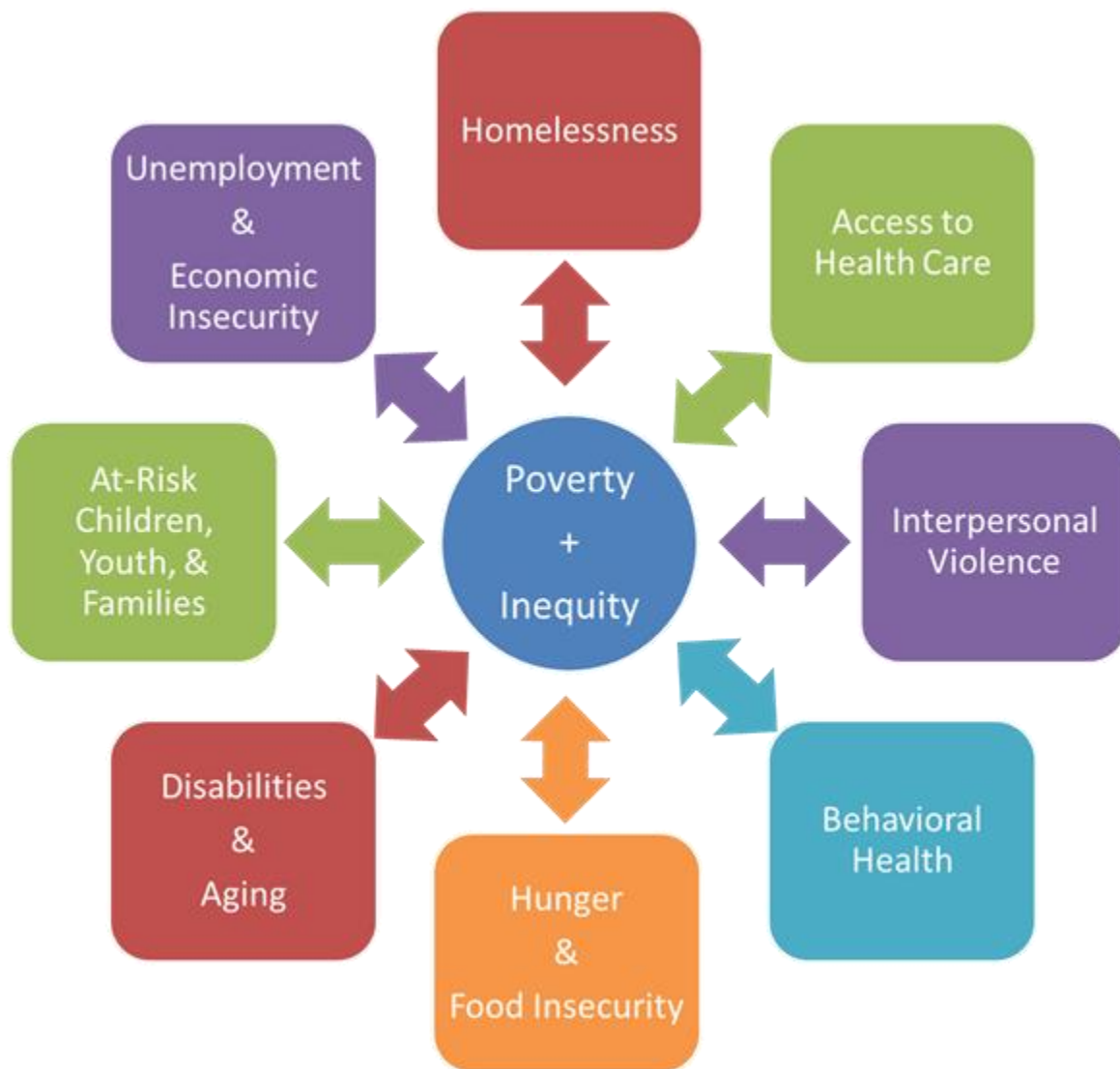


City of Columbia FY2023 Budget: Social Services Funding

For over 50 years, the City of Columbia has recognized that in addition to physical infrastructure and public safety, it must also make an investment in our community's social infrastructure. To this end, the City has both provided and purchased social services to ensure that adequate levels of these services are available to low-income residents of the City.

The social services provided and purchased by the City address some of our community's most challenging issues, many of which are rooted in poverty and inequity.



This report, from the Human Services commission, is intended to outline these issues and the critical role the City's social services funding plays in addressing their causes and effects.

For detailed information about the City's social services funding, please visit the [City of Columbia Social Services Funding web page](https://www.como.gov/health/social-services-funding/) (<https://www.como.gov/health/social-services-funding/>).



We are safe and just.

Justice

Interpersonal Violence



Our basic needs are met.

Affordable Housing

Poverty



We are healthy.

Maternal/Child Health

Chronic Disease

Mental Health



We achieve our full potential.

Income

Academic Achievement

For detailed socio-economic information, please visit our [Boone Indicators Dashboard](http://www.booneindicators.org) (www.booneindicators.org).

A Strategic Investment

Because the City does not have the capacity to provide all of the social services needed to address the causes and effects of poverty and inequity in our community, the Human Services Commission and the Department of Public Health and Human Services are charged by the Columbia City Council to make annual recommendations for the purchase of social services, through professional services agreements with community-based providers, utilizing the City's social services funding.

In order to target limited resources, the City's social services funding is allocated to address two issue areas reflecting the funding priorities identified by the HSC and approved by the City Council:

- **Basic Needs**
- **Opportunity**

Goal

Ensure our basic needs are met and we all have the opportunity to achieve our full potential.

