> </ul>
February 8	<ul style="list-style-type: none"> <li>▪ Sales Tax Discussion update (tentative)</li> <li>▪ Finalize items for Joint Meeting with City Council on February 14</li> </ul>
March 8	<ul style="list-style-type: none"> <li>▪ Select Chair, Vice-Chair, and Ethics Commission Representative</li> <li>▪ Review 2021 Investment Portfolio performance</li> <li>▪ Investment Policy revision discussion</li> </ul>
April 12	<ul style="list-style-type: none"> <li>▪ Review 2021 preliminary year-end cash reserve levels</li> <li>▪</li> </ul>
May 10	<ul style="list-style-type: none"> <li>▪ Tour Ice Oval/Arena</li> <li>▪ (Tentative) Discussion with Police Chief – give detail questions that can be responded to in writing</li> </ul>
June 14	<ul style="list-style-type: none"> <li>▪ Review 2021 Audit Reports</li> <li>▪ 2023-2042 Capital Improvement Plan review #1</li> </ul>
July 12	<ul style="list-style-type: none"> <li>▪ 2023-2042 Capital Improvement Plan review #2</li> </ul>
August 24 * Wednesday	<ul style="list-style-type: none"> <li>▪ Discuss the 2023 City Manager Recommended Budget &amp; Tax Levy</li> <li>▪ Discuss items for Joint City Council-Finance Commission meeting</li> </ul>
September 13	<ul style="list-style-type: none"> <li>▪ Establish Recommendation on 2023 City Manager Recommended Budget &amp; Tax Levy</li> <li>▪ Establish Recommendation on 2023-2042 Capital Improvement Plan</li> <li>▪</li> </ul>
October 11	<ul style="list-style-type: none"> <li>▪ Update on the Council-adopted 2023 preliminary Budget &amp; Tax Levy</li> <li>▪ Review and adopt a recommendation on the 2023 proposed utility rates</li> </ul>
November 15	<ul style="list-style-type: none"> <li>▪ Adopt 2023 Meeting Calendar</li> <li>▪ Adopt 2023 Work Plan</li> </ul>
December 13	<ul style="list-style-type: none"> <li>▪</li> <li>▪</li> </ul>