
City of Columbia FY2027 Budget: Social Services Funding

Council Members, my name is Stacy Ford and I am the Chair of the Human Services Commission. This evening, I'd like to speak on behalf of our commission in support of the City's longstanding investment in our community's social infrastructure through the social services funding process.

The Human Services Commission and the Department of Public Health and Human Services are charged with making annual recommendations for the purchase of social services, through professional services agreements with community-based providers, utilizing the City's social services funding. The goal of the City's purchase of social services is to ensure our basic needs are met and we all have the opportunity to achieve our full potential. Detailed information about the social services funding process and the issues we address were provided in our report to the council, which was included as an attachment to the budget document.

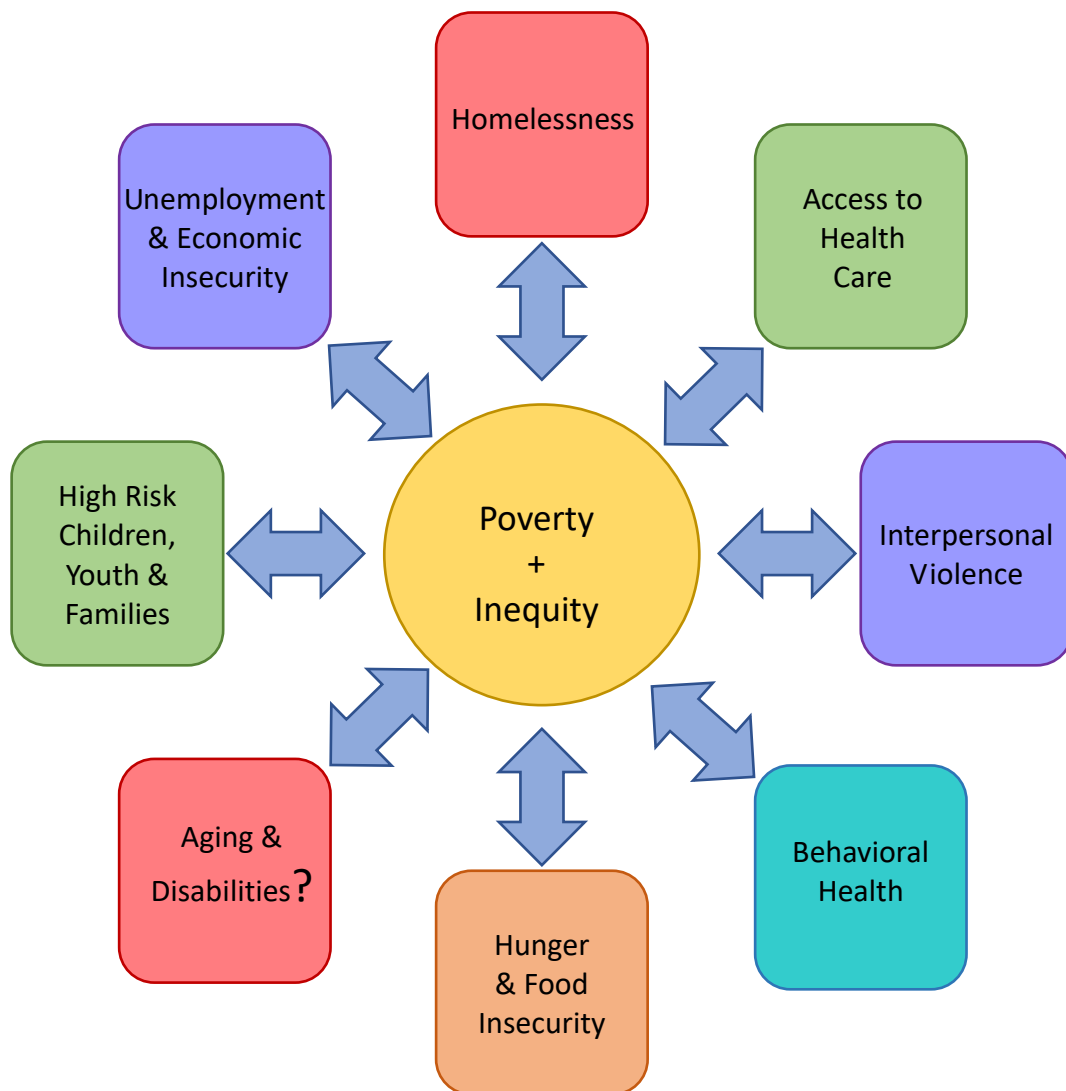
The Human Services Commission has asked for the social services funding to be restored or increased in each budget cycle. After an increase in the last three budgets, we are concerned to see that the City Manager's proposed budget includes a 10% cut in social services funding, all taken out in this RFP for Opportunity. This adjustment if adopted would decrease the total for this funding cycle from \$422,667 to \$285,542, likely resulting in fewer agencies being funded. Previously funded agencies include Fun City, Grade A Plus, Job Point, Love Columbia and Columbia Housing Authority-Low Income Services. Previously funded services include job readiness assessments, job readiness training, personal finance education, and out-of-school programming (so parents can stay at work). This feels more impactful now than ever, with the state and federal budget cuts to many local programs.