Requests for proposals and the resulting purchase of service contracts are issued in a staggered, two year cycle:

Issue	%		Amount	
	Range	Mean	Range	Mean
Basic Needs	50 – 75%	62.5%	\$519,912 - \$779,868	\$649,890
Opportunity	25 – 50%	37.5%	\$259,956 - \$519,912	\$389,934

The social services contracted by the City are identified and prioritized through a data driven process, which also incorporates an ongoing assessment of community needs and resources. While the City’s investment in social services is not adequate to fully address the causes and effects of poverty and inequality, it does substantially increase the availability of services in Columbia. Examples of services the City purchases include:

- Employment readiness and support from Job Point
- Homelessness and shelter services from Phoenix Programs, Salvation Army, Room at the Inn, and Turning Point
- Housing support services from Voluntary Action Center
- Out of school programs from Columbia Housing Authority, Fun City, and Grade A Plus
- Domestic violence services from True North
- Senior and disability services from Services for Independent Living and Meals on Wheels
- Nutritious supplemental foods from the Food Bank and the Community Garden Coalition
- Mental health services from Compass Health

Without funding from the City, many of these services would simply be unavailable to our community’s most vulnerable residents.

A Return on Investment




\$11:1

The City’s investment also allows our contracted partners to leverage additional, external resources which further increase the community’s capacity to deliver social services. Based on an analysis of our current social services contracts, we found that for every \$1 the City of Columbia invests in local social services, our contracted providers generate \$11 additional dollars... a \$11/\$1 **return on investment**. In addition, a significant portion of these revenues is obtained from sources outside our community. Our relatively small investment makes Columbia very competitive in obtaining shrinking resources from external funders which are increasingly requiring local matching funds.

A Collective Investment

The investment in social services also empowers the City to be a leader in convening diverse stakeholders to address our community’s complex social issues. Because we are operating in a resource-scarce environment, we have embraced and led a collective impact approach, in the spirit of moving the needles together rather than in silos.

Through our [Boone Impact Group](#), the City of Columbia, Boone County, Heart of Missouri United Way, Veterans United Foundation, and Community Foundation of Central Missouri continue to successfully align plans, policies, and practices in order to further develop our capacity to effect positive change at the community level.

Poverty					
Indicator	Region	Category	Baseline	Most Recent	Trend 
Child Poverty Rate	City of Columbia	Total	17.6% in 2011-2015	15.70% in 2016-2020	
	Boone County	Total	16.10% in 2011-2015	15.30% in 2016-2020	
	State of Missouri	Total	21.70% in 2011-2015	17.40% in 2016-2020	--
Equity Statement: In the City of Columbia, black children have a poverty rate more than eight times higher than white children. In Boone County, black children have a poverty rate more than five times higher than white children. [View more]					

This partnership also allows us to mobilize and respond quickly to community needs. For example, in response to the worsening affordable housing crisis, the Boone Impact Group partners jointly funded the Columbia/Boone County Coalition to End Homelessness’ pilot housing stability program. In doing so, we are able rapidly and strategically braid local funding to support an innovative and collaborative community effort.

The State of Social Services

State and federal resources for social services have been steadily declining since the 1980s. Also, in recent years, private donations to community providers and support organizations (e.g. Heart of Missouri United Way) have fallen due several factors, including:

- Rising income inequality
- Changes in the standard federal income tax deduction
- Challenges with fundraising during the pandemic
- Instability in Missouri tax credit policies

Due to the economic fallout from the pandemic and sharply rising inflation, we are seeing unprecedented demand for social services. As the need for social services rises, federal COVID-19 social relief programs, such as additional unemployment and SNAP (food stamps) benefits, have ended and evictions and utility disconnections have resumed.

At the same time, our nonprofit partners indicate that their expenses are rising while revenues are declining, the primary driver of which is decreasing revenue from fundraising. While this trend began with the change in the standard federal income tax deduction, it has been accelerated at an alarming rate by the pandemic.

FY2023 Request for Proposals for Social Services

On July 18, 2022, City staff issued a request for proposals (RFP) for social services to address the issue area of opportunity. The RFP also seeks services to expand our community's supplemental food distribution capacity to reduce the burden of rising food costs and inflation on individuals and families in our community.

Conclusion

The issues of poverty and inequity have conspired to keep too many of our community members from realizing their true potential. This is why the City's investment in social services, which not only assist people in meeting their basic needs, but also build the skills and assets people need to move up and out of poverty, is so critical. And now, due to the economic fallout from the ongoing pandemic, the need for social services has never been greater. At the same time, the burden of providing and funding social services increasing falls on local communities. Therefore, the City's social services funding is needed now more than ever.

Since the City's social services funding was cut in 2008, the Human Services Commission has asked for the funding to be restored or increased in each budget since. Had the City's investment in social services funding kept pace with inflation, the social services funding should now be \$1,327,002. We were very pleased to see that the City Managers' proposed FY2023 budget does include an increase in social services funding, raising the investment from \$893,556 to \$1,039,825. This is a step in the right direction.

We are also very pleased to see the discussion about spending the American Rescue Plan funding on greatly needed projects such as a comprehensive homeless services center. The commission would encourage the City Council to utilize the City's existing, robust process for administering social services for any American Rescue Plan funds earmarked for social services, as was done with the FY2021 public assistance funding from City reserves.

The members of the Human Services Commission would like to thank the City Council for its longstanding support of the City's investment in the social infrastructure of our community. The Human Services Commission looks forward to the opportunity to present the FY2023 social services contract recommendations to the City Council on December 19, 2022.