

# General Fund Outlook and Revenue Proposal

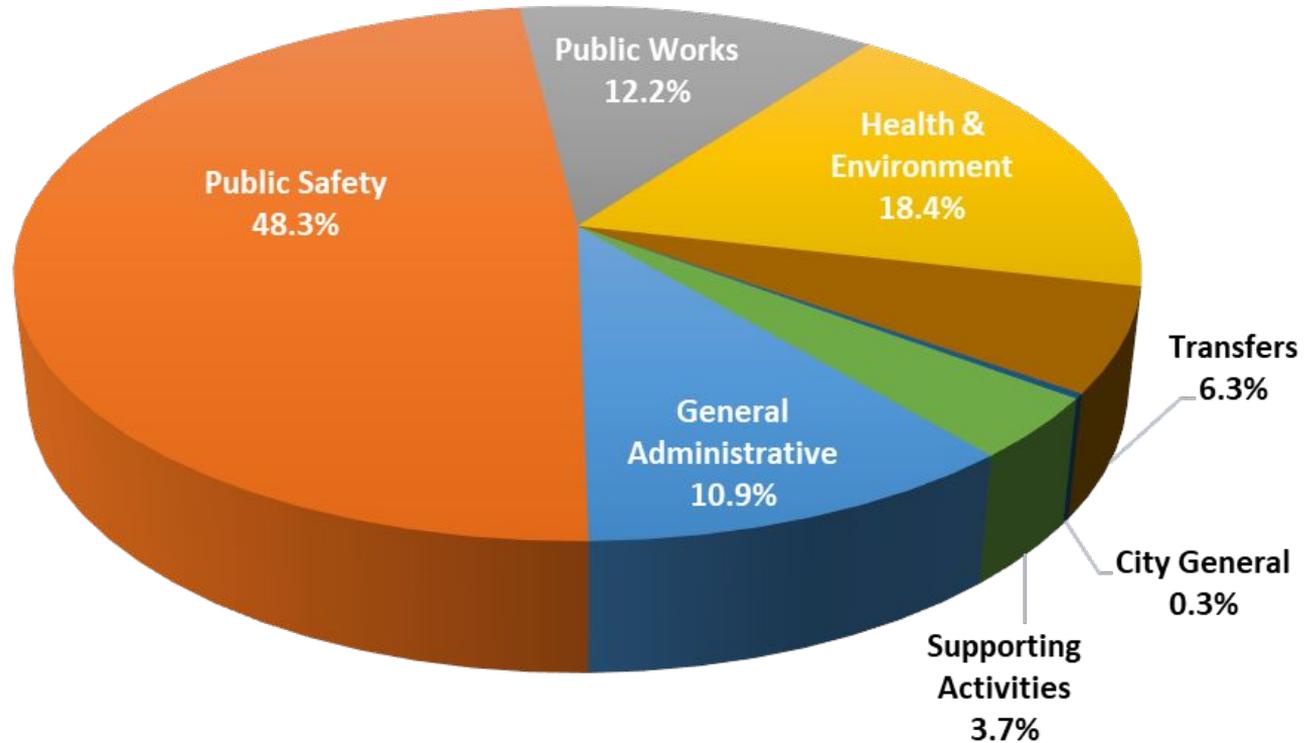
February 16, 2026

# Discussion Points

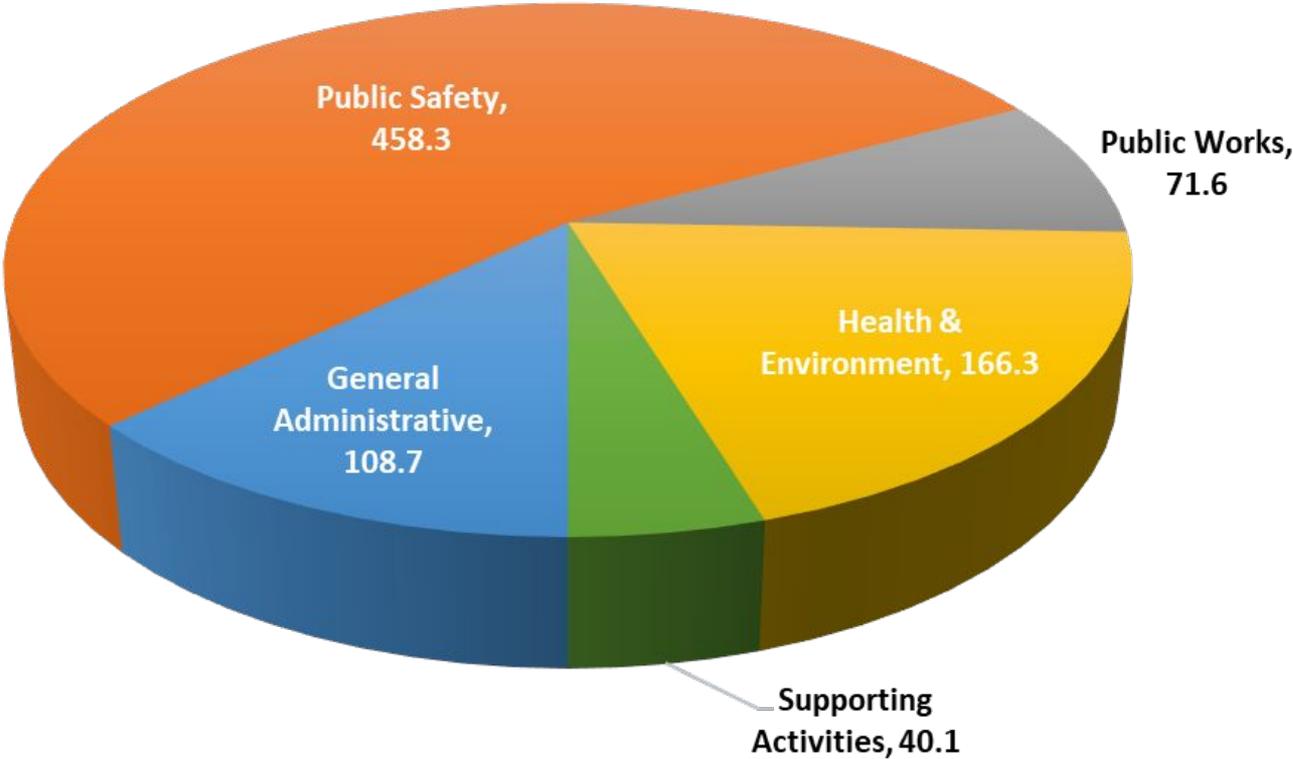
- General Fund Full Time Equivalent (FTE) and Expense Breakdown
- General Fund Revenue Outlook
- Sales & Use Tax Outlook
- Additional General Sales & Use Tax
- Additional Sales & Use Tax Priorities

# General Fund FTE & Expenditure Breakdown

# General Fund Expenditures for the FY26 Budget



# General Fund FTE for the FY26 Budget



# Public Works

## Public Works Includes:

- Streets and Engineering
- Parking Enforcement

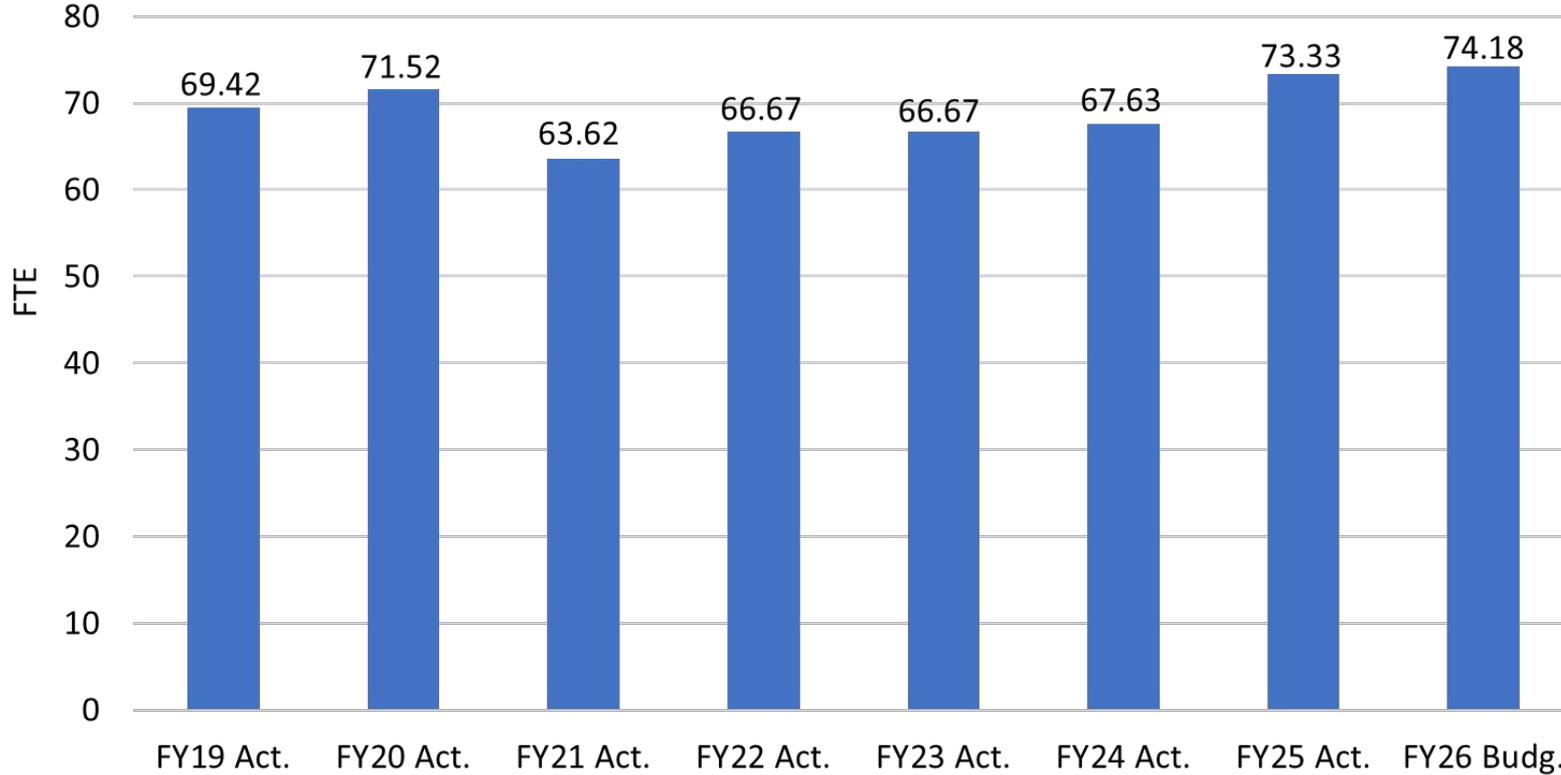
## Changes Include:

- Addition of Administrative Supervisor I for FY26
- Parking Enforcement supervision moved from Public works to Police from FY21-FY24 and moved back in FY25.

