



City of Columbia, Missouri

Meeting Minutes

City Council

Monday, May 4, 2020
6:00 PM

Pre-Council

Council Chamber
Columbia City Hall
701 E. Broadway

(One or more council
members may
participate via
videoconference.)

I. CALL TO ORDER

The meeting was called to order at approximately 6:02 p.m. Mr. Trapp arrived at approximately 6:03 p.m. Mr. Ruffin arrived at approximately 6:07 p.m. Ms. Peters joined at approximately 6:14 p.m. Mr. Skala, Mr. Thomas and Ms. Peters participated via videoconference.

Present: 7 - Ruffin, Trapp, Thomas, Peters, Treece, Skala, and Pitzer

Discussion on previously tabled agenda items

City Manager John Glascock requested a two hour Pre-Council Meeting on May 18th to discuss the FY21 budget. Council agreed that would be helpful. Mr. Glascock will provide a few box lunches. (Mayor Treece left the room at approximately 6:04 p.m.)

Mr. Glascock stated that Council tabled the item on Short-Term Rentals to June and reminded them that this was coming up. He hoped to put something on the May 18th agenda letting the public know if there is an intent to push that topic down the road. Mr. Skala recalled that some boards were reviewing this information and may not have been able to meet recently due to COVID-19. Mr. Glascock explained that this was referred to Planning and Zoning for review and they have not met. He suggested this be tabled to a new date or pull the related agenda items and bring them back when Council is ready to begin the discussion again. City Counselor Nancy Thompson noted that one of the tabled items is an Administrative Delay, which will need to be renewed if Council does not vote on the other items at the June 1 meeting. Mr. Skala felt that short-term rentals are being impacted by COVID-19 and he is hesitant to do anything on this issue without hearing from Planning and Zoning and without proper notice to the public. He favored postponing this until a more robust review and discussion can be had. There was general consensus to vote on the Administrative Delay on June 1 and to discuss tabling the other items at that time to a date that would allow different consideration due to the current environment. Mr. Glascock will have Mr. Zenner discuss a new time frame at their next meeting.

FY20 Budget Adjustments

Attachments: [Budget Adjustments Due to COVID-19 Power Point](#)

[6-Month All Funds YTD](#)

[3-20 GF Quarterly Report \(4-30-20\)](#)

Finance Director Matthew Lue introduced a new Budget Officer Kyle Rieman. Mr. Rieman comes to us from the State and has great experience. He has worked with us for about

one month.

Mr. Lue stated that the intent tonight is to update the Council on what staff is doing to combat the assumed decrease in revenue for the remainder of fiscal year 2020 due to the COVID-19 pandemic. He explained that we are assuming a 7.3% decrease in revenues for the General Fund. This is equivalent to approximately \$2.3 million reduction in Sales Tax, a \$200,000 decrease in Licenses and Permits, \$380,000 in Fines, \$700,000 reduction in Fees and Service Charges, \$530,000 reduction in Investment Revenue, \$360,000 in Misc. Revenue, and \$2.2 million reduction on Other Local Taxes. Mr. Lue noted that at this time we are assuming that Intergovernmental Revenues and Transfers will remain flat when compared to FY19. He added that it could go up since revenue from other governmental units is sometimes grant based. At the same time PILOT could go down resulting in less revenue for the utility. Mr. Lue stated that Actuals for Property Tax through March 30th are higher than the budgeted amount, but the bulk of that money has already been received. Mr. Lue reviewed estimated revenues for the General Fund noting that "Other Local Taxes" is a source that may not return after this is over due to steep decline in telecommunication and cable tv gross receipts as well as the state pushing for no franchise fees on the first \$20 of the bill. He also reviewed FY20 Actuals noting that the numbers he is presenting on the screen tonight are updated and through the end of March. (Mayor Treece returned to the meeting.) Mr. Pitzer understood that no sales tax numbers have been provide since the pandemic started. Mr. Lue replied that we have received February and March should come this week and they will do their best to project out numbers based on what is received. He added that PILOT is up to date through March and numbers are down a bit.

