

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
County of Boone } ea.

March Session of the January Adjourned

Term. 20 12

In the County Commission of said county, on the 1st day of March 20 12

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the attached order approving a lease purchase transaction and the delivery of refunding certificates of participation, series 2012, for the purpose of providing funds to pay the costs of refunding certain outstanding obligations of the county; authorizing and approving certain documents in connection with the delivery of the certificates; and authorizing certain other actions in connection with the delivery of the certificates. It is further ordered the Boone County Commissioners are hereby authorized to sign said order.

Done this 1st day of March, 2012.

ATTEST:

Wendy S. Noren cc
Wendy S. Noren
Clerk of the County Commission

Daniel K. Atwill
Daniel K. Atwill
Presiding Commissioner

Karen M. Miller
Karen M. Miller
District I Commissioner

Absent
Skip Elkin
District II Commissioner

AN ORDER APPROVING A LEASE PURCHASE TRANSACTION AND THE DELIVERY OF REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2012, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF REFUNDING CERTAIN OUTSTANDING OBLIGATIONS OF THE COUNTY; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.

WHEREAS, the County Commission finds and determines that it is advantageous and in the best interests of Boone County, Missouri (the "County"), that the County enter into certain transactions with The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), relating to the delivery by the Trustee of Refunding Certificates of Participation, Series 2012 (the "Certificates"), for the purpose of refunding all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, currently outstanding in the aggregate principal amount of \$2,480,000 (the "Refunded Bonds"); and

WHEREAS, in connection with the delivery of the Certificates, the County Commission finds it necessary to authorize the execution of (1) a Base Lease dated as of March 1, 2012 (the "Base Lease"), between the County and the Trustee, pursuant to which the County will lease to the Trustee certain real estate, which includes the property upon which the County's juvenile justice center is located, together with all improvements now or hereafter situated thereon (the "Leased Property"), for rent, including the deposit of the proceeds of the Certificates, to pay the cost of refunding the Refunded Bonds; and (2) a Lease Purchase Agreement dated as of March 1, 2012 (the "Lease"), pursuant to which the Trustee will lease the Leased Property back to the County on an annually renewable basis and the County will make payments of Base Rentals to the Trustee that will be sufficient, during any term of the Lease, to pay the principal of, premium, if any, and interest distributable with respect to the Certificates as the same become due;

NOW, THEREFORE, BE IT ORDERED BY THE COUNTY COMMISSION OF BOONE COUNTY, MISSOURI, AS FOLLOWS:

Section 1. Approval of Delivery of the Certificates. The County hereby approves the delivery of the Certificates in an amount that will be sufficient, together with amounts being held for the benefit of owners of the Refunded Bonds, to provide funds to (a) refund the Refunded Bonds, (b) fund a reserve fund for the Certificates, and (c) pay costs in connection with the execution and delivery of the Certificates, the Base Lease, the Lease and related agreements. The Certificates shall be delivered and secured pursuant to the herein approved Declaration of Trust. The Certificates shall be dated as of their date of deliver, shall become due on February 1 in the years 2013 through 2018, and in the annual amounts, and shall bear interest from the date thereof payable semiannually on February 1 and August 1, beginning August 1, 2012, at rates per annum, all as provided in the Certificate Purchase Agreement mentioned below.

The sale of the Certificates to Piper Jaffray & Co., Leawood, Kansas (the "Purchaser"), in accordance with the Certificate Purchase Agreement is hereby approved. Delivery of the Certificates shall be made to the Purchaser as soon as practicable after the adoption of this Order, upon payment therefore in accordance with the terms of the sale. The Certificates shall be in such denominations, shall be in such forms, shall be subject to prepayment prior to the stated payment dates thereof, shall have such other terms and provisions, and shall be executed and delivered in such manner subject to such provisions, covenants and agreements as are set forth in the Declaration of Trust.

Section 2. Limited Obligations. The obligation of the County to pay Basic Rent Payments (as defined in the Lease) under the Lease is subject to annual appropriation and shall constitute a current expense of the County and shall not in any way be construed to be an indebtedness or liability of the County in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness or liability by the County, nor shall anything contained in the Lease constitute a pledge of the general tax revenues, funds or moneys of the County, and all provisions of the Lease shall be construed so as to give effect to such intent.

Section 3. Authorization of Documents. The County is hereby authorized to enter into the following documents, in substantially the forms presented to and reviewed by the County Commission at this meeting and attached to this Order (copies of which documents shall be filed in the records of the County), with such changes therein as shall be approved by the officer or officers of the County executing such documents (the "Financing Documents"), such officer's or officers' signatures thereon being conclusive evidence of his, her or their approval thereof:

(a) Base Lease dated as of March 1, 2012 (the "Base Lease"), between the County and the Trustee (attached hereto as **Exhibit A**).

(b) Lease Purchase Agreement dated as of March 1, 2012 (the "Lease"), between the Trustee and the County (attached hereto as **Exhibit B**).

(c) Continuing Disclosure Agreement dated as of March 1, 2012 (the "Continuing Disclosure Agreement"), between the County and The Bank of New York Mellon Trust Company, N.A., as dissemination agent (attached hereto as **Exhibit C**).

(d) Certificate Purchase Agreement dated March 1, 2012 (the "Purchase Agreement") among the County, the Trustee and the Purchaser (attached hereto as **Exhibit D**).

(e) Tax Compliance Agreement dated March 1, 2012 (the "Tax Compliance Agreement"), executed by the County (attached hereto as **Exhibit E**).

Section 4. Approval of Declaration of Trust. The County hereby approves the Declaration of Trust dated as of March 1, 2012 (the "Declaration of Trust"), executed by the Trustee (attached hereto as **Exhibit F**), in substantially the form presented to and reviewed by the County Commission at this meeting (a copy of which document shall be filed in the records of the County).

Section 5. Execution of Documents. The County is hereby authorized to enter into the Financing Documents, and the Presiding Commissioner and County Clerk are hereby authorized and directed to execute and deliver, on behalf of the County, the Financing Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Order.

Section 6. Redemption of Refunded Bonds. The Refunded Bonds are hereby called for redemption prior to maturity on April 3, 2012, the redemption date thereof. The Refunded Bonds shall be redeemed at the principal payment office of The Bank of New York Mellon Trust Company, N.A., by the payment on the redemption date of a redemption price equal to 100% of the principal thereof, together with accrued interest thereon to the redemption date. The officers of the County are hereby authorized and directed to take such other action as may be necessary in order to effect the redemption of such Refunded Bonds as herein provided.

Section 7. Preliminary Official Statement and Official Statement. The County Commission hereby ratifies and approves the Preliminary Official Statement in the form attached hereto as **Exhibit G**, and the final Official Statement is hereby authorized and approved by supplementing, amending and completing

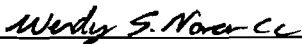
the Preliminary Official Statement, with such changes and additions thereto as are necessary to conform to and describe the transaction. The Presiding Commissioner is hereby authorized to execute the Official Statement as so supplemented, amended and completed. The County Commission consents to the use and public distribution by the Purchaser of the final Official Statement in connection with the offering for sale of the Certificates.

Section 8. Further Authority. The officers, agents and employees of the County, including the Presiding Commissioner and the County Clerk, are authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Order, and to carry out, comply with and perform the duties of the County with respect to the Financing Documents, to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.


Section 9. Effective Date. This Order shall take effect and be in full force after its approval by the County Commission.

APPROVED BY THE COUNTY COMMISSION OF BOONE COUNTY, MISSOURI, THIS
1st day of MARCH, 2012.

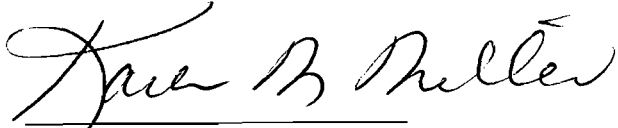
(SEAL)



Wendy S. Noren
Clerk of the County Commission



Daniel K. Atwill
Presiding Commissioner



Karen M. Miller
District I Commissioner



Skip Elkin
District II Commissioner

EXHIBIT A

BASE LEASE

[On file in the office of the County Clerk.]

EXHIBIT B

LEASE PURCHASE AGREEMENT

[On file in the office of the County Clerk.]

EXHIBIT C

CONTINUING DISCLOSURE AGREEMENT

[On file in the office of the County Clerk.]

EXHIBIT E

TAX COMPLIANCE AGREEMENT

[On file in the office of the County Clerk.]

EXHIBIT F

DECLARATION OF TRUST

[On file in the office of the County Clerk.]

EXHIBIT G

PRELIMINARY OFFICIAL STATEMENT

[On file in the office of the County Clerk.]

**ATTACHED IS A COPY OF THE ORDER
OF THE COUNTY COMMISSION
COMPLETE WITH EXHIBITS FOR
THE COUNTY'S PERMANENT RECORD.**



Final Refinancing Analysis
Presented to the:

BOONE COUNTY, MISSOURI

Prepared by:

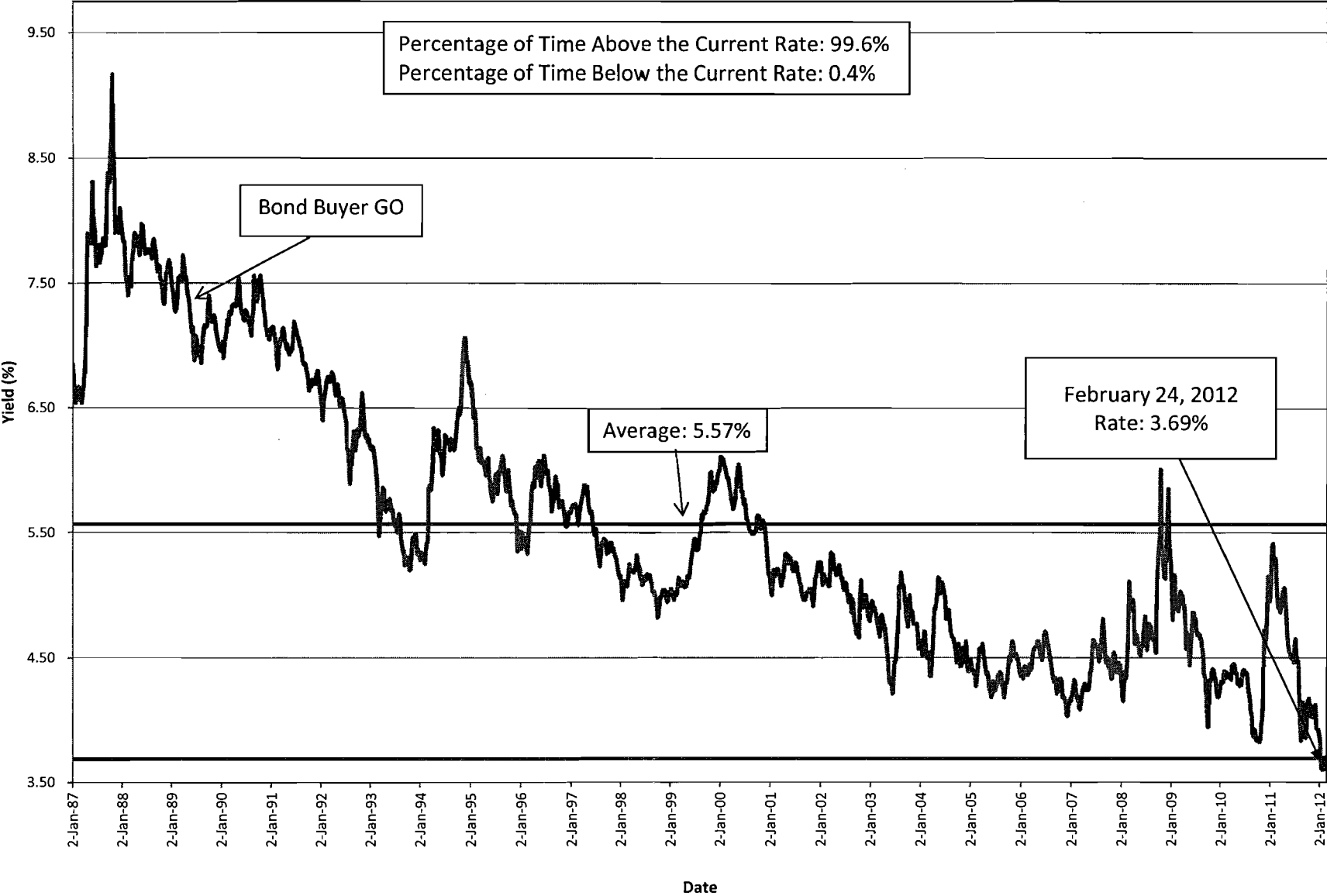
Jack Dillingham
Managing Director
(913) 345-3355
jack.c.dillingham@pjc.com

February 29, 2012

**GUIDES FOR
THE JOURNEY.®**

PiperJaffray

Bond Buyer 20 G.O. Bond Index (1987 to Present)



BOONE COUNTY, MISSOURI

REFUNDING CERTIFICATES OF PARTICIPATION SERIES 2012

REFINANCING SUMMARY

- ❖ Moody's "Aa2" rated, Refunding Certificates of Participation in the amount of \$2,230,000.
- ❖ Refinancing the Series 2003 Bonds maturing 2013-2018.
- ❖ Average interest rate of bonds being refinanced is 3.83%.
- ❖ All-in total interest cost of "Aa2" rated refunding issue is 2.12%.
- ❖ Total Savings

Total Net Debt Service Savings	\$176,650
Net Present Value Savings	\$171,414
Percentage Savings of Refunding Bonds	7.69%
- ❖ Decreases the Reserve Fund requirement from \$524,000 to \$221,000
- ❖ Minimum savings threshold of 5% present value savings authorized.
- ❖ Closing is March 15, 2012.

PiperJaffray®

OUTSTANDING BONDS

SUMMARY OF BONDS REFUNDED

Boone County, Missouri
 Certificates of Participation
 Series 2012 (Refunding 2003)
 FINAL

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 2003, 2003:					
SERIAL	02/01/2013	3.000%	325,000.00	04/03/2012	100.000
	02/01/2014	3.150%	335,000.00	04/03/2012	100.000
	02/01/2015	3.250%	345,000.00	04/03/2012	100.000
	02/01/2016	4.000%	360,000.00	04/03/2012	100.000
	02/01/2017	4.000%	370,000.00	04/03/2012	100.000
	02/01/2018	4.000%	745,000.00	04/03/2012	100.000
			2,480,000.00		

REFINANCING ANALYSIS

SAVINGS

Boone County, Missouri
 Certificates of Participation
 Series 2012 (Refunding 2003)
 FINAL

Date	Prior Debt Service	Prior Receipts	Prior Net Cash Flow	Refunding Debt Service	Refunding Receipts	Refunding Net Cash Flow	Savings	Present Value to 03/15/2012 @ 1.3070857%
02/01/2013	415,515.00	4,803.33	410,711.67	384,770.97	1,957.44	382,813.53	27,898.14	27,767.98
02/01/2014	415,765.00	5,240.00	410,525.00	382,612.50	2,230.00	380,382.50	30,142.50	29,557.98
02/01/2015	415,212.50	5,240.00	409,972.50	375,612.50	2,230.00	373,382.50	36,590.00	35,374.45
02/01/2016	419,000.00	5,240.00	413,760.00	388,612.50	2,230.00	386,382.50	27,377.50	26,144.84
02/01/2017	414,600.00	5,240.00	409,360.00	386,212.50	2,230.00	383,982.50	25,377.50	23,908.11
02/01/2018	774,800.00	529,240.00	245,560.00	441,525.00	225,230.00	216,295.00	29,265.00	27,168.95
	2,854,892.50	555,003.33	2,299,889.17	2,359,345.97	236,107.44	2,123,238.53	176,650.64	169,922.30

Savings Summary

PV of savings from cash flow	169,922.30
Plus: Refunding funds on hand	1,492.51
Net PV Savings	171,414.81

SUMMARY OF REFUNDING RESULTS**Boone County, Missouri
Certificates of Participation
Series 2012 (Refunding 2003)
FINAL**

Dated Date	03/15/2012
Delivery Date	03/15/2012
Arbitrage yield	1.307086%
Escrow yield	
Bond Par Amount	2,230,000.00
True Interest Cost	1.543089%
Net Interest Cost	1.544634%
Average Coupon	1.659890%
Average Life	3.494
Par amount of refunded bonds	2,480,000.00
Average coupon of refunded bonds	3.835078%
Average life of refunded bonds	3.825
PV of prior debt to 03/15/2012 @ 1.307086%	2,722,734.02
Net PV Savings	171,414.81
Percentage savings of refunded bonds	6.911888%
Percentage savings of refunding bonds	7.686763%

SOURCES AND USES OF FUNDS

Boone County, Missouri
 Certificates of Participation
 Series 2012 (Refunding 2003)
 FINAL

Dated Date 03/15/2012
 Delivery Date 03/15/2012

Sources:

Bond Proceeds:	
Par Amount	2,230,000.00
Net Premium	26,821.20
	2,256,821.20
Other Sources of Funds:	
Transfer from Prior Issue DSRF	524,000.00
	2,780,821.20

Uses:

Refunding Escrow Deposits:	
Cash Deposit	2,495,588.69
Other Fund Deposits:	
Debt Service Reserve Fund	223,000.00
Cost of Issuance:	
Special Tax Counsel	27,000.00
Rating Agency Fee	10,000.00
Title Insurance	3,000.00
Trustee Fee	2,500.00
Cusip	400.00
	42,900.00
Underwriter's Discount:	
(\$8 / 1000)	17,840.00
Other Uses of Funds:	
Additional Proceeds	1,492.51
	2,780,821.20

BOND DEBT SERVICE

Boone County, Missouri
 Certificates of Participation
 Series 2012 (Refunding 2003)
 FINAL

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
08/01/2012			14,964.72	14,964.72	
02/01/2013	350,000	2.000%	19,806.25	369,806.25	384,770.97
08/01/2013			16,306.25	16,306.25	
02/01/2014	350,000	2.000%	16,306.25	366,306.25	382,612.50
08/01/2014			12,806.25	12,806.25	
02/01/2015	350,000	2.000%	12,806.25	362,806.25	375,612.50
08/01/2015			9,306.25	9,306.25	
02/01/2016	370,000	2.000%	9,306.25	379,306.25	388,612.50
08/01/2016			5,606.25	5,606.25	
02/01/2017	375,000	1.250%	5,606.25	380,606.25	386,212.50
08/01/2017			3,262.50	3,262.50	
02/01/2018	435,000	1.500%	3,262.50	438,262.50	441,525.00
	2,230,000		129,345.97	2,359,345.97	2,359,345.97

BOND SUMMARY STATISTICS

Boone County, Missouri
 Certificates of Participation
 Series 2012 (Refunding 2003)
 FINAL

Dated Date	03/15/2012
Delivery Date	03/15/2012
Last Maturity	02/01/2018
Arbitrage Yield	1.307086%
True Interest Cost (TIC)	1.543089%
Net Interest Cost (NIC)	1.544634%
All-In TIC	2.121648%
Average Coupon	1.659890%
Average Life (years)	3.494
Duration of Issue (years)	3.383
Par Amount	2,230,000.00
Bond Proceeds	2,256,821.20
Total Interest	129,345.97
Net Interest	120,364.77
Bond Years from Dated Date	7,792,444.44
Bond Years from Delivery Date	7,792,444.44
Total Debt Service	2,359,345.97
Maximum Annual Debt Service	441,525.00
Average Annual Debt Service	401,401.02
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	8.000000
Total Underwriter's Discount	8.000000
Bid Price	100.402744

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration
Serial Bonds	2,230,000.00	101.203	1.660%	3.494	3.390
	2,230,000.00			3.494	

BOND SUMMARY STATISTICS

Boone County, Missouri
 Certificates of Participation
 Series 2012 (Refunding 2003)
 FINAL

	TIC	All-In TIC	Arbitrage Yield
Par Value	2,230,000.00	2,230,000.00	2,230,000.00
+ Accrued Interest			
+ Premium (Discount)	26,821.20	26,821.20	26,821.20
- Underwriter's Discount	(17,840.00)	(17,840.00)	
- Cost of Issuance Expense		(42,900.00)	
- Other Amounts			
Target Value	2,238,981.20	2,196,081.20	2,256,821.20
Target Date	03/15/2012	03/15/2012	03/15/2012
Yield	1.543089%	2.121648%	1.307086%

BOND PRICING

Boone County, Missouri
 Certificates of Participation
 Series 2012 (Refunding 2003)
 FINAL

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)	Principal Cost
Serial Bonds:							
	02/01/2013	350,000	2.000%	0.550%	101.267	4,434.50	354,434.50
	02/01/2014	350,000	2.000%	0.700%	102.420	8,470.00	358,470.00
	02/01/2015	350,000	2.000%	1.000%	102.829	9,901.50	359,901.50
	02/01/2016	370,000	2.000%	1.200%	103.021	11,177.70	381,177.70
	02/01/2017	375,000	1.250%	1.410%	99.250	(2,812.50)	372,187.50
	02/01/2018	435,000	1.500%	1.679%	99.000	(4,350.00)	430,650.00
		2,230,000				26,821.20	2,256,821.20

Dated Date	03/15/2012	
Delivery Date	03/15/2012	
First Coupon	08/01/2012	
Par Amount	2,230,000.00	
Premium	26,821.20	
Production	2,256,821.20	101.202744%
Underwriter's Discount	(17,840.00)	(0.800000%)
Purchase Price	2,238,981.20	100.402744%
Accrued Interest		
Net Proceeds	2,238,981.20	



DISCLOSURE

We are providing this material to provide you with certain regulatory disclosures as required by the Municipal Securities Rulemaking Board. As part of our services, Piper Jaffray may provide advice concerning the structure, timing, terms, and other similar matters concerning an issue of municipal securities that Piper Jaffray is underwriting or placing. However, Piper Jaffray intends to serve as an underwriter and not as a financial advisor to you in this transaction; and the primary role of Piper Jaffray is to purchase securities for resale to investors or arrange for the placement of securities in an arm's-length commercial transaction between you and Piper Jaffray. Piper Jaffray has financial and other interests that differ from your interests.

AN ORDER APPROVING A LEASE PURCHASE TRANSACTION AND THE DELIVERY OF REFUNDING CERTIFICATES OF PARTICIPATION, SERIES 2012, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COSTS OF REFUNDING CERTAIN OUTSTANDING OBLIGATIONS OF THE COUNTY; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE DELIVERY OF THE CERTIFICATES.

WHEREAS, the County Commission finds and determines that it is advantageous and in the best interests of Boone County, Missouri (the "County"), that the County enter into certain transactions with The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), relating to the delivery by the Trustee of Refunding Certificates of Participation, Series 2012 (the "Certificates"), for the purpose of refunding all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, currently outstanding in the aggregate principal amount of \$2,480,000 (the "Refunded Bonds"); and

WHEREAS, in connection with the delivery of the Certificates, the County Commission finds it necessary to authorize the execution of (1) a Base Lease dated as of March 1, 2012 (the "Base Lease"), between the County and the Trustee, pursuant to which the County will lease to the Trustee certain real estate, which includes the property upon which the County's juvenile justice center is located, together with all improvements now or hereafter situated thereon (the "Leased Property"), for rent, including the deposit of the proceeds of the Certificates, to pay the cost of refunding the Refunded Bonds; and (2) a Lease Purchase Agreement dated as of March 1, 2012 (the "Lease"), pursuant to which the Trustee will lease the Leased Property back to the County on an annually renewable basis and the County will make payments of Base Rentals to the Trustee that will be sufficient, during any term of the Lease, to pay the principal of, premium, if any, and interest distributable with respect to the Certificates as the same become due;

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Section 9. Effective Date. This Order shall take effect and be in full force after its approval by the County Commission.

APPROVED BY THE COUNTY COMMISSION OF BOONE COUNTY, MISSOURI, THIS 1st day of MARCH, 2012.

(SEAL)

Daniel K. Atwill
Presiding Commissioner

Wendy S. Noren
Clerk of the County Commission

Karen M. Miller
District I Commissioner

Skip Elkin
District II Commissioner

EXHIBIT A

FORM OF BASE LEASE

(The above space is reserved for Recorder's Certification)

TITLE OF DOCUMENT: **BASE LEASE**

DATE OF DOCUMENT: March 1, 2012

GRANTOR: **BOONE COUNTY, MISSOURI**

GRANTOR'S MAILING ADDRESS: 801 East Walnut, Room 236
Columbia, Missouri 65201

GRANTEE: **THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee**

GRANTEE'S MAILING ADDRESS: 911 Washington Avenue, 3rd Floor
St. Louis, Missouri 63101

RETURN DOCUMENTS TO: Toni I. Stegeman, Esq.
Gilmore & Bell, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108

LEGAL DESCRIPTION: **See Schedule 1**

BASE LEASE

THIS BASE LEASE (the "Base Lease"), dated as of March 1, 2012, by and between **BOONE COUNTY, MISSOURI**, a first-class county and political subdivision organized and existing under the laws of the State of Missouri (together with its successors, the "County"), as lessor, and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America, acting in its capacity as Trustee under the Declaration of Trust hereinafter referred to (the "Trustee"), as lessee:

RECITALS:

1. The County is a first-class county and political subdivision duly organized and existing under the laws of the State of Missouri with full lawful power and authority to enter into this Base Lease.

2. The Trustee is a trust company duly organized and existing and authorized to conduct its operations under the laws of the State of Missouri with full lawful power and authority to enter into this Base Lease.

3. The County owns fee simple title to the real estate described on **Exhibit A** attached hereto, which includes the property upon which the County's juvenile justice center is located, together with any improvements located or to be located thereon (the "Leased Property").

4. The County desires to lease the Leased Property to the Trustee for the rental payments and upon the terms and conditions herein set forth in order to provide funds to currently refund all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, currently outstanding in the aggregate principal amount of \$2,480,000 (the "Refunded Bonds").

5. The Trustee proposes to lease the Leased Property back to the City pursuant to a Lease Purchase Agreement of even date herewith (the "Lease") and to execute a Declaration of Trust of even date herewith (the "Declaration of Trust"), under which the Trustee will deliver Refunding Certificates of Participation, Series 2012 (the "Series 2012 Certificates" and, collectively with any Additional Certificates hereafter delivered under the Declaration of Trust, the "Certificates") to provide funds to (1) currently refund the Refunded Certificates and Refunded Bonds and (2) pay the costs of delivering the Series 2012 Certificates.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements herein set forth, the County and the Trustee hereby covenant and agree as follows:

Section 1. Representations by the County. The County represents, warrants and covenants as follows:

(a) The lease of the Leased Property by the County to the Trustee and the lease of the Leased Property by the Trustee to the County, as provided in the Lease, is necessary, desirable and in the public interest, and the County hereby declares its current need for the Leased Property.

(b) The County, pursuant to an order adopted by its governing body, has full power and authority to enter into the transactions contemplated by this Base Lease and the Lease and to carry out its obligations hereunder, and has been duly authorized to execute

and deliver this Base Lease and the Lease and by proper action has duly authorized the execution and delivery of this Base Lease and the Lease.

(c) Neither the execution and delivery of this Base Lease nor the Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is now a party or by which the County is bound.

(d) The County has good and marketable fee title to the Leased Property.

(e) The Leased Property is not subject to any dedication, easement, right-of-way, reservation in patent, covenant, condition, restriction, lien or encumbrance that would prohibit or materially interfere with the use of the Leased Property as contemplated by the Lease.

(f) All taxes, assessments or impositions of any kind with respect to the Leased Property, except current taxes, have been paid in full.

(g) The Leased Property is properly zoned for all improvements located thereon.

(h) The County has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the County's interests in any property now or hereafter included in the Leased Property will be or may be impaired, changed or encumbered in any manner whatsoever except as permitted by this Base Lease and the Lease.

(i) There is no proceeding pending or to the County's knowledge threatened in any court or before any governmental authority or arbitration board or tribunal challenging the validity of the proceedings of the governing body of the County authorizing this Base Lease and the Lease or the power or authority of the County to enter into the Lease or this Base Lease or the validity or enforceability of the Lease or this Base Lease or that, if adversely determined, would adversely affect the transactions contemplated by the Lease or this Base Lease of the interest of the County under the Lease or this Base Lease.

Section 2. Lease. The County hereby leases to the Trustee, and the Trustee hereby rents and leases from the County, the Leased Property on the terms and conditions hereinafter set forth.

Section 3. Term. The term of this Base Lease will commence as of the date of the delivery hereof, and will end on February 1, 2024, unless the term is extended or sooner terminated as hereinafter provided, but in no event will the term of this Base Lease end until the Principal Portion and the Interest Portion of the Certificates are no longer Outstanding (as those terms are defined the Declaration of Trust).

Section 4. Rental. As and for rental hereunder and in consideration for the leasing of the Leased Property to the Trustee, the Trustee will take the following actions:

(a) simultaneously with the delivery of this Base Lease, enter into the Lease;

(b) simultaneously with the delivery of this Base Lease, pay to the County the sum of \$10.00 and provide such other consideration as the Trustee and County may agree; and

(c) deposit funds in the amount and in the funds and accounts established and as set forth in the Declaration of Trust.

Section 5. Assignments and Subleases. It is intended that the Trustee will hold this Base Lease and its rights hereunder for the benefit of Owners of the Certificates (as defined in the Declaration of Trust). The Trustee thereafter may assign this Base Lease and its rights hereunder or lease or sublease the Leased Property without the written consent of the County (a) in connection with any assignment of its rights under the Lease, (b) if the Lease is terminated for any reason, or (c) if an Event of Default as defined in the Lease has occurred.

Section 6. Termination.

(a) This Base Lease will terminate upon the completion of the term set forth in **Section 3**; provided, however, that if the County pays the purchase price or all of the rental payments provided for in **Article IV** of the Lease and exercises its option to purchase the Trustee's interest in the Leased Property pursuant to **Article X** of the Lease, then this Base Lease will be considered assigned to the County and terminated through merger of the leasehold interest hereunder with the fee interest of the County if the County is the owner of the fee interest.

(b) If an Event of Default under the Lease occurs or if the County terminates the Lease pursuant to **Section 3.04** of the Lease, the Trustee will have the right to possession of the Leased Property for the remainder of the term of this Base Lease and will have the right to sublease the Leased Property or sell its interest in the Leased Property and this Base Lease upon whatever terms and conditions it deems prudent.

Section 7. Default. The County will not have the right to exclude the Trustee from the Leased Property or take possession of the Leased Property (other than pursuant to the Lease) or to terminate this Base Lease prior to the expiration of its term upon any default by the Trustee hereunder, except that if, upon the exercise of the option to purchase the Trustee's interest in the Leased Property granted to the County in **Article X** of the Lease and after the payment of the purchase price specified therein and other sums payable under the Lease, the Trustee fails to convey its interest in the Leased Property to the County pursuant to said option, then the County will have the right to terminate this Base Lease, such termination to be effective 30 days after delivery of written notice of such termination to the Trustee. In the event of any default by the Trustee hereunder, however, the County may maintain an action, if permitted in equity, for specific performance.

Section 8. Quiet Enjoyment. At all times during the term of this Base Lease, the Trustee will peaceably and quietly have, hold and enjoy all of the Leased Property, and the County will provide to the Trustee the ability to quietly have, hold and enjoy all of the Leased Property, all of this being subject to the rights of the County under the Lease.

Section 9. No Merger. No union of the interests of the County and the Trustee herein will result in a merger of this Base Lease and the title to the Leased Property or any part thereof, except as and to the extent provided in **Section 6**.

Section 10. Taxes and Assessments. The County covenants and agrees to pay any and all assessments of any kind or character and all taxes levied or assessed upon the Leased Property.

Section 11. Warranties, Covenants and Indemnities Regarding Environmental Matters.

(a) As used in this Section, the following terms have the following meanings:

“Environmental Laws” means any now-existing or hereafter enacted or promulgated federal, state, local, or other law, statute, ordinance, rule, regulation or court order pertaining to (i) environmental protection, regulation, contamination or clean-up, (ii) toxic waste, (iii) underground storage tanks, (iv) asbestos or asbestos-containing materials, or (v) the handling, treatment, storage, use or disposal of Hazardous Substances, including without limitation the Comprehensive Environmental Response, Compensation and Liability Act and The Resource Conservation and Recovery Act, all as exist from time to time.

“Hazardous Substances” means all (i) “hazardous substances” (as defined in 42 U.S.C. §9601(14)), (ii) “chemicals” subject to regulation under Title III of the Superfund Amendments and Reauthorization Act of 1986, as amended from time to time (iii) natural gas liquids, liquefied natural gas or synthetic gas, (iv) any petroleum, petroleum-based products or crude oil or any fraction, or (v) any other hazardous or toxic substances, wastes or materials, pollutants, contaminants or any other substances or materials that are included under or regulated by any Environmental Law.

(b) The County warrants and represents to the Trustee that to the knowledge of the County (i) there has not, at any time during the County’s ownership of the Leased Property, nor at any time prior to the County’s ownership of the Leased Property, been any “release” (as defined in 42 U.S.C. §9601(22)) by the County or any third party of any Hazardous Substances on, about, or near the Leased Property (including without limitation adjacent or nearby properties) that could have come to be located upon the Leased Property, or in the water or the groundwater thereon or thereunder; (ii) no part of the Leased Property is or has been used at any time during the County’s ownership of the Leased Property nor at any time prior to the County’s ownership of the Leased Property as the site of any handling, treatment, storage, refining or disposal of any Hazardous Substances; (iii) no part of the Leased Property is or has been at any time during the County’s ownership of the Leased Property, nor at any time prior to the County’s ownership of the Leased Property, a “facility” (within the meaning of 42 U.S.C. §9607(a)); (iv) there are not now, nor has there been during the County’s ownership of the Leased Property nor at any time prior to the County’s ownership of the Leased Property, any underground storage tanks located in, on or about any of the Leased Property; (v) no asbestos or asbestos-containing materials are located in or have been installed, used, incorporated into or disposed of on or about the Leased Property; (vi) no polychlorinated biphenyls are located on or about the Leased Property, including without limitation in any electrical transformers or in fluorescent light fixtures or ballasts; (vii) there are no conditions on or about the Leased Property that are violative of any Environmental Laws; and (viii) no claims or demands have been asserted or made by any third parties arising out of, relating to or in connection with any Hazardous Substances on or about or allegedly on or about the Leased Property for any injuries suffered or incurred or allegedly suffered or incurred by reason of any of the foregoing.

(c) The County will provide the Trustee with copies of any notifications of releases of Hazardous Substances or of any environmental hazards or potential hazards that are given by or on behalf of the County to any federal, state or local or other agencies or authorities or that are received by the County from any federal, state or local or other agencies or authorities with respect to the Leased Property. Such

copies will be sent to the Trustee concurrently with their being mailed or delivered to the governmental agencies or authorities or within ten days after they are received by the County.

(d) The County warrants and represents that the County has provided the Trustee with copies of all emergency and hazardous chemical inventory forms (hereinafter "Environmental Notices") that relate to the Leased Property previously given, as of the date hereof, by the County to any federal, state or local governmental authority or agency as required pursuant to the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C.A. §11001 *et seq.*, or any other Environmental Laws. The County will provide the Trustee with copies of all Environmental Notices that relate to the Leased Property subsequently sent to any such governmental authority or agency as required pursuant to the Emergency Planning and Community Right-to-Know Act of 1986 or any other Environmental Laws. Such copies of subsequent Environmental Notices will be sent to the Trustee concurrently with their being mailed to any such governmental authority or agency.

(e) The County will comply with and operate and at all times use, keep and maintain the Leased Property and every part thereof (whether or not such property constitutes a facility, as defined in 42 U.S.C. § 9601 *et seq.*) in conformance with all Environmental Laws. Without limiting the generality of the foregoing, the County will not use, generate, treat, store, dispose of or otherwise introduce any Hazardous Substance into or on the Leased Property or any part thereof nor cause, suffer, allow or permit anyone else to do so except in the ordinary course of the operation of the County's business and in compliance with all Environmental Laws.

(f) The County agrees to indemnify, protect and hold harmless the Trustee from and against any and all claims, demands, costs, liabilities, damages or expenses, including, without limitation, attorneys' fees and expenses, arising from (i) any release (as defined above) or threat of a release, actual or alleged, of any Hazardous Substances, upon or about the Leased Property or respecting any products or materials previously, now or thereafter located upon, delivered to or in transit to or from the Leased Property, regardless of whether such release or threat of release or alleged release or threat of release has occurred prior to the date hereof or hereafter occurs and regardless of whether such release occurs as a result of any act, omission, negligence or misconduct of the County or any third party or otherwise, (ii) (A) any violation now existing (actual or alleged) of, or any other liability under or in connection with, any Environmental Laws relating to or affecting the Leased Property, or (B) any now existing or hereafter arising violation, actual or alleged, or any other liability, under or in connection with, any Environmental Laws relating to any products or materials previously, now or hereafter located upon, delivered to or in transit to or from the Leased Property, regardless of whether such violation or alleged violation or other liability is asserted or has occurred or arisen prior to the date hereof or hereafter is asserted or occurs or arises and regardless of whether such violation or alleged violation or other liability occurs or arises, as the result of any act, omission, negligence or misconduct of the County or any third party or otherwise, (iii) any assertion by any third party of any claims or demands for any loss or injury arising out of, relating to or in connection with any Hazardous Substances on or about or allegedly on or about the County, or (iv) any breach, falsity or failure of any of the representations, warranties, covenants and agreements contained in this Section. This subsection (f) will survive any termination of this Base Lease.

Section 12. Waiver of Liability.

(a) All liabilities under this Base Lease on the part of the Trustee are solely liabilities of the Trustee serving as Trustee under the Declaration of Trust, and, to the extent permitted by law, the County hereby releases each and every director, employee, agent, attorney and officer of the Trustee of and from any personal or individual liability under this Base Lease. No director, employee, agent, attorney or officer of the Trustee will at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the Trustee hereunder. The Trustee will not be liable in connection with the performance of its duties hereunder, except for its own gross negligence or willful misconduct.

(b) All liabilities under this Base Lease on the part of the County are solely corporate liabilities of the County as a municipal corporation, and, to the extent permitted by law, the Trustee hereby releases each and every official, member, employee or agent of the County of and from any personal or individual liability under this Base Lease. No official, member, employee or agent of the County will at any time or under any circumstances be individually or personally liable under this Base Lease for anything done or omitted to be done by the County hereunder.

Section 13. Eminent Domain.

(a) If the whole or any part of the Leased Property is taken by eminent domain proceedings, the interest of the Trustee will be recognized. The condemnation proceeds will be applied as provided in **Article IX** of the Lease. Under Missouri statutes, the County has the power to condemn property for its purposes, and the County acknowledges that if the County condemned the Leased Property, such action could adversely affect the continuation of this Base Lease. The County further acknowledges that condemnation of the Leased Property would adversely affect the Trustee and that without the Trustee's interest in the Leased Property, the Trustee might not lease the Leased Property to the County pursuant to the Lease.

(b) The County and the Trustee have reached agreement on the terms of the acquisition of the Leased Property, at the County's option, and to the use of the Leased Property, all as set forth in the Lease. Any acquisition of the Trustee's interest in the Leased Property or rights to its use by the County (whether pursuant to the exercise of eminent domain powers or otherwise) will be pursuant to and in accordance with the Lease, including payment of Rent Payments and the applicable Purchase Price (as defined and set forth in the Lease). If the County allows the Lease to expire without exercising its option to purchase (whether by failure to exercise its option to extend the Lease for a Renewal Term, failure to exercise its option to purchase at the conclusion of the maximum Lease Term or failure to cure an Event of Default (as those terms are defined in the Lease)), that action will constitute an irrevocable determination by the County that the Leased Property is not required by it for any public purpose for the term of this Base Lease.

(c) The County hereby covenants and agrees, to the extent it may lawfully do so, that if for any reason it exercises the power of eminent domain with respect to the Leased Property, the appraisal value of the Leased Property will not be less than the Rent Payments then due plus the then applicable Purchase Price as defined and set forth in the Lease.

(d) If title to all or a portion of the Leased Property is challenged or threatened by means of competent legal or equitable action, the County covenants that it will cooperate with the Trustee and will

take all reasonable actions, including where appropriate the lawful exercise of the County's power of eminent domain, in order to quiet title to the Leased Property in the County.

Section 14. Leaseback to County; Term; Rental. Contemporaneously herewith, the Trustee and the County will execute the Lease whereby the Trustee leases back to the County and the County leases from the Trustee the Leased Property all in accordance therewith. The Lease includes in **Article X** thereof the option of the County, upon payment of the specified purchase price, to purchase the Trustee's interest in the Leased Property.

Section 15. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Base Lease will to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Base Lease will be affected thereby, and each provision of this Base Lease will be valid and enforceable to the fullest extent permitted by law.

Section 16. Notices. All written notices to be given under this Base Lease will be given by mail to the party entitled thereto as set forth in the Declaration of Trust.

Section 17. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Base Lease.

Section 18. Amendments, Changes and Modifications. This Base Lease may not be effectively amended, changed, modified, altered or supplemented except with the written consent of the Trustee and the County and as provided in the Declaration of Trust.

Section 19. Applicable Law. This Base Lease will be governed by and construed in accordance with the laws of the State of Missouri.

Section 20. Execution. This Base Lease may be executed in any number of counterparts, each of which will be deemed to be an original but all together will constitute but one and the same Base Lease. It is also agreed that separate counterparts of this Base Lease may be executed by the Trustee and the County all with the same force and effect as though the same counterpart had been executed by both the Trustee and the County.

Section 21. Successors. This Base Lease will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Upon removal or resignation of the Trustee, all moneys, estates, properties, rights, powers, trusts, duties and obligations of such Trustee will vest in the successor Trustee as provided in the Declaration of Trust.