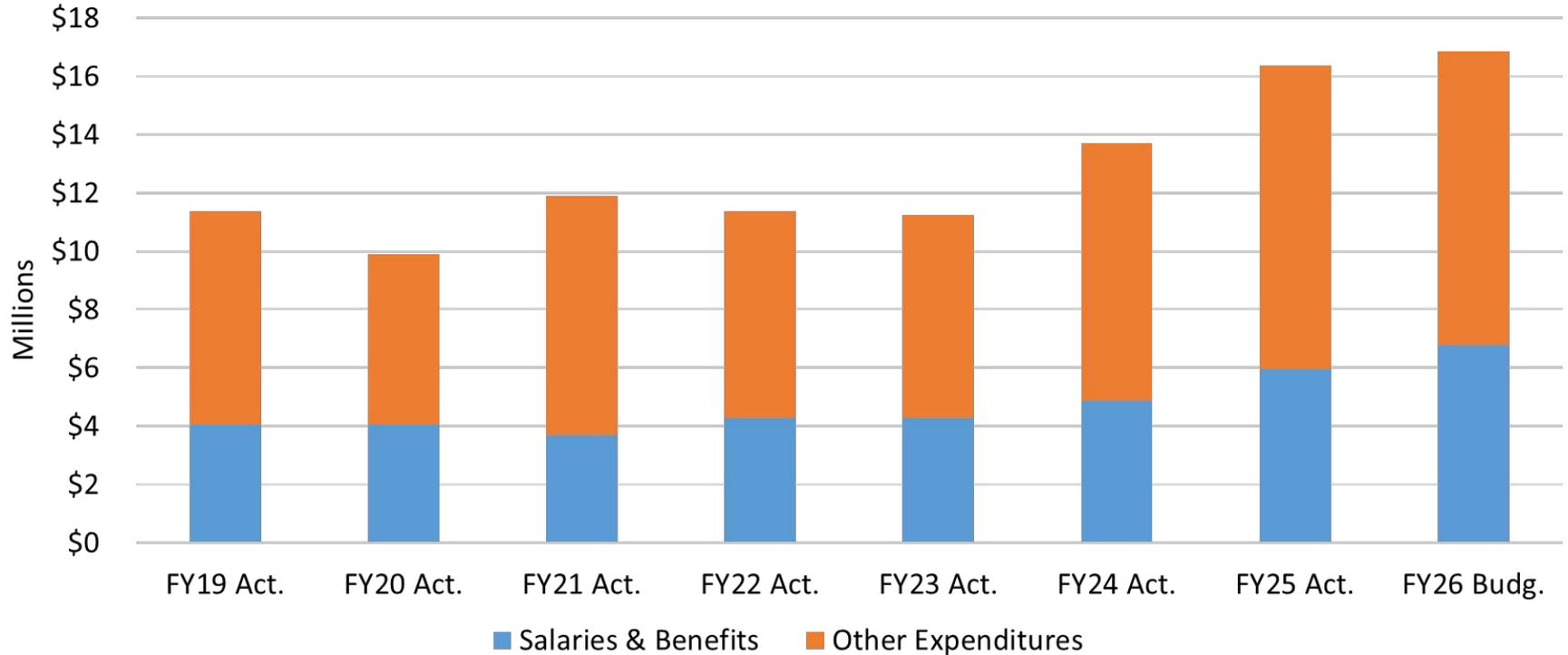
## Funding:

- 70% of funding for Public Works comes from Transportation Sales Tax.

# Public Works FTE



# Public Works Budget Comparison



# Health & Environment

## Health & Environment Includes:

- Public Health & Human Services
- Community Development
- Housing & Neighborhood Programs
- Economic Development
- Cultural Affairs
- Office of Sustainability

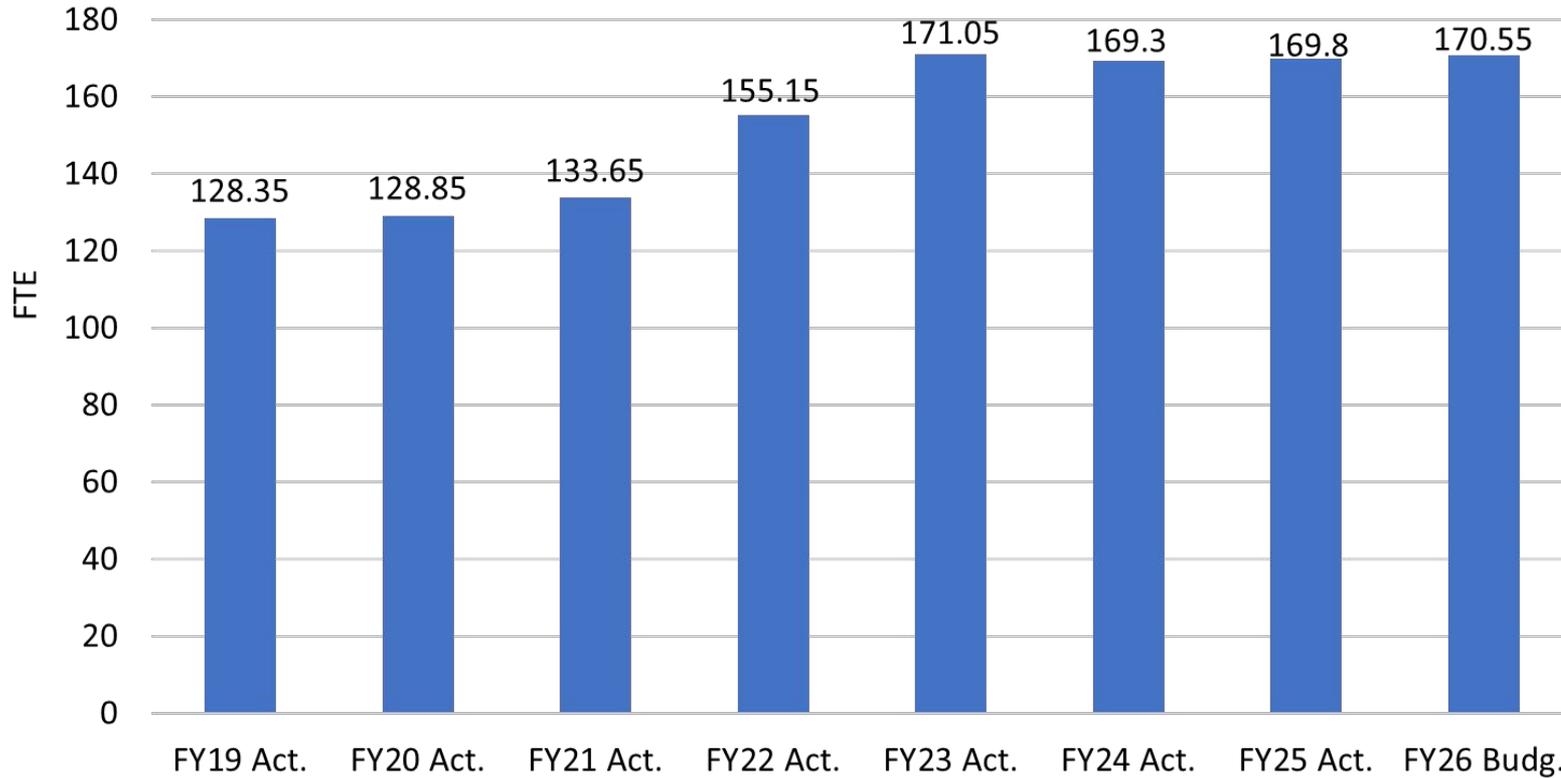
## Changes Include:

- Addition of Code Enforcement Specialist in FY25

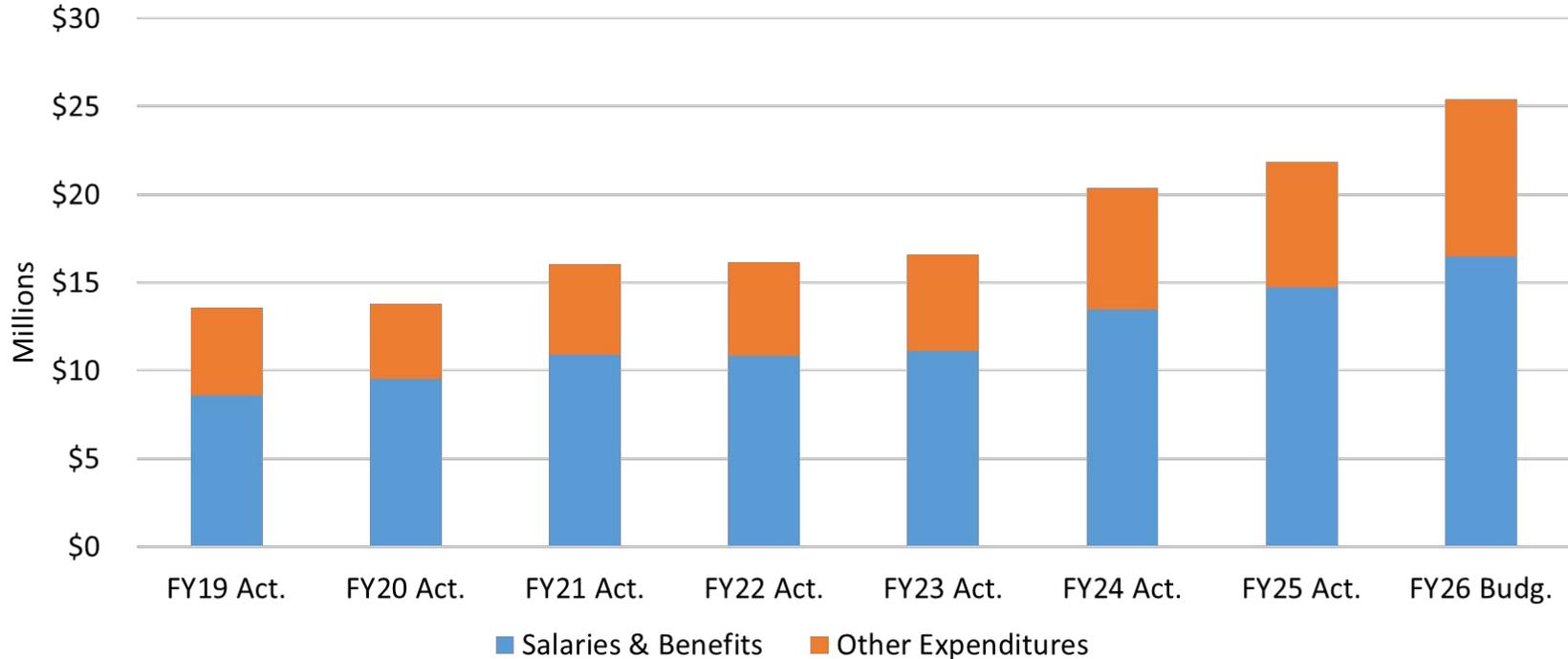
## Funding:

- 33% of all Health Expenses are offset by County Revenue

# Health & Environment FTE



# Health & Environment Budget Comparison



**\*33% of all Health Department Expenses are offset by County Revenue**

# General Administration

## General Administration Includes:

- City Clerk
- City Manager's Office (CMO)
- Finance
- Human Resources
- Law
- Public Works Administration

