



FY26 Budget Work Session

All Funds

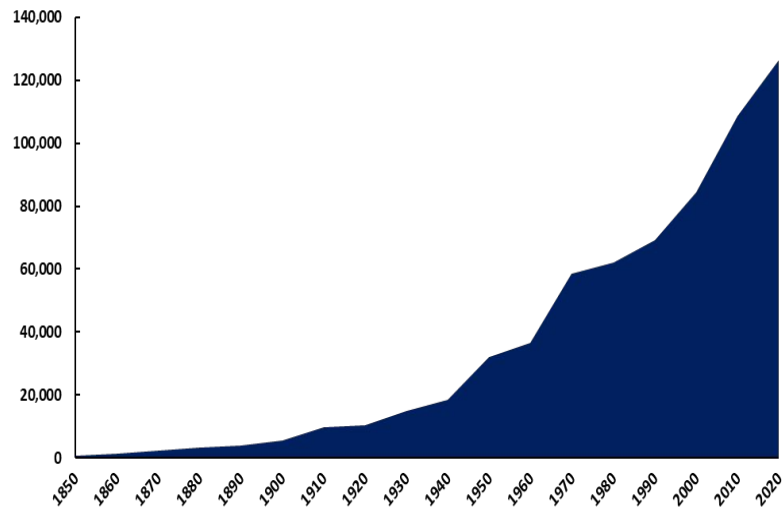
July 19th, 2025



Agenda

1. Population
2. Trends: Sales and use tax
3. Fund balance
4. FY 26 Budget: New decision items
5. Contractual (Outsourced) task

Community Trend Manual - Population



Population by Race						
Year	Population	White	Black	Asian	Hispanic	Other
2014	116,892	91,000	13,105	6,179	3,620	2,988
2015	119,098	91,241	12,834	6,954	4,956	3,113
2016	120,606	90,760	14,038	8,900	3,500	3,408
2017	121,720	92,780	13,174	7,066	4,319	4,381
2018	123,182	97,048	11,041	7,653	5,162	2,278
2019	123,204	96,029	13,022	7,885	5,513	755
2020	122,659	93,146	13,597	7,500	4,173	4,243
2021	126,850	93,859	15,892	7,895	5,031	4,173
2022	128,545	95,666	14,402	8,551	5,715	4,211
2023	129,328	96,294	16,347	6,822	5,659	4,206
2024*	130,621	97,257	16,510	6,890	5,716	4,248

*Estimated years

Source: [1-Year American Community Survey](#)

2023 Population by Gender & Race



■ White ■ Black ■ Hispanic or Latino ■ Asian ■ Other

80 to 84 years

70 to 74 years

60 to 64 years

50 to 54 years

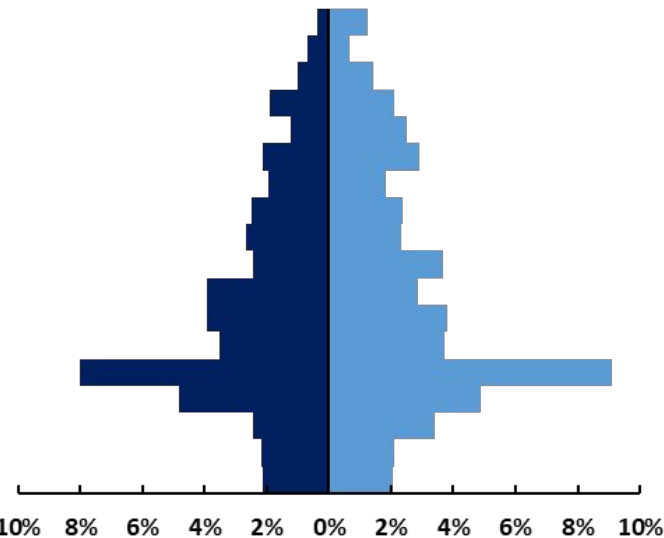
40 to 44 years

30 to 34 years

20 to 24 years

10 to 14 years

Under 5 years



■ Male ■ Female

Sales and Use Tax

Sales Tax Share by Fund

	Current Sales Tax Rate	Proposed Sales Tax Rate
General Fund	98% of 1%	1%
Public Improvement Fund	2% of 1%	0%
Capital Improvement	1/4%	1/4%
Parks Sales Tax	1/4%	1/4%
Transportation	1/2%	1/2%
Total	2%	2%

Public Improvement Fund

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	1,325,781	1,778,878	1,663,040	936,959
Total Expenditure	(3,626,585)	(2,006,696)	(1,423,031)	(316,969)
Over/(Under)	(2,300,804)	(228,091)	240,009	619,990
Ending Available Cash	886,491	650,754	890,763	1,510,753

