



FY26 Proposed Budget

September 15th, 2025



2025 Engagement Calendar



BUDGET OVERVIEW

Review revenues, priorities, and overall budget framework with the public and council.

2025

January



PROJECTS AND FORECASTS

Present capital project needs and updated revenue forecasts.

2025

April



CAPITAL PROJECTS AND WORK SESSIONS

Hold detailed council work sessions on capital projects, general fund, and enterprise funds.

2025

July



PUBLIC HEARINGS

Share proposed budget publicly and held first formal hearing for community input.

2025

August



FINAL BUDGET HEARING

Complete public hearings and delivered final budget presentation before adoption.

2025

September



2025 Budget Engagements

- Public Engagement - Town Halls
 - Town Hall 1: Budget Overview – January 16
 - Town Hall 2: Budget Priorities – February 25
 - Town Hall 3: Capital Improvement Projects (CIP) – April 14
- City Council Meetings (Pre-Council)
 - Discussion of Additional Revenues – February 24
 - Revenue and Forecasts – April 21

2025 Budget Engagements

- Overall Budget Council Work Session
 - Day 1: General Fund Overview – July 14
 - Day 2: Enterprise Funds – July 16
 - Day 3: Complete Budget Review – July 19
- City Council Meetings
 - CIP Public Hearing – July 7
 - 1st Public Presentation of the Budget – August 4
 - Public Hearing – August 18
 - Public Hearing – Sept 2
 - Final Public Presentation of the Budget – Sept 15

Government Accounting

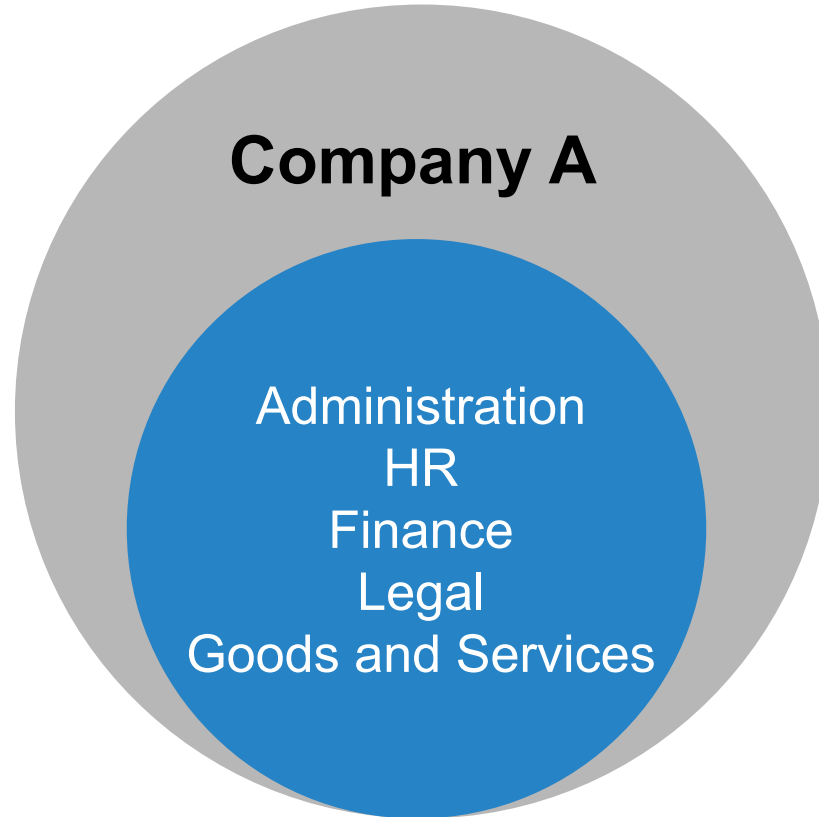
Fund Accounting

- Fund accounting is a specialized accounting system, used primarily by governments, that focuses on accountability over profitability. The primary goal is to track and control the use of financial resources, ensuring that money is used for its intended purposes.
- Resources are divided into "funds" each with its own purpose, restrictions, and legal requirements. Each fund has its own revenues, expenses, assets, liabilities, and fund balance.