The members of the Human Services Commission would like to thank the City Council for its longstanding support of the City's investment in the social infrastructure of our community. We look forward to presenting our 2027 social services contract recommendations to you in December. Thank you.

City of Columbia FY2027 Budget: Social Services Funding

For over 50 years, the City of Columbia has recognized that in addition to physical infrastructure and public safety, it must also make an investment in our community's social infrastructure. To this end, the City has both provided and purchased social services to ensure that adequate levels of these services are available to low-income residents of the City.

The social services provided and purchased by the City address some of our community's most challenging issues, many of which are rooted in poverty and inequity.



This report, from the Human Services commission, is intended to outline these issues and the critical role the City's social services funding plays in addressing their causes and effects.

For detailed information about the City's social services funding, please visit the [City of Columbia Social Services Funding web page](https://www.como.gov/health/social-services-funding/) (<https://www.como.gov/health/social-services-funding/>).

A Strategic Investment

Because the City does not have the capacity to provide all of the social services needed to address the causes and effects of poverty and inequity in our community, the Human Services Commission and the Department of Public Health and Human Services are charged by the Columbia City Council to make annual recommendations for the purchase of social services, through professional services agreements with community-based providers, utilizing the City's social services funding.

In order to target limited resources, the City's social services funding is allocated to address two issue areas reflecting the funding priorities identified by the HSC and approved by the City Council:

- **Basic Needs**
- **Opportunity**

Goal	Ensure our basic needs are met and we all have the opportunity to achieve our full potential.
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Requests for proposals and the resulting purchase of service contracts are issued in a staggered, two-year cycle:

	Target Range	FY26 Allocations	CM Proposed FY27	Difference
Issue Area	%	\$	\$	\$
Basic Needs	50 – 75%	\$438,761.00	\$438,761.00	\$0
Opportunity	25 – 50%	\$422,666.78	\$285,542.00	(-137,124.78)

The social services contracted by the City are identified and prioritized through a data driven process, which also incorporates an ongoing assessment of community needs and resources. While the City's investment in social services is not adequate to fully address the causes and effects of poverty and inequality, it does substantially increase the availability of services in Columbia. Examples of services the City purchases include:

- Employment readiness and support from Job Point
- Housing support services from Voluntary Action Center and Love Columbia
- Out of school programs from Columbia Housing Authority, Fun City, and Grade A Plus
- Personal finance education from Love Columbia
- Domestic violence services from True North
- Senior and disability services from Services for Independent Living
- Nutritious supplemental foods from the Food Bank and CCUA

Without funding from the City, many of these services would simply be unavailable to our community's most vulnerable residents.

