

TERM OF COMMISSION: November Session of the October Adjourned Term

PLACE OF MEETING: Roger B. Wilson Boone County Government Center
Chambers

PRESENT WERE: District I Commissioner Fred Parry
District II Commissioner Janet Thompson
Auditor June Pitchford
Director Purchasing Melinda Bobbitt
Stormwater Administrator Nicki Fuemmeler
Deputy County Clerk Michelle Thompson

The meeting was called to order at 9:30 a.m.

Auditor

1. 2020 Proposed Budget Presentation

June Pitchford presented the proposed FY2020 County Budget to the Commissioners. Various aspects of the budget were presented in detail with the entire proposed budget available in hard copy in the Clerk's Office or online at the following site:

<https://www.showmeboone.com/auditor/budget-reports/>

Pitchford also reviewed the FY2020 proposed budget highlights. The highlights are attached at the end of these minutes.

Resource Management

2. First & Second Reading; Approval of Stormwater Security Agreement and Performance Bond: P.E.T. Mobility Worldwide

Nicki Fuemmeler said this is the Stormwater Security Agreement and Performance Bond for P.E.T. Mobility Worldwide. The location is on Meyer Industrial Boulevard and the amount

of the bond is \$23,484.87.

There were no comments or questions from the Commission.

Commissioner Parry moved now on this day, the County Commission of the County of Boone does hereby approve the attached Erosion and Sediment Control Security Agreement and Performance Bond between Boone County and Coil Construction, Inc.

Terms of the agreement are stipulated in the attached Security Agreement. It is further ordered the Acting Presiding Commissioner is hereby authorized to sign said Agreement.

Commissioner Thompson seconded the motion.

The motion carried 2 to 0. **Order #503-2019**

Purchasing

3. First Reading; Bid Award: 60-08NOV19 – Chain Link Fencing

Melinda Bobbitt read the following memo:

Request for Bid 60-08NOV19 - Chain Link Fencing for the Equipment Shelter in Hallsville closed on November 8, 2019. One bid was received. Dave Dunford, our Radio Consultant, recommends award by lowest and best bid to Collins & Hermann, Inc. of St. Louis, Missouri.

Total cost of contract is \$24,212.00 and invoice will be paid from department 2706 – Radio Network Improvements, account 91300 – Machinery & Equipment. \$504,194 was budgeted for the entire BCB project.

There were no comments or questions from the Commission.

Commissioner Thompson stated this is a first reading and requested the Deputy County Clerk to schedule this item for a second reading at the next available commission meeting with appropriate order for approval.

**4. First Reading; Contract Amendment One: 36-13SEP18 – Boone County
Emergency Dental Referral Program**

Melinda Bobbitt read the following memo:

Contract 36-13SEP18 - Boone County Emergency Dental Referral Program was approved by Commission for award to Family Health Center of Boone County on December 27, 2018, Commission Order # 571-2018. Amendment #1 adds a total not to exceed amount of \$17,569.00 for the following:

47 units of Preventive Dental Exams at \$89.00 per exam for a total not to exceed \$4,183.00.

9 units of Oral Health Screening at \$32.00 per x-ray for a total not to exceed \$288.00.

74 units of Preventive Treatment at \$177.00 per treatment for a total not to exceed \$13,098.00.

Invoices will be paid from department 2130 – Community Health/Med (Hospital Lease), account 71106 – Contracted Services.

There were no comments or questions from the Commission.

Commissioner Thompson stated this is a first reading and requested the Deputy County Clerk to schedule this item for a second reading at the next available commission meeting with appropriate order for approval.

5. First Reading; Surplus Disposal

Melinda Bobbitt read the following memo:

The Purchasing Departments requests permission to dispose of the following list of surplus equipment by auction on GovDeals or by destruction for whatever is not suitable for auction.

ALL OF THE ITEMS LISTED BELOW ARE PARTS OF THREE COMPLETE OFFICE CUBICLE WORKSTATIONS

	Asset #	Description	Make & Model	Department	Condition of Asset	
1	9604	1995 STONE PLATE COMPACTOR		PUBLIC WORKS	USED	

There were no comments or questions from the Commission.

Commissioner Thompson stated this is a first reading and requested the Deputy County Clerk to schedule this item for a second reading at the next available commission meeting with appropriate order for approval.

6. Second Reading; Contract Amendment One: 157/2015 – Ready Mix Concrete & Cement Products (1st read 11-21-19)

Commissioner Parry moved now on this day, the County Commission of the County of Boone does hereby approve the attached Contract Amendment Number One to Contract 157/2015 – Ready Mix Concrete & Cement Products.

The terms of the amendment are stipulated in the attached Amendment. It is further ordered the Acting Presiding Commissioner is hereby authorized to sign said Contract Amendment Number One.

Commissioner Thompson seconded the motion.

The motion carried 2 to 0. **Order #504-2019**

7. Second Reading; Contract 148-123119SS Gray Key iOS Forensic Software License & Support for the Sheriff's Department – Single Feasible Source (1st read 11-21-19)

Commissioner Thompson moved now on this day, the County Commission of the County of Boone does hereby approve the attached Purchase Agreement between Boone County and Grayshiftt LLC for Contract 148-123119SS Gray Key iOS Forensic Software License & Support for the Sheriff's Department – Single Feasible Source.