Section 22. Complete Agreement. This written agreement is a final expression of the agreement between the parties hereto and such agreement may not be contradicted by evidence of any prior oral agreement or of a contemporaneous oral agreement between the parties hereto. No unwritten oral agreement between the parties exists.

Section 23. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents will be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the County and the Trustee have caused this Base Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

BOONE COUNTY, MISSOURI

(SEAL)

By: _____
Name: Daniel Atwill
Title: Presiding Commissioner

ATTEST:

By: _____
Name: Wendy Noren
Title: Clerk of the County Commission

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
as Trustee**

(SEAL)

By: _____
Name: _____
Title: Authorized Signatory

ATTEST:

By: _____
Name: _____
Title: Authorized Signatory

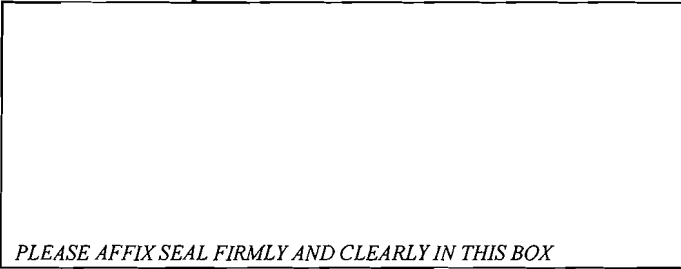
ACKNOWLEDGMENT

STATE OF MISSOURI)
) **SS.**
COUNTY OF BOONE)

On this 1st day of March, 2012, before me, the undersigned, a Notary Public, appeared Daniel Atwill, to me personally known, who, being by me duly sworn, did say that he is the Presiding Commissioner of **BOONE COUNTY, MISSOURI**, a body politic and duly authorized, incorporated and existing under and by virtue of the laws of the State of Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of said County, and that said instrument was signed and sealed in behalf of said County by authority of its governing body, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said County.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

Notary Public in and for said State
Commission Expires:



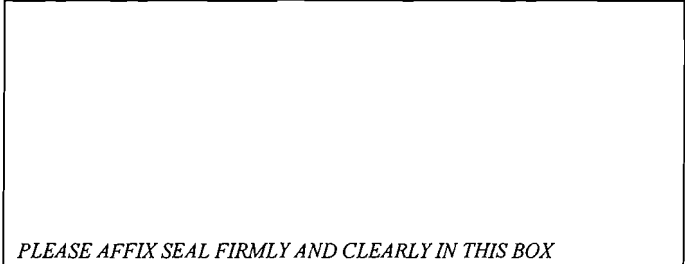
ACKNOWLEDGMENT

STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

On this ____ day of March, 2012, before me, the undersigned, a Notary Public, appeared _____, who being before me duly sworn did say that (s)he is an authorized signatory of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America and that the seal affixed to the foregoing instrument is the seal of said association, and that said instrument was signed and sealed on behalf of said association by authority of its board of directors, and said official acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

Notary Public in and for said State
Commission Expires:



**SCHEDULE 1
TO THE BASE LEASE**

DESCRIPTION OF THE LEASED PROPERTY

A TRACT OF LAND CONTAINING 7.28 ACRES, MORE OR LESS, LOCATED IN THE SOUTHEAST QUARTER (SE 1/4) OF SECTION NINETEEN (19), TOWNSHIP FORTY-NINE (49) NORTH, RANGE TWELVE (12) WEST, OF THE FIFTH (5TH) PRINCIPAL MERIDIAN, IN BOONE COUNTY, MISSOURI, BEING PART OF THAT LAND DESCRIBED BY THE DEED RECORDED IN BOOK 90, PAGE 581, AND BEING PART OF THAT LAND SHOWN ON THE PLAT OF SURVEY RECORDED IN BOOK 1196, PAGE 466, RECORDS OF BOONE COUNTY, MISSOURI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 19; THENCE SOUTH 0 DEGREES 10' 54" WEST ALONG THE 1/4 SECTION LINE 50.02 FEET; THENCE LEAVING SAID 1/4 LINE SOUTH 88 DEGREES 07' 38" EAST 539.37 FEET; THENCE SOUTH 0 DEGREES 27' 32" EAST 342.47 FEET; THENCE SOUTH 58 DEGREES 17' 10" EAST 466.92 FEET TO THE POINT OF BEGINNING: FROM THE POINT OF BEGINNING NORTH 51 DEGREES 20' 13" EAST 226.01 FEET TO A POINT ON THE WEST LINE OF THE MAIN ROADWAY AS SHOWN AND DESCRIBED ON THE PLAT OF SURVEY RECORDED IN BOOK 1196, PAGE 466; THENCE ALONG THE WEST LINES OF SAID ROADWAY: SOUTH 38 DEGREES 39' 47" EAST 185.39 FEET; AND SOUTH 31 DEGREES 07' 22" EAST 657.11 FEET; THENCE LEAVING SAID WEST LINES SOUTH 78 DEGREES 51' 23" WEST 437.00 FEET; THENCE NORTH 43 DEGREES 26' 36" WEST 443.72 FEET; THENCE NORTH 17 DEGREES 14' 42" EAST 343.84 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

FORM OF LEASE PURCHASE AGREEMENT

LEASE PURCHASE AGREEMENT

between

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Lessor and Trustee**

and

**BOONE COUNTY, MISSOURI
as Lessee**

Dated as of March 1, 2012

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Schedule 1 – Description of the Leased Property

Exhibit A – Schedule of Basic Rent Payments

LEASE PURCHASE AGREEMENT

THIS LEASE PURCHASE AGREEMENT (the "Lease"), dated as of March 1, 2012, is entered into between **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America, as Trustee (the "Trustee"), and **BOONE COUNTY, MISSOURI**, a first-class county and political subdivision organized and existing under the laws of the State of Missouri (the "County").

RECITALS:

1. The County owns certain real estate in the County, as legally described in **Schedule 1** hereto, which includes the property upon which the County's juvenile justice center is located, together with any improvements located or to be located thereon (the "Leased Property").

2. The County concurrently herewith is conveying a leasehold interest in the Leased Property to the Trustee pursuant to a Base Lease of even date herewith (the "Base Lease"), by and between the County and the Trustee.

3. The Trustee is willing to lease the Leased Property back to the County, and the County desires to lease the Leased Property from the Trustee, upon the terms and conditions and for the purposes set forth herein.

4. The Trustee concurrently herewith has executed a Declaration of Trust of even date herewith (the "Declaration of Trust") pursuant to which the Trustee will (1) execute and deliver the Refunding Certificates of Participation, Series 2012, in the principal amount of \$2,230,000 (the "Series 2012 Certificates" and, together with any Additional Certificates hereafter delivered under the Declaration of Trust, the "Certificates"), evidencing the undivided, proportionate interests of the Owners thereof in Base Rentals to be paid by the County and other payments, revenues and receipts to be derived pursuant to this Lease, and (2) grant, assign and hold in trust all of its right, title and interest in and to this Lease (including its right to receive Base Rentals and certain other payments as provided therein) for the benefit and security of the Owners of the Certificates as therein provided, in order to provide funds to pay costs to (a) currently refund currently refund all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, currently outstanding in the aggregate principal amount of \$2,480,000 (the "Refunded Bonds"), (b) fund a reserve fund for the Series 2012 Certificates and (c) pay the costs of delivering the Series 2012 Certificates.

THEREFORE, for and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise specifically requires or indicates to the contrary, the following terms as used in this Lease will have the following meanings:

"Additional Certificates" means the Additional Certificates as defined in the Declaration of Trust.

“Available Revenues” means, for any Fiscal Year, any balances of the County from previous Fiscal Years encumbered to pay Rent, amounts budgeted or appropriated by the County for such Fiscal Year plus any unencumbered balances of the County from previous Fiscal Years that are legally available to pay Rent during such Fiscal Year, plus all moneys and investments, including earnings thereon, held by the Trustee pursuant to the Declaration of Trust.

“Base Lease” means the Base Lease dated as of March 1, 2012, between the County, as lessor, and the Trustee, as lessee.

“Basic Rent” means the Basic Rent Payments comprised of a Principal Portion and an Interest Portion as set forth on **Exhibit A**, as **Exhibit A** may be revised as provided in **Section 3.09** of the Declaration of Trust and in **Section 4.08** herein.

“Basic Rent Payment” means a payment of Basic Rent.

“Basic Rent Payment Date” means each February 1 and August 1 during the Lease Term, commencing on August 1, 2012.

“Bond Counsel” means Gilmore & Bell, P.C., or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds or other obligations issued by states and political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America.

“Business Day” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the Trustee is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“Certificates” means the Series 2012 Certificates and any Additional Certificates.

“County” means Boone County, Missouri, a first-class county duly created, organized and existing under and by virtue of the laws of the State of Missouri, and its successors.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement entered into by the County and the dissemination agent thereunder in connection with the execution and delivery of a series of Certificates, as from time to time amended.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the County and related to the authorization, execution, sale and delivery of the Certificates, including advertising and printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees of parties to the transaction and all other initial fees and disbursements contemplated by this Lease and the Declaration of Trust.

“Declaration of Trust” means the Declaration of Trust dated as of March 1, 2012, made by the Trustee, as the same may from time to time be amended or supplemented in accordance with its terms.

“Event of Default” means an Event of Default as described in **Section 12.01**.

“Event of Nonappropriation” means an Event of Nonappropriation as described in **Section 3.04**.

“Fiscal Year” means the fiscal year of the County, currently the twelve-month period beginning January 1 and ending on December 31.

“Funds” means the Funds as defined in the Declaration of Trust.

“Government Obligations” means (a) direct noncallable obligations of the United States of America and obligations the timely payment of principal and interest on which is fully and unconditionally guaranteed by the United States of America, and (b) trust receipts or certificates evidencing participation or other direct ownership interests in principal or interest payments to be made upon obligations described in clause (a) above that are held in a custody or trust account free and clear of all claims of persons other than the holders of such trust receipts or certificates, and (c) obligations that are noncallable or for which the call date has been irrevocably determined having an investment rating in the highest rating category of either Moody’s or S&P as a result of the advance refunding of such obligations by the deposit of direct noncallable obligations of the United States of America in a trust or escrow account segregated and exclusively set aside for the payment of such obligations and that mature as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to timely pay such principal and interest.

“Interest Portion” means the portion of each Basic Rent Payment that represents the payment of interest as set forth on **Exhibit A**.

“Lease” means this Lease Purchase Agreement dated as of March 1, 2012, between the Trustee, as lessor, and the County, as lessee, as amended and supplemented from time to time in accordance with its terms.

“Lease Revenue Fund” means the Lease Revenue Fund as defined in the Declaration of Trust.

“Lease Term” means the Original Term and all Renewal Terms.

“Leased Property” means the Real Property.

“Moody’s” means Moody’s Investors Service, Inc., and its successors and assigns, and, if that firm will be dissolved or liquidated or no longer performs the functions of a municipal securities rating service, “Moody’s” will be deemed to refer to any other nationally recognized securities rating service designated by the County, with notice to the Trustee.

“Net Proceeds” means the amount remaining from the gross proceeds of any insurance claim, condemnation award or sale under threat of condemnation after deducting all reasonable expenses, including attorneys’ fees, incurred in the collection thereof.

“Opinion of Counsel” means a written opinion of counsel who is acceptable to the Trustee. The counsel may be an employee of or counsel to the County.

“Original Term” means the period from the date of delivery of the Lease until the end of the Fiscal Year then in effect.

“Outstanding” means Outstanding as defined in the Declaration of Trust.

“Principal Portion” means the principal portion of the Basic Rent Payments as set forth in **Exhibit A**.

“Purchase Price” means the amount designated as such in **Article X** that the County may pay to the Trustee to purchase the Trustee’s interest in the Leased Property.

“Real Property” means the real property described in **Schedule 1**.

“Refunded Bonds” means all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, dated February 1, 2003, currently outstanding in the aggregate principal amount of \$2,480,000.

“Renewal Term” means each renewal term of this Lease, each having a duration of one year and a term coextensive with the then-current Fiscal Year as provided in **Section 3.02**, except that the last possible Renewal Term will end on February 2, 2018.

“Rent” means, collectively, Basic Rent and Supplemental Rent.

“Rent Payment” means a payment of Rent.

“Reserve Fund Requirement” means, (a) with respect to the Series 2012 Certificates, \$223,000, which amount is equal to the least of (i) 10% of the Principal Portion of Basic Rent that is distributable to Owners of Series 2012 Certificates, (ii) 125% of the average annual Basic Rent that is distributable to Owners of Series 2012 Certificates, or (iii) the maximum annual Basic Rent that is distributable to Owners of Series 2012 Certificates; and (b) with respect to any other Additional Certificates, the amount, if any, specified in the declaration of trust authorizing such Additional Certificates.

“Series 2012 Certificates” means the Series 2012 Certificates as defined in the Declaration of Trust.

“S&P” means Standard & Poor’s, a division of The McGraw–Hill Companies, its successors and their assigns, and if that entity no longer performs the functions of a municipal securities rating agency, “S&P” will be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

“State” means the State of Missouri.

“Supplemental Declaration of Trust” means any amendment or supplement to the Declaration of Trust entered pursuant to **Article VIII** of the Declaration of Trust.

“Supplemental Lease” means any amendment or supplement to this Lease entered pursuant to **Section 13.04**.

“Supplemental Rent” means all amounts due hereunder other than Basic Rent.

“Supplemental Rent Payment” means a payment of Supplemental Rent.

“Tax Compliance Agreement” means the Tax Compliance Agreement entered into by the County and the Trustee in connection with the execution and delivery of each series of Certificates.

“Trustee” means the party acting as Trustee under the Declaration of Trust.

“Underwriter” means Piper Jaffray & Co., Leawood, Kansas, the original purchaser of the Series 2012 Certificates.

Section 1.02. Rules of Construction.

(a) Words of the masculine gender will be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context will otherwise indicate, the words importing the singular number will include the plural and vice versa, and words importing person will include firms, associations and corporations, including public bodies, as well as natural persons.

(b) The words “herein,” “hereby,” “hereunder,” “hereof,” “hereto,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Lease and not solely to the particular article, section, paragraph or subparagraph hereof in which such word is used.

(c) Reference herein to a particular article, section, exhibit, schedule or appendix will be construed to be a reference to the specified article or section hereof or exhibit, schedule or appendix hereto unless the context or use clearly indicates another or different meaning or intent.

(d) Whenever an item or items are listed after the words “including,” such listing is not intended to be a listing that excludes items not listed.

(e) The section and article headings herein are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions hereof.

Section 1.03. Execution of Counterparts. This Lease may be executed simultaneously in two or more counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

Section 1.04. Severability.

(a) If any provision of this Lease is held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances will not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

(b) The invalidity of any one or more phrases, sentences, clauses or sections in this Lease contained will not affect the remaining portions of this Lease, or any part thereof.

Section 1.05. Governing Law. This Lease will be governed by and construed in accordance with the laws of the State.

ARTICLE II

REPRESENTATIONS

Section 2.01. Representations of the County. The County represents and warrants, as of the date of delivery hereof, as follows:

(a) The County is a first-class county duly created, organized and existing under and by virtue of the constitution and laws of the State with full power and authority to enter into the Base Lease and this Lease and the transaction contemplated thereby and hereby and to perform all of its obligations thereunder and hereunder.

(b) The County has full power and authority to enter into the transactions contemplated by the Base Lease and this Lease and has been duly authorized to execute and deliver the Base Lease and this Lease by proper action by its governing body. The Base Lease and this Lease are valid, legal and binding obligations of the County enforceable in accordance with their terms except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws and equitable principles affecting creditor's rights generally.

(c) The lease of the Leased Property by the Trustee to the County, as provided in this Lease, is necessary, desirable, in the public interest and consistent with the permissible scope of the County's authority. The County hereby declares its current need for the Leased Property and its current expectation that it will continue to need and use the Leased Property for the maximum Lease Term.

(d) The County's financial statements that have been used in connection with any offering of the Certificates present fairly, in accordance with generally accepted accounting principles and applicable regulations consistently applied throughout the periods involved, the financial position of the County as at their respective dates and the revenues and expenses and changes in fund balances for the periods covered thereby.

(e) Neither the execution and delivery of the Base Lease or this Lease, nor the fulfillment of or compliance with the terms and conditions thereof or hereof, nor the consummation of the transactions contemplated thereby or hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the County is a party or by which the County is bound.

(f) There is no proceeding pending or to the County's knowledge threatened in any court or before any governmental authority or arbitration board or tribunal challenging the validity of the proceedings of the governing body of the County authorizing the Base Lease and this Lease or the power or authority of the County to enter into this Lease or the Base Lease or the validity or enforceability of this Lease or the Base Lease or that, if adversely determined, would adversely affect the transactions contemplated by this Lease or the Base Lease or the interest of the Trustee under this Lease or the Base Lease.

(g) The County has not made, done, executed or suffered, and warrants that it will not make, do, execute or suffer, any act or thing whereby the County's interests in any property now or hereafter included in the Leased Property will be or may be impaired, changed or encumbered in any manner whatsoever, except as contemplated by the Base Lease and this Lease.

(h) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists.

(i) The improvements on the Leased Property is in compliance with all applicable building and design codes and the County's requirements.

(j) The County has complied with any public bidding requirements that may be applicable to this Lease and the acquisition, construction and equipping of the Leased Property.

ARTICLE III

DEMISING OF THE PROPERTY; LEASE TERM

Section 3.01. Lease of Leased Property. The Trustee hereby demises, leases, subleases and lets to the County, and the County rents, leases, subleases and hires from the Trustee, the Leased Property in accordance with this Lease for the Lease Term.

Section 3.02. Lease Term. The Original Term of this Lease will terminate on December 31, 2012, the last day of the current Fiscal Year. The Lease Term may be continued, solely at the option of the County, at the end of the Original Term or any Renewal Term for an additional one year, provided that the final Renewal Term will not extend beyond February 2, 2018. At the end of the Original Term and at the end of each Renewal Term, unless the County has terminated this Lease pursuant to **Sections 3.04 or 10.01** and for no other reason, the County will be deemed to have exercised its option to continue this Lease for the next Renewal Term. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except for any difference in the Rent as provided on **Exhibit A**.

Section 3.03. Continuation of Lease Term by the County. The County reasonably believes that legally available funds in an amount sufficient to make all payments of Rent during the Original Term and each of the Renewal Terms can be obtained. The County further covenants that its responsible financial officer will do all things lawfully within his power to obtain and maintain funds from which the Rent may be paid, including making provision for such payments to the extent necessary in each proposed budget or appropriation request submitted for adoption in accordance with applicable provisions of law and to exhaust all available reviews and appeals in the event such portion of the budget or appropriation request is not approved. Notwithstanding the foregoing, the decision to budget and appropriate funds or to extend this Lease for any Renewal Term is to be made in accordance with the County's normal procedures for such decisions by the then-current governing body of the County.

Section 3.04. Nonappropriation. The County is obligated only to pay periodic payments under this Lease as may lawfully be made from Available Revenues. If an Event of Nonappropriation occurs, this Lease will be deemed terminated at the end of the then-current Original Term or Renewal Term. An Event of Nonappropriation will be deemed to have occurred if the County fails to budget,

appropriate or otherwise provide for sufficient funds to pay Basic Rent and any reasonably anticipated Supplemental Rent to come due during the immediately following Renewal Term. The County agrees to deliver notice to the Trustee of such termination at least 90 days prior to the end of the then-current Original Term or Renewal Term, but failure to give such notice will not extend the term beyond such Original Term or Renewal Term. If this Lease is terminated in accordance with this Section, the County agrees peaceably to transfer and surrender possession of the Leased Property to the Trustee.

Section 3.05. Enjoyment of Leased Property.

(a) The Trustee will provide the County during the Lease Term with quiet use and enjoyment of the Leased Property. The County will, during the Lease Term, peaceably and quietly have, hold and enjoy the Leased Property, without suit, trouble or hindrance from the Trustee, except as expressly set forth in this Lease. The County may use the Leased Property for any governmental or proprietary purpose of the County, subject to the limitations contained in this Lease.

(b) Notwithstanding any other provision in this Lease, the Trustee will have no responsibility to maintain, repair or insure the Leased Property. The County will comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Leased Property, as to the manner and use or the condition of the Leased Property. The County will also comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried by the provisions of **Article VII**. The County will pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the County to comply with the provisions of this Section. Notwithstanding any provision contained in this Section, however, the County may, at its own cost and expense, contest or review by legal or other appropriate procedures the validity or legality of any such governmental statute, law, ordinance, order, judgment, decree, regulation, direction or requirement, or any such requirement, rule or regulation of an insurer and during such contest or review, the County may refrain from complying therewith, if the County furnishes, on request, to the Trustee, at the County's expense, indemnity satisfactory to the Trustee.

Section 3.06. Inspection. The Trustee will have the right at all reasonable times and with reasonable notice during business hours to enter into and upon the Leased Property for the purpose of inspecting the Leased Property.

ARTICLE IV

RENT

Section 4.01. Basic Rent.

(a) The County will promptly pay all Basic Rent, subject to **Sections 3.04** and **4.03**, in lawful money of the United States of America on each Basic Rent Payment Date in such amounts as are described on **Exhibit A**. A portion of each Basic Rent Payment is paid as, and represents payment of, interest as set forth on **Exhibit A** (said interest to be attributable to the various Principal Portions in accordance with the per annum rates set forth on **Exhibit A**).

(b) To provide for the timely payment of Basic Rent, the County will pay to the Trustee for deposit in the Lease Revenue Fund on the 15th day of the month preceding each Basic Rent Payment Date, the amount due on such Basic Rent Payment Date.

(c) The County will, in accordance with the requirements of law and its normal budgeting procedures, fully budget and appropriate sufficient funds for the current Fiscal Year to make the Rent Payments scheduled to come due during the Original Term, and to meet its other obligations for the Original Term, and such funds will not be expended for other purposes.

Section 4.02. Supplemental Rent. The County will pay, subject to **Sections 3.04** and **4.03**, as Supplemental Rent (a) all Impositions (as defined in **Article VI**); (b) all amounts required under **Sections 4.04** or **4.06** and all other payments of whatever nature that the County has agreed to pay or assume under this Lease; (c) all expenses, including attorneys' fees and expenses to the extent permitted by law, incurred in connection with the enforcement of any rights under this Lease or the Base Lease by the Trustee; (d) all fees, charges and expenses of the Trustee as further provided in **Section 4.07**; (e) if the value of the Reserve Fund is less than the Reserve Requirement due to a decline in market value, as determined by the Trustee in accordance with the Declaration of Trust, or as a result of a withdrawal from the Reserve Fund pursuant to the Declaration of Trust, to the Trustee for deposit in the Reserve Fund an amount necessary to restore the Reserve Fund to the Reserve Requirement on or before the next succeeding Valuation Date; and (f) any payments required to be made pursuant to the Tax Compliance Agreement. Amounts required to be paid under this Section will be paid directly to the person or entity owed.

Section 4.03. Rent Payments to Constitute a Current Expense and Limited Obligation of the County. Notwithstanding any other provision hereof, the Trustee and the County understand and intend that the obligation of the County to pay Rent hereunder be limited to payment from Available Revenues and will constitute a current expense of the County. Such obligation will not in any way be construed to be a debt of the County in contravention of any applicable constitutional, or statutory limitation or requirement concerning the creation of indebtedness by the County, nor will anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the County, and all provisions of this Lease will be construed so as to give effect to such intent.

Section 4.04. Advances. If the County fails to either maintain the insurance required by this Lease or keep the Leased Property in good repair, the Trustee may, but is not obligated to, purchase the required insurance and pay the cost of the premiums therefor and maintain and repair the Leased Property and pay the cost thereof. All amounts so advanced by the Trustee will constitute Supplemental Rent for the then-current Original Term or Renewal Term. The County agrees to pay such amounts so advanced by the Trustee with interest thereon from the due date until paid at a rate per annum equal to the prime rate of the Trustee plus 2% or the maximum amount permitted by law, whichever is less. In accordance with Section 427.120 of the Revised Statutes of Missouri, unless the County provides evidence of the insurance coverage required by this Lease, the Trustee may purchase insurance at the County's expense to protect the Trustee's interests hereunder. This insurance may, but need not, protect the County's interests. The coverage that the Trustee may purchase may not pay any claim that the County may make or any claim that may be made against the County in connection with the Leased Property. The County may later cancel any insurance purchased by the Trustee, but only after providing evidence that the County has obtained insurance as required by this Lease. If the Trustee purchases insurance for the Leased Property, the County will be responsible for the costs of that insurance, including the insurance premium, interest and any other charges the Trustee may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance will be added as Supplemental Rent. The costs of the insurance may be more than the cost of insurance the County may be able to obtain on its own.

Section 4.05. Credit against Basic Rent Payment Obligation. The County will receive credit against its obligation to pay the Interest Portion or Principal Portion of Basic Rent to the extent moneys are on deposit in the Lease Revenue Fund and are available to pay the Interest Portion or the Principal Portion of Basic Rent represented by the Certificates.

Section 4.06. Net Lease; Rent Payments to be Unconditional.

(a) This Lease is intended to be net, net, net to the Trustee, subject to **Sections 3.04, 4.03 and 4.05**. The obligations of the County to pay the Basic Rent Payments and to perform and observe the other covenants and agreements contained herein will be absolute and unconditional in all events without abatement, diminution, deduction, setoff or defense, for any reason, including any failure of the Leased Property to be constructed or installed, any defects, malfunctions, breakdowns or infirmities in the Leased Property or any accident, condemnation or unforeseen circumstances.

(b) Nothing in this Lease will be construed as a waiver by the County of any rights or claims the County may have against the Trustee under this Lease or otherwise, but any recovery upon such rights and claims will be from the Trustee separately, it being the intent of this Lease that the County will be unconditionally and absolutely obligated to perform fully all of its obligations, agreements and covenants under this Lease, including its obligation to pay Basic Rent and Supplemental Rent. The County may, however, at its own cost and expense and in its own name or in the name of the Trustee, prosecute or defend any action or proceeding or take any other action involving third persons that the County deems reasonably necessary in order to secure or protect its right of possession, occupancy and use hereunder. In such event the Trustee hereby agrees, subject to receipt by the Trustee of satisfactory indemnity in accordance with **Section 11.03** of the Declaration of Trust, to cooperate fully with the County and to take all action necessary to effect the substitution of the County for the Trustee in any such action or proceeding if the County will so request.

Section 4.07. Compensation of the Trustee. The County will, from time to time, upon the written request of the Trustee, (a) pay to the Trustee reasonable compensation for its services as agreed to by the County and the Trustee from time to time (which compensation will not be limited by any provision of law in regard to the compensation of a trustee of an express trust) and (b) reimburse the Trustee for all reasonable advances and expenditures, including but not limited to, advances to and reasonable fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys or other experts employed by it in the exercise and performance of its powers and duties hereunder. Compensation under this Section (except the initial fee which is included in Costs of Issuance) is to be paid as Supplemental Rent as set forth in **Section 4.02**. The Trustee will have a first lien against the Trust Estate for its reasonable costs, fees, expenses and advancements hereunder.

Section 4.08. Increased Basic Rent. Notwithstanding any other provision of this Lease, the Trustee and the County may enter into a Supplemental Lease or Supplemental Leases that increase the amount of Basic Rent payable by the County on any Basic Rent Payment Date to provide funds to pay the costs of (a) repairing, replacing or restoring the Leased Property, (b) improving, upgrading or modifying the Leased Property, (c) additional improvements to the Leased Property or the acquisition of additional real property to be included in the Leased Property or the acquisition, purchase, construction or equipping of additions to or expansions or remodeling or modification of the Leased Property, and (d) refunding any or all of the Certificates. Each such Supplemental Lease will include an amended **Exhibit A** reflecting separately the Principal Portion and the Interest Portion of Basic Rent allocable to the original Lease and

to each Supplemental Lease due on each Basic Rent Payment Date as well as the total Basic Rent on each Basic Rent Payment Date.

ARTICLE V

RESERVED

ARTICLE VI

IMPOSITIONS

Section 6.01. Impositions. The County will bear, pay and discharge, before the delinquency thereof, as Supplemental Rent, all taxes and assessments, general and special, if any, that may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the Leased Property, including any taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and further including all water and sewer charges, assessments and other general governmental charges and impositions whatsoever, foreseen or unforeseen, that if not paid when due would impair the security of the Trustee or encumber the Leased Property (all of the foregoing being herein referred to as "Impositions").

Section 6.02. Contest of Impositions. The County may, in its own name or in the Trustee's name, contest the validity or amount of any Imposition that the County is required to bear, pay and discharge pursuant to the terms of this Article by appropriate legal proceedings instituted at least 10 days before the contested Imposition becomes delinquent. The County may permit the Imposition so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Trustee notifies the County that, in the Opinion of Counsel, by nonpayment of any such items the interest of the Trustee in the Leased Property will be endangered or the Leased Property or any part thereof will be subject to loss or forfeiture. In that event, the County shall promptly pay such taxes, assessments or charges or provide the Trustee with full security against any loss that may result from nonpayment in form satisfactory to the Trustee. The Trustee agrees to cooperate with the County in connection with any and all administrative or judicial proceedings related to Impositions. The County will hold the Trustee whole and harmless from any costs and expenses the Trustee may incur with respect to any Imposition.

ARTICLE VII

INSURANCE; INDEMNITY

Section 7.01. Insurance Required.

(a) The County will, during the Lease Term, cause the Leased Property to be kept continuously insured against such risks customarily insured against for facilities such as the Leased Property and will pay (except as otherwise provided herein), as the same become due, all premiums in respect thereof, such insurance to include the following policies of insurance:

(1) Insurance insuring the Leased Property against loss or damage by fire, lightning and all other risks covered by the extended coverage insurance endorsement then in use in the State in an amount not less than the Principal Portion of the Certificates then Outstanding and issued by such insurance company or companies authorized to do business in the State as may be selected by the County. The policy or policies of such insurance will name the County and the Trustee as insureds, as their respective interests may appear. All proceeds from such policies of insurance will be applied as provided in **Article IX**.

(2) Comprehensive general accident and public liability insurance (including coverage for all losses whatsoever arising from the ownership, maintenance, operation or use of any automobile, truck or other motor vehicle), under which the County and the Trustee are named as insureds, in an amount not less than \$500,000 combined single limit for bodily injuries and property damage.

(3) Workers' compensation and unemployment coverages to the extent, if any, required by the laws of the State.

(b) Not less than 15 days prior to the expiration dates of the expiring policies, originals or copies of the policies required by this Section or certificates evidencing such insurance will be delivered by the County to the Trustee. All policies of such insurance, and all renewals thereof, will contain a provision that such insurance may not be cancelled by the issuer thereof without at least 30 days' written notice to the County and the Trustee. Not less than annually, the County will provide a current certificate evidencing that the County is in compliance with the requirements of this Section to the Trustee.

(c) Nothing in this Lease will be construed as preventing the County from satisfying the insurance requirements herein set forth by using blanket policies of insurance or self-insurance provided each and all of the requirements and specifications of this Lease respecting insurance are complied with.

(d) The County may elect to be self-insured for all or any part of the foregoing requirements of this **Section 7.01** if (i) the County annually obtains a written evaluation with respect to such self-insurance program from an individual or firm selected by the County and acceptable to the Trustee qualified to survey risks and to recommend insurance coverage for entities engaged in operations similar to those of the County and having a favorable reputation for skill and experience in making such surveys and recommendations (an "Insurance Consultant"), (ii) the evaluation is to the effect that the self-insurance program is sound, (iii) unless the evaluation states that such reserves are not necessary, the County maintains adequate reserves for the self-insurance program, and (iv) in the case of workers' compensation, adequate reserves created by the County for such self-insurance program are maintained in such amount and manner as are acceptable to the State. The County will pay any fees and expenses of such Insurance Consultant in connection therewith.

Section 7.02. Enforcement of Contract and Surety Bonds. In the event of material default of any contractor or subcontractor under any contract made in connection with the acquisition, construction and installation of any improvements on the Leased Property, or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the County will promptly proceed, either separately or in conjunction with others, to pursue diligently the remedies of the County against the contractor or subcontractor in default and against each surety on a bond securing the performance of such contract. Any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery and

after reimbursement to the County of any amounts theretofore paid by the County not previously reimbursed to the County for correction or remedying of the default that gave rise to the proceedings against the contractor or subcontractor or surety, will be paid to the Trustee for deposit in the Lease Revenue Fund to be used solely for the purpose of paying Basic Rent under this Lease.

Section 7.03. Release and Indemnification. To the extent permitted by law, the County will indemnify, protect, hold harmless, save and keep the Trustee harmless from and against any and all liability, obligation, loss, claim, tax (other than income taxes or other taxes on or attributable to Rent Payments, if any, that are received by the Trustee in its individual capacity) and damage whatsoever and all expenses in connection therewith (including, without limitation, attorneys' fees and expenses) that are not caused by the gross negligence or willful misconduct of the Trustee, its agents, directors, attorneys or employees arising out of or as the result of (a) the entering into of the Base Lease, this Lease or the Declaration of Trust, (b) injury, actual or claimed, of whatsoever kind or character, to property or persons, occurring or allegedly occurring in, on or about the Leased Property during the Lease Term, and/or (c) the breach of any covenant by the County herein or any material misrepresentation by the County contained herein; provided that (1) the County may conduct the Trustee's defense through counsel designated by the County and approved by the Trustee, which approval shall not be unreasonably withheld and, (2) the Trustee may retain separate counsel, at the expense of the County, if counsel selected by the County fails to actively and competently pursue a defense or the Trustee determines that a conflict exists between the interest of the Trustee and the County. The indemnification arising under this Section will continue in full force and effect notwithstanding the full payment of all obligations under this Lease or the termination of this Lease or the Base Lease and the Declaration of Trust for any reason or the resignation or removal of the Trustee.

ARTICLE VIII

COVENANTS OF THE COUNTY

Section 8.01. Maintenance and Modification of Leased Property by the County.

(a) The County will at its own expense (1) keep the Leased Property in a safe condition, (2) with respect to the Leased Property, comply with all applicable health and safety standards and all other industrial requirements or restrictions enacted or promulgated by the State, or any political subdivision or agency thereof, or by the government of the United States of America or any agency thereof, and (3) keep the Leased Property in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; provided, however, that the County will have no obligation to operate, maintain, preserve, repair, replace or renew any element or unit of the Leased Property the maintenance, repair, replacement or renewal of which becomes uneconomical to the County because of damage, destruction or obsolescence, or change in economic or business conditions, or change in government standards and regulations. The County will not permit or suffer others to commit a nuisance in or about the Leased Property or itself commit a nuisance in connection with its use or occupancy of the Leased Property. The County will pay all costs and expenses of operation of the Leased Property.

(b) The County may, also at its own expense, make from time to time any additions, modifications or improvements to the Leased Property that it deems desirable for its business purposes and that do not materially impair the structural strength or effective use, or materially decrease the value, of the Leased Property. All additions, modifications or improvements made by the County pursuant to

this Section will (1) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (2) when commenced, be pursued to completion with due diligence and (3) when completed, be deemed a part of the Leased Property.

Section 8.02. Tax Covenants. The County covenants and agrees that (a) it will comply with the provisions of the Tax Compliance Agreement and with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent and (b) it will not use or permit the use of any proceeds of Certificates or any other funds of the County nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent. The County will, in addition, adopt such other orders or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the Interest Portion of the Basic Rent will remain excluded from gross income for federal income tax purposes, to the extent any such actions can be taken by the County.

Section 8.03. The County's Continuing Existence. The County will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

Section 8.04. Continuing Disclosure. The County hereby covenants and agrees that it will comply and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Lease, failure of the County to comply with the Continuing Disclosure Agreement will not be considered a default or an Event of Default under this Lease. The Trustee may, however, pursuant to the Declaration of Trust (and, at the request of the Owners of Certificates of at least 25% aggregate principal amount of Outstanding Certificates and if indemnified to its satisfaction, will) or any Owners of Certificates may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the County to comply with its obligations under the Continuing Disclosure Agreement.

ARTICLE IX

CASUALTY AND CONDEMNATION

Section 9.01. Damage, Destruction and Condemnation.

(a) The County will bear the risk of loss with respect to the Leased Property during the Lease Term. If (1) the Leased Property or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (2) title to, or the temporary use of, the Leased Property or any part thereof will be nonexistent or deficient or taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, the County will cause the Net Proceeds of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Leased Property, unless the County has exercised its option to purchase the Trustee's interest in the Leased Property by making payment of the Purchase Price as provided herein. Any balance of the Net Proceeds remaining after such work has been completed will be paid to the County and will be held and appropriated by the County for the exclusive purpose of paying Rent under this Lease.

(b) If the County determines that the repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interest of the County, then, in lieu of making such repair, restoration, modification or improvement and if permitted by law, the County will promptly purchase the Trustee's interest in the Leased Property pursuant to **Section 10.01(c)** by paying the Purchase Price. The Net Proceeds will be applied by the County to payment of the Purchase Price. Any balance of the Net Proceeds remaining after paying the Purchase Price will belong to the County.

(c) The County acknowledges the provisions pertaining to eminent domain in **Section 13** of the Base Lease. The Trustee and the County agree that the terms of **Section 13** of the Base Lease are incorporated in and made a part of this Lease to the same extent as if set forth in full at this point. This Section will survive the termination of this Lease for any reason.

Section 9.02. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to in **Section 9.01** and the County has not elected to purchase the Trustee's interest in the Leased Property pursuant to **Section 10.01(c)**, the County will complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds. If the County makes any payments pursuant to this Section, the County will not be entitled to any reimbursement therefor from the Trustee nor will the County be entitled to any diminution of Rent.

ARTICLE X

OPTION TO PURCHASE; PARTIAL PREPAYMENT

Section 10.01. Purchase Option. The County may purchase the Trustee's interest in the Leased Property, upon giving written notice to the Trustee at least 30 days before the purchase date, at the following times and on the following terms:

(a) On or after February 1, 2017, upon payment in full of Rent Payments then due hereunder plus a Purchase Price equal to 100% of the remaining Principal Portions of Basic Rent for the maximum Lease Term plus Interest Portions of Basic Rent accrued to the prepayment date.

(b) Upon deposit of moneys or Government Obligations or both with the Trustee in accordance with **Article X** of the Declaration of Trust in the amount necessary to provide for the Basic Rent Payments until and on, and the Purchase Price calculated as described in (a) above on the Certificates, to the prepayment date, which will be on or after February 1, 2017.

(c) In the event of substantial damage to or destruction or condemnation (other than condemnation by the County or any entity controlled by or otherwise affiliated with the County) of, or loss of title to, substantially all of the Leased Property, or as a result of changes in the constitution of the State or legislative or administrative action by the State or the United States, the Base Lease or this Lease becomes unenforceable, on the date the County specifies as the purchase date in the County's notice to the Trustee of its exercise of the purchase option, upon payment in full of the Rent Payments then due hereunder plus then remaining Principal Portions of Basic Rent

for the maximum Lease Term, plus Interest Portions of Basic Rent accrued to the prepayment date.

Section 10.02. Partial Prepayment.

(a) The County may prepay the Basic Rent Payments in part, upon giving written notice to the Trustee at least 30 days before the prepayment date, on or after February 1, 2017, at the prepayment price equal to 100% of the Principal Portion of Basic Rent being so prepaid set forth above plus the Interest Portion of Basic Rent accrued thereon to the prepayment date.

(b) The Principal Portion of Basic Rent prepaid pursuant to this **Section 10.02** will be in integral multiples of \$5,000 and will be credited in inverse order of maturity. Upon any partial prepayment, the amount of each Interest Portion of Basic Rent coming due thereafter will be reduced by the amount of such Interest Portion attributable to such prepaid Principal Portion determined by applying the annual interest rate corresponding to such prepaid Principal Portion as shown on **Exhibit A**.

Section 10.03. Determination of Fair Rent and Purchase Price. The County hereby agrees and determines that the Rent hereunder during the Original Term and any Renewal Term represents the fair value of the use of the Leased Property and that the Purchase Price required to exercise the County's option to purchase the Trustee's interest in the Leased Property pursuant to **Section 10.01** represents, as of the end of the Original Term or any Renewal Term, the fair Purchase Price of the Leased Property. The County hereby determines that the Rent does not exceed a reasonable amount so as to place the County under an economic practical compulsion to renew this Lease or to exercise its option to purchase the Leased Property hereunder. In making such determinations, the County has given consideration to the uses and purposes for which the Leased Property will be employed by the County, the benefit to the County of the Leased Property and the use and occupancy of the Leased Property pursuant to the terms and provisions of this Lease and the County's option to purchase the Leased Property. The County hereby determines and declares that the maximum Lease Term does not exceed the useful life of the Leased Property.

ARTICLE XI

ASSIGNMENT

Section 11.01. Assignment and Subleasing by the County. Except as hereinafter expressly provided, none of the County's right, title and interest in, to and under the Base Lease, this Lease and in the Leased Property may be assigned or encumbered by the County for any reason; except that the County may sublease any one or more parts of the Leased Property if the County obtains an Opinion of Bond Counsel that such subleasing will not adversely affect the exclusion of the Interest Portion of the Basic Rent Payments from gross income for purposes of federal income taxation. Any such sublease of all or part of the Leased Property will be subject to the Base Lease, this Lease and the rights of the Trustee in, to and under the Base Lease, this Lease and the Leased Property.

ARTICLE XII

EVENTS OF DEFAULT

Section 12.01. Events of Default Defined.