A Return on Investment

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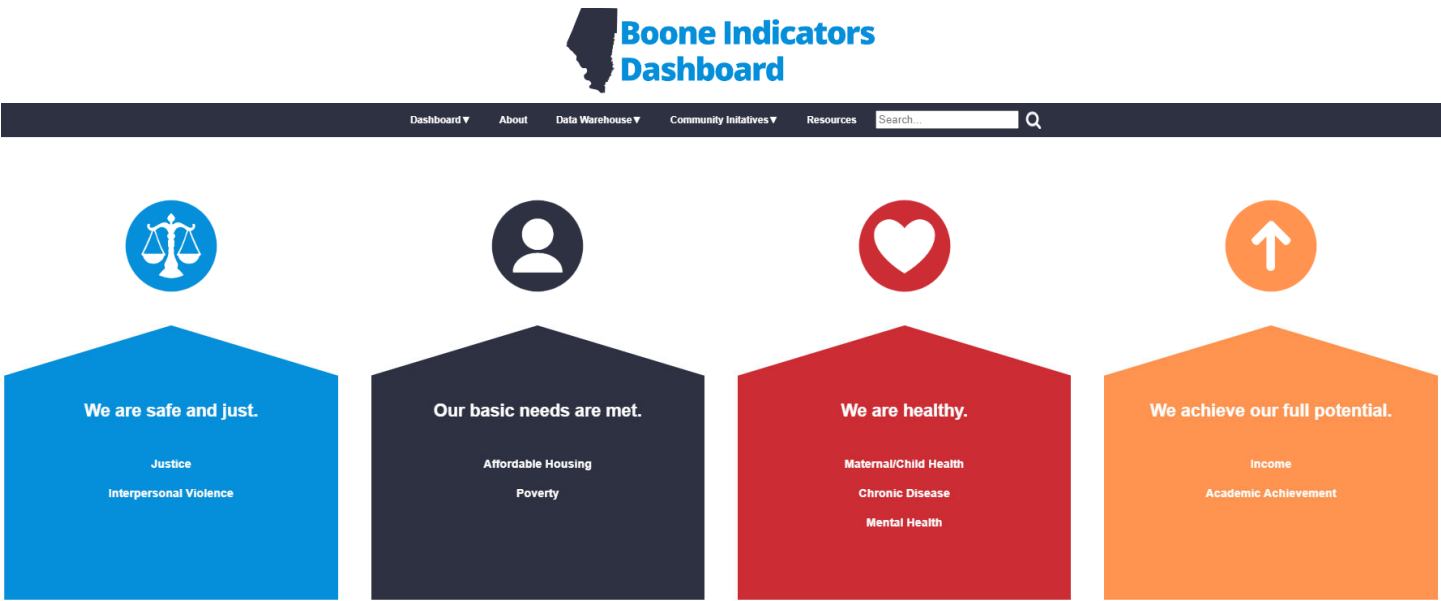
The City's investment also allows our contracted partners to leverage additional, external resources which further increase the community's capacity to deliver social services. Based on an analysis of our current social services contracts, we found that for every \$1 the City of Columbia invests in local social services, our contracted providers generate \$18 additional dollars... a \$18/\$1 **return on investment**. In addition, a significant portion of these revenues are obtained from sources outside

our community. Our relatively small investment makes Columbia very competitive in obtaining shrinking resources from external funders which are increasingly requiring local matching funds.

A Collective Investment

The investment in social services also empowers the City to be a leader in convening a multitude of stakeholders to address our community’s complex social issues. Because we are operating in a resource-scarce environment, we have embraced and led a collective impact approach, in the spirit of moving the needle together.

Through our [Boone Impact Group](#), the City of Columbia, Boone County, Heart of Missouri United Way, Veterans United Foundation, Community Foundation of Central Missouri, and Missouri Foundation for Health continue to successfully align plans, policies, practices, and funding in order to further develop our capacity to effect positive change at the community level. We measure our success in doing so through our [Boone Indicators Dashboard](#) (www.booneindicators.org), which serves as our community’s scorecard and repository of local economic and health indicators.



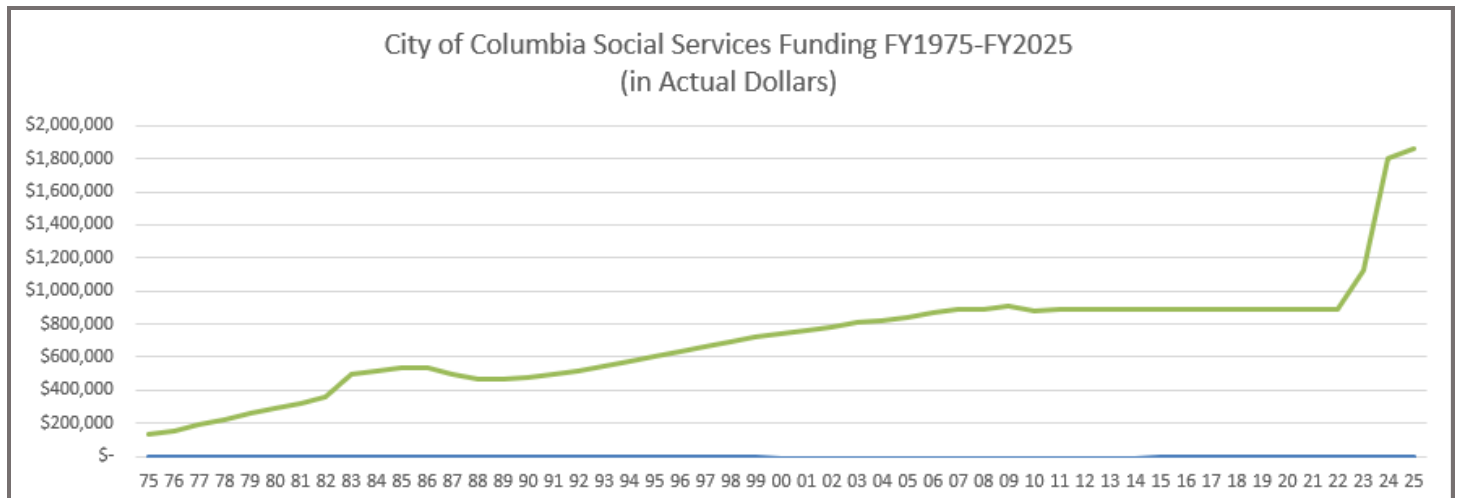
It is critical to note that the large college student population in Columbia does inflate our overall poverty rate. While college students may be living in situational poverty, most are not in households experiencing generational poverty. In order to mitigate the effect of college students on the poverty rate in Columbia, and because they are important stand-alone indicators, we closely monitor the poverty rates for children and families.