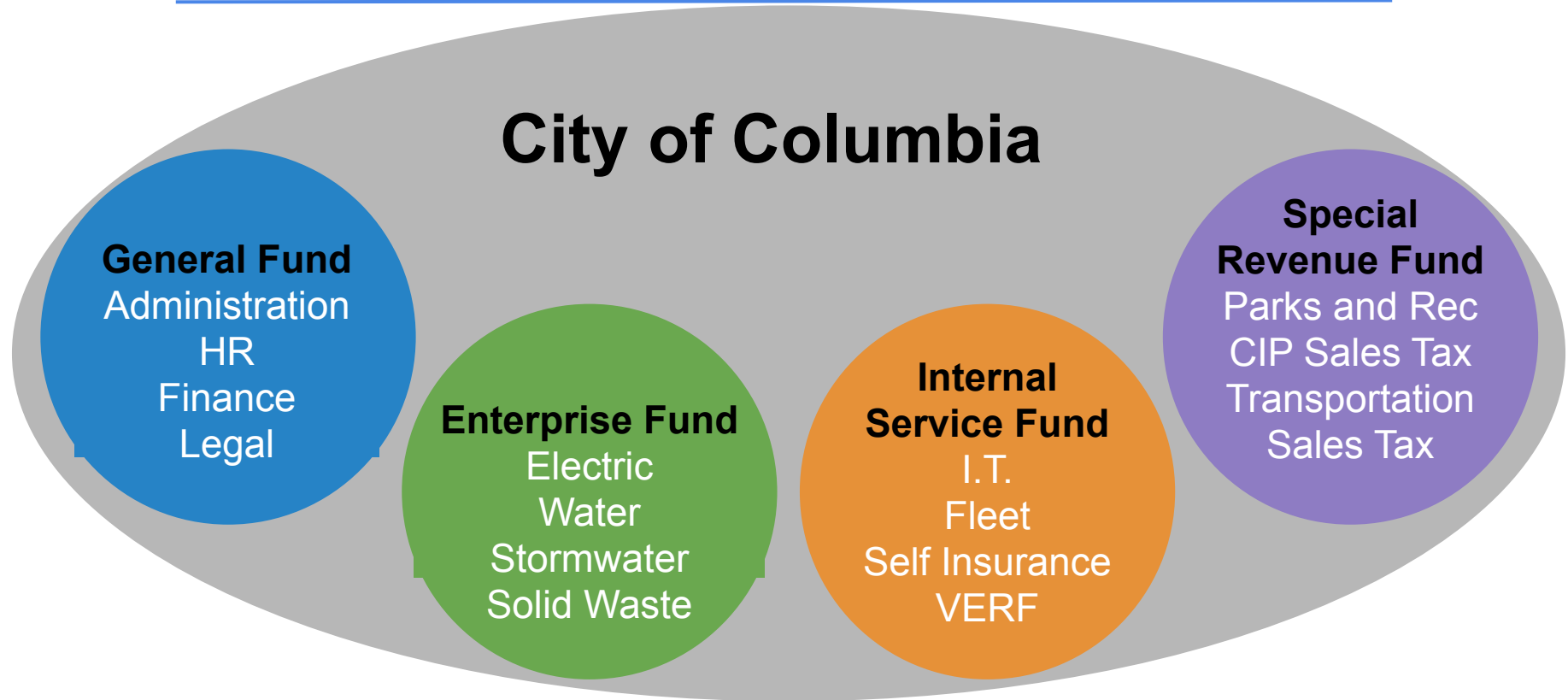
Fund Accounting

- Transfers between funds are internal reallocations of resources, not external revenues or expenses.
- Key reasons for fund transfers under the Governmental Accounting Standards Board (GASB) include:
 - Support Operations
 - Fund Capital Projects
 - Debt Service
 - Compliance with Legal or Grant Requirements
 - Reimbursement for Services

