

**Finance Commission
Meeting Minutes
May 10, 2022**

5:30-6:15 Finance Commission members Barclay, Bester, Dahir and Davies toured the Ice Oval prior to the start of the Commission meeting.

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, John Murray, and Sadiq Dahir

Commissioners Absent: Sandra Klein-Hegge, and Dan Sagisser.

Staff Present: Finance Director Michelle Pietrick, and Police Chief Erika Scheider

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.

Discussion with Chief of Police – Staffing, Forfeitures, Collaborations

Chief Erika Scheider was present at the meeting to address a number of certain areas of policing which the Commission had questions on, some include:

- 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

Chair Davies noted the Commission had some questions regarding the Police Department budget and if Chief Scheider felt it was adequate. She wondered if Chief Scheider felt like the Police Department was receiving enough funds to get the work done.

Chief Scheider thanked the City for the support and for a few years the Police Department was feeling like it was getting behind as far as staffing because it was seeing the call loads and complexity of the case going up, just the demand on the officers and investigations. She indicated the adding of three officers has made a huge impact to the department. The big thing that came out of the increases was that the department was able to add the Community Action

Team. That was a new team that the department would not have been able to add without those additional officers.

Chief Scheider reviewed with the Commission how the additional officers are being deployed and how the Community Action Team works in the community.

Chair Davies asked what kind of experience do the people on the Community Action Team have.

Chief Scheider explained everyone on the team are experienced patrol officers that were selected for the team and have certain expertise. She reviewed the different roles of the Community Action Team and how the team works together using their own expertise.

Commissioner Dahir asked if the officers on the Community Action Team were sought after what happened in 2020 or is this something that Roseville has been doing.

Chief Scheider thought it came about with the call load going up and the complexity of the cases increasing. She noted there are a lot of issues, whether it is chemical addiction or abuse and a lot of the cases have a lot of history associated with them and cannot be solved in ten minutes police response which is where the team came in. She thought what really drove it was when the department started to see mental health calls increasing which has been going on for at least ten years. She indicated that when she started twenty-five years ago there were not that many mental health calls but within the last ten years it has really increased so she felt a special team was needed.

Chair Davies asked if the department has had a problem getting enough officers.

Chief Scheider indicated recruitment and retention is a real concern across Minnesota and the Country. She explained when she started there were hundreds of people that signed up for one job and now what is being seen is twenty to thirty people applying, which is not a lot. Across the Country there are a lot more officers retiring and retiring early, a lot more officers are leaving the profession and move into other careers so every department is struggling to fill the ranks. She indicated this is not a Roseville problem, this is happening across the State. She explained the department is doing a lot of proactive things around recruitment and retention and in February the department rolled out a formal recruitment and retention program with support from the City Manager and City Council. The department is doing some hiring bonuses and was one of the first agencies to do those. What the department is finding is that people are not going to come to Roseville just for the hiring bonus but when looking at sixty jobs, Roseville's stands out and is getting people in the door.

Chair Davies asked if the compensation the Police Department is able to offer competitive.

Chief Scheider explained in December all of the Union contracts were negotiated and she felt the City did a really good job of offering a fair rate and she thought it was a really good contract that they were able to come up with. What the department is starting to see that is concerning is cities that are having trouble with recruiting and retention are going back and renegotiating and some

agencies are giving ten to fifteen percent increases. If someone asked her in December if it was a great contract she would have said yes and put Roseville right in line with a lot of the other Metro agencies but that is one of the trends that they are starting to see other departments offer a ten percent increase just because those departments cannot get officers to come work for them. She noted she will need to keep an eye on that and bring forward recommendations if that continues to be the trend.

Commissioner Murray asked if an officer gets sued is there an insurance bond through the Union that covers the officer's defense.

Chief Scheider explained it would depend, if the officer is an employee, they will have Union representation. The Union offers a legal defense fund and then the City is usually named in the lawsuit as well so there is also the City Attorney involved.

Commissioner Murray asked if that went through the appeal.

Chief Scheider indicated it does.

Chair Davies asked if the Police Department is ready and staffed adequately for the increase in population in Roseville with more housing units being added.

Chief Scheider explained that is something the department has been talking with Community Development, the Fire Department and everyone in the City because it not only affects public safety but that many more resident's impacts all of the services and delivery. The conversations are ongoing and everyone is trying to anticipate what the call load will look like for the Police Department.

Commissioner Murray asked what the status is on the forfeiture funds.

Chief Scheider indicated each year the Police Department does a presentation to the City Council that summarizes all of the forfeiture accounts. She explained the information is in the March Council packet if the Commission would like to review them. She also reviewed the forfeiture accounts with the Commission.

Commissioner Murray asked if the forfeiture account balances have been trending down or have they been climbing.

Chief Scheider indicated over the past several years with COVID the funds have been staying about the same without any large expenditures.