Terms of the agreement are stipulated in the attached Purchase Agreement. It is further ordered the Acting Presiding Commissioner is hereby authorized to sign said Purchase Agreement.

Commissioner Parry seconded the motion.

The motion carried 2 to 0. **Order #505-2019**

8. Second Reading; Cooperative Contract: State of Missouri CC170096001 – Material Handling Equipment (1st read 11-21-19)

Commissioner Parry moved now on this day, the County Commission of the County of Boone does hereby approve the utilization of the State of Missouri Cooperative Contract CC170096001 – Material Handling Equipment by Joint Communications to purchase one (1) Clark S25 Triple with a side-shifting fork positioner from Forklifts of Central Missouri, Inc.

The terms of the cooperative contract are stipulated in the attached Purchase Agreement. It is further ordered the Acting Presiding Commissioner is hereby authorized to sign said Purchase Agreement.

Commissioner Thompson seconded the motion.

The motion carried 2 to 0. **Order #506-2019**

Commission

9. Public Comment

George Hubbell was present to address the Commission.

Hubbell expressed his concern about the lack of internet service in his neighborhood, Country Farms Subdivision. The subdivision is surrounded by City limits but is in the County. The service he has is terrible. He pays for 10 megabytes but gets around 4 megabytes at the most. There are no choices for him out there other than CenturyLink. They really need to be able to get another provider out in that area.

Commissioner Parry said last Thursday they had a meeting where nearly all internet providers were present, along with elected officials and concerned citizens. They had a great

meeting and learned a lot and he hopes they are on track to get something done. NACo has created an app called Test It where a person can test the speed of the internet they are getting, and it will actually track and keep a record of that. One of the best things everyone with lack of service can do it is to use that app so that there will be a record that shows exactly what is going on with service as the current way of tracking is lacking to say the least. Commissioner Parry said he would get Hubbell in touch with a provider so they could come and take a look at what they could possibly do out there.

The Commission thanked Hubbell for coming to them with this.

10. Commission Reports

None

The meeting adjourned at 10:16 a.m.

Attest:



Brianna L. Lennon
Clerk of the County Commission



Daniel K. Atwill
Presiding Commissioner



Fred J. Parry
District I Commissioner



Janet M. Thompson
District II Commissioner

Boone County, Missouri

FY 2020 PROPOSED BUDGET HIGHLIGHTS

Budget Priorities and Budgetary Impact (see pages 3-7 of Budget Message):

1. Maintain fiscal stability within the County's major operating funds despite shrinking sales tax revenues
2. Maintain competitive salaries and benefits for the County's workforce
3. Provide replacement of essential equipment, vehicles, and technology
4. Provide funding for required elections
5. Fund routine maintenance and preservation of the County's transportation network

Multi-fund composition:

- 40+ Governmental Funds: 5 major funds (94% of total budget) and 35+ nonmajor funds (6% of total budget); combined budget for all Governmental Funds is \$86 million.
- 10 Internal Service Funds; combined budget is \$6.7 million
- 3 Private Purpose Trust Funds; combined budget is \$3,800

Property tax levies:

- General Fund: \$0.14 per \$100 Assessed Valuation (increase of 2-cents per \$100 Assessed Valuation)
- Road and Bridge Fund: \$0.05 per \$100 Assessed Valuation (No Change)

Revenue Growth Assumptions (overall decrease of -1% FY 2020 vs FY 2019 Budget):

- Sales Tax: expect -1.75 *negative growth* for fiscal year 2019 and another -1.75% *negative growth* in fiscal year 2020; on a combined basis, sales tax revenue is projected to be \$2.1 million less in FY 2020 as compared to FY 2017, a 4.2% decline.
- Property Tax: General Fund expects an increase of \$768,400, which includes an additional \$600,000 associated with the proposed 2-cent levy increase; R&B Fund expects an increase of \$72,600, no change in tax levy.
- Hospital Lease: General Fund-- \$1.98 million; Community Health Fund-- \$565,000. Fiscal year 2020 is the final year of the current lease.
- CART (R&B Fund): 0% (\$1.2 m) This revenue source has been flat since 2014.
- Other revenues: permit revenue, fees, and interest reflect increases, but they are insufficient to offset the reduction in sales tax revenue.

County-controlled fees: (Note: most fees are set by state statute and are not controlled at the local level.)