(a) Any of the following will constitute an "Event of Default" under this Lease:

(1) Failure by the County to pay Basic Rent pursuant to **Section 4.01** at the time specified therein;

(2) Failure by the County to make any Supplemental Rent Payment when due and the continuance of such failure for ten days after written notice specifying such failure and requesting that it be remedied is given to the County by the Trustee;

(3) Failure by the County to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in subparagraph (1) or (2) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the County by the Trustee, unless the Trustee will agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, the Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the County within the applicable period and diligently pursued until the default is corrected;

(4) Any statement, representation or warranty made by the County in or pursuant to the Base Lease or this Lease or the execution, delivery or performance of either of them proves to have been false, incorrect, misleading or breached in any material respect on the date when made;

(5) Any provision of this Lease or the Base Lease at any time for any reason ceases to be valid and binding on the County, or is declared null and void, or the validity or enforceability thereof is contested by the County or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of the Trustee; or

(6) The County becomes insolvent or admits in writing its inability to pay its debts as they mature or applies for, consents to, or acquiesces in the appointment of a trustee, receiver or custodian for the County or a substantial part of its property; or in the absence of such application, consent or acquiescence, a trustee, receiver or custodian is appointed by the County or a substantial part of its property and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, moratorium or any proceeding under bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is instituted by or against the State and, if instituted against the County, is consented to or acquiesced in by the County or is not dismissed within 60 days.

(b) Failure of the County to comply with the Continuing Disclosure Agreement will not be an Event of Default under this Lease.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, the Trustee will have the right, without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to the County, the Trustee may declare all Rent payable by the County hereunder to the end of then-current Original Term or Renewal Term to be due;

(b) With or without terminating this Lease, the Trustee may take possession of the Leased Property (in which event the County will take all actions necessary to authorize, execute and deliver to the Trustee for the remainder of the Trustee's leasehold term under the Base Lease all documents necessary to vest in the Trustee for the remainder of the Trustee's leasehold term under the Base Lease all of the County's interest in the Leased Property), and sell the Trustee's interest in the Leased Property or lease the Leased Property or, for the account of the County, sublease the Leased Property continuing to hold the County liable for the difference between (1) the Rent payable by the County hereunder for the then-current Original Term or Renewal Term, as the case may be, and (2) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of the Trustee in exercising its remedies under this Lease, including without limitation all expenses of taking possession, removing, storing, reconditioning, and selling or leasing or subleasing the Leased Property and all brokerage, auctioneers and attorneys' fees and expenses);

(c) The Trustee may terminate any rights the County may have in any moneys held by the Trustee under the Declaration of Trust; and

(d) The Trustee may take whatever action at law or in equity necessary or desirable to enforce its rights in the Leased Property and under this Lease.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive and every such remedy will be cumulative and will be in addition to every other remedy given under this Lease now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver thereof, but any such right or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article it will not be necessary to give any notice, other than such notice as may be required in this Article.

ARTICLE XIII

MISCELLANEOUS

Section 13.01. Notices. All notices, certificates or other communications to be given or to be served upon any party in connection with this Lease will be given in accordance with **Section 12.03** of the Declaration of Trust.

Section 13.02. Title to Personal Property. Title to any portion of the Leased Property that constitutes personal property will vest in the County subject to the Trustee's rights under this Lease and

the Base Lease; provided that title thereto will thereafter immediately and without any action by the County vest in the Trustee and the County will immediately surrender possession thereof to the Trustee upon (a) any termination of this Lease without the County exercising its option to purchase pursuant to **Section 10.01** or (b) the occurrence of an Event of Default. It is the intent of the parties hereto that any transfer of title to the Trustee pursuant to this Section will occur automatically without the necessity of any deed, bill of sale, certificate of title or other instrument of conveyance. Nevertheless, the County will execute and deliver any such instruments as the Trustee may request to evidence such transfer.

Section 13.03. Binding Effect. This Lease will inure to the benefit of and will be binding upon the Trustee and the County and their respective successors and assigns.

Section 13.04. Amendments, Changes and Modifications. This Lease may not be effectively amended, changed, modified, altered or supplemented except with the written consent of the Trustee and the County and as provided in the Declaration of Trust.

Section 13.05. Electronic Transactions. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents will be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. The Trustee agrees to accept and act upon instructions or directions pursuant to this Lease sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that: (a) subsequent to such transmission of written instructions and/or directions the Trustee shall forthwith receive the originally executed instructions and/or directions in a timely manner, (b) such originally executed instructions and/or directions shall be signed by a person as may be designated and authorized to sign for the party signing such instructions and/or directions, and (c) the Trustee shall have received an incumbency certificate listing such designated persons and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the County elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The County agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Trustee and the County have caused this Lease to be executed in their names by their duly authorized representatives as of the date first above written.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

(SEAL)

By _____
Name:
Title:

ATTEST:

By _____
Name:
Title:

BOONE COUNTY, MISSOURI

(SEAL)

By: _____
Name: Daniel Atwill
Title: Presiding Commissioner

ATTEST:

By: _____
Name: Wendy Noren
Title: Clerk of the County Commission

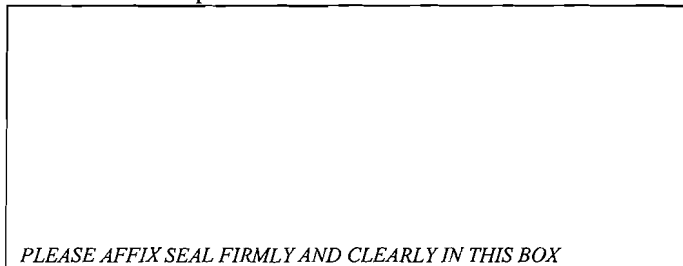
ACKNOWLEDGMENT

STATE OF MISSOURI)
) **SS.**
CITY OF ST LOUIS)

On this _____ day of March, 2012, before me, the undersigned, a Notary Public, appeared _____, who being before me duly sworn did say that (s)he is an authorized signatory of **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America and that the seal affixed to the foregoing instrument is the seal of said association, and that said instrument was signed and sealed on behalf of said association by authority of its board of directors, and said official acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

Notary Public in and for said State
Commission Expires:



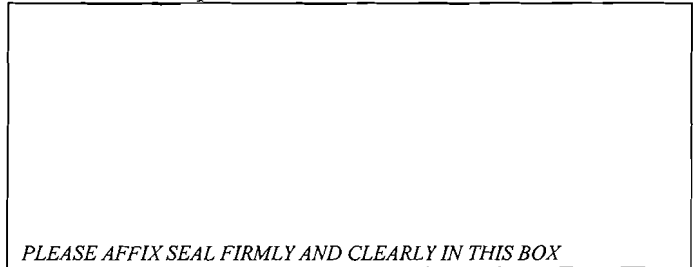
ACKNOWLEDGMENT

STATE OF MISSOURI)
) **SS.**
COUNTY OF BOONE)

On this 1st day of March, 2012, before me, the undersigned, a Notary Public, appeared Daniel Atwill, to me personally known, who, being by me duly sworn, did say that he is the Presiding Commissioner of **BOONE COUNTY, MISSOURI**, a body politic and duly authorized, incorporated and existing under and by virtue of the laws of the State of Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of said County, and that said instrument was signed and sealed in behalf of said County by authority of its governing body, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said County.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal, the day and year last above written.

Notary Public in and for said State
Commission Expires:



**SCHEDULE 1
TO LEASE PURCHASE AGREEMENT**

DESCRIPTION OF THE LEASED PROPERTY

A TRACT OF LAND CONTAINING 7.28 ACRES, MORE OR LESS, LOCATED IN THE SOUTHEAST QUARTER (SE 1/4) OF SECTION NINETEEN (19), TOWNSHIP FORTY-NINE (49) NORTH, RANGE TWELVE (12) WEST, OF THE FIFTH (5TH) PRINCIPAL MERIDIAN, IN BOONE COUNTY, MISSOURI, BEING PART OF THAT LAND DESCRIBED BY THE DEED RECORDED IN BOOK 90, PAGE 581, AND BEING PART OF THAT LAND SHOWN ON THE PLAT OF SURVEY RECORDED IN BOOK 1196, PAGE 466, RECORDS OF BOONE COUNTY, MISSOURI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 19; THENCE SOUTH 0 DEGREES 10' 54" WEST ALONG THE 1/4 SECTION LINE 50.02 FEET; THENCE LEAVING SAID 1/4 LINE SOUTH 88 DEGREES 07' 38" EAST 539.37 FEET; THENCE SOUTH 0 DEGREES 27' 32" EAST 342.47 FEET; THENCE SOUTH 58 DEGREES 17' 10" EAST 466.92 FEET TO THE POINT OF BEGINNING: FROM THE POINT OF BEGINNING NORTH 51 DEGREES 20' 13" EAST 226.01 FEET TO A POINT ON THE WEST LINE OF THE MAIN ROADWAY AS SHOWN AND DESCRIBED ON THE PLAT OF SURVEY RECORDED IN BOOK 1196, PAGE 466; THENCE ALONG THE WEST LINES OF SAID ROADWAY: SOUTH 38 DEGREES 39' 47" EAST 185.39 FEET; AND SOUTH 31 DEGREES 07' 22" EAST 657.11 FEET; THENCE LEAVING SAID WEST LINES SOUTH 78 DEGREES 51' 23" WEST 437.00 FEET; THENCE NORTH 43 DEGREES 26' 36" WEST 443.72 FEET; THENCE NORTH 17 DEGREES 14' 42" EAST 343.84 FEET TO THE POINT OF BEGINNING.

EXHIBIT A

SCHEDULE OF BASIC RENT PAYMENTS

<u>Certificate Payment Date</u> ⁽¹⁾	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Rental Payment</u>	<u>Purchase Price</u> ⁽²⁾⁽³⁾
08/01/2012	-	\$ 14,964.72	\$ 14,964.72	\$2,230,000.00
02/01/2013	\$ 350,000.00	19,806.25	369,806.25	1,880,000.00
08/01/2013	-	16,306.25	16,306.25	1,880,000.00
02/01/2014	350,000.00	16,306.25	366,306.25	1,530,000.00
08/01/2014	-	12,806.25	12,806.25	1,530,000.00
02/01/2015	350,000.00	12,806.25	362,806.25	1,180,000.00
08/01/2015	-	9,306.25	9,306.25	1,180,000.00
02/01/2016	370,000.00	9,306.25	379,306.25	810,000.00
08/01/2016	-	5,606.25	5,606.25	810,000.00
02/01/2017	375,000.00	5,606.25	380,606.25	435,000.00
08/01/2017	-	3,262.50	3,262.50	435,000.00
02/01/2018	<u>435,000.00</u>	<u>3,262.50</u>	<u>438,262.50</u>	-
TOTAL	\$2,230,000.00	\$129,345.97	\$2,359,345.97	

- (1) Basic Rent payments are due on the 15th day of the month prior to the Certificate Payment Date.
(2) Subject to Article X of the Lease.
(3) Purchase price after payment of Rent Payment otherwise due.

EXHIBIT C

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated March 1, 2012 (the "Continuing Disclosure Agreement"), is executed and delivered by **BOONE COUNTY, MISSOURI** (the "**County**") and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as Dissemination Agent (the "**Dissemination Agent**").

RECITALS

1. This Continuing Disclosure Agreement is being executed and delivered in connection with the delivery by the County of \$2,230,000 principal amount of its Refunding Certificates of Participation, Series 2012 (the "**Certificates**").

2. The County and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Certificates and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**"). The County is the only "**obligated person**" (as defined by the Rule) with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the County and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Declaration of Trust dated March 1, 2012 (the "**Declaration of Trust**") entered into by The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"), and the Lease Purchase Agreement dated March 1, 2012 (the "**Lease**") entered into by and between the County and the Trustee, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms have the following meanings:

"**Annual Report**" means any Annual Report filed by the County pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement.

"**Beneficial Owner**" means any registered owner of any Certificates and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates for federal income tax purposes.

"**Business Day**" means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the payment office of the Trustee or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

"**Dissemination Agent**" means The Bank of New York Mellon Trust Company, N.A., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the County.

"**EMMA**" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"**Fiscal Year**" means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the County as the Fiscal Year of the County for financial reporting purposes.

“Material Events” means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

“MSRB” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“Participating Underwriter” means any of the original underwriters of the Certificates required to comply with the Rule in connection with offering of the Certificates.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports.

- (a) The County shall not later than **180** days after the end of the County’s fiscal year, commencing with the year ending December 31, 2011, file with the MSRB, through EMMA, the following financial information and operating data (the **“Annual Report”**):
- (1) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the summary unaudited financial information contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.
 - (2) Updates as of the end of the fiscal year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the County is an **“obligated person”** (as defined by the Rule), which have been filed with the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The County shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s fiscal year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

- (b) In addition to the foregoing requirements of this Section, the County agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same has been filed with the MSRB.

Section 3. Reporting of Material Events.

(a) No later than 10 Business Days after the occurrence of any of the following events, the County shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Certificates (“**Material Events**”):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
- (7) modifications to rights of certificate holders, if material;
- (8) certificate calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Certificates, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the County;
- (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the County’s finance officer or his or her designee, or such other person as the County shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the County promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the County determines that such event would not constitute a Material Event, the County shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).

(c) Whenever the County obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the County shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent receives written instructions from the County to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, with a copy to the County. Notwithstanding the foregoing, notice of Material Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered owners of affected Certificates pursuant to the Declaration of Trust.

Section 4. Termination of Reporting Obligation. The County’s obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates. If the County’s obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing

Disclosure Agreement in the same manner as if it were the County, and the County shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Certificates, the County shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agent. The County may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the County pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is The Bank of New York Mellon Trust Company, N.A.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the County and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the execution of such amendment by the Dissemination Agent so requested by the County shall not be unreasonably withheld) and any provision of this Continuing Disclosure Agreement may be waived, provided that Special Counsel or other counsel experienced in federal securities law matters provides the County and the Dissemination Agent with its written opinion that the undertaking of the County contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the County shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the County shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. In the event of a failure of the County or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, the Trustee, the Participating Underwriter or any Beneficial Owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Declaration of Trust, the Lease or the Certificates, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the County or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 9. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement, and the County agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Certificates. The County shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement.

Section 10. Notices. Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the County: **Boone County, Missouri**
Boone County Courthouse
801 East Walnut, Room 236
Columbia, Missouri 65201
Attention: County Treasurer
Telephone/Fax: 573-886-4365/573-886-4369

To the Dissemination Agent: **The Bank of New York Mellon Trust Company, N.A.**
911 Washington Avenue, Suite 300
St. Louis, Missouri 63101
Attention: Corporate Trust Department
Telephone/Fax: 314-613-8271/314-613-8239

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 11. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and Beneficial Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 12. Severability. If any provision in this Continuing Disclosure Agreement, the Declaration of Trust or the Certificates shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

IN WITNESS WHEREOF, the County and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

BOONE COUNTY, MISSOURI

By: _____
Title: Presiding Commissioner

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,**
as Dissemination Agent

By: _____
Title: Authorized Officer or Signatory

Continuing Disclosure Agreement
Boone County, Missouri

EXHIBIT A

**FINANCIAL INFORMATION AND OPERATING DATA TO BE
INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in the following described sections and tables contained in **APPENDIX A** of the final Official Statement:

- DEBT STRUCTURE (other than under the section, “Overlapping General Obligation Indebtedness”)
- FINANCIAL INFORMATION CONCERNING THE COUNTY

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Boone County, Missouri
Name of Issue: \$2,230,000 Refunding Certificates of Participation, Series 2012
Name of Obligated Person: Boone County, Missouri
Date of Issuance: March 15, 2012

NOTICE IS HEREBY GIVEN that Boone County, Missouri, has not provided an Annual Report with respect to the above-named Certificates as required by the Continuing Disclosure Agreement dated March 1, 2012, between Boone County, Missouri, and The Bank of New York Mellon Trust Company, N.A., as Dissemination Agent. [The Obligated Person has informed the Dissemination Agent that the Obligated Person anticipates that the Annual Report will be filed by _____.]

Dated: _____, _____.

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,** as Dissemination Agent on behalf of
BOONE COUNTY, MISSOURI

cc: Boone County, Missouri

EXHIBIT D

FORM OF CERTIFICATE PURCHASE AGREEMENT

\$2,230,000
Refunding Certificates of Participation
Series 2012
Evidencing a Proportionate Interest in Basic Rent Payments to be made by
Boone County, Missouri

March 1, 2012

CERTIFICATE PURCHASE AGREEMENT

County Commission
Boone County, Missouri

The Bank of New York Mellon Trust Company, N.A., as Trustee
St. Louis, Missouri

Ladies and Gentlemen:

On the basis of the representations, warranties and covenants and upon the terms and conditions contained in this Certificate Purchase Agreement, the undersigned, Piper Jaffray & Co., Leawood, Kansas (the "Underwriter"), hereby offers to purchase \$2,230,000 aggregate principal amount of Refunding Certificates of Participation, Series 2012 (the "Certificates"), to be delivered by The Bank of New York Mellon Trust Company, N.A. (the "Trustee"), at the direction of Boone County, Missouri (the "County"), under and pursuant to the Declaration of Trust dated as of March 1, 2012 (the "Declaration"), made by the Trustee.

SECTION 1. COUNTY'S REPRESENTATIONS, WARRANTIES AND AGREEMENTS

By its acceptance hereof the County hereby represents and warrants to, and agrees with, the Underwriter and the Trustee as follows:

(a) The County is a first-class County organized and existing under the laws of the State of Missouri. The County is authorized (1) pursuant to a Base Lease dated as of March 1, 2012 (the "Base Lease"), to lease to the Trustee certain real estate of the County, upon which the County's juvenile justice center is located (together with any improvements located or to be located thereon, the "Leased Property"), (2) pursuant to a Lease Purchase Agreement dated as of March 1, 2012 (the "Lease"), to sublease the Leased Property from the Trustee, (3) to enter into the Tax Compliance Agreement dated as of March 1, 2012 (the "Tax Agreement"), between the County and the Trustee and (4) to enter into the Continuing Disclosure Agreement dated as of March 1, 2012 (the "Continuing Disclosure Agreement"), between the County and The Bank of New York Mellon Trust Company, N.A., as dissemination agent.

(b) The County has full power and authority to enter into the transactions contemplated by this Certificate Purchase Agreement, the Base Lease, the Lease, the Tax Agreement and the Continuing Disclosure Agreement (collectively, the "County Documents"), and any and all other agreements relating thereto.

(c) The information contained in the Preliminary Official Statement dated February 23, 2012, and the Official Statement to be dated March 1, 2012, and in any amendment or supplement that may be authorized by the County for use with respect to the Certificates (hereinafter collectively referred to as the "Official Statement"), is, and as of the Closing Time (hereinafter defined) will be, true and does not omit and will not omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. The County hereby deems the information contained in the Preliminary Official Statement regarding the County to be "final" as of its date, except for the omission of such information as is permitted by Rule 15c2-12(b)(1), such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the purchasers and other terms of the Certificates depending on such matters.

(d) If, prior to the earlier of (1) 90 days after the "end of the underwriting period" (as defined in Rule 15c2-12 under the Securities Exchange Act of 1934 (the "1934 Act") or (2) the time when the Official Statement is available to any person from a nationally recognized municipal securities information repository, but in no case earlier than 25 days after the end of the underwriting period, any event occurs relating to or affecting the County, as a result of which it is necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances existing when the Official Statement is delivered to a purchaser, not materially misleading, or the Official Statement is required to be amended or supplemented to comply with law, the County shall promptly prepare and furnish, at the expense of the County, to the Underwriter and to the dealers (whose names and addresses the Underwriter will furnish to the County) to which Certificates may have been sold by the Underwriter and to any other dealers upon request, such amendments or supplements to the Official Statement as may be necessary so that the statements in the Official Statement as so amended or supplemented will not, in the light of the circumstances existing when the Official Statement is delivered to a purchaser of the Certificates, be misleading or so that the Official Statement will comply with law.

(e) Within seven business days after the date of this Certificate Purchase Agreement or within sufficient time to accompany any confirmation that requests payment from any customer of the Underwriter, whichever is earlier, the County shall provide to the Underwriter sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of Rule 15c2-12(b)(4) under the 1934 Act, and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

(f) From the date hereof until the Closing Time, the County shall furnish the Underwriter with a copy of any proposed amendment or supplement to the Official Statement for review and shall not use any such proposed amendment or supplement to which the Underwriter reasonably objects.

(g) The County has or will have, by the Closing Time, duly authorized all necessary action to be taken for (1) the execution and delivery of the Base Lease, the Lease, the Continuing Disclosure Agreement and the Tax Agreement; (2) the approval of the Official Statement and the signing of the Official Statement by the County; (3) the execution, delivery or receipt, as appropriate, of this Certificate Purchase Agreement, the documents to which the County is a party

and any and all such other agreements and documents as may be required to be executed, delivered or received by the County in order to carry out, give effect to and consummate the transactions contemplated hereby or by the Official Statement; and (4) the carrying out, giving effect to and consummation of the transactions contemplated hereby or by the Official Statement. The County has or will have, by the Closing Time, also approved the Declaration. Executed counterparts of the County Documents, the Declaration and the Official Statement will be delivered to the Underwriter by the County at the Closing Time.

(h) The County Documents, when executed and delivered by the County, will be the legal, valid and binding obligations of the County enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the County and further subject to the availability of equitable remedies.

(i) Except as set forth in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the County's knowledge, threatened against or affecting the County (or, to the County's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the transactions contemplated hereby or by the Official Statement or the validity or enforceability of the County Documents, the Certificates, the Declaration, this Certificate Purchase Agreement or any agreement or document which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement.

(j) The execution and delivery of the Official Statement, the County Documents and the other agreements and documents contemplated hereby or by the Official Statement, and the performance by the County of its obligations under the aforementioned, do not and will not violate any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease, note or other obligation or instrument to which the County is subject or by which it is or may be bound.

(k) Any certificate signed by an authorized official of the County and delivered to the Underwriter shall be deemed a representation and warranty by the County to the Underwriter as to the statements made therein.

(l) The County will deliver or cause to be delivered all opinions, certificates and other documents, as provided herein, including, but not limited to, an opinion of its counsel dated as of the Closing Date covering, among other things, the due authorization, execution and delivery by the County of this Certificate Purchase Agreement and the documents to which the County is a party.

(m) No event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute an Event of Default under the documents to which the County is a party.

(n) Pursuant to the Continuing Disclosure Agreement, the County shall provide annual financial information, certain operating data and event notices to information repositories in the manner and to the extent required by Rule 15c2-12, and in a manner and to the extent described in the Preliminary Official Statement.

SECTION 2. TRUSTEE'S REPRESENTATIONS, WARRANTIES AND AGREEMENTS

By its acceptance hereof, the Trustee hereby represents and warrants to, and agrees with, the Underwriter and the County as follows:

(a) The Trustee is a national banking association duly and legally organized under the laws of the United States of America and is authorized to accept and execute trusts of the character set forth in the Declaration. The Trustee is authorized pursuant to such laws and all regulations promulgated thereunder (1) to lease the Real Property from the County pursuant to the Base Lease and (2) to lease the Leased Property to the County pursuant to the Lease.

(b) The documents to which the Trustee is a party, when executed and delivered by the Trustee, will be the legal, valid and binding obligations of the Trustee enforceable in accordance with their terms, except to the extent that enforcement thereof may be limited by an applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Trustee and further subject to the availability of equitable remedies.

(c) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the Trustee's knowledge, threatened against or affecting the Trustee (or, to the Trustee's knowledge, any basis therefor) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the transactions contemplated hereby or by the Official Statement or the validity or enforceability of the Base Lease, the Lease, the Declaration, the Certificates, the Tax Agreement, the Continuing Disclosure Agreement, this Certificate Purchase Agreement or any agreement or document which is used or contemplated for use in the consummation of the transactions contemplated hereby or by the Official Statement.

(d) The execution and delivery of this Certificate Purchase Agreement, the Base Lease, the Lease, the Declaration, the Certificates, the Tax Agreement, the Continuing Disclosure Agreement, and the other agreements and documents contemplated hereby or by the Official Statement, and the performance by the Trustee of its obligations under the aforementioned, do not and will not violate any existing law, court or administrative regulation, decree or order or any agreement, indenture, mortgage, lease, note or other obligation or instrument to which the Trustee is subject or by which it is or may be bound.

SECTION 3. PURCHASE, SALE AND DELIVERY OF THE CERTIFICATES

On the basis of the representations, warranties and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time (hereinafter defined) the Underwriter agrees to purchase from the Trustee, at the direction of the County, the Certificates at a purchase price of \$2,238,981.20 (which represents the original principal amount of the Certificates, plus a net original issue premium of \$26,821.20, and less an underwriting discount of \$17,840.00).

The County acknowledges and agrees that (1) the purchase and sale of the Certificates pursuant to this Certificate Purchase Agreement is an arm's-length commercial transaction among the Trustee, the County and the Underwriter, (2) in connection with such transaction, the Underwriter is acting solely as a principal and not as an agent or a fiduciary of the Trustee or the County, (3) the Underwriter has not assumed (individually or collectively) a fiduciary responsibility in favor of the Trustee or the County with respect to (A) the offering of the Certificates or the process leading thereto (whether or not the

Underwriter has advised or is currently advising the County on other matters) or (B) any other obligation to the County, except the obligations expressly set forth in this Certificate Purchase Agreement and (4) the County has consulted with its own legal and other professional advisors to the extent it deemed appropriate in connection with the offering of the Certificates.

The Underwriter initially agrees to offer the Certificates to the public at the prices set forth on **Schedule 1** attached hereto, but may subsequently change such offering prices; the Underwriter agrees to notify the County of such changes, if such changes occur prior to the Closing Time (hereafter defined), but failure so to notify shall not invalidate such changes. The Underwriter may offer and sell the Certificates to certain dealers (including dealers depositing the Certificates into investment trusts) at prices lower than the public offering prices. At the request of the County, the Purchasers will provide information explaining the factual basis for the Purchasers' representations in the Underwriter's Receipt for Bonds and Representation Letter. This agreement by the Purchasers to provide such information will continue to apply after the Closing Time if (1) the County requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (2) the information is required to be retained by the County pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

The Certificates shall be delivered under and secured as provided in the Declaration. The Certificates shall have the maturities and interest rates set forth on **Schedule 1** hereto, and shall be subject to prepayment as shall be set forth in the Declaration and the Official Statement.

Payment for the Certificates shall be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds payable to the order of the Trustee for the account of the County, at the offices of Gilmore & Bell, P.C., 2405 Grand Blvd., Suite 1100, Kansas City, Missouri 64108, at 9:00 a.m. local time, on March 15, 2012, or such other date as shall be mutually agreed upon by the County, the Trustee and the Underwriter. The date of such delivery and payment is herein called the "Closing Date," and the hour and date of such delivery and payment is herein called the "Closing Time." The delivery of the Certificates shall be made in book-entry only form, bearing CUSIP numbers (provided neither the printing of a wrong number on any Certificate nor the failure to print a number thereon shall constitute cause to refuse delivery of any Certificate) as fully registered certificates (in such denominations as the Underwriter shall specify in writing at least 48 hours prior to the Closing Time); provided, however, that the Certificates may be delivered in temporary form. If delivered in definitive form, the Certificates shall be available for examination and packaging by the Underwriter at least 24 hours prior to the Closing Time.

At the request of the County, the Purchaser will provide information explaining the factual basis for the Purchaser's representations in the Underwriter's Receipt for Bonds and Representation Letter. This agreement by the Purchaser to provide such information will continue to apply after the Closing Time if (1) the County requests the information in connection with an audit or inquiry by the Internal Revenue Service or the Securities and Exchange Commission or (2) the information is required to be retained by the County pursuant to future regulation or similar guidance from the Internal Revenue Service, the Securities and Exchange Commission or other federal or state regulatory authority.

SECTION 4. CONDITIONS TO THE UNDERWRITER'S OBLIGATIONS

The Underwriter's obligations hereunder shall be subject to the due performance by the County of its respective obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the County's representations and warranties contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions:

(a) At the Closing Time,

(1) The County Documents, the Declaration, the Certificates and the Official Statement shall have been duly authorized, executed and delivered in the form heretofore approved by the Underwriter with only such changes therein as shall be mutually agreed upon by the County, the Underwriter and the Trustee;

(2) The Underwriter shall have received evidence of a rating on the Certificates not less than "Aa2" by Moody's Investors Service;

(3) The proceeds of the sale of the Certificates shall have been deposited and applied as described in the Declaration;

(4) The County shall have duly adopted and there shall be in full force and effect such resolutions or orders as, in the opinion of Special Tax Counsel, shall be necessary in connection with the transactions contemplated hereby; and

(5) The County will have executed the Continuing Disclosure Agreement containing provisions requiring the County to provide annual financial information, certain operating data and event notices to information repositories in the manner and to the extent required by Rule 15c2-12 and in a manner and to the extent described in the Preliminary Official Statement.

(b) At the Closing Time, the Underwriter shall receive:

(1) The opinion, in form and substance reasonably satisfactory to the Underwriter, dated as of the Closing Date, of Gilmore & Bell, P.C., Kansas City, Missouri, Special Tax Counsel;

(2) A certificate, in form and substance reasonably satisfactory to the Underwriter and Special Tax Counsel, of the Trustee, dated as of the Closing Date;

(3) A certificate, in form and substance reasonably satisfactory to the Underwriter and Special Tax Counsel, of the County, dated as of the Closing Date;

(4) A completed form 8038-G (Information Return for Tax-Exempt Governmental Obligations); and

(5) Such additional certificates and other documents as the Underwriter may reasonably request to evidence performance or compliance with the provisions hereof and the transactions contemplated hereby and by the Declaration, the County Documents and the Official Statement, all such certificates and other documents to be satisfactory in form and substance to the Underwriter and Special Tax Counsel.

SECTION 5. CONDITIONS TO OBLIGATIONS

The obligations of each party hereunder are subject to the performance of the obligations of each other party hereunder.

SECTION 6. THE UNDERWRITER'S RIGHT TO CANCEL

The Underwriter shall have the right to cancel their obligations hereunder to purchase the Certificates (and such cancellation shall not constitute a default for purposes of **Section 8** hereof) by notifying the County and the Trustee in writing or by telegram of its election to make such cancellation prior to the Closing Time, if at any time between the date of this Certificate Purchase Agreement and the Closing Time:

(a) A committee of the House of Representatives or the Senate of the Congress of the United States begins active consideration of legislation, or a tentative decision with respect to legislation is reached by such a committee, or legislation is favorably reported by such a committee or is introduced, by amendment or otherwise, in or is passed by the House of Representatives or the Senate, or is recommended to the Congress of the United States for passage by the President of the United States, or is enacted by the Congress of the United States, which would have the purpose or effect of imposing federal income taxation upon interest received on the Certificates or on obligations of the general character of the Certificates, which, in the Underwriter's opinion, materially adversely affects the market price of the Certificates;

(b) A decision by a court established under Article III of the Constitution of the United States or the Tax Court of the United States is rendered, or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service is made or proposed, or any other event has occurred, which has the purpose or effect of imposing federal income taxation upon interest received on the Certificates or on obligations of the general character of the Certificates which, in the Underwriter's opinion, materially adversely affects the market price of the Certificates;

(c) Any legislation, ordinance, rule or regulation is introduced in or is enacted by the General Assembly of the State of Missouri or by any other governmental body, department or agency of the State of Missouri, or a decision by any court of competent jurisdiction within the State of Missouri is rendered which, in the Underwriter's opinion, materially adversely affects the market price of the Certificates, or litigation challenging any statute under which the Certificates are to be executed and delivered is filed in any court in the State of Missouri;

(d) A stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter is issued or made to the effect that the delivery, offering or sale of obligations of the general character of the Certificates, or the delivery, offering or sale of the Certificates, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provision of the federal securities laws, the Securities Act of 1933, as amended and as then in effect, or the registration provisions of the 1934 Act, as amended and as then in effect, or the qualification provisions of the Trust Indenture Act of 1939, as amended and as then in effect;

(e) Legislation is enacted by the Congress of the United States of America, or a decision by a court of the United States of America is rendered, to the effect that obligations of the general character of the Certificates, or the Certificates, including all the underlying obligations, are not exempt from registration under or from other requirements of the Securities Act of 1933, as amended and as then in effect, or the 1934 Act, as amended and as then in effect, or that the Declaration is not exempt from qualification under, or other requirements of, the Trust Indenture Act of 1939, as amended and as then in effect;

(f) Additional material restrictions not in force as of the date hereof have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange;

(g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, imposes, as to the Certificates or obligations of the general character of the Certificates, any material restrictions not now in force, or increases materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(h) Any general banking moratorium has been established by federal, New York or Missouri authorities;

(i) A material default has occurred with respect to the obligations of, or proceedings have been instituted under the Federal bankruptcy laws or any similar state laws by or against, any state of the United States or any city located in the United States having a population in excess of one million persons or any entity issuing obligations on behalf of such a city or state which, in the Underwriter's opinion, materially adversely affects the market price of the Certificates;

(j) Any event has occurred, or information becomes known, which, in the Underwriter's opinion, makes untrue in any material respect any statement or information contained in the Official Statement as originally circulated, or has the effect that the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading; or

(k) A war involving the United States has been declared, or any conflict involving the armed forces of the United States has escalated, or any other national emergency relating to the effective operation of government or the financial community has occurred, which, in the Underwriter's opinion, materially adversely affects the market price of the Certificates. The Underwriter acknowledges that no such war, conflict or national emergency exists as of the date hereof.

SECTION 7. REPRESENTATIONS, WARRANTIES AND AGREEMENTS TO SURVIVE DELIVERY

All of the representations, warranties, and agreements contained herein shall remain operative and in full force and effect and shall survive delivery of the Certificates to the Underwriter, regardless of any investigations made by the Underwriter.

SECTION 8. PAYMENT OF EXPENSES

Whether or not the Certificates are delivered by the Trustee to the Underwriter (unless such sale be prevented at the Closing Time by the Underwriter's default), the Underwriter shall be under no obligation to pay any expenses incident to the performance of the County's obligations hereunder. If the Certificates are delivered by the Trustee to the Underwriter, all expenses and costs to effect the authorization, preparation, delivery and sale of the Certificates (including, without limitation, the fees and disbursements of Special Tax Counsel, and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Certificates, the Preliminary Official Statement, the Official Statement, this Certificate Purchase Agreement and all other agreements and documents contemplated

hereby, trustee fees, rating fees, Special Tax Counsel fees, other County counsel's fees, CUSIP fees, and title insurance fees) shall be paid by the County out of the proceeds of the Certificates. If the Certificates are not delivered by the Trustee to the Underwriter (unless such sale be prevented at the Closing Time by the Underwriter's default), all such expenses and costs shall be paid by the County.

SECTION 9. USE OF OFFICIAL STATEMENT

The County hereby ratifies and confirms the Underwriter's use of the Preliminary Official Statement in connection with the sale of the Certificates; and the County authorizes the use of, and the County will make available, the Official Statement for the use by the Underwriter in connection with the sale of the Certificates.

Any tombstone or other advertisement of the sale of the Certificates by the Underwriter shall be approved by the Underwriter's Compliance Department, in accordance with applicable laws and regulations of the securities industry.

SECTION 10. NOTICES

Any notice or other communication to be given to the County, the Trustee or the Underwriter under this Certificate Purchase Agreement may be given by mailing or delivering the same in writing to such parties at the following addresses:

(a) To the County:

Boone County, Missouri
801 East Walnut, Room 236
Columbia, Missouri 65201
Attention: County Treasurer

(b) To the Trustee:

The Bank of New York Mellon Trust Company, N.A.
911 Washington, Suite 300
St. Louis, Missouri 63101
Attention: Corporate Trust Department

(c) To the Underwriter:

Piper Jaffray & Co.
11150 Overbrook Road, Suite 310
Leawood, Kansas 66211
Attention: Mr. Jack Dillingham

SECTION 11. APPLICABLE LAW; NONASSIGNABILITY

This Certificate Purchase Agreement shall be governed by the laws of the State of Missouri. This Certificate Purchase Agreement shall not be assigned by the County, the Trustee or the Underwriter.

SECTION 12. EXECUTION OF COUNTERPARTS; ELECTRONIC FORM.

This Certificate Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. The parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means.

SECTION 13. RIGHTS HEREUNDER

This Certificate Purchase Agreement is made for the benefit of the County, the Trustee and the Underwriter and no other person including any purchaser of the Certificates shall acquire or have any rights hereunder or by virtue hereof.

SECTION 14. EFFECTIVE DATE

This Certificate Purchase Agreement shall become effective upon acceptance hereof by the County and the Trustee.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Certificate Purchase Agreement, all as of the day and year first above mentioned.

Very truly yours,

PIPER JAFFRAY & CO.

By: _____
Name: Jack Dillingham
Title: Managing Director

ACCEPTED AND AGREED TO AS OF
THE DATE FIRST ABOVE WRITTEN:

BOONE COUNTY, MISSOURI

By: _____
Name: Daniel Atwill
Title: Presiding Commissioner

ACCEPTED AND AGREED TO AS OF
THE DATE FIRST ABOVE WRITTEN:

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By: _____
Title: Authorized Officer

**SCHEDULE 1
TO THE CERTIFICATE PURCHASE AGREEMENT**

**Relating to
\$2,230,000
Refunding Certificates of Participation
Series 2012**

**Evidencing a Proportionate Interest in Basic Rent Payments to be made by
Boone County, Missouri**

SERIAL CERTIFICATES

<u>Payment Date (February 1)</u>	<u>Principal Component</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
2013	\$350,000	2.000%	0.550%	101.267%
2014	350,000	2.000%	0.700%	102.420%
2015	350,000	2.000%	1.000%	102.829%
2016	370,000	2.000%	1.200%	103.021%
2017	375,000	1.250%	1.410%	99.250%
2018	435,000	1.500%	1.679%	99.000%

Optional Prepayment of Series 2012 Certificates. The Certificates maturing on February 1, 2018, shall be subject to prepayment prior to maturity, upon instructions from the County, on and after February 1, 2017, in whole or in part at any time, at a prepayment price of 100% of the Principal Portion of Basic Rent represented thereby plus the Interest Portion of Basic Rent accrued thereon to the Prepayment Date.

EXHIBIT E

FORM OF TAX COMPLIANCE AGREEMENT

TAX COMPLIANCE AGREEMENT

Dated as of March 1, 2012

Between

BOONE COUNTY, MISSOURI

And

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee**

\$2,230,000

**REFUNDING CERTIFICATES OF PARTICIPATION
SERIES 2012**

**Evidencing a Proportionate Interest in Basic Rent Payments to be Made by
BOONE COUNTY, MISSOURI,
Pursuant to an Annually-Renewable Lease Purchase Agreement**

TAX COMPLIANCE AGREEMENT

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Exhibit A – Debt Service Schedule and Proof of Yield

Exhibit B - IRS Form 8038-G

Exhibit C - Description of Property Comprising the Financed Facility

Exhibit D - Form of Annual Compliance Checklist

Exhibit E – Allocation of Original Obligations

* * *

TAX COMPLIANCE AGREEMENT

THIS TAX COMPLIANCE AGREEMENT (the "Tax Agreement") entered into as of March 1, 2012, by and between **BOONE COUNTY, MISSOURI**, a political subdivision organized and existing under the laws of the State of Missouri (the "County"), and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association duly organized and existing under the laws of the United States of America, as Trustee (the "Trustee");

RECITALS:

1. This Tax Agreement is being executed and delivered in connection with the execution and delivery of \$2,230,000 aggregate principal amount of Refunding Certificates of Participation, Series 2012 (the "Certificates"), evidencing proportionate interests in the right to receive Basic Rent Payments to be made by the County, as Lessee, pursuant to an annually renewable Lease Purchase Agreement dated as of March 1, 2012 (the "Lease"), which Certificates are delivered under a Declaration of Trust dated as of March 1, 2012 (the "Declaration") made by the Trustee, for the purposes described in this Tax Agreement, the Declaration and the Lease.

2. The Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations and rulings issued by the U.S. Treasury Department (the "Regulations"), impose certain limitations on the uses and investment of the Certificate proceeds and of certain other money relating to the Certificates and set forth the conditions under which the Interest Portion of the Basic Rent paid by the County and distributed to the registered owners of the Certificates will be excluded from gross income for federal income tax purposes.

3. The County and the Trustee are entering into this Tax Agreement in order to set forth certain facts, covenants, representations, and expectations, relating to the use of the Certificate proceeds and the property refinanced with those proceeds and the investment of the Certificate proceeds and other related money, and in order to establish and maintain the exclusion of the Interest Portions of Basic Rent Payments represented by the Certificates from gross income for federal income tax purposes.

4. The County adopted a Tax-Exempt Financing Compliance Policy and Procedure on March 1, 2012 (the "Tax Compliance Procedure"), for the purpose of setting out general procedures for the Bond Compliance Officer to continuously monitor and comply with the federal income tax requirements set out in the Code and the Regulations.

5. This Tax Agreement is entered into as required by the Tax Compliance Procedure to set out specific tax compliance procedures applicable to the Certificates.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, covenants and agreements set forth in this Tax Agreement, the County and the Trustee represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Except as otherwise provided in this Tax Agreement or unless the context otherwise requires, capitalized words and terms used in this Tax Agreement have the same meanings as set forth in **Section 1.01** of the Declaration and **Section 1.01** of the Lease, and certain other words and phrases have the meanings assigned in Code §§ 103, 141-150 and the Regulations. In addition, the following words and terms used in this Tax Agreement have the following meanings:

“Adjusted Gross Proceeds” means the Gross Proceeds of the Certificates reduced by amounts (1) in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund, (2) that as of the Issue Date are not expected to be Gross Proceeds, but which arise after the end of the applicable spending period, and (3) representing grant repayments or sale or Investment proceeds of any purpose Investment.