Mr. Lue stated that in order to combat the 7% reduction in revenues staff is proposing cuts in spending. The majority being in personnel and due to 153 unfilled vacant positions. A hiring freeze was put in place when this started and in addition to existing vacancies, this should be enough without doing anything further in personnel at this time. Department directors also proposed cuts of 5% in materials and supplies, 2% in travel, 7% in intergovernmental transfers (mostly due to decreases in Information Technology), 5% in contracted services, and 12% in capital purchases. Mayor Treece inquired what the reductions in IT include. Mr. Lue replied that IT reduced their budget by \$1.1 million resulting in no G&A fees for about one month. The hiring freeze is assumed for the rest of the fiscal year and no additional vacancies are assumed. Essential positions will still be filled. About one-third of the 153 vacancies are considered essential.

Mr. Lue reviewed FY20 expenditure adjustments and fiscal year to date expenditures. He noted that 30% of the fiscal year General Fund expenditures come in the fourth quarter and we'll try to keep those down. Mr. Lue reviewed COVID-19 expenses totaling \$1,023,059 in personnel and \$55,172 in operating costs as of April 29th. He did not believe the operating costs have been captured accurately and will need to be updated. The State is expecting \$21.17 million this week and he expects to see some portion of that money. Mayor Treece asked if there is a way to tag the COVID related expenses on the Transparency Portal online. Mr. Sapp replied that a static report is being worked on and will be posted every Friday.

Mayor Treece understood that the State has received \$520 million in CARES funding to be distributed to local governments and they chose to distribute those funds on a per capita basis resulting in Boone County getting just over \$21 million. Mr. Rieman confirmed that funds were distributed to the states based on a 2019 per capita basis. The state portion of that was about \$2.4 billion. Boone County received just over \$21 million based on per capita 2019 data. Guidance has only recently been released on how those funds can be spent and that is still being worked through. Very little or no guidance has

been provided on how fast funds need to be distributed. Mr. Rieman felt that the intent of the majority of the General Assembly has been to get funds to the counties in order to get money to the political subdivisions that do not have dedicated funding coming in from other portions of the CARES Act. While he felt that was the intent, that was not necessarily what was put into law, but that is all still being worked through. He believes Boone County should receive their funding on Wednesday. Distribution from there will be up to the County. Identifying direct COVID expenditures is a priority and the CARES Act clearly identifies a time frame of March through December of this year. Expenditures must qualify appropriately. Mr. Skala heard there was meant to be a cap on funding for airports, not to exceed \$4 million. Mr. Rieman was not sure on specifics of the FAA portion of the CARES Act. Mr. Glascock added that the number for Columbia was based on the 2018 Capital Improvement Budget, which included a lot of work that year. Ms. Button added that debt and encumbrances were also included in the formula. They received an allotment of up to \$18.7 million and they have applied for the first application to reimburse for operating expenses, for which they will receive \$8 million over the next four years. The remaining balance will be included in the second application for development costs. Mr. Pitzer asked if the funding for the counties are limited to political subdivisions within the county. Mr. Rieman replied that the only real restrictions he is aware of are that it be limited only to directly related COVID expenses. Framework is provided on what that means more specifically. Mr. Pitzer asked if that could include the \$1 million in COVID personnel costs. Mr. Lue stated that the personnel cost includes the COVID leave time the City gave to employees and costs incurred by the Health Department during this emergency.

Mayor Treece stated that he has drafted a letter to the County Commission asking those funds to be dispersed on a per capita basis. He feels this is the most transparent, efficient and expedient way to handle the funds. He also reviewed the Emergency Management Plan and many essential functions are being handled by City of Columbia employees. He stated that he has shared that draft with the Council and asked for comments. There was general consensus among the Council to move forward with the letter.

II. ALL OTHER ITEMS THE COUNCIL MAY WISH TO DISCUSS

None.

III. ADJOURNMENT

The meeting adjourned at approximately 6:41 p.m.