Poverty					
Indicator	Region	Category	Baseline	Most Recent	Trend
Child Poverty Rate	City of Columbia	Total	15.1% in 2015-2019	12.3% in 2020-2024	
	Boone County	Total	14.5% in 2015-2019	14.4% in 2020-2024	
	State of Missouri	Total	18.7% in 2015-2019	15.8% in 2020-2024	--
	Equity Statement: In the City of Columbia, Black children have a poverty rate more than six and one-half times higher than White children. In Boone County, Black children have a poverty rate five times higher than White children.				

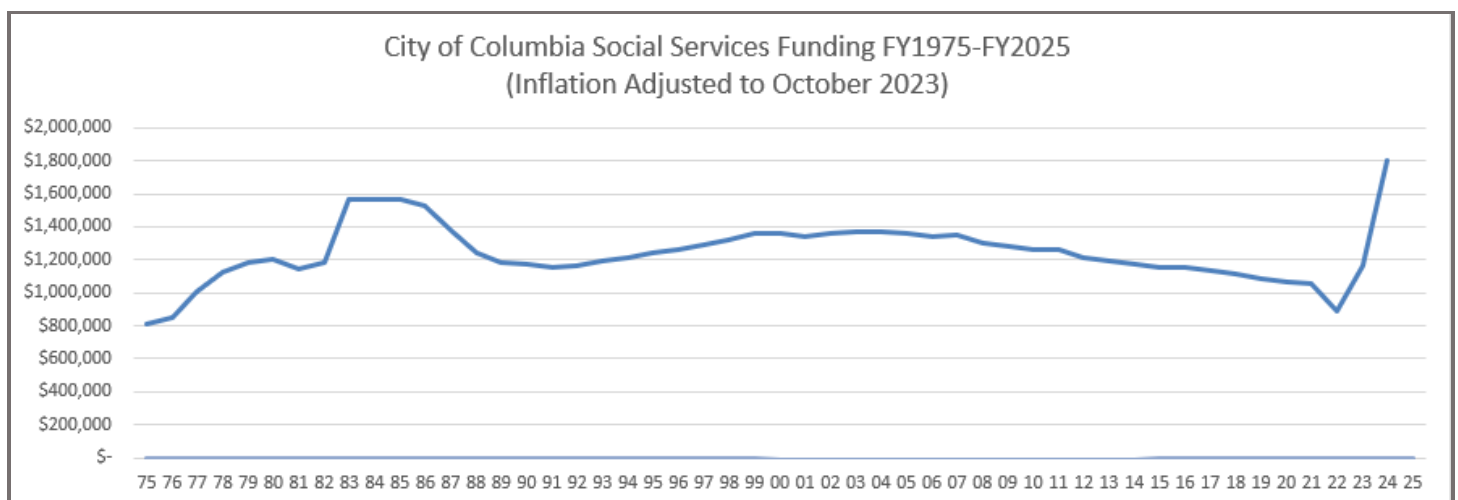
Due to a long history of systemic inequity, African-Americans in Columbia continue to experience disproportionately high rates of poverty, unemployment, and morbidity & mortality and disproportionately low rates of educational and economic attainment.

Funding History

In actual dollars, the City's investment social services steadily increased from FY1975 through FYFY2009. In FY2010, the investment was reduced and then remained flat until it was increased substantially in FY2023 and again in FY2024.



When adjusted for inflation, the City's investment in social services peaked in FY1984. Since that time, the inflation adjusted level of funding trended downward until FY2023.



FY2027 Request for Proposals for Social Services

On July 13, 2026, City staff issued a request for proposals (RFP) for social services to address the issue area of Opportunity. The Human Services Commission looks forward to the opportunity to present the FY2026 social services contract recommendations to the City Council on December 21, 2026.

Conclusion

The issues of intolerance and unfairness compounded by the issue of poverty have conspired to keep too many of our residents from realizing their true potential. This is why the City's investment in social services, which not only assists people in meeting their basic needs, but also builds the skills and assets people need to move up and out of poverty, is so critical. And now, the need for social services has never been greater. At the same time, the burden of providing and funding social services increasingly falls on local communities. Therefore, the City's social services funding is needed now more than ever.