“Bona Fide Debt Service Fund” means a fund, which may include Certificate proceeds, that is (a) used primarily to achieve a proper matching of revenues with the principal and interest payments within each Certificate Year, and (b) depleted at least once each Certificate Year, except for a reasonable carryover amount not to exceed the greater of (1) the earnings on the fund for the immediately preceding Certificate Year, or (2) one-twelfth of the Basic Rent Payments represented by the Certificates for the immediately preceding Certificate Year.

“Certificate” or **“Certificates”** means any Certificate or Certificates of the Refunding Certificates of Participation, Series 2012 described in the recitals, authenticated and delivered under the Declaration.

“Bond Compliance Officer” means the County Treasurer or the person to whom he or she delegates in writing the responsibilities set forth in this Tax Certificate.

“Certificate Year” means each one-year period (or shorter period for the first Certificate Year) ending February 1, or another one-year period selected by the County.

“Code” means the Internal Revenue Code of 1986, as amended.

“Computation Date” means each date on which arbitrage rebate for the Certificates is computed. The County may treat any date as a Computation Date, subject to the following limits:

- (a) the first rebate installment payment must be made for a Computation Date not later than 5 years after the Issue Date;
- (b) each subsequent rebate installment payment must be made for a Computation Date not later than five years after the previous Computation Date for which an installment payment was made; and
- (c) the date the last Bond is discharged is the final Computation Date.

The County selects March 1, 2017, as the first Computation Date but reserves the right to select a different date consistent with the Regulations.

“County” means Boone County, Missouri, and its successors and assigns, or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the County.

“Declaration” means the Declaration dated as of March 1, 2012, as originally executed by the Trustee, as amended and supplemented in accordance with the provisions thereof.

“Final Written Allocation” means the written allocation of expenditures of proceeds of the Original Obligations as set forth on **Exhibit E**.

“Financed Facility” means any of the property financed or refinanced with the proceeds of the Original Obligations as described on **Exhibit C**.

“Gross Proceeds” means (a) sale proceeds (any amounts actually or constructively received by the County from the sale of the Certificates, including amounts used to pay underwriting discount or fees, but excluding pre-issuance accrued interest), (b) Investment proceeds (any amounts received from investing sale proceeds), (c) any amounts held in a sinking fund for the Certificates, (d) any amounts held in a pledged fund or reserve fund for the Certificates, (e) any other replacement proceeds and (f) any transferred proceeds. Specifically, Gross Proceeds includes (but is not limited to) amounts held in the following funds:

- (a) Lease Revenue Fund.
- (b) Reserve Fund.
- (c) Delivery Costs Fund.
- (d) Rebate Fund.

“Guaranteed Investment Contract” is any Investment with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate, including any agreement to supply Investments on two or more future dates (*e.g.*, a forward supply contract).

“Investment” means any security, obligation, annuity contract or other investment-type property which is purchased directly with, or otherwise allocated to, Gross Proceeds. This term does not include a tax-exempt bond, except for “specified private activity bonds” as such term is defined in Code § 57(a)(5)(C), but it does include the investment element of most interest rate caps.

“IRS” means the United States Internal Revenue Service.

“Issue Date” means March 15, 2012.

“Lease” means the Lease Purchase Agreement dated as of March 1, 2012, between the Trustee, as lessor and the County, as lessee, as amended and supplemented from time to time in accordance with its terms.

“Management Agreement” means any legal agreement defined in Regulations § 1.141-3(b) as a management, service, or incentive payment contract with an entity that provides services involving all or a portion of any function of the Financed Facility, such as a contract to manage the entire Financed

Facility or a portion of the Financed Facility. However, contracts for services that are solely incidental to the primary governmental function of the Financed Facility (for example, contracts for janitorial, office equipment repair, billing, or similar services) are not treated as Management Agreements.

“Measurement Period” means with respect to each item of property financed as part of the Financed Facility with proceeds of the Original Obligations, the period beginning on the later of (a) the issue date of the Original Obligations, or (b) the date the property was or will be placed in service and ending on the earlier of (1) the final maturity date of the Certificates, or (2) the expected economic useful life of the property.

“Minor Portion” means the lesser of \$100,000 or 5% of the sale proceeds of the Certificates.

“Net Proceeds” means the sale proceeds of the Certificates (excluding pre-issuance accrued interest), less any proceeds deposited in a reasonably required reserve or replacement fund, plus all Investment earnings on such sale proceeds.

“Non-Qualified Use” means use of Certificate proceeds or the Financed Facility in a trade or business carried on by any Non-Qualified User. The rules set out in Regulations §1.141-3 determine whether Certificate proceeds or Financed Facility are “used” in a trade or business. Generally, ownership, a lease, or any other use that grants a Non-Qualified User a special legal right or entitlement with respect to the Financed Facility, will constitute use under Regulations §1.141-3.

“Non-Qualified User” means any person or entity other than a Qualified User.

“Opinion of Special Tax Counsel” means the written opinion of Gilmore & Bell, P.C. or other nationally recognized firm of bond counsel. Unless otherwise specifically noted herein an Opinion of Special Tax Counsel must conclude that the action or proposed action or the failure to act or proposed failure to act for which the opinion is required will not adversely affect the exclusion of the Interest Portion of Basic Rent Payments represented by the Certificates from gross income for federal income tax purposes.

“Original Obligations” means the County’s Series 1993 Bonds and Series 2003 Bonds, which were the first issues of tax exempt governmental obligations that financed or refinanced a portion of the Financed Facility.

“Post-Issuance Compliance Checklist” means a checklist or questionnaire, an example of which is attached to this Tax Certificate as **Exhibit D**, prepared and completed annually for each discrete asset comprising the Financed Facility designed to ensure compliance with the requirements of this Tax Certificate after the Issue Date.

“Post-Issuance Tax Requirements” means those requirements related to the use of proceeds of the Certificates, the use of the Financed Facility and the investment of Gross Proceeds after the Issue Date.

“Proposed Regulations” means the proposed arbitrage regulations REG 106143-07 (published at 72 Fed. Reg. 54606 (Sept. 26, 2007)).

“Qualified Use Agreement” means any of the following:

(a) A lease or other short-term use by members of the general public who occupy the Financed Facility on a short-term basis in the ordinary course of the County's governmental purposes.

(b) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 200 days in length pursuant to an arrangement whereby (1) the use of the Financed Facility under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business, and (2) the compensation for the use is determined based on generally applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(c) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 100 days in length pursuant to arrangements whereby (1) the use of the property by the person would be general public use but for the fact that generally applicable and uniformly applied rates are not reasonably available to natural persons not engaged in a trade or business, (2) the compensation for the use under the arrangement is determined based on applicable, fair market value rates that are in effect at the time the agreement is entered into or renewed, and (3) the Financed Facility was not constructed for a principal purpose of providing the property for use by that Qualified User or Non-Qualified User. Any Qualified User or Non-Qualified User using all or any portion of the Financed Facility under this type of arrangement may have a right of first refusal to renew the agreement at rates generally in effect at the time of the renewal.

(d) Agreements with Qualified Users or Non-Qualified Users to use all or a portion of the Financed Facility for a period up to 50 days in length pursuant to a negotiated arm's-length arrangement at fair market value so long as the Financed Facility was not constructed for a principal purpose of providing the property for use by that person.

"Qualified User" means a State, territory, a possession of the United States, the County of Columbia, or any political subdivision thereof, or any instrumentality of such entity, but it does not include the United States or any agency or instrumentality of the United States.

"Rebate Analyst" means Gilmore & Bell, P.C. or any successor Rebate Analyst selected pursuant to this Tax Agreement.

"Refunded Obligations" means \$2,480,000 outstanding principal amount of the County's Series 2003 Bonds.

"Regulations" means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to the Certificates.

"Series 1993 Bonds" means the County's \$4,505,000 original principal amount of Special Obligation Administration Building Bonds, Series 1993, issued on May 12, 1993.

"Series 2003 Bonds" means the County's \$5,240,000 original principal amount of Special Obligation Refunding and Improvement Bonds, Series 2003, issued on June 10, 2003.

"Special Tax Counsel" means Gilmore & Bell, P.C., or other firm of nationally recognized bond counsel acceptable to the County.

“Tax Agreement” means this Tax Compliance Agreement as it may from time to time be amended and supplemented in accordance with its terms.

“Transcript” means the Transcript of Proceedings relating to the authorization and delivery of the Certificates.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., and its successor or successors and any other corporation or association which at any time may be substituted in its place at the time serving as Trustee under the Declaration.

“Underwriter” means Piper Jaffray & Co., the underwriter for the Certificates.

“Yield” means yield on the Certificates, computed under Regulations § 1.148-4, and yield on an Investment, computed under Regulations § 1.148-5.

ARTICLE II

GENERAL REPRESENTATIONS AND COVENANTS

Section 2.1. Representations and Covenants of the County. The County represents and covenants to the Trustee as follows:

- (a) *Organization and Authority.* The County (A) is a political subdivision duly organized and existing under the laws of the State of Missouri, (B) has lawful power and authority to enter into, execute and deliver the Lease and this Tax Agreement and to carry out its obligations under this Tax Agreement and the Lease, and (C) by all necessary action has been duly authorized to execute and deliver the Lease and this Tax Agreement, acting by and through its duly authorized officials.
- (b) *Tax-Exempt Status of Certificates--General Representations and Covenants.* In order to maintain the exclusion of the Interest Portions of the Basic Rent Payments represented by the Certificates from gross income for federal income tax purposes, the County (1) will take whatever action, and refrain from whatever action, necessary to comply with the applicable requirements of the Code; (2) will not use or invest, or permit the use or investment of, any Certificate proceeds, other money held under the Declaration, or other funds of the County, in a manner that would violate applicable provisions of the Code; and (3) will not use, or permit the use of, any portion of the Financed Facility in a manner that would cause any Certificate to become a “private activity bond” as defined in Code § 141.
- (c) *Governmental Obligations--Use of Proceeds.* Throughout the Measurement Period, all of the Financed Facility has been and is expected to be owned by the County or other Qualified User. Throughout the Measurement Period, none of the Financed Facility has been or is expected to be used in a Non-Qualified Use. Throughout the Measurement Period, the County will not permit any Non-Qualified Use of the Financed Facility without first obtaining an Opinion of Special Tax Counsel.
- (d) *Governmental Obligations--Private Security or Payment.* As of the Issue Date the County expects that none of the Basic Rent Payments represented by the Certificates will

be (under the terms of the Lease, the Certificates or any underlying arrangement) and the payment of the principal and interest on the Refunded Obligations has not been directly or indirectly:

- (1) secured by (A) any interest in property used or to be used for a private business use, or (B) any interest in payments in respect of such property; or
- (2) derived from payments (whether or not such payments are made to the County) in respect of property, or borrowed money, used or to be used for a private business use.

For purposes of the foregoing, taxes of general application, including payments in lieu of taxes, are not treated as private payments or as private security. The County will not permit any private security or payment with respect to the Certificates without first obtaining an Opinion of Special Tax Counsel.

- (e) *No Private Loan.* Not more than 5% of the Net Proceeds of the Certificates will be loaned directly or indirectly to any Non-Qualified User.
- (f) *Management Agreements.* As of the Issue Date, the County has no Management Agreements with Non-Qualified Users. During the Measurement Period, the County will not enter into or renew any Management Agreement with any Non-Qualified User without first obtaining and delivering to the Trustee an Opinion of Special Tax Counsel.
- (g) *Leases.* Except for the Base Lease and the Lease, which does not give rise to Non-Qualified Use, as of the Issue Date, the County has not entered into any leases of any portion of the Financed Facility other than Qualified Use Agreements. During the Measurement Period, the County will not enter into any lease or similar agreement or arrangement other than a Qualified Use Agreement without first obtaining and delivering to the Trustee an Opinion of Special Tax Counsel.
- (h) *Limit on Maturity of Certificates.* A list of the assets included in the Financed Facility and a computation of the “average reasonably expected economic life” is attached to this Tax Agreement as **Exhibit C**. Based on this computation, the “average maturity” of the Certificates of 3.476 years, as computed by Special Tax Counsel, does not exceed 120% of the average reasonably expected economic life of the Financed Facility.
- (i) *Final Allocation of Certificate Proceeds to Expenditures.* The County understands that, under Regulations § 1.148-6(d), the County is required to account for the allocation of Certificate proceeds to expenditures (including expenditures made before and after the Issue Date of the Certificates) within 18 months after the later of (1) the date the expenditure is made, or (2) the date the Financed Facility is placed in service, and in any event not later than the date that is 60 days after the fifth anniversary of the Issue Date or the date the Certificates are retired, if earlier (a “Final Allocation”). The County will maintain accurate records of all expenditures made for the Financed Facility, including the amount, the date paid, a description of the purpose, and the source of funds (whether Certificate proceeds or other money) initially allocated to each Financed Facility expenditure. Not later than the time limit set forth above, the County will prepare a Final Allocation, showing the allocation of Certificate proceeds and other money to all Financed Facility costs and identifying the Financed Facility, and will maintain the Final

Allocation in its books and records in accordance with Section 5.8. The County reserves the right to make modifications to the expected allocation of Certificate proceeds and other money for purposes of compliance with the limitations on Non-Qualified Use following completion of the Financed Facility in accordance with, and within the time limits prescribed in, the Regulations. In the absence of such subsequent allocation, the Certificate proceeds will be deemed allocated as shown on **Exhibit E**.

- (j) *Registered Certificates.* The Declaration requires that all of the Certificates will be issued and held in registered form within the meaning of Code § 149(a).
- (k) *Certificates Not Federally Guaranteed.* The County will not take any action or permit any action to be taken which would cause the Lease or any Certificates to be “federally guaranteed” within the meaning of Code § 149(b).
- (l) *IRS Form 8038-G.* Attached as **Exhibit B** is a copy of IRS Form 8038-G (Information Return for Tax-Exempt Governmental Obligations) that is being executed by a representative of the County and which is being filed with the Internal Revenue Service in connection with the execution and delivery of the Certificates as required by Code § 149(e). Special Tax Counsel prepared Form 8038-G in connection with the execution and delivery of the Certificates. The County knows of no inaccuracies in the Form 8038-G prepared by Special Tax Counsel. The County is the sole Qualified User of the proceeds of the Certificates listed on Lines 11-18 of Form 8038-G.
- (m) *Hedge Bonds.* At least 85% of the net sale proceeds (the sale proceeds of the Original Obligations less any sale proceeds invested in a reserve fund) of the Original Obligations were used to carry out the governmental purpose of the Original Obligations within three years after the issue date of the Original Obligations, and not more than 50% of the proceeds of the Original Obligations were invested in Investments having a substantially guaranteed Yield for four years or more.
- (n) *Compliance with Future Tax Requirements.* The County understands that the Code and the Regulations may impose new or different restrictions and requirements on the County in the future. The County will comply with such future restrictions that are necessary to maintain the exclusion of the Interest Portions of the Basic Rent Payments represented by the Certificates from gross income for federal income tax purposes.
- (o) *Single Issue; No Other Issues.* The Certificates constitute a single “issue” under Regulations §1.150-1(c). No other debt obligations of the County (1) are being sold within 15 days of the sale of the Certificates, (2) are being sold under the same plan of financing as the Certificates, and (3) are expected to be paid from substantially the same source of funds as the Certificates (disregarding guarantees from unrelated parties, such as bond insurance).
- (p) *Interest Rate Swap.* As of Issue Date, the County has not entered into an interest rate swap agreement or any other similar arrangement designed to modify its interest rate risk with respect to the Certificates. The County will not enter into any such arrangement in the future without obtaining an Opinion of Special Tax Counsel.
- (q) *Guaranteed Investment Contract.* As of the Issue Date of the Certificates, the County does not expect to enter into a Guaranteed Investment Contract for any Gross Proceeds of

the Certificates. The County will be responsible for complying with **Section 4.2(d)** if they decide to enter into a Guaranteed Investment Contract at a later date.

- (r) *Bank Qualified Tax-Exempt Obligation.* The County designates the Certificates as “qualified tax-exempt obligations” under Code § 265(b)(3), and with respect to this designation certifies as follows:
- (1) the reasonably anticipated amount of tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) that will be issued by or on behalf of the County (and all subordinate entities of the County) during the calendar year that the Certificates are issued, including the Certificates, will not exceed \$10,000,000; and
 - (2) the County (including all subordinate entities of the County) will not issue tax-exempt obligations (other than private activity bonds that are not qualified 501(c)(3) bonds) during the calendar year that the Certificates are issued, including the Certificates, in an aggregate principal amount or aggregate issue price in excess of \$10,000,000, without first obtaining an Opinion of Special Tax Counsel that the designation of the Certificates as “qualified tax-exempt obligations” will not be adversely affected.

Section 2.2. Representations and Covenants of the Trustee. The Trustee represents and covenants to the County as follows:

- (a) The Trustee will comply with the provisions of this Tax Agreement that apply to it as Trustee and any written letter or Opinion of Special Tax Counsel, specifically referencing the Certificates and received by the Trustee, that sets forth any action necessary to comply with any statute, regulation or ruling that may apply to it as Trustee and relating to reporting requirements or other requirements necessary to maintain the exclusion of the Interest Portions of Basic Rent Payments represented by the Certificates from gross income for federal income tax purposes.
- (b) The Trustee, acting on behalf of the County, may from time to time cause a firm of attorneys, consultants or independent accountants or an investment banking firm to provide the Trustee with such information as it may request in order to determine all matters relating to (1) the Yield on the Certificates as it relates to any data or conclusions necessary to verify that the Certificates are not “arbitrage bonds” within the meaning of Code § 148, and (2) compliance with arbitrage rebate requirements of Code § 148(f). The County will pay all costs and expenses incurred in connection with supplying the foregoing information.

Section 2.3. Survival of Representations and Covenants. All representations, covenants and certifications of the County and the Trustee contained in this Tax Agreement or in any certificate or other instrument delivered by the County or the Trustee under this Tax Agreement, will survive the execution and delivery of such documents and the execution and delivery of the Certificates, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations. The foregoing covenants of this Section will remain in full force and effect notwithstanding the defeasance of the Certificates.

ARTICLE III

ARBITRAGE CERTIFICATIONS AND COVENANTS

Section 3.1. General. The purpose of this Article is to certify, under Regulation § 1.148-2(b), the expectations of the County as to the sources, uses and investment of Certificate proceeds and other money, in order to support the County's conclusion that the Certificates are not arbitrage bonds. The persons executing this Tax Agreement on behalf of the County are each an officer of the County responsible for delivering the Lease and authorizing the Trustee to deliver the Certificates.

Section 3.2. Reasonable Expectations. The facts, estimates and expectations set forth in this Article are based upon and in reliance upon the County's understanding of the documents and certificates that comprise the Transcript, and the representations, covenants and certifications of the parties contained therein. To the knowledge of the County, the facts and estimates set forth in this Tax Agreement are accurate, and the expectations of the County set forth in this Tax Agreement are reasonable. The County has no knowledge that would cause it to believe that the representations, warranties and certifications described in this Tax Agreement are unreasonable or inaccurate or may not be relied upon.

Section 3.3. Purpose of Financing. The Certificates are being delivered for the purpose of providing funds to (a) current refund the Refunded Obligations, and (b) pay certain costs in connection with the execution and delivery of the Certificates. The purpose of the refunding of the Refunded Obligations is to achieve an interest cost savings.

Section 3.4. Funds and Accounts. The following funds have been established in the custody of the Trustee under the Declaration:

- (a) Lease Revenue Fund.
- (b) Reserve Fund.
- (c) Delivery Costs Fund.
- (d) Rebate Fund.

Section 3.5. Amount and Use of Certificate Proceeds.

(a) *Amount of Certificate Proceeds.* The total proceeds to be received by the County from the sale of the Certificates will be as follows:

Principal Amount	\$2,230,000.00
Less: Underwriting Discount	(17,840.00)
Plus Original Issue Premium	<u>26,821.20</u>
Total Proceeds	<u>\$2,238,981.20</u>

(b) *Use of Certificate Proceeds and Other Money.* The Certificate proceeds and other available money of the County will be deposited and used as follows:

- (1) \$44,392.51 from the proceeds of the Certificates shall be deposited in the Delivery Costs Fund and used to pay the costs of delivery of the Certificates;
- (2) \$223,000.00 from the debt service reserve fund for the Refunded Obligations will be deposited in the Reserve Fund.

(3) \$2,194,588.69 from proceeds of the Certificates, together with \$301,000.00 from the debt service reserve fund for the Refunded Obligations, will be transferred to the paying agent for the Refunded Obligations, to be used to pay the principal of, premium, if any, and interest on the Refunded Obligations on April 3, 2012, the redemption date of the Refunded Obligation.

Section 3.6. Multipurpose Issue. The County is applying the arbitrage rules to separate financing purposes of the issue that have the same initial temporary period as if they constitute a single issue for purposes pursuant to Regulations § 1.148-9(h)(3)(i).

Section 3.7. No Advance Refunding. No proceeds of the Certificates will be used more than 90 days following the Issue Date to pay principal or interest on any other debt obligation.

Section 3.8. Current Refunding.

(a) *Proceeds Used For Current Refunding.* Proceeds of the Certificates will be used to pay principal and interest on the Refunded Obligations. All such proceeds shall be spent not later than 90 days after the Issue Date.

(b) *Transferred Proceeds.* As of the Issue Date the following unspent proceeds of the Refunded Obligations remain: approximately \$524,000 in the debt service reserve fund for the Refunded Obligations. Upon discharge of the principal amount of the Refunded Obligations with proceeds of the Certificates on April 3, 2012, all the remaining unspent proceeds of the Refunded Obligations will become transferred proceeds of the Certificates (determined in accordance with Regulations § 1.148-9(b)).

Section 3.9. Project Completion. The Financed Facility has been completed.

Section 3.10. Sinking Funds. Under the Lease, the County is required to make periodic payments to the Trustee in amounts sufficient to pay the Principal Portions and Interest Portions of Basic Rent Payments represented by the Certificates. The Trustee will deposit such payments into the Lease Revenue Fund. Except for the Lease Revenue Fund and the Reserve Fund, no sinking fund or other similar fund that is expected to be used to pay the Principal Portion or Interest Portion of Basic Rent has been established or is expected to be established. The Lease Revenue Fund is used primarily to achieve a proper matching of revenues with Basic Rent Payments represented by the Certificates within each Certificate Year, and the County expects that the Lease Revenue Fund will qualify as a Bona Fide Debt Service Fund.

Section 3.11. Reserve, Replacement and Pledged Funds.

(a) *Reserve Fund.* The Declaration establishes a Reserve Fund to be funded at the time of issuance of the Certificates in an amount equal to \$223,000.00 with respect to the Certificates, the Reserve Requirement. The amount to be held in the Reserve Fund will not exceed the least of (1) 10% of the Principal Portion of Basic Rent that is distributable to Owners of Certificates, (2) 125% of the average annual Basic Rent that is distributable to Owners of Certificates, or (3) the maximum annual Basic Rent that is distributable to Owners of Certificates. If the aggregate initial offering price of the Certificates to the public is less than 98% or more than 102% of par, such offering price must be used in

clause (1) in lieu of the stated principal amount. Any amounts in the Reserve Fund in excess of the Reserve Requirement will be transferred to the Lease Revenue Fund.

- (b) *No Other Replacement Funds.* None of the Certificate proceeds will be used as a substitute for other funds that were intended or earmarked to pay costs of the Financed Facility or refund the Refunded Obligations, and that instead has been or will be used to acquire higher yielding Investments. Except for the Lease Revenue Fund and the Reserve Fund, there are no other funds pledged or committed in a manner that provides a reasonable assurance that such funds would be available to make the Basic Rent Payments represented by the Certificates if the County encounters financial difficulty.

Section 3.12. Purpose Investment Yield. The Proceeds of the Certificates will not be used to purchase an Investment for the purpose of carrying out the governmental purpose of the financing.

Section 3.13. Offering Prices and Yield on Certificates.

- (a) *Offering Prices.* In the Underwriter's Receipt for Certificates and Representation Letter, the Underwriter has certified that (1) all of the Certificates have been the subject of an initial offering to the public at prices no higher than those shown on the inside cover page of the Official Statement, plus any accrued interest (the "offering prices"), and (2) the Underwriter expects that at least 10% of the Certificates of each maturity will be sold to the public at initial offering prices no higher than said offering prices. The aggregate initial offering price of the Certificates is \$2,256,821.20.
- (b) *Yield on the Certificates.* Based on the offering prices of the Certificates, the Yield on the Certificates is 1.3070857%, as computed by Special Tax Counsel and shown on **Exhibit A** attached hereto. The County has not entered into an interest rate swap agreement with respect to any portion of the proceeds of the Certificates.

Section 3.14. Miscellaneous Arbitrage Matters.

- (a) *No Abusive Arbitrage Device.* The Certificates are not and will not be part of a transaction or series of transactions that has the effect of (1) enabling the County to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (2) overburdening the tax-exempt bond market.
- (b) *No Over-Issuance.* The sale proceeds of the Certificates, together with expected Investment Earnings thereon and other money contributed by the County, do not exceed the cost of the governmental purpose of the Certificates as described above.

Section 3.15. Conclusion. On the basis of the facts, estimates and circumstances set forth in this Tax Agreement, the County do not expect that the Certificate proceeds will be used in a manner that would cause any Certificate to be an "arbitrage bond" within the meaning of Code §148 and the Regulations.

ARTICLE IV

POST-ISSUANCE TAX REQUIREMENTS, POLICIES AND PROCEDURES

Section 4.1. General.

(a) *Purpose of Article.* The purpose of this Article is to supplement the Tax Compliance Procedure and to set out specific policies and procedures governing compliance with the federal income tax requirements that apply after the Certificates are issued. The County recognizes that interest on the Certificates will remain excludable from gross income only if Post-Issuance Tax Requirements are followed after the Issue Date. The County further acknowledges that written evidence substantiating Post-Issuance Tax Requirements must be retained in order to permit the Certificates to be refinanced with tax-exempt obligations and substantiate the position that interest on the Certificates is exempt from gross income in the event of an audit of the Certificates by the IRS.

(b) *Written Policies and Procedures of the County.* The County intends for the Tax Compliance Procedure, as supplemented by this Tax Agreement, to be its primary written policies and procedures for monitoring compliance with the Post-Issuance Tax Requirements for the Certificates and to supplement any other formal policies and procedures related to tax compliance that the County has established. The provisions of this Tax Agreement are intended to be consistent with the Tax Compliance Procedure. In the event of any inconsistency between the Tax Compliance Procedure and this Tax Agreement, the terms of this Tax Agreement will govern.

(c) *Bond Compliance Officer.* The County when necessary to fulfill its Post-Issuance Tax Requirements will, through its Bond Compliance Officer, participate in any federal income tax audit of the Certificates or related proceedings under a voluntary compliance agreement procedures (VCAP) or undertake a remedial action procedure pursuant to Regulations §§ 1.141-12 and 1.145-2. In each case, all costs and expenses incurred by the County shall be treated as a reasonable cost of administering the Certificates and the County shall be entitled to reimbursement and recovery of its costs to the same extent as provided in the Declaration or State law.

Section 4.2. Procedures Regarding Record Keeping; Use of Certificate Proceeds and Use of the Financed Facility.

(a) *Record Keeping.* The Bond Compliance Officer will maintain the Tax-Exempt Bond File for the Certificates in accordance with the Tax Compliance Procedure. Unless otherwise specifically instructed in a written Opinion of Special Tax Counsel or to the extent otherwise provided in this Tax Agreement, the Bond Compliance Officer shall retain records related to Post-Issuance Tax Requirements until 3 years following the final maturity of (i) the Certificates or (ii) any obligation issued to refund the Certificates. Any records maintained electronically must comply with Section 4.01 of Revenue Procedure 97-22, which generally provides that an electronic storage system must (1) ensure an accurate and complete transfer of the hardcopy records which indexes, stores, preserves, retrieves and reproduces the electronic records, (2) include reasonable controls to ensure integrity, accuracy and reliability of the electronic storage system and to prevent unauthorized alteration or deterioration of electronic records, (3) exhibit a high degree of legibility and readability both electronically and in hardcopy, (4) provide support for other books and records of the County and (5) not be subject to any agreement that would limit the ability of the IRS to access and use the electronic storage system on the County's premises.

(b) *Accounting and Allocation of Certificate Proceeds to Expenditures.* Proceeds of the Certificates and other money will be used as describe in Sections 3.5, 3.7 and 3.8. The Bond Compliance Officer will maintain accounting records showing the investment and expenditure of this money as part of the Tax-Exempt Bond File. The Bond Compliance Officer has prepared written substantiation records of the allocation of proceeds the Original Obligations to the Financed Facility through requisitions from the project fund established under the indentures for the Original Obligations. This allocation is summarized on **Exhibit E** and is intended to constitute the Final Written Allocation for the Original Obligations.

(c) *Annual Compliance Checklist.* Attached as **Exhibit D** is a form of annual compliance checklist for the Certificates. The Bond Compliance Officer will prepare and complete an annual compliance checklist for the Financed Facility at least annually in accordance with the Tax Compliance Procedure. In the event the annual compliance checklist identifies a deficiency in compliance with the requirements of this Tax Agreement, the Bond Compliance Officer will take the actions identified in an Opinion of Special Tax Counsel or Section 4.4 of the Tax Compliance Procedure to correct any deficiency.

(d) *Opinions of Special Tax Counsel.* The Bond Compliance Officer is responsible for obtaining and delivering to the County and the Trustee any Opinion of Special Tax Counsel required under the provisions of this Tax Agreement, including any Opinion of Special Tax Counsel required by this Tax Agreement or the annual compliance checklist.

Section 4.3. Temporary Periods/Yield Restriction. Except as described below, Gross Proceeds must not be invested at a Yield greater than the Yield on the Certificates:

- (a) *Delivery Costs Fund.* Amounts held in the Delivery Costs Fund may be invested without Yield restriction for 13 months.
- (b) *Lease Revenue Fund.* To the extent that the Lease Revenue Fund qualifies as a Bona Fide Debt Service Fund, money in such fund may be invested without Yield restriction for 13 months after the date of deposit. Earnings on such amounts may be invested without Yield restriction for one year after the date of receipt of such earnings.
- (c) *Proceeds Allocable to Current Refunding.* Certificate proceeds allocable to a current refunding of the Refunded Obligations (see Section 3.8) may be invested without Yield restriction for up to 90 days after the Issue Date.
- (d) *Reserve Fund.* Money in the Reserve Fund may be invested without Yield restriction up to the least of (1) 10% of the stated principal amount of the Certificates, (2) the maximum annual principal and interest requirements on the Certificates (determined as of the Issue Date), or (3) 125% of the average annual principal and interest requirements on the Certificates (determined as of the Issue Date). If the aggregate initial offering price of the Certificates to the public is less than 98% or more than 102% of par, such offering price must be used in clause (1) in lieu of the stated principal amount.
- (e) *Minor Portion.* In addition to the amounts described above, Gross Proceeds not exceeding the Minor Portion may be invested without Yield restriction.

Section 4.4. Fair Market Value.

- (a) *General.* No Investment may be acquired with Gross Proceeds for an amount (including transaction costs) in excess of the fair market value of such Investment, or sold or otherwise disposed of for an amount (including transaction costs) less than the fair market value of the Investment. The fair market value of any Investment is the price a willing buyer would pay to a willing seller to acquire the Investment in a bona fide, arm's-length transaction. Fair market value will be determined in accordance with §1.148-5 of the Regulations.
- (b) *Established Securities Market.* Except for Investments purchased for a yield-restricted defeasance escrow, if an Investment is purchased or sold in an arm's-length transaction on an established securities market (within the meaning of Code §1273), the purchase or sale price constitutes the fair market value. Where there is no established securities market for an Investment, market value must be established using one of the paragraphs below. The fair market value of Investments purchased for a yield-restricted defeasance escrow must be determined in a bona fide solicitation for bids that complies with §1.148-5 of the Regulations.
- (c) *Certificates of Deposit.* The purchase price of a certificate of deposit (a "CD") is treated as its fair market value on the purchase date if (1) the CD has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal, (2) the yield on the CD is not less than the yield on reasonably comparable direct obligations of the United States, and (3) the yield is not less than the highest yield published or posted by the CD issuer to be currently available on reasonably comparable CDs offered to the public.
- (d) *Guaranteed Investment Contracts.* The County is applying to the Certificates Regulations § 1.148-5(d)(6)(iii)(A) as amended by the Proposed Regulations (relating to electronic bidding of Guaranteed Investment Contracts). The purchase price of a Guaranteed Investment Contract is treated as its fair market value on the purchase date if all of the following requirements are met:
 - (1) Bona Fide Solicitation for Bids. The County or the Trustee makes a bona fide solicitation for the Guaranteed Investment Contract, using the following procedures:
 - (A) The bid specifications are in writing and are timely forwarded to potential providers or are made available on an internet website or other similar electronic media that is regularly used to post bid specifications to potential bidders. A writing includes a hard copy, a fax or an electronic e-mail copy.
 - (B) The bid specifications include all "material" terms of the bid. A term is material if it may directly or indirectly affect the yield or the cost of the Guaranteed Investment Contract.
 - (C) The bid specifications include a statement notifying potential providers that submission of a bid is a representation (i) that the potential provider did not consult with any other potential provider about its bid, (ii) that the bid was determined without regard to any other formal or informal

agreement that the potential provider has with the County, the Trustee, or any other person (whether or not in connection with the issue), and (iii) that the bid is not being submitted solely as a courtesy to the County, the Trustee, or any other person, for purposes of satisfying the requirements of the Regulations.

- (D) The terms of the bid specifications are “commercially reasonable.” A term is commercially reasonable if there is a legitimate business purpose for the term other than to increase the purchase price or reduce the yield of the Guaranteed Investment Contract.
 - (E) The terms of the solicitation take into account the County’s reasonably expected deposit and draw-down schedule for the amounts to be invested.
 - (F) All potential providers have an equal opportunity to bid. If the bidding process affords any opportunity for a potential provider to review other bids before providing a bid, then providers have an equal opportunity to bid only if all potential providers have an equal opportunity to review other bids. Thus, no potential providers may be given an opportunity to review other bids that is not equally given to all potential providers (that is no exclusive “last look”).
 - (G) At least three “reasonably competitive providers” are solicited for bids. A reasonably competitive provider is a provider that has an established industry reputation as a competitive provider of the type of Investments being purchased.
- (2) Bids Received. The bids received by the County or Trustee must meet all of the following requirements:
- (A) The County or Trustee receives at least three bids from providers that were solicited as described above and that do not have a “material financial interest” in the issue. For this purpose, (i) a lead underwriter in a negotiated underwriting transaction is deemed to have a material financial interest in the issue until 15 days after the Issue Date of the issue, (ii) any entity acting as a financial advisor with respect to the purchase of the Guaranteed Investment Contract at the time the bid specifications are forwarded to potential providers has a material financial interest in the issue, and (iii) a provider that is a related party to a provider that has a material financial interest in the issue is deemed to have a material financial interest in the issue.
 - (B) At least one of the three bids received is from a reasonably competitive provider, as defined above.
 - (C) If the County or Trustee uses an agent or broker to conduct the bidding process, the agent or broker did not bid to provide the Guaranteed Investment Contract.

- (3) Winning Bid. The winning bid is the highest yielding bona fide bid (determined net of any broker's fees).
 - (4) Fees Paid. The obligor on the Guaranteed Investment Contract certifies the administrative costs that it pays (or expects to pay, if any) to third parties in connection with supplying the Guaranteed Investment Contract.
 - (5) Records. The Trustee retains the following records with the transcript documents until three years after the last outstanding Certificate is redeemed:
 - (A) A copy of the Guaranteed Investment Contract.
 - (B) The receipt or other record of the amount actually paid by the County or Trustee for the Guaranteed Investment Contract, including a record of any administrative costs paid by the County or Trustee, and the certification as to fees paid, described in paragraph (d)(4) above.
 - (C) For each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results.
 - (D) The bid solicitation form and, if the terms of Guaranteed Investment Contract deviated from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose for the deviation.
- (e) *Other Investments*. If an Investment is not described above, the fair market value may be established through a competitive bidding process, as follows:
- (1) at least three bids on the Investment must be received from persons with no financial interest in the Certificates (*e.g.*, as underwriters or brokers); and
 - (2) the Yield on the Investment must be equal to or greater than the Yield offered under the highest bid.

Section 4.5. Certain Gross Proceeds Exempt from the Rebate Requirement.

(a) *General*. A portion of the Gross Proceeds of the Certificates may be exempt from rebate pursuant to one or more of the following exceptions. The exceptions typically will not apply with respect to all Gross Proceeds of the Certificates and will not otherwise affect the application of the Investment limitations described in Section 4.3. Unless specifically noted, the obligation to compute, and if necessary, to pay rebate as set forth in Section 4.6 applies even if a portion of the gross proceeds of the Certificates is exempt from the rebate requirement. To the extent all or a portion of the Certificates is exempt from Rebate the Rebate Analyst may account for such fact in connection with its preparation of a rebate report described in Section 4.6. The County may defer the final rebate Computation Date and the payment of rebate for the Bonds to the extent permitted by Regulations § 1.148-7(b)(1) and § 1.148-3(e)(2) but only in accordance with specific written instructions provided by the Rebate Analyst.

(b) *Applicable Spending Exceptions.* The following optional rebate spending exceptions can apply to the Certificates:

6-month Exception (Code § 148(f)(4)(B) and Regulations § 1.148-7(c).

In addition, the following rebate spending exceptions can apply to the transferred proceeds of the Refunded Obligations:

6, 18, or 24-month Exception (Regulations § 1.148-7(b)(1)(i)).

(c) *Special Elections Made with Respect to Spending Exception Elections.* No special elections are being made in connection with the application of the spending exceptions.

(d) *Bona Fide Debt Service Fund.* To the extent that the Lease Revenue Fund qualifies as a Bona Fide Debt Service Fund, Investment earnings in the account cannot be taken into account in computing arbitrage rebate.

(e) *Documenting Application of Spending Exception.* At any time prior to the first Computation Date, the County may engage the Rebate Analyst to determine whether one or more spending exceptions has been satisfied, and the extent to which the County must continue to comply with Section 4.4 hereof.

(f) *General Requirements for Spending Exception.* The following general requirements apply in determining whether a spending exception is met.

(1) Using Adjusted Gross Proceeds or Available Construction Proceeds to pay principal of any Certificates is not taken into account as expenditure for purposes of meeting any of the spending tests.

(2) The six-month spending exception generally is met if all Adjusted Gross Proceeds of the Certificates are spent within six months following the Issue Date. The test may still be satisfied even if up to 5% of the sale proceeds remain at the end of the initial six-month period, so long as this amount is spent within one year of the Issue Date.

(3) The 18-month spending exception generally is met if all Adjusted Gross Proceeds of the New Money Portion are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Adjusted Gross Proceeds Spent
6 months	15%
12 months	60%
18 months (Final)	100%

(4) The 2-year spending exception generally is met if all Available Construction Proceeds are spent in accordance with the following schedule:

Time Period After the Issue Date	Minimum Percentage of Available Construction Proceeds Spent
6 months	10%
12 months	45%
18 months	75%
24 months (Final)	100%

(5) For purposes of applying the 18-month and 2 year spending exceptions only, the failure to satisfy the **final** spending requirement is disregarded if the County uses due diligence to complete the Financed Facility and the failure does not exceed the lesser of 3% of the aggregate issue price the New Money Portion or \$250,000. **No such exception applies for any other spending period.**

(6) For purposes of applying the 18-month and 2 year spending exceptions only, the Certificates meet the applicable spending test even if, at the end of the **final** spending period, proceeds not exceeding a Reasonable Retainage remain unspent, so long as such Reasonable Retainage is spent within 30 months (in the case of the 18-month exception) or 3 years (in the case of the 2 year spending test) after the Issue Date.

Section 4.6. Computation and Payment of Arbitrage Rebate.

(a) *Rebate Fund.* The Trustee will keep the Rebate Fund separate from all other funds and will administer the Rebate Fund under this Tax Agreement. Any Investment earnings derived from the Rebate Fund will be credited to the Rebate Fund, and any Investment loss will be charged to the Rebate Fund.

(b) *Computation of Rebate Amount.* The Trustee will provide the Rebate Analyst Investment reports relating to each fund held by the Trustee that contains Gross Proceeds of the Certificates at such times as reports are provided to the County, and not later than ten days following each Computation Date. The County will provide the Rebate Analyst with copies of Investment reports for any funds containing Gross Proceeds that are held by a party other than the Trustee annually as of the end of each Bond Year and not later than ten days following each Computation Date. Each Investment report provided to the Rebate Analyst will contain a record of each Investment, including (1) purchase date, (2) purchase price, (3) information establishing the fair market value on the date such Investment was allocated to the Certificates, (4) any accrued interest paid, (5) face amount, (6) coupon rate, (7) frequency of interest payments, (8) disposition price, (9) any accrued interest received, and (10) disposition date. Such records may be supplied in electronic form. The Rebate Analyst will compute rebate following each Computation Date and deliver a written report to the Trustee and the County together with an opinion or certificate of the Rebate Analyst stating that arbitrage rebate was determined in accordance with the Regulations. Each report and opinion will be provided not later than 45 days following the Computation Date to which it relates. In performing its duties, the Rebate Analyst may rely, in its discretion, on the correctness of financial analysis reports prepared by other professionals. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is less than the arbitrage rebate due, the County will, within 55 days after such Computation Date, pay to the Trustee the amount of the deficiency for deposit into the Rebate Fund. If the sum of the amount on deposit in the Rebate Fund and the value of prior rebate payments is greater than the Rebate Amount, the Trustee will transfer such surplus in the Rebate Fund to the Lease Revenue Fund. After the final Computation Date or at any other time if the Rebate

Analyst has advised the Trustee, any money left in the Rebate Fund will be paid to the County and may be used for any purpose not prohibited by law.