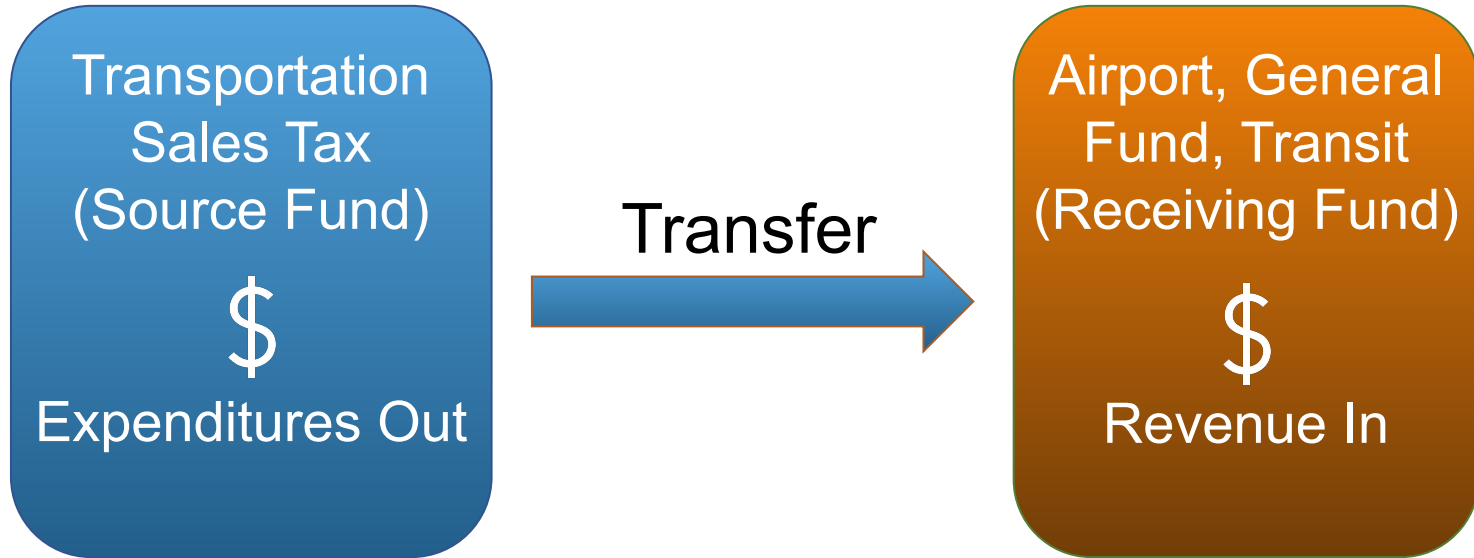
Private Sector Accounting



Government (Fund) Accounting



Fund Transfers – How They Work



Transfers reallocate existing resources between funds.

Citywide Revenues & Expenditures

Amendment Correction

#	Department	Description	Revenue	Expense
54	General Govt CIP	Correction to additional funding for project 00021 Major Maintenance on Public Buildings.	\$0	\$900,000

Fiscal Year 2026 (FY26) Proposed Budget

Total Revenue	\$559,244,194
Total Operating Expenditures	\$544,068,943
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Total Capital Improv Projects	\$64,024,368
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Total Expenditures (<i>Operating + Capital</i>)	\$608,093,311

