



# BOONE COUNTY AUDITOR

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To the Citizens of Boone County:

Pursuant to the requirements of state law, I am pleased to present the Fiscal Year 2009 Budget for Boone County, Missouri. This budget is the result of a legislatively designed process which guides the allocation of county resources within the framework of statutory requirements, local needs, and local planning processes. It provides legal spending authority for the County's elected officials and appointed department directors.

All of the budgets contained herein are balanced: total resources (i.e., current revenues plus appropriated fund balance) available to a particular fund are equal to or greater than the proposed spending plan for that fund.

## Organizational Structure and It's Impact on Planning Processes and Long-term Goals

Boone County's statutory elective form of government differs significantly from a charter form of government or a municipal city manager form of government. These differences impact the planning and budgetary process, the resulting budgetary document, as well as operation and administration throughout the year. Independent elected officials are directly accountable to the people of the County and are responsible for discharging their statutory functions in accordance with state laws and the resources allocated to them by the County Commission. Although the County Commission is responsible for establishing the annual appropriations for each elected official, the County Commission has no other oversight authority over the operations of each elective office nor does the County Commission directly influence the development and implementation of goals and objectives for these elective offices. This structure results in each elected official identifying immediate and long-range goals and then presenting funding requests in the annual budget process. In some instances, elected officials have additional resources available for their operations through various special revenue funds. In most cases, these special revenue funds are under the appropriating authority of an individual elected official rather than the County Commission. (Refer to the *Overview and Description of Special Revenue and Other Funds* presented in the *General Information* section.)

Despite these unique organizational features and their impact on entity-wide goal setting and planning processes, county officials share a commitment to the commonly-understood purpose of county government to provide responsive, efficient, and ethical government services for the people of Boone County. These shared commitments are reflected in the following long-term goals:

- Long-term fiscal stability for the County
- Continuous improvement in service quality and service delivery, with an emphasis on application of new technologies
- Equipping county employees with adequate knowledge, skills, technology and other resources to deliver public services and providing competitive compensation and benefits for county employees

As noted above, the County's statutory organizational structure does not provide a formal mechanism for the development of cohesive and coordinated budgetary priorities. However, county officials collaboratively identify, develop, and achieve progress toward these county-wide goals through alternative means. For instance, the Personnel Advisory Committee (PAC) and the Information Technology Advisory Committee (ITAC) are two examples of standing committees which provide an organizational mechanism for policy review and development as well as consensus-building regarding specific goals, objectives, and budget priorities. Committee membership is comprised of elected officials (other than County Commissioners) and appointed department directors. Committee recommendations are subject to County Commission approval.

## Local Economic Conditions

For the past two decades, Boone County has enjoyed a stable economic environment with moderate growth. The County has a varied economic base and has generally experienced low unemployment and steady job growth. The local economy reflects a balanced mix of retail, education, service industry, light manufacturing, construction, insurance, and finance. The largest employers in the County include the University of Missouri, Columbia Public Schools, hospitals, insurance institutions, the City of Columbia, and several manufacturers.

Boone County's local economy has historically shown greater strength and resiliency than nearby communities or the state as a whole, evident through its lower unemployment rates, higher annual population growth and job growth rates, and stronger sales tax growth rates, even during periods of economic decline. While the local economy appears to be somewhat insulated from some of the most severe effects of the current economic recession, Boone County's local economy is weakening and slowing, particularly evident in its increasing unemployment rate, falling job growth rate, and stagnant sales tax growth (discussed in greater detail later in this Budget Message). These indicators are unlike any observed during previous episodes of economic slow-down over the past three decades. The weakening local economy has had a significant impact on both the FY 2008 and FY 2009 budgets. If present conditions continue, it will potentially have an even greater impact to subsequent years' budgets.

Unemployment is rising in Boone County, but it remains significantly lower than the state and national rates. The County's unemployment rate at December 2008 was 4.5%, an increase of about 1% over the prior year. By comparison, the state and federal rates at December 2008 were 7.3% and 7.2%, respectively. Boone County's population continues growing at annual rates of 1-2%, which is about twice that of the state. The County's population is estimated at 153,000, with the County seat, Columbia, having a population of approximately 100,000. The median household

income in Boone County for 2004 (most recent data available) was \$41,400, which compares to the state's median household income of \$40,800. [This and other demographic information is presented in the *Appendix* section of this document.]

Inflation, as measured by the change in the Consumer Price Index (CPI)—All Urban Consumers, declined significantly during the 4<sup>th</sup> quarter of 2008 from a mid-year high of 5.6% to the December low of 0.1%. The drop was triggered by steeply falling oil prices. This budget assumes that low inflation will continue.

The Missouri state budget crisis of the early 1990's significantly affected the County's budget and is expected to continue doing so into the foreseeable future. State funding reductions and legislative changes reduced revenues to the County by nearly \$300,000. The loss in revenue resulted from state funding reductions for prisoner per diem, juvenile detention per diem, reimbursement for Public Administrator personnel, and assessment reimbursement. In addition, other legislative changes reduced revenues collected by the County (such as Sheriff's fees and the ability to charge for copies of public records). Some of the reductions have been partially restored, but not in full. This budget assumes continuation of these reductions, but it assumes no further reductions.

## Emerging Issues Facing the County

**Erosion of the County's primary tax base.** As explained in greater detail later, the County is significantly dependent on locally-enacted sales tax levies to finance local services, with more than 60% of county operating revenues derived from this single revenue source. In the short-term, this makes the County especially vulnerable to the inherent volatility of this revenue stream. Of greater concern, however, is the long-term detrimental effect of the erosion of this tax base through remote retail sales (including internet sales) and the continuing shift toward a service-based economy. Since Missouri sales tax laws exempt services from sales tax, this continuing economic shift has a significant detrimental effect on this important revenue source.

**Increasing costs associated with unfunded mandates, inflationary pressures, and rising demand for services in the face of stagnant revenues.** The most recent unfunded mandate delivered to the County was HAVA election reform (Help Americans Vote Act). Not only did this result in significant permanent increases in election-related overhead costs, but it has significantly increased the costs of conducting each election. Other mandates, such as storm water management, have had an on-going budgetary impact for several years. Despite relatively low inflation, the County is faced with increasing costs in several budget categories including rock, utilities, equipment service contracts, and software service contracts.

**Need for long-term infrastructure planning and improvement.** The County operates a Public Works department which is financed primarily with a one-half cent sales tax, nominal property taxes, and the County's share of the state gasoline tax. These funding sources provide revenues sufficient to cover the cost of routine maintenance and small-scale improvement projects, but major improvements are too costly to finance within the annual operating budget. Therefore, in order to adequately address these infrastructure needs, the County needs to develop a long-term infrastructure capital improvement plan and obtain the additional funding necessary to implement the plan.

# 2009 Budgetary Issues and Solutions

As previously noted, the statutory structure significantly influences the annual budgetary process. Individual elected officials engage in planning activities but these processes are generally focused on the respective responsibility areas of each office and are not formally coordinated at the entity level. Within this framework and context, the County Auditor and the County Commission are responsible for evaluating funding requests and establishing appropriations in accordance with available resources. The County Commission has no authority to impose its will on other elected officials, except through its exclusive control of county property and the adoption of the annual budget. As a result, individual departmental goals tend to significantly impact the development of the budget.

In evaluating and prioritizing the various needs that are presented in the budget process, highest priority is given to those needs that are driven by essential statutory functions, where the County is required by state law to perform certain duties or to provide specific services and has no authority to eliminate program activity or services. This is another significant difference between the County and municipal governments. Whereas most municipal governments are able to exercise some degree of control regarding the scope of services provided to their citizens, the County is mandated by state law to provide certain services and these comprise the overwhelming majority of all County services provided. These services consist primarily of state responsibilities which have been delegated to local county governments. They include such things as operation of the 13<sup>th</sup> Judicial Circuit Court (state court), operation of the Prosecuting Attorney's Office, operation of a Juvenile Office and a Juvenile Detention Center, operation of a County Jail, law enforcement services for all unincorporated areas of the County, civil process service for the entire County, maintenance and retention of property records for all of the county, assessment of all county property, collection of property taxes for all political subdivisions within the County, voter registration and election activity, and maintenance of county roads. Over the years, the County Commission has authorized additional services beyond those identified above; however, the overwhelming majority of county spending is directed toward statutorily required services.

The following budgetary issues were identified through the process described above and significantly shaped the final budgetary appropriations. It is important to note that a significant 2008 budget priority, Election Expense, will not impact the 2009 Budget. However, additional square footage in the Courthouse will be opened for operations in 2009 and this has impacted certain operating costs, primarily utilities (via Building Use Charge). Other than these two items, the overall priorities for 2009 were largely unchanged from 2008.

In light of the on-going economic recession and its impact on operating revenues, the primary budget focus in both FY 2008 and FY 2009 has been cost containment and cost reduction. While specific strategies have been pursued more aggressively in 2009 than the prior year, the overall approach has avoided making program or service cuts.

## **2009 Budgetary Issue: Impact of Declining and Stagnant Revenues—**

The County's most significant revenue source, sales tax, began its slide in 2007, falling significantly short of the FY 2007 estimated 4% growth. The FY 2008 growth assumption was revised accordingly to 0.5%; however, it appears that flat or negative growth may be experienced. Accordingly, the FY 2009 revenue projection assumes no

growth. In addition, real estate recording fees, which peaked in FY 2003 but have been declining since, are budgeted at 2001 revenue levels. Similarly, building permit fee revenue, which grew substantially in the second half of FY 2005 and peaked in FY 2006, has fallen sharply the last two years to levels equal to that of nearly a decade earlier. The FY 2009 Budget assumes no improvement or growth in this revenue.

*Budgetary Impact*— Overall, revenues to the County’s major funds (General Fund, Road and Bridge Fund, and the Law Enforcement Services Fund) reflect no growth, presenting significant budgetary challenges in view of general inflationary pressures, the County’s goal to maintain competitive wages and benefits, and to provide adequate technology and other tools to employees. In order to avoid staffing or service reductions, the general overall budgetary approach included the following: no new programs or expansions in existing service levels; reductions in general operating accounts from cost-savings measures; minimal increases in permanent FTE positions; no salary or wage increases; deferral of equipment purchase and replacement; and appropriating portions of fund balance (i.e., reducing undesignated/unreserved fund balance).

### **2009 Budgetary Issue: Market Update for the County’s Salary Plan, Employee Compensation, and Benefits—**

The County adopted a new Salary Plan in FY 2002, phasing-in implementation over a 3-year period (FY 2002-FY 2005). A market update to this salary plan was adopted in FY 2005, with implementation phased-in over a 2-year period (FY 2005 and FY 2006). In FY 2007, the County authorized another market update study, with the goal of implementing it in FY 2008. However, the cost to implement the market update was prohibitive, particularly in light of sluggish revenues. In addition, county officials and department directors were critical of the overall market update process, the quality of data obtained, the underlying assumptions used in the study, and the resulting recommended market adjustments. As a result, implementation of the market update was indefinitely placed on hold.

The FY 2009 budget includes NO funding for salary and wage increases. This follows on the heels of a 1% merit increase included in the FY 2008 budget. In addition, a vacant position in the Recorder’s office was eliminated and hours for a vacant Cook position at the Jail were reduced from full time to one-half time.

The County provides health and dental benefits through a self-insured benefits program. The County pays 100% of the employee premium; dependent coverage is available to employees at the employee’s cost. FY 2009 reflects no increases in premiums.

