

TERM OF COMMISSION: June Session of the May Adjourned Term

PLACE OF MEETING: Boone County Government Center Commission Chambers

PRESENT WERE: Presiding Commissioner Don Stamper  
District I Commissioner Karen M. Miller  
District II Commissioner Skip Elkin  
Deputy County Clerk Brian Wright

The Presiding Commissioner called the meeting to order at 1:34pm.

**Subject: Purchasing Department**

Melinda Bobbitt, Purchasing Department Director was present on behalf of these items.

*A. Second Reading to Award a Bid for Coats Lane Bridge*

Melinda Bobbitt stated that Purchasing and the Public Works Department recommended award of bid 28-12JUN01 to Viebrock Construction and Equipment, Incorporated for having the lowest and best bid meeting the specifications. She stated that the contract award was for \$226,187.50, noting that it would be paid out of account 2045-71100. She noted that \$400,000 was budgeted for this project. She further noted that currently, there is a balance of \$621,761.20 remaining in the account.

Commissioner Miller moved to award bid #28-12JUN01 as follows:

<b>FOR</b>	<b>TO</b>
Coats Lane Bridge	Viebrock Construction and Equipment, Incorporated

Said bid is awarded per the attached recommendation of the Purchasing Department. It is further ordered that the Presiding Commissioner be hereby authorized to sign the agreements.

Commissioner Elkin seconded the motion.

There was no discussion or public comment.

The motion passed 3-0. **Order 288-2001**

*B. First Reading to Award a Bid for Fitness Course Stations (#29-06JUN01)*

Ms. Bobbitt stated that on May 18, 2001 the Purchasing Department received a request from the Juvenile Justice Center (JJC) to issue a bid for the furnishing and delivering of Fitness Course Stations. She stated that the bid was issued on May 21, 2001 and closed on June 6, 2001. She

noted that one bid was received from Play Mart.

Ms. Bobbitt stated that the JJC decided to partial award only three of the Fitness Course Stations due to their budget. She stated that the Juvenile Justice Center's plan to order lumber and build the rest of the stations. She noted that the total budgeted dollars for this project was \$6,015.00. She further noted that the total cost of contract to Play Mart is \$3,226.00, and will be paid out of account 1243-91300.

There was no discussion or public comment.

Commissioner Stamper stated that item had been first read into the public record and requested that it be returned at the next Commission Meeting for further discussion and final approval.

*C. First Reading to Award a Bid for Copiers and Fax Machines*

Ms. Bobbitt requested that the Purchasing Department's recommendation for Bid #11-18APR01 be re-scheduled for the next Commission meeting (July 3, 2001), due to a contract delay problem identified by the Deputy County Clerk and the Auditor's Office.

*D. First Reading to Award a Bid for a Jib Crane Hoist*

David Mink, Public Works Director was present on behalf of this item.

Ms. Bobbitt stated that on May 21, 2001, the Purchasing Department received a request from Public Works to issue a bid for the Furnishing and Delivery of a Jib Crane Hoist. She stated that the bid was issued on May 22, 2001 and closed on June 6, 2001. She noted seven bids were received.

Ms. Bobbitt stated that Purchasing and the Public Works Department recommend award of Bid 30-06JUN01 to Shannahan Crane & Hoist for having the lowest and best bid meeting the minimum specifications. She stated that both departments also recommended bid award to include Turnkey Installation. She noted that the total cost of the contract to Shannahan with optional Installation is \$23,115.00. She further noted that the budgeted dollars for this project from account 2040-91300 were \$17,000.

Ms. Bobbitt stated that according to the Auditor's office, there were cost savings from other equipment purchased to covers the overage on the Jib Crane Hoist, which is to be purchased under account 2040-91300. She stated that a sales representative from Shannahan Crane & Hoist had contacted her office, noting that the price of the equipment would be rising unexpectedly. She noted that Friday is the last day to place the purchase order in, at the agreed upon price.

David Mink stated that he had spoken with Commissioner Miller previously about this item. He stated that Public Works respectfully requests to have the reading policy for this contract be waived, to avoid the price increase.

Commissioner Stamper asked about the time requirements in the bid.

Ms. Bobbitt stated that the Purchasing Department requested that the bid be firmed for sixty days, noting that the bid was still within the specified time-period.

Commissioner Miller stated the Commission supported the purchase of this item for safety reasons. She stated that the item was already over budget, adding that she would be concerned to see the price of the item rise any further. She noted that she did not have a problem awarding the bid today.

Commissioner Stamper, noting consensus from the Commission, waived the reading policy.