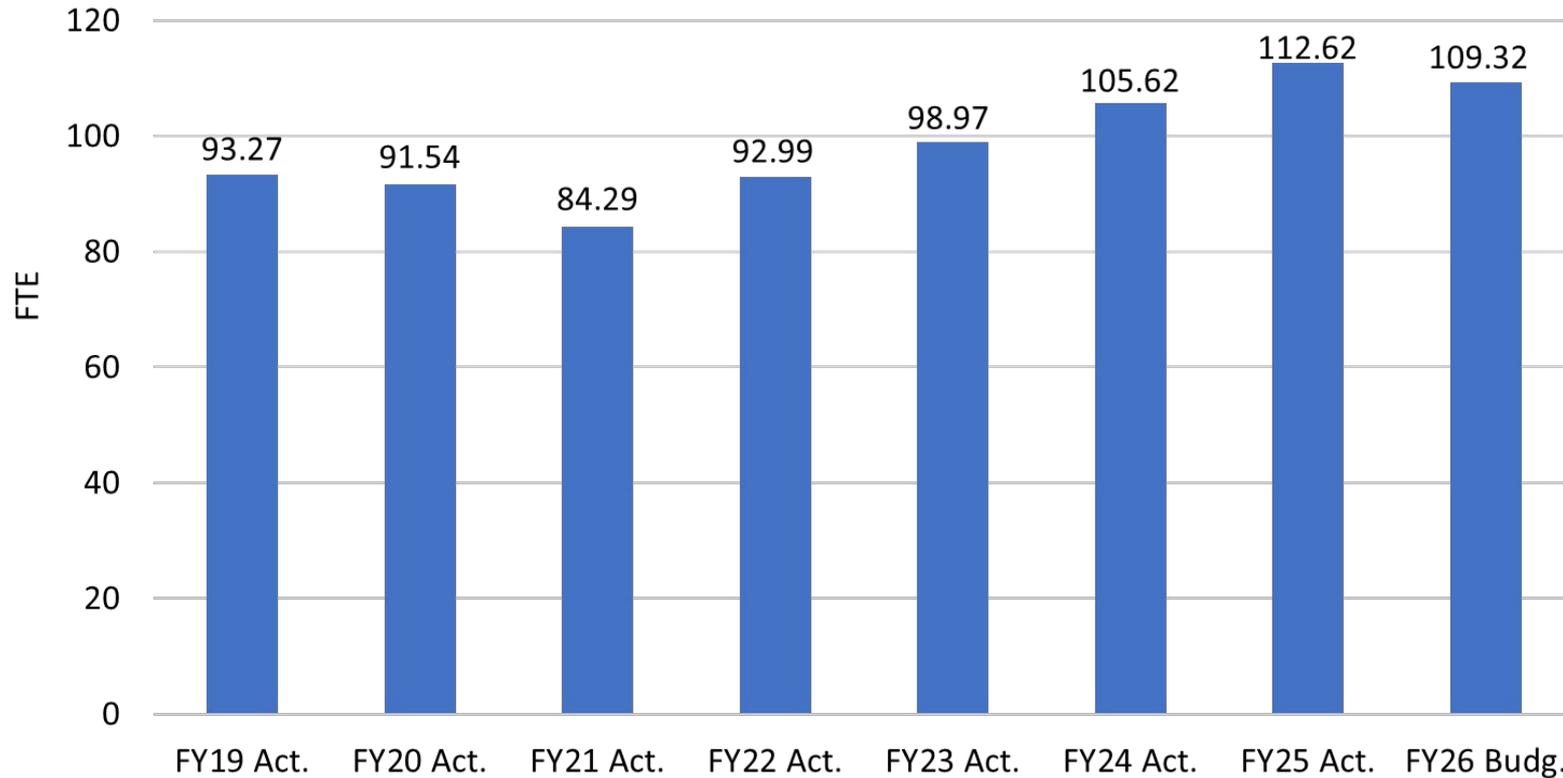
## Changes Include:

- Project Management Office was moved from Information Technology to CMO in FY24

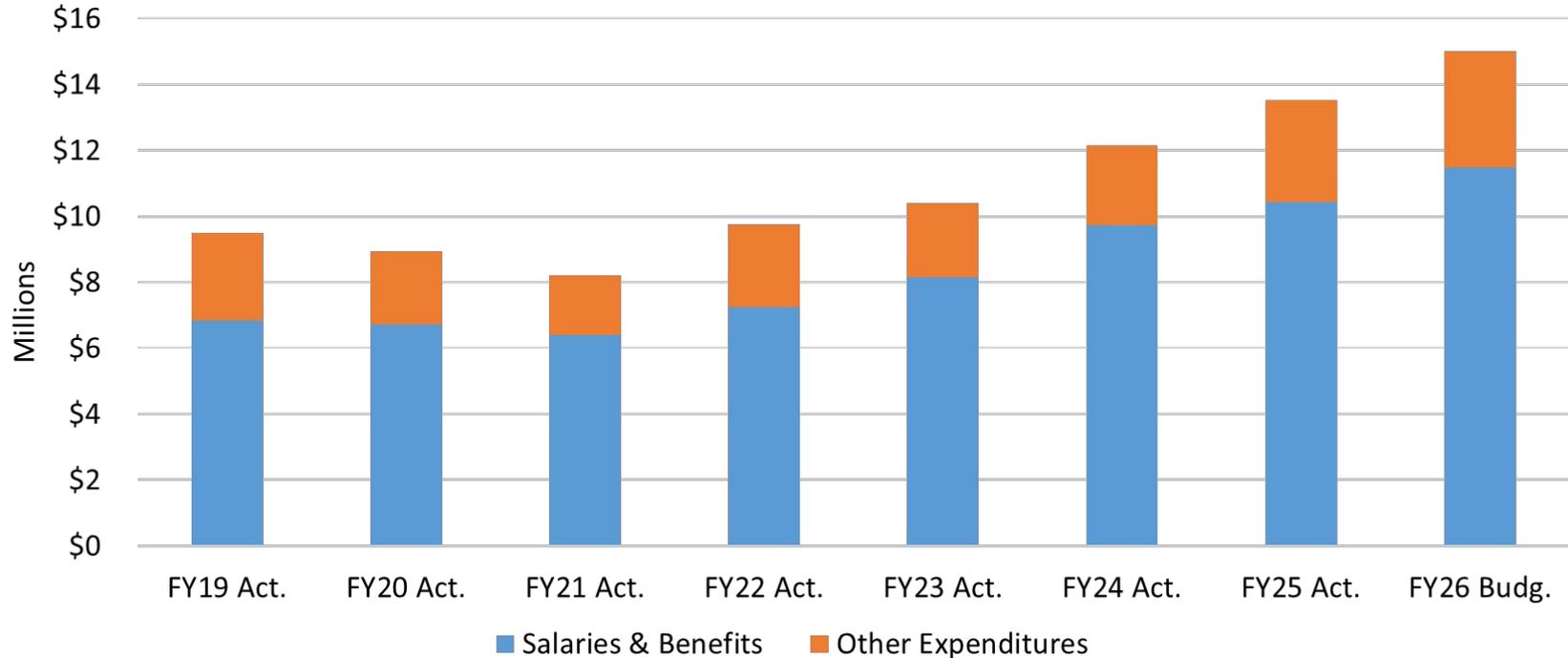
## Funding:

- \$2,395,271 of expenses is offset by intergovernmental revenue.

# General Administration FTE



# General Administration Budget Comparison



# Supporting Activities

## Supporting Activities Includes:

- Facilities Management
- Creative Services
- Contact Center

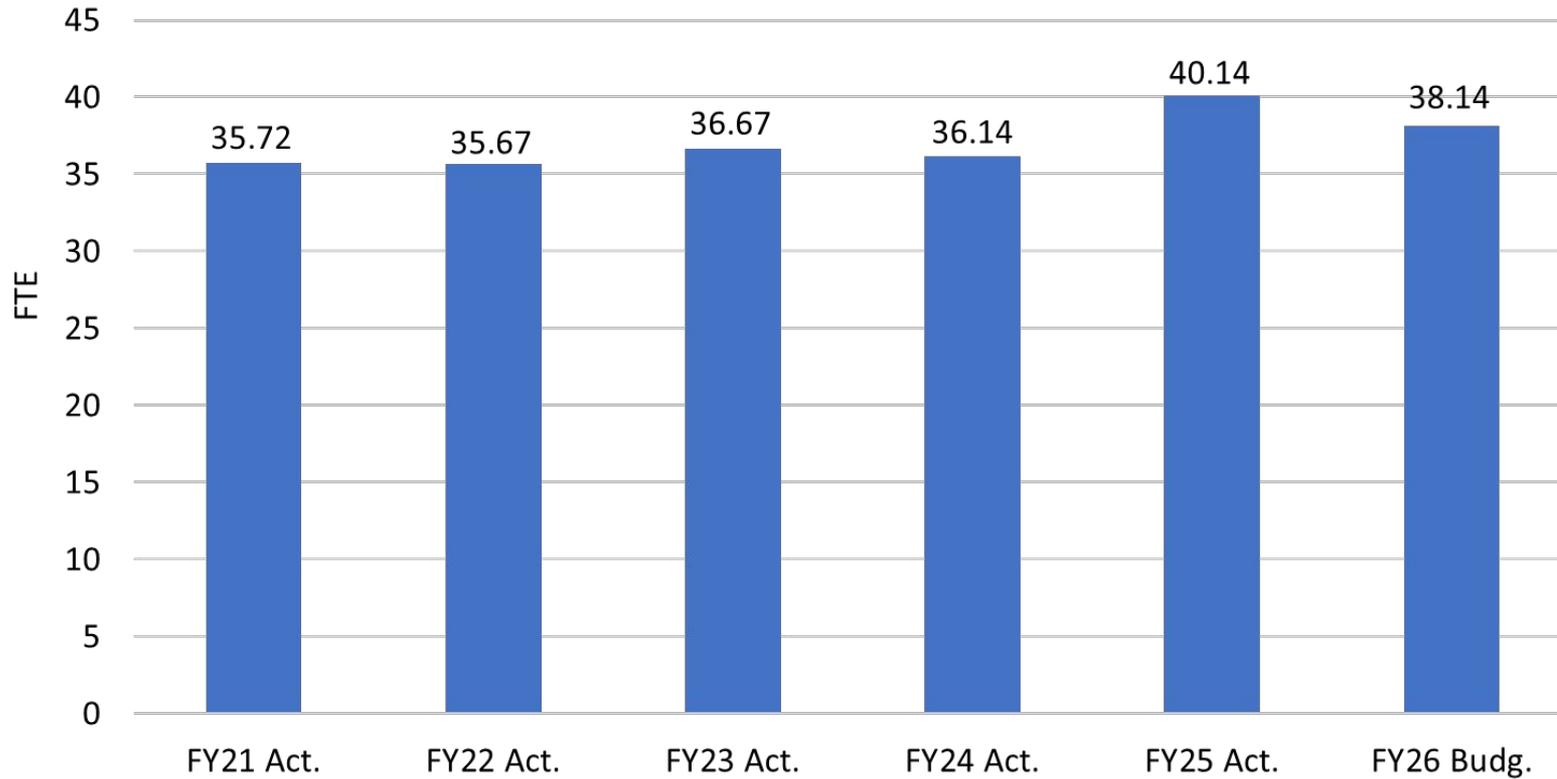
## Changes Include:

- Increase of 4 FTEs in Facilities Management in FY25

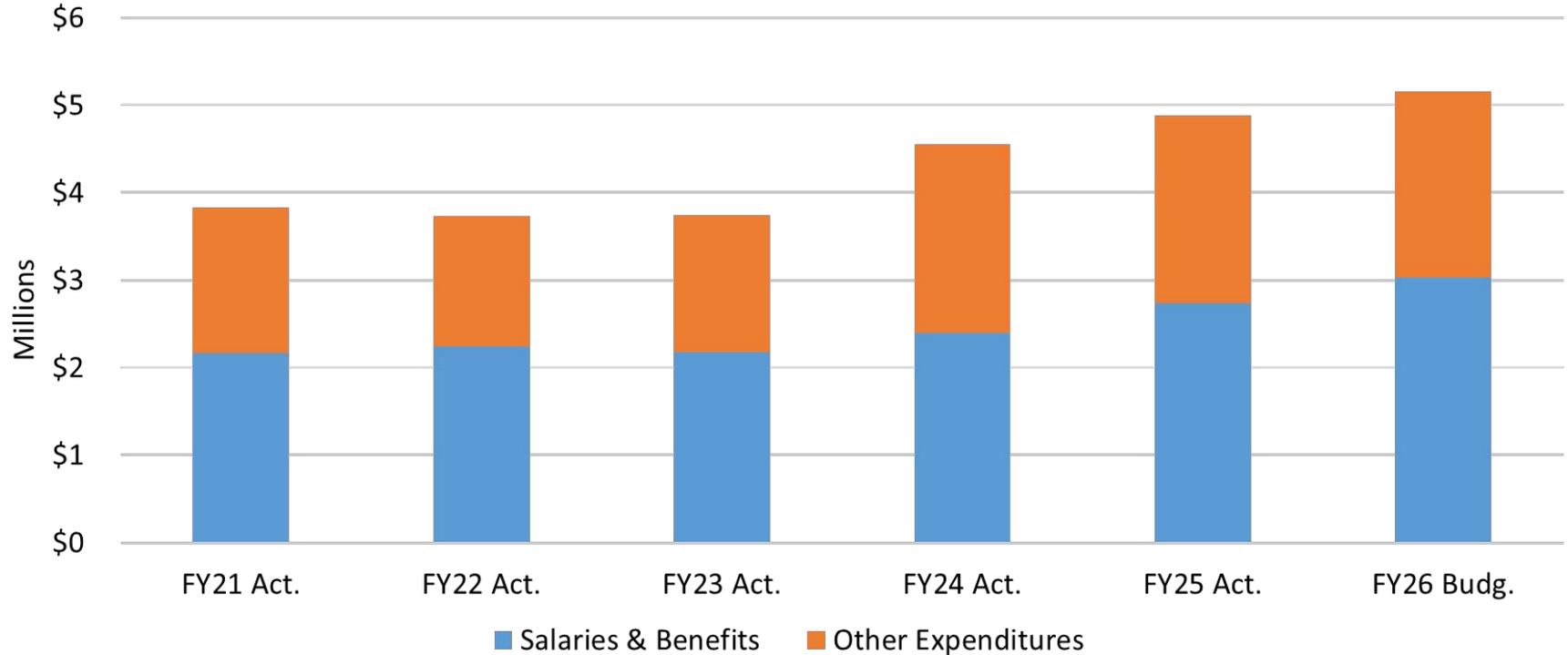
## Funding:

- \$795,000 of expenses is offset by intergovernmental revenue.

# Supporting Activities FTE



# Supporting Activities Budget Comparison



# Public Safety

## Public Safety Includes:

- Fire
- Municipal Court
- Police

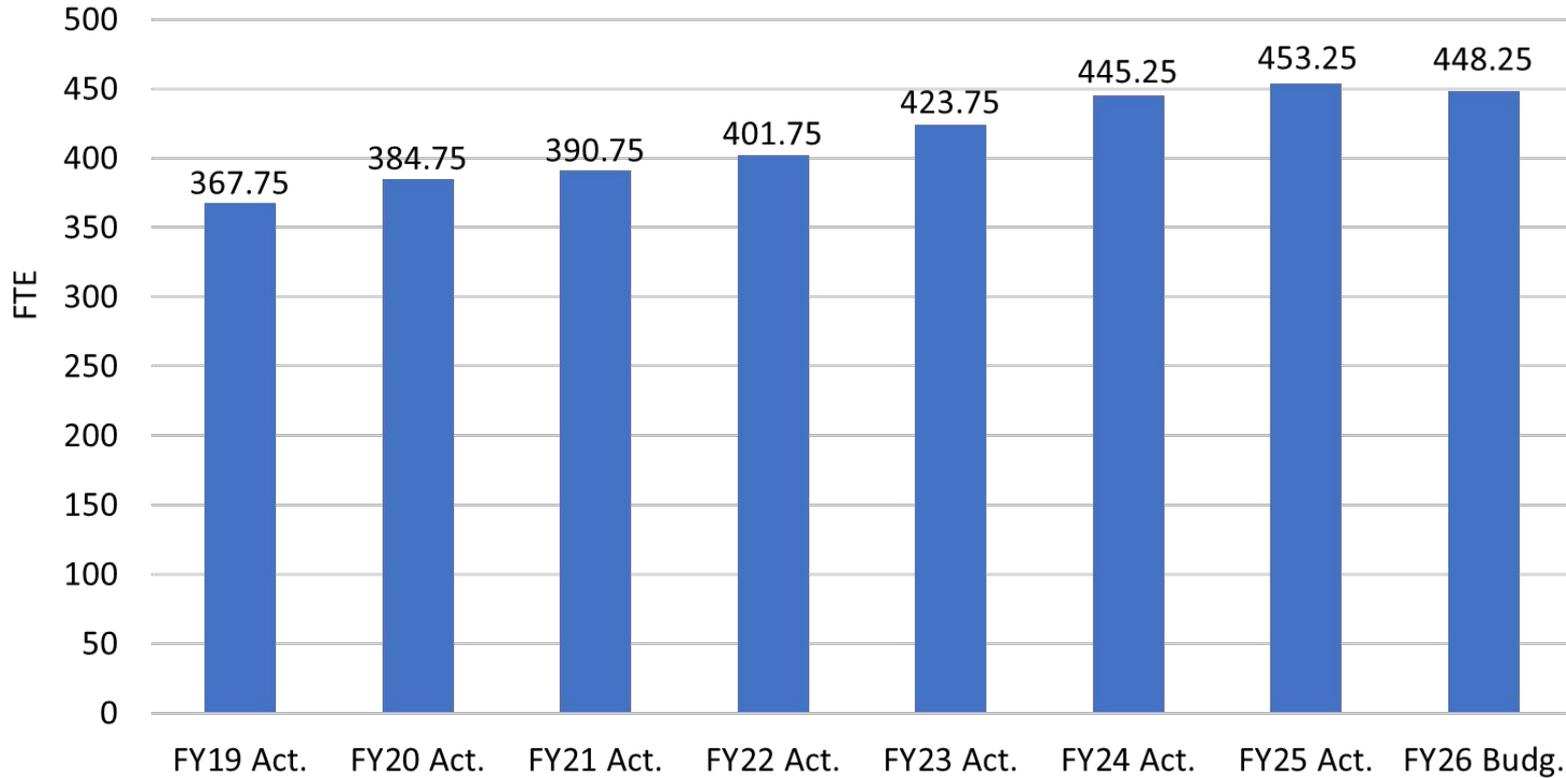
## Changes Include:

- FY25 Mid-year adjustments for Software, Computer Equipment, and Misc Contractuals of \$1.5 million
- In FY26, 5 Sworn Officer positions moved from Police into the Regional Airport Fund as Airport Safety Officers
- From FY19-FY26, Fire increased 40.5 FTEs, Police increased 43 FTEs

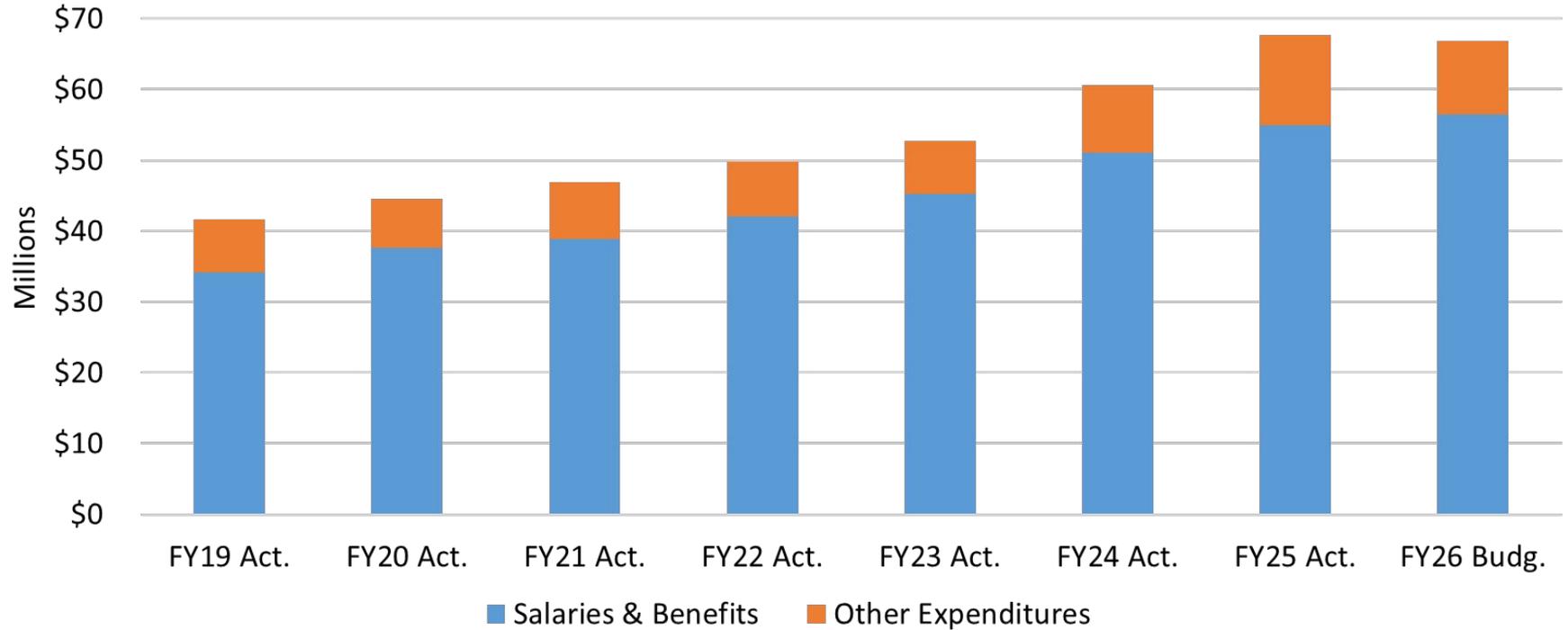
## Funding:

- Police and Fire receive minimal grant support and are mostly funded by General Fund Activities