*Budgetary Impact*— Budget savings of \$48,800 from eliminating Recorder’s position (\$35,500) and reducing the cook to part-time (\$13,300) is reflected in the budget. Within the governmental funds as a whole, 42% of the budget is accounted for by salary/wages and benefits. Within each of the major funds, the allocation is as follows: General Fund, 58%; Road and Bridge Fund, 19%; and Law Enforcement Services Fund, 69%.

### **2009 Budgetary Issue: Public Works Road and Bridge System—**

The County’s 812 miles of road inventory includes a variety of surface types: 472 miles of gravel roads (58%); 97 miles of chip-seal/cold-mix roads (12%); 209 miles of

asphalt roads (26%), and 34 miles of concrete surface roads (4%). The County provides general road maintenance for the various surface types including street sweeping for curb and gutter subdivision roads; pavement marking and re-striping; snow and ice removal; routine grading; culvert pipe replacement; reclamation, re-building, and routine maintenance of chip and seal roads; pavement preservation and maintenance and repair of hard surface roads and streets; bridge deck repair; and traffic sign replacement. The FY 2009 budget reflects no significant changes in these services.

Each year, the County provides funding for a variety of small-scale projects including arch/bridge projects; drainage improvement projects; subdivision improvements; low water crossing projects; and storm water improvements. The County Commission determines the specific projects to be included in each year's budget, after receiving and reviewing PW staff recommendations.

Each year, the County provides funding to other political subdivisions through Replacement Revenue distributions, payments to the Centralia Special Road District, and Revenue Sharing distributions. FY 2009 funding levels are consistent with those of prior years, except that the FY 2008 budget included a significant increase for the County's cost-share for the Scott Boulevard Improvement Project.

The County Commission included appropriations in the FY 2009 budget to upgrade three (3) Maintenance Worker II positions and to add two (2) permanent Maintenance Worker III positions. One of the additional permanent positions replaced a temporary position that had previously been included in the budget. Since revenues are not increasing sufficient to cover these increased personnel costs, on-going funding of these positions will require a permanent reduction in other budget categories, such as road materials or contractual services.

*Budgetary Impact*— The 2009 Budget includes appropriations totaling \$20.3 million for road and bridge activities, all accounted for in the Road and Bridge Fund. Of this total, \$10.8 million is allocated to the Maintenance Division (department numbers 2040 and 2048) for maintenance activities and projects; \$6.4 million is allocated to the Design and Construction Division (department number 2045); and \$3.1 million is allocated for Revenue Replacement and Revenue Sharing payments to cities and the Centralia Special Road District as well as a small administrative reimbursement to the General Fund (department number 2049).

## **2009 Budgetary Issue: Investment in Computer Technology—**

The County provides desktop computer equipment and technologies for employees as well as shared system resources and technologies. The FY 2009 budget includes appropriations to replace and upgrade essential equipment and to maintain necessary disk capacity for back-up and operational needs of the County's various server-based networks and its IBM iSeries platform operations.

*Budgetary Impact*— Due to limited resources, the regular replacement schedule for desktop PC's was suspended in 2008 and again in 2009, with replacement funding based on a condition assessment performed by Information Technology staff. In addition, other requests for computer technology equipment replacement and upgrades were carefully evaluated, with funding limited to those determined to be the highest priority and essential to maintaining adequate security and back-up as well as to ensure proper functioning of existing systems. FY 2009 appropriations for

replacement computer equipment is \$86,000 (all funds combined), with \$62,700 accounted for in the General Fund. This compares to FY 2008 appropriations totaling \$118,300 (all funds combined) and FY 2007 appropriations of \$180,500 (all funds combined).

Investment in new computer hardware is also very limited. The FY 2009 budget includes approximately \$55,000 (all funds combined) and with nearly one-half of it related to Courthouse technology associated with the expansion.

FY 2009 appropriations for new computer software amount to \$137,000 (all funds combined) of which approximately one-half pertains to redaction software to be purchased from the Record Preservation Fund. It also includes approximately \$20,000 for a Web development tool and \$10,000 related to Courthouse technology. The 2009 budget compares to FY 2008 appropriations of \$56,000 (all funds combined) and FY 2007 appropriations of \$228,000 (all funds combined).

## **2009 Budgetary Issue: Law Enforcement and Judicial—**

In addition to funding the Prosecuting Attorney, the Sheriff, Jail, and operations of the courthouse, the County operates several alternative sentencing programs. These programs not only reduce the jail inmate population but provide sentencing alternatives that reduce the likelihood of recidivism while allowing the individuals to continue working and living within the community.

The County desires to maintain serviceable law enforcement equipment through scheduled replacement and to implement and maintain new equipment and software technologies where appropriate. The County also recognizes the need to provide specialized training to law enforcement officers.

*Budgetary Impact—* County appropriations provide sole funding for the operations of the Prosecuting Attorney's Office, the Sheriff's Department, the County Jail (Corrections), and the Public Administrator's Office. For the Court-related operations, the general funding model throughout the state requires counties to pay for all non-personnel costs and the state to cover all personnel and benefit costs. However, in Boone County, significant local county appropriations provide funding for additional personnel and services beyond those provided by the state in most circuit courts. Funding for the law enforcement and judicial operations in the County is provided primarily through General Fund appropriations, supplemented with appropriations from the Law Enforcement Services Tax (a 1/8<sup>th</sup> cent permanent sales tax dedicated to law enforcement). Additional funding is also provided through a variety of special revenue funds, which are under the appropriating authority of the Sheriff, the Prosecuting Attorney, and the Circuit Court.

The FY 2009 budget includes appropriations for on-going Court operations, including an increase for the utility and facility costs resulting from the Courthouse expansion project as well as increased equipment service contracts related to the new courtroom audio/visual technology. These costs have been fully incorporated into the various annual operating budgets and the combined annual budgetary impact is approximately \$133,000.

The FY 2009 budget includes funding for on-going operations for all other law enforcement-related budgets, including equipment and vehicle replacements that were identified as high priorities. The budget also includes funding for the mobile video

camera technology project described above as well as acquisition of new officer equipment. Due to limited revenues, several equipment initiatives are being implemented with a phased-in approach over the next 3 to 5 years. This budget includes funding for these continuing priorities (mobile data terminal modem upgrades; mobile video camera system for patrol cars; and mobile radio replacement).

## Budget Process and Calendar

Boone County is a first class non-charter county where the County Auditor serves as Budget Officer and its annual budget process is governed by the Revised Statutes of Missouri (RSMo) 50.525-50.641. The process and deadlines set forth by statute are primarily designed to provide a means for independent elected officials to formally communicate their budgetary needs to the County Commission and the County Auditor each year, to ensure that public hearings are held, and to ensure that the public has access to all budgetary documents and information. A complete discussion of the budget process is provided in the *General Information* tab section of this document.

The FY 2009 Budget was adopted on December 16, 2008.

## Budget Summary Schedules

The schedules and matrices presented on the following pages are intended to show the relationship between the County's various functional units and its overall financial structure.

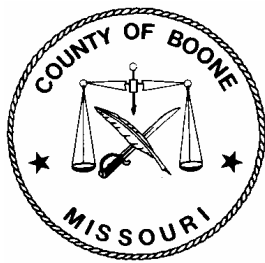
The first schedule presents a consolidated budget overview for the government as a whole, including internal service funds and private purpose trust funds. It shows revenues by source, expenditures by object code, and projected fund balances at the end of the year. Similar information is provided on an individual fund basis in the *Fund Statements* tab section of this document.

The second schedule shows the relationship between functional areas and classification of expenditure.

The third schedule shows the relationship between budget amounts for each functional unit and the extent to which the budgetary resources are provided from major funds, non-major funds, or a combination of funds.

Discussion and analysis pertaining to revenue and expenditure assumptions, fluctuations, and a comparison to prior years is presented after the schedules.





## 2009 Budget Summary by Fund Type— All Funds Combined Excluding Capital Project Funds

	Major Funds		
	General Fund	Road & Bridge Fund	Law Enforcement Services Fund
<b>REVENUES:</b>			
Property Taxes	\$ 2,957,800	\$ 1,204,800	\$ -
Assessments	-	-	-
Sales Taxes	11,618,000	11,989,500	2,899,000
Franchise Taxes	183,000	-	-
Licenses and Permits	273,211	13,000	-
Intergovernmental	2,261,894	1,919,550	-
Charges for Services	3,637,486	33,395	-
Fines and Forfeitures	6,000	-	-
Interest	213,829	141,530	22,950
Hospital Lease	1,679,600	-	-
Other *	496,136	1,000	-
<b>Total Revenues</b>	<b>23,326,956</b>	<b>15,302,775</b>	<b>2,921,950</b>
<b>EXPENDITURES:</b>			
Personal Services	14,468,115	3,857,398	2,247,482
Materials & Supplies	1,281,700	2,986,365	87,900
Dues Travel & Training	209,907	39,100	16,140
Utilities	496,680	107,240	76,014
Vehicle Expense	483,925	863,300	625
Equip & Bldg Maintenance	205,978	419,124	52,248
Contractual Services	4,178,913	11,102,793	341,478
Debt Service (Principal and Interest)	416,090	-	-
Other	2,991,552	201,350	70,480
Fixed Asset Additions	206,719	797,023	376,183
<b>Total Expenditures</b>	<b>24,939,579</b>	<b>20,373,693</b>	<b>3,268,550</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,612,623)</b>	<b>(5,070,918)</b>	<b>(346,600)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer In	-	-	-
Transfer Out	(120,000)	-	-
Proceeds of Sale of Capital Assets/Insurance Claims/Capital Lease	5,100	149,250	15,750
Proceeds of Long-Term Debt	-	-	-
Retirement of Long-Term Debt	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(114,900)</b>	<b>149,250</b>	<b>15,750</b>
<b>REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(1,727,523)</b>	<b>(4,921,668)</b>	<b>(330,850)</b>
<b>FUND BALANCE (GAAP), beginning of year</b>	7,343,140	9,094,464	1,535,484
Less encumbrances, beginning of year	(242,539)	(1,133,863)	(89,426)
Add encumbrances, end of year	242,539	1,133,863	89,426
<b>FUND BALANCE (GAAP), end of year</b>	<b>\$ 5,615,617</b>	<b>\$ 4,172,796</b>	<b>\$ 1,204,634</b>
<b>FUND BALANCE RESERVES/DESIGNATIONS, end of year</b>	767,539	2,173,263	877,426
<b>FUND BALANCE, end of year</b>	<b>5,615,617</b>	<b>4,172,796</b>	<b>1,204,634</b>
<b>FUND BALANCE RESERVES/DESIGNATIONS, end of year</b>	<b>(767,539)</b>	<b>(2,173,263)</b>	<b>(877,426)</b>
<b>UNRESERVED/UNDESIGNATED FUND BALANCE, end of year</b>	<b>\$ 4,848,078</b>	<b>\$ 1,999,533</b>	<b>\$ 327,208</b>

\* Includes Proceeds from Sale of County Assets and other miscellaneous revenue. Composition varies by fund.