Commissioner Miller moved to award bid #30-06JUN01 as follows:

<b>FOR</b>	<b>TO</b>
Jib Crane Hoist	Shannahan Crane & Hoist

Said bid is awarded per the attached recommendation of the Purchasing Department. It is further ordered that the Presiding Commissioner be hereby authorized to sign the agreements.

Commissioner Elkin seconded the motion.

In discussion, Commissioner Stamper stated that the Purchasing Agreements read for a Single Axle Dump Truck. He stated that the mistake should be corrected before leaving the County Clerk's office.

There was no public comment.

The motion passed 3-0. **Order 289-2001**

**Subject: Second Reading & Approval of a Budget Revision for Moving Expenses for the Director of Public Works**

Commissioner Miller stated that in the County's contract with David Mink, the county allowed for relocation/moving expenses. She stated that Mr. Mink has recently begun the process of purchasing a home and moving. She noted that this revision will finalize the County's contract.

Commissioner Miller moved to authorize a budget revision as follows:

<b>ACCOUNT</b>	<b>AMOUNT (Increasing)</b>	<b>AMOUNT (Decreasing)</b>
1123-86800 (Emergency)	\$4,920.00	
1115-85700 (Human Resources: Recruitment/Relocation Expense)		\$4,920.00

Said budget revision is to cover relocation expenses for the Public Works Director, David Mink.

Commissioner Elkin seconded the motion.

There was no discussion or public comment.

The motion passed 3-0. **Order 290-2001**

**Subject: Second Reading & Approval of an Adopt-A-Road Request (High Point Lane)**

Commissioner Miller stated that the item was first-read at the previous Commission meeting. She stated that the request was for a one-mile stretch, made by the Turtle Creek Homeowners Association. She noted that enclosed with the documentation for the Commission Order, was a policy stating the following:

*The adopting entity shall be responsible for at least one or more of the following-*

- a) brush control*
- b) litter control, and/or*
- c) mowing of roadside.*

Commissioner Miller moved to approve a request by the Turtle Creek Homeowners Association to adopt one (1) mile of High Point Lane for the Adopt-A-Road Program, as outlined in the supporting documentation.

Commissioner Elkin seconded the motion.

In discussion, Commissioner Elkin asked if this was the standard Adopt-A-Road policy normally approved by the County.

Commissioner Miller responded affirmatively.

There was no public comment.

The motion passed 3-0. **Order 291-2001**

**Subject: Second Reading & Approval of the Safety Policy Statement**

Commissioner Elkin moved to adopt the Safety Policy Statement.

Commissioner Miller seconded the motion.

There was no discussion or public comment.

The motion passed 3-0. **Order 292-2001**

**Subject: Authorize Commission Chambers Use**

*A. Electronic Filing Seminar for Tax Practitioners*

Commissioner Stamper moved to authorize the use of the Commission Chambers for an Electronic Filing Seminar for Practitioners, sponsored by the Internal Revenue Service on September 17, 2001 from 9:00am-1:00pm.

Commissioner Miller seconded the motion.

There was no discussion or public comment.

The motion passed 3-0. **Order 293-2001**

*B. Forum for Boone County Republican Women*

Commissioner Stamper moved to authorize the use of the Commission Chambers for a forum, sponsored by the Boone County Republican Women on September 24, 2001 from 7:00-9:00pm.

Commissioner Elkin seconded the motion.

There was no discussion or public comment.

The motion passed 3-0. **Order 294-2001**

**Subject: First Reading of Proposal for Consultant Services for Coats Lane Bridge**

David Mink, Public Works Director was present on behalf of this item.

Mr. Mink stated that the contract was for inspection services on the Coats Lane Bridge project that was approved earlier in this meeting. He stated that the inspection services would be performed by Trabue, Hansen and Hinshaw, Incorporated (TB&H). He noted that the contract was in the amount of \$15,431.00.

Commissioner Miller asked if TB&H had inspected any other County projects before, and if the County had been satisfied with those inspections.

Mr. Mink stated that he did not know if TB&H had inspected any other county projects. He stated that David Nichols, Public Works Department approved the item. He noted that Mr. Nichols seemed comfortable with their services. He further noted that since this project is a bridge, Public Works decided that the level of expertise within the Public Works' staff was not

adequate enough to inspect a bridge.

Commissioner Miller stated that the request seemed reasonable.

Commissioner Stamper stated that he was aware of TB&H inspecting the St. Charles Road project.

Commissioner Stamper stated that the item had been first read into the public record and requested that it be returned at the next Commission meeting for further discussion and final approval.