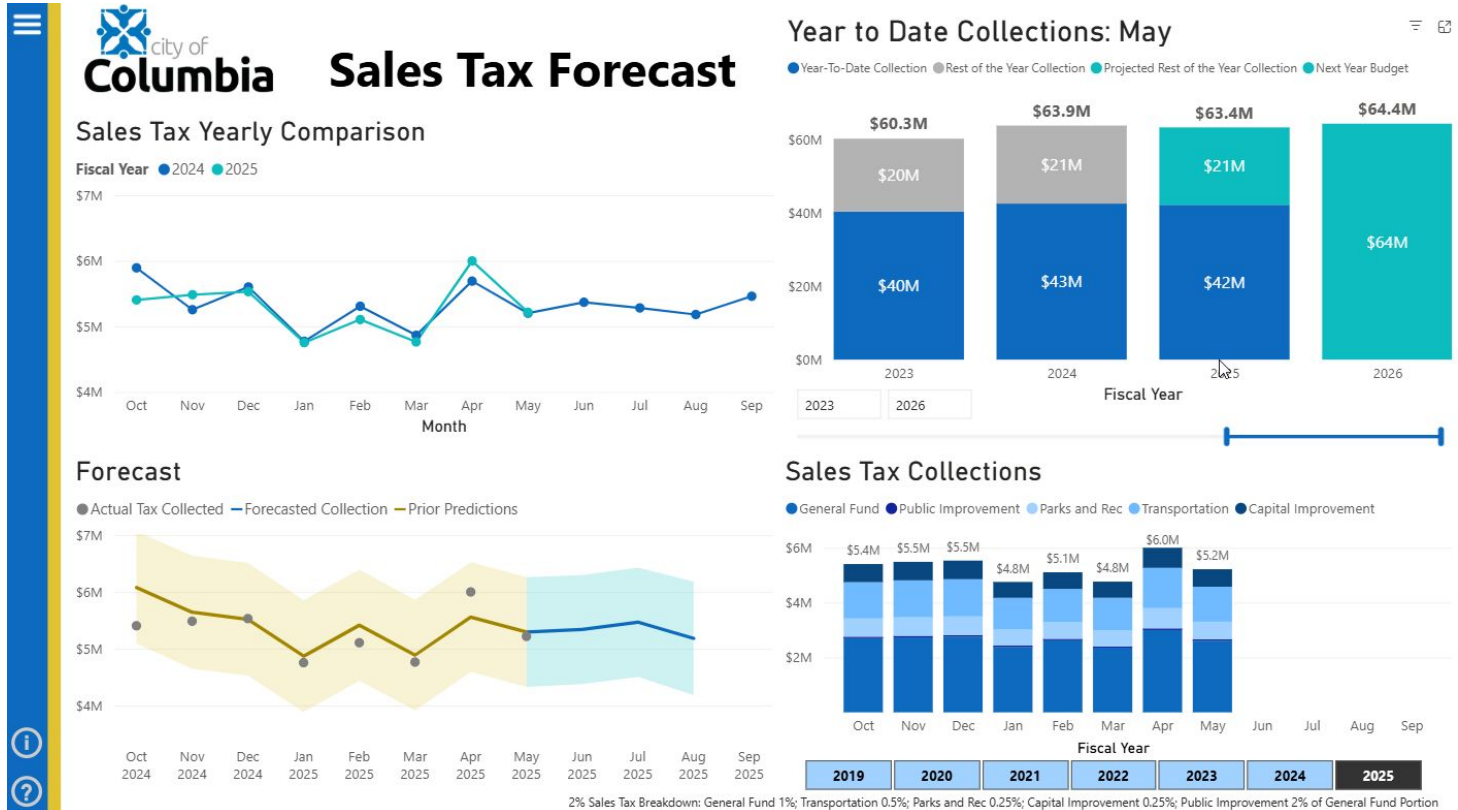
Public Improvement Fund Expenses

- Cultural Affairs - Public Art Maintenance
 - \$25,000 yearly
- Storm Water - BMP Maintenance
 - \$170,000 (started FY 24)
- Development Fees - Streets Projects
 - FY 26 - \$121,969 Fairview & Chapel Hill Intersection Improv
 - FY 25 - \$1,228,031 Forum Blvd: Chapel Hill to Woodrail
 - FY 24 - \$1,171,969 Forum Blvd: Chapel Hill to Woodrail

