



City of Columbia, Missouri

Meeting Minutes - Final

City Council

Saturday, July 19, 2025
9:00 AM

Budget Work Session

City Hall
Council Chamber
701 E. Broadway
Columbia, MO.

I. CALL TO ORDER

Mayor Buffaloe called the meeting to order at approximately 9:00 a.m.

Present: 6 - Buffaloe, Foster, Waterman, Peters, Carroll, and Sample

Final Review of the Proposed Budget

Attachments: [FY26 Budget Work Session Presentation](#)

Deep Debnath, Economist, presented information from the Community Trend Manual, starting with population estimates. The Mayor requested information on staffing levels to accompany the information related to population growth.

Matthew Lue, Finance Director, shared information on sales and use tax by share and by fund. He highlighted the proposed change to the Public Improvement Fund (PIF) for FY 26 - staff propose to not transfer general sales tax revenue to the PIF, though development fees would still go into the fund. Staff provided information on the projects funded through the PIF in recent years. Shane Creech, Public Works Director, provided some additional information on development fees, which can only fund collector or arterial roadways.

Deep shared information about the sales tax dashboard. He reviewed a graph showing the trends for sales and use tax, as well as budgeted compared to actual revenues. Matthew clarified that all sales tax revenues are forecasted based on prior year actuals.

Matthew started the discussion on the remaining funds with information on fund accounting. He highlighted that each fund has its own restrictions and legal requirements.

Jim McDonald, Assistant Finance Director, provided information on special revenue funds. Departments included Convention & Visitors Bureau (CVB), Contributions, CDBG/HOME, Parks Sales Tax (PST), Transportation Sales Tax (TST), Capital Improvement Sales Tax (CIST), and Mid-Missouri Solid Waste Management District (MMSWMD). He reviewed the total revenue and expenditure from actual FY 23 and FY 24 as well as projected FY 25 and FY 26. This also included information on the cash reserve target, if applicable. While reviewing Parks & Recreation, Jim clarified that a portion of the revenue from PST is for capital projects in addition to operating expenses. While reviewing TST, he noted that a portion goes to airport, public transit, and streets. For CIST, Jim noted that police patrol cars and fire station improvements will be paid for out of this fund. Brian Schaeffer, Fire Chief, discussed the proposed fire station projects.

Jim clarified the Contributions fund is based on contributions the City receives so revenue is not budgeted. He noted that this is not related to contributions made to assist with utility payments.

Matthew provided an overview of the debt service funds, noting the debt for enterprise funds are included within those funds.

Matthew provided an overview of internal service funds, which account for the services one department provides for another. These are typically paid for through fees, such as fleet fees for vehicle maintenance. The funds reviewed included the employee benefit fund, self-insurance, fund, fleet operations, IT, Vehicle & Equipment Replacement Fund (VERF). Utility Customer Service (UCS) is proposed to become an internal service fund in FY 26. In prior years, this was included within the Utilities. Matthew noted that the expenditures are budgeted higher than revenue, but this will be reconciled at the end of the fiscal year.

Jim noted a higher cash reserve target for employee benefit and self-insurance.

Andrea Greer, Budget Officer, reviewed forecasted revenues for FY 26. Staff are projecting approximately a \$20 million revenue increase citywide. She reviewed the proposed FY 26 expenditures as well, noting the largest increase was in personnel. The Mayor highlighted the variation in capital projects, noting that it is the reason budgeted expenditures are higher than revenues. By function, the majority of expenditures go to the Utilities, followed by Transportation and Public Safety. Related to Power Supply, Sarah Talbert, Assistant Utility Director, discussed the power cost adjustment (PCA).

Andrea reviewed the New Decision Items (NDIs), including the approved and unapproved positions. De'Carlton Seewood, City Manager, discussed the process for reviewing proposed positions. Kathy Baker, HR Director, reviewed the process for new position or position changes. 122.5 new positions were initially requested in January, but there are ongoing conversations related to proposed positions. Matthew clarified the difference between an eliminated position and a position that is being left unfilled. Chief of Police Jill Schlude provided clarifying information about the Columbia Police Department's (CPD) new position requests. She noted that the request for 51 FTE officer positions was made understanding that all positions would not be approved in one budget cycle, but because it is the staffing level that the department is wanting to get to. De'Carlton mentioned that not all departments request the full number of positions they feel will be needed. While the city grows and more public safety and public works positions are needed, additional staff is also needed in other departments to support that growth. Sarah and Shane discussed some of the not approved positions in Water and Transit, noting that these may come up midyear.

Andrea continued reviewing the NDI requested by fund for both fleet and other non-personnel, non-fleet. The totals for approved, not approved, and requested were provided. Sarah highlighted some of the items that make up the approved requests in the Utilities. Staff will provide a list of the NDIs during the presentations during the budget hearings.

Matthew reviewed outsourced services. These were broken into core activities, or the services or functions the City is responsible for providing, and activities outside of those core functions. Examples were provided for departments with outsourced services and additional context for these were provided by the departments. Departments included the Utilities and Fleet Operations.

Staff covered some of the other questions that were brought up at previous work sessions. Matthew discussed the budget cuts for the FY 26 budget. Sarah reviewed the forecast for Water if no increase is approved and if the proposed increase is approved.

She provided information on customer examples for various water meter sizes. She shared information on the Electric forecast with the 2% increase for each fiscal year. She also provided example residential bills based on heat source, including gas heat, electric heat, and heat pump. An additional example was provided for an apartment complex using electric heat. Sarah noted that staff push energy efficiency programs, as well as their work with Central Missouri Community Action (CMCA) on weatherization programs. Council agreed to move forward with the 2% rate increase that is already included in the proposed budget.

Matthew reviewed the upcoming budget dates.

Kathy reviewed the personnel-related questions that came up at previous work sessions. She provided a review of the Classification & Compensation Study. She provided turnover data for the previous four fiscal years. Compared to other governmental entities, our turnover rate is consistently lower, and has decreased. She reviewed data on position vacancy rates, and retention compared to turnover rates. The retention rate for FY 24 was 90.46%.

II. ANY OTHER ITEMS COUNCIL MAY WISH TO DISCUSS

None.

III. ADJOURNMENT

The meeting adjourned at approximately 12:02 p.m.