**Subject: First Reading of a Budget Amendment & Agreement for Professional Services (Consultant Services for the Recorder's Office)**

Bettie Johnson, Boone County Recorder of Deeds was present on behalf of this item.

Bettie Johnson stated that the item is to hire a consultant, noting that the budget amendment correlates with this request (with funds coming from the Recorder's funds). She stated that the consultant would write programs to go to electronic recording. She noted that the Recorder's office started the project last year. She further noted that due to complications, the project was not completed.

Commissioner Stamper stated that the amount of the budget amendment was for \$116,400, noting that the monies would be taken from the Recorder's Record Preservation Fund to the Recorder's existing budget.

Ms. Johnson stated that the contract was under the same provisions as the contract from the previous year (including expenses).

Commissioner Stamper asked how long the agreement was anticipated to last.

Ms. Johnson stated that the contract would last for one year. She stated that the contract was for the services and hardware access in the Information Technology (IT) Department. She noted that Mr. Mudd would need access to IT services in order to write the programs.

Commissioner Stamper asked if there had been any discussion of this item in the IT Operational Group meetings.

Commissioner Miller, acting Co-Director of the IT Department, stated that the item had not been discussed, but noted that it would be reviewed at an upcoming meeting.

Commissioner Miller stated that the Recorder's budget was approximately \$280,000, noting that this budget amendment would decrease those funds by approximately one-half.

Commissioner Elkin asked what the additional budget amendment, for \$82,500 (Computer Hardware in the amount of \$75,000 and Computer Software \$7,500) regarded.

Ms. Johnson stated that the additional budget amendment was for additional, anticipated needs in the Recorder's Office (such as for the placement of additional file servers).

Commissioner Miller stated that the two budget amendments would deplete the Recorder's budget to approximately \$80,000.

Commissioner Stamper asked if a budget amendment of this manner was under the review and approval of the County Commission.

June Pitchford, Boone County Auditor, stated that as a result of conversations with the County Commissioners, earlier this year, pertaining to budget authority for certain special revenue funds, she sought the County Attorney's opinion. She stated that based on his opinion, this item will proceed in the manner noted on the budget amendment (without Commissioner's signatures). She noted that in the past, budget amendments have been enacted with the signature of the responsible budgeting authority (such as with the Record Preservation Fund, the item would have been the responsibility of the Recorder of Deeds). She further noted that since the funds are public monies, according to the constitution, public monies need to be budgeted, adding that the issue needs to be brought under a formal process.

Ms. Pitchford stated that seeking approval of the Commission was the only process the County has, as a public process. She stated that the Auditor's office and the Recorder's office is not seeking the Commission's approval, but will allow the amendment to follow the public process of a hearing and then adoption. She noted that she knew of no other means to capture the item in the official record of the County. She further noted that the item should go through Commission to inform the public of the decision this elected official has made.

Ms. Pitchford stated that certain funds are governed by specific elected officials, apart from the governing body. She stated that this type of process would apply to many of the numerous special revenue funds that the County has in the financial statements. She noted that this process should be an improvement over the past process. She further noted that individual budgeting authorities have submitted a budget revision request for inclusion in the annual budget process, adding that any amendments and revisions to the budget throughout the year have not been entered into the formal record of the County. She added that the process was not meant to diminish the scope of authority that an individual elected official will have.

Commissioner Stamper stated that he had a variety of issues and concerns, regarding the agreement. He requested that the Commissioner Miller, as acting co-director of the IT Department, give consideration to:

- The impact of this development on the AS/400 (Which would be the platform for this program)
- Equipment of other needs that the County would have, long-term, for this program

- On-going maintenance of any additional programming (requiring additional staffing or equipment from the County's perspective) to maintain the programming
- Outstanding security issues that would exist
- Ownership & Copyright of the data (performance perimeters)

Commissioner Stamper stated that he would not sign the agreement unless it was worded that the Commission would have the authority to decide whether to load or unload the programming on the AS/400. He stated that the County has to have the capacity and ability to run the programming. He noted that the wording was currently missing from the current agreement.

Commissioner Stamper stated that he had other comments that he would articulate to the Recorder of Deeds directly.

Commissioner Stamper stated that the item had been first read into the public record and requested that item be returned to the Commission for a public hearing and possible final approval, ten days from today.

**Subject: Presentation of FY 2000 Financial Audit Report**

June Pitchford, Boone County Auditor and Jacqueline Dippel (partner with KPMG) were present on behalf of this item.