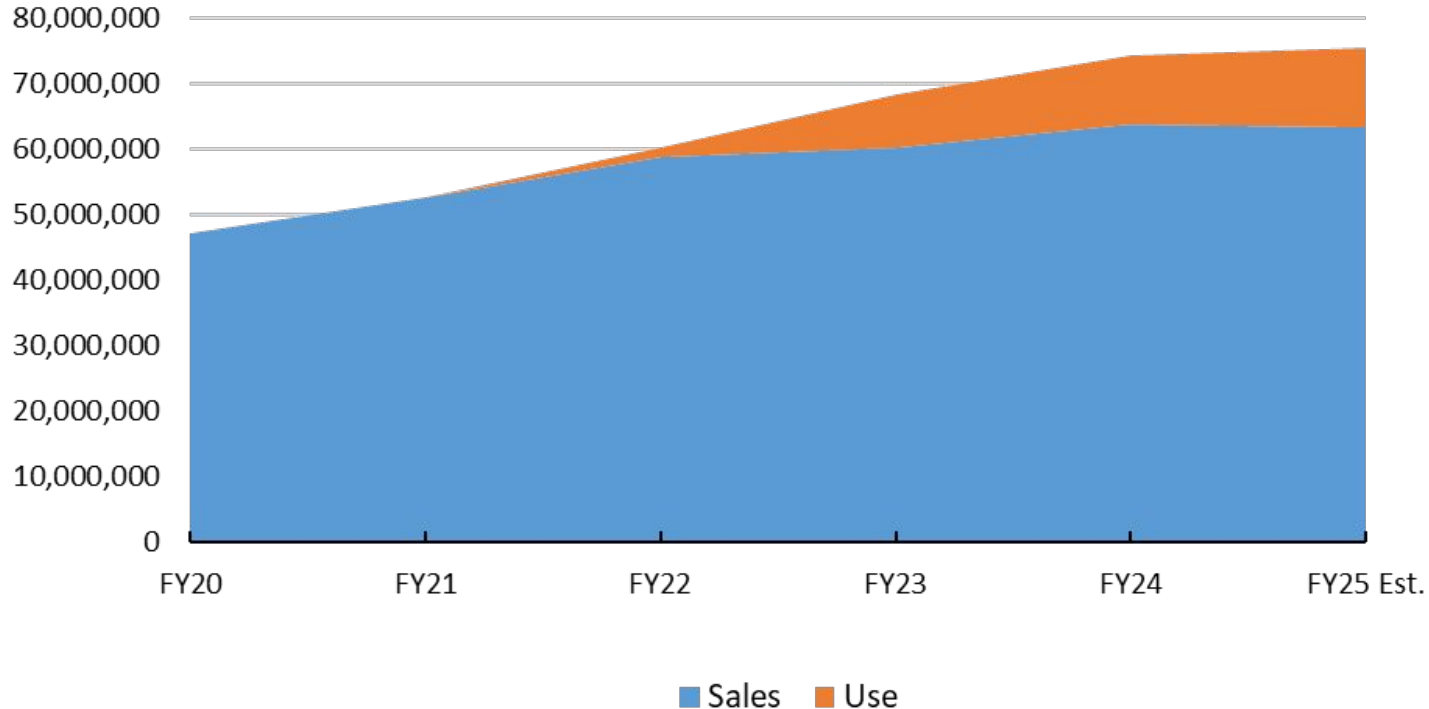
Public Improvement Fund Revenue Breakdown

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	1,325,781	1,778,878	1,663,040	936,959
Sales Tax	614,790	650,289	615,814	0
Use Tax	96,121	97,215	119,273	0
Development Fees	587,699	998,707	909,722	918,819
Investment Revenue	27,171	32,667	18,231	18,140

Sales Tax Dashboard



Sales and Use Tax Trend



Financial Trends

Strategic Plan: Resilient Economy

Goal 4: Increase accessibility of external data relevant to economic trends for stakeholders to make data driven decisions

- Monthly Economic Report

<https://www.como.gov/wp-content/uploads/2025/06/Monthly-Economic-Report-June-2025.pdf>

- 5-year Financial Trend Manual

<https://www.como.gov/wp-content/uploads/2025/06/2024-Financial-Trend-Manual-Report-FV.pdf>



Fund Discussions

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

Special Revenue Funds

What Are Special Revenue Funds

- These are funds that account for specific revenues that are legally restricted for particular purposes.
 - Example: Revenue from the voter approved Parks Sales Tax may only go to Parks & Recreation operations and projects.

Special Revenue Fund Departments

- Convention & Visitors Bureau (CVB)
- Contributions
- Community Development Block Grant (CDBG) & HOME
- Parks & Recreation - Parks Sales Tax
- Transportation - Transportation Sales Tax
- Capital Improvement Sales Tax
- Mid-Missouri Solid Waste Management District (MMSWMD)
- Public Improvement Fund (PIF)

Convention & Visitors Bureau (CVB)

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	4,472,348	4,908,684	4,410,007	4,451,104
Total Expenditure	(3,060,933)	(3,300,614)	(3,667,894)	(4,162,806)
Over/(Under)	1,411,415	1,608,070	742,113	288,298
Ending Available Cash	1,887,229	2,134,601	2,876,714	3,165,012
20% Cash Reserve Target	612,187	660,123	733,579	832,561
Cash above/below Target	1,275,043	1,474,478	2,143,135	2,332,451

Community Development Block Grant & HOME

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	785,365	1,012,209	812,524	1,515,150
Total Expenditure	(1,203,061)	(1,288,655)	(1,068,725)	(1,298,025)
Over/(Under)	(417,696)	(276,446)	(256,201)	217,125

Parks & Recreation - Parks Sales Tax

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	20,554,695	20,291,380	19,670,702	20,375,285
Total Expenditure	(17,732,999)	(24,124,402)	(18,556,004)	(22,794,094)
Over/(Under)	2,821,696	(3,833,022)	1,114,698	(2,418,809)
Ending Available Cash	2,583,764	911,757	2,026,455	807,646

- Parks & Recreation Sales Tax is restricted to funding the operations, capital improvements, land acquisitions, major park renovations, trail expansions, and restrooms. (50% is restricted for Parks capital improvements and maintenance)

Transportation - Transportation Sales Tax

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	17,353,666	19,434,055	19,018,121	19,373,277
Total Expenditure	(11,323,594)	(15,200,444)	(18,907,218)	(22,749,151)
Over/(Under)	6,030,072	4,233,611	110,903	(3,375,874)
Ending Available Cash	20,563,843	24,436,092	24,546,995	21,171,121

- Transportation sales tax funds are explicitly limited to the planning, development, acquisition, construction, maintenance and operation of public transit facilities, systems and roads other than highways.