(c) *Rebate Payments.* Within 60 days after each Computation Date, the Trustee must pay (but solely from money in the Rebate Fund or provided by the County) to the United States the rebate amount then due, determined in accordance with the Regulations. Each payment must be (1) accompanied by IRS Form 8038-T and such other forms, documents or certificates as may be required by the Regulations, and (2) mailed or delivered to the IRS at the address shown below, or to such other location as the IRS may direct:

Internal Revenue Service Center
Ogden, UT 84201

Section 4.7. Successor Rebate Analyst. If the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason, or if the County desires that a different firm act as the Rebate Analyst, then the County by an instrument or concurrent instruments in writing delivered to the firm then serving as the Rebate Analyst and any other party to this Tax Agreement, will engage a successor Rebate Analyst. In each case the successor Rebate Analyst must be a firm of nationally recognized bond counsel or a firm of independent certified public accountants and such firm must expressly agree to undertake the responsibilities assigned to the Rebate Analyst hereunder. In the event the firm acting as the Rebate Analyst resigns or becomes incapable of acting for any reason and the County fails to appoint a qualified successor Rebate Analyst within thirty (30) days following notice of such resignation then the Trustee will appoint a firm to act as the successor Rebate Analyst.

Section 4.8. Filing Requirements. The Trustee and the County will file or cause to be filed with the IRS such reports or other documents as are required by the Code in accordance with an Opinion of Special Tax Counsel.

Section 4.9. Survival after Defeasance. Notwithstanding anything in the Indenture to the contrary, the obligation to pay arbitrage rebate to the United States will survive the payment or defeasance of the Certificates.

ARTICLE V

MISCELLANEOUS PROVISIONS

Section 5.1. Term of Tax Agreement. This Tax Agreement will be effective concurrently with the execution and delivery of the Certificates and will continue in force and effect until all of the Basic Rent Payments represented by the Certificates have been fully paid and all such Certificates are cancelled; provided that, the provisions of **Article IV** of this Tax Agreement regarding payment of arbitrage rebate and all related penalties and interest will remain in effect until all such amounts are paid to the United States.

Section 5.2. Amendments. This Tax Agreement may be amended from time to time by the parties to this Tax Agreement without notice to or the consent of any of the Certificate holders, but only if such amendment is in writing and is accompanied by an Opinion of Special Tax Counsel to the effect that, under then existing law, assuming compliance with this Tax Agreement as so amended such amendment will not cause the Interest Portion of the Basic Rent to be included in gross income for federal income tax purposes. No such amendment will become effective until the County and the Trustee receive an Opinion

of Special Tax Counsel, addressed to the County and the Trustee, that such amendment will not adversely affect the exclusion of the Interest Portions of the Basic Rent from gross income for federal income tax purposes.

Section 5.3. Opinion of Special Tax Counsel. The County and the Trustee may deviate from the provisions of this Tax Agreement if furnished with an Opinion of Special Tax Counsel to the effect that the proposed deviation will not adversely affect the exclusion of the Interest Portions of Basic Rent Payments represented by the Certificates from gross income for federal income tax purposes. The County and the Trustee further agree to comply with any further or different instructions provided in an Opinion of Special Tax Counsel to the effect that the further or different instructions need to be complied with in order to maintain the validity of the Certificates or the exclusion from gross income of the Interest Portions of the Basic Rent.

Section 5.4. Reliance. In delivering this Tax Agreement, the County and the Trustee are making only those certifications, representations and agreements as are specifically attributed to them in this Tax Agreement. The County and the Trustee are not aware of any facts or circumstances which would cause it to question the accuracy of the facts, circumstances, estimates or expectations of any other party providing certifications as part of this Tax Agreement and, to the best of its knowledge, those facts, circumstances, estimates and expectations are reasonable. The parties to this Tax Agreement understand that its certifications will be relied upon by the law firm of Gilmore & Bell, P.C., in rendering its opinion as to the validity of the Certificates and the exclusion from federal gross income of the interest on the Certificates.

Section 5.5. Severability. If any provision in this Tax Agreement or in the Certificates is determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not be affected or impaired.

Section 5.6. Benefit of Agreement. This Tax Agreement is binding upon the County and the Trustee and their respective successors and assigns, and inures to the benefit of the parties to this Tax Agreement and the owners of the Certificates. Nothing in this Tax Agreement or in the Declaration or the Certificates, express or implied, gives to any person, other than the parties to this Tax Agreement and their successors and assigns, and the owners of the Certificates, any benefit or any legal or equitable right, remedy or claim under this Tax Agreement.

Section 5.7. Default; Breach and Enforcement. Any misrepresentation of a party contained herein or any breach of a covenant or agreement contained in this Tax Agreement is an Event of Default under the Lease. Remedies for an Event of Default may be pursued pursuant to the terms of the Lease and the Declaration or any other document which references the tax covenants in this Tax Agreement and gives remedies for such an Event of Default thereunder.

Section 5.8. Execution in Counterparts. This Tax Agreement may be executed in any number of counterparts, each of which so executed will be deemed to be an original, but all such counterparts will together constitute the same instrument.

Section 5.9. Governing Law. This Tax Agreement will be governed by and construed in accordance with the laws of the State of Missouri.

Section 5.10. Electronic Transactions. The parties agree that the transaction described in this Tax Agreement may be conducted, and related documents may be stored, by electronic means.

[Remainder of this page intentionally left blank.]

The parties to this Tax Agreement have caused this Tax Compliance Agreement to be duly executed by their duly authorized officers as of the Issue Date of the Certificates.

BOONE COUNTY, MISSOURI

By: _____
Title: Presiding Commissioner

[Tax Compliance Agreement]

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A., as Trustee**

By: _____
Title:

EXHIBIT A

DEBT SERVICE SCHEDULE AND PROOF OF YIELD

EXHIBIT B

IRS FORM 8038-G

EXHIBIT C

DESCRIPTION OF PROPERTY COMPRISING THE FINANCED FACILITY

[See attached spreadsheet]

EXHIBIT D

FORM OF ANNUAL COMPLIANCE CHECKLIST

Part I

Asset description ("Asset"):

Improvements to the County's administration building and site, the County's juvenile justice center and the County's health department facilities.

Name of tax-exempt obligations financing Asset: **\$2,230,000 Boone County, Missouri Refunding Certificates of Participation, Series 2012**

Issue Date of Certificates:

Placed in service date of Asset: _____, 1994

Name of person completing checklist:
Title:

Email address:

Telephone number:

Period covered by request (Annual Period): **January 1, 20__ to December 31, 20__**

Part II *(Completed by Reporting Party)*

Item	Question	Response
1 Ownership	Was the Asset owned by the County during the entire Annual Period?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No: Was the Asset (or any portion of the Asset) sold or otherwise disposed of solely because it was determined that the property was inadequate, obsolete or worn out?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If No: What is the legal name of the New Owner?	
	Date New Owner acquired the Asset:	
	Is the New Owner a state or local government or controlled by a state or local government (a "Qualified User")?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure
2 Leases	Other than the Base Lease and the Lease, during the Annual Period, was any part of the Asset leased at any time pursuant to an agreement for more than 50 days by another nonaffiliated corporation, association, firm, or other entity? (<i>Do Not Include Qualified Use Agreements – See Item 3.</i>)	<input type="checkbox"/> Yes <input type="checkbox"/> No

Item	Question	Response
	If Yes: What is the legal name of the Tenant?	
	Is the Tenant a Qualified User?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unsure
	Attach a copy of the lease if not previously provided in a prior report and Opinion of Special Tax Counsel.	
	List approximate percentage of Asset leased by Tenant (e.g., 30% of the square feet in the building).	

3 Qualified Use Agreements	During the Annual Period, was any part of the Asset leased to individuals that used the asset for purposes other than a trade or business (e.g., residents lease space for non-school related meetings)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes: Attach a form of such an agreement.	

4 Management or Service Agreements	During the Annual Period, has the management of all or any part of the operations of the Asset (e.g., cafeteria, gymnasium, computer lab, etc.) been assumed by or transferred to another entity?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes: Attach a copy of the agreement(s).	

5 Other	Was any other agreement entered into with an individual or entity (other than a Qualified User) that grants special legal rights to the Asset?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If Yes: Attach a copy of the agreement(s).	

Signature, Name and Title of Person Completing Questionnaire:

By: _____
Printed Name: _____
Title: _____
Date Completed: _____

EXHIBIT E

ALLOCATION OF ORIGINAL OBLIGATIONS

EXHIBIT F

FORM OF DECLARATION OF TRUST

DECLARATION OF TRUST

by

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.

Dated as of March 1, 2012

**\$2,230,000
Refunding Certificates of Participation
Series 2012**

**Evidencing a Proportionate Interest
in Basic Rent Payments
to be Made by
Boone County, Missouri
Pursuant to an
Annually-Renewable Lease Purchase Agreement**

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DECLARATION OF TRUST

THIS DECLARATION OF TRUST (the “Declaration of Trust”), dated as of March 1, 2012, is made by **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, a national banking association organized and existing under the laws of the United States of America, as settlor and trustee (the “Trustee”).

RECITALS:

1. Boone County, Missouri (the “County”), and the Trustee have entered into a Base Lease dated as of March 1, 2012 (the “Base Lease”), pursuant to which the County, as lessor, has leased to the Trustee, as lessee, all of the County’s present or hereafter acquired interest in certain real estate, which includes the property upon which the County’s juvenile justice center is located, together with all improvements now or hereafter situated thereon (the “Leased Property” and described in **Schedule 1** attached hereto), for rent including the deposit of the funds specified therein to provide funds to currently refund all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, currently outstanding in the aggregate principal amount of \$2,480,000 (the “Refunded Bonds”).

2. Concurrently herewith the Trustee and the County have entered into a Lease Purchase Agreement dated as of March 1, 2012 (as the same may be amended or supplemented in accordance with its terms from time to time, the “Lease”), pursuant to which the Trustee will lease to the County the Leased Property and will grant the County an option to purchase the Trustee’s interest in the Leased Property.

3. Certificates of Participation substantially in the form of **Exhibit A** (the “Series 2012 Certificates”), each such Certificate evidencing a proportionate interest of the registered owner thereof in rights under the Lease, will be executed and delivered hereunder, and the proceeds from the sale of the Series 2012 Certificates will be used to provide funds to (1) refund the Refunded Bonds, (2) fund a reserve fund for the Series 2012 Certificates and (3) pay certain costs in connection with the execution and delivery of the Series 2012 Certificates.

4. The Trustee is making this Declaration of Trust to set forth the terms of the Series 2012 Certificates and Additional Certificates as hereinafter defined and authorized (the Series 2012 Certificates and the Additional Certificates being hereinafter referenced collectively as the “Certificates”), the security therefor and other provisions respecting the Certificates.

DECLARATION CLAUSES

NOW, THEREFORE, to secure the payment of the Principal Portions of Basic Rent Payments, premium, if any, and Interest Portions of Basic Rent Payments represented by the Certificates, and to secure the performance and observance of all covenants and conditions therein and herein contained and to declare the terms and conditions upon, and subject to which, the Certificates are intended to be sold, held, secured and enforced, and in consideration of the premises set forth herein and of the purchase and acceptance of the Certificates by the Owners thereof, the Trustee has executed and delivered this Declaration of Trust and declares that it will hold all of the assets, property and interests received by it under the terms of this Declaration of Trust, the Base Lease and the Lease and all agreements and instruments contemplated hereby or thereby (except amounts in the Rebate Fund, and except any compensation, indemnification or other amounts that are due directly to the Trustee hereunder or

thereunder) (collectively, the “Trust Estate”), as trustee, upon the terms and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future Owners of the Certificates, without privilege, priority or distinction as to the lien or otherwise of any of the Certificates over any of the other Certificates;

PROVIDED, HOWEVER, that, if the Principal Portions of Basic Rent Payments, premium, if any, and Interest Portions of Basic Rent Payments represented by the Certificates due or to become due with respect to the Certificates are paid or provision made therefor in accordance with **Article X**, at the times and in the manner mentioned in the Certificates according to the true intent and meaning thereof, and provision has also been made for paying all sums payable under the Lease by the County in accordance with **Article X**, then this Declaration of Trust and the rights hereby granted will cease, determine and be void except as provided in **Article X**;

THIS DECLARATION OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Certificates are to be sold, executed and delivered and all said rights and interests are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as hereinafter expressed, and the Trustee has agreed and covenanted, and does hereby agree and covenant, with the respective Owners of the Certificates as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. In addition to words and terms defined in the Lease and elsewhere in this Declaration of Trust, the following words and terms used in this Declaration of Trust will have the following meanings, unless some other meaning is plainly intended:

“Additional Certificates” means any Certificates executed and delivered pursuant to **Section 3.09**.

“Authorized Representative” means the Presiding Commissioner, or any other person designated as an Authorized Representative by the Presiding Commissioner to act on behalf of the County, such designation being approved by the governing body of the County by a resolution or order that is filed with the Trustee.

“Cede & Co.” means Cede & Co., as nominee name of The Depository Trust Company, New York, New York, and any successor nominee of the Securities Depository with respect to the Certificates.

“Certificate Payment” means the payments to be made to the Owners of the Certificates, whether representing Interest Portion only or Principal Portion and Interest Portion of Basic Rent under the Lease.

“Certificate Purchase Agreement” means the Certificate Purchase Agreement pursuant to which the Underwriter agrees to purchase the Certificates.

“Certificates” means the Series 2012 Certificates and any Additional Certificates.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the County and related to the authorization, execution, sale and delivery of the Certificates, including

premiums for certificate insurance, rating agency fees, advertising and printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees of parties to the transaction, costs of title insurance and all other initial fees and disbursements contemplated by the Lease and this Declaration of Trust.

“Delivery Costs Fund” means the Delivery Costs Fund established pursuant to **Section 4.01**.

“Directive” means an instrument in writing executed in one or more counterparts by the Owners of Certificates, as determined from the records of the Registrar kept pursuant to **Section 3.06**, or their lawful attorneys-in-fact, representing not less than a majority of the aggregate unpaid Principal Portion represented by the then-Outstanding Certificates.

“Disbursement Request” shall mean a written request for disbursement as referenced in **Section 6.05**.

“Event of Default” means an Event of Default as described in **Section 9.01**.

“Event of Lease Default” means an Event of Default under **Section 12.01** of the Lease.

“Funds” means, collectively, the funds created and held under this Declaration of Trust and all accounts therein.

“Investment Securities” means and includes any of the following securities, if and to the extent the same are permitted by law:

- (a) Government Obligations;
- (b) other obligations issued by or on behalf of agencies or instrumentalities of the United States of America except for the Federal Farm Credit Bank;
- (c) negotiable certificates of deposit, demand deposits and other deposit arrangements, repurchase agreements, and investment agreements issued by banks or trust companies, including without limitation, the Trustee and its affiliates, continuously secured (to the extent not fully insured by the Federal Deposit Insurance Corporation), for the benefit of the Trustee by lodging with a bank or trust company (which may or may not be the bank or trust company issuing such negotiable certificates of deposit, repurchase agreement or investment agreement), as collateral security, Government Obligations having a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit, demand deposits and other deposit arrangements; and
- (d) money market mutual funds rated in the highest rating category by a nationally recognized rating service consisting of Government Obligations or repurchase agreements for Government Obligations.

“Lease Revenues” means the Basic Rent Payments, Supplemental Rent Payments and all other amounts due and owing pursuant to or with respect to the Lease, including prepayments, insurance proceeds, condemnation proceeds, and any and all interest, profits or other income derived from the investment thereof in any fund or account established pursuant to this Declaration of Trust.

“Lease Revenue Fund” means the fund by that name established pursuant to **Section 6.01**.

“Leased Property” means the Real Property.

“Notice by Mail” or **“Notice”** of any action or condition **“by Mail”** means a written notice meeting the requirements of this Declaration of Trust mailed by first-class mail to the Owners of specified Certificates, at the addresses shown on the registration books maintained by the Registrar pursuant to **Section 3.06**.

“Outstanding” means, as of the date of determination, all Certificates theretofore executed and delivered pursuant to this Declaration of Trust except (a) Certificates theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation, (b) Certificates for the transfer or exchange of or in lieu of or in substitution for which other Certificates have been executed and delivered by the Trustee pursuant to this Declaration of Trust, (c) Certificates whose payment or prepayment has been provided for in accordance with **Article X**, and (d) Certificates paid or deemed to be paid pursuant to **Article X**.

“Owner” of a Certificate means the registered owner of such Certificate as shown on the register kept by the Registrar pursuant to **Section 3.06**.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Prepayment Date” means any date set for prepayment of the Principal Portion of Basic Rent represented by Certificates.

“Prepayment Price” means, with respect to any Certificate (or portion thereof), the amount specified in **Section 5.02**.

“Proceeds” means the aggregate moneys initially paid to the Trustee for each series of the Certificates.

“Real Property” means the real property described in the Lease.

“Rebate Fund” means the fund by that name established pursuant to **Section 6.01**.

“Record Date” means the fifteenth day of the month (whether or not a Business Day) before the applicable Basic Rent Payment Date.

“Refunded Bonds” means all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, dated February 1, 2003, currently outstanding in the aggregate principal amount of \$2,480,000.

“Registrar” means the Trustee when acting in that capacity, or its successor as Registrar.

“Representation Letter” means the Representation Letter from the County to the Securities Depository.

“Reserve Fund Requirement” means, (a) with respect to the Series 2012 Certificates, \$223,000, which amount is equal to the least of (i) 10% of the Principal Portion of Basic Rent that is distributable to Owners of Series 2012 Certificates, (ii) 125% of the average annual Basic Rent that is distributable to Owners of Series 2012 Certificates, or (iii) the maximum annual Basic Rent that is distributable to

Owners of Series 2012 Certificates; and (b) with respect to any other Additional Certificates, the amount, if any, specified in the declaration of trust authorizing such Additional Certificates.

“Securities Depository” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

“Series 2012 Certificates” means the \$2,230,000 aggregate principal amount Refunding Certificates of Participation, Series 2012, evidencing a proportionate interest in Basic Rent Payments to be made by the County pursuant to the Lease, executed and delivered pursuant to this Declaration of Trust.

“State” means the State of Missouri.

“Tax Compliance Agreement” means the Tax Compliance Agreement of even date herewith, between the County and the Trustee, as from time to time amended in accordance with the provisions thereof.

“Trust Estate” means the assets, property and interests held by the Trustee pursuant to this Declaration of Trust and the Lease.

“Trustee” means The Bank of New York Mellon Trust Company, N.A., and its successor or successors and their respective assigns.

“Underwriter” means Piper Jaffray & Co., Leawood, Kansas, the original purchaser of the Series 2012 Certificates.

Section 1.02. General Rules of Construction.

(a) Words of the masculine gender will be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context will otherwise indicate, words importing the singular number will include the plural and vice versa, and words importing person will include individuals, corporations, limited liability companies, partnerships, joint ventures, associations, joint-stock companies, trusts, unincorporated organizations and governments and any agency or political subdivision thereof.

(b) The words “herein,” “hereby,” “hereunder,” “hereof,” “hereto,” “hereinbefore,” “hereinafter” and other equivalent words refer to this Declaration of Trust and not solely to the particular article, section, paragraph or subparagraph hereof in which such word is used.

(c) Reference herein to a particular article or a particular section, exhibit, schedule or appendix will be construed to be a reference to the specified article or section hereof or exhibit, schedule or appendix hereto unless the context or use clearly indicates another or different meaning or intent.

(d) Whenever an item or items are listed after the word “including,” the listing is not intended to be a listing that excludes items not listed.

(e) The table of contents, captions and headings in this Declaration of Trust are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Declaration of Trust.

Section 1.03. Execution in Counterparts. This Declaration of Trust may be executed simultaneously in two or more counterparts, each of which will be deemed to be an original, and all of which together will constitute but one and the same instrument.

Section 1.04. Severability.

(a) If any provision of this Declaration of Trust will be held or deemed to be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution, statute or rule of public policy, or for any other reason, such circumstances will not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

(b) The invalidity of any one or more phrases, sentences, clauses or sections in this Declaration of Trust contained will not affect the remaining portions of this Declaration of Trust, or any part thereof.

Section 1.05. Date of Declaration of Trust. The dating of this Declaration of Trust as of March 1, 2012, is intended as and for the convenient identification of this Declaration of Trust only and is not intended to indicate that this Declaration of Trust was executed and delivered on said date, this Declaration of Trust being executed and delivered and becoming effective simultaneously with the initial execution and delivery of the Certificates.

Section 1.06. Governing Law. This Declaration of Trust will be governed by and construed in accordance with the laws of the State.

ARTICLE II

COVENANT AS TO BASE LEASE AND LEASE

Section 2.01. Covenant as to Base Lease and Lease. The Trustee covenants and agrees that, except in accordance with the terms of this Declaration of Trust, the Base Lease and the Lease, it will not take any action that would result in the occurrence of an Event of Default and it will not agree to any abatement, reduction, abrogation, waiver, diminution or other modification in any manner or to any extent whatsoever of the obligations of the County under the Base Lease and the Lease to pay Basic Rent and to meet its other obligations as provided in the Lease.

ARTICLE III

THE CERTIFICATES

Section 3.01. Title of Certificates. No Certificates may be executed and delivered under this Declaration of Trust except in accordance with this Article. The Certificates will be designated "Certificates of Participation" with such further appropriate particular designation added to or incorporated in such title for the Certificates of any particular series as the Trustee may determine.

Section 3.02. General Provisions Concerning the Certificates.

(a) The Certificates and the form of assignment to appear thereon will be in substantially the form set forth in **Exhibit A**, with necessary or appropriate variations, omissions and insertions as permitted or required hereby or by any Supplemental Declaration of Trust.

(b) The Certificates will be fully-registered Certificates transferable to subsequent owners only on the books kept by the Registrar pursuant to **Section 3.06** as hereinafter provided. Each Certificate will be in the denomination of \$5,000 or any integral multiple thereof.

(c) Each of the Certificates will represent the Interest Portion and Principal Portion of Basic Rent payable with respect thereto and will be on a parity with the other Certificates as to the entire Trust Estate.

(d) The Certificates will be numbered from 1 upward, will be dated and the Principal Portion will be payable, subject to prior prepayment upon the terms and conditions hereinafter set forth, and will represent Interest Portions of Basic Rent calculated at certain rates as set forth in this Declaration of Trust or any Supplemental Declaration of Trust authorizing such series of Certificates.

(e) The Interest Portion of the Basic Rent represented by each Certificate will be payable from the date thereof or the most recent date to which said Interest Portion has been paid. The Interest Portion of the Basic Rent represented by the Certificates will be paid on each February 1 and August 1, commencing on August 1, 2012.

(f) Payment of the Interest Portion of the Basic Rent represented by any Certificates will be made to the person appearing on the registration books of the Registrar as the Owner thereof on the Record Date, such Interest Portion to be paid to such Owner by check or draft drawn on the Trustee and mailed to such Owner's address as it appears on the registration books of the Registrar on the Record Date or in the case of such Interest Portion to (i) the Securities Depository or (ii) any Owner of \$500,000 or more in aggregate principal amount of Certificates, by electronic transfer to such Owner upon written notice given to the Trustee by such Owner not less than 15 days prior to the Record Date for such Interest Portion, containing the electronic transfer instructions including the bank (which will be in the continental United States), ABA routing number and account name and number to which such Owner wishes to have such transfer directed.

(g) The Interest Portion of the Basic Rent represented by any Certificates will be computed with respect to such Certificates on the basis of a 360-day year of twelve 30-day months.

(h) The Principal Portion of the Basic Rent and prepayment premium, if any, represented by the Certificates will be payable (whether at maturity or upon prepayment or acceleration) by check or draft to the Owners of such Certificates upon presentation and surrender of such Certificates at the designated corporate trust office of the Trustee.

(i) Payment of Certificate Payments and of the Prepayment Price of Certificates will be made in such coin or currency of the United States of America as, at the time of payment, will be legal tender for public and private debts.

Section 3.03. Execution of Certificates. The Certificates will be executed by and in the name of the Trustee by the manual signature of an authorized signatory of the Trustee.

Section 3.04. Transfer of Certificates. Any Certificate may be transferred upon the books required to be kept pursuant to the provisions of **Section 3.06**, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Certificate for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee or the Securities Depository may also require the payment by the Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. If any Owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Internal Revenue Code, such amount may be deducted by the Trustee from amounts otherwise payable to such Owner hereunder or under the Certificates.

Section 3.05. Exchange of Certificates. Certificates may be exchanged at the designated corporate trust office of the Trustee for a like aggregate principal amount of Certificates of the same maturity, interest rate and tenor. The Trustee will require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. No exchange of any Certificate will be required of the Trustee after such Certificate has been called for prepayment.

Section 3.06. Registration Books.

(a) The Registrar will keep or cause to be kept at its designated corporate trust office, books for the registration and transfer of the Certificates, which will at all reasonable times be open to inspection by the County or the Owners (or a designated representative thereof) of 10% or more in principal amount of Certificates then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the satisfaction of the Registrar, and, upon presentation for such purpose, the Registrar will, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Certificates as hereinbefore provided.

(b) The person in whose name any Certificate is registered on the registration books maintained by the Registrar on the Record Date will be deemed the Owner thereof for all purposes hereof, and payment of or on account of the Interest Portions and Principal Portions of Basic Rent, represented by such Certificate will be made only to or upon the order in writing of such registered owner, which payments will be valid and effectual to satisfy and discharge the liability under the Lease as represented by such Certificate to the extent of the sum or sums so paid.

Section 3.07. Certificates Mutilated, Lost, Destroyed or Stolen.

(a) If any Certificate has become mutilated, the Trustee, at the expense of the Owner of said Certificate, will execute and deliver a new Certificate of like tenor, maturity, interest rate and number in exchange and substitution for the Certificate so mutilated (except that such number may be preceded by a distinguishing prefix), but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee will be canceled by it and periodically destroyed in accordance with then applicable record retention requirements. If any Certificate has been lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and indemnity of the Trustee and the County satisfactory to the Trustee has been given, the Trustee, at the expense of the Owner of the Certificate, will execute and deliver a new Certificate of like tenor, maturity, interest rate, and number as the Trustee determines in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Certificate executed and delivered under this Section and of the expenses that may be incurred by the Trustee under this Section.

(b) Any Certificate executed and delivered under this Section in lieu of any Certificate alleged to be lost, destroyed or stolen will be equally and proportionately entitled to the benefits of this Declaration of Trust with all other Certificates secured by this Declaration of Trust. The Trustee will not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates that may be Outstanding hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate will be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of delivering a new Certificate for a Certificate that has been mutilated, lost, destroyed or stolen and that has matured, is about to mature or has been selected for prepayment, the Trustee may make payment of such Certificate.

Section 3.08. Series 2012 Certificates.

(a) There will be initially prepared, executed and delivered under this Declaration of Trust a series of Certificates in the aggregate principal amount of \$2,230,000, which series of Certificates will be designated "Refunding Certificates of Participation, Series 2012." The Series 2012 Certificates will be dated the date of original delivery thereof, and will be payable on the dates, in the principal amounts (subject to prepayment as described in **Section 5.02**), and with the Interest Portions accruing at the rates set forth on **Exhibit C**.

(b) Prior to or simultaneously with the execution of and delivery of the Series 2012 Certificates by the Trustee, the following documents will be filed with the Trustee:

(1) A copy, certified by the County Clerk, of the order adopted by the governing body of the County authorizing the execution of the Base Lease and the Lease and approving the execution and delivery of the Series 2012 Certificates to or upon the order of the Underwriter.

(2) Original executed counterparts of this Declaration of Trust, the Base Lease, the Lease, the Certificate Purchase Agreement, and the Tax Compliance Agreement.

(3) An Opinion of Bond Counsel as to the validity of the Series 2012 Certificates and the exemption from federal income taxation of the Interest Portion of Basic Rent Payments represented by the Series 2012 Certificates.

(4) Evidence of the insurance required by **Article VII** of the Lease.

(5) An Opinion of Counsel stating that the Series 2012 Certificates are exempt from registration under the Securities Act of 1933, as amended and this Declaration of Trust is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(6) Such other certificates, statements, receipts, opinions and documents required by this Declaration of Trust or the Lease, or as the Trustee may reasonably require for the delivery of the Series 2012 Certificates.

(c) When the documents specified above have been filed with the Trustee, and when the Series 2012 Certificates have been executed as required by this Declaration of Trust, the Trustee will deliver the Series 2012 Certificates to or upon the order of the Underwriter or will hold the Series 2012 Certificates as FAST Agent for the benefit of the Beneficial Owners, but only upon payment of the purchase price of the Series 2012 Certificates, as specified in the Certificate Purchase Agreement. The

Proceeds of the sale of the Series 2012 Certificates, including accrued interest and premium, if any, paid to the Trustee will be deposited and applied as provided in **Article VI**.

Section 3.09. Additional Certificates.

(a) Upon the execution and delivery of a Supplemental Lease that provides for an increase in the amount of Basic Rent payable under the Lease and so long as no Event of Default or Event of Nonappropriation exists, Additional Certificates evidencing the right of the Owners thereof to receive the Principal Portion and the Interest Portion of such additional Basic Rent may be executed and delivered under and equally and ratably secured by this Declaration of Trust on a parity with the Series 2012 Certificates and any other Additional Certificates, at any time and from time to time, upon compliance with the conditions provided in this Section, for the purposes set forth in **Section 4.08** of the Lease.

(b) Before any Additional Certificates may be executed and delivered under the provisions of this Section, the County will:

(1) Adopt an order authorizing the execution and delivery of such Additional Certificates, fixing the amount and terms thereof and describing the Certificates to be refunded, if any.

(2) Consent in writing to the Trustee's execution of a Supplemental Declaration of Trust for the purpose of executing and delivering such Additional Certificates.

(3) Authorize the Trustee to enter into an amendment to the Lease with the County to provide for Basic Rent Payments at least sufficient to pay the Principal Portion, premium, if any, and Interest Portion of the Certificates then to be Outstanding (including the Additional Certificates to be executed and delivered) as the same become due, and for such other matters as are appropriate because of the execution and delivery of the Additional Certificates proposed to be delivered.

(c) Such Additional Certificates will have the same designation as the Series 2012 Certificates, except for an identifying series letter or date. The Principal Portion and the Interest Portion of Basic Rent represented by such Additional Certificates will be payable on the dates, in the amounts and (with respect to such Interest Portion) at the rates as may be provided by the Supplemental Declaration of Trust authorizing such Additional Certificates. **Exhibit C** will be amended by such Supplemental Declaration of Trust to reflect separately the Principal Portion of Basic Rent allocable to each series of Certificates. Such Additional Certificates will be on a parity with and will be entitled to the same benefit and security of this Declaration of Trust as the Series 2012 Certificates and any other Additional Certificates.

(d) The Additional Certificates will be executed substantially in the form and manner as provided in this Article, but prior to or simultaneously with the delivery of such Certificates by the Trustee, the following items will be filed with the Trustee:

(1) A copy, certified by the County Clerk, of the order passed by the governing body of the County authorizing such Supplemental Lease and authorizing the execution and delivery of the Additional Certificates, fixing the amount and terms thereof and describing the Certificates to be refunded, if any.

(2) An original executed counterpart of the Supplemental Declaration of Trust authorizing such Additional Certificates.

(3) An original executed counterpart of the Supplemental Lease.

(4) An original executed counterpart of a certificate purchase agreement relating to the Additional Certificates.

(5) An Opinion of Bond Counsel to the effect that the execution and delivery of such Additional Certificates will not result in the Interest Portion of Basic Rent evidenced by any Certificates then Outstanding becoming includable in gross income of the Owners thereof for federal income tax purposes.

(6) Evidence of the assignment by Moody's of a rating on the Additional Certificates that is not lower than the rating then assigned to the Series 2012 Certificates, unless the Additional Certificates are being delivered to refund the Certificates of any series in a manner which provides present value savings to the City for the Rental Payments distributable to the Owners of the series of Certificates being refunded.

(7) Such other certificates, statements, receipts, opinions and documents required by this Declaration of Trust or the Lease or as the Trustee may reasonably require for the delivery of the Additional Certificates.

(e) When the documents mentioned in paragraph (d) of this Section have been filed with the Trustee, and when such Additional Certificates have been executed and registered as required by this Declaration of Trust, the Trustee will deliver such Additional Certificates to or upon the order of the purchaser named in the certificate purchase agreement relating to such Additional Certificates or hold the Additional Certificates as FAST Agent for the benefit of the Beneficial Owners, but only upon payment of the purchase price of such Additional Certificates as specified in the certificate purchase agreement relating to such Additional Certificates. The Proceeds of Additional Certificates, including accrued interest, if any, paid to the Trustee will be deposited as follows or as provided in the Supplemental Declaration of Trust:

(1) All accrued interest, if any, paid by the purchasers of the Additional Certificates into the Lease Revenue Fund.

(2) The remaining Proceeds from any Additional Certificates, as provided in the Supplemental Declaration of Trust relating to such Additional Certificates.

Section 3.10. Book-Entry-Only System.

(a) The Certificates will initially be registered on the Certificate register maintained by the Trustee in the name of Cede & Co., and Beneficial Owners will not receive certificates representing their respective interests in the Certificates, except in the event of Replacement Certificates as provided below. It is anticipated that during the term of the Certificates, the Securities Depository will make book-entry transfers among the Participants and receive and transmit notices with respect to and payments representing the Principal Portion of Basic Rent and the Interest Portion of Basic Rent with respect to the Certificates until and unless the Trustee executes and delivers Replacement Certificates to the Beneficial Owners as described below.

(b) The Trustee agrees to give the various written notices to the Securities Depository in accordance with the Blanket Letter of Representations of the Securities Depository, delivered to the Securities Depository in connection with the original execution and delivery of the Certificates.

(c) If the Securities Depository determines to discontinue providing its services with respect to the Certificates and the County cannot obtain a qualified successor Securities Depository, or if Participants holding a majority position in the Series 2012 Certificates determine not to use the book-entry system of the Securities Depository, the Trustee will execute and deliver one or more certificates (the "Replacement Certificates") to the Participants in principal amounts and maturities corresponding to the identifiable Beneficial Owners' interests in the Certificates, with such adjustments as the Trustee may find necessary or appropriate as to accrued interest and previous calls for prepayment. In such event, all references to the Securities Depository herein will relate to the period of time when at least one Certificate is registered in the name of the Securities Depository or its nominee. Upon the delivery of Replacement Certificates, all references herein to obligations imposed upon or to be performed by the Securities Depository will be deemed to be imposed upon and performed by the Trustee, to the extent applicable, with respect to such Replacement Certificates. The Trustee may rely on information from the Securities Depository and its Participants as to the names and addresses of and principal amounts held by the Beneficial Owners of the Series 2012 Certificates. The cost of printing Replacement Certificates will be paid by the County.

Section 3.11. Successor Securities Depository. If the Securities Depository resigns, is unable to properly discharge its responsibilities or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation, the Trustee, with the written consent of the County, may appoint a successor Securities Depository, provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository will be a securities depository that is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable state or federal statute or regulation. Upon the appointment of a successor Securities Depository, the former Securities Depository will surrender the Certificates, together with assignments duly executed in accordance with **Section 3.04**, to the Trustee for transfer to the successor Securities Depository, and the Trustee will cause the execution and delivery of the Certificates to the successor Securities Depository in appropriate denominations and form as provided herein.

Section 3.12. Cancellation and Destruction of Certificates upon Payment.

(a) All Certificates that have been paid or prepaid or that the Trustee has purchased or that have otherwise been surrendered to the Trustee under this Declaration of Trust, either at or before maturity, if not exchanged pursuant to **Section 3.05**, will be canceled by the Trustee immediately upon the payment, prepayment or purchase of such Certificates and the surrender thereof to the Trustee. The Trustee will execute a certificate in duplicate describing the Certificates to be canceled, and will file an executed counterpart of such certificate with the County.

(b) All Certificates canceled under any of the provisions of this Declaration of Trust will be destroyed by the Trustee in accordance with then applicable record retention requirements.

ARTICLE IV

PARTICULAR COVENANTS AND PROVISIONS

Section 4.01. Covenant of Trustee as to Performance of Obligations. The Trustee covenants that it will promptly remit to the Owner of each Certificate its interest in each installment of Basic Rent to the extent received by the Trustee, at the places, on the dates and in the manner provided herein and in the Certificates.

Section 4.02. Covenant to Perform Undertakings. The Trustee covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Declaration of Trust, in any and every Certificate executed and delivered hereunder and in all proceedings of the Trustee pertaining thereto. The Trustee covenants that it is duly authorized to execute and deliver the Certificates and to enter into this Declaration of Trust and to perform its obligations hereunder.

ARTICLE V

PREPAYMENT

Section 5.01. General. The Certificates are subject to prepayment pursuant to this Article and any Supplemental Declaration of Trust to the extent that prepayments of Basic Rent are required, allowed or provided for under the Lease.

Section 5.02. Optional Prepayment Provisions with Respect to the Series 2012 Certificates.

(a) *Optional Prepayment of Series 2012 Certificates.* The Series 2012 Certificates maturing on February 1, 2018, shall be subject to prepayment prior to maturity, upon instructions from the County, on and after February 1, 2017, in whole or in part at any time, at a prepayment price of 100% of the Principal Portion of Basic Rent represented thereby plus the Interest Portion of Basic Rent accrued thereon to the Prepayment Date.

(b) *Extraordinary Optional Prepayment.* The Series 2012 Certificates will be subject to optional prepayment, as a whole, at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented thereby plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the event of substantial damage to or destruction or condemnation (other than by the County or any entity controlled by or otherwise affiliated with the County) of, or loss of title to, substantially all of the Leased Property, or as a result of changes in the constitution of the State or legislative or administrative action by the State or the United States, the Base Lease or the Lease becomes unenforceable, and the County purchases the Trustee's interest in the Leased Property pursuant to **Section 10.01(c)** of the Lease.

Section 5.03. Selection of Certificates for Prepayment; Notice to Trustee. In case of any optional prepayment, at the election of the County, the County will, at least 45 days prior to the Prepayment Date (unless a shorter notice will be satisfactory to the Trustee), give written notice to the Trustee directing the Trustee to call Certificates for prepayment and give notice of prepayment and specifying the Prepayment Date, and the provision or provisions of this Declaration of Trust pursuant to which such Certificates are to be called for prepayment.

Section 5.04. Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Trustee will execute and deliver to the Owner thereof, at the expense of the County, a

new Certificate or Certificates of the same series and maturity, equal in aggregate principal amount to the unprepaid portion of the Certificate surrendered.

Section 5.05. Notice of Prepayment.

(a) Unless otherwise provided herein, notice of prepayment will be given by the Trustee, not more than 60 days and not less than 30 days prior to the Prepayment Date, to the County and the Owner of each Certificate affected at the address shown on the registration books of the Registrar on the date such notice is mailed. Each notice of prepayment will state (1) the Prepayment Date, (2) the place of prepayment, (3) the Prepayment Price, (4) if less than all, the identification of the Certificates to be prepaid, and (5) if a Certificate is being prepaid in part, the portion thereof being prepaid. Such notice will also state that the Interest Portion of the Basic Rent represented by the Certificates designated for prepayment will cease to accrue from and after such Prepayment Date and that on said date the Prepayment Price will become due and payable on each of said Certificates. The failure of the Owner of any Certificate to be so prepaid to receive notice of prepayment mailed as herein provided or any defect therein will not affect or invalidate the validity of any proceedings for the prepayment of such Certificate.

(b) The Trustee is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the Securities and Exchange Commission. Failure to comply with such standards will not affect or invalidate the prepayment of any Certificate to be prepaid.

Section 5.06. Effect of Prepayment.

(a) Notice of prepayment having been duly given as aforesaid, and upon funds for payment of the Prepayment Price of such Certificates (or portions thereof) being held by the Trustee, on the Prepayment Date designated in such notice, the Certificates (or portions thereof) so called for prepayment will become due and payable at the Prepayment Price specified in such notice and the Interest Portion of Basic Rent represented by the Certificates so called for prepayment will cease to accrue, said Certificates (or portions thereof) will cease to be entitled to any benefit or security under this Declaration of Trust and the Owners of such Certificates will have no rights in respect thereof except to receive payment of the Prepayment Price.

(b) All Certificates prepaid pursuant to the provisions of this Article will be cancelled upon surrender thereof and destroyed by the Trustee pursuant to **Section 3.12**.

ARTICLE VI

**DELIVERY OF CERTIFICATES; FUNDS;
APPLICATION OF PROCEEDS**

Section 6.01. Establishment of Funds.

- (a) There are hereby established the following funds and accounts:
- (1) Lease Revenue Fund;
 - (2) Reserve Fund;
 - (3) Delivery Costs Fund; and
 - (4) Rebate Fund.

(b) All funds and accounts established pursuant to paragraph (a) above, except the Rebate Fund, will be held by the Trustee in trust for the benefit of the Certificate Owners. The money in all of the funds and the accounts will be applied as hereinafter provided.

Section 6.02. Application of Proceeds of Series 2012 Certificates. The Proceeds of the Series 2012 Certificates, together with funds on deposit in the reserve fund for the Refunded Bonds, will be deposited or applied as follows:

(a) in the Delivery Costs Fund, the sum of \$44,392.51 from the proceeds of the Series 2012 Certificates to pay costs of issuance. Any moneys not used for such purpose shall be transferred to and deposited in the Lease Revenue Fund and applied to the next installment of interest due on the Certificates.