June Pitchford presented a copy of the Comprehensive Annual Financial Report (CAFR) and a letter from KPMG to the Commission.

Jacqueline Dippel stated that this was the first year of KPMG's audit with Boone County. She stated that KPMG became the new auditors for Boone County, beginning December 31, 2000. She noted that today's presentation regarded the results of the conduct for KPMG's audit.

Ms. Dippel stated that the letter was required communication from an auditing standards standpoint. She stated that the letter discusses the conduct of KPMG's audit. She noted that KPMG conducted their audit with standards generally accepted in the United States. She further noted that in carrying-out their responsibilities, KPMG plans and performs its audit to obtain "reasonable assurance" (Material misstatements within the County's financial statements are detected).

Ms. Dippel stated that it was important to note that KPMG obtained reasonable assurance, not absolute assurance. She stated that this is the routine responsibility of an auditor. She noted that KPMG did not have responsibility to perform its audit to detect immaterial misstatements within the financial statements. She further noted that KPMG plans and performs its audit, considering the County's internal controls in deciding what KPMG's audit controls will be.

Ms. Dippel stated that KPMG's audit included examining the County internal control structure. She stated that KPMG does not issue an opinion on the internal control structure itself. She

noted that there were no new significant accounting policies adopted by the County during the year 2000. She further noted that any significant accounting policies that the County maintains were disclosed in note one to the financial statement.

Ms. Dippel stated that there was one significant matter of activity that occurred during 2000, relating to the Boone County Group Homes and Family Support, and the Boone County Group Homes Employees Pension Plan. She stated that, historically, the two entities were included within the county on these financial reporting entities, in accordance with GADSBY statement number fourteen (as referred to a discreetly presented component unit). She noted that in discussions with County management, KPMG determined during 2000 that Group Homes (and the related pension plan) did not meet the requirements to be included in the County's reporting entity. She further noted that KPMG removed those reporting entities from the financial statements.

Ms. Dippel stated that there were no other transactions that were entered into by the County during 2000, that KPMG would be required (under professional standards) to bring to the County's attention. She stated that financial statements did include accounting estimates. She noted that the accounting estimates, including the financial statements, were not significant at this point in time. She further noted that KPMG proposed the County readjust its financial statements for various adjustments that were determined to be immaterial to the financial statements. She added that County management readjusted its financial statement accordingly.

Ms. Dippel stated that in connection with KPMG performing its audit, discussions routinely occurred with management adjustments. She stated that the item is discussed on the last page of the letter (referred to as an "uncorrected adjustment/misstatement". She noted that this is the first year, in accounting standards, that independent auditors are required to bring such adjustments to the Commission's attention. She further noted that the adjustment related to the fair value of an investment. She added that this adjustment was not recorded on the County's financial statement.

Ms. Dippel stated that the item was in the amount of \$81,512.00, noting that it was immaterial to the financial statements as a whole. She stated that the item was related to the Agency Fund. She noted that the item was related to a total asset of \$87,821,680.00. She further noted that KPMG was required to bring the unadjusted difference to the Commission's attention.

Ms. Dippel stated that KPMG had no disagreements with management on any accounting or reporting matters that had not been resolved to their satisfaction. She stated that to the best of KPMG's knowledge, management has not consulted with or obtained opinions (either written or oral) with other accountants, noting that this action may have occurred if management was not pleased with KPMG's responses to the County. She noted that KPMG discusses accounting matters, auditing standards, and various other items with management throughout the year. She further noted that the discussions are routine in KPMG's relationship with the County, as external auditors. She added that to the best of KPMG's knowledge, their responses to such various discussions had not been a condition to KPMG being retained as the County's auditors.

Ms. Dippel stated that KPMG received full cooperation from all-county management and departments in conducting their audit.

Ms. Dippel stated that she wished to extend her appreciation to the County Auditor's office for their cooperation and assistance in preparing the financial statements and conducting the external audit. She stated that being a first-year auditor at an entity, questions are sometimes raised that haven't been asked before, or greater assistance is required than has occurred in the past. She noted that as a first-year client, the audit went smoothly. She further noted that in the CAFR, the letter of transmittal (page III) gave a summary of the financial activity and condition of the County during the year.

Ms. Dippel stated that the Independent Auditor's Report was located on page three (3). She stated that KPMG's audit was conducted in accordance with government auditing standards, due to the level of federal funds the County receives. She noted that this represents an unqualified opinion, adding that it is a "clean" opinion. She further noted that the financial statements were presented fairly, in all material respects. She added that the financial condition and the results of that activity for the County were for the year ending December 31, 2000.