<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>	<b>Internal Service Funds</b>	<b>Private Purpose Trust Funds</b>	<b>Grand Total</b>
\$ -	\$ 4,162,600	\$ -	\$ -	\$ 4,162,600
96,620	96,620	-	-	96,620
220,800	26,727,300	-	-	26,727,300
-	183,000	-	-	183,000
50,872	337,083	-	-	337,083
452,199	4,633,643	-	-	4,633,643
1,741,227	5,412,108	4,687,840	-	10,099,948
-	6,000	-	-	6,000
89,268	467,577	110,985	3,055	581,617
-	1,679,600	-	-	1,679,600
60,455	557,591	10,000	50	567,641
<b>2,711,441</b>	<b>44,263,122</b>	<b>4,808,825</b>	<b>3,105</b>	<b>49,075,052</b>
997,518	21,570,513	594,606	-	22,165,119
128,838	4,484,803	56,600	-	4,541,403
136,527	401,674	2,850	-	404,524
15,094	695,028	463,512	-	1,158,540
15,400	1,363,250	17,598	-	1,380,848
55,795	733,145	347,901	-	1,081,046
840,323	16,463,507	3,386,214	4,000	19,853,721
287,774	703,864	-	-	703,864
572,990	3,836,372	442,300	1,600	4,280,272
214,660	1,594,585	203,000	-	1,797,585
<b>3,264,919</b>	<b>51,846,741</b>	<b>5,514,581</b>	<b>5,600</b>	<b>57,366,922</b>
<b>(553,478)</b>	<b>(7,583,619)</b>	<b>(705,756)</b>	<b>(2,495)</b>	<b>(8,291,870)</b>
120,000	120,000	50,000	-	170,000
-	(120,000)	(50,000)	-	(170,000)
-	170,100	-	-	170,100
-	-	-	-	-
-	-	-	-	-
<b>120,000</b>	<b>170,100</b>	<b>-</b>	<b>-</b>	<b>170,100</b>
<b>(433,478)</b>	<b>(7,413,519)</b>	<b>(705,756)</b>	<b>(2,495)</b>	<b>(8,121,770)</b>
4,653,265	22,626,353	4,863,099	121,694	27,611,146
(45,661)	(1,511,489)	(294,405)	-	(1,805,894)
45,661	1,511,489	294,405	-	1,805,894
<b>\$ 4,219,787</b>	<b>\$ 15,212,834</b>	<b>\$ 4,157,343</b>	<b>\$ 119,199</b>	<b>\$ 19,489,376</b>
1,040,028	4,858,256	504,722	37,321	5,400,299
<b>4,219,787</b>	<b>15,212,834</b>	<b>4,157,343</b>	<b>119,199</b>	<b>19,489,376</b>
<b>(1,040,028)</b>	<b>(4,858,256)</b>	<b>(504,722)</b>	<b>(37,321)</b>	<b>(5,400,299)</b>
<b>\$ 3,179,759</b>	<b>\$ 10,354,578</b>	<b>\$ 3,652,621</b>	<b>\$ 81,878</b>	<b>\$ 14,089,077</b>

**Matrix of Expenditures by Function and Class—  
All Governmental Funds Combined Excluding Capital Project Funds**

<b>Function</b>	<b>Personal Services</b>	<b>Materials &amp; Supplies</b>	<b>Dues, Travel &amp; Training</b>	<b>Utilities*</b>
Policy & Administration	\$ 4,680,961	\$ 546,283	\$ 203,001	\$ 76,275
Law Enforcement & Judicial - Courts	1,722,602	187,608	52,355	166,201
Law Enforcement & Judicial - Sheriff/Corrections	7,969,987	678,394	56,295	289,016
Law Enforcement & Judicial - PA	2,333,816	60,505	22,848	41,892
Law Enforcement & Judicial - Other	250,208	4,440	2,675	3,700
Environment, Buildings & Infrastructure	3,878,127	2,987,873	39,100	107,240
Community Health & Public Services	-	6,800	17,500	-
Other	734,812	12,900	7,900	10,704
<b>Total</b>	<b>\$ 21,570,513</b>	<b>\$ 4,484,803</b>	<b>\$ 401,674</b>	<b>\$ 695,028</b>

\* Includes land-line phones, cell phones, and data communications; also includes building utilities for those facilities housing a single office or department. Utilities for facilities housing multiple offices are accounted for in an internal service fund with the internal service charge, "Building Use Charge", included in Contractual Services.

<b>Vehicle Expense</b>	<b>Equip &amp; Bldg Maintenance</b>	<b>Contractual Services **</b>	<b>Debt Service (Principal &amp; Interest)</b>	<b>Other</b>	<b>Fixed Asset Additions</b>	<b>Total</b>
\$ 39,808	\$ 105,547	\$ 1,931,590	\$ 416,090	\$ 1,340,001	\$ 218,142	\$ 9,557,698
25,250	61,559	1,174,765	-	282,300	76,620	3,749,260
380,597	71,437	763,328	-	354,415	414,872	10,978,341
13,001	6,277	198,123	-	41,302	174	2,717,938
13,000	44,800	936,205	-	99,701	85,754	1,440,483
863,444	422,724	11,132,049	-	232,405	797,023	20,459,985
-	-	56,400	500	1,323,412	2,000	1,406,612
28,150	20,801	270,547	287,774	162,836	-	1,536,424
<u>\$ 1,363,250</u>	<u>\$ 733,145</u>	<u>\$ 16,463,007</u>	<u>\$ 704,364</u>	<u>\$ 3,836,372</u>	<u>\$ 1,594,585</u>	<u>\$ 51,846,741</u>

\*\* In addition to regular contractual services, this category also includes "Building Use Charge", an internal service charge consisting of facilities maintenance, housekeeping, building utilities, and capital repair and replacement.

# Expenditures by Functional Unit and Funding Source— All Governmental Funds Combined Excluding Capital Project Funds

Function Name	Dept. Number	Dept. Name	Major Funds			Non-Major Funds	Total Governmental Funds
			General Fund	Road and Bridge Fund	Law Enforcement Services Fund		
Policy & Administration	1110	Auditor	\$ 302,686	-	-	-	302,686
	1115	Human Resources	172,871	-	-	-	172,871
	1118	Purchasing	163,277	-	-	-	163,277
	1121	County Commission	468,875	-	-	-	468,875
	1122	County Association Dues	42,226	-	-	-	42,226
	1123	Emergency & Contingency	733,000	-	-	-	733,000
	1125	Centralia Office	9,058	-	-	-	9,058
	1126	County Counselor Office	163,485	-	-	-	163,485
	1131	County Clerk	317,607	-	-	-	317,607
	1132	Election and Registration	565,208	-	-	-	565,208
	1140	Treasurer	290,898	-	-	-	290,898
	1150	Collector	456,368	-	-	-	456,368
	1160	Recorder	486,386	-	-	-	486,386
	1170	Information Technology	1,432,868	-	-	-	1,432,868
	1175	GIS - Consortium	9,664	-	-	-	9,664
	1176	GIS - County	156,497	-	-	-	156,497
	1190	Non-Departmental	606,064	-	-	-	606,064
	1191	Insurance & Safety	563,350	-	-	-	563,350
	1192	Employee Benefits	39,800	-	-	-	39,800
	1194	Mail Services	331,940	-	-	-	331,940
	1195	Insurance Claim Activity	75,000	-	-	-	75,000
	1196	Records Management Services	50,791	-	-	-	50,791
	2002	Courthouse Square - Misc. Projects	-	-	-	-	-
	2010	Assessment	-	-	-	1,289,131	1,289,131
	2110	Collector Tax Maint Activity	-	-	-	224,713	224,713
	2300	Election Services	-	-	-	99,300	99,300
	2800	Storage & Preservation	-	-	-	506,635	506,635
			Sub-Total	<u>7,437,919</u>	<u>-</u>	<u>-</u>	<u>2,119,779</u>
Law Enforcement & Judicial- Courts	1210	Circuit Court Services	1,451,887	-	-	-	1,451,887
	1221	Circuit Clerk	518,817	-	-	-	518,817
	1230	Jury Services & Court Costs	277,740	-	-	-	277,740
	1241	Juvenile Office	424,530	-	-	-	424,530
	1242	Juvenile Justice Center	344,961	-	-	-	344,961
	1243	Juvenile Justice Grants	134,730	-	-	-	134,730
	2820	Family Service & Justice	-	-	-	143,150	143,150
	2830	Circuit Drug Court	-	-	-	40,860	40,860
	2850	Administration of Justice	-	-	-	27,500	27,500
	2904	Alternate Sentencing-Law Enf Sls Tax	-	-	328,859	-	328,859
	2905	Judicial Information System-Law Enf Sls Tax	-	-	51,126	-	51,126
	2907	Information System-Court Only	-	-	5,100	-	5,100
		Sub-Total	<u>3,152,665</u>	<u>-</u>	<u>385,085</u>	<u>211,510</u>	<u>3,749,260</u>
Law Enforcement & Judicial- Sheriff/Corrections	1251	Sheriff	4,025,106	-	-	-	4,025,106
	1253	Internet Crimes Task Force	52,628	-	-	-	52,628
	1255	Corrections	4,237,801	-	-	-	4,237,801
	2500	Sheriff Forfeiture Money	-	-	-	7,934	7,934
	2510	Sheriff Training	-	-	-	30,500	30,500
	2521	Community Traffic Safety	-	-	-	150	150
	2522	DARE Program	-	-	-	1,600	1,600
	2540	Sheriff Civil Charges	-	-	-	9,704	9,704
	2550	Sheriff Revolving Fund	-	-	-	15,140	15,140
	2900	Law Enforcement Sales Tax Revenue	-	-	40,000	-	40,000
	2901	Sheriff-Law Enf Sls Tax	-	-	1,638,240	-	1,638,240
2902	Corrections - Law Enf Sls Tax	-	-	691,538	-	691,538	
2906	Contract Inmate Housing - LEST	-	-	228,000	-	228,000	
		Sub-Total	<u>\$ 8,315,535</u>	<u>-</u>	<u>2,597,778</u>	<u>65,028</u>	<u>10,978,341</u>

