



City of Columbia, Missouri

Meeting Minutes - Draft

Finance Advisory and Audit Committee

Monday, May 11, 2026
1:00 PM

Regular

City Hall
Conference Room
1A/1B
701 E. Broadway
Columbia, MO.

I. CALL TO ORDER

The meeting was called to order at approximately 1:00 p.m.

Staff present: Matthew Lue, Deepayan Debnath, Jim McDonald, Meganne Montesinos, Kristina Wolf & Shane Edwards

Members of the Public: Mike Murphy & Jim Windsor

Toohey left at 1:45pm. Euliss left at 2:30pm.

II. INTRODUCTIONS

Members, staff and the public introduce themselves.

III. APPROVAL OF AGENDA

Motion to approve the agenda made by Toohey, seconded by Minchew; motion carried.

IV. APPROVAL OF MINUTES

April 20, 2026 Draft FAAC Minutes

Attachments: [April 20, 2026 Draft FAAC Minutes](#)

Motion to approve the April 20, 2026 minutes made by Toohey, seconded by Bueler; motion carried.

V. OLD BUSINESS

FAAC Ordinance Language Revisions - Letter to Council

Members discussed the second draft letter to Council outlining recommendations which includes adding language regarding attendance requirements. FAAC believes this is important to provide greater clarity and specificity regarding the Committee's role, ensuring its responsibilities are more clearly defined and aligned with its advisory function to the City Council.

Members discussed the additional attendance language and chose to replace "regular meetings" with "regularly scheduled meetings".

Minchew motioned to add "regularly scheduled meetings" to the verbiage, Toohey seconded; motion carried.

Annual Report to Council

Members discussed when they would like to submit an annual report to Council. Members decided to submit this annual report around March or April.

Lue asked if members wanted to submit one this year to which they said yes. Peter will discuss further with staff.

Monthly Meeting Date Change

Matthew Lue asked the FAAC members if they would be interested in changing their monthly meeting date from the 3rd Monday to the 1st Monday of each month. This would align with the monthly finance report being moved to the 1st Council meeting.

Motion to approve to move the FAAC monthly meeting date from the third Monday to the first Monday made by Minchew, seconded by Bueler; motion carried.

Intragovernmental Fee Discussion

Meganne Montesinos discussed the background for payment in lieu of taxes (PILOT) and the method behind the intergovernmental fee methodology.

She explained the primary purpose PILOT is to ensure that municipally owned utilities contribute equitably to the funding of municipal services and infrastructure. Since municipally owned utilities are exempt from taxes, these payments serve as a substitute, ensuring that the utility supports essential city services such as public safety, road maintenance, and other community needs.

When a city owns a utility, whether it is solid waste, sewer or electric, it removes a massive amount of taxable activities from the tax rolls. If a private utility occupied that same land, owned those same power lines, operated the same heavy equipment on our roadways, they would be a major taxpayer.

She explained that PILOT's are a tool to ensure public utilities contribute fairly to the municipalities they serve, balancing the economic responsibilities across public and private sectors.

Members and staff discussed further.

VI. NEW BUSINESS

Revenue Forecast for the FY27 Budget

Attachments: [Revenue & Expenditures Forecast Presentation.pdf](#)

Finance Director, Matthew Lue presented members with the 2025-2027 Revenue and Expenditures forecast. Lue discussed the FY26 estimated sales and use tax. He then went on to discuss the general fund revenue history. Lue discussed the changes in numbers for 2020-2024 for revenue.

Sales Tax Proposal

Attachments: [May 4, 2026 Sales Tax Presentation](#)

Staff presented FAAC members with the May 4, 2026 Sales tax report. Staff discussed the general fund outlook, revenue outlook, additional general sales and use tax and

additional sales and use tax priorities.

Lue indicated that this presentation will be presented at the May 18, 2026 council meeting. Lue discussed the general fund expenses for FY26. He also discussed the budgeted FTEs as well for Police and Fire. He then showed members the public safety budget comparison from FY2019 to FY2026. Lue went on to discuss public safety priorities. These priorities include:

Members also discussed how many sworn officers per 1000 citizens. Lue then went on to discuss investing in the community and the importance of public safety tax.

Members and staff discussed further.

CIP Funded Projects

Matthew Lue asked members for clarification of what information they want regarding Capital Improvement projects (CIP). Members indicated that they would like a breakdown for the various funded Capital Improvement projects on the quarterly cash report. Staff will add this to the June 1, 2026 FAAC agenda.

Vice Chair Discussion

Motion to elect Ryan Euliss as vice chair made by Minchew, seconded by Shockley; motion carried.

VII. REPORTS

Monthly Economic Report - REPLACED

Attachments: [Monthly Economic Report](#)

Deepayan Debnath discussed the monthly economic report. Below is a summary of what he discussed.

In April, the retail gasoline price rose to \$4.2361 This may be due to the ongoing conflicts with Iran. The gasoline price is anticipated to go even higher in the coming months. The energy inflation is increasing at 12.59% and 12.13% year-over-year for the National and the Midwest class size B/C, respectively, which is the highest since November 2022 (COVID-era) for both.

The National Headline CPI increased by 3.26% year over year in March 2026. This was an increase from 2.41% in February. Following the national trend, the Headline CPI in March of 2026 increased 3.86% year over year and increased 0.60 percentage points month over month.

Core CPI both at the national and local levels is increasing year-over-year by 2.60% and 3.43%, respectively.

In March 2026, the national unemployment rate was 4.26%, which was a 0.18 percentage point decrease over February's unemployment rate of 4.44%.

In February 2026, Missouri's unemployment rate decreased by 0.13 percentage points to 4.30% from 4.43% in January 2026. Similarly, the unemployment rate in Columbia, MO, decreased by about 0.15 percentage points during this period, from 3.62% to 3.46%.

In March 2026, the median home price in Boone County increased by 3.69% when compared to the same month last year. In contrast, the median home price actually

decreased month-over-month by 1.88%.

The median home price in Boone County in March 2026 was \$347,250, which was around \$71,250 higher than the median price in Missouri.

In March 2026, Boone County home sales totaled 160, while only 140 were sold during the same month last year.

Sales tax collections in April 2026 (February 2026 tax period) totaled around \$5.25 million, while use tax collections came to \$901,996, respectively, 2.78% (or \$141,763) higher and - 20.02% (or -\$225,722) lower than those of the same month, last year.

The total Sales and Use Tax collections for FY 2026 are currently 2.71% (or \$835,132) higher than the same period for FY 2025.

Marijuana-related excise tax collection in April 2026 (February 2026 tax period) was \$82,251, up 97.5% (or \$40,604) compared to April 2025. The marijuana-related excise tax continues to increase in FY 2026.

VIII. GENERAL COMMENTS BY PUBLIC, MEMBERS AND STAFF

Citizen, Jim Windsor raised concerns about transparency and not receiving information he requests from City staff.

Minchew said he would like to see Mr. Windsor's concerns addressed and get the information that he has requested but has not received.

IX. NEXT MEETING DATE

June 1, 2026

X. ADJOURNMENT

Motion to adjourn made by Minchew, seconded by Shockley; motion carried.