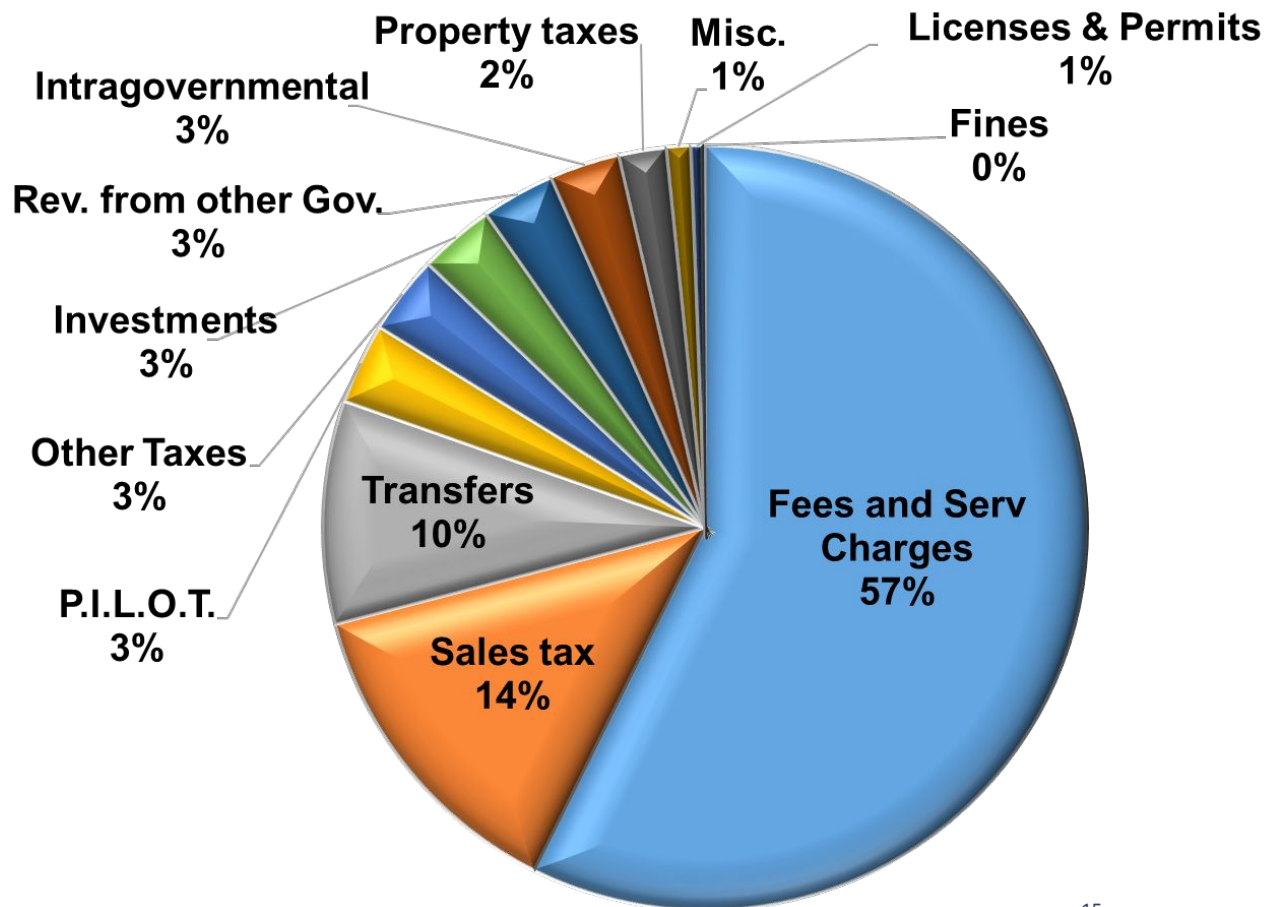
FY26 Citywide Expenditures

Operating Expenses	482,240,494
Capital Outlay	32,283,668
Debt Service	29,544,781
Expenditures Less Capital Projects	544,068,943
Capital Projects	64,024,368
Total Expenditures	608,093,311