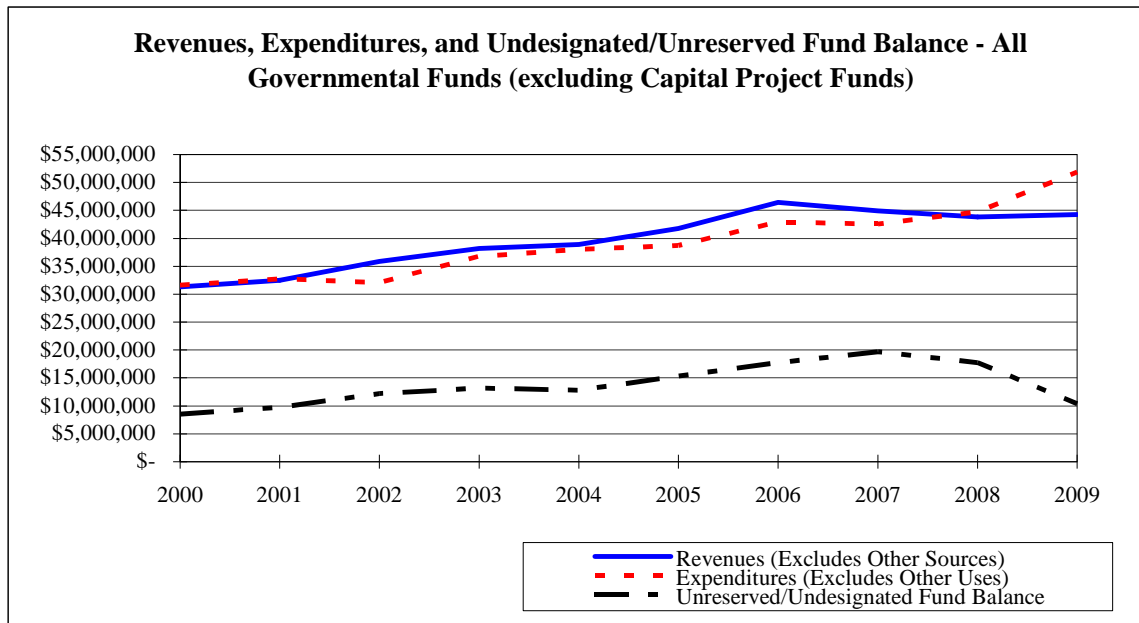
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Function Name	Dept. Number	Dept. Name	Major Funds			Non-Major Funds	Total Governmental Funds
			General Fund	Road and Bridge Fund	Law Enforcement Services Fund		
Law Enforcement & Judicial- Prosecuting Attorney	1261	Prosecuting Attorney	\$ 1,602,766	-	-	-	1,602,766
	1262	Victim Witness	139,178	-	-	-	139,178
	1263	IV-D	478,132	-	-	-	478,132
	1264	PA Retirement	7,752	-	-	-	7,752
	2600	PA Training	-	-	-	4,692	4,692
	2610	PA Tax Collections	-	-	-	49,831	49,831
	2620	PA Contingency	-	-	-	20,000	20,000
	2630	PA Bad Check Collections	-	-	-	116,400	116,400
	2640	PA Forfeiture Money	-	-	-	13,500	13,500
	2903	Prosecuting Attorney-Law Enf Sls Tax	-	-	285,687	-	285,687
		Sub-Total	<u>2,227,828</u>	<u>-</u>	<u>285,687</u>	<u>204,423</u>	<u>2,717,938</u>
Law Enforcement & Judicial- Other	1200	Public Administrator	293,840	-	-	-	293,840
	1280	Medical Examiner	197,380	-	-	-	197,380
	1285	District Defender	27,373	-	-	-	27,373
	1287	Emergency Services & Dispatch	674,590	-	-	-	674,590
	2020	E-911 Emergency Telephone	-	-	-	247,300	247,300
		Sub-Total	<u>1,193,183</u>	<u>-</u>	<u>-</u>	<u>247,300</u>	<u>1,440,483</u>
Enviornment, Buildings & Infrastructure	1340	NID Administration	9,950	-	-	-	9,950
	1360	Solid Waste Recycling	42,602	-	-	-	42,602
	1370	BC Reg Sewer Dist Mgmt Service	4,735	-	-	-	4,735
	2040	Public Works-R&B Maintenance	-	10,782,660	-	-	10,782,660
	2045	Public Works-Design & Construction	-	6,478,924	-	-	6,478,924
	2048	PW - Insurance Claim Activity	-	40,000	-	-	40,000
	2049	PW - Administration	-	3,072,109	-	-	3,072,109
	2120	Fairground Maintenance	-	-	-	29,005	29,005
		Sub-Total	<u>57,287</u>	<u>20,373,693</u>	<u>-</u>	<u>29,005</u>	<u>20,459,985</u>
Community Health & Public Services	1410	Community Health	978,179	-	-	-	978,179
	1420	Social Services	129,073	-	-	-	129,073
	1430	Community Services	199,260	-	-	-	199,260
	2090	Hospital Profit Share	-	-	-	40,000	40,000
	2101	LEPC-CERF Grant	-	-	-	21,100	21,100
	2102	LEPC-HMEP Grant	-	-	-	6,000	6,000
	2030	Domestic Violence	-	-	-	33,000	33,000
		Sub-Total	<u>1,306,512</u>	<u>-</u>	<u>-</u>	<u>100,100</u>	<u>1,406,612</u>
Other	1510	Economic Support	66,000	-	-	-	66,000
	1610	Parks and Recreation	37,108	-	-	-	37,108
	1710	Planning and Zoning	373,872	-	-	-	373,872
	1720	Building Codes	394,948	-	-	-	394,948
	1730	Animal Control	164,679	-	-	-	164,679
	1740	On-Site Waste Water	95,986	-	-	-	95,986
	1751	Hinkson Creek Watershed	116,057	-	-	-	116,057
	3040	2005 Series Spec Oblg Bond - Txbl	-	-	-	166,083	166,083
	3830	2000A Series GO Bond - Sewer NID	-	-	-	38,300	38,300
	3840	2000B Series GO Bonds - Road NID	-	-	-	24,268	24,268
	3850	2001 Series GO Bonds - Road NID	-	-	-	37,380	37,380
3860	2006A Series GO Bonds - Road NID	-	-	-	21,743	21,743	
		Sub-Total	<u>\$ 1,248,650</u>	<u>-</u>	<u>-</u>	<u>287,774</u>	<u>1,536,424</u>
		Grand Total	<u>\$ 24,939,579</u>	<u>20,373,693</u>	<u>3,268,550</u>	<u>3,264,919</u>	<u>51,846,741</u>

## Revenue and Expenditure Trends

The graph below illustrates the growth in revenues and expenditures as well as changes in undesignated/unreserved fund balance levels over the past 10 years. It shows the significant flattening of revenues in 2007-2009, the increase in expenditures, and the use of fund balance to finance the current year's budget. Each of these elements is discussed in detail in the following sections.



## Revenue Assumptions and Projections

Revenue for FY 2008 is projected to fall short of budget expectations and shows no growth over FY 2007 revenues. The FY 2009 revenue projections, taken as a whole, reflect a slight decrease over the expected 2008 revenues.

A multi-year comparison of revenues by source for all governmental funds is presented below. Ten-year historical financial data presented in the *Appendix* section at the end of this document shows how these revenue sources have varied over the last decade. The following discussion explains the major sources of revenue for the County's combined governmental funds and identifies the primary causes for fluctuations between the prior and current budget years.



## Revenues by Source— All Governmental Funds Combined Excluding Capital Project Funds

Revenues by Source	2007 (Actual)	2008 (Budget)	2008 (Projected)	2009 (Budget)	% Change 09 Budget over 08 Budget	% of Total for 2009
Property Taxes	\$ 4,032,706	4,500,250	4,131,611	4,162,600	-8%	9.4%
Assessments	148,743	133,429	107,561	96,620	-28%	0.2%
Sales Taxes	26,837,008	26,845,220	26,602,000	26,727,300	0%	60.4%
Franchise Taxes	185,691	181,200	183,000	183,000	1%	0.4%
Licenses and Permits	454,054	411,511	350,097	337,083	-18%	0.8%
Intergovernmental	4,882,720	5,181,087	4,340,717	4,633,643	-11%	10.5%
Charges for Services	5,195,800	4,970,217	5,252,815	5,412,108	9%	12.2%
Fines and Forfeitures	-	6,000	8,000	6,000	0%	0.0%
Interest	1,021,244	727,862	602,789	467,577	-36%	1.1%
Hospital Lease	1,566,918	1,606,091	1,630,692	1,679,600	5%	3.8%
Other*	606,145	591,125	635,293	557,591	-6%	1.3%
<b>Total Revenues</b>	<b>\$ 44,931,029</b>	<b>45,153,992</b>	<b>43,844,575</b>	<b>44,263,122</b>	<b>-2%</b>	<b>100.0%</b>

\*Other includes Franchise Fees, Proceeds from Sale of County Assets, and other miscellaneous revenue.

### Property Tax (9.4% of total revenue)

Property tax comprises a relatively small portion of the County's overall revenues. This is the result of a statutorily required property tax roll-back for the County's one-half cent sales tax for the General Fund and a voluntary roll-back associated with the one-half cent sales tax for road and bridge activities. The amount shown above includes *ad valorem* property taxes levied for the General Fund and Road and Bridge Fund.

Assessed valuation has grown at an average annual rate between 3% and 6% and it continues to provide a stable source of revenue for the County and its political subdivisions, although annual growth is expected to slow substantially. (A ten-year history of assessed valuations is included in the *Appendix* tab section.) Total assessed value for the County currently exceeds \$2.0 billion. The FY 2009 Budget assumes a 2% growth in assessed valuation with no change in the property tax rates. Although the number of building permits issued throughout the County fluctuates from year to year and has slowed substantially since FY 2007, new construction continues to provide modest growth to the total assessed valuation.

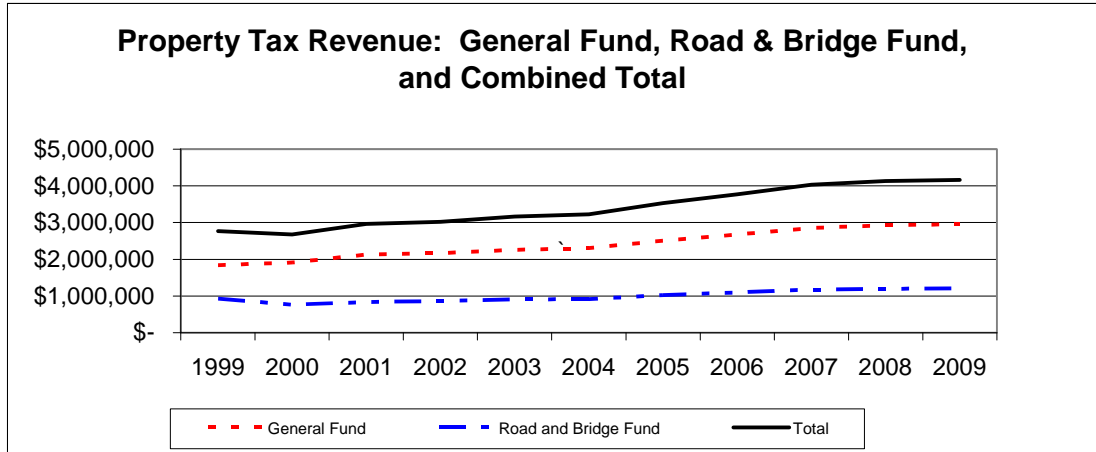
Although not required to do so, the County Commission voluntarily reduced its property tax levies for the General Fund and the Road and Bridge Fund in FY 2005 as a result of reassessment and the rates have remained unchanged. The FY 2008 budget included provision for a one-year 2-cent increase in the General Fund property tax rate to cover election costs; however, the County Commission did not levy the increase. As a result, the table above reflects a budgeted decrease for this revenue source.

The County's budgeted 2009 proposed operating property tax levies include the following:

General Fund Operations-- \$.12 per \$100 assessed valuation

Road and Bridge Operations-- \$.0475 per \$100 assessed valuation

The chart below illustrates the stable growth in this revenue source over the past decade.



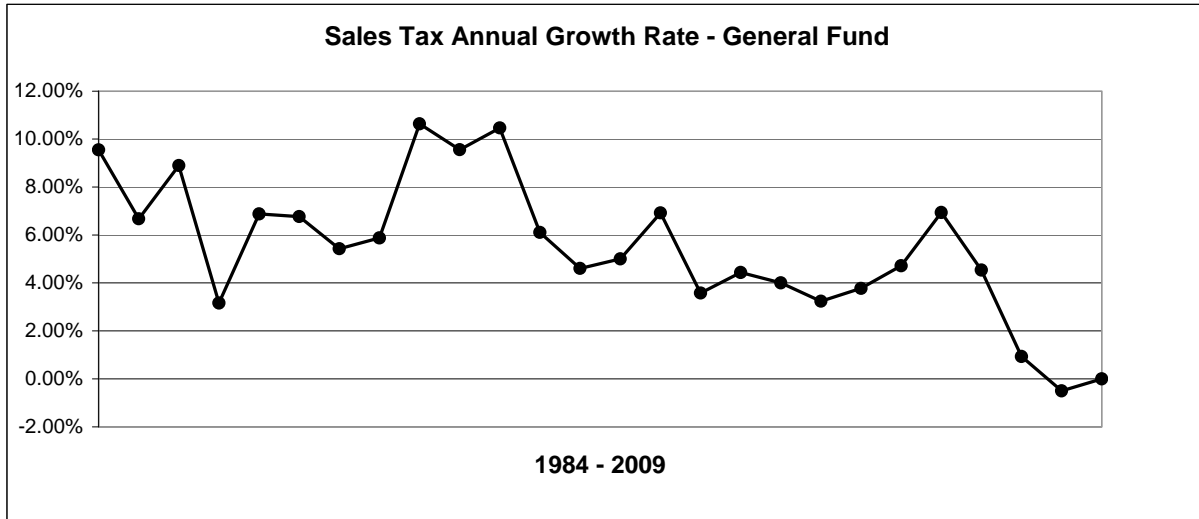
Debt service tax levies will not be required since all existing debt is being retired through annual appropriations in the General Fund, lease rentals, or special assessments. For further information on the County’s debt, please refer to the Summary of Long-Term Debt presented later in the Budget Message and in the *General Information* tab section. [A multi-year history of the tax levies for the County and its political subdivisions is also presented in the *Appendix*.]