# Public Safety FTE

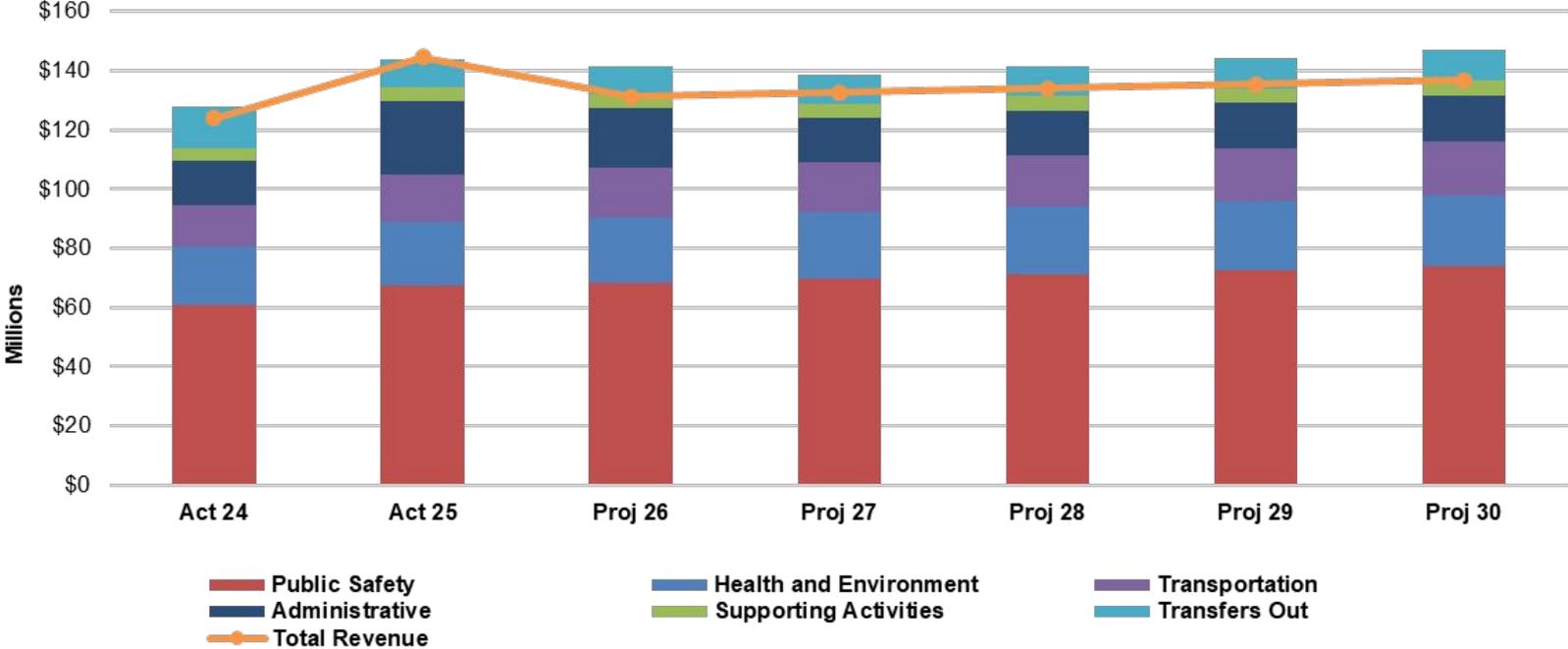


# Public Safety Budget Comparison



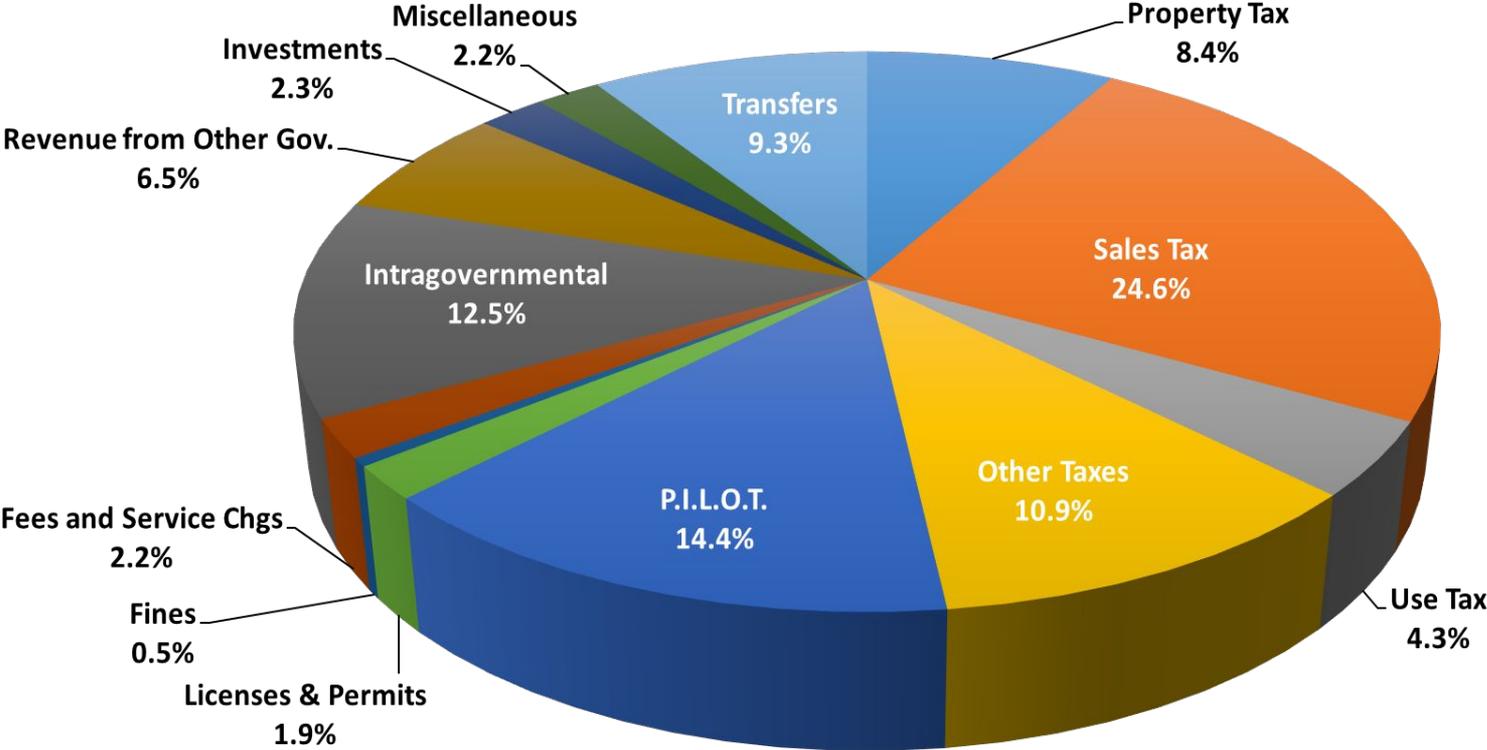
# Revenue Outlook

# General Fund Revenue vs Expenditure Projection



Note: Revenue in FY 2025 is heightened due to a \$14 million settlement

# FY 2026 General Fund Revenue



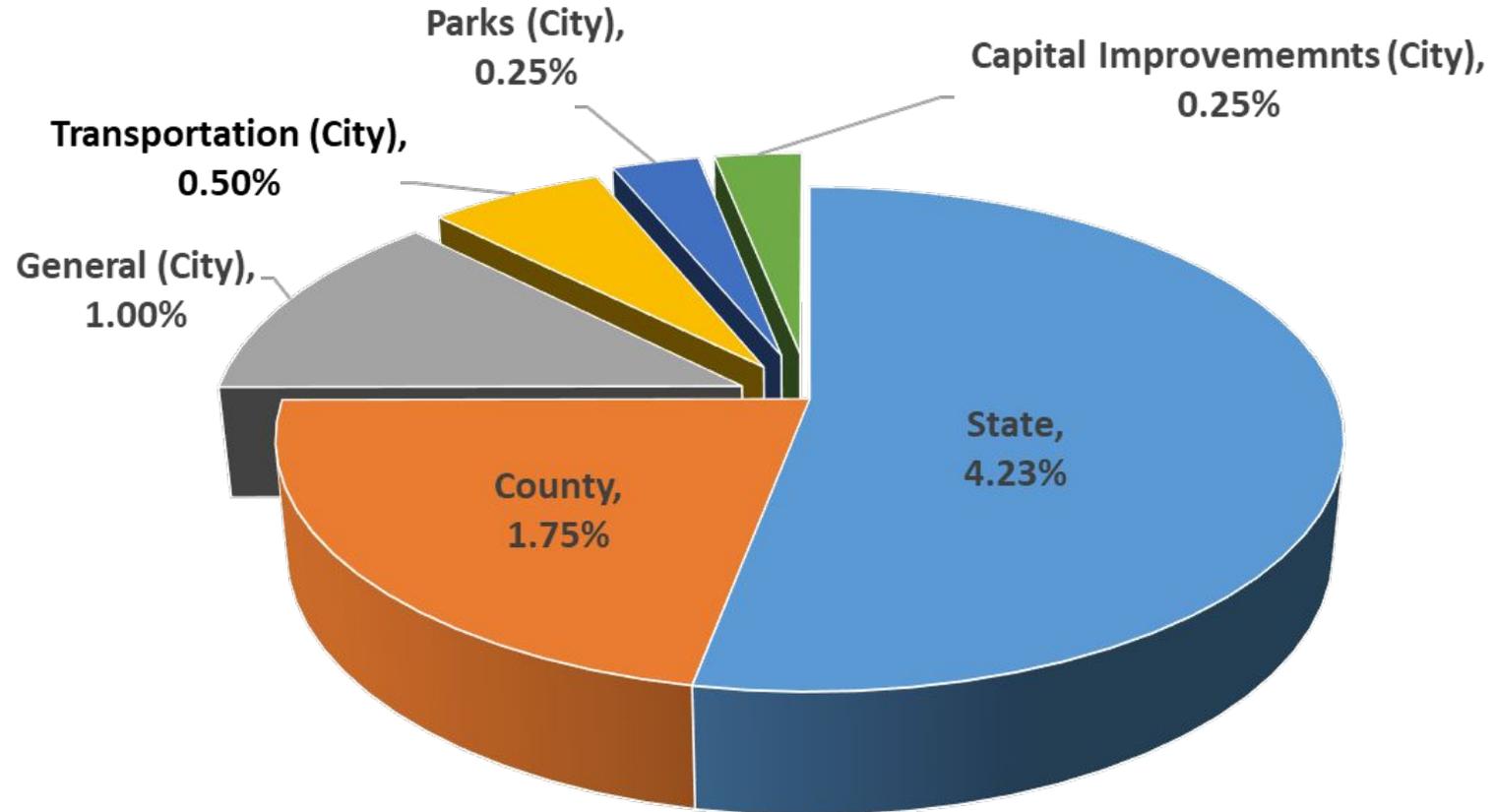
# FY26 Estimated Sales and Use Tax by Funds

Fund	Tax Rate	Sales Tax	Use Tax
General Fund	1%	\$32,367,087	\$5,366,767
Capital Improvement Sales Tax	1/4%	\$7,751,233	\$1,341,692
Park Sales Tax	1/4%	\$7,751,233	\$1,341,692
Transportation Sales Tax	1/2%	\$15,504,125	\$2,683,383
<b>Total</b>	<b>2%</b>	<b>\$63,373,678</b>	<b>\$10,733,534</b>