Where the Money Comes From

82% of all revenue from Fees and Service Charges comes from Utilities

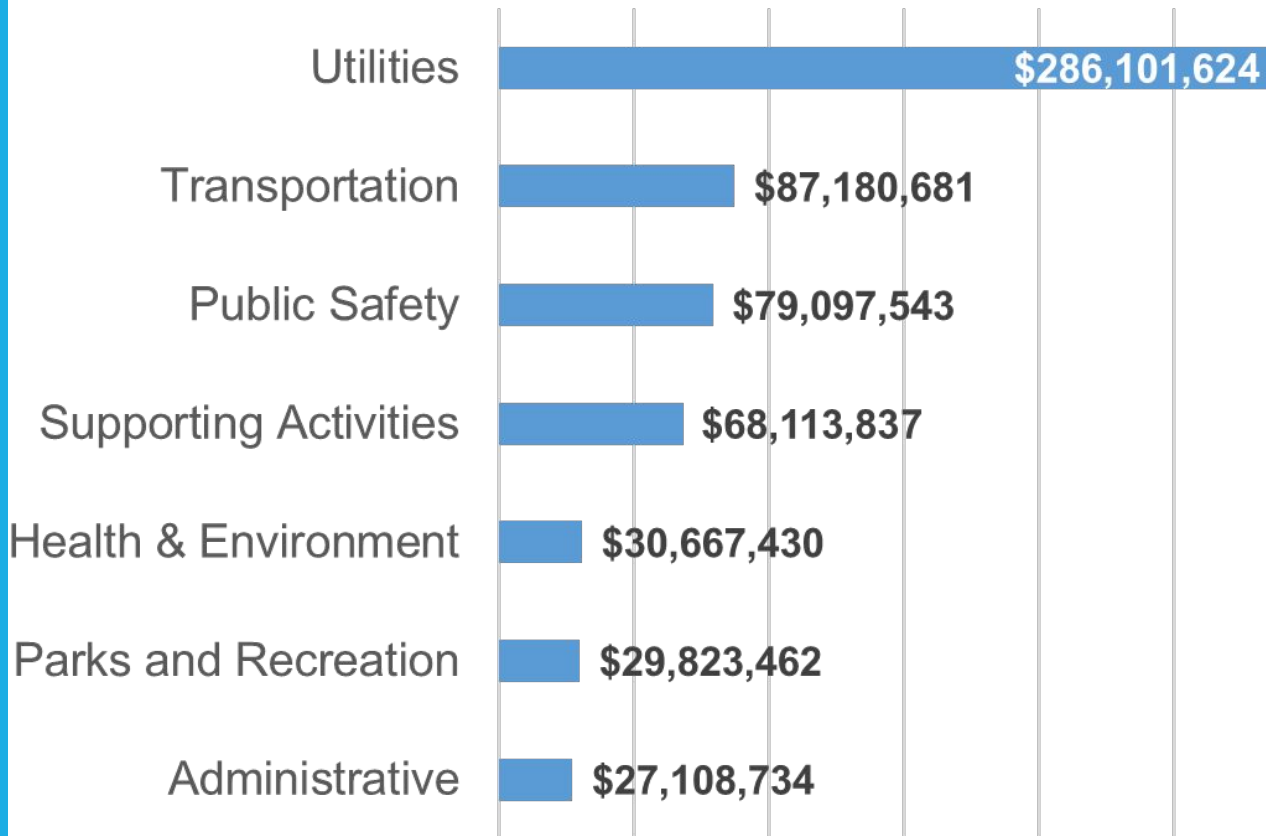
City Wide Total Revenue by Category



Where the Money Goes

Utilities make up nearly half of the total budgeted expenditures for the City, followed by Transportation, and Public Safety