**Assessments (0.2% of total revenue)**

Special assessment revenue is received from property owners pursuant to the Neighborhood Improvement District (NID) program and is accounted for as revenue to the applicable debt service funds and used to meet scheduled principal and interest payments for county-issued general obligation debt. The special assessment revenue provides 100% of the debt service requirements for the bonds issued in conjunction with the NID program. The amount of Assessment revenue in any given year is influenced by such things as number of pay-offs in full, number of annual assessments levied, and the number of NID projects completed and assessments ordered.

**Sales Tax (60.4% of total revenues)**

The County is highly dependent on sales tax revenue to finance the majority of county services. It is the single largest source of revenue for the County and accounts for more than 60% of all regular operating revenues in the County’s governmental funds. Compared to other revenue sources, sales tax is inherently and exceptionally volatile, readily impacted by changing economic conditions. Because Boone County is primarily dependent on sales tax to finance on-going operations, the County is especially vulnerable to the inherent volatility of this source of revenue. This is the primary reason for maintaining adequate fund balances, which is discussed in greater detail later this Budget Message. The annual sales tax growth rate table presented below illustrates this inherent volatility.



Annual growth rates have typically ranged between 3% and 5%, but have been as high as 11% and have fallen as low as 0%, as in the present economic situation. As illustrated above, the current decline in sales tax growth rate is one of the sharpest ever experienced by the County and also reflects the lowest annual growth rate. The current economic recession and its impact on this revenue source is expected to continue into the foreseeable future. Therefore, the FY 2009 budget assumes a flat, or 0%, annual growth rate.

The County receives the following sales tax revenue:

**One-half cent permanent sales tax in the General Fund.** This sales tax is expected to generate \$11.6 million in 2009, which represents approximately 50% of the total revenue in the General Fund. The governing statute for this sales tax authorization mandates a property tax roll-back.

**One-half cent sales tax in the Road and Bridge Fund.** This sales tax is expected to generate \$11.6 million in 2009, which represents more than 75% of regular, on-going revenue to Road and Bridge operations. The sales tax was originally approved by voters in 2003 for an initial 5-year period. It was renewed for 10 years (through 2008) and was recently renewed by voters for another 10-year period (expiring in 2018). The governing statute for this sales tax does not require a property tax roll-back; however, the County Commission has pledged and implemented a voluntary property tax roll-back.

**Constitutionally determined portion of the state’s sales tax for motor vehicles.** This sales tax is expected to generate \$387,000 in 2009, net of a special 32-month withholding imposed by the Department of Revenue intended to recover retroactive collection costs. The withholding is estimated to be approximately \$36,000 for the year. At the conclusion of the 32-month recovery period, which will end May 2010, the on-going cost of collection is expected to be approximately \$24,000 per year. This revenue source has been relatively flat the past few years and is expected to decline in 2009.

**Two percent tax applied to local land line phone tariffs.** This tax is expected to generate \$216,000 in 2009, which represents the sole source of revenue for the Enhanced 911 Fund, except for investment income. This revenue has been declining since 2003 largely because the 2% sales tax does not apply to cellular lines. As citizens replace land lines

with cellular lines, this revenue will continue to decline. Legislative remedies are under discussion.

**One-eighth cent permanent law enforcement services tax.** This sales tax is expected to generate \$2.9 million in 2009, which represents the primary source of revenue for the Law Enforcement Services Fund. The fund is used to provide supplemental funding for law enforcement and judicial operations which are primarily financed through General Fund appropriations.

**One-fifth cent three-year capital improvement tax.** This tax became effective October 1, 2006 and was projected to generate \$14.0 million over the 3-year life of the sales tax. Please refer to the *Capital Projects* tab section for complete information regarding this capital improvement sales tax and the projects it will finance.

## **Franchise Taxes and Licenses/Permit Revenue (1.2% of total revenue)**

The increase in Franchise Taxes is due to normal growth in the customer base.

The decrease in Licenses and Permit Revenue is primarily due to a reduction in building permit activity, which has declined sharply the last two years. The formula used to calculate building permit fees is adjusted each year, incorporating the prior year's actual operating costs in order to provide for a target cost-recovery of program costs.

On-site waste water permit revenue is also expected to decline in FY 2009, a result of reduced permit volume.

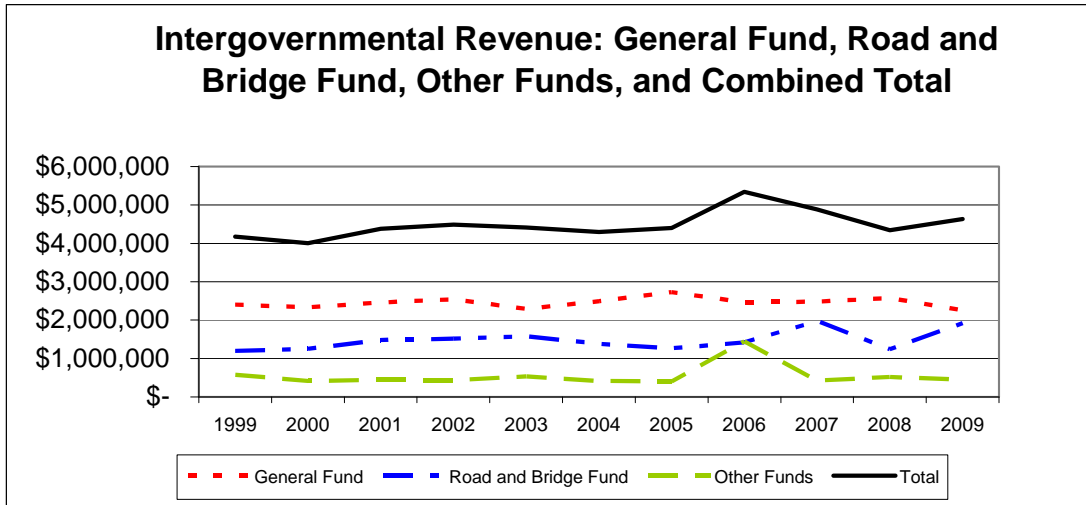
## **Intergovernmental Revenues (10.5% of total revenue)**

The County receives substantial revenues from federal and state grants and from annual state appropriations. The FY 2009 Budget includes amounts for grants that have been awarded to the County. *Potential* grants are not included in the budget until final award is made to the County, at which time the County Commission amends the budget. The budget also includes amounts for expected annual state reimbursements.

State reimbursements include a daily prisoner housing per diem for prisoners held in the Boone County Jail and subsequently sentenced to the Missouri Department of Corrections; daily per diem reimbursements for juveniles held in the detention center; reimbursement for prisoner extradition; state reimbursement of property assessment activities, and federal grant monies passed through the state for the Child Support Enforcement Program. No increase is expected in any of these revenues sources for FY 2009.

The County also receives County Aid Road Trust (CART) revenues that represent Boone County's proportionate share of the statewide gasoline tax. The tax is earmarked for road maintenance and is shared by the state, cities, and counties pursuant to a constitutional formula. The revenues are derived from a per-gallon tax that does not change with fuel prices. Instead, revenues to the County increase only as consumption increases. Higher fuel prices reduce consumption thereby curbing growth in this revenue. The budget assumes nominal growth in this revenue source.

The chart below reflects a ten-year history of intergovernmental revenues. The significant increase in 2006 is the result of HAVA election equipment funds.



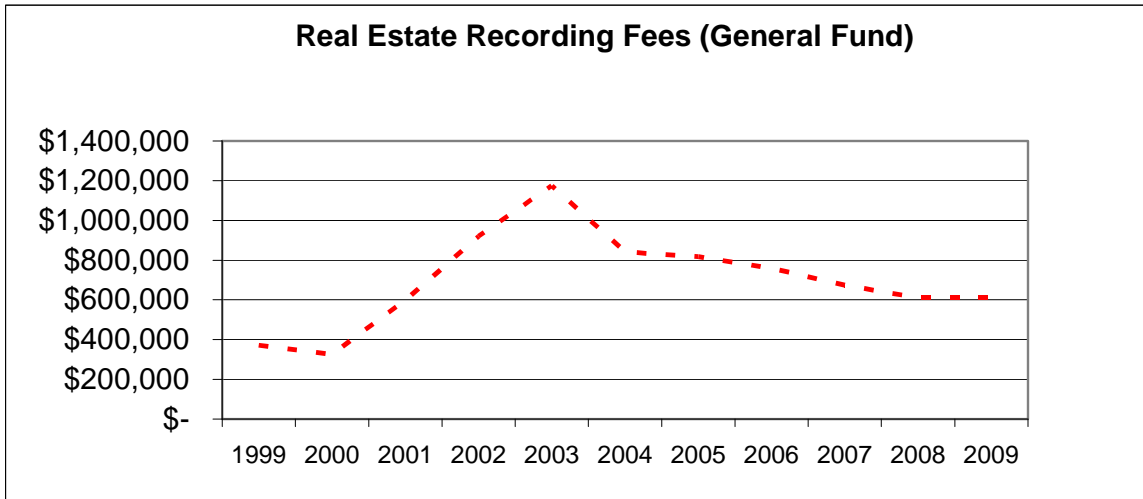
The overall FY 2009 decrease in this category is due to the following factors:

- 1) Partial-year grants where the budget includes grant revenue and related expenditures for only that portion of the year covered by the grant and the budget will be amended when the grant is extended or renewed; and
- 2) Reductions in grant revenue where the grant contract imposes a scheduled phase-out of revenues, but the annual operating expenditures are on-going and must be funded from non-grant sources (such as with law enforcement personnel grants accounted for within the Sheriff and Prosecuting Attorney budgets)

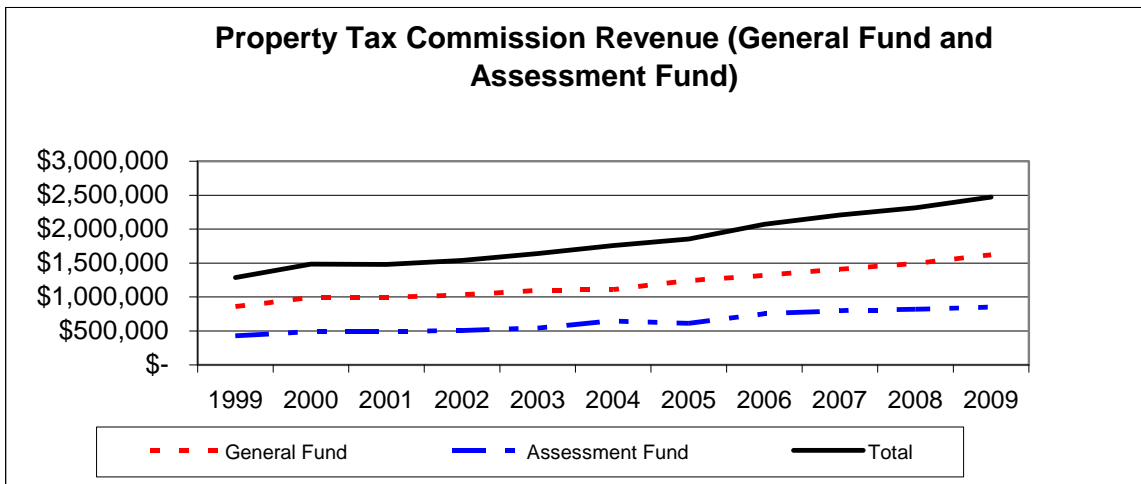
### Charges for Services (12.2% of total revenue)

Current year revenues for Charges for Services (fees, commissions, and other charges for services) reflect a net 9% increase for FY 2009, or approximately \$440,000, with a mixture of revenue increases and decreases across various revenue sources. Over one-half of these total revenues are derived from three sources: Real Estate recording fees, Collector property tax commission, and Assessor property tax commission.