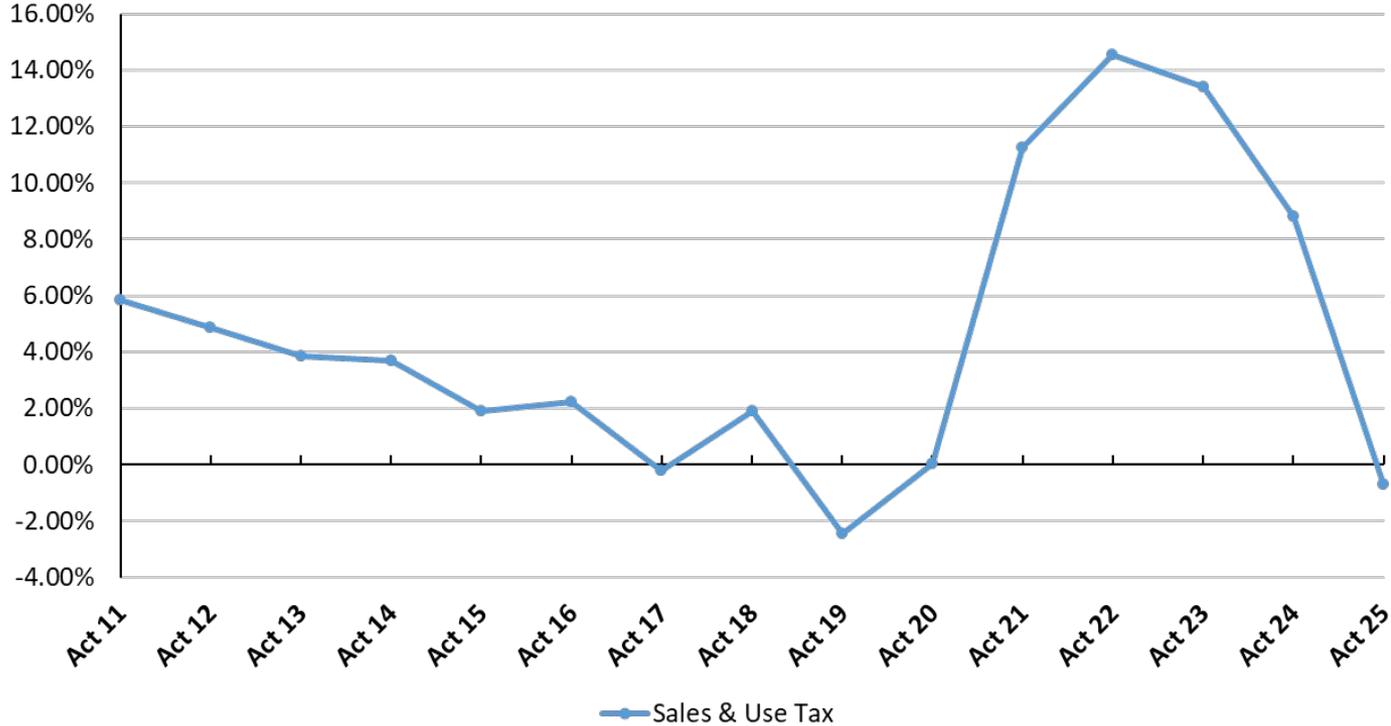
# Sales Tax Rate of Most Populated Cities In Missouri

City	City Portion	Tax
St. Louis	5.450%	9.679%
St. Joseph	3.875%	9.700%
Kansas City	3.250%	8.850%
Independence	2.875%	8.600%
Lee Summit	2.750%	8.475%
Springfield	2.125%	8.100%
<b><u>Columbia</u></b>	<b><u>2.000%</u></b>	<b><u>7.975%</u></b>
St Charles	2.000%	7.950%
O'Fallon	2.000%	7.950%
St Peters	2.000%	7.950%