(b) in the Reserve Fund, moneys from the debt service reserve fund for the Refunded Bonds in an amount equal to the Reserve Requirement for the Series 2012 Certificates; and

(c) with the trustee for the Refunded Bonds, the sum of \$2,495,588.69 (consisting of \$301,000.00 currently on deposit in the reserve fund for the Refunded Bonds and \$2,194,588.69 from the proceeds of the Series 2012 Certificates), which amount will be sufficient for the payment of the principal of, prepayment premium, if any, and interest on the Refunded Bonds as the same shall become due and payable and applied to the payment of the principal of, prepayment premium, if any, and interest on the Refunded Bonds on April 3, 2012.

Section 6.03. Application of Lease Revenues.

(a) Lease Revenues will be deposited, as received pursuant to the Lease, as follows:

(1) Basic Rent will be deposited to the Lease Revenue Fund.

(2) Optional prepayments of the Principal Portion of Basic Rent (in amounts equal to the applicable Prepayment Price) will be deposited to the Lease Revenue Fund.

(3) Payments of Supplemental Rent pursuant to **Section 4.02** of the Lease will be applied as provided in **Section 4.02** of the Lease.

(b) Undesignated payments of Rent that are insufficient to discharge the full amount then due will be applied first to the Interest Portion of Basic Rent, next to the Principal Portion of Basic Rent and finally to Supplemental Rent.

Section 6.04. Application of Moneys in the Lease Revenue Fund. Except as otherwise provided herein, all amounts in the Lease Revenue Fund will be used and withdrawn by the Trustee solely to pay Basic Rent represented by the Certificates when due and payable or on a Prepayment Date.

Section 6.05. Disbursements from the Delivery Costs Fund.

(a) The Trustee shall pay Costs of Issuance from the Delivery Costs Fund upon receipt of Disbursement Requests therefor signed by the Authorized Representative, which Disbursement Request shall contain the statements, representations and certifications and otherwise shall be substantially in the form attached hereto as **Exhibit B**. The Trustee shall be entitled to rely conclusively, without inquiry or investigation, upon each Disbursement Request, signed by the Authorized Representative submitted pursuant to this **Section 6.05**. Upon written certification from the County to the Trustee that all Costs of

Issuance payable from the Delivery Costs Fund have been paid, or on July 1, 2012, whichever occurs first, any money then remaining in the Delivery Costs Fund shall be transferred to the Lease Revenue Fund.

(b) The Trustee shall maintain adequate records pertaining to the Delivery Costs Fund and all disbursements therefrom, and shall file monthly statements of activity regarding the Delivery Costs Fund with the County. The Trustee may rely conclusively on any Disbursement Request relating to the Delivery Costs Fund and will not be required to make any independent inspection or investigation in connection therewith. The approval of each Disbursement Request by an Authorized Representative shall constitute unto the Trustee an irrevocable determination that all conditions precedent to the payment of the specified amounts from the Delivery Costs Fund have been completed.

Section 6.06. Reserve Fund.

(a) Money in the Reserve Fund shall be used solely (i) to make up any deficiencies in the Lease Revenue Fund and, if the money in the Lease Revenue Fund is insufficient to pay the Principal Portion or the Interest Portion of Base Rentals as the same become due, the Trustee shall without further authorization transfer any funds available to make up such deficiency from the Reserve Fund to the Lease Revenue Fund or (ii) to make the last payment of the Principal Portion of Base Rentals.

(b) The Permitted Investments held in the Reserve Fund shall be valued at the market value thereof, excluding accrued interest. The Trustee shall value the Reserve Fund (i) semiannually as of the last Business Day preceding each February 1 and August 1, commencing August 1, 2012 (each, a "Valuation Date"), and (ii) on any date there is a draw on the Reserve Fund pursuant to the Declaration of Trust. The Trustee shall furnish a copy of such valuation to the County.

(c) If on any Valuation Date the Reserve Fund exceeds the Reserve Requirement, the Trustee shall promptly thereafter transfer such excess to the Lease Revenue Fund. If on any such date the amount in the Reserve Fund is less than the Reserve Requirement, the Trustee shall promptly notify the County of such deficiency and shall direct the County to replenish the Reserve Fund in the manner provided for Supplemental Rent under the Lease.

Section 6.07. Rebate Fund.

(a) There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. Subject to the payment provisions provided in subsection (b) below, all money at any time deposited in each Rebate Account in the Rebate Fund shall be held by the Trustee in trust, to the extent required to pay arbitrage rebate with respect to the related series of Certificates, for payment to the United States Government, and neither the County nor the Owner of any Certificates shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Rebate Fund, if any, shall be governed by this Section and by the Tax Compliance Agreement (which is incorporated herein by reference). Money in each Rebate Account shall be separate from, and not commingled with, moneys in any other fund or account.

(b) The Trustee shall have no obligation to rebate any amounts required to be rebated pursuant to this Section, other than from moneys held in the funds and accounts created under this Declaration of Trust or from other moneys provided to it by the County.

(c) Within 60 days after the payment and discharge of the last Certificate of each of series, and pursuant to the Tax Compliance Agreement, the Trustee shall pay the arbitrage rebate to the United

States. Any funds remaining in the Rebate Fund after such payment shall be withdrawn and paid to the County.

(d) Notwithstanding any other provision of this Declaration of Trust, including in particular **Article XIII** hereof, the obligation to pay arbitrage rebate to the United States and to comply with all other requirements of this Section and the Tax Compliance Agreement shall survive the defeasance or payment in full of the Certificates.

Section 6.08. Repayment to the County. After payment in full of all Basic Rent Payments through the maximum Lease Term or the earlier purchase of the Trustee's interest in the Leased Property pursuant to **Section 10.01** of the Lease, all amounts remaining in the Lease Revenue Fund will be paid to the County.

Section 6.09. Payments Due on Days other than Business Days. In any case where the date of maturity of Principal Portions of Basic Rent Payments, premium, if any, or Interest Portions of Basic Rent Payments represented by the Certificates or the date fixed for prepayment of any Certificates is not a Business Day, then payment of Principal Portions of Basic Rent Payments, premium, if any, or Interest Portions of Basic Rent Payments represented by the Certificates need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest will accrue for the period after such date.

Section 6.10. Nonpresentment of Certificates. If any Certificate will not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for prepayment thereof, if funds sufficient to pay such Certificate have been made available to the Trustee, all liability of the Trustee and the County to the Owner thereof for the payment of such Certificate will forthwith cease, determine and be completely discharged. Thereupon it will be the duty of the Trustee to hold such fund or funds, without liability for interest thereon, for the benefit of the Owner of such Certificate, who will thereafter be restricted exclusively to such fund or funds for any claim of whatever nature under this Declaration of Trust or on, or with respect to, said Certificate. If any Certificate will not be presented for payment within one year following the date when such Certificate becomes due, whether by maturity or otherwise, the Trustee will repay, without liability for interest thereon, to the County the funds theretofore held by the Trustee for payment of such Certificate. Such Certificate will, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the County, and the Owner thereof will be entitled to look only to the County for payment, and then only to the extent of the amount so repaid, and the County will not be liable for any interest thereon and will not be regarded as a trustee of such money.

Section 6.11. Separate Accounting of Funds Allocable to each Series of Certificates. The Trustee will maintain separate accounts for funds and securities attributable to each series of Certificates in the Funds held by the Trustee hereunder so that the calculations for each series of Certificates can be made separately for such series. Any transfer of funds or securities or earnings thereon from one fund or account to another will be made to the appropriate account or subaccount of the same series of Certificates to which such funds or securities are attributed. If, at any time, a payment is made to any such fund that is less than the amount due and payable to such fund, the amount payable will be credited *pro rata* to each such separate account within such fund, based on the amount owed to each such account.

ARTICLE VII

DEPOSITARIES OF MONEYS, SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 7.01. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for account of the Funds under this Declaration of Trust will be held by the Trustee in trust and will be applied only in accordance with this Declaration of Trust and the Lease and until used or applied as herein provided, will constitute part of the Trust Estate and will not be subject to any lien other than the lien of this Declaration of Trust. The Trustee will not be under any liability for interest on any moneys received hereunder except as provided herein.

Section 7.02. Investment of Moneys.

(a) Moneys held in the Funds will, subject to the requirements of the Tax Compliance Agreement and as hereinafter provided, be invested and reinvested by the Trustee, pursuant to written direction of the County, signed by an Authorized Representative, in Investment Securities that mature or are subject to redemption by the owner prior to the date such funds will be needed; provided, money held in the Reserve Fund shall be invested in Permitted Investments which mature or are subject to redemption not later than five years from the date of purchase thereof. The Trustee is specifically authorized to implement its automated cash investment system to assure that cash on hand is invested and to charge its normal cash management fees and cash sweep account fees, which may be deducted from income earned on investments, provided that any such fees will not exceed the interest income on the investment.

(b) The Trustee will sell and reduce to cash a sufficient amount of such Investment Securities held by the Trustee in any fund hereunder whenever the cash balance in such Fund is insufficient for the purpose of such Fund. Any such Investment Securities will be held by or under the control of the Trustee and will be deemed at all times a part of the Fund or account in which such moneys are originally held, and the interest accruing thereon and any profit realized from such Investment Securities will be credited to such Fund or account, and any loss resulting from such Investment Securities will be charged to such Fund or account; provided, that, if at any time the amount in the Reserve Fund exceeds the Reserve Fund Requirement, such excess shall be transferred to the Lease Revenue Fund.

(c) For purposes of determining the amount in any Fund or account, the value of any investments will be computed at the market value thereof (excluding accrued interest), the purchase price thereof (excluding accrued interest) or principal amount, whichever is lower, provide that the value of any investments held in the Reserve Fund shall be computed at the market value thereof (excluding accrued interest).

The Trustee may, in making or disposing of any investment permitted by this Section, deal with itself (in its individual capacity) or with any one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account.

ARTICLE VIII

AMENDMENT OF THE DECLARATION OF TRUST, THE LEASE OR THE BASE LEASE

Section 8.01. Amendments Permitted.

(a) This Declaration of Trust, the Lease and the Base Lease and the rights and obligations of the County and of the Owners of the Certificates and of the Trustee may be modified or amended from time to time and at any time by an amendment or supplement hereto or thereto that the parties hereto or thereto may enter into when the written consent of the Trustee and the County, if not a party hereto or thereto, and the Owners of a majority in aggregate Principal Portion of Basic Rent Payments represented by the Certificates then Outstanding has been filed with the Trustee. No such modification or amendment will (1) extend the stated maturity of any Certificate, or reduce the amount of principal represented thereby, or extend the time of payment or reduce the amount of any Prepayment Price provided in this Declaration of Trust for the payment of any Certificate, or reduce the rate of interest with respect thereto, or extend the time of payment of interest with respect thereto without the consent of the Owner of each Certificate so affected, (2) reduce the aforesaid percentage of Certificates the consent of the Owners of which is required to effect any such modification or amendment or, except in connection with the delivery of any Additional Certificates, permit the creation of any lien on the moneys in the Lease Revenue Fund or the Reserve Fund, or deprive the Owners of the trust created by this Declaration of Trust with respect to the moneys in the Lease Revenue Fund or the Reserve Fund, or (3) create a preference or priority of any Certificate or Certificates over any other Certificate or Certificates without the consent of the Owners of all of the Certificates then Outstanding. Promptly after the execution by the Trustee of any amendment pursuant to this subsection (a), the Trustee will give Notice by Mail, setting forth in general terms the substance of such amendment to the Owners at the addresses listed on the registration books kept by the Trustee pursuant to **Section 3.06**. Any failure to give such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amendment.

(b) Notwithstanding subsection (a), this Declaration of Trust, the Lease or the Base Lease and the rights and obligations of the County, of the Trustee and of the Owners of the Certificates may also be modified or amended from time to time and at any time by an agreement that the parties hereto or thereto may enter into without the consent of any Certificate Owners, only to the extent permitted by law and only for any one or more of the following purposes:

(1) to add to the covenants and agreements of the Trustee in this Declaration of Trust, other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Certificates (or any portion thereof), or to surrender any right or power herein reserved to or conferred upon the County; provided, however, that no such covenant, agreement, pledge, assignment or surrender will in the sole judgment of the Trustee materially adversely affect the interests of the Trustee or the Owners of the Certificates;

(2) to add to the covenants and agreements of the County in the Base Lease or the Lease, other covenants and agreements thereafter to be observed or to surrender any right or power therein reserved to or conferred upon the Trustee or the County; provided, however, that no such covenant, agreement or surrender will in the sole judgment of the Trustee materially adversely affect the interests of the Owners of the Certificates;

(3) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in this Declaration of Trust, the Base Lease or the Lease, or in regard to matters or questions arising under this Declaration of Trust, the Base Lease or the Lease as the Trustee and the County may deem necessary or desirable and not inconsistent with said agreements, or as may be requested by the County or the Trustee and that will not, in any such case in the sole judgment of the Trustee materially adversely affect the interests of the Owners of the Certificates;

(4) to modify, amend or supplement this Declaration of Trust in such manner as to permit the qualification hereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and that will not in the sole judgment of the Trustee materially adversely affect the interests of the Owners of the Certificates;

(5) to provide for any additional procedures, covenants or agreements necessary to maintain the exclusion of the Interest Portion of Basic Rent from gross income for purposes of federal income taxation;

(6) to provide for the execution and delivery of Additional Certificates; or

(7) to make any other change that in the sole judgment of the Trustee does not have a materially adverse effect on the rights of the Certificate Owners.

Section 8.02. Effect of Amendments. Upon the execution of any amendments hereto, pursuant to this **Article VIII**, this Declaration of Trust will be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Declaration of Trust of the Trustee and all Owners of Certificates Outstanding will thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such amendment will be deemed to be part of the terms and conditions of this Declaration of Trust for any and all purposes.

Section 8.03. Endorsement of Certificates; Preparation of New Certificates. Certificates delivered after the execution of any amendment pursuant to this **Article VIII** may, and if the Trustee so determines will, bear a notation by endorsement or otherwise in form determined by the Trustee as to any modification or amendment provided for in such amendment. In that case, upon presentation of a Certificate for such purpose at the designated corporate trust office of the Trustee, a suitable notation will be made on such Certificate. If the amendment so provides, new Certificates so modified as to conform, in the opinion of the Trustee, to any modification or amendment contained in such amendment, will be prepared and executed by the Trustee, and upon demand of the Owners of any Certificates then Outstanding will be exchanged at the designated corporate trust office of the Trustee, without cost to any Certificate Owner, for Certificates then Outstanding, upon surrender for cancellation of such Certificates in equal aggregate principal amounts of the same maturity, interest rate and tenor.

Section 8.04. Amendment of Particular Certificates. The provisions of this Article will not prevent any Certificate Owner from accepting any amendment as to the particular Certificates held by him, provided that due notation thereof is made on such Certificates.

Section 8.05. Opinion of Counsel. Anything to the contrary in this **Article VIII** notwithstanding, before the Trustee or the County consents to any modification or amendment of this

Declaration of Trust, the Base Lease or the Lease, an Opinion of Bond Counsel will be delivered to the Trustee stating that such amendment (a) is permitted by this Declaration of Trust and the instrument modified or amended (if other than this Declaration of Trust), (b) complies with their terms, (c) will, upon execution and delivery thereof, be valid and binding upon the County in accordance with the terms of the instrument modified or amended, and (d) will not adversely affect the exclusion from gross income for purposes of federal income taxation of the Interest Portion of Basic Rent Payments represented by the Certificates. In any instance in which the Trustee may be required to determine that a modification or amendment will not materially adversely affect the interest of the Owners of the Certificates, prior to consenting to such modification or amendment, the Trustee will be entitled to require that there be delivered to it an Opinion of Counsel to the effect that no such materially adverse affect would result from such modification or amendment. The Trustee will be fully protected and will incur no liability in relying upon such Opinion of Counsel in making such determination.

ARTICLE IX

DEFAULT PROVISIONS AND REMEDIES OF TRUSTEE AND OWNERS OF CERTIFICATES

Section 9.01. Defaults. The occurrence of any of the following events, subject to the provisions of **Section 9.09**, is hereby defined as an “Event of Default:”

- (a) Default in the due and punctual payment of any Interest Portion of Basic Rent represented by a Certificate; or
- (b) Default in the due and punctual payment of the Principal Portion of Basic Rent represented by a Certificate, whether at the stated payment date thereof or the Prepayment Date set therefor in accordance with the terms hereof; or
- (c) Any Event of Lease Default.

Section 9.02. Acceleration. Upon the occurrence of an Event of Default, the Trustee may, and upon receipt of a Directive will, by notice in writing delivered to the County, declare the Principal Portion and Interest Portion of Basic Rent represented by all Certificates Outstanding to the end of the then current Fiscal Year immediately due and payable.

Section 9.03. Other Remedies.

(a) Upon the occurrence of an Event of Lease Default or Event of Nonappropriation, the Trustee may exercise any remedies available under the Lease and, to the extent consistent therewith, may sell, lease or manage any portion of the Leased Property or Trustee’s interest in the Leased Property and apply the net proceeds thereof in accordance with **Section 9.05** and, whether or not it has done so, may pursue any other remedy available to it under the Lease or at law or in equity.

(b) No remedy by the terms of this Declaration of Trust conferred upon or reserved to the Trustee or to the Certificate Owners is intended to be exclusive of any other remedy, but each and every such remedy will be cumulative and will be in addition to any other remedy given to the Trustee or to the Certificate Owners hereunder or now or hereafter existing at law or in equity or by statute.

(c) No delay or omission to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver of any such default or acquiescence

therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

(d) No waiver of any default hereunder whether by the Trustee or by the Certificate Owners will extend to or will affect any subsequent default or will impair any rights or remedies consequent thereon.

Section 9.04. Rights of Certificate Owners.

(a) If an Event of Default or an Event of Nonappropriation has occurred and is continuing and if instructed to do so by a Directive and if indemnified as provided in **Sections 9.07** and **11.01(m)**, the Trustee will be obligated to exercise such one or more of the rights and the remedies conferred by this Article as the Trustee, upon the advice of counsel, deems to be in the interests of the Certificate Owners; provided that such Directive will not be otherwise than in accordance with the provisions of law and of this Declaration of Trust, and provided further that the Trustee will have the right to decline to follow any such Directive if the Trustee in good faith determines that the proceedings so directed would involve it in personal liability.

(b) Any other provision herein to the contrary notwithstanding, the Owners of not less than a majority in aggregate principal amount of Certificates then Outstanding will have the right, at any time, by a Directive, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of this Declaration of Trust, or for the appointment of a receiver or any other proceedings hereunder; provided that (1) such Directive will not be otherwise than in accordance with the provisions of law and of this Declaration of Trust, (2) the Trustee has been indemnified as provided in **Sections 9.07** and **11.01(m)** and will have the right to decline to follow any such direction if the Trustee in good faith determines that the proceeding so directed would involve it in personal liability.

Section 9.05. Application of Moneys.

(a) All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article will, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances (including, without limitation, attorneys' fees and expenses) incurred or made by the Trustee, be deposited into the Lease Revenue Fund and all moneys in the Lease Revenue Fund will be applied as follows:

(1) Unless the Principal Portions of Basic Rent represented by all the Certificates have become or have been declared due and payable, all such moneys will be applied:

FIRST - To the payment to the persons entitled thereto of the Interest Portions of Basic Rent represented by the Certificates in the order of the maturity of the installments of such interest and, to the payment ratably, according to the amount due on such installments, to the persons entitled thereto, without any discrimination or privilege; and

SECOND - To the payment to the persons entitled thereto of the unpaid Principal Portions of Basic Rent represented by any Certificates that have become due (other than Principal Portions of Basic Rent represented by Certificates with respect to the payment of which moneys are held pursuant to the provisions of this Declaration of Trust) in the order of such due dates, with interest from the respective dates upon

which they become due and, if the amount available will not be sufficient to pay in full the Principal Portions of Basic Rent represented by Certificates due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege except as to any difference in the respective rates of interest specified respecting the Certificates.

(2) If the Principal Portions of Basic Rent represented by all Certificates have become due or have been declared due and payable, all such moneys will be applied to the payment of the Principal Portions and the Interest Portions of the Basic Rent then due and unpaid upon the Certificates without preference or priority of principal over the interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Certificate over any other Certificate, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege except as to any difference in the respective rates of interest specified respecting the certificates.

(3) If the Principal Portions of the Basic Rent represented by all Certificates have been declared due and payable and if such declaration will thereafter have been rescinded and annulled under the provisions of this Article then subject to the provisions of subparagraph (2) of this Section in the event that the Principal Portions of Basic Rent represented by all the Certificates will later become due or be declared due and payable, the moneys will be applied in accordance with the provisions of subparagraph (1) of this Section.

(b) Whenever moneys are to be applied pursuant to the provision of this Section, such moneys will be applied at such times, and from time to time, as the Trustee will determine, having due regard to the amount of such moneys available for the application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee will apply such funds, it will fix the date (which will be a Basic Rent Payment Date unless it deems another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such dates will cease to accrue. The Trustee will give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and will not be required to make payment to the Owner of any Certificate until such Certificate is presented to the Trustee for appropriate endorsement or for cancellation if paid in full.

(c) Whenever the Principal Portion and the Interest Portion of all Certificates have been paid under the provisions of this Section, all expenses and charges of the Trustee (including, without limitation, attorneys' fees and expenses) have been paid and any other obligations under the Lease have been paid in full, any balance remaining in the Funds will be paid to the County.

Section 9.06. Remedies Vested in Trustee. All remedies and rights of action (including the right to file proof of claims) under this Declaration of Trust or under any of the Certificates may be enforced by the Trustee without the possession of any of the Certificates or the production thereof in any trial or other proceedings relating thereto and any such suit or proceeding instituted by the Trustee will be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Owners of the Certificates. Any recovery of judgment or other amounts will be for the equal benefit of the Owners of the Outstanding Certificates.

Section 9.07. Rights and Remedies of Certificate Owners. No Owner of any Certificates will have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Base Lease, the Lease or this Declaration of Trust, for the execution of any trust thereof, for the appointment of a receiver or to enforce any other remedy thereunder or hereunder, unless (a) an Event of Default or an Event of Nonappropriation has occurred; (b) the Owners have given a Directive to the Trustee and have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) such Certificate Owners have provided to the Trustee indemnification satisfactory to the Trustee; and (d) the Trustee thereafter fails or refuses to exercise the powers hereinbefore granted or to institute such action suit or proceedings in its, his, her or their name or names. Such notification, request and indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and the trusts of this Declaration of Trust and to any action or cause of action for the enforcement of this Declaration of Trust or for the appointment of a receiver or for any other right or remedy hereunder. No one or more Owners of the Certificates will have any right in any manner whatsoever to affect, to disturb or to prejudice the lien of this Declaration of Trust by its, his, her or their action or to enforce any right or remedy hereunder except in the manner herein provided and all proceedings at law or in equity will be instituted, had and maintained in the manner herein provided and for the equal benefit of the Owners of all Certificates then Outstanding. Nothing in this Declaration of Trust contained will, however, affect or impair the right of any Certificate Owner to enforce the payment of the Principal Portion of and the Interest Portion of the Basic Rent represented by any Certificate at and after the maturity or earlier mandatory prepayment thereof.

Section 9.08. Termination of Proceedings. If the Trustee has proceeded to enforce any right or remedy under the Base Lease, the Lease or this Declaration of Trust by the appointment of a receiver, by entry or otherwise and such proceedings have been discontinued or abandoned for any reason or have been determined adversely, then and in every such case, the County, the Owners and the Trustee will be restored to their former respective positions and rights thereunder and hereunder and all rights remedies and powers of the Trustee will continue as if no such proceeding had been taken.

Section 9.09. Waivers of Defaults. The Trustee will waive any Event of Default and its consequences and rescind any declaration of maturity of principal upon the written request of the Owners of (a) a majority in aggregate principal amount of all Certificates then Outstanding with respect to which a default in the payment of Principal Portion of Basic Rent represented thereby exists; or (b) a majority in aggregate principal amount of all Certificates then Outstanding in the case of any other default; provided, however, that there will not be waived (1) any Event of Default respecting the payment of the Principal Portion of Basic Rent represented by any Certificate at its maturity date, or (2) any Event of Default respecting the payment of the Interest Portion of Basic Rent represented by any Certificate, unless prior to such waiver or rescission, all arrears of principal and interest when due, as the case may be, and all fees, charges and expenses of the Trustee in connection with such default, including, without limitation, attorneys' fees and expenses, have been paid or provided for and, in case any such waiver or rescission or in case any proceeding(s) taken by the Trustee on account of any such default have been discontinued or abandoned or determined adversely, then and in every such case the Trustee, the County and the Certificate Owners will be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission will extend to any subsequent or other default or impair any right consequent thereon.

Section 9.10. Notices of Defaults. Within 30 days after the occurrence of any default hereunder of which the Trustee is required to take notice or if notice of default has been given as provided in **Section 11.01(f)**, the Trustee will give written notice thereof to the County and Notice by Mail to the Owners of all Certificates then Outstanding (unless such default has been cured or waived; provided, however, that, except in the case of a default in the payment of the Principal Portion or Interest Portion of

Basic Rent Payments represented thereby, the Trustee will be protected in withholding such notice if and so long as the Trustee in good faith determines that the withholding of such notice is in the interests of such Owners). For the purpose of this Section, the term “default” means any event that is an “Event of Default” as defined in **Section 9.01**.

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Declaration of Trust.

(a) When (i) the obligations of the County under the Lease have been satisfied in connection with the exercise by the County of its option to purchase the Leased Property in accordance with **Article X** of the Lease by the irrevocable deposit in escrow of moneys or Government Obligations (maturing as to principal and interest in such amounts and at such times as are necessary to make any required payments without reinvestment of any earnings thereon) or both moneys and Government Obligations, and (ii) the County has delivered to the Trustee an Opinion of Counsel to the effect that the conditions for such discharge contained herein and in **Section 10.02** have been satisfied or irrevocably provided for and an accountant’s certificate verifying the sufficiency of moneys or Government Obligations or both so deposited for the payment of the Principal Portion and Interest Portion of the Certificates and any applicable Prepayment Price to be paid with respect to the Certificates and (iii) the County has deposited sufficient moneys to pay the fees, charges and expenses of the Trustee (or has made provision satisfactory to the Trustee for their payment), thereupon the obligations created by this Declaration of Trust will cease, determine and become void except for the right of the Certificate Owners and the obligation of the Trustee to apply such moneys and Government Obligations to the payment of the Certificates as herein set forth; provided, however, that all provisions hereof relating to the compensation or indemnification of the Trustee will survive the satisfaction and discharge of this Declaration of Trust.

(b) After all amounts owing to the Certificate Owners have been paid hereunder and under the Lease, the Trustee will turn over to the County any surplus in the Lease Revenue Fund and all balances remaining in any other funds or accounts other than moneys and Government Obligations held for the payment of the Certificates at maturity or on prepayment, which moneys and Government Obligations will continue to be held by the Trustee in trust for the benefit of the Certificate Owners and will be applied by the Trustee to the payment, when due, of the Principal Portions and any premium and Interest Portions of Basic Rent represented by the Certificates.

Section 10.02. Deposit of Moneys or Securities. If moneys or Government Obligations as hereinabove provided, are deposited with and held by the Trustee or other commercial bank or trust company, the Trustee or other commercial bank or trust company will within 30 days after such Government Obligations have been deposited with it give Notice by Mail to the Owners at the addresses listed on the registration books kept by the Registrar pursuant to **Section 3.06**, setting forth (a) the maturity date or Prepayment Date, as the case may be, of the Certificates, (b) a description of the moneys and/or Government Obligations, if any, so held by it, and (c) that this Declaration of Trust has been released in accordance with the provisions of this Section. Whenever in this Declaration of Trust or the Lease it is provided or permitted that there be deposited with or held in trust by the Trustee or other commercial bank or trust company moneys or Government Obligations in the necessary amount to pay or prepay any Certificates, the money or Government Obligations so to be deposited or held may include money or Government Obligations held by the Trustee in the Funds established pursuant to this Declaration of Trust the principal of and interest on which when due together with any moneys held by the Trustee for such purpose will provide moneys sufficient to pay the Principal Portions and Interest

Portions of the Basic Rent represented by the Certificates as same becomes due, except that, in the case of Certificates that are to be prepaid prior to maturity and in respect of which irrevocable notice of such prepayment have been given as in **Article V** provided or irrevocable provision satisfactory to the Trustee has been made for the giving of such notice, the amount to be deposited or held will be the Prepayment Price with respect to such Certificates and all unpaid interest to the Prepayment Date.

ARTICLE XI

THE TRUSTEE

Section 11.01. Duties, Immunities and Liabilities of Trustee.

(a) The Trustee will, prior to an Event of Default or Event of Nonappropriation, and after the curing of all Events of Default or Events of Nonappropriation that may have occurred, perform only such duties as are specifically set forth in this Declaration of Trust. The Trustee will have no implied duties. The permissive right or power to take any action may not be construed as a duty to take action under any circumstances, and the Trustee will not be liable except in the event of its gross negligence or willful misconduct. The Trustee will, during the existence of any Event of Default or Event of Nonappropriation, exercise such of the rights and powers vested in it by this Declaration of Trust, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(b) The Trustee will not be obligated to risk its own funds in the administration of the Trust Estate. Notwithstanding any provision herein to the contrary, the Trustee need not take any action under this Declaration of Trust that may involve it in any expense or liability until indemnified to its satisfaction for any expense or liability, including liability related to environmental contamination, it reasonably believes it may incur.

(c) The Trustee is not responsible for any recitals contained in this Declaration of Trust or in the Certificates, or for the recording, filing, rerecording or refiling of this Declaration of Trust or security agreements (excluding the continuation of Uniform Commercial Code financing statements) in connection therewith, or for insuring the Leased Property or for collecting any insurance moneys or for the sufficiency of the security for the Certificates. The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Declaration of Trust or of the Certificates. The Trustee will not be accountable for the use or application by the County of any of the Certificates or the proceeds thereof or of any money paid to or upon the order of the County under any provision of this Declaration of Trust or the Lease.

(d) The Trustee will not be required to give any bond or surety or report to any court despite any statute, custom or rule to the contrary.

(e) The Trustee may execute any of the duties under this Declaration of Trust by or through agents, attorneys, trustees or receivers and the Trustee will not be responsible for any misconduct or negligence on the part of any agent, attorney, trustee or receiver appointed with due care by it hereunder.

(f) The Trustee will not be required to take notice or be deemed to have notice of any default, or Event of Default, Event of Nonappropriation or other fact or event under this Declaration of Trust other than the County's failure to pay Basic Rent Payments required by **Section 4.01** of the Lease, unless the Trustee is specifically notified in writing of the default or Event of Default, Event of

Nonappropriation, fact or event by the County or the Owners of not less than 25% of the unpaid Principal Portion of Basic Rent Payments represented by the Certificates then Outstanding.

(g) The Trustee may consult legal counsel, may conclusively rely on the opinion or advice of such legal counsel and will not be liable for any act or omission taken or suffered pursuant to the opinion or advice of such counsel. The fees and expenses of the counsel will be deemed to be a proper expense of the Trustee.

(h) Unless specifically required by the terms of this Declaration of Trust, the Trustee need not take notice of or enforce any other document or relationship, including any contract, settlement, arrangement, plan, assignment, pledge, release, decree or the like, other than the Lease, but its duties will be solely as set out in this Declaration of Trust.

(i) The Trustee may be removed at any time by a Directive. The Trustee will give written notice of any removal pursuant to this subsection (i) to the County. The Trustee will resign at any time the Trustee ceases to be eligible in accordance with subsection (l) of this Section, or becomes incapable of acting, or is adjudged as bankrupt or insolvent, or a receiver of the Trustee or its property is appointed, or any public officer takes control or charge of the property or affairs of the Trustee for the purpose of rehabilitation, conservation or liquidation, and thereupon a successor Trustee will be appointed by a Directive.

(j) The Trustee may at any time resign by giving written notice of such resignation to the County and by giving the Certificate Owners Notice by Mail of such resignation at the addresses listed on the registration books kept by the Registrar pursuant to **Section 3.06**. Upon receiving such notice of resignation, a successor Trustee will be appointed by a Directive.

(k) Any removal or resignation of the Trustee and appointment of a successor Trustee will become effective only upon acceptance of appointment by the successor Trustee. If no successor Trustee has been appointed and has accepted appointment within 45 days of giving notice of removal or notice of resignation as aforesaid, the resigning Trustee or any Certificate Owner (on behalf of himself and all other Certificate Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Declaration of Trust will signify its acceptance of such appointment by executing and delivering to the County and to its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, will become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee held by it as security for the Certificates, including its interest in the Base Lease and Lease, with like effect as if originally named Trustee herein and the duties and obligations of the predecessor Trustee hereunder will thereafter cease and terminate; but, nevertheless at the request of the County or the request of the successor Trustee, such predecessor Trustee will execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be requested for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Declaration of Trust and will pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the predecessor or the successor Trustee, the County will execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, such successor Trustee will cause Notice by Mail to all Owners of such acceptance.

(l) Any Trustee appointed under the provisions of this Section in succession to the Trustee will be a state or national trust company, association or bank having the powers of a trust company and being duly authorized to execute trust powers having a designated corporate trust office in the State, in good standing in the State, having a combined capital and surplus of at least fifty million dollars (\$50,000,000), and subject to supervision and examination by federal or state authority. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or trust company will be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee will cease to be eligible in accordance with the provisions of this subsection (l), the Trustee will resign immediately in the manner and with the effect specified in this Section.

(m) Notwithstanding anything elsewhere in this Declaration of Trust, the Lease or the Base Lease contained, before taking any action under this Declaration of Trust (except with respect to acceleration of the Certificates and payment of the Certificates upon such acceleration or any payments of the Certificates when due), the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all reasonable fees, costs and expenses (including, without limitation, attorneys' fees and expenses) to which it may be put and to protect it against all liability that it may incur in or by reason of such action, including without limitation liability in connection with environmental contamination, and the cleanup thereof, except liability that is adjudicated to have resulted from its gross negligence or willful misconduct by reason of any action so taken.

(n) The Trustee may elect not to proceed in accordance with the directions of the Owners of the Certificates without incurring any liability to the Certificate Owners if in the opinion of the Trustee such direction may result in environmental or other liability to the Trustee, in its individual capacity, for which the Trustee has not received indemnity from the Certificate Owners, and the Trustee may rely upon an Opinion of Counsel addressed to the Trustee in determining whether any action directed by Certificate Owners may result in such liability.

(o) The Trustee may inform the Certificate Owners of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event no fiduciary duty exists that imposes any obligation for further action with respect to the Trust Estate or any portion thereof if the Trustee, in its individual capacity, determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not received indemnity pursuant to this Declaration of Trust.

(p) Notwithstanding any other provision of this Declaration of Trust to the contrary, any provision intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee will be interpreted to include any action of the Trustee whether it is deemed to be in its capacity as Trustee, Registrar or Paying Agent.

(q) The Trustee will not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with **Section 7.02**.

(r) The Trustee will not be responsible for the use of any Certificates executed and delivered hereunder.

(s) Any action taken by the Trustee pursuant to and in accordance with this Declaration of Trust upon the request or authority or consent of any person who, at the time of making such request or giving such authority or consent is the Owner of any Certificate will be conclusive and binding upon all

future Owners of the same Certificate and upon Certificates delivered in exchange therefor or upon transfer or in place thereof.

(t) The Trustee will have the right, but will not be required, to demand, in respect of the execution of any Certificate, the withdrawal of any moneys, the release of any property, or any action whatsoever within the purview of this Declaration of Trust, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee as are deemed desirable for the purpose of establishing the right of the County to any such action.

(u) The Trustee may become the owner of Certificates with the same rights it would have if it were not Trustee, and, to the extent permitted by law, may act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Certificate Owners, whether or not such committee will represent the Owners of a majority in principal amount of the Certificates then Outstanding.

(v) The Trustee shall cause to be filed continuation statements to the financing statements under the Uniform Commercial Code of the State, with the appropriate filing office of the State, in such manner as may be required by the Uniform Commercial Code of the State. The County shall be responsible for the reasonable fees and costs, including fees and costs of counsel or other experts, incurred by the Trustee in the preparation and filing of all continuation statements hereunder. Notwithstanding anything to the contrary contained herein, the Trustee shall not be responsible for any initial, amendment, or other filings of any financing statements or the information contained therein (including the exhibits thereto), the perfection of any such security interests, or the accuracy or sufficiency of any description of collateral in such initial filings or for filing any modifications or amendments to the initial filings required. The Trustee shall be fully protected in relying on information with respect to such initial filing delivered to it by or on behalf of the County.

Section 11.02. Merger or Consolidation. Any entity into which the Trustee may be merged or converted or with which it may be consolidated or any entity resulting from any merger, conversion or consolidation to which it will be a party or any entity to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company will be eligible under **Section 11.01(i)** will be the successor to such Trustee, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 11.03. Liability of Trustee; Indemnity.

(a) The Trustee will not be liable in connection with the performance of its duties hereunder, except for its own gross negligence or willful misconduct.

(b) Before taking any action under this Declaration of Trust (except with respect to acceleration of the Certificates and payment of the Certificates upon such acceleration or any payments of the Certificates when due), the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all reasonable fees, costs and expenses to which it may be put and to protect it against all liability, except liability that is adjudicated to have resulted from its gross negligence or willful misconduct by reason of any action so taken. The Trustee shall be indemnified pursuant to **Section 7.03** of the Lease Purchase Agreement.

Section 11.04. Right of Trustee to Rely on Documents.

(a) The Trustee will be protected in acting upon any notice, resolution, ordinance, request, consent, order, certificate, report, opinion, Directive or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, who may be counsel of or to the County, with regard to legal questions, and the opinion or advice of such counsel will be full and complete authorization and protection in respect of any action taken, omitted or suffered by it hereunder in good faith and in accordance therewith.

(b) Whenever in the administration of the trusts imposed upon it by this Declaration of Trust the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or omitting or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a statement signed by the Authorized Representative, and such statement will be full warrant to the Trustee for any action taken, omitted or suffered in good faith under the provisions of this Declaration of Trust in reliance upon such statement, and, prior to the occurrence of a default of which the Trustee has been notified as provided in **Section 11.01(f)** or of which by said section it is deemed to have notice, the Trustee will also be at liberty to accept a similar statement to the effect that any particular dealing, transaction or action is necessary or expedient, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

Section 11.05. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Declaration of Trust will be retained in its possession until six months after payment in full of all Certificates and the discharge of this Declaration of Trust and will be subject at all reasonable times to the inspection of the County and any Certificate Owner, and their agents and representatives duly authorized in writing, at reasonable hours and under reasonable conditions.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Survival of Provisions. The obligations of the Trustee with respect to matters arising before the termination of this Declaration of Trust (including any indemnification obligations and any obligation to pay additional interest) will survive the termination of this Declaration of Trust.

Section 12.02. No Third Party Beneficiaries. No persons other than the County, the Trustee, the Owners of Certificates and the successors and assigns of such persons, will have any rights whatsoever under this Declaration of Trust.

Section 12.03. Notices. It will be sufficient service of any notice, request, complaint, demand or other paper required by this Declaration of Trust or the Lease to be given or filed with the Trustee or the County if the same will be duly mailed by registered or certified mail with postage prepaid (except as indicated in (a) below) addressed as follows, provided that any of the foregoing given to the Trustee will be effective only upon receipt:

(a) To the Owners of the Certificates if the same will be duly mailed by first-class mail, postage prepaid, addressed to each of the Owners of Certificates at the time Outstanding at their addresses as shown by the register maintained pursuant to **Section 3.06.**

- (b) If to the County: Boone County, Missouri
801 East Walnut, Room 236
Columbia, Missouri 65201
Attention: Presiding Commissioner
- (c) If to the Trustee: The Bank of New York Mellon Trust Company, N.A.
911 Washington Avenue, 3rd Floor
St. Louis, Missouri 63101
Attn: Corporate Trust Department

A duplicate copy of each notice, certificate or other communication given hereunder, or pursuant to the Lease or the Base Lease to any of the parties mentioned in this Section will be given to all other parties mentioned in this Section (other than the Owners of the Certificates unless a copy is required to be furnished to them by other provisions of this Declaration of Trust). The Trustee or the County may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications will be sent to it.

Section 12.04. Waiver of Personal Liability.

(a) All obligations or liabilities under this Declaration of Trust on the part of the Trustee are solely obligations or liabilities of the Trustee in its capacity hereunder as a corporate trustee of the Trust Estate. To the extent permitted by law, the County hereby releases each and every director, officer, agent, attorney or employee of the Trustee from any personal or individual liability under this Declaration of Trust. No director, officer, agent, attorney or employee of the Trustee will at any time or under any circumstances be individually or personally liable under this Declaration of Trust for anything done or omitted to be done by the Trustee hereunder.

(b) All obligations or liabilities under this Declaration of Trust on the part of the County are solely obligations or liabilities of the County as a political subdivision. To the extent permitted by law, the Trustee hereby releases each and every official, member, employee or agent of the County from any personal or individual liability under this Declaration of Trust. No official, member, employee or agent of the County will at any time or under any circumstances be individually or personally liable under this Declaration of Trust for anything done or omitted to be done by the County hereunder.

Section 12.05. Declaration of Trust Binding Upon Trustee and Successors. This Declaration of Trust will inure to the benefit of and will be binding upon the Trustee and its successors and assigns, subject to the limitations contained herein.