Capital Improvement Sales Tax

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	8,558,882	9,540,206	9,393,707	9,574,924
Total Expenditure	(7,863,449)	(6,804,319)	(8,652,856)	(15,479,678)
Over/(Under)	695,433	2,735,888	740,851	(5,904,754)
Ending Available Cash	6,150,516	8,742,148	9,482,999	3,578,245

- Capital improvement sales tax funds are strictly limited to specific capital projects like infrastructure improvements, major maintenance, equipment purchases, sidewalk maintenance, and public safety

Mid-Missouri Solid Waste Management District (Grant)

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	119,982	116,576	199,342	198,408
Total Expenditure	(185,805)	(198,629)	(191,921)	(218,135)
Over/(Under)	(65,823)	(82,053)	7,421	(19,727)

Contributions Fund

- The contribution fund accounts for donations that come into the City, and are then transferred to the appropriate departments and projects the donations were intended for.
- FY26 - \$95,393 budgeted expense

Debt Service Funds

What are Debt Service Funds

- The Debt Service Funds are used to account for the payment of principal and interest for all Government Debt.
 - Currently the City has one Debt Service Fund. The 2016 Special Obligation Refunding Bond.
 - This Bond was used for the construction of new portion of City Hall.

Debt Service Fund 2016 Refunding

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	1,805,633	1,838,669	1,801,342	1,806,857
Total Expenditure	(1,757,825)	(1,757,835)	(1,759,543)	(1,765,268)
Over/(Under)	47,808	80,834	41,799	41,589
Ending Available Cash	1,362,920	1,423,625	1,465,424	1,507,013

Internal Service Funds

What Are Internal Service Funds

- Internal Service Funds are used to account for goods and services provided by one department to others, on a cost reimbursement basis.
- These costs are typically paid in the form of monthly fees or one time transfers from the departments receiving service to the department providing it.
 - Example: Fleet division provides maintenance to city-owned vehicles from all departments.

Internal Service Fund Departments

- Employee Benefit Fund
- Self-Insurance
- Fleet Operations
- Information Technology
- Utility Customer Service
- Vehicle & Equipment Replacement Fund (VERF)

Employee Benefit

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	17,368,025	18,447,853	20,249,184	19,461,457
Total Expenditure	(15,059,356)	(17,005,856)	(17,970,704)	(23,993,511)
Over/(Under)	2,308,670	1,441,997	2,278,481	(4,532,054)
Ending Available Cash	17,163,280	18,328,972	20,607,453	16,075,399
75% Cash Reserve Target	11,294,517	12,754,392	13,478,028	15,295,133
Cash above/below Target	5,868,763	5,574,580	7,129,425	780,266

Self-Insurance

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	6,845,845	7,429,298	6,023,167	4,658,379
Total Expenditure	(6,864,482)	(7,201,987)	(7,567,739)	(8,953,072)
Over/(Under)	(18,637)	227,311	(1,544,572)	(4,294,693)
Ending Available Cash	20,436,336	20,760,953	19,216,381	14,921,688
75% Cash Reserve Target	5,148,362	5,401,490	5,675,804	6,714,804
Cash above/below Target	15,287,974	15,359,463	13,540,577	8,206,884

Fleet Operations

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	7,948,627	10,114,655	9,087,228	6,275,394
Total Expenditure	(9,559,858)	(9,451,146)	(7,775,149)	(7,595,442)
Over/(Under)	(1,611,231)	663,509	1,312,079	(1,320,048)
Ending Available Cash	(2,040,953)	(1,259,175)	52,904	(1,267,144)

Information & Technology

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	9,271,999	10,280,132	11,111,688	11,286,915
Total Expenditure	(10,880,282)	(10,868,542)	(11,392,518)	(12,140,972)
Over/(Under)	(1,608,283)	(588,409)	(280,829)	(854,057)
Ending Available Cash	2,428,085	1,965,277	1,684,448	830,391

Utility Customer Service (UCS)

	FY 2026 Proposed
Total Revenue	928,936
Total Expenditure	(3,186,031)
Over/(Under)	(2,257,095)

- Note: In FY26, Utility Customer Service will become an Internal Service Fund again.