Ms. Dippel stated that KPMG is in the process of completing its work on the federal program with the County. She stated that upon completion of that audit, KPMG will be issuing another report (OMB-Circular A133 Single Audit). She noted that the report will have opinions on compliance and internal controls relating to the federal programs subject to audit. She further noted that upon issuance of that report, KPMG would also be prepared to issue its Letter to Management on various internal control aspects (in connection with its financial statement audit and the audit of the federal programs). She added that KPMG could not issue the letter presently.

Commissioner Elkin stated he was unclear about the subject of uncorrected misstatements.

Ms. Dippel stated that when an KPMG discovers adjustments to financial statements, if the adjustments are of such an insignificant nature, it "passes" on the item. She stated that KPMG does not require the financial statements to be adjusted. She noted that all audits routinely come across these types of differences. She further noted that this is the first year the new auditing standards have been use, that required KPMG (as external auditors) to report such items to the governing board.

Ms. Pitchford asked if Commissioner Elkin's question regarded, "What the adjustment represents".

Commissioner Elkin responded affirmatively, noting that it was his understanding that the uncorrected misstatements represented a "real number".

Ms. Dippel stated that the County is required, under GASB-31, to record its investments at fair market value. She stated that the \$80,000 is an adjustment based on KPMG's calculations to record at fair market value. She noted that the County records it investments on a book value, or

“advertised cost”, adding that this approximately market value.

Ms. Pitchford stated that she passed on the adjustment because it was immaterial. She stated that booking that type of adjustment on a “going-forward basis” needed to be coordinated between the Auditor’s office and the Treasurer’s office. She noted that in discussions with Kay Murray, Boone County Treasurer, the adjustment seemed most appropriate, given the change in investment tracking software, and the recent change in staffing in her office. She noted that the number has not been booked in the last four years, adding that the County has passed on the adjustment all of those years.

Ms. Dippel stated that the difference in the adjustment was \$40,000 in 1999.

Ms. Pitchford stated that at the fiscal year-end most of those investments are held by the agency fund. She stated that all of the money in the agency fund is due to other entities. She noted that the County would not be selling the investments, as of the balance sheet date. She noted that the County has been booking its investments at unadvertised cost, and passing on the adjustment for some time.

Ms. Pitchford stated that the delivery of the financial statements and the audit is important at this time, due to reporting deadlines the auditor’s office must meet. She stated that the Auditors need to provide financial statements and the auditor’s opinion for those statements, adding that it is due on June 30, 2001. She stated that the financial statements need to be presented and accepted by the governing body before it is distributed to other users.

Commissioner Miller moved to accept the Comprehensive Annual Financial Report on behalf of the Boone County Auditor and KPMG for the Year Ending December 31, 2000.

Commissioner Elkin seconded the motion.

There was no discussion or public comment.

The motion passed 3-0. **Order 295-2001**

**Subject: Commissioner Reports**

*Commissioner Stamper*

*Boone County Council on Aging report*

Commissioner Stamper stated that he had a request issued by the Boone County Council on Aging for the County to participate in their annual Adult Lifestyle Festival. He stated that the cost of participating in the event is \$340 for a booth. He noted that the Festival is almost out of booths. He further noted that in the past, the Assessor was present at the event with the County tax files (by means of a cell-phone link).

Commissioner Miller stated that she could not remember the County ever having a booth. She

stated that the Commission has been present in the past, and was participatory, but added that was all the County involvement there had been.

Commissioner Stamper asked if the County wanted to participate.

Commissioner Miller stated that she was unsure. She stated that she would have to consider what the County could possibly offer at a booth. She noted that the only things, in her opinion, that could be offered were the Health Department, Assessment and tax collection. She asked when the deadline was for this item.

Commissioner Stamper stated that the festival would be held August 10, 2001. He stated that the Commission would need to confirm the County's intent for a booth in the immediate future. He noted that the festival would run out of booths soon, adding that the Council was holding a booth for the County until it received an answer.

Commissioner Miller stated that the Commission should inquire about which departments would participate in the County that could bring something to the booth that would be of value. She stated that if the County had participation from those offices, the County should obtain a booth.

*Commissioner Miller*

Commissioner Miller did not give reports today.

*Commissioner Elkin*

Commissioner Elkin did not give reports today.

There was no public comment.

The meeting adjourned at 2:13pm.

Attest:

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Don Stamper  
Presiding Commissioner

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Wendy S. Noren  
Clerk of the County Commission

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Karen M. Miller  
District I Commissioner

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Skip Elkin  
District II Commissioner