- Small increase to food handler permit fees in order to achieve target 50% cost recovery
- Small change to building permit fees in order to achieve target 75% cost recovery

Salary increases: \$322,000 total for all funds (1.75%)

Aggregate Budgetary Comparison Fiscal Year 2019 and Fiscal Year 2020:

	All Governmental Funds Combined <small>(excluding Capital Project Funds)</small>			Internal Service Funds		Private Purpose Trust Funds	
	2019	2020	%	2019	2020	2019	2020
	Budget	Budget	Chg	Budget	Budget	Budget	Budget
Operating Revenues	\$ 72,934,227	71,939,520	-1%	\$ 6,400,548	6,938,314	\$ 1,780	2,030
Other Financing Sources <i>(net of interfund transfers)</i>	114,308	282,000		3,000	300	-	-
Planned Use of Fund Balance (net)	14,823,853	13,655,100		147,357	-	1,104	1,851
Total Revenues & Other Sources <i>(net of inter-fund transfers)</i>	\$ 87,872,388	85,876,620	-2%	\$ 6,550,905	6,938,614	\$ 2,884	3,881
Total Expenditures & Other Uses <i>(net of inter-fund transfers)</i>	\$ 87,872,388	85,876,620	-2%	\$ 6,550,905	6,738,601	\$ 2,884	3,881

Approximately 60% of operating revenues are legally restricted due to statutory provisions or ballot language.

Planned use of Fund Balance reflected in the Proposed Budget:

General Fund (\$2.76 M) significant items include:

- Emergency Appropriation (\$850,000, not expected to be spent)
- Elections (\$875,000)
- Replacement equipment and technology including IBMi upgrade and replacement of Sheriff's in-car video system and implementation of body cameras (865,000)
- Miscellaneous non-recurring projects such as Bi-centennial activities, strategic planning, use tax educational activities, building permit digitization (\$115,000)

Road and Bridge Fund (\$3.0 M)

- Contractual payment to MoDOT for I-70 bridge project (\$2.0 M)
- Equipment replacement (\$1.0 M)

Law Enforcement Services Fund (\$0.56 M)

- Vehicle and equipment replacement

Community Children's Services Fund (\$5.5 M)

- Resources accumulated in the fund during prior years are appropriated in fiscal year 2020 (a timing difference between revenues are received and when they are spent)

911/Emergency Management Fund (\$0.5 M)

- Non-recurring radio infrastructure improvements

Fund balances in major operating funds are projected to equal or exceed the minimum 17% established by policy (Budget Message, page 31-33). The *minimum* fund balance amount ensures adequate cash flow and avoids short-term borrowing. Amounts beyond the minimum mitigate risk of revenue volatility, a significant inherent risk with sales tax revenue. It also provides a funding mechanism for cyclical expenditures (elections, equipment replacement, etc..).

Projected Net Fund Balance at December 31, 2020:

	Major Funds						
	General Fund	Road and Bridge Fund	Law Enforcement Services Fund	Community Children's Services Fund	911/ Emergency Management Fund	Nonmajor Governmental Funds	All Governmental Funds
Projected Fund Balance 12/31	\$ 14,109,168	8,555,706	1,986,145	6,799,592	20,894,187	7,959,477	60,304,275
Less: Fund Balance Unavailable for Appropriation	(343,675)	(5,000,000)	(1,293,600)	-	(10,300,000)	(622,811)	(17,560,086)
Projected Net Fund Balance	\$ 13,765,493	3,555,706	692,545	6,799,592	10,594,187	7,336,666	42,744,189
As a percent of expenditures	42%	17%	17%	55%	102%		
# of months expenditures	5.1	2.0	2.0	6.6	12.3		

FTE changes (see pages 29-31 of Budget Message):

The budget includes FTE adjustments for positions that are funded with grants where the grant year only covers a portion of the County's fiscal year. It also reflects temporary increases associated with elections.

The budget includes 1.69 FTE permanent increases: one additional grant-funded traffic officer; increasing two .75 FTE Sheriff Warrant Specialist positions to full-time; and increasing the Juvenile Office Program Assistant hours by 0.19 FTE.

Capital Project Funds:

- Continuation of ECC Construction Project— Appropriations originally approved in 2014. Activity has dwindled to the final punch-list items, mostly related to technology.
- ECC Support Building (mixed use: Prosecuting Attorney evidence storage; Facilities Maintenance; 911 radio maintenance/repair; Emergency Management equipment storage). Appropriations approved in 2019; project should be completed in 2020.
- R&B Facility Improvements (Tom Bass Road location). Project is expected to go to bid in 2020.

Future Outlook:

- **Challenge:** declining sales tax revenue from growing untaxed e-commerce retail sales.
- **Challenge:** hospital lease revenue uncertain beyond 2020.
- **Potential fiscal consequences:** no funding for additional FTE positions; no funding for periodic adjustments to Salary Range Table or for salary increases; pressure to increase county-controlled fees; pressure to reduce services and cut costs; reallocation of existing budgetary resources; spend-down of fund balances; property tax increases
- County officials need to continue internal discussions to ensure common understanding of the fiscal risks and potential consequences
- Collaborate to solve the untaxed e-commerce problem

Budget Hearings:

- 7:00 PM Tuesday, December 3, 2019
- 1:30 PM Thursday, December 5, 2019
- 9:30 AM Tuesday, December 10, 2019

Scheduled Approval Date: 1:30 PM Thursday, December 19, 2019

The Proposed Budget is available via the County's web site: www.showmeboone.com/auditor (select Boone County Budget Reports from the left-hand menu)