Vehicle & Equipment Replacement Fund (VERF)

	FY23 Actual	FY24 Actual	FY 2025 Projected	FY 2026 Proposed
Total Revenue	2,641,796	6,627,469	2,292,575	5,775,815
Total Expenditure	(381,208)	(690,974)	(4,471,460)	(5,495,978)
Over/(Under)	2,260,588	5,936,495	(2,178,885)	279,837
Ending Available Cash	2,037,742	5,517,697	3,338,812	3,618,649

Fiscal Year 2026 Budget

FY26 Forecasted Revenues

	<u>FY24 Actual</u>	<u>FY25 Budget</u>	<u>Proposed FY26</u>
General Property Taxes	\$10,813,405	\$10,807,135	\$11,128,271
Sales and Use Tax	\$74,379,870	\$74,028,683	\$75,699,500
Other Local Taxes	\$18,586,863	\$19,110,607	\$18,566,305
Payments in Lieu of Taxes	\$17,829,515	\$20,496,679	\$19,147,163
Licenses and Permits	\$2,363,502	\$2,113,238	\$2,555,777
Fines	\$316,951	\$338,663	\$632,668
Fees and Service Charges	\$305,710,514	\$313,832,930	\$320,389,056
Intragovernmental Revenue	\$13,364,026	\$14,746,404	\$16,596,074
Revenue from Other Gov.	\$28,201,401	\$23,585,834	\$17,400,075
Investment Revenue	\$30,936,353	\$12,031,718	\$17,763,870
Miscellaneous	\$7,413,183	\$4,792,307	\$5,819,633
Transfers	\$49,233,595	\$41,562,226	\$52,660,386
Appropriated Fund Balance	\$0	\$1,600,000	\$0
Total Revenue	\$559,149,176	\$539,046,424	\$558,358,778

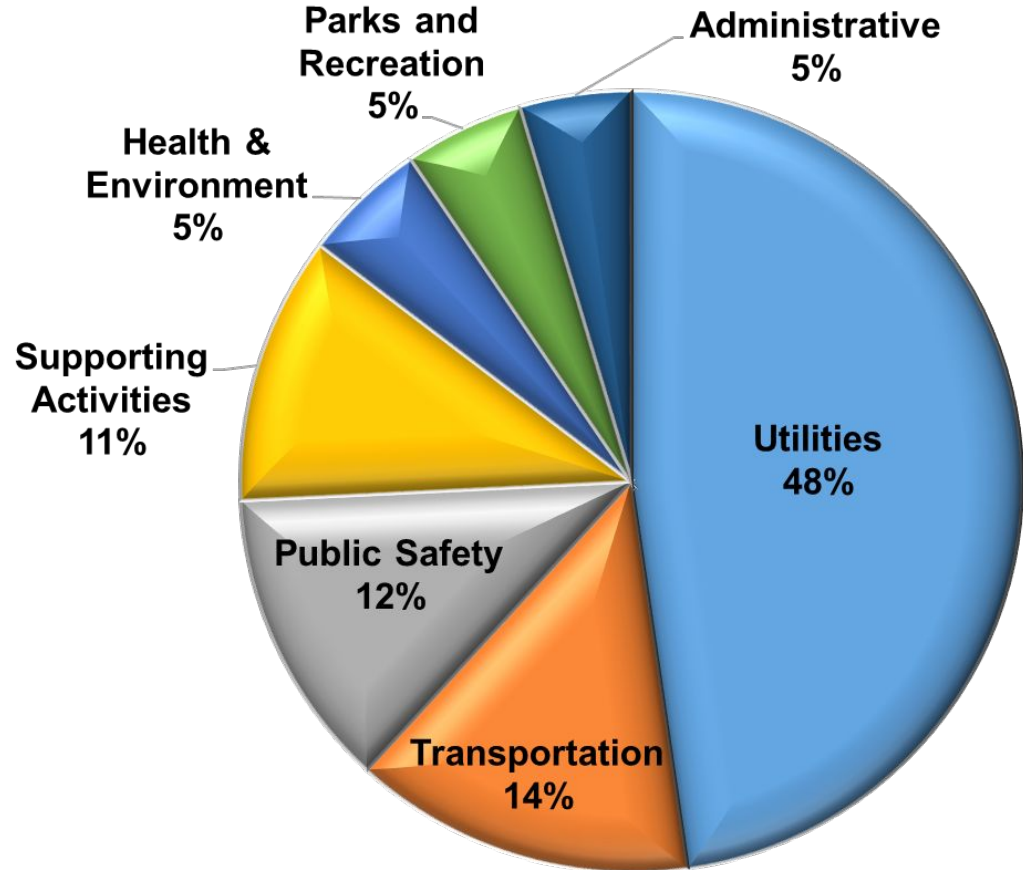
FY26 Budgeted Expenditures

	<u>FY24 Actual</u>	<u>FY25 Budget</u>	<u>FY26 Proposed</u>
Personnel Services	\$149,856,422	\$165,116,374	\$174,862,149
Power Supply	\$84,378,521	\$88,841,762	\$88,841,762
Materials & Supplies	\$30,177,411	\$29,305,400	\$26,636,467
Travel & Training	\$1,518,241	\$2,206,466	\$2,104,968
Intragov. Charges	\$31,283,856	\$35,910,176	\$33,477,279
Utilities	\$7,330,870	\$7,869,550	\$8,180,633
Services & Misc.	\$101,407,305	\$114,615,544	\$130,037,701
Capital	\$20,715,644	\$26,928,073	\$31,992,768
Transfers	\$68,136,535	\$62,658,904	\$72,407,549
Debt Service	\$10,534,203	\$29,247,448	\$29,544,781
Total Expenditures	\$505,339,006	\$562,699,697	\$598,086,057

