

ROLLA CITY COUNCIL
AUDIT COMMITTEE MEETING MINUTES
TUESDAY, AUGUST 18th, 2026; 5:00 pm.
ROLLA CITY HALL – 3RD FLOOR CONFERENCE ROOM
901 NORTH ELM STREET, ROLLA, MO

Committee members in physical attendance: Steve Jackson and Sue Brown (arrived at 5:30 pm)

Committee members attending via video conferencing: Andrew Behrendt

Other City Officials in Physical Attendance: Mayor Lister Florence, Finance Director Steffanie Rogers, Public Works Director Darin Pryor and City Administrator Keith Riesberg.

Budget Discussion

City Administrator Keith Riesberg reviewed with the committee the draft proposed FY 26-27 budget that will be presented to Council at the Budget Workshop on Monday, August 24th.

1. Budget Timeline
 - Budget must be adopted by September 31.
2. General Fund Overview
 - Approximately two-thirds of the budget is personnel-related.
 - Police and Fire account for \$11M of the \$17M General Fund.
 - Insurance changes have not produced expected savings.
 - A meeting with Consociate is scheduled for 08/19/26 to further evaluate insurance issues.
3. Compensation & Staffing
 - Goal is to implement a 5% salary increase for employees.
 - Departments are having difficulty filling positions; wage scales need adjustment.
 - Proposed new positions:
 - Animal Shelter Manager (added)
 - Facility Maintenance Manager (added)
 - Vehicle Maintenance position (added)
 - No other additions to staffing.
4. Reserves & Financial Strategy
 - Current policy: 25% GF reserve (\$3.4M).
 - GFOA calls for a 2-month reserve (approx. 16%), freeing \$1.1M.
 - Concerns were raised about lowering reserve standards.

August 18th, 2026 - Audit Committee Meeting
Minutes Submitted by City Clerk, Lorri Powell

- Approximately \$390K still needs to be cut through expenditure reductions.
 - Proposed budget has less than 25% reserve but meets GFOA standard.
 - Committee was supportive to address employee compensation and City needs.
 - Within two years anticipate TIF revenue being released that will benefit the General Fund.
5. Compensation Study
- Proposed \$60,000 study to evaluate comprehensive employee compensation (wages + benefits).
 - Rising health insurance and retirement contributions are driving costs.
6. Revenue Outlook
- Minimal property tax growth projected.
 - \$650K in TIF redirect revenue; once TIF expires, revenue will shift to General Fund.
 - Sales tax growth projected at 3%.
 - RMU PILOT is estimated at \$2M.
 - No COLA—only a 5% flat wage scale adjustment to raise starting wages.
7. Capital & Program Needs
- Downtown Chapter 353 support, cooling tower replacement, and building access management total ~\$300K.
8. Overview of the revenue and expenditures and fund balance was given for all major funds.

With no further questions at 6:40 pm the meeting was adjourned.