Section 12.06. Electronic Transactions. The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents will be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the Trustee, has caused this Declaration of Trust to be executed by its duly authorized corporate officers, all as of the day and year indicated above.

**THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee**

(SEAL)

By _____
Name:
Title:

ATTEST:

By _____
Name:
Title:

Declaration of Trust

**SCHEDULE 1
TO THE DECLARATION OF TRUST**

DESCRIPTION OF THE LEASED PROPERTY

A TRACT OF LAND CONTAINING 7.28 ACRES, MORE OR LESS, LOCATED IN THE SOUTHEAST QUARTER (SE 1/4) OF SECTION NINETEEN (19), TOWNSHIP FORTY-NINE (49) NORTH, RANGE TWELVE (12) WEST, OF THE FIFTH (5TH) PRINCIPAL MERIDIAN, IN BOONE COUNTY, MISSOURI, BEING PART OF THAT LAND DESCRIBED BY THE DEED RECORDED IN BOOK 90, PAGE 581, AND BEING PART OF THAT LAND SHOWN ON THE PLAT OF SURVEY RECORDED IN BOOK 1196, PAGE 466, RECORDS OF BOONE COUNTY, MISSOURI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTER OF SAID SECTION 19; THENCE SOUTH 0 DEGREES 10' 54" WEST ALONG THE 1/4 SECTION LINE 50.02 FEET; THENCE LEAVING SAID 1/4 LINE SOUTH 88 DEGREES 07' 38" EAST 539.37 FEET; THENCE SOUTH 0 DEGREES 27' 32" EAST 342.47 FEET; THENCE SOUTH 58 DEGREES 17' 10" EAST 466.92 FEET TO THE POINT OF BEGINNING: FROM THE POINT OF BEGINNING NORTH 51 DEGREES 20' 13" EAST 226.01 FEET TO A POINT ON THE WEST LINE OF THE MAIN ROADWAY AS SHOWN AND DESCRIBED ON THE PLAT OF SURVEY RECORDED IN BOOK 1196, PAGE 466; THENCE ALONG THE WEST LINES OF SAID ROADWAY: SOUTH 38 DEGREES 39' 47" EAST 185.39 FEET; AND SOUTH 31 DEGREES 07' 22" EAST 657.11 FEET; THENCE LEAVING SAID WEST LINES SOUTH 78 DEGREES 51' 23" WEST 437.00 FEET; THENCE NORTH 43 DEGREES 26' 36" WEST 443.72 FEET; THENCE NORTH 17 DEGREES 14' 42" EAST 343.84 FEET TO THE POINT OF BEGINNING.

EXHIBIT A

FORM OF CERTIFICATE OF PARTICIPATION

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee or its agent for registration of transfer, exchange or payment, and any certificate delivered is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co., or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

NUMBER _____

\$ _____

REFUNDING CERTIFICATE OF PARTICIPATION

SERIES 2012

**Evidencing a Proportionate Interest
in Basic Rent Payments to be Made by
BOONE COUNTY, MISSOURI
Pursuant to an Annually Renewable Lease Purchase Agreement**

<u>Interest Rate</u>	<u>Payment Date</u>	<u>Certificate Date</u>	<u>CUSIP</u>
	February 1, 20____	March ___, 2012	

Registered Owner: CEDE & CO.

Principal Sum: _____ DOLLARS

THIS IS TO CERTIFY that the registered owner identified above of this Certificate of Participation (the "Certificate") is the owner of the proportionate interest hereinafter stated in that certain Lease Purchase Agreement dated as of March 1, 2012 (the "Lease"), between The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America (the "Trustee"), and Boone County, Missouri, a first-class county (the "County"), including payments of Basic Rent to be made thereunder (the "Basic Rent Payments"). The County is authorized to enter into the Lease pursuant to applicable laws, including the constitution and statutes of the State of Missouri and an order duly adopted by the governing body of the County. This Certificate is subject to the Declaration of Trust, dated as of March 1, 2012, by the Trustee, as amended or supplemented from time to time (the "Declaration of Trust"), which is on file at the designated corporate trust office of the Trustee located in St. Louis, Missouri. Capitalized terms used herein and not otherwise defined have the meanings assigned to such terms in the Declaration of Trust.

THE REGISTERED OWNER of this Certificate is entitled to receive, subject to the terms of the Lease and the Declaration of Trust, on the payment date specified above (the "Certificate Payment Date"), or if selected for prepayment, on the Prepayment Date, the principal sum specified above, representing a portion of the Basic Rent Payment designated as principal coming due on the Certificate Payment Date, and to receive the registered Owner's proportionate share of Basic Rent Payments designated as interest on February 1 and August 1, commencing on August 1, 2012, to and including the Certificate Payment Date or the Prepayment Date, whichever is earlier. Said proportionate share of the Basic Rent Payments designated as interest is computed on the principal sum specified above from the certificate date specified above or the most recent date to which such interest has been paid, at the interest rate specified above on the basis of a 360-day year of twelve 30-day months.

SAID AMOUNTS are payable in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts. The amounts representing principal and prepayment premium, if any, are payable by check or draft at the designated corporate trust office of the Registrar upon the presentation and surrender of this Certificate; the amounts representing interest are payable to the person in whose name this Certificate is registered in the register maintained by the Trustee at the close of business on the fifteenth day (whether or not a Business Day) of the calendar month next preceding each interest payment date (a "Record Date") by check or draft mailed to the said registered Owner at his address as it appears in said register or in the case of an amount representing interest to be paid to any registered Owner of Certificates representing an aggregate amount of principal of \$500,000 or more, by electronic transfer to such registered Owner upon written notice give to the Trustee by such registered Owner not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the bank (which will be in the continental United States), ABA routing number and account number to which such registered Owner wishes to have such transfer directed.

BASIC RENT PAYMENTS are payable solely from Available Revenues that, for any Fiscal Year, including any balances of the County from previous Fiscal Years encumbered to pay Rent under the Lease, are amounts budgeted or appropriated out of the income and revenue of the County for such Fiscal Year plus any unencumbered balances of the County from previous Fiscal Years that are legally available to pay Rent during such Fiscal Year and all moneys and investments, including earnings thereon, held by the Trustee pursuant to the Declaration of Trust.

NEITHER THE BASIC RENT PAYMENTS NOR ANY OTHER AMOUNTS DUE UNDER THE LEASE CONSTITUTE A DEBT, A GENERAL OBLIGATION OR, EXCEPT FROM AVAILABLE REVENUES, A LIABILITY OF THE COUNTY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. THE COUNTY WILL NOT BE OBLIGATED TO PAY THE SAME EXCEPT FROM AVAILABLE REVENUES. NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE COUNTY IS PLEDGED TO THE PAYMENT OF THE BASIC RENT PAYMENTS OR ANY OTHER AMOUNTS DUE UNDER THE LEASE. THE REGISTERED OWNER WILL NOT HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF THE TAXING POWER OF THE COUNTY FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST UNDER THE LEASE REPRESENTED BY THIS CERTIFICATE OR THE MAKING OF ANY OTHER PAYMENTS PROVIDED FOR IN THE LEASE.

This Certificate is one of a duly authorized series of certificates of participation designated "Refunding Certificates of Participation, Series 2012," evidencing a proportionate interest in Basic Rent Payments to be made by the County, pursuant to the Lease (the "Series 2012 Certificates") for the purpose of providing funds to refund the Refunded Bonds, fund a reserve fund for the Series 2012 Certificates and pay certain costs in connection with the execution and delivery of the Series 2012 Certificates. This Certificate has been executed by the Trustee pursuant to and is governed by the terms of the Declaration

of Trust. Copies of the Lease and the Declaration of Trust are on file at the office of the County and at the designated corporate trust office of the Trustee, and reference to the Lease and the Declaration of Trust and any and all amendments and supplements thereto is made for a description of the pledges and covenants of the County securing the Basic Rent Payments, the nature, extent and manner of enforcement of such pledges and covenants and the rights and the terms and conditions upon which the Series 2012 Certificates are delivered thereunder.

The Declaration of Trust permits certain amendments or supplements to the Declaration of Trust and the Lease not prejudicial to the Certificate Owners to be made without the consent of or notice to the Certificate Owners, certain other amendments or supplements thereto to be made with the consent of the Owners of not less than a majority in aggregate principal amount of the Certificates then Outstanding and other amendments or supplements thereto to be made only with the consent of all Certificate Owners.

If certain conditions are met, the Lease may be amended without the consent of or notice to the Certificate Owners to increase the amount of Basic Rent payable by the County, and additional certificates of participation evidencing interests in such increased Basic Rent may be executed and delivered under the Declaration of Trust. Such certificates of participation would be on a parity with the Series 2012 Certificates.

The Series 2012 Certificates maturing on February 1, 2018, shall be subject to optional prepayment, as a whole or in part, on February 1, 2017, or any date thereafter, at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented by the Series 2012 Certificates being prepaid, plus the Interest Portion of Basic Rent accrued to the Prepayment Date, from amounts paid by the County upon the exercise of its option to purchase the Real Property or partially prepay Basic Rent Payments pursuant to the terms of the Lease.

The Certificates are subject to optional prepayment, as a whole, at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented thereby plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the event of substantial damage to or destruction or condemnation (other than by the County or any entity controlled by or otherwise affiliated with the County) of, or loss of title to, substantially all of the Leased Property, or as a result of changes in the Constitution of Missouri or legislative or administrative action by the State or the United States, the Base Lease or the Lease becomes unenforceable, and the County purchases the Trustee's interest in the Leased Property pursuant to the Lease.

In the event any of the Certificates are to be prepaid, notice thereof identifying the Certificates to be prepaid will be given by first-class mail, postage prepaid, mailed not more than 60 days and not less than 30 days prior to the Prepayment Date to each registered Owner of Certificates to be prepaid. The failure of the registered Owner of any Certificate to be so prepaid to receive notice of prepayment mailed as herein provided will not affect or invalidate the prepayment of such Certificate. All Certificates for which notice of prepayment is given will cease to bear interest on the specified Prepayment Date, provided moneys or certain securities for their prepayment are on deposit at the place of payment at that time, will cease to be entitled to any benefit or security under the Declaration of Trust and will no longer be deemed to be outstanding under the Declaration of Trust.

This Certificate will be transferable upon the Certificate register, which will be kept for that purpose at the designated corporate trust office of the Trustee, upon surrender and cancellation of this Certificate together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered Owner of his, her or its duly authorized attorney and upon payment of the charges provided in the Declaration of Trust. Upon such transfer a new fully-registered Certificate or Certificates of the same maturity and aggregate principal amount will be delivered to the transferee. The Trustee may treat the

registered Owner hereof as the absolute Owner hereof for all purposes, and the Trustee will not be affected by any notice to the contrary.

The Certificates are being delivered by means of a book-entry system with no physical distribution of certificates to be made except as provided in the Declaration of Trust. One Certificate with respect to each Certificate Payment Date, registered in the nominee name of the Securities Depository, is being delivered. The book-entry system will evidence positions held in the Certificates by the Securities Depository's participants, beneficial ownership of the Certificates in authorized denominations being evidenced in the records of such participants. Transfers of ownership will be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Trustee will recognize the Securities Depository nominee, while the registered Owner of this Certificate, as the Owner of this Certificate for all purposes, including (i) payments of the Principal Portions of Basic Rent and the Interest Portion of Basic Rent, (ii) notices and (iii) voting. Transfers of the Principal Portion and Interest Portion of Basic Rent to participants of the Securities Depository, and transfers of Principal Portion and Interest Portion of Basic Rent to Beneficial Owners of the Certificates by participants of the Securities Depository will be the responsibility of such participants and other nominees of such Beneficial Owners. The Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the Owner of this Certificate, notwithstanding the provision hereinabove contained, payments on this Certificate will be made in accordance with existing arrangements among the County, the Trustee and the Securities Depository.

EXCEPT AS OTHERWISE PROVIDED IN THE DECLARATION OF TRUST, THIS GLOBAL CERTIFICATE MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY.

The Certificates may be delivered in the form of fully-registered Certificates in the denomination of \$5,000 or any integral multiple thereof, subject to certain limitations and as otherwise provided in the Declaration of Trust. The Certificates, upon surrender thereof at the designated corporate trust office of the Trustee with a written request for exchange satisfactory to the Trustee duly executed by the registered Owner of his, her or its duly authorized attorney in writing, may be exchanged for an equal aggregate principal amount of fully-registered Certificates of any authorized denomination of the same maturity. No service charge will be made for any transfer or exchange of Certificates, but the Trustee may require payment of any tax or governmental charge in connection therewith.

THE TRUSTEE has no obligation or liability to the registered Owners of the Certificates to make payments of principal or interest with respect to the Certificates. The Trustee's sole obligations are to administer, for the benefit of the registered Owners thereof, the various funds and accounts established under the Declaration of Trust.

THE COUNTY has certified, recited and declared that all acts, conditions and things required by the constitution and statutes of the State of Missouri and the Lease to exist, to have happened and to have been performed precedent to the delivery of the Lease, exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Trustee has caused this Certificate to be executed by an authorized signatory as of the date set forth above.

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,
not in its individual capacity but solely as
Trustee under the Declaration of Trust
dated as of March 1, 2012**

By: _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

Please Print or Typewrite Name, Address and
Employee Identification Number or Social Security Number of Transferee

the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ Attorney to transfer the within Certificate on the register kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Certificate in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution as defined by SEC Rule 17 Ad-15 (17 CFR 240.17 Ad-15) or such other similar rule as Trustee may deem applicable)

By: _____
Title: _____

EXHIBIT B

**FORM OF REQUISITION CERTIFICATE
FOR COSTS OF ISSUANCE**

Request No. _____

Date: _____

**WRITTEN REQUEST FOR DISBURSEMENT FROM
THE DELIVERY COSTS FUND**

To: The Bank of New York Mellon Trust Company, N.A.
911 Washington Avenue, 3rd Floor
St. Louis, Missouri 63101
Attention: Corporate Trust Department

Ladies and Gentlemen:

Pursuant to **Section 5.02** of the Lease Purchase Agreement (the "Lease") between The Bank of New York Mellon Trust Company, N.A. (the "Trustee") and Boone County, Missouri (the "County"), and **Section 6.04** of the Declaration of Trust (the "Declaration of Trust"), both dated as of March 1, 2012, the County hereby requests payment in accordance with this request and said sections of the Lease and the Declaration of Trust, and the County hereby states and certifies that –

1. All terms of this request are used with the meanings used in the Lease and the Declaration of Trust.
2. The names of the persons, firms or corporations to whom the payments requested hereby are due, the addresses of said persons, firms or corporations, the amounts to be paid and a description of the Costs of Issuance for which each obligation requested to be paid hereby was incurred are as set forth on **Attachment I** hereto.
3. Said Costs of Issuance have been made or incurred by the County and have been paid by the County, if payment to the County is requested, or, if payment to the County is not requested, are presently due to the persons to whom payment is requested.
4. Said Costs of Issuance are valid Costs of Issuance under the Declaration of Trust and proper charges against the Delivery Costs Fund. No part thereof has been, is being or will be made the basis for the withdrawal of any money in any previous, pending or subsequent request filed with the Trustee pursuant to the Declaration of Trust.
5. Invoices, statements, vouchers or bills for the amounts requested are attached hereto.

COUNTY OF BOONE, MISSOURI

By: _____
County Treasurer

ATTACHMENT I
TO WRITTEN REQUEST FOR DISBURSEMENT FROM
THE DELIVERY COSTS FUND

SCHEDULE OF PAYMENTS REQUESTED

<u>Payee and Address</u>	<u>Amount</u>	<u>Description</u>
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TOTAL

EXHIBIT C

PAYMENT SCHEDULE FOR SERIES 2012 CERTIFICATES

<u>Certificate Payment Date</u>	<u>Principal Component</u>	<u>Nominal Interest Rate</u>	<u>Interest Component</u>	<u>Total Rental Payment</u>	<u>Purchase Price⁽¹⁾⁽²⁾</u>
08/01/2012	-		\$ 14,964.72	\$ 14,964.72	\$2,230,000.00
02/01/2013	\$ 350,000.00	2.00%	19,806.25	369,806.25	1,880,000.00
08/01/2013	-		16,306.25	16,306.25	1,880,000.00
02/01/2014	350,000.00	2.00%	16,306.25	366,306.25	1,530,000.00
08/01/2014	-		12,806.25	12,806.25	1,530,000.00
02/01/2015	350,000.00	2.00%	12,806.25	362,806.25	1,180,000.00
08/01/2015	-		9,306.25	9,306.25	1,180,000.00
02/01/2016	370,000.00	2.00%	9,306.25	379,306.25	810,000.00
08/01/2016	-		5,606.25	5,606.25	810,000.00
02/01/2017	375,000.00	1.25%	5,606.25	380,606.25	435,000.00
08/01/2017	-		3,262.50	3,262.50	435,000.00
02/01/2018	<u>435,000.00</u>	1.50%	<u>3,262.50</u>	<u>438,262.50</u>	-
	\$2,230,000.00		\$129,345.97	\$2,359,345.97	

(1) Subject to Article X of the Lease.

(2) Purchase price after payment of Rent Payment otherwise due.

EXHIBIT G

PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 23, 2012

NEW ISSUE – BANK-QUALIFIED
Book-Entry Only

Moody's "Aa2"
See "RATINGS" herein

In the opinion of Gilmore & Bell, P.C., Special Tax Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), (1) the Interest Portion of Basic Rent Payments paid by the County under the Lease (as described herein) and distributed to the owners of the Series 2012 Certificates (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, (2) the Interest Component of Rental Payments paid by the County and distributed to the owners of the Series 2012 Certificates is exempt from Missouri income taxation by the State of Missouri and (3) the County's obligation under the Lease to pay Basic Rent Payments distributable to the owners of the Series 2012 Certificates is a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Code. See "TAX MATTERS" in this Official Statement.

\$2,210,000*
REFUNDING CERTIFICATES OF PARTICIPATION
SERIES 2012
Evidencing a Proportionate Interest
in Basic Rent Payments to be Made by
BOONE COUNTY, MISSOURI
Pursuant to an Annually-Renewable Lease Purchase Agreement

Dated: Date of Delivery

Due: February 1, as shown on the inside cover

Principal of the Series 2012 Certificates will be payable annually on February 1, in the years shown on the inside cover page, commencing on February 1, 2013. Interest on the Series 2012 Certificates is payable semiannually on each August 1 and February 1, commencing August 1, 2012. The Series 2012 Certificates will be issued as fully-registered securities in the denomination of \$5,000 principal amount, or integral multiples thereof.

The Series 2012 Certificates will be payable solely from Basic Rent Payments under the Lease and certain money held by The Bank of New York Mellon Trust Company, N.A. under the Declaration of Trust. See "**SECURITY FOR THE SERIES 2012 CERTIFICATES**" herein. The County has agreed to pay all Basic Rent due under the Lease for each fiscal year, but only if the County Commission annually appropriates sufficient money specifically designated to pay the Basic Rent coming due during each succeeding fiscal year. The County intends to satisfy its obligation to make Basic Rent Payments under the Lease solely from (i) amounts appropriated by the County in each fiscal year out of the income and revenues provided for such fiscal year plus any unencumbered balances for previous years and (ii) amounts on deposit with the Trustee under the Bond Order (herein defined). **The obligation to make payments will not create a general obligation or other indebtedness of the County within the meaning of any constitutional or statutory debt limitation or restriction. The delivery of the Series 2012 Certificates will not obligate the County to levy any form of taxation therefor or to make any appropriation for their payment in any year subsequent to a year in which the Lease is in effect.**

The Series 2012 Certificates are subject to prepayment prior to their stated payment dates as described herein. See "**THE SERIES 2012 CERTIFICATES — Prepayment Provisions**" herein.

*The Series 2012 Certificates are offered when, as and if issued and received by the Underwriter, subject to the approval of legality by Gilmore & Bell, P.C., Kansas City, Missouri, Special Tax Counsel, and certain other conditions. Certain legal matters relating to this Official Statement will also be passed upon by Gilmore Bell, P.C., Kansas City, Missouri. See "**APPROVAL OF LEGALITY**" herein. It is expected that the Series 2012 Certificates will be available for delivery through the facilities of DTC in New York, New York, on or about March 15, 2012.*

PiperJaffray®

The date of this Official Statement is _____, 2012.

* Preliminary, subject to change.

BOONE COUNTY, MISSOURI

Boone County Courthouse
801 East Walnut, Room 236
Columbia, Missouri 65201

COUNTY COMMISSION

Daniel Atwill, *Presiding Commissioner*
Karen Miller, *Commissioner, District I*
Skip Elkin, *Commissioner, District II*

COUNTY ADMINISTRATION

Wendy Noren, *County Clerk and Clerk of the County Commission*
Nicole Galloway, *County Treasurer*
Patricia Lensmeyer, *County Collector*
Thomas Schauwecker, *County Assessor*
June Pitchford, *County Auditor*
C. J. Dykhouse, *County Counselor*

BOND COUNSEL

Gilmore & Bell, P.C.
Kansas City, Missouri

UNDERWRITER

Piper Jaffray & Co.
Leawood, Kansas

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2012 CERTIFICATES AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2012 CERTIFICATES HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE DECLARATION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS.

No dealer, broker, salesman or other person has been authorized by the County or the Underwriter to give any information or to make any representation with respect to the Series 2012 Certificates offered hereby other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Series 2012 Certificates offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the County and from other sources believed to be reliable, but it is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Underwriter. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder will, under any circumstances, create any implication that there has been no change in the County's affairs since the date hereof.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COUNTY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

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OFFICIAL STATEMENT

\$2,210,000*

REFUNDING CERTIFICATES OF PARTICIPATION SERIES 2012

Evidencing a Proportionate Interest
in Basic Rent Payments to be Made by
BOONE COUNTY, MISSOURI
Pursuant to an Annually-Renewable Lease Purchase Agreement

INTRODUCTION

This introduction is only a brief description and summary of certain information contained in this Official Statement and is qualified in its entirety by reference to the more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement.

Purpose of the Official Statement

The purpose of this Official Statement is to furnish information in connection with the offering and sale of Refunding Certificates of Participation, Series 2012, in the aggregate principal amount of \$2,210,000* (the “**Series 2012 Certificates**”). The Series 2012 Certificates represent undivided, proportionate interests in Basic Rent to be paid by Boone County, Missouri (the “**County**”) pursuant to an annually-renewable Lease Purchase Agreement dated as of March 1, 2012 (the “**Lease**”), between The Bank of New York Mellon Trust Company, N.A. (the “**Trustee**”), as lessor, and the County, as lessee. The Trustee has agreed to execute and deliver the Series 2012 Certificates pursuant to a Declaration of Trust dated as of March 1, 2012 (the “**Declaration**”). The Basic Rent Payments constitute rent for the Leased Property (hereafter defined) pursuant to the Lease.

The County

The County is a municipal corporation and first class county, organized and existing under the laws of the State of Missouri. The County is located in central Missouri, approximately 122 miles east of Kansas City and 115 miles west of St. Louis along Interstate 70. The County encompasses approximately 685 square miles and, according to the U.S. Census Bureau, had an estimated population of 162,642 persons in 2010. The City of Columbia is the county seat and the largest city in the County. See “**APPENDIX A: THE COUNTY**” and “**APPENDIX B: FINANCIAL STATEMENTS OF THE COUNTY.**”

Plan of Financing

Proceeds from the sale of the Series 2012 Certificates, together with other legally available funds of the County, will be used to provide funds to (1) refund all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, currently outstanding in the aggregate principal amount of \$2,480,000 (the “**Refunded Bonds**”), (2) fund a reserve fund for the Series 2012 Certificates and (3) pay the costs of delivering the Series 2012 Certificates.

The proceeds of the Refunded Bonds were used to (1) refund the County’s Special Obligation Administration Building Bonds, Series 1993, and (2) renovate and improve the County’s administration building and site, the County’s juvenile justice center and the County’s health department facilities. The

* Preliminary, subject to change.

proceeds of the Series 1993 Bonds were used for the original construction and equipping of the County's administration building.

Simultaneously with the delivery of the Series 2012 Certificates and pursuant to a Base Lease dated as of March 1, 2012 (the "**Base Lease**"), the County will lease to the Trustee all its interest in the real estate upon which the County's Juvenile Justice Center is situated, together with any improvements located or to be located thereon (collectively, the "**Leased Property**"). The Trustee, as lessor under the Lease, will lease the Leased Property back to the County for an initial term ending December 31, 2012, with five (5) successive one-year renewal options commencing January 1, 2013, and a final renewal term commencing January 1, 2018, and ending February 2, 2018 ("**Renewal Terms**"). Each Renewal Term is subject to annual appropriation by the County Commission.

The Certificates are payable solely from Basic Rent to be paid by the County under the Lease, subject to annual appropriation.

Pursuant to the Declaration, a portion of each Basic Rent Payment will be used to pay interest distributable with respect to the Series 2012 Certificates, and a portion of each Basic Rent Payment will be used to pay principal and prepayment premium, if any, distributable with respect to the Series 2012 Certificates.

See the caption "**PLAN OF FINANCING**" herein.

Limited Obligations

Under the Lease, the County has agreed to pay rental payments (the "**Basic Rent**"), consisting of a principal component (the "**Principal Portion**") and an interest component (the "**Interest Portion**"), but only if and to the extent that the County Commission annually appropriates sufficient money to pay the Basic Rent coming due during each succeeding Renewal Term. The Series 2012 Certificates represent undivided, proportionate interests in the Basic Rent.

The County intends to satisfy its obligation to make Basic Rent Payments under the Lease solely from amounts appropriated by the County in each fiscal year out of the income and revenues provided for such fiscal year plus any unencumbered balances for previous years, and amounts on deposit with the Trustee under the Bond Order, as described under "**PLAN OF FINANCING.**" Neither the Series 2012 Certificates, the Lease nor any payments required under the Lease will constitute a mandatory payment obligation of the County in any year beyond the year during which the County is a lessee under the Lease, or constitute or give rise to a general obligation or other indebtedness of the County. The County is not legally obligated to budget or appropriate money for any fiscal year beyond the current fiscal year or any subsequent fiscal year in which the Lease is in effect, and there can be no assurance that the County will appropriate funds to make Basic Rent Payments or renew the Lease after any Renewal Term. The County may terminate its obligations under the Lease on an annual basis. The County will have the option to purchase the Trustee's interest in the Leased Property at the times and upon the conditions described under "**SUMMARY OF THE LEASE — Purchase Option**" in **APPENDIX C** hereto.

Neither the Series 2012 Certificates nor the Lease will constitute a debt or liability of the County or of the State of Missouri (the "**State**") or any political subdivision thereof, nor will they constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The execution and delivery of the Lease will not obligate the County to levy any form of taxation for the payments required thereunder or to make any appropriation for such payments in any fiscal year subsequent to a fiscal year in which the Lease is in effect.

Additional Parity Obligations

Additional Certificates may be delivered under and be equally and ratably secured by the Declaration on a parity with the Series 2012 Certificates and any other Additional Certificates Outstanding, at any time and from time to time so long as no Event of Default or Event of Nonappropriation exists, upon compliance with the conditions provided in the Declaration. See **“SUMMARY OF THE DECLARATION OF TRUST — Additional Certificates”** in **APPENDIX C** hereto.

Continuing Disclosure Information

The County has covenanted in the Continuing Disclosure Agreement to submit certain financial information and operating data and notices of material events to the Municipal Securities Rulemaking Board (the **“MSRB”**) through the MSRB’s Electronic Municipal Market Access system (**“EMMA”**), all in compliance with Rule 15c2-12 promulgated by the Securities and Exchange Commission. See **“FORM OF THE CONTINUING DISCLOSURE AGREEMENT”** in **APPENDIX D**.

Definitions and Descriptions; Inspection of Documents

All capitalized terms used in this Official Statement not defined in the text hereof are defined under **“Definitions of Words and Terms”** set forth in **APPENDIX C** to this Official Statement. Brief descriptions of the Series 2012 Certificates, the Base Lease, the Lease, the Declaration and certain other matters are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Base Lease, the Lease and the Declaration are qualified in their entirety by reference to such documents, drafts of which may be viewed prior to the delivery of the Series 2012 Certificates at the office of the Underwriter, Piper Jaffray & Co., 11150 Overbrook Road, Suite 310, Leawood, Kansas 66211-2298. Copies of the final executed documents may be viewed after the delivery of the Series 2012 Certificates at the office of the Trustee, The Bank of New York Mellon Trust Company, N.A., 911 Washington Avenue, 3rd Floor, St. Louis, Missouri 63101, or will be provided to any prospective purchaser requesting the same, upon payment by such prospective purchaser of the cost of complying with such request. All references to the Series 2012 Certificates are qualified in their entirety by the definitive terms thereof and the information with respect thereto included in the Base Lease, the Lease and the Declaration.

THE SERIES 2012 CERTIFICATES

Description

The Series 2012 Certificates are dated the date of delivery thereof. The Principal Portion of Basic Rent represented by each Series 2012 Certificate will bear interest at specified rates as set forth on the inside cover page hereof. The Interest Portion of Basic Rent represented by the Series 2012 Certificates will be payable semiannually on August 1 and February 1 of each year beginning on August 1, 2012 (the **“Payment Dates”**). The Principal Portion of Basic Rent represented by the Series 2012 Certificates is payable on February 1 of each year in the principal amounts set forth on the inside cover page of this Official Statement.

The Interest Portion represented by the Series 2012 Certificates is payable by (a) by check or draft mailed by the Trustee to the address of such Owners shown on the registration books for the Series 2012 Certificates (the **“Register”**), or (b) in the case of an interest payment to the Securities Depository or any Owner of \$500,000 or more in aggregate principal amount of Series 2012 Certificates, by electronic transfer to such Owner upon written notice given to the Trustee by such Owner, not less than 15 days prior to the Record Date for such interest, containing the electronic transfer instructions including the name of the bank (which shall be in the continental United States), the bank’s ABA routing number and the account name and number to which such Owner wishes to have such transfer directed. The Principal Portion of Basic Rent and prepayment premium, if any, represented by the Series 2012 Certificates is payable (whether at maturity or upon

prepayment or acceleration) by check or draft to the Owners of such Certificates upon presentation and surrender of such Certificates at the designated corporate trust office of the Trustee.

Book-Entry Only System

General. The Series 2012 Certificates are available in book-entry only form. Purchasers of the Series 2012 Certificates will not receive certificates representing their interests in the Series 2012 Certificates. Ownership interests in the Series 2012 Certificates will be available to purchasers only through a book-entry system (the “**Book-Entry System**”) maintained by The Depository Trust Company “**DTC**”), New York, New York.

The following information concerning DTC and DTC’s book-entry system has been obtained from DTC. The County takes no responsibility as to the accuracy or completeness thereof and neither the Indirect Participants nor the Beneficial Owners should rely on the following information with respect to such matters, but should instead confirm the same with DTC or the Direct Participants, as the case may be. There can be no assurance that DTC will abide by its procedures or that such procedures will not be changed from time to time.

The Depository Trust Company (“**DTC**”), New York, New York, will act as securities depository for the Series 2012 Certificates. The Series 2012 Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Series 2012 Certificates, each in the aggregate principal amount of such maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “**banking organization**” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “**clearing corporation**” within the meaning of the New York Uniform Commercial Code, and a “**clearing agency**” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“**Direct Participants**”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“**DTCC**”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“**Indirect Participants**”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2012 Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2012 Certificates on DTC’s records. The ownership interest of each actual purchaser of each Series 2012 Certificate (the “**Beneficial Owner**”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of

ownership interests in the Series 2012 Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2012 Certificates, except in the event that use of the book-entry system for the Series 2012 Certificates is discontinued.

To facilitate subsequent transfers, all Series 2012 Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2012 Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2012 Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2012 Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2012 Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2012 Certificates, such as prepayments and proposed amendments to the Declaration or Lease. For example, Beneficial Owners of Series 2012 Certificates may wish to ascertain that the nominee holding the Series 2012 Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Prepayment notices will be sent to DTC. If less than all of the Series 2012 Certificates within an issue are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be prepaid.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2012 Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2012 Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of principal and interest components of the Series 2012 Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County or the Trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the County, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest components of the Series 2012 Certificates to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the County or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2012 Certificates at any time by giving reasonable notice to the County or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, the Series 2012 Certificates are required to be printed and delivered. The County may decide to discontinue use of the system of book-entry only transfers through DTC

(or a successor securities depository). In that event, Series 2012 Certificates will be printed and delivered to DTC.

Prepayment Provisions

Optional Prepayment of Series 2012 Certificates. The Series 2012 Certificates maturing on February 1, 2018, shall be subject to prepayment prior to maturity, upon instructions from the County, on and after February 1, 2017, in whole or in part at any time, at a prepayment price of 100% of the Principal Portion of Basic Rent represented thereby plus the Interest Portion of Basic Rent accrued thereon to the Prepayment Date.

Extraordinary Optional Prepayment. The Series 2012 Certificates will be subject to optional prepayment, in whole only, at a Prepayment Price equal to 100% of the Principal Portion of Basic Rent represented thereby plus the Interest Portion of Basic Rent accrued to the Prepayment Date, in the event of substantial damage to or destruction or condemnation (other than by the County or any entity controlled by or otherwise affiliated with the County) of, or loss of title to, substantially all of the Leased Property, or as a result of changes in the constitution of the State or legislative or administrative action by the State or the United States, the Base Lease or the Lease becomes unenforceable, and the County purchases the Trustee's interest in the Leased Property pursuant to the Lease. See "SUMMARY OF CERTAIN PROVISIONS OF THE LEASE — Damage, Destruction and Condemnation" in APPENDIX C hereto.

Notice of Prepayment. Official notice of prepayment will be given by the Trustee, not more than 60 days and not less than 30 days prior to the Prepayment Date, to the County and the Owner of each Certificate affected at the address shown on the registration books of the Registrar on the date such notice is mailed, as more fully described in the Declaration. The failure of the Owner of any Certificate to be so prepaid to receive notice of prepayment mailed as herein provided or any defect therein will not affect or invalidate the validity of any proceedings for the prepayment of such Certificate.

Effect of Prepayment. Notice of prepayment having been duly given as aforesaid, and upon funds for payment of the Prepayment Price of such Certificates (or portions thereof) being held by the Trustee, on the Prepayment Date designated in such notice, the Certificates (or portions thereof) so called for prepayment will become due and payable at the Prepayment Price specified in such notice and the Interest Portion of Basic Rent represented by the Certificates so called for prepayment will cease to accrue, said Certificates (or portions thereof) will cease to be entitled to any benefit or security under the Declaration and the Owners of such Certificates will have no rights in respect thereof except to receive payment of the Prepayment Price.

PLAN OF FINANCING

The Leased Property

The Leased Property includes the Juvenile Justice Center, a building of approximately 14,300 square feet which currently houses juvenile detention operations of the 13th Judicial Circuit Court and sits on approximately 1.5 acres. The currently insured replacement value of the Juvenile Justice Center, excluding building contents, is \$3,262,535.

The Refunding

The proceeds of the Series 2012 Certificates, together with certain other available funds of the County, will be used to refund the Refunded Bonds, fund a reserve fund for the Series 2012 Certificates and pay certain costs related to the execution and delivery of the Series 2012 Certificates. On the delivery date of the Series 2012 Certificates, the County will deposit with the trustee for the Refunded Bonds, proceeds of the Series 2012

Certificates, together with other available funds of the County, in an amount that will be sufficient to pay the principal of and interest on the Refunded Bonds on April 3, 2012 (the prepayment date thereof) at the prepayment price of 100% of the principal amount thereof, plus accrued interest thereon to the date of prepayment.

Set forth below is a description of the Refunded Bonds:

<u>Dated Date</u>	<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP Number</u>	<u>Redemption Date</u>	<u>Redemption Price</u>
06/01/2003	02/01/2013	\$325,000	3.000%	098882 AZ6	04/03/2012	100%
06/01/2003	02/01/2014	335,000	3.150	098882 BA0	04/03/2012	100
06/01/2003	02/01/2015	345,000	3.250	098882 BB8	04/03/2012	100
06/01/2003	02/01/2016	360,000	4.000	098882 BC6	04/03/2012	100
06/01/2003	02/01/2017	370,000	4.000	098882 BD4	04/03/2012	100
06/01/2003	02/01/2018	745,000	4.000	098882 BE2	04/03/2012	100

Sources and Uses of Funds

The following table itemizes the estimated sources of funds, including the proceeds from the sale of the Series 2012 Certificates (excluding accrued interest) available to refund the Refunded Bonds, and the expected uses of such funds in connection with the plan of financing:

Sources of Funds:

Principal Amount of the Series 2012 Certificates	\$ _____
Transfer from Reserve Fund for the Refunded Bonds	_____
Net Reoffering Premium	_____
Total	\$ _____

Uses of Funds:

Redemption Price of Refunded Bonds	\$ _____
Deposit to Series 2012 Reserve Fund	_____
Costs of Issuance (including Underwriter's discount)	_____
Total	\$ _____

SECURITY FOR THE SERIES 2012 CERTIFICATES

Limited Obligations; Sources of Payment

Each Series 2012 Certificate evidences the undivided, proportionate interest of the Owner thereof in the right to receive Basic Rent to be made by the County under the Lease. The Series 2012 Certificates are payable solely out of the Basic Rent Payments and other money and investments held by the Trustee under the Declaration.

The County's obligation to make Basic Rent Payments and other payments under the Lease is subject to annual appropriation by the County Commission and will not constitute a debt or liability of the County or of the State or any political subdivision thereof. Neither the Lease nor the Series 2012 Certificates will constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The execution and delivery of the Lease and the Series 2012 Certificates will not obligate the County to levy

any form of taxation therefor or to make any appropriation for their payment in any fiscal year subsequent to a fiscal year in which the Lease is in effect.

The County intends to satisfy its obligation to make Basic Rent Payments under the Lease solely from (i) amounts appropriated by the County in each fiscal year out of the income and revenues provided for such fiscal year plus any unencumbered balances for previous years and (ii) amounts on deposit with the Trustee under the Bond Order.

Under the terms of the Lease, if the County elects to renew the Lease at the end of any Renewal Term, it is obligated to budget, appropriate and set aside a portion of its general revenues derived from property and sale taxes and other sources, which appropriation must be sufficient to make the Basic Rent Payments coming due during the ensuing fiscal year. To provide for the timely payment of Basic Rent, the County will pay to the Trustee for deposit in the Lease Revenue Fund not less than five Business Days before each Basic Rent Payment Date, the amount due on such Basic Rent Payment Date (but only if the County elects to renew the Lease for each Renewal Term). **There can be no assurance that the County Commission will appropriate funds for Basic Rent Payments or renew the Lease for any subsequent Renewal Term. The County is not legally required to budget or appropriate money for any subsequent fiscal year beyond the current fiscal year.**

Base Lease

The County will, pursuant to the Base Lease, lease all its interest in the Leased Property to the Trustee, as lessee. The Base Lease is for a term ending February 1, 2024, unless sooner terminated if the County makes all payments required by the Lease. If an Event of Default or Event of Nonappropriation occurs under the Declaration or the Lease, the Trustee has the right to possess and use the Leased Property for the remainder of the term of the Base Lease, and has the right to sublease or assign its interests under the Base Lease upon such terms as it deems prudent.

The proceeds from any assignment of the Base Lease and the Trustee's rights thereunder or any sublease of the Leased Property are required to be paid to the Trustee and applied in accordance with the Declaration. **Owners of the Series 2012 Certificates are cautioned, however, that the nature of the Leased Property may impair the Trustee's ability to assign its interest in the Base Lease or to sublease the Leased Property upon the occurrence of an Event of Default or Event of Nonappropriation or to obtain an amount therefor that would be sufficient to pay the Principal Portions and the Interest Portions represented by all Certificates then Outstanding.** See the caption "RISK FACTORS AND INVESTMENT CONSIDERATIONS — Expiration or Termination of the Lease" herein.

Maintenance and Insurance of the Leased Property

The County will at its own expense (1) keep the Leased Property in a safe condition, (2) with respect to the Leased Property, comply with all applicable health and safety standards and all other industrial requirements or restrictions enacted or promulgated by the State, or any political subdivision or agency thereof, or by the government of the United States of America or any agency thereof, and (3) keep the Leased Property in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; provided, however, that the County will have no obligation to operate, maintain, preserve, repair, replace or renew any element or unit of the Leased Property the maintenance, repair, replacement or renewal of which becomes uneconomical to the County because of damage, destruction or obsolescence, or change in economic or business conditions, or change in government standards and regulations. The County will not permit or suffer others to commit a nuisance in or about the Leased Property or itself commit a nuisance in connection with its use or occupancy of the Leased Property. The County will pay all costs and expenses of operation of the Leased Property.

The Leased Property is required to be insured to the extent described in **APPENDIX C** hereto under **“SUMMARY OF LEASE — Insurance.”** All Net Proceeds from policies of insurance or condemnation awards will be applied to the prompt replacement, repair, restoration or modification of the Leased Property, unless the County has exercised its option to purchase the Trustee’s interest in the Lease Property pursuant to the Lease.

If the County determines that the repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interest of the County, then, in lieu of making such replacement, repair, restoration, modification or improvement and if permitted by law, the County will promptly purchase the Trustee’s interest in the Leased Property pursuant to the Lease. The Net Proceeds will be applied by the County to the purchase of the Leased Property. Any balance of the Net Proceeds remaining after purchasing the Leased Property will belong to the County.

If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement of the Leased Property and the County has not elected to purchase the Trustee’s interest in the Leased Property pursuant to the Lease, the County will complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds and the County will not be entitled to any reimbursement therefor from the Trustee nor will the County be entitled to any diminution of Basic Rent.