Where the Money Goes

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

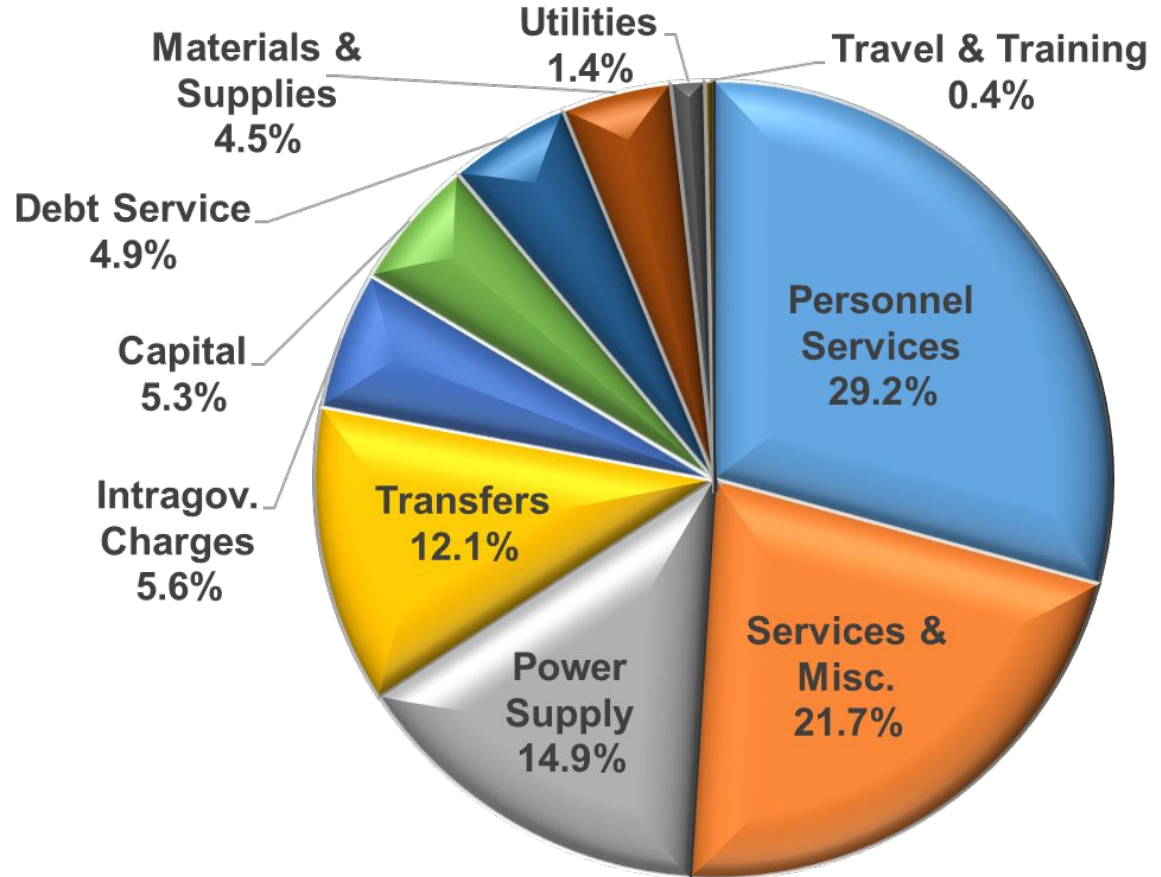
Expenditures by Function



Where the Money Goes

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

Expenditures by Category



FY26 Requested New Positions - Approved

Fund	Department	Position	FTE
1100	HNS	Code Enforcement Specialist I	1
1100	Law	Case Manager	1
1100	Police	Airport Safety Officer	2
1100	Police	Civilian Investigator - Internal Affairs	2
1100	Police	Civilian Investigator - Criminal Investigations	1
1100	Police	Property & Evidence Technician	1
1100	Health	Breastfeeding Peer Counselor Coordinator	0.5
1100	Health	Community Health Worker	1
1100	Health	Health, Safety & Justice Supervisor	1
1100	Health	Public Safety and Justice Case Coordinator	1
2200	Parks	Assistant to the PR Director	1
2200	Parks	Custodian - 955	1
2200	Parks	Maintenance Technician III - 955	1
2200	Parks	C.A.R.E. Program Specialist	1
5500	Utilities	Water Operator II/III - WL	1
5510	Utilities	Apprentice Lineworker/Lineworker - WL	2
5510	Utilities	Utility Maintenance Mechanic III - WL	1
Total Approved FTE			19.5