As illustrated in the chart below, Real Estate recording fees hit record highs in FY 2003 with annual revenue of nearly \$1.2 million, but they have been steadily declining since. The FY 2009 budget includes estimated revenue of \$609,000, which reflects a slight increase over the prior year and a return to 2001 revenue levels.



Property tax commissions generate revenue for the Assessment Fund and the General Fund. It continues to provide a stable source of growing revenue, as shown in the chart below. Average annual growth is approximately 4-5%.



### Fines and Forfeitures, Interest, and Other Revenues (2.4% of total revenue)

The County's General Fund receives a portion of bond forfeiture revenue. In the past, the County also received forfeiture revenue for the Sheriff and the Prosecuting Attorney pertaining to certain drug-related cases. This is a nominal revenue source to the County.

Interest revenue is expected to fall short of budget for FY 2008 due to declining investment rates, and the FY 2009 revenue estimates have been reduced accordingly.

The decline in Other Revenue is accounted for in the Fairground Maintenance Fund. In FY 2008, the County received one-time contributions for a fairground project.

## **Hospital Lease Revenue (3.8% of total revenue)**

The County Commission and the Boone Hospital Center Board of Trustees approved a revised and amended lease agreement with CH Allied Services, Inc. (CHAS), for the lease of the Boone Hospital Center. CHAS leases the property, plant and equipment of the Hospital for the purposes of managing and operating the Hospital. Since the inception of the lease in 1988, the Trustees serve as lessor and share in certain management responsibilities pursuant to the lease agreement. The initial term of the revised and amended lease agreement extended through December 31, 2010, subject to early termination provisions, with a renewal option to CHAS for an additional five years. During 2006, the Hospital Board of Trustees successfully negotiated an amendment to the lease which accomplished several things including a revised expiration date of December 31, 2015, a significant reduction in lease compensation paid to CHAS, and a significant increase in reinvestment in hospital assets.

In addition to the lease payments to the Boone Hospital Board of Trustees, the current lease agreement calls for an annual lease payment to the County in the amount of \$1,350,000 (2001 as the base year), to be adjusted annually by the Consumer Price Index (CPI). Accordingly, the FY 2009 Budget includes estimated lease revenue of \$1.67 million. The Hospital lease revenue accounts for 3.8% of revenue for all governmental funds and 7% of revenue to the General Fund. Under the terms of the 2006 amendment, beginning in 2009, the County will receive an additional \$500,000 each year to be used for community medical or health needs.

## **Expenditure Assumptions and Projections**

The FY 2009 Budget for all governmental funds reflects total expenditures of \$51.8 million, which represents a 4% decrease over the prior year's budget of \$53 M.

A multi-year comparison of expenditures by functional category is presented below.

## Expenditures by Function— All Governmental Funds Combined

Expenditures by Function	2007 (Actual)	2008 (Budget)	2008 (Projected)	2009 (Budget)	% Change 09 Budget over 08 Budget	% of Total for 2009
Policy & Administration*	\$ 7,210,454	10,144,575	8,106,462	8,923,466	-12%	17.2%
Law Enforcement & Judicial	16,757,051	18,264,567	17,770,455	18,308,602	0%	35.3%
Environment, Buildings & Infrastructure	13,313,154	20,639,532	14,332,136	19,662,962	-5%	37.9%
Community Health & Public Services	1,183,491	1,387,282	1,301,043	1,404,612	1%	2.7%
Capital Outlay	2,149,663	1,373,903	1,213,926	1,594,585	16%	3.1%
Debt Service	701,609	741,519	741,016	703,864	-5%	1.4%
Other**	1,274,010	1,309,388	1,260,670	1,248,650	-5%	2.4%
<b>Total Expenditures</b>	<b>42,589,432</b>	<b>53,860,766</b>	<b>44,725,708</b>	<b>51,846,741</b>	<b>-4%</b>	<b>100.0%</b>

Schedule includes all governmental funds: the General Fund, special revenue funds, debt service funds, and capital project funds

\* Includes Auditor, Human Resources, Purchasing, Commission, County Counselor, Clerk, Election and Registration, Treasurer, Collector, Recorder, Information Services, GIS, Non-Departmental, Insurance & Safety, Employee Benefits, Mail Services, Records Management, Assessment

\*\* Includes Economic Development, Recreation, Protective Inspection (Planning and Zoning and Building Codes, Animal Control, On-Site Waste Water, and Little Bonne Femme Watershed Project)

Historically, the County spends approximately 92% to 97% of its total annual appropriations. As shown in the table above, expenditures for FY 2008 are projected at approximately 96% of budget. In developing the FY 2009 Budget, a spending ratio of approximately 97% has been assumed. Applying this spending ratio to the FY 2009 Budget of \$51.8 million yields an *estimated actual spending* of \$50 million. Comparing this figure to the estimated revenue of \$44.2 million demonstrates that the County expects to decrease overall fund balance levels in its governmental funds during FY 2009. However, all funds are budgeted to be solvent at the conclusion of FY 2009 and the County will maintain minimum fund balance targets in the major operating funds. The County's fund balances are discussed in greater detail later in this Budget Message.

The County monitors the spending ratio and adjusts appropriation methodologies in light of significant changes or emerging trends. If the spending ratio increases such that county appropriations are fully expended each year, the County will need to limit annual appropriations to amounts equal to current period revenues; otherwise, the County may find that it is consistently reducing its reserves in order to pay for on-going expenses.

The County has three (3) major operating funds: the General Fund, the Road and Bridge Fund, and the Law Enforcement Services Fund. The FY 2009 General Fund Budget includes expenditures of \$24.9 million compared to estimated revenue of \$23.3 million. This suggests a spend-down of fund balance in the amount of \$1.6 million for operations. It is very unlikely that a spend-down of this magnitude will actually occur if the emergency appropriation, \$725,000, is not needed and the spending ratio is consistent with that of prior years. These assumptions appear to be valid and reliable. Locally-enacted budget revision policies require Commission approval on all but the most insignificant budget revisions, which serves to deter spend-down of appropriations and helps ensure a spending ratio of less than 100%. The actual spend-down of fund balance for the General Fund is expected to be approximately \$670,000



(expected 93% spending ratio). Undesignated and unreserved fund balance for the General Fund at the end of FY 2009 is expected to be \$4.9 million, based on budgeted expenditures, which represents 19% of total budget or 2.3 months' expenditures. The minimum fund balance target is 15-20%.

The Road and Bridge Fund FY 2009 Budget includes expenditures of \$20.37 million compared to revenue of \$15.3 million. As part of the budget development process, the County Auditor and Public Works management complete an analysis of projected spending for the current year, identifying carry-over resources that will be available for appropriating in the following fiscal year. This process results in an annual budget that exceeds revenue; however, the process ensures that minimum fund balance targets are maintained. The projected ending fund balance for the Road and Bridge Fund of 9.8 % of total budget (or 1 month's expenditures) meets the target minimum fund balance of 5-10%.

The Law Enforcement Services Fund reflects revenues of \$2.9 million and expenditures of \$3.27 million and a projected ending fund balance of approximately \$300,000, or 10% of total budget.

Ten-year comparative historical data for expenditures is presented in the *Appendix* section at the end of this document.

### **Policy and Administration (17.2 % of total expenditures)**

The FY 2009 Budget decrease for Policy and Administration is primarily attributable to the reduction in county election costs, which were significantly increased in FY 2008.

### **Law Enforcement and Judicial (35.3 % of total expenditures)**

This functional area reflects no significant change in total spending.

### **Environment, Buildings, and Infrastructure (37.9 % of total expenditures)**

Spending in this functional area is primarily comprised of the appropriations in the Fairgrounds Maintenance Fund and the Public Works Department (county roads and bridges), *net* of any capital appropriations (i.e., new and replacement equipment) which are included in Capital Outlay. Expenditures may fluctuate from year-to-year, particularly when realized budget savings in the Road and Bridge Fund accumulate in one year and are appropriated the following year, as described above. The decrease in total appropriations is primarily accounted for within the Fairgrounds Maintenance Fund due to significant one-time FY 2008 appropriations.

### **Community Health and Welfare (2.7 % of total expenditures)**

This functional area reflects no significant change in total spending.

### **Capital Outlay (Fixed Assets) (3.1 % of total expenditures)**

Each year, the County Commission approves funding for investment in new and replacement fixed assets. This category includes appropriations for new and replacement fixed assets and consists primarily of new and replacement machinery and equipment, new and replacement

vehicles, and new and replacement computer hardware and software. This type of capital expenditure is sometimes referred to as “pay-as-you-go” capital, because it is fully incorporated into the annual operating budget for a given department rather than included in a capital improvement plan or in a separate capital project budget. In the schedules above, all appropriations relating to fixed assets, across all functional areas, are combined and presented as “Capital Outlay” rather than as spending within the given functional area. A complete schedule of these appropriations for FY 2009 is presented in the *Personnel and Capital Expenditure Summaries* tab section.

Established replacement schedules serve as general guides in developing these appropriations. In addition, appropriations for new fixed assets are evaluated and ranked each year during the budget process. Unfunded requests of a given year are considered again the following year; however, they are not necessarily given preferential ranking.

The increase in Capital Outlay spending from FY 2008 to FY 2009 is primarily attributable to PW machinery replacement.

### **Debt Service (1.4 % of total expenditures)**

Debt Service expenditures are decreased from the prior year according to scheduled principle and interest payments and reflect the retirement of NID-related debt. As mentioned previously, property tax levies are not required for debt service. Additional information regarding the County’s long-term debt is presented later in this Budget Message and in the *General Information* tab section.

### **Other Expenditures (2.4 % of total expenditures)**

This category reflects reductions in Planning and Zoning and Building Code Inspection. Overtime and contracted professional services have been reduced in response to declining activity and revenue.

## **Changes in Personnel Staffing Levels**

The FY 2009 budget reflects minimal changes to permanent and temporary staffing levels and they are summarized below. For complete information regarding personnel staffing for the current year and the past 10 years, please refer to the *Personnel and Capital Summaries* tab section in this document.

- Eliminate a vacant 1.0 FTE Deputy Recorder position (benefited) for the Recorder of Deeds (funded from General Fund). This is a permanent decrease until such time that the position is again needed.
- Increase Program Assistants Pool position (non-benefited) by .23 FTE for the Alternative Sentencing Center (funded from Law Enforcement Sales Tax Fund). Permanent increase.
- Decrease election worker pool hours by 1.96 FTE for County Clerk (funded from General Fund). Temporary decrease in non-election year.