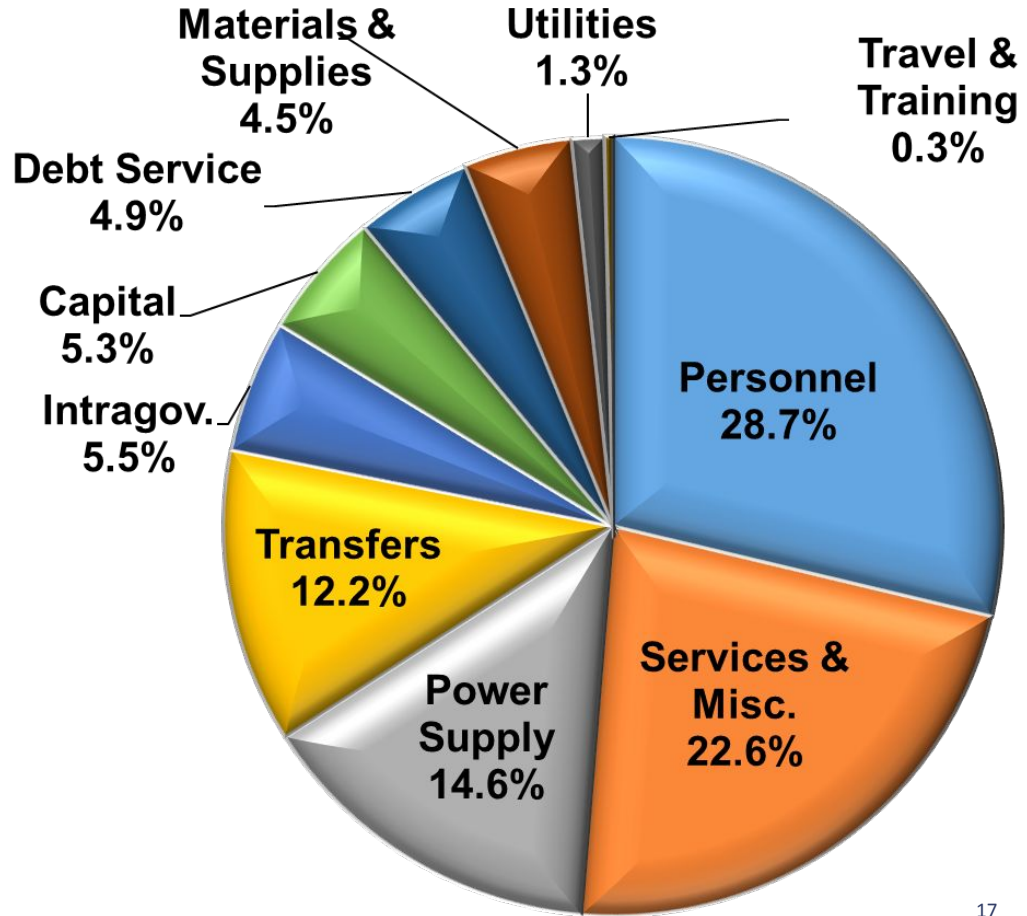
Expenditures by Function



Where the Money Goes

Personnel, Services & Miscellaneous make up more than half of the expenditures by category, followed by Power Supply

Expenditures by Category



General Fund

FY26 General Fund Proposed Budget

Total Revenue	\$132,611,892
Total Operating Expenditures	\$135,361,435
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Revenue Over/(Under) Exp.	(\$2,749,543)

General Fund Outlook