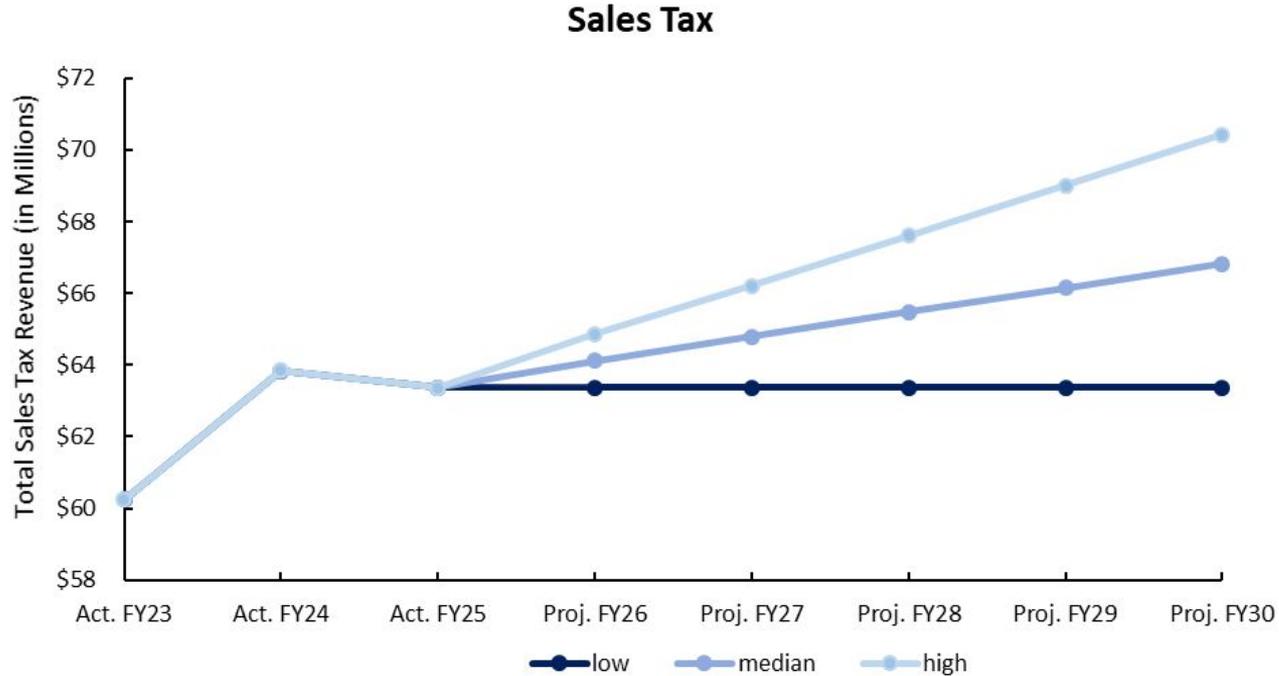
# Current Sales Tax Breakdown



# Year-over-year changes in Sales & Use Tax

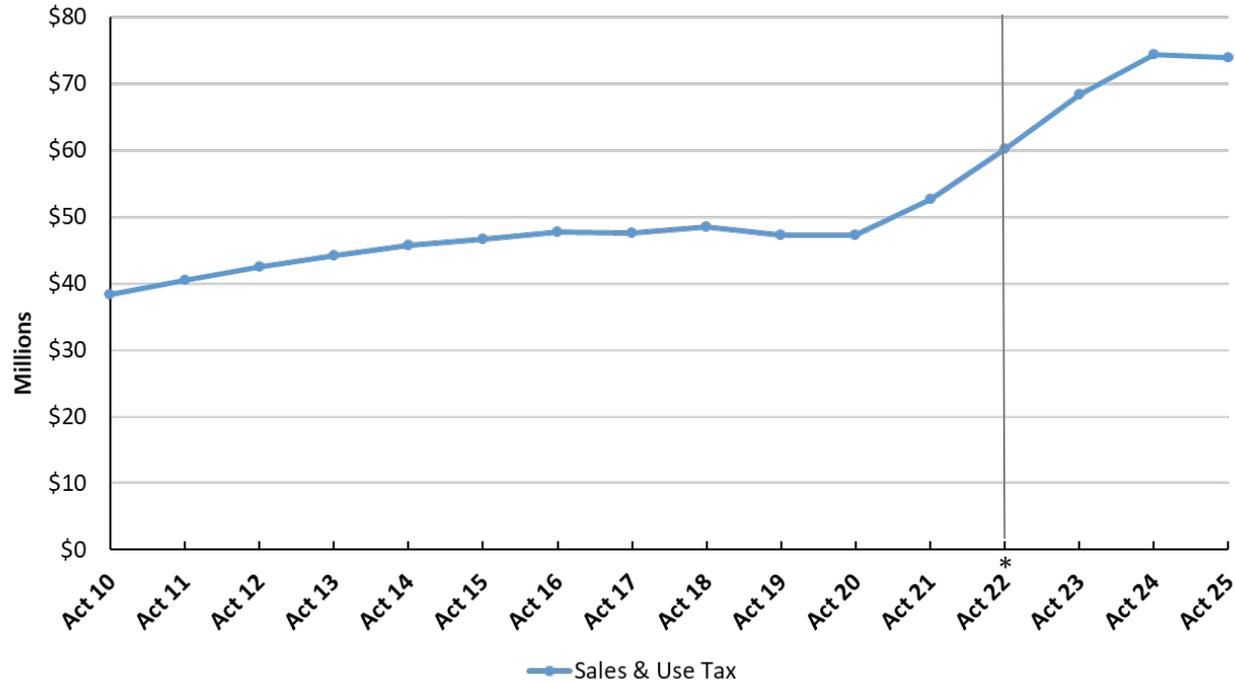


# Current Sales Tax Forecast



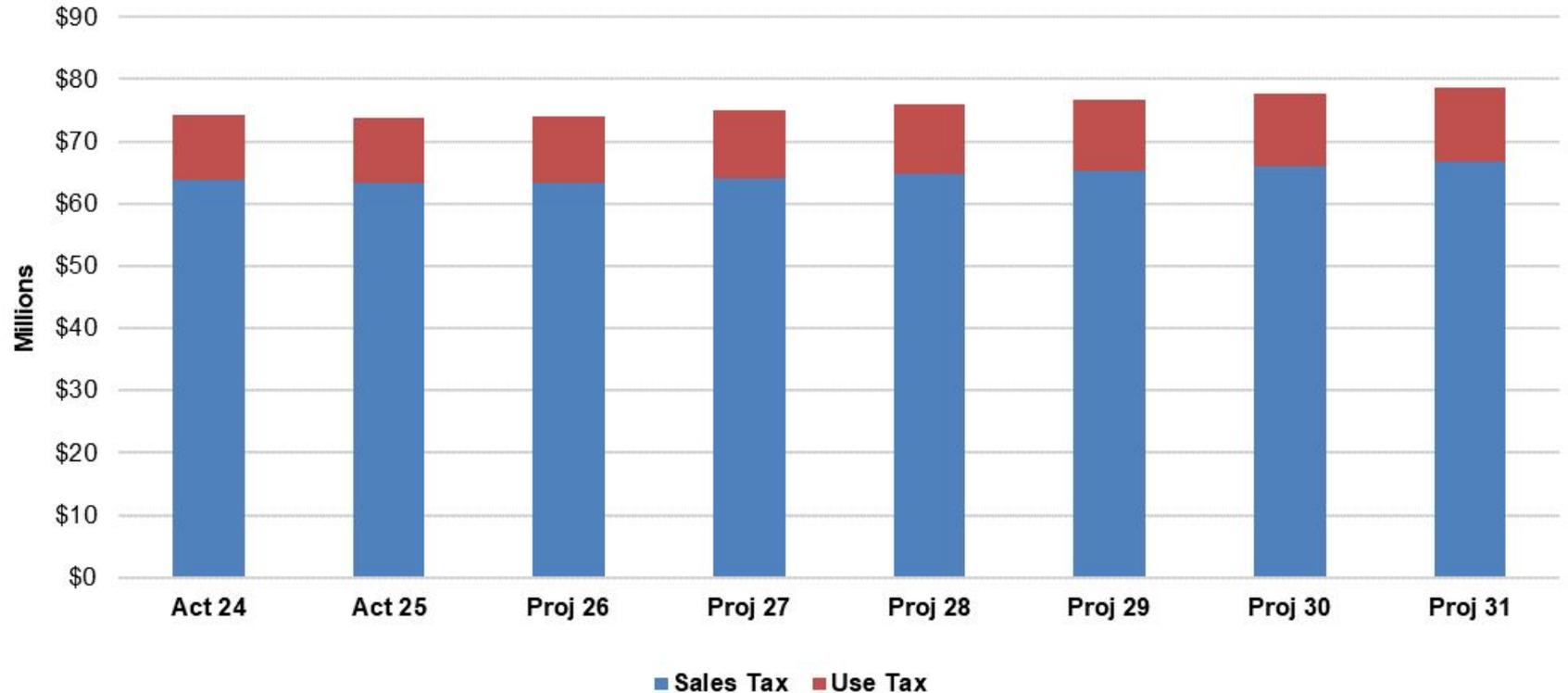
\* As of now Finance is forecasting sales tax to come in on the lower end of the projection for FY 26. With little to no growth from FY 25.

# Sales and Use Tax History by Fiscal Year



\*Introduction of Use Tax

# Current Sales and Use Tax Forecast



Based of low tax growth projection.

# Proposed 1% Sales & Use Tax

# Additional Sales & Use Tax

- Additional General Sales & Use Tax - Dedicated for Public Safety
  - Up to 1%, approximately \$38,000,000
  - Provide revenues for the operations and capital improvements of public safety departments, including police and fire departments.  
(Pension programs included).
- Would need a vote of the public

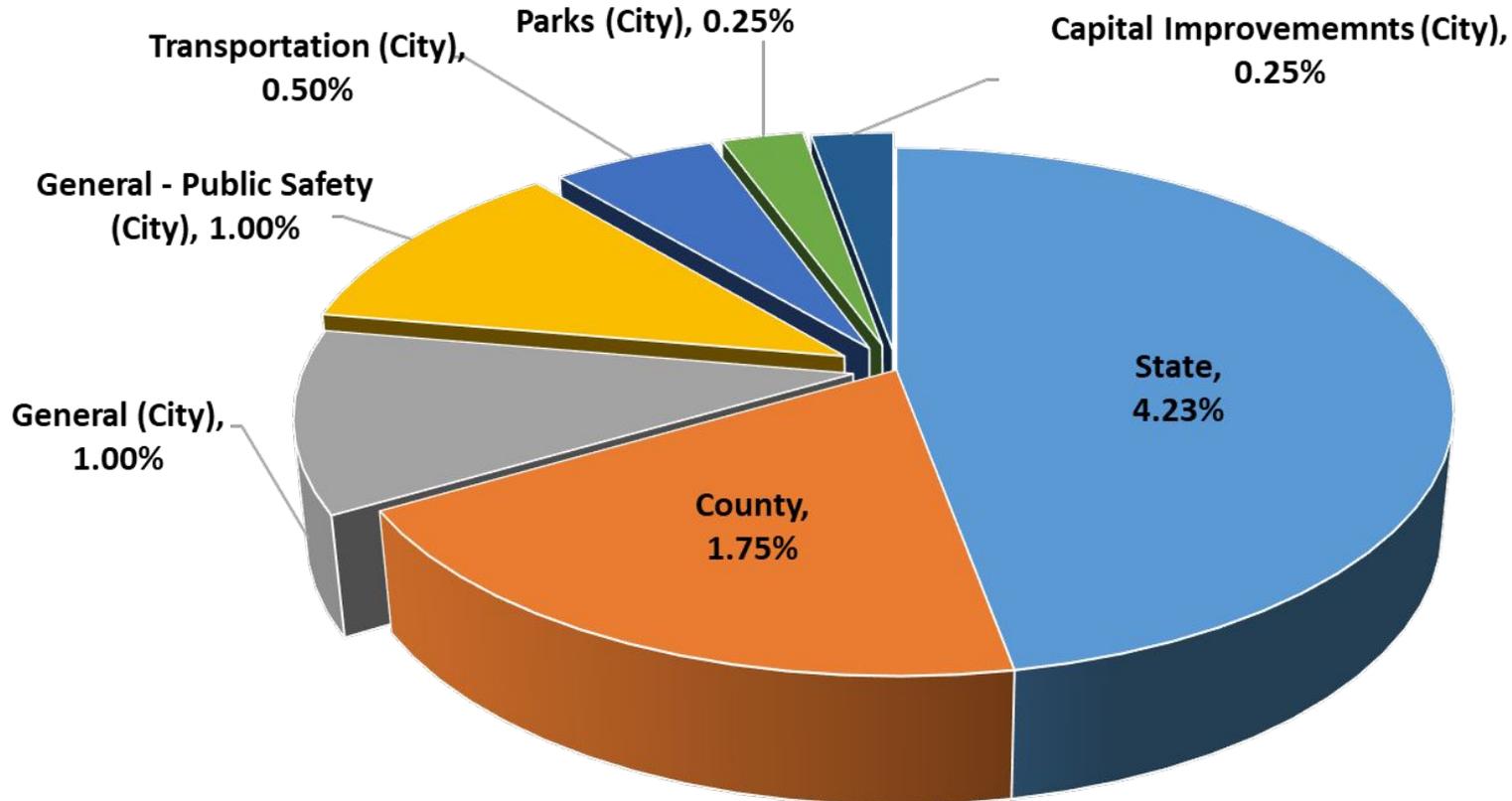
# FY28 Estimated Sales and Use Tax by Funds

Fund	Tax Rate	Sales Tax	Use Tax
General Fund	1%	\$33,050,364	\$5,594,538
<b>GF — Dedicated Public Safety</b>	<b>1%</b>	<b>\$33,050,364</b>	<b>\$5,594,538</b>
Capital Improvement Sales Tax	1/4%	\$7,914,863	\$1,398,634
Park Sales Tax	1/4%	\$7,914,863	\$1,398,634
Transportation Sales Tax	1/2%	\$15,831,420	\$2,797,269
<b>Total</b>	<b>3%</b>	<b>\$97,761,874</b>	<b>\$16,783,613</b>

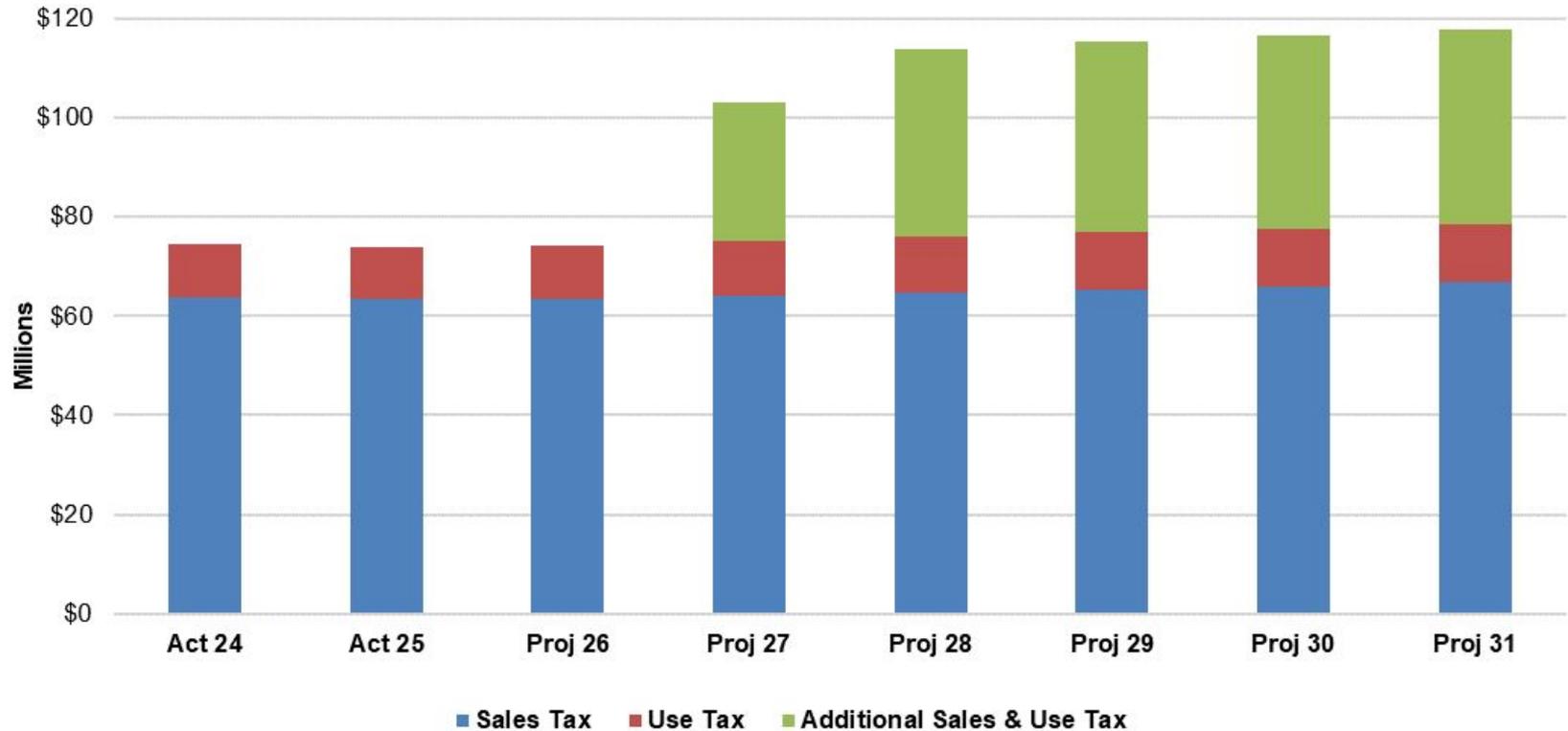
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Independence	2.875%	8.600%
Lee Summit	2.750%	8.475%
Springfield	2.125%	8.100%
St Charles	2.000%	7.950%
O'Fallon	2.000%	7.950%
St Peters	2.000%	7.950%

# Potential Sales Tax Breakdown



# Proposed Sales and Use Tax Forecast



Based on medium tax growth projection. 1% tax rate increase.