- Decrease a 1.0 FTE Corrections Cook position (benefited and funded from the General Fund) to a 0.5 FTE Cook position (benefited). Permanent decrease.
- Reclassify three (3) FTE Maintenance Worker II positions to Maintenance Worker III positions (funded from the Road and Bridge Fund). Permanent increase.
- Add a 1.0 FTE Maintenance Worker III position (benefited) to replace a temporary position which had been added in a prior year. Also, add a 1.0 FTE Sign Maintenance Specialist (benefited); and decrease the Maintenance Worker I pool position by 1.17 FTE (non-benefited). Taken together, these result in a net increase of 0.83 FTE and benefit increases two (2) positions (funded from the Road and Bridge Fund). Permanent increase.
- Eliminate a 1.0 FTE Stormwater Engineer (benefited) and replace it with a 1.0 FTE Stormwater Coordinator (benefited) for a net FTE impact of zero (funded from the Road and Bridge Fund). Permanent change.
- Eliminate the temporary 1.0 FTE Office Specialist pool position (non-benefited) which was added in 2007 to support a scanning project (funded from the Road and Bridge Fund).
- Add a 1.0 FTE Civil Engineer (benefited and funded from the Road and Bridge Fund). Permanent increase.
- Add a .75 FTE Stormwater Educator (benefited) in lieu of contractual services (funded from the Road and Bridge Fund). Permanent increase.
- Transfer .50 FTE budget allocations (.25 FTE for each of two positions) FROM the Prosecuting Attorney Bad Check Fund TO the Prosecuting Attorney Tax Collection Fund for a net impact of zero to FTE levels.

## Capital Improvement Projects

The County's infrastructure-related improvement projects are small-scale and funded on a pay-as-you-go basis from the annual operating revenues in the Road and Bridge Fund. As a result, they are budgeted and accounted for within the Public Work's annual operating budget.

Large-scale capital improvement projects occur infrequently and consist primarily of facility-related projects and are budgeted and accounted for within a capital project fund. Projects of this nature typically require several years to complete and are usually financed with special revenues dedicated to the project. Because of this, it is important to present this information separate from the annual operating budget. Please refer to the *Capital Project Budgets* tab section for information regarding the County's capital projects.

## Fund Balances

The County continues to meet minimum fund balance targets in its major operating funds. *Fund balance* is the difference between the assets and liabilities of a particular fund. Fund

balance may be reserved, designated, or undesignated/unreserved. Undesignated/unreserved fund balance amounts represent fund resources that are available for appropriation. The schedule below shows the projected fund balance amounts at the end of FY 2009 for the County's major funds, nonmajor funds, and all governmental funds (except capital project funds) taken as a whole.

## Projected Undesignated/Unreserved Fund Balances at December 31, 2009

	-----Major Funds-----				
			Law Enforcement	Nonmajor Governmental	All Governmental
	General Fund	Road and Bridge Fund	Services Fund	Funds	Funds
Projected Fund Balance 12/31	\$ 5,615,617	4,172,796	1,204,634	4,219,787	15,212,834
Less: Reserves and Designations	(767,539)	(2,173,263)	(877,426)	(1,040,028)	(4,858,256)
Projected Available Fund Balance	\$ 4,848,078	1,999,533	327,208	3,179,759	10,354,578
As a percent of expenditures	19%	10%	10%	97%	20%
# of months expenditures	2.3	1.2	1.2	11.7	2.4

**Reservations of fund balance** are required for encumbrances, restricted assets, and long-term receivables such as those associated with the Neighborhood Improvement District projects where bonds have not been issued or for long-term receivables such as the McBaine Levy District. **Designations of fund balance**, on the other hand, are discretionary. The County currently designates a portion of the Law Enforcement Sales Tax Fund for design and implementation of a system-wide law enforcement and judicial information system as well as for future out-of-facility inmate housing. Detailed information for each fund is available in the Fund Statements section of this document.

The **undesignated and unreserved fund balance** is intended to meet three primary objectives. **First**, it provides contingency funds in the event the County experiences a revenue shortfall, an economic slow-down, or an unforeseeable emergency. Using fund balance in a contingency manner allows the County to continue operations without disruption, even though revenues may decline or significant unforeseen emergency costs are encountered. This use of fund balance must be monitored closely because it cannot be sustained for long. In addition, replenishing fund balance is a slow process, usually requiring several years; therefore, extreme care should be exercised in spending fund balances. Given the County's significant dependence on sales tax revenue and the increased exposure to its inherent volatility, the County desires to maintain higher fund balances in its primary operating funds, especially the General Fund. As previously noted, the fund balance in the General Fund is being depleted this year as a result of the significant economic slow-down. **Secondly**, undesignated/unreserved fund balances provide resources to meet cash flow requirements and to generate investment income. **Thirdly**, it allows for financial planning and tax rate stability. In the event the County Commission determines that fund balance levels are more than is needed and that the amounts truly are "surplus", the County's policy is to commit these funds to capital or non-recurring needs.

For additional information regarding the County's Fund Balance Policies, please refer to the *Fiscal and Budget Policies* which are presented in the *General Information* tab section.

The table below shows the projected changes in fund balances for FY 2009.

## Projected Changes in Fund Balances at December 31, 2009

-----Major Funds-----					
	General Fund	Road and Bridge Fund	Law	Nonmajor	All Governmental Funds
			Enforcement Services Fund	Governmental Funds	
Projected Fund Balance 12/31	5,615,617	4,172,796	1,204,634	4,219,787	15,212,834
Projected Fund Balance 1/1	\$ 7,343,140	9,094,464	1,535,484	4,653,265	22,626,353
Projected Change in Fund Balance	\$ (1,727,523)	(4,921,668)	(330,850)	(433,478)	(7,413,519)
Percentage Change	-24%	-54%	-22%	-9%	-33%

As previously discussed, the expected decline in fund balance in the General Fund is primarily due to sluggish and declining revenues. Also, as previously discussed, the County does not fully expend appropriations each year and this trend is expected to continue in FY 2009. As a result, although fund balance in the General Fund will be reduced, County officials expect the actual reduction to be less than the amount shown in the schedule below.

The beginning fund balance (1/1/09) in the Road and Bridge Fund will be much higher than originally budgeted due to FY 2008 appropriations not being spent. Several projects included in the FY 2008 budget did not progress as planned and are being re-budgeted again in FY 2009. In addition, several FY 2008 operating appropriations are expected to have significantly favorable variances. FY 2009 appropriations have been increased in accordance with these available resources, which accounts for the large decline shown above.

The projected decline in fund balance in the Law Enforcement Services Fund is due to flat sales tax revenue. Personnel costs comprise the majority of this fund's expenditures and despite holding the line on salary increases and other operating costs, a spend-down of fund balance will be required in order to fund equipment acquisition and replacement.

The decline in non-major governmental funds is primarily attributable to a budget practice observed in several of the special revenue funds. Each fiscal year, the majority of available fund balance is budgeted in a contingency line-item appropriation. This enables the appropriating authority to authorize budget transfers as needed throughout the year without going through the budget amendment process. In many instances, the contingency funds are unused which results in a higher opening fund balance. This results in a larger contingency appropriation which appears in the schedule above as a reduction in fund balance.

## Long-Term Debt

A schedule of outstanding debt for Boone County as of January 1, 2009 is presented in the *General Information* section of this document. Long-term debt expenditures consist of principle and interest for the Series 2003 special obligation bonds which are being retired through appropriations in the General Fund; several general obligation bond series associated with the Neighborhood Improvement District (NID) program, which are being retired through special assessments; and taxable special obligation bonds used to finance the purchase of downtown

properties adjacent to existing county facilities, which are being retired through a combination of lease revenue and transfers from the General Fund.

Debt service appropriations included in the FY 2009 Budget amount to \$704,000 or 1.4% of the total budget. As previously noted, no tax levies will be required for debt service.

The County's legal debt limit is equal to ten percent of net assessed value. Total assessed valuation at January 1, 2009 is in excess of \$2.2 billion which results in a legal debt limit of approximately \$220,000,000. Please refer to the debt limit calculations included in the long-term debt information in the *General Information* tab section. At this time, the County plans to issue additional debt in FY 2009 and beyond in conjunction with the Neighborhood Improvement District (NID) program and this debt will be retired through special assessments.

### *Awards and Acknowledgements*

The County's Budget for Fiscal Year 2008 was awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA). The Budget Award Program is designed to improve the quality of budget information prepared by local governments for the benefit of its citizens and decision makers. The County has received this award since 1997.

### *Conclusion*

In closing, I wish to acknowledge the significant contribution of all those who assisted in the preparation and analysis of this data, particularly the staff of the Boone County Auditor's Office, whose effort and commitment to excellence have made this document possible.

Respectfully Submitted,

*s/s June Pitchford*

Boone County Auditor  
Budget Officer

# Schedule of Commission Changes to the 2009 Proposed Budget

	<u>Expenditure</u>	<u>Dept. Account</u>	<u>Revenue</u>	<u>Description</u>
<b>General Fund (Fund #100)</b>				
<b>Rebudgeted Items from FY 2008:</b>				
Computer Hardware	10,000	1230 91301		Related to Courthouse Expansion project
Replacement Furniture & Fixtures	3,000	1230 92100		Related to Courthouse Expansion project
<b>Subtotal</b>	<u>13,000</u>			
<b>Personnel Changes:</b>				
Eliminate Office Manager position (Commission Office)	(47,396)	1121 1xxxx		Per Commission
Add Public Information Officer position (Commission Office)	44,624	1121 1xxxx		Per Commission
Reduce vacant Corrections Cook position from 1.0 to 0.5 FTE	(13,337)	1255 1xxxx		Staffing reduction recommended by Sheriff
Election & Registration - Elections Clerk Part-time Pool	(6,654)	1132 1xxxx		Staffing reduction recommended by County Clerk. Change budget hours for pos #257 from 1600 to 1000.
<b>Subtotal</b>	<u>(22,763)</u>			
<b>Changes to Various Revenue Estimates and Appropriations:</b>				
Non-Departmental: Reduction in Audit Fees	(18,000)	1190 71101		Result of RFP process
Mail Services - Software Service Contracts	300	1194 70050		Per/Zip4 & Per/Sort Software pricing increase
STOP Violence Against Women (Prosecutor)		1251 3411	(728)	Grant funding reduction
STOP Violence Against Women (Sheriff)		1261 3411	(5,397)	Grant funding reduction
Sheriff - Equipment Repairs/Maintenance	(6,966)	1251 60200		To correct allocation of costs between General Fund and Prop L
Full-Time Traffic Unit Grant (Sheriff's Dept)		1251 3411	771	Correct revenue budget calculation
Insurance & Safety - Other Supplies	(900)	1191 23050		Reduce supplies budget, as agreed by County Clerk
Insurance & Safety - Minor Equipment & Tools <\$1000	(4,600)	1191 23850		Reduce equipment budget, as agreed by County Clerk
Records Mgmt Services - Recycling & Dump Fees	(2,400)	1196 83160		Reduce budget per historical need, as agreed by County Clerk
IV-D Grant Reimbursement		1263 3465	(16,767)	Reduced revenue per letter from State Dept of Social Services
IV-D - Seminars/Conference/Meetings	(605)	1263 37200		Budget Reduction required as a result of reduced state funding
IV-D - Travel	(229)	1263 37220		Budget Reduction required as a result of reduced state funding
IV-D - Meals & Lodging	(980)	1263 37230		Budget Reduction required as a result of reduced state funding
IV-D - Telephones	(109)	1263 48000		Budget Reduction required as a result of reduced state funding
IV-D - Data Communication	(600)	1263 48002		Budget Reduction required as a result of reduced state funding
<b>Subtotal</b>	<u>(35,089)</u>		<u>(22,121)</u>	
<b>New Grant Award:</b>				
STOP Violence Against Women-New Grant Award (Expenditures)	47,304	1243 71100		Batterer's Intervention Program
STOP Violence Against Women-New Grant Award (Revenues)		1243 3411	47,304	Batterer's Intervention Program
<b>Subtotal</b>	<u>47,304</u>		<u>47,304</u>	
<b>Revisions to the Proposed Budget</b>	<u>2,452</u>		<u>25,183</u>	
<b>Assessment Fund (Fund #201)</b>				
Reimbursement for Special Projects		2010 3525	115,000	USGS/Corp of Engineers Cost Share 2' Contours
<b>Revisions to the Proposed Budget</b>	<u>-</u>		<u>115,000</u>	