FY26 Requested New Positions - Not Approved

Fund	Department	Position	FTE
1100	CMO	Engagement Specialist	1
1100	CMO	Records Custodian	1
1100	Community Development	Planner	1
1100	Community Development	Assistant Director, Community Development	1
1100	Community Development	Building Inspector II	1
1100	Fire	Admin Technician II	1
1100	Fire	Equipment Technician	1
1100	Finance	Accountant II	1
1100	HNS	Development Specialist	1
1100	Law	Assistant City Counselor	1
1100	Police	Office of Neighborhood Services Safety Officer	0.75
1100	Police	Police Officer in Training/Police Officer - CPOA	51
1100	Police	Police Sergeant - CPOA	2
1100	Public Works	Administrative Supervisor I	1
1100	Public Works	Engineering Supervisor	1
1100	Public Works	Education Coordinator	1

FY26 Requested New Positions - Not Approved

Fund	Department	Position	FTE
5500	Utilities	Water Distribution Operator I - 955	2
5500	Utilities	Water Distribution Operator II - 955	2
5510	Utilities	Utility Locator II	1
5510	Utilities	Utility Maintenance Mechanic II - WL	1
5530	Transit	Bus Supervisor/Compliance	1
5530	Transit	Transit Superintendent - Admin	1
5530	Transit	Transit Superintendent - Admin	1
5530	Transit	Transit Vehicle Cleaner	1
Total Not Approved FTE			76.75

Outsourced Services

Outsourced Services

- Core Activities
 - Essential services and functions that the City is responsible for providing to ensure the safety, well-being, and functionality of the city.
- Activities outside of the City core

Outsourced Services

- **WATER:**

- Water Distribution construction services (excavation, maintenance, repair and new construction services for water main construction) - ~\$600k/yr
- Water Treatment Plant lime hauling services - ~\$1.2m/yr

- **ELECTRIC:**

- Electric Distribution vegetation management - ~\$2.5m/yr
- Utility locating services - ~\$500k/yr
- Power Plant boiler and cooling tower repairs - ~\$1.5m/yr

Outsourced Services

- **SEWER:**
 - Sewer cleaning services - ~\$225k/yr
- **SOLID WASTE:**
 - Temp employee services - ~\$450k in FY 2024
- **STORMWATER:**
 - Stormwater pipe replacement - ~\$150k/yr

Outsourced Services

- **FLEET OPERATIONS:**

- Maintains 1,400+ assets across three shops (Landfill, P&R, and Grissum) - 36 total bays - maintains ~\$850,000 in parts inventory
- Total Outside Work:
 - FY 23 - \$1.9 million
 - FY 24 - \$2.1 million
- Newer Fleet and a full staff reduces outside work
 - Total Staffing = 37
 - Current Staffing = 30 (4 mechanics, 1 supv, 1 spec, 1 tech)
- Factors impacting the annual costs of outside work may include inflation or specific projects.

Outsourced Services

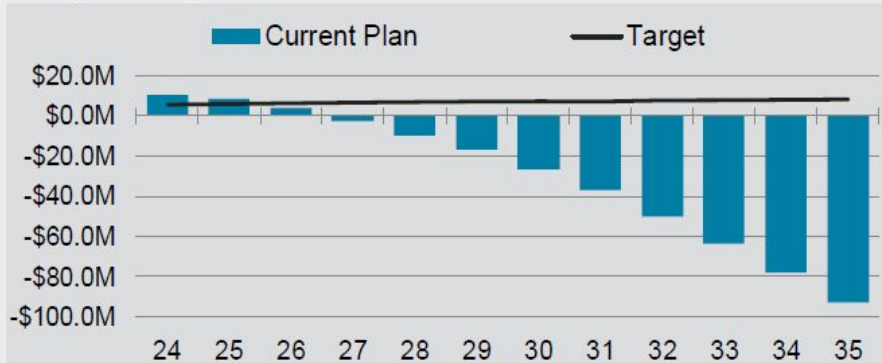
- **FLEET OPERATIONS Examples:**
 - Auto body repair, Major engine work (i.e. transmissions), Towing
 - Warranty work or specialized equipment work
 - Routine work to improve overall efficiency
 - F-150 oil change at the dealership while Fleet's bays are full of buses, fire trucks, and Police vehicles (snow plows during the winter months)

Water Forecast

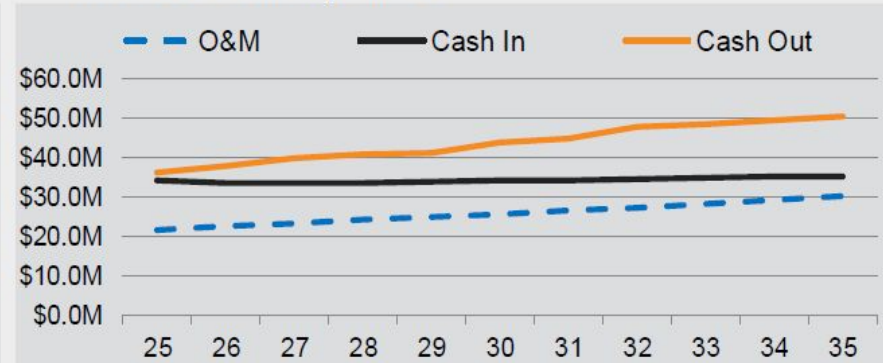
- No Increase

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Water Rate Plan		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Senior-Lien Debt Service Coverage	1.86	1.59	1.49	1.53	1.65	1.14	0.89	0.80