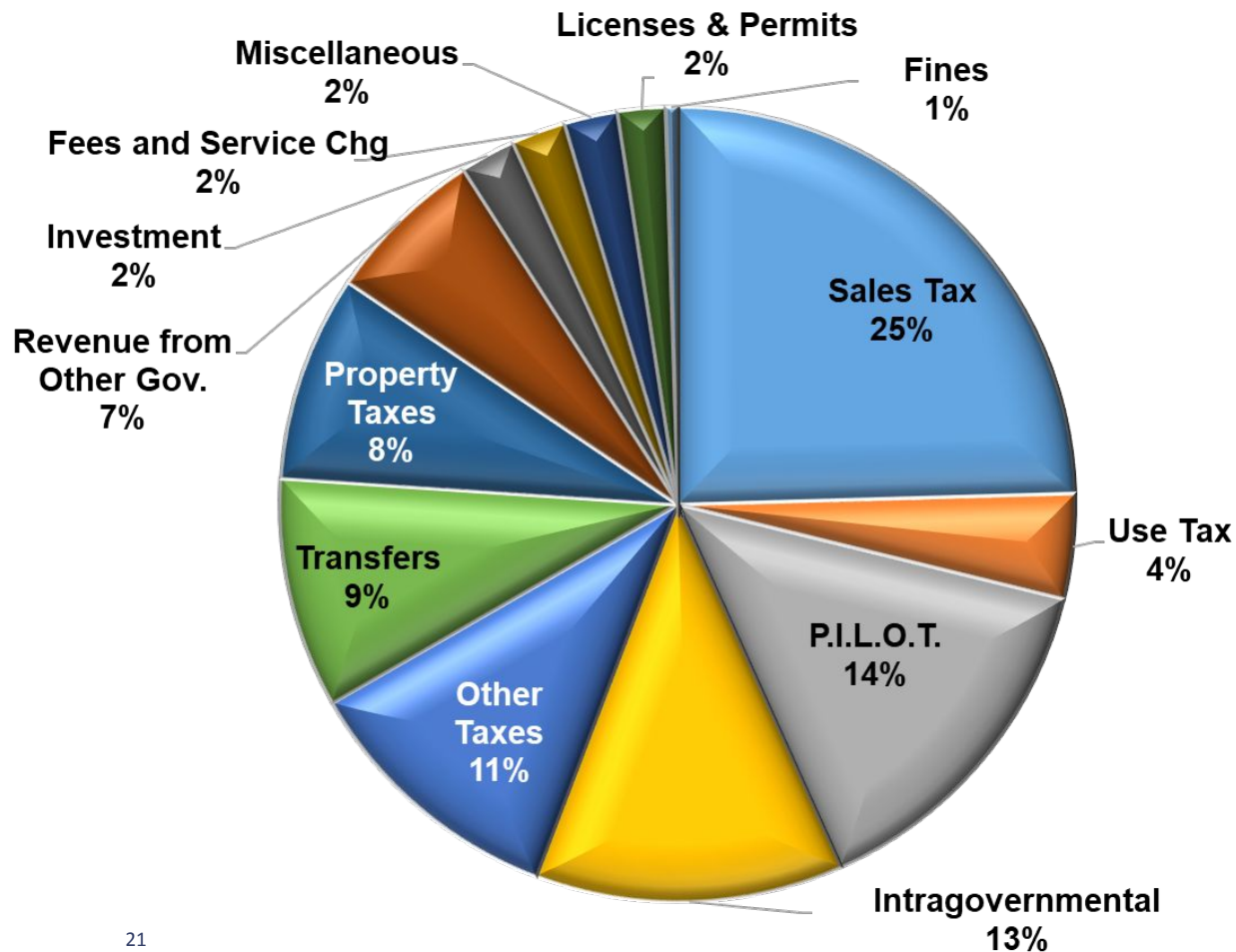
Items	FY23 Actual	FY24 Actual	FY25 Projected	FY26 Proposed
Total Revenue	112,142,203	123,819,778	146,218,381*	132,611,892
Total Expenditure	(105,733,215)	(127,659,234)	(136,235,849)	(135,361,435)
Over/(Under)	6,408,988	(3,839,456)	9,982,532	(2,749,543)
Ending Available Cash	45,439,624	39,806,420	49,788,953	47,039,410
20% Cash Reserve Target	21,146,643	25,531,847	27,247,170	27,072,287
Cash above/below Target	24,292,981	14,274,573	22,541,783	19,967,123