# Schedule of Commission Changes to the 2009 Proposed Budget cont'd

	<u>Expenditure</u>	<u>Dept. Account</u>	<u>Revenue</u>	<u>Description</u>
<b>Road and Bridge (Fund #204)</b>				
<b>Rebudgeted Items from FY 2008:</b>				
McBaine Bridge Project- Federal Funds (Revenue)		2049 3465	726,750	Rebudget McBaine Bridge project
McBaine Bridge Project- estimated total project costs	1,137,156	2045 71100		Rebudget McBaine Bridge project
Subdivision Improvements	80,000	2045 71100		Rebudget Sunrise Estates/Broadview Pipe
Subdivision Improvements	89,200	2045 71100		Rebudget El Chaparral/Pecos Ct
Bridge	204,600	2045 71100		Thomas Hill
Pave in Place	568,000	2045 71100		Boothe Lane
Bridge - Full Deck Repair	58,500	2045 71100		Andrew Sapp Road
Bridge - Full Deck Repair	58,500	2045 71100		Nashville Church Road
Curb Inlets - 9	91,000	2045 71100		Meadow Brook West Subdivision
Stormwater Improvements	125,000	2045 71100		Spiva Crossing
Construction Inspection	2,500	2045 71101		McBaine Bridge
Easement Acquisition	320,000	2045 71118		Rolling Hills
Easement Acquisition	5,000	2045 71118		McBaine Bridge
<b>Subtotal</b>	<b>2,739,456</b>		<b>726,750</b>	
<b>Additional appropriations funded with resources carried forward from the prior year:</b>				
<b><u>Maintenance Operations</u></b>				
<b>Personnel Increases/Decreases:</b>				
Upgrade 3 Maintenance Worker II to Maintenance Worker III	10,180	2040 1xxxx		
Add Maintenance Worker III - 1.0 FTE	41,876	2040 1xxxx		New Permanent Position
				New Permanent Position; the Proposed Budget included temporary funding per Commission Order # 136-2007; the Commission has approved this a permanent position
Add Maintenance Worker III - Sign Specialist 1.0 FTE	-	2040 1xxxx		Reduced hours - 3,440 hrs to 1,000 hrs to partially off-set cost of new permanent position
Reduce Hours - Maintenance Worker I Pool Position (-1.17 FTE)	(33,756)	2040 1xxxx		Facilities Maintenance will report directly to Commission instead of to PW Director
Eliminate partial allocation of Director salary to Facilities Maintenance	3,935	2040 1xxxx		
<b>Other Operating Accounts:</b>				
Pavement Repair Materials	20,000	2040 26000		
Rock	200,000	2040 26200		
Rock-Vendor Hauled	200,000	2040 26201		
Material & Chemical Supply	35,000	2040 26300		
Motorfuel/Gasoline	200,000	2040 59000		
Tires	20,000	2040 59105		
Software Service Contract	27,000	2040 70050		Software for GPS Units (26)
Outside Services	75,000	2040 71100		Snow Removal Contract
Engineering Services	10,000	2040 71102		Safety Improvements (Catwalks)
<b>Building &amp; Equipment:</b>				
Building Improvements	85,000	2040 91200		Catwalks
Machinery & Equipment	104,000	2040 91300		Asphalt Zipper
Machinery & Equipment	15,750	2040 91300		GPS Units (26)
Computer Hardware	6,039	2040 91301		Toughbook/Mounting/Docking Stations/Network Printer
Computer Hardware	120	2040 91301		UPS power backups for phone system
Computer Software	1,879	2040 91302		Toughbook Software/ArcPad/Office Pro
Auto/Truck	3,150	2040 91400		Snow Plow
Auto/Truck	4,900	2040 91400		Material Spreader
Replacement Machinery & Equipment	430,000	2040 92300		Motorgraders (2)
Sale of Fixed Assets		2049 3835	140,000	Motorgraders (2)
Replacement Machinery & Equipment	4,500	2040 92300		Radio Replacements
Replacement Machinery & Equipment	36,000	2040 92300		Mower Section
Replacement Machinery & Equipment	580	2040 92301		Monitors
Replacement Auto/Truck	24,000	2040 92400		1/2 T Extended Cab Pickup 4WD
Sale of Fixed Assets		2049 3835	2,500	Sale of F-150
Replacement Auto/Truck	37,500	2040 92400		One Ton Utility Truck
Sale of Fixed Assets		2049 3835	2,500	Sale of Chevrolet Pickup



# Schedule of Commission Changes to the 2009 Proposed Budget cont'd

	<u>Expenditure</u>	<u>Dept. Account</u>		<u>Revenue</u>	<u>Description</u>
<b>Design &amp; Construction</b>					
<i>Personnel Increases/Decreases:</i>					
Addition of Civil Engineer 1.0 FTE	59,619	2045	1xxxx		New permanent position added
Addition of Stormwater Educator .75 FTE	39,769	2045	1xxxx		New permanent position. Replaces contractual services with net \$10,169 cost increase plus \$6,850 start-up furniture/equipment.
Eliminate partial allocation of Director salary to Facilities Maintenance	6,635	2045	1xxxx		Facilities Maintenance will report directly to Commission instead of to PW Director
<i>Other Operating Accounts:</i>					
Printing	5,000	2045	23001		Stormwater Educator - Graphic Design/Printing
Other Supplies	1,400	2045	23050		Stormwater Educator - Training/Meeting Materials
Outside Services	362,844	2045	71100		McBaine Bridge Cost Escalation
Outside Services	182,000	2045	71100		Additional Funding for Boothe Lane
Engineering Services	50,000	2045	71100		Owens School Road
Outside Services	200,000	2045	71100		Owens School Bridge Construction
Engineering Services	200,000	2045	71100		Country Hill Stormwater Phase 1 or Trails West
Outside Services	136,000	2045	71100		Lakewood Drive
Professional Services	(36,000)	2045	71101		Stormwater Education
Engineering Services	78,000	2045	71102		Bridge Design Highpoint #1 & 2
Engineering Services	18,000	2045	71102		Fairway Meadows Engineering
Outside Services	50,000	2045	71102		Unanticipated Design
Outside Services	175,000	2045	71102		St. Charles Road Round-a-bout Utility Relocation
Engineering Services	60,000	2045	71102		Waco Road Final Design
Easement Acquisition	25,000	2045	71118		St. Charles Road Round-a-bout
<i>Building &amp; Equipment:</i>					
Furniture & Fixtures	5,000	2045	91100		Civil Engineer - Cubicle
Furniture & Fixtures	5,000	2045	91100		Stormwater Educator - Cubicle
Machinery & Equipment	1,800	2045	91300		Dissolved Oxygen Meter
Computer Hardware	1,350	2045	91301		Civil Engineer - PC/Monitor/Keyboard
Computer Hardware	350	2045	91301		Stormwater Educator .75 FTE- Monitor
Computer Hardware	290	2045	91301		Monitor - Inspector
Computer Hardware	1,100	2045	91301		Docking Stations for Inspectors (4)
Computer Software	1,000	2045	91302		Civil Engineer
Computer Software	1,500	2045	91302		Stormwater Educator .75 FTE
Computer Software	425	2045	91302		ArcPad License for Trimble GPS Unit
Replacement Machinery & Equipment	1,790	2045	92300		Traffic Counters
Replacement Auto/Truck	24,000	2045	92400		1/2T Extended Cab Pickup 4WD
Sale of Fixed Assets		2049	3835	3,250	Sale of Blazer
<b>Subtotal</b>	<u>3,219,525</u>			<u>148,250</u>	
<b>Commission Revisions Added to the Proposed Budget</b>	<u>5,958,981</u>			<u>875,000</u>	
<b>Fairgrounds Maintenance Fund (Fund #212)</b>					
Balance remaining on Grant - Revenue		2120	3411	19,005	Federal Land and Water Conservation Grant (LWCF)
Balance remaining on Grant - Expenditure	19,005	2120	3411		Fairgrounds improvement project (\$57,000 in FY 2008)
<b>Commission Revisions to the Proposed Budget</b>	<u>19,005</u>			<u>19,005</u>	
<b>Law Enforcement Services Fund (Fund #290)</b>					
Sheriff Operations - Equipment Repairs/Maintenance	7,000	2901	60200		To correct allocation of costs between General Fund and Prop L (\$6,966 rounded)
Contingency - Video Arraignment Equip (Probate/Mental Health)	15,000	2900	86850		
<b>Commission Revisions to the Proposed Budget</b>	<u>22,000</u>			<u>-</u>	
<b>Self Insured Health Insurance Fund (Fund #600)</b>					
Internal Service Charge		6000	3530	5,145	Resulting from various benefitted FTE changes
<b>Commission Revisions Added to the Proposed Budget</b>	<u>-</u>			<u>5,145</u>	

# Schedule of Commission Changes to the 2009 Proposed Budget cont'd

	<u>Expenditure</u>	<u>Dept. Account</u>	<u>Revenue</u>	<u>Description</u>
<b>Self Insured Dental Insurance Fund (Fund #601)</b>				
Internal Service Charge		6010 3530	433	Resulting from various benefitted FTE changes
<b>Commission Revisions Added to the Proposed Budget</b>	<u>-</u>		<u>433</u>	
<b>Self Insured Worker's Comp Insurance Fund (Fund #602)</b>				
Internal Service Charge		6020 3530	(4,030)	Resulting from various benefitted FTE changes
<b>Commission Revisions Added to the Proposed Budget</b>	<u>-</u>		<u>(4,030)</u>	
<b>Self Insured Workers Comp Loss Control Fund (Fund #603)</b>				
Ergonomics Study	9,000	6030 71106		
<b>Commission Revisions Added to the Proposed Budget</b>	<u>9,000</u>		<u>-</u>	
<b>Facilities &amp; Grounds (Fund #610)</b>				
Salary and Wages	(7,310)			Remove reimbursement of Director's Salary
FICA	(560)			Remove reimbursement of FICA for Director's Salary
<b>Commission Revisions Added to the Proposed Budget</b>	<u>(7,870)</u>		<u>-</u>	

## Summary of Commission Revisions Added to the Proposed Budget:

	<u>Expenditure</u>	<u>Revenue</u>
<b>Governmental Funds:</b>		
General Fund (100)	\$ 2,452	25,183
Assessment Fund (201)	-	115,000
Road and Bridge Fund (204)	5,958,981	875,000
Fairgrounds Maintenance Fund (212)	19,005	19,005
Law Enforcement Services Fund (290)	22,000	-
Total	<u>6,002,438</u>	<u>1,034,188</u>
<b>Internal Service Funds:</b>		
Self Insured Health Insurance Fund (600)	-	5,145
Self Insured Dental Insurance Fund (601)	-	433
Self Insured Workers Compensation Fund (602)	-	(4,030)
Self Insured Workers Compensation Loss Control Fund (603)	9,000	-
Facilities Maintenance Fund (610)	(7,870)	-
Total	<u>1,130</u>	<u>1,548</u>
Combined Total, all fund types (memorandum only)	<u>\$ 6,003,568</u>	<u>1,035,736</u>