Commissioner Murray asked what other issues are the Police Chief is concerned with.

Chief Scheider explained there are a lot of them. Obviously, there is recruitment and retention and something the Chief's in the State are pushing for. She indicated there is a list of Legislative priorities that she could get the Commission. She reviewed the push to tighten up the penalties

for catalytic converter thefts as well as Officer wellness and carjacking. She indicated the most concerning thing the department has seen is the violent crime. Gun violence and the number of guns the Police Department is recovering is very concerning. She indicated this is not unique to Roseville and is Statewide and everyone is concerned with the increase in violent crimes.

Commissioner Murray asked if the costs for policing in Roseville are higher or lower than in St. Paul, Ramsey County Sheriff or somewhere else. He indicated his question was in regard to a community comment about subcontracting out the policing to Ramsey County and getting rid of the Police Department in Roseville. He asked if there is any cost advantage to subcontracting this out. He noted he did not see one.

Chief Scheider explained she did not know how Roseville would compare to other agencies. She indicated when subcontracting out to other agencies the City does not have the control. Right now it is the City leaders that determine the direction the Police Department goes and the City Manager makes sure she is carrying it out. She indicated she did not know what Falcon Heights pays the Sheriff's Office for service or what level of service that city is paying for because there are different levels of service.

Chair Davies thanked Chief Scheider for taking the time to come to the meeting and answer questions.

Approval of Meeting Minutes

Commissioner Bester moved, seconded by Commissioner Murray to approve the April 12, 2022 meeting minutes as presented. **The motion carried unanimously.**

Receive Finance Commission Recommendations Tracking Report

Commissioner Bester reviewed changes to the Tracking report.

Discussion on Options Regarding Internal Loan

Finance Director Pietrick stated the Commission is asked to discuss alternatives for addressing the remaining interfund loan balance. She noted the internal loan has a remaining balance of \$266,828.70.

Chair Davies asked if the original plan was that the profit from the License Center would pay off this loan.

Ms. Pietrick indicated that was not the plan. She indicated the License Center has been paying rent to the fund but she did not see any evidence that profit from the License Center was going to repay this loan.

Commissioner Bester asked if rents from the License Center provide enough cash flow to cover the expenses.

Ms. Pietrick indicated it did at this time but not enough to pay the loan. She reviewed some options with the Commission including:

- Transferring funds from the Excess Cash Reserve fund to the PMP fund
- Transferring 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.

Ms. Pietrick indicated she would not recommend option three.

Commissioner Bester thanked Ms. Pietrick for bringing this forward. He would recommend option four, the City can carry the balance for some time as a majority of the loan has paid off.

Chair Davies wondered why, when there is excess in the Shopping Center fund, why that does not go to pay this off, pay it down.

Ms. Pietrick indicated the reason why is that there is not that much excess in that fund. The City has lost one or two tenants there. She explained she could look at that fund again but the last time she looked it has maybe a half month of operating costs.

Chair Davies indicated with all of the visioning going on around the Campus expansion, do those proposals include the shopping center.

Ms. Pietrick indicated the vision involves demolition of the shopping center. The Campus Master Plan shows the maintenance facility going on that property. She reviewed the Campus Master Plan with where the License Center and VFW are proposed to go.

Chair Davies thought the loan could just sit there and paying off the loan could be a part of the expansion. She asked Ms. Pietrick what she recommends because the staff report indicates staff would recommend any of the alternatives other than the do-nothing option, option four.

Ms. Pietrick explained she would be fine with doing nothing but would not recommend option three, increasing taxes to repay it. It has been sitting there for four years and the PMP Fund will not run out of funds for approximately ten years. She reviewed the various options with the Commission.

Commissioner Murray agreed that nothing should be done until it is clear what is going to happen across the road. It seems it would be a part of the cost of the whole project.

Commissioner Bester explained he would be ok with either recommendation one, two or four, with four being his first preference.

Ms. Pietrick indicated she thought the City could go with recommendation four and see where the project goes. Right now, Pavement Management is healthy and will not run out of cash and if she has some freed-up resources that she can invest, this was the fund she was looking at investing for.

Chair Davies asked if the Commission needed to make a motion to do nothing on this item.

Commissioner Murray thought this item could go on the Tracking report and bring it up again in six months to see where it is standing.

Ms. Pietrick thought that was a good idea because that will give the Commission a chance to look at the CIP sheets and go through the budget process as well.

Staff Update

Ms. Pietrick explained the Investment Policy was approved by the City Council and the new Assistant Finance Director will be starting May 23rd.

Identify Discussion Items for the Future Meetings

- June meeting review 2021 Audit Reports
- June meeting first look at the 2023-2042 Capital Improvement Plan Review
- June meeting CIP Policy review and discussion
- November meeting look at the Internal Loan balance

Adjourn

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

Meeting adjourned at 7:41 p.m.