Operating Fund



Revenues vs. Expenses



Water Forecast

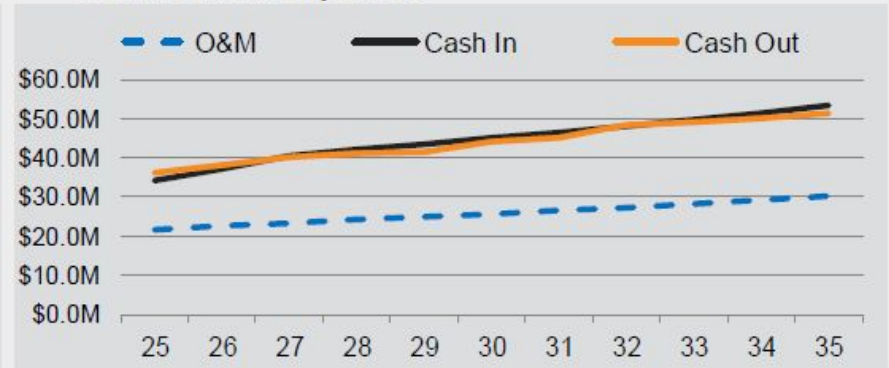
- Proposed Revenue Increases

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Water Rate Plan		12.00%	10.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Senior-Lien Debt Service Coverage	1.86	2.13	2.55	2.88	3.42	2.60	2.28	2.31

Operating Fund



Revenues vs. Expenses



Electric Forecast

- 2% increase in FY 2026 only

ELECTRIC FUND - w/ 2% increase FY 2026 only					
	Proposed FY 2026	Forecasted FY 2027	Forecasted FY 2028	Forecasted FY 2029	Forecasted FY 2030
Total Financial Sources	\$ 172,029,081	\$ 166,647,671	\$ 167,753,288	\$ 168,867,476	\$ 169,990,309
Total Financial Uses	\$ 162,671,493	\$ 166,632,652	\$ 172,784,984	\$ 175,458,258	\$ 180,134,500
Financial Sources Over/(Under) Uses	\$ 9,357,588	\$ 15,019	\$ (5,031,696)	\$ (6,590,782)	\$ (10,144,191)
Unassigned Cash Reserve	\$ 62,172,327	\$ 62,187,346	\$ 57,155,649	\$ 50,564,867	\$ 40,420,626
Budgeted Cash Reserve Target	\$ 36,982,253	\$ 41,044,930	\$ 41,195,397	\$ 43,610,052	\$ 42,285,310
Above/(Below) Cash Reserve Target	\$ 25,190,074	\$ 21,142,416	\$ 15,960,252	\$ 6,954,815	\$ (1,864,684)
Debt Coverage w/ PILOT	3.03	2.16	2.06	1.82	1.67
Debt Coverage w/o PILOT	3.25	2.38	2.30	2.09	1.98

Electric Forecast

- 2% increase each fiscal year

ELECTRIC FUND - w/ 2% increase each fiscal year					
	Proposed FY 2026	Forecasted FY 2027	Forecasted FY 2028	Forecasted FY 2029	Forecasted FY 2030
Total Financial Sources	\$ 172,029,081	\$ 169,562,658	\$ 173,685,726	\$ 177,922,822	\$ 182,277,103
Total Financial Uses	\$ 162,671,493	\$ 166,836,699	\$ 173,200,250	\$ 176,092,125	\$ 180,994,617
Financial Sources Over/(Under) Uses	\$ 9,357,588	\$ 2,725,959	\$ 485,476	\$ 1,830,697	\$ 1,282,486
Unassigned Cash Reserve	\$ 62,172,327	\$ 64,898,286	\$ 65,383,761	\$ 67,214,458	\$ 68,496,944
Budgeted Cash Reserve Target	\$ 36,982,253	\$ 41,085,740	\$ 41,278,450	\$ 43,736,825	\$ 42,457,323
Above/(Below) Cash Reserve Target	\$ 25,190,074	\$ 23,812,546	\$ 24,105,311	\$ 23,477,633	\$ 26,039,621
Debt Coverage w/ PILOT	3.03	2.43	2.66	2.72	3.00
Debt Coverage w/o PILOT	3.25	2.65	2.89	2.99	3.30

Upcoming Budget Dates

- Capital Improvement Projects Public Hearing
 - July 21, 2025
- 1st Public Presentation of the Budget
 - August 4, 2025
- Public Hearing
 - August 18, 2025
- Public Hearing
 - September 2, 2025
- Final Public Presentation of the Budget
 - September 15, 2025