*CenturyLink litigation settlement related to underpayment of gross receipts tax received

Where the Revenue Comes From

The sales tax rate in Columbia is 7.975%. Of this, 2.00% goes to the City.

The City's revenue comes from a variety of sources, but the sales and use tax makes up nearly 30% of all GF revenue.



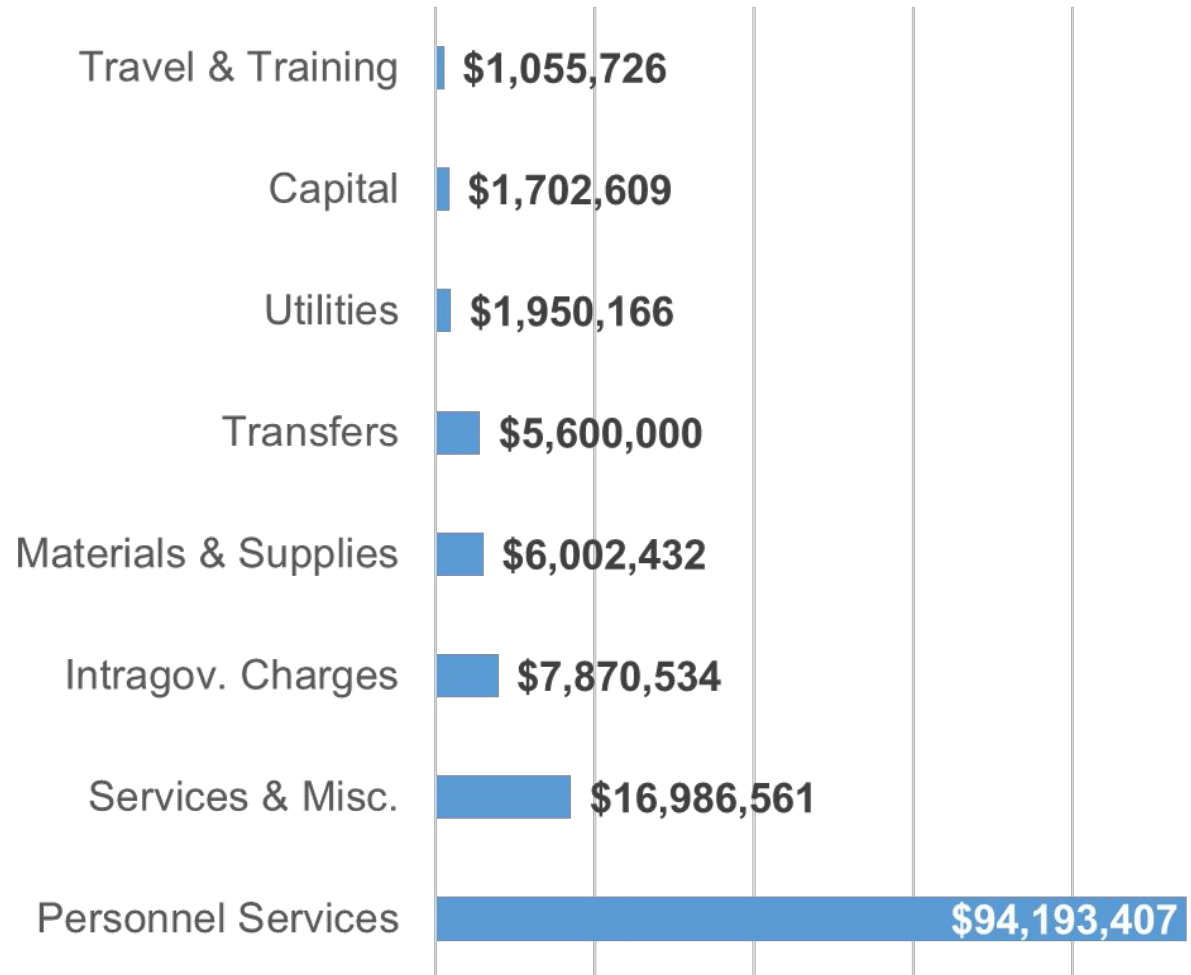
FY26 General Fund Revenue

	<u>FY25 Original</u>	<u>FY26 Proposed</u>	<u>Difference</u>
Property Taxes	\$10,807,135	\$11,128,271	\$321,136
Sales and Use Tax	\$36,274,056	\$38,228,500	\$1,954,444
Other Local Taxes	\$15,077,823	\$14,493,193	(\$584,630)
P.I.L.O.T.	\$20,496,679	\$19,147,163	(\$1,349,516)
Licenses and Permits	\$2,113,238	\$2,555,777	\$442,539
Fines	\$338,663	\$632,668	\$294,005
Fees and Service Chgs	\$2,844,753	\$2,940,367	\$95,614
Intragovernmental	\$14,746,404	\$16,593,574	\$1,847,170
Revenue from Other Gov.	\$13,084,218	\$8,613,820	(\$4,470,398)
Investments	\$2,045,397	\$3,000,000	\$954,603
Miscellaneous	\$2,342,274	\$2,888,457	\$546,183
Transfers	\$12,104,208	\$12,390,102	\$285,894
Appropriated Fund Bal	\$1,600,000	\$0	(\$1,600,000)
Total Revenue	\$133,874,848	\$132,611,892	(\$1,262,956)

Where the Money Goes

70% of all General Fund expenses go toward personnel services, which includes salaries, paid leave and other benefits.

The City of Columbia is a serviced based organization, which is reflected in our personnel numbers



Where the Money Goes

“Don't tell me where your priorities are. Show me where you spend your money and I'll tell you what they are.”

- James W. Frick

Expenditures By Department



FY26 General Fund Expenditures

	<u>FY25 Original</u>	<u>FY26 Proposed</u>	<u>Difference</u>
Personnel Services	\$92,054,493	\$94,193,407	\$3,770,739
Materials & Supplies	\$6,223,780	\$6,002,432	(\$221,348)
Travel & Training	\$1,162,135	\$1,055,726	(\$106,409)
Intragov. Charges	\$9,782,563	\$7,870,534	(\$1,912,029)
Utilities	\$1,742,966	\$1,950,166	\$207,200
Services & Misc.	\$17,522,714	\$16,986,561	(\$536,153)
Capital	\$748,515	\$1,702,609	\$954,094
Transfers	\$6,595,620	\$5,600,000	(\$995,620)
Total Expenditures	\$135,832,786	\$136,361,435	\$528,649