# 1-Cent Sales Tax Impact



**\$4 Cup of Coffee: Additional \$0.04 (4 cents)**

- From \$4.32 to \$4.36



**\$12 Meal: Additional \$0.12 (12 cents)**

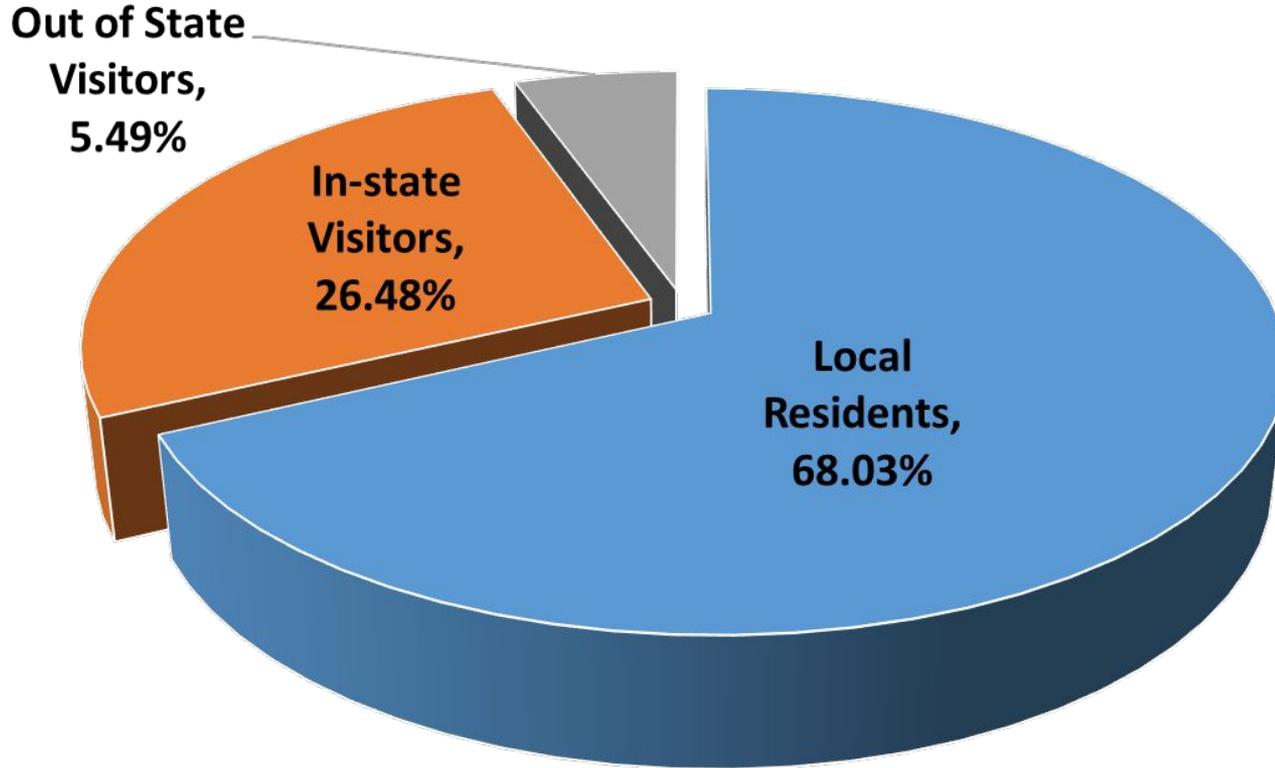
- From \$12.96 to \$13.08



**\$100 Grocery/Retail Purchase: Adds \$1.00**

- From \$107.98 to \$108.98

# Sales Tax Receipts by Location



Approximately 32% of collected sales tax revenue comes from visitors outside of Columbia

# How Public Safety Will Be Funded

## New Public Safety Fund

- Separate Fund to account for and segregate Police and Fire expenses
- \$38.6 million from new General Sales Tax
- \$60 million from original General Fund Sales Tax
  - Ongoing allocation from the General Fund

# Additional Sales & Use Tax Priorities

# Public Safety Priority

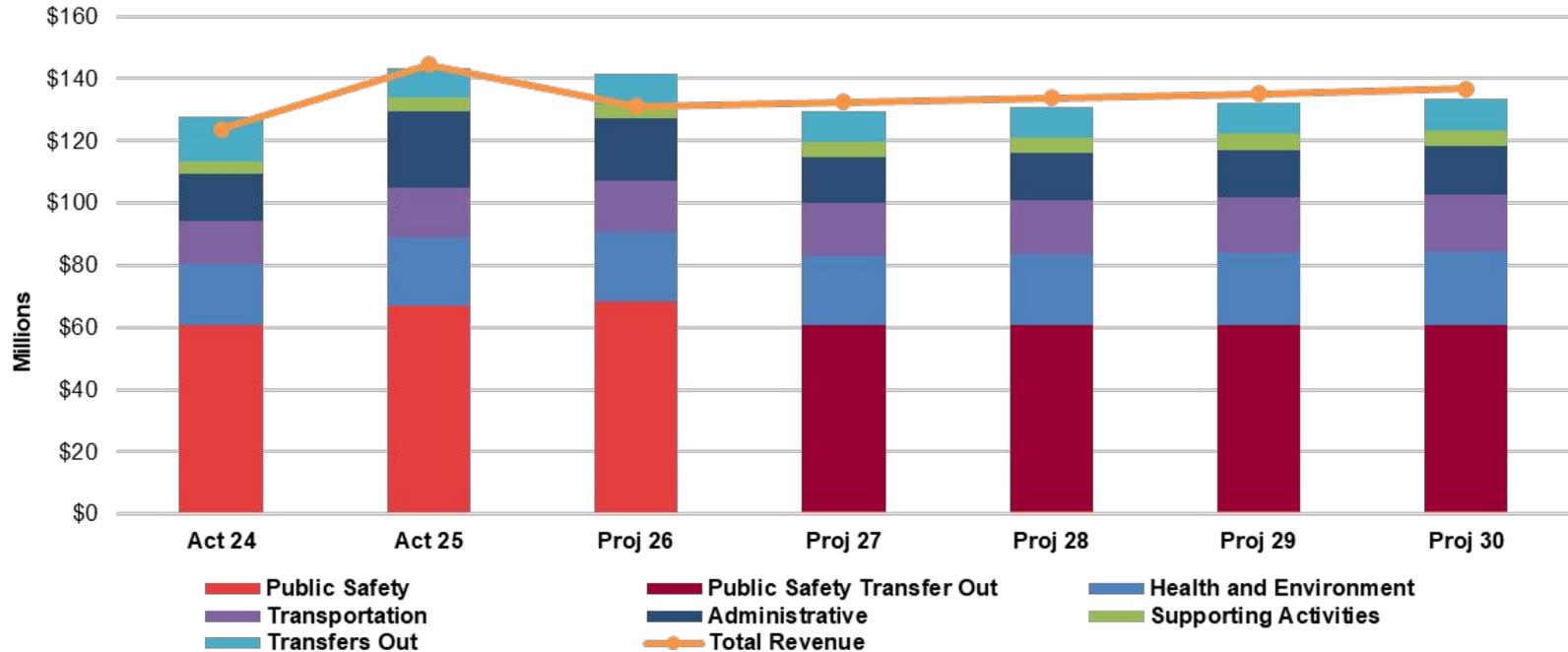
The most critical need is stabilizing the City of Columbia Police and Firefighter's Retirement Fund. Our current funding gap is:

- 51% for the Police Pension
- 57% for the Firefighters Pension
- Total Unfunded Actuarial Accrued Liability (UAAL) as of 9/30/2024: \$155,867,470.
  - Police Liability — \$66,089,475
  - Fire Liability — \$89,777,995

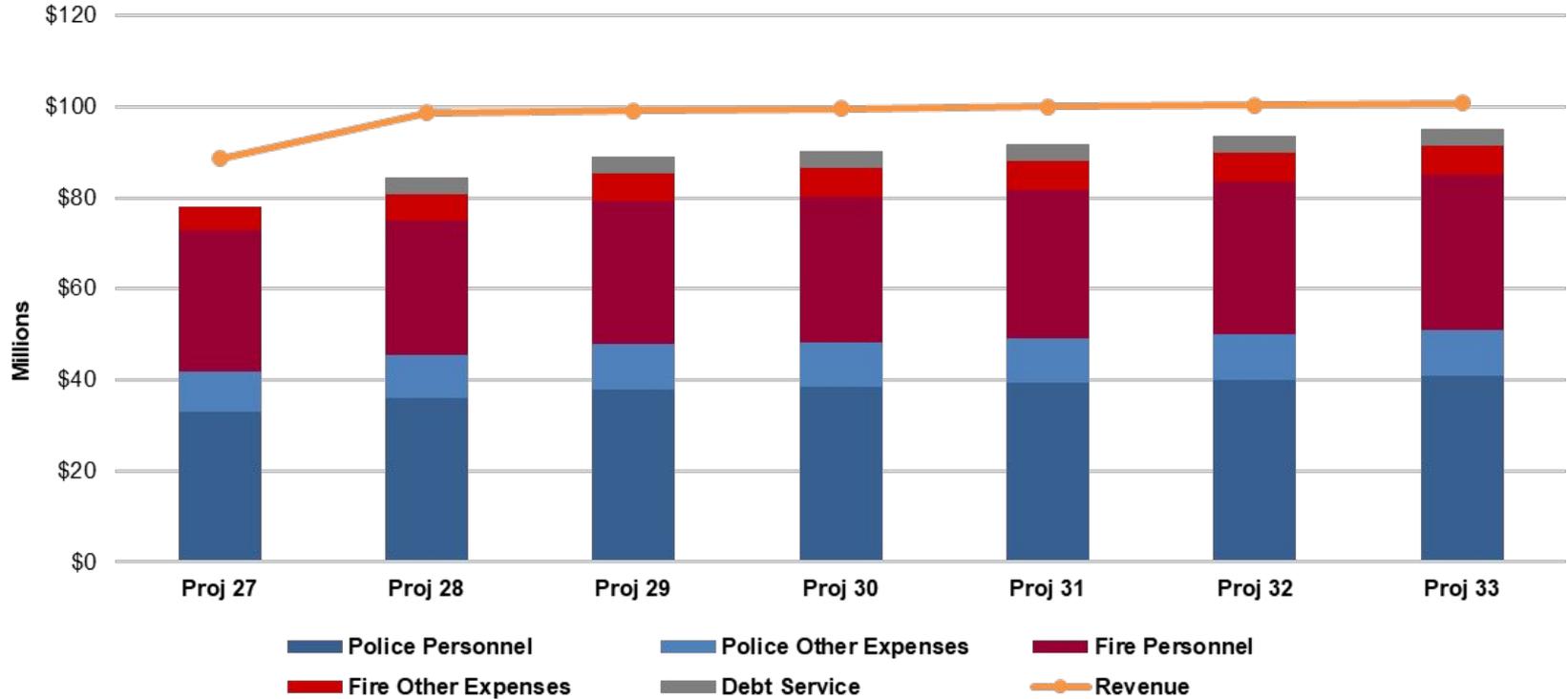
# Additional Priorities

- Additional Police Officers and Firefighters
  - 50 Police Officers over 4 years
  - 40 Firefighters over 4 years
- New Police Facility
- 2 New Fire Stations with Apparatus
- Police Vehicles
- Renovation of 3 Current Fire Stations
- Police and Fire Technology Plan

# General Fund Projection with New Tax Rate



# Public Safety Fund Projection with New Tax Rate



# Discussion