Reserve Fund

A Reserve Fund is established by the Declaration of Trust to be held by the Trustee. The Reserve Fund is required to be funded from proceeds received from the sale of the Certificates and other moneys, in an amount equal to \$221,000* (the **“Reserve Fund Requirement”**). Money in the Reserve Fund shall be used solely (i) to make up any deficiencies in the Lease Revenue Fund and, if the money in the Lease Revenue Fund is insufficient to pay the Principal Portion or the Interest Portion of Base Rentals as the same become due, the Trustee shall without further authorization transfer any funds available to make up such deficiency from the Reserve Fund to the Lease Revenue Fund or (ii) to make the last payment of the Principal Portion of Base Rentals. The Lease provides that, if the value of the Reserve Fund is less than the Reserve Requirement due to a decline in market value, as determined by the Trustee in accordance with the Declaration of Trust, or as a result of a withdrawal from the Reserve Fund pursuant to the Declaration of Trust, the County will pay to the Trustee for deposit in the Reserve Fund an amount necessary to restore the Reserve Fund to the Reserve Requirement on or before the next succeeding Valuation Date. Failure to restore such balance as described herein constitutes an Event of Default under the Lease.

Additional Parity Obligations

Additional Certificates may be issued under and be equally and ratably secured by the Declaration on a parity with the Series 2012 Certificates and any other Additional Certificates Outstanding, at any time and from time to time while no Event of Default or Event of Nonappropriation has occurred and is continuing under the Declaration upon compliance with the conditions provided in the Declaration. See **“SUMMARY OF CERTAIN PROVISIONS OF THE DECLARATION — Additional Certificates”** in **APPENDIX C** hereto.

Pursuant to the Declaration, Additional Certificates may be issued to provide funds to pay the costs of (a) repairing, replacing or restoring the Leased Property, (b) improving, upgrading or modifying the Leased Property, (c) additional improvements to the Leased Property or the acquisition of additional real property to be included in the Leased Property or the acquisition, purchase, construction or equipping of additions to or expansions or remodeling or modification of the Leased Property, and (d) refunding any or all of the Certificates.

* Preliminary, subject to change.

RISK FACTORS AND INVESTMENT CONSIDERATIONS

The purchase of the Series 2012 Certificates involves certain investment risks that are discussed throughout this Official Statement. Each prospective purchaser of the Series 2012 Certificates should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. Certain risk factors relating to the Series 2012 Certificates are described below.

Limited Obligations

Each Series 2012 Certificate evidences the undivided, proportionate interest of the Owner thereof in the right to receive Basic Rent to be paid by the County under the Lease. The Series 2012 Certificates are payable solely from Basic Rent and other money and investments held by the Trustee under the Declaration. The Basic Rent Payments constitute currently budgeted expenditures of the County, payable only if the County Commission appropriates sufficient money to extend the term of the Lease for each successive fiscal year.

The County intends to satisfy its obligation to make Basic Rent Payments under the Lease solely from (i) amounts appropriated by the County in each fiscal year out of the income and revenues provided for such fiscal year plus any unencumbered balances for previous years and (ii) amounts on deposit with the Trustee under the Bond Order.

The County's obligations under the Lease do not constitute indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. The Certificates are payable from annual appropriations. The County is not obligated to pay Basic Rent under the Lease in any Fiscal Year for which the County has not appropriated such payments. Neither the Basic Rent Payments nor any other payments under the Lease nor any payments on the Certificates constitute a general obligation or other indebtedness of the County or a mandatory payment obligation of the County.

The County Commission has declared its current intention and expectation that the Lease will be renewed annually until the County exercises its option to acquire the Trustee's interest in the Leased Property. However, such a declaration may not be construed as contractually obligating or otherwise binding the County. Accordingly, the likelihood that the County will renew the Lease for all Renewal Terms and continue to pay the Basic Rent thereunder to enable the Trustee to timely pay the Principal Portions and Interest Portions of Basic Rent represented by the Series 2012 Certificates is dependent upon certain factors which are beyond the control of the Owners, including (1) the availability of funds from the Series 2012 Certificates or other sources in an amount sufficient to complete the Project, (2) the County's continuing need for the Leased Property, (3) the demographic conditions within the County, (4) the County's ability to generate sufficient property taxes, sales taxes, utility fees, and charges and revenues from other sources to pay its obligations under the Lease and all other obligations and (5) the value of the Leased Property if the Trustee's interest therein is relet or sold in a foreclosure or other liquidation proceeding instituted by the Trustee upon the termination of the Lease as a result of an Event of Default or Event of Nonappropriation.

Expiration or Termination of the Lease

The Lease will expire by its terms on December 31 during each year commencing in 2013 and ending in 2018, with a final Renewal Term commencing January 1, 2018, and ending February 2, 2018, unless the County in its sole discretion exercises the option provided in the Lease to extend its term for each next succeeding Renewal Term. If in any year the County does not extend the term of the Lease, the County's obligation to make payments will terminate at the end of the then current Renewal Term. Upon (1) the expiration of any Renewal Term during which an Event of Nonappropriation occurs (which is not waived by the Trustee as provided in the Lease) or (2) a default under the Lease and an election by the Trustee to

terminate the County's possessory interest under the Lease, the County's right of possession and use of the Leased Property under the Lease will expire or be terminated, as appropriate. See "SUMMARY OF THE LEASE — Events of Default" and "— Remedies on Default" in APPENDIX C hereto.

If the County's right of possession and use of the Leased Property under the Lease expires or is terminated for either of the reasons described in the preceding paragraph, (1) the County's obligation to make payments thereunder will continue through the Renewal Term then in effect, but not thereafter; (2) the Principal Portion of Basic Rent that have been appropriated but are then unpaid by the County for the County's then current fiscal year may be declared immediately due and payable; and (3) the Series 2012 Certificates will be payable from, among other sources, such money as may be available by way of recovery from the County of the Basic Rent Payments that are due through the Renewal Term then in effect. If the Lease expires at the end of a Renewal Term without any extension for the next succeeding Renewal Term or if an event occurs as described above pursuant to which the Trustee terminates the County's right of possession of the Leased Property under the Lease, the Trustee may recover possession of the Leased Property and assign the Base Lease and its rights thereunder or sublease the Leased Property pursuant to its rights under the Base Lease. The net proceeds of any assignment of the Base Lease or sublease of the Trustee's interest in the Leased Property, together with certain other money then held by the Trustee under the Declaration, are required to be used to pay the Series 2012 Certificates to the extent of such money.

Due to the nature of the Leased Property, no assurance can be given that the Trustee could assign the Base Lease and its rights thereunder or sublease the Leased Property for the amount necessary (after taking into account money legally available from other sources) to pay in full the Principal Portions and Interest Portions of Basic Rent then due with respect to the Series 2012 Certificates. Furthermore, no assurance can be given that the amount, if any, realized upon any assignment or sublease of the Trustee's interest in the Leased Property will be available to provide for the payment of the Series 2012 Certificates on a timely basis.

Delays in Exercising Remedies

A termination of the Lease will give the Trustee the right to possession and use of the Leased Property, and the right to assign the Base Lease and its rights thereunder or to sublease the Leased Property, all in accordance with the provisions of the Base Lease, the Lease and the Declaration. However, the enforceability of the Lease and the Declaration is subject to applicable bankruptcy laws, equitable principles affecting the enforcement of creditors' rights generally and liens securing such rights, the exercise of judicial authority by State or federal courts and the exercise by the United States of America of the powers delegated to it by the U.S. Constitution.

Any delays in the ability of the Trustee to obtain possession of the Leased Property will, of necessity, result in delays in any payment of Principal Portions and Interest Portions of Basic Rent represented by the Series 2012 Certificates.

Destruction of the Leased Property

The Lease requires the Leased Property to be insured as described in "SUMMARY OF THE LEASE — Insurance" in APPENDIX C hereto. If the Leased Property is damaged or destroyed, the County is nevertheless required to continue to make Basic Rent Payments under the Lease, subject to the exercise of its option to extend the term of the Lease for each next succeeding Renewal Term and to apply Net Proceeds from insurance and certain other sources to repair, restore, modify, improve or replace the affected portion of the Leased Property. If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement and the County has not elected to purchase the Trustee's interest in the Leased Property, the County will complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds.

There can be no assurance either as to the adequacy of or timely payment under property damage insurance in effect at that time or that the County will elect to extend the term of the Lease for the next Renewal Term succeeding such damage or destruction. See “**SUMMARY OF THE LEASE — Damage, Destruction and Condemnation**” in APPENDIX C hereto.

No Title Insurance or Environmental Survey

Neither the Lease nor the Base Lease require the County to obtain for the Trustee’s benefit a leasehold owner’s policy of title insurance, or an environmental survey in connection with the execution and delivery of the Lease and the Trustee’s delivery of the Series 2012 Certificates. Under the Base Lease, the County represents, warrants and covenants that it owns fee simple title to the Real Property, and that the Real Property is not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance that would prohibit or materially interfere with the use of the Project as contemplated by the Lease. The County has further made representations, warranties and covenants concerning environmental matters under the Base Lease. Title deficiencies or environmental hazards could result in unexpected expenses to the County with respect to the Project, and could adversely impact the County’s ability to make payments on the Series 2012 Certificates. In addition, title deficiencies or environmental hazards may delay or inhibit the Trustee’s ability to exercise its remedies under the Lease or the Declaration of Trust, upon the occurrence of an Event of Nonappropriation or an Event of Default.

Effect on Tax-Exemption of Termination of the Lease

Bond Counsel is not rendering an opinion with respect to the tax-exempt status of the Interest Portion of Basic Rent distributable to Certificate Owners subsequent to the termination of the Lease for any reason (including an Event of Default under the Lease or an Event of Nonappropriation). If the Lease is terminated while Certificates are Outstanding, there is no assurance that payments made to Series 2012 Certificate owners after such termination with respect to interest will be excluded from gross income of the Owners thereof for federal or Missouri income tax purposes.

Taxability

The Series 2012 Certificates are not subject to prepayment nor are the interest rates on the Series 2012 Certificates subject to adjustment in the event of a determination by the Internal Revenue Service or a court of competent jurisdiction that the Interest Portion of Basic Rent paid or to be paid on any Series 2012 Certificate is or was includible in the gross income of the Series 2012 Certificate Owner for federal income tax purposes. Likewise, the Declaration does not require the prepayment of the Series 2012 Certificates or the adjustment of interest rates on the Series 2012 Certificates if the interest thereon loses its exemption from income taxes imposed by the State of Missouri. *Under such circumstances, Series 2012 Certificate Owners would continue to hold their Series 2012 Certificates, receiving the Principal Portion and Interest Portion of Basic Rent as and when due, but would be required to include the Interest Portion of Basic Rent in gross income for federal and Missouri income tax purposes.*

Secondary Markets and Prices

The Series 2012 Certificates are not readily liquid, and no person should invest in the Series 2012 Certificates with funds such person may need to convert readily into cash. Owners of the Series 2012 Certificates should be prepared to hold their Series 2012 Certificates to the stated maturity date. The Underwriter will not be obligated to repurchase any of the Series 2012 Certificates, and no representation is made concerning the existence of any secondary market for the Series 2012 Certificates. No assurance can be given that any secondary market will develop following the completion of the offering of the Series 2012 Certificates as no assurance can be given that the initial offering price for the Series 2012 Certificates will continue for any period of time.

Special Use Facility; Limited Term

Although the Trustee has the right under the Declaration and the Lease to take possession and relet the Leased Property for the remaining term of the Base Lease upon the occurrence of an Event of Default or and Event of Nonappropriation, no assurance can be made that the Leased Property as a whole could generate sufficient revenues to pay the Principal Portion and Interest Portion of Basic Rent represented by the Series 2012 Certificates upon the exercise of such remedy by the Trustee. The Base Lease extends only to February 1, 2024. There can be no assurance, upon the occurrence of an Event of Default or an Event of Nonappropriation, that the then remaining term of the Base Lease would permit the Trustee to relet the Leased Property for sufficient revenues to pay the Principal Portion and Interest Portion of Basic Rent represented by the Series 2012 Certificates upon the exercise of such remedy by the Trustee.

Investment Rating

The lowering or withdrawal of the investment rating initially assigned to the Series 2012 Certificates could adversely affect the market price for and the marketability of the Series 2012 Certificates.

THE TRUSTEE

The Bank of New York Mellon Trust Company, N.A., a national banking association organized and existing under the laws of the United States of America, will be the Trustee under the Declaration and lessor under the Lease. The Trustee may consult with counsel, and the opinion of such counsel will be full and complete authorization and protection with respect to any action taken or suffered by the Trustee in good faith in accordance with such opinion. The Trustee may execute any trusts or powers or perform the duties required by the Declaration or the Lease by or through attorneys, agents or receivers and will not be answerable for the default or misconduct of any such attorney, agent or receiver selected by it in good faith.

The Series 2012 Certificates are executed by the Trustee, not individually or personally but solely as Trustee under the Declaration, in the exercise of the power and authority conferred upon and invested in it as such Trustee. Except for its negligence or willful misconduct, nothing contained in the Declaration or the Lease is to be construed as creating any liability on the Trustee, individually or personally, to perform any covenant either express or implied in the Series 2012 Certificates, the Declaration or the Lease, all such liability, if any, being expressly waived by the Owners of the Series 2012 Certificates by the acceptance thereof and by each and every person now or hereafter claiming by, through or under the Trustee or the Owners of the Series 2012 Certificates. Insofar as the County is concerned, the Trustee and the Owner of any Series 2012 Certificate and any person claiming by, through or under the Trustee or the Owner of any Series 2012 Certificate may look solely to the Trust Estate described in the Declaration for payment of the interests evidenced by the Series 2012 Certificates.

As security for the compensation, expenses, disbursements and indemnification to which it is entitled upon the occurrence of an Event of Default under the Declaration, the Trustee will have a first lien with right of payment prior to payment on account of any principal or interest with respect to the Series 2012 Certificates for such compensation, expenses, disbursements and indemnification.

CERTIFICATE RATING

Moody's Investors Service, Inc. ("**Moody's**") has assigned the Series 2012 Certificates the rating set forth on the cover page of this Official Statement based on an evaluation of the creditworthiness of the County. An explanation of the significance of the rating may be obtained only from Moody's. The County has furnished Moody's with certain information and materials relating to the Series 2012 Certificates and the County that has not been included in this Official Statement. Generally, Moody's base their ratings on the

information and materials so furnished and on investigations, studies and assumptions by Moody's. There is no assurance that the rating will remain in effect if, in the judgment of Moody's, circumstances warrant. Any downward revision or withdrawal of the rating may have an adverse effect on the market price and marketability of the Series 2012 Certificates.

FINANCIAL STATEMENTS

The audited financial statements of the County for Fiscal Year ended December 31, 2010, are included in **APPENDIX B** hereto. The financial statements in **APPENDIX B** have been examined by RubinBrown LLP, St. Louis, Missouri, certified public accountants, whose report thereon is also included in **APPENDIX B** hereto.

CONTINUING DISCLOSURE

Pursuant to the Continuing Disclosure Agreement, the County has agreed to provide certain financial and operating information of the County to the Municipal Securities Rulemaking Board, *via* the EMMA system, within 180 days after the end of each fiscal year of the County. The financial statements are required to be prepared in accordance with generally accepted accounting principles as applicable to governmental units and to be audited by the County's independent auditors. The County has also agreed to provide prompt notice to the Municipal Securities Rulemaking Board of the occurrence of certain events with respect to the Series 2012 Certificates, if deemed by the County to be material. See "**APPENDIX D: FORM OF CONTINUING DISCLOSURE AGREEMENT.**" Within the past five years, the County has complied with its continuing disclosure obligations under the Rule, except as hereinafter described. For the fiscal years ended December 31, 2009, and 2010, the annual report was filed after the filing deadline and was inadvertently filed for some, but not all of the County's prior obligations. The County and the dissemination agents have implemented procedures to ensure future compliance with the County's continuing disclosure obligations.

APPROVAL OF LEGALITY

Legal matters incident to the authorization, issuance and sale of the Series 2012 Certificates are subject to the approving legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, Special Tax Counsel, which opinion will be rendered in substantially the form as set forth at **APPENDIX E**.

Bond Counsel has participated in the preparation of this Official Statement and will pass upon certain legal matters related thereto, but the factual and financial information appearing in this Official Statement has been supplied or reviewed by certain officials of the County, and Bond Counsel expresses no opinion as to the accuracy, completeness or fairness of any of the statements contained herein, and makes no representation that it has independently verified the accuracy, completeness or fairness of such statements. The County Counselor has not reviewed this Official Statement, except for the section captioned "**LITIGATION**" and the section in **APPENDIX A** captioned "**FINANCIAL INFORMATION CONCERNING THE COUNTY,**" and accordingly expresses no opinion as to the accuracy or sufficiency of this Official Statement, except with respect to those sections.

TAX MATTERS

The following is a summary of the material Federal and State of Missouri income tax consequences of holding and disposing of the Series 2012 Certificates. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of Federal income taxation that may be relevant to investors in light of

their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the Federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2012 Certificates as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2012 Certificates in the secondary market. Prospective investors are advised to consult their own tax advisors regarding Federal, state, local and other tax considerations of holding and disposing of the Series 2012 Certificates.

Opinion of Special Tax Counsel

In the opinion of Gilmore & Bell, P.C., Special Tax Counsel, under the law existing as of the issue date of the Series 2012 Certificates:

Federal and Missouri Tax Exemption. The interest component of the Rental Payments received with respect to the Series 2012 Certificates (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. The interest component of the Rental Payments received with respect to the Series 2012 Certificates is not an item of tax preference for purposes of computing the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations.

Bank Qualification. The County's obligation to pay Rental Payments under the Lease is a "**qualified tax-exempt obligation**" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**").

Special Tax Counsel's opinions are provided as of the date of the original issue of the Series 2012 Certificates, subject to the condition that the County comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2012 Certificates in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The County has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2012 Certificates in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Series 2012 Certificates. Special Tax Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2012 Certificates but has reviewed the discussion under the heading "**TAX MATTERS.**"

Other Tax Consequences

Original Issue Premium. An amount equal to the excess of the purchase price of a Series 2012 Certificate over its stated principal amount at maturity constitutes premium on such Series 2012 Certificate. An owner of a Series 2012 Certificate must amortize any premium over such Series 2012 Certificate's term using constant yield principles, based on the Series 2012 Certificate's yield to maturity. As premium is amortized, the owner's basis in such Series 2012 Certificate and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such owner. This will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of such Series 2012 Certificate prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Owners of any Series 2012 Certificate purchased at a premium, whether at the time of initial issuance or subsequent thereto, should consult their individual tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Series 2012 Certificates.

Original Issue Discount. For Federal income tax purposes, original issue discount (“OID”) is the excess of the stated redemption price at maturity of an OID Certificate over its issue price. The issue price of an OID Certificate is the first price at which a substantial amount of the OID Certificates have been sold (ignoring sales to bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers). Under Section 1288 of the Code, OID on tax-exempt bonds accrues on a compound basis. The amount of OID that accrues to an owner of an OID Certificate during any accrual period generally equals (1) the issue price of such OID Certificate, plus the amount of OID accrued in all prior accrual periods, multiplied by (2) the yield to maturity on such OID Certificate (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on such OID Certificate during that accrual period. The amount of OID accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for Federal income tax purposes, and will increase the owner’s tax basis in that OID Certificate. Prospective investors should consult their own tax advisors concerning the calculation and accrual of OID.

Sale, Exchange or Retirement of Series 2012 Certificates. Upon the sale, exchange or retirement (including redemption) of a Series 2012 Certificate, an owner of such Series 2012 Certificate generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of such Series 2012 Certificate (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Series 2012 Certificate. To the extent a Series 2012 Certificate is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2012 Certificate has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2012 Certificates, and to the proceeds paid on the sale of the Series 2012 Certificates, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner’s federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2012 Certificates should be aware that ownership of such Series 2012 Certificates may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with “**excess net passive income,**” foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2012 Certificates. Special Tax Counsel expresses no opinion regarding these tax consequences. Purchasers of the Series 2012 Certificates should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2012 Certificates, including the possible application of state, local, foreign and other tax laws.

LITIGATION

There is not now pending or, to the County’s knowledge, threatened, any litigation seeking to restrain or enjoin or in any way limit the approval or the issuance and delivery of this Official Statement or the Series 2012 Certificates or the proceedings or authority under which they are to be issued. There is no litigation pending or, to the County’s knowledge, threatened which in any manner challenges or threatens the County’s powers to enter into or carry out the transactions contemplated by the Declaration, the Lease, the Base Lease and this Official Statement.

UNDERWRITING

Piper Jaffray & Co. (the “**Underwriter**”) has agreed, subject to certain conditions, to purchase the Series 2012 Certificates at a price equal to \$ _____ (representing the aggregate principal amount of the Series 2012 Certificates, plus a net original issue premium of \$ _____, less an underwriting discount of \$ _____).

The Underwriter may sell certain of the Series 2012 Certificates at a price greater than such purchase price, as shown on the inside cover hereof. The Underwriter is purchasing the Series 2012 Certificates for resale in the normal course of the Underwriter’s business activities. The Underwriter reserves the right to offer any of the Series 2012 Certificates to one or more purchasers on such terms and conditions and at such price or prices as the Underwriter, in its discretion, determines.

The Underwriter has read and participated in the preparation of certain portions of this Official Statement and has supervised the compilation and editing thereof. The Underwriter has not, however, independently verified the factual and financial information contained in this Official Statement and, accordingly, expresses no view as to the sufficiency or accuracy thereof.

Piper Jaffray & Co. (“**Piper**”) has entered into an agreement (the “**Distribution Agreement**”) with Advisors Asset Management, Inc. (“**AAM**”) for the distribution of certain municipal securities offerings allocated to Piper at the original offering prices. Under the Distribution Agreement, if applicable to the Certificates, Piper will share with AAM a portion of the fee or commission, exclusive of management fees, paid to Piper.

CERTAIN RELATIONSHIPS

Gilmore & Bell, P.C., Special Tax Counsel, has represented the Underwriter and the Trustee in transactions unrelated to the delivery of the Series 2012 Certificates, but is not representing the Underwriter or the Trustee in connection with the delivery of the Series 2012 Certificates.

MISCELLANEOUS

References herein to the Declaration, the Base Lease, the Lease and certain other matters are brief discussions of certain provisions thereof. Such discussions do not purport to be complete, and reference is made to such documents for full and complete statements of such provisions.

Any statement made in this Official Statement involving matters of opinion or of estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the information presented herein since the date hereof. This Official Statement is not to be construed as a contract or agreement between the County and the Underwriter and the purchaser or Owners of any Series 2012 Certificates.

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The form of this Official Statement and its distribution and use by the Underwriter have been approved by the County.

BOONE COUNTY, MISSOURI

By: _____
Presiding Commissioner

APPENDIX A

THE COUNTY – GENERAL, ECONOMIC AND FINANCIAL INFORMATION

APPENDIX A

THE COUNTY

GENERAL, ECONOMIC AND FINANCIAL INFORMATION

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GENERAL AND ECONOMIC INFORMATION

Government and Organization

Boone County, Missouri (the "County"), was organized in 1820 and operates as a first class county under the laws of the State of Missouri. The County, encompassing 687 square miles, is located in the central portion of the State. The governing body of the County is the County Commission that is comprised of three commissioners. The Associate Commissioners each represent one-half of the County and are elected to two-year terms. The Presiding Commissioner is elected at-large for a four-year term. Other elected administrative officials of the County are the County Clerk (responsible for keeping records of the County Commission, general administrative, financial, payroll, tax extension and reporting and insurance and insurance duties), the County Collector (responsible for property tax collections), County Auditor (responsible for general ledger and serves as the County Budget Officer) and the County Treasurer (responsible for cash and investment financial management and treasury functions).

County Officials

<u>Name</u>	<u>Position</u>	<u>Expiration of Term of Office</u>
Daniel Atwill	Presiding Commissioner	2012
Karen Miller	Commissioner, District I	2012
Skip Elkin	Commissioner, District II	2012

County Administration

<u>Name</u>	<u>Position</u>	<u>Expiration of Term of Office</u>
Wendy Noren	Clerk	2014
Nicole Galloway	Treasurer	2012
Patricia Lensmeyer	Collector	2015
Thomas Schauwecker	Assessor	2013
June Pitchford	Auditor	2014
Bettie Johnson	Recorder	2014

Services

Services provided to the public by the County include law enforcement and corrections facility, judicial (civil and criminal), prosecution, juvenile detention, construction and maintenance of county roads and bridges, recording of property deeds, UCC filings, licensing (including marriage, liquor, merchants), voter registration, planning, zoning and building code regulation. Other regulator functions include animal control and health inspections. In addition, the County acts as service bureau to other public agencies in the areas of property appraisal, tax collections and conduct of elections.

The County does not provide any utility or fire protection services.

Transportation and Communications Facilities

Located at the intersection of Interstate 70 (east-west) and U.S. Highway 63 (north-south), the County is the major transportation hub of central Missouri.

Sixteen motor carriers provide full truck freight service to Kansas City, St. Louis, Chicago and other midwestern markets. Branch lines of the Norfolk & Southern Railway make daily freight stops in Columbia. In addition, United Parcel Service, Federal Express and DHL offer delivery services from Columbia to most states in the nation.

American Connection services Columbia Regional Airport located eleven miles southeast of Columbia. The airport serves both Columbia and Jefferson City, the state capital of Missouri, which is located 30 miles

southeast of Columbia. Private flying service and charter flights are also available at the Columbia Regional Airport.

Media coverage is provided by two local daily newspapers, six television stations and fifteen local radio stations. The *Columbia Missourian*, a morning newspaper, is written and edited by students under the supervision of professionals at the University of Missouri School of Journalism. The evening newspaper, the *Columbia Daily Tribune*, is locally owned and independent. Television programming is available from the major networks through four local stations and two in Jefferson City. TCI Cable Vision of Missouri and Capital Cable television services offer viewers additional channel capacity for broadcasts.

Medical and Health Facilities

There are approximately 1,700 hospital beds and approximately 800 doctors in Columbia including specialists in every field. Columbia has been chosen by various levels of government as a regional and statewide focal point for medical services. Columbia's medical facilities are comparable to those found in a city of nearly half a million population.

Three of Columbia's six hospitals specialize in the care of general acute illnesses: Boone Hospital Center, Columbia Regional Hospital and University Hospital, which is a teaching hospital. The Eye Research Foundation of Missouri, sponsored by the Lions Club, is also located in Columbia. The Mid-Missouri Mental Health Center is a short-term intensive treatment facility for children and adults. The Harry S Truman Memorial Veterans Hospital serves the needs of veterans in the central Missouri area. Two medical facilities specializing in cancer research and patient care are the Ellis Fischel Cancer Center and the adjacent Cancer Research Center.

Charter Behavioral Health System of Columbia, a psychiatric hospital with 96 beds, provides general psychiatric services to both youth and adults.

Special services for persons with mental retardation and developmental disabilities are offered by the Woodhaven Learning Center, which offers vocational and self-development training programs.

A variety of retirement and nursing facilities provide Columbia's older citizens with care and medical assistance. Several retirement homes are also located in Columbia.

Education Facilities

The County is home to three higher education facilities. The University of Missouri-Columbia, with 33,805 students enrolled in the fall of 2011, is the main campus of the university system. Stephens College and Columbia College are co-educational, private colleges offering degree programs in a variety of areas.

Recreation and Cultural Facilities

Over 256 acres are dedicated to public use by governmental entities in the County. This includes the City of Columbia's award winning parks and recreation department. The state maintains Rock Bridge and Pinnacles State Parks and the Missouri River Trail system which runs along the western border of the County. Both the County and the City of Columbia have purchased land to link the City-owned KATY trail and the state trail system. The Missouri Department of Conservation has several thousand acres of wildlife areas within the County and is developing an innovative waterfowl wetlands area in conjunction with the City of Columbia's wastewater treatment facility. The County is also a ninety-minute drive from the Lake of the Ozarks, one of the largest recreation areas in the Midwest.

Because it is the site of a major American university and two progressive liberal arts colleges, Columbia has cultural activities that are rare for a community of its size. The stars of theater and music, rock and folk bands, symphony orchestras and dance groups regularly schedule appearances in Columbia. Columbia offers a civic band, community summer theater and radio drama programs for local participation. The Columbia Art League, in conjunction with the University, exhibits and promotes student and local artwork.

The Daniel Boone Regional Library is located in Columbia and serves other areas of Boone County with a traveling bookmobile. The library is an active focal point for children’s organized programs, exhibits for local artists and meeting rooms for community groups. Other major library resources in Columbia include the University’s Ellis Library, the State Historical Society of Missouri and the Western Historical Manuscript Collection.

Specialty shops, department stores and discount centers located in the downtown Columbia area, as well as the Columbia Mall and numerous shopping plazas in suburban areas make the County a regional shopping center for the central Missouri area.

Commerce and Industry

Boone County has diversified its economic base in the past twenty years to reduce influence from the University of Missouri. While the primary economic influence in the county remains the University, the growth sectors in the local economy have been fueled by areas such as health care, insurance, light industry, construction and retail. Economic sector analysis of employment reflects that growth. Other growth businesses have included food production, software development, biological testing and automobile parts manufacturing.

Employment

Listed below are the major employers located in the County and the number employed by each:

<u>Major Employers</u>	<u>Type of Business</u>	<u>Number of Employees</u>
University of Missouri-Columbia	Education	8,630
University Hospital and Clinics	Medical/Education	4,279
Columbia Public Schools	Education	2,140
Boone Hospital Center	Medical	1,647
City of Columbia	City Government	1,286
US Department of Veterans Affairs	VA Medical Center	1,250
Shelter Insurance Companies	Insurance	1,171
MBS Textbook Exchange, Inc.	Distribution of Textbooks	1,084
State Farm Insurance Companies	Insurance	1,043
Hubbell Power Systems, Inc.	Electric Utility Equipment	680
Joe Machens Dealerships	Automobile Dealer	613
State of Missouri	State Government	557
Kraft Foods Columbia	Food Processing	522
Columbia College	Education	490
Boyce and Bynum Pathology Labs	Medical Laboratory	369
Boone County	County Government	365

Source: Columbia Regional Economic Development, Inc., March, 2011

The following tables set forth unofficial employment figures for Boone County for the last five years:

<u>Average for Year</u>	<u>Total Labor Force</u>	<u>Employed</u>	<u>Unemployed</u>	<u>Unemployment Rate</u>
2011 ⁽¹⁾	89,933	84,516	5,417	6.0%
2010	89,078	83,396	5,682	6.4
2009	87,567	82,049	5,518	6.3
2008	86,437	82,738	3,699	4.3
2007	88,487	85,358	3,128	3.5

Source: MERIC (Missouri Economic Research and Information Center).

⁽¹⁾ Average of January through November.

General Demographic Information

Population

	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>
Boone County	100,376	112,379	135,454	162,642
State of Missouri	4,916,766	5,117,073	5,595,211	5,988,927

Source: U.S. Census Bureau.

Other Statistics

	<u>Boone County</u>	<u>State of Missouri</u>
Per Capita Income	\$ 25,078	\$ 24,496
Median Family Income	63,948	57,226
Median Home Value Owner-Occupied Housing Units	156,500	139,700

Source: Missouri Census Data Center, American Community Survey, 3 year estimates (2008-2010).

Building Construction

The following table indicates the number of building permits and total estimated valuation of these permits issued within the County over a five-year period. These numbers reflect permits issued either for new construction or for major renovation.

<u>Year</u>	<u>Number of Permits</u>	<u>Estimated Valuation</u>
2011	829	\$ 49,316,672
2010	894	114,291,342
2009	745	39,676,024
2008	808	49,164,194
2007	921	82,006,128

Source: Regional Economic Development Inc.; Boone County Planning & Building Inspection.

Retail Sales

The following table shows retail sales by store group.

<u>Year</u>	<u>Total Retail Sales</u>	<u>Food</u>	<u>Eating & Drinking</u>	<u>General Merchandise</u>	<u>Furniture Furnish. Appliance</u>	<u>Auto</u>
2010	\$2,198,197,713	\$213,852,221	\$268,448,113	\$439,263,570	\$95,754,923	\$90,628,102
2009	2,152,615,964	187,969,216	259,611,462	451,426,016	92,408,834	90,459,039
2008	2,207,577,030	187,526,069	256,965,731	453,469,833	151,389,186	64,248,234
2007	2,207,281,162	188,354,313	250,882,383	437,041,100	153,295,254	59,237,012
2006	2,213,915,741	192,953,568	245,901,932	409,784,463	161,784,753	55,331,441

Source: Missouri Department of Revenue.

The following table shows taxable retail sales for the County for each of the following years:

<u>Year</u>	<u>Total Retail Sales</u>
2011 ⁽¹⁾	\$1,682,804,508
2010	2,198,197,713
2009	2,152,615,970
2008	2,207,577,031
2007	2,207,281,162

Source: Missouri Department of Revenue, Taxable Sales & Use Taxes by County.

(1) January through September, 2011, the latest information available.

DEBT STRUCTURE

Current Long-Term General Obligation Indebtedness

The following table sets forth all of the outstanding general obligation indebtedness of the County (excluding bonds maturing on March 1, 2012):

<u>Series</u>	<u>Date of Indebtedness</u>	<u>Original Principal Amount</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
2006A	7/15/06	\$ 182,000	\$ 81,000	3/1/16
2008	9/19/08	1,700,000	964,600	4/1/28
2010	1/28/10	179,900	159,543	4/1/29
2010A	8/30/10	204,000	202,000	3/1/30
2011A	4/29/11	450,000	415,000	3/1/21
2011B	10/27/11	<u>71,000</u>	<u>69,000</u>	3/1/31
TOTAL		\$2,786,900	\$1,891,143	

Other Outstanding Long-Term Obligations

The following table sets forth outstanding bond indebtedness, other than general obligation indebtedness, of the County (excluding the Refunded Bonds and bonds maturing on March 1, 2012):

<u>Category of Obligation</u>	<u>Date of Obligation</u>	<u>Original Principal Amount</u>	<u>Amount Outstanding</u>	<u>Final Maturity</u>
Hospital Revenue Bonds ⁽¹⁾	2002	\$ 29,470,000	\$ 14,315,000	8/1/22
Hospital Revenue Bonds ⁽¹⁾	2004	6,740,000	5,005,000	8/1/24
Hospital Revenue Bonds ⁽¹⁾	2008	100,000,000	93,680,000	8/1/38
Special Obligation Bonds	2010	<u>830,000</u>	<u>685,000</u>	2/1/20
TOTAL		\$137,040,000	\$113,685,000	

⁽¹⁾ Payable solely from revenues of Boone Hospital Center.

History of Long-Term Indebtedness

The following table sets forth debt information pertaining to the County as of the end of each of the last five fiscal years:

<u>As of December 31</u>	<u>Total Outstanding Debt</u> ⁽¹⁾	<u>Debt as % of Assessed Value</u>	<u>Debt as % of True Value</u>	<u>Debt Per Capita</u>
2010	\$7,470,075	0.32%	0.07%	\$47.08
2009	7,452,000	0.32	0.06	48.27
2008	7,896,000	0.34	0.08	51.15
2007	6,662,000	0.30	0.07	43.70
2006	7,075,000	0.34	0.08	48.44

Source: 2010 Comprehensive Annual Financial Report.

⁽¹⁾ Includes all long-term debt excluding hospital revenue bonds.

The County has never in its history defaulted on the payment of any of its debt obligations.

Overlapping General Obligation Indebtedness

The following table sets forth overlapping indebtedness of political subdivisions with boundaries overlapping the County as of the issuance of the Certificates:

<u>Cities</u>	<u>Amount Outstanding</u> ⁽¹⁾	<u>Approximate Percent Applicable to County</u> ⁽²⁾	<u>Approximate Amount Applicable to County</u> ⁽²⁾
City of Ashland	\$ 60,000.00	100.0%	\$ 60,000.00
City of Centralia	155,000.00	100.0	155,000.00
City of Columbia	0.00	100.0	0.00
City of Hallsville	420,000.00	100.0	420,000.00
<u>Special Districts</u>			
Columbia Library District	8,785,000.00	100.0	8,785,000.00
Southern Boone County Fire Protection District	100,000.00	100.0	100,000.00
<u>School Districts</u>			
Southern Boone County R-I SD	19,750,000.00	100.0	19,750,000.00
Hallsville R-IV SD	5,169,941.95	100.0	5,169,941.95
Sturgeon R-V SD	4,000,000.00	56.9	2,276,000.00
Centralia R-VI SD	11,555,000.00	64.7	7,476,085.00
Harrisburg R-VIII SD	4,425,000.00	91.6	4,053,300.00
School District of Columbia	161,252,000.00	100.0	161,252,000.00
Fayette R-III SD	2,205,000.00	0.4	8,820.00
New Franklin R-I SD	1,585,000.00	10.5	166,425.00
North Callaway R-I SD	<u>5,795,000.00</u>	0.6	<u>34,770.00</u>
TOTAL	\$225,256,941.95		\$209,707,341.95

⁽¹⁾ Includes general obligation debt backed by the full faith and credit, and for which the entities are authorized to levy unlimited taxes for payment therefor. Excludes special obligation debt and other obligations such as neighborhood improvement district bonds, which are not secured by the unlimited taxes.

⁽²⁾ Percentages have been determined based on assessed valuation for the portion of the entity located within Boone County.

Legal Debt Capacity

Under Article VI, Sections 26(b) and (c) of the Constitution of Missouri, the County may incur indebtedness for authorized purposes not to exceed 10% of the valuation of taxable tangible property in the County according to the last completed assessment upon the approval of four-sevenths of the qualified voters in the County voting on the proposition at any municipal, primary or general election or two-thirds voter approval on any other election date. The current legal debt limit of the County is \$237,500,420. The current total outstanding indebtedness of the County is \$1,891,143, together with an additional \$4,534,100 in authorized but unissued indebtedness, which leaves a legal debt margin of \$231,075,177.

On November 3, 1992, voters of the County approved \$3,500,000 in general obligation bonds for the purpose of financing the construction and repair of roads and streets within the County. Currently, \$1,469,000 remains unissued. On November 4, 1997, voters of the County approved \$5,500,000 in general obligation bonds for the purpose of constructing, installing and extending main and lateral storm water drains and sanitary sewer systems and appurtenances thereto. Currently, \$3,065,100 remains unissued.

The Certificates

The following schedule shows the yearly Rental Payments that are payable by the County under the Lease, subject to annual appropriation, and that is distributable to owners of the Certificates.

Fiscal Year Ended <u>December 31</u>	Principal <u>Portion</u>	Interest <u>Portion</u>	<u>Total</u>
2012			
2013			
2014			
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
TOTAL			

FINANCIAL INFORMATION CONCERNING THE COUNTY

General Financial Practices and Results of Operation

Accounting, Budgeting and Auditing Procedures. The County follows a modified accrual basis of accounting for all governmental and agency fund types. Under the modified accrual basis of accounting, revenues are recorded when collected unless susceptible to accrual. Significant revenues which are considered susceptible to accrual include property taxes, sales taxes, interest and certain state and federal grants and entitlements. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt which is recognized when due. Licenses and permits, fines and forfeitures, charges for services and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received. All proprietary funds and the Pension Trust Funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned and their expenses are recognized when incurred.

The County Commission is required by law to prepare an annual budget of estimated receipts and disbursements for the coming fiscal year under the direction of the County Auditor that is presented to the County Commission in September. After a preliminary hearing held in the middle of December, the budget is approved by the County Commission between January 10 and January 31. The County's fiscal year is January 1 through December 31. The budget lists estimated receipts by fund and sources and estimated disbursements by fund and purposes and includes a statement of the rate of levy per hundred dollars of assessed valuation required to raise each amount shown on the budget as coming from County taxes.

The financial records of the County are audited annually by a firm of independent certified public accountants in accordance with generally accepted auditing standards. In recent years, the annual audit has been performed by RubinBrown LLP, St. Louis, Missouri. Copies of the audit reports for past years are on file in the Clerk's office and are available for review.

Sources of Revenue. The County finances its general operations through taxes and other miscellaneous sources. For the current fiscal year, the sources of receipts for the County's General Revenue Fund are expected to be as follows:

<u>Source</u>	<u>Estimated Percent</u>
Taxes	64.95%
Licenses and Permits	1.28
Intergovernmental Revenue	9.16
Charges for Services	14.81
Fines and Forfeitures	0.04
Interest	0.16
Hospital	7.30
Other ⁽¹⁾	<u>2.30</u>
TOTAL	100.00%

Source: 2012 Budget.

(1) Includes proceeds from the sale of County assets and other miscellaneous revenue.

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Summary of General Fund Receipts, Expenditures and Fund Balances

	<u>2009</u>	<u>2010</u>	<u>2011</u> <u>(Unaudited)</u>
REVENUES:			
Property taxes	\$ 2,980,220	\$ 2,967,101	\$3,109,600
Sales taxes	11,144,410	11,579,077	12,050,000
Other taxes	157,199	149,297	145,700
Licenses & permits	282,690	445,159	325,661
Intergovernmental	2,227,679	2,484,261	2,129,367
Charges for services	3,524,950	3,612,767	3,595,404
Fines & forfeitures	16,696	9,431	9,500
Investment income	71,345	31,913	44,552
Interfund services provided	218,703	379,052	0
Hospital lease revenue	1,632,323	1,678,028	1,703,198
Other	<u>442,079</u>	<u>353,628</u>	<u>616,645</u>
TOTAL REVENUES	\$22,698,294	\$23,689,714	\$23,729,627
EXPENDITURES:			
Policy and administration	\$ 5,542,924	\$ 6,108,836	\$ 5,752,821
Law enforcement & judicial	14,319,861	13,966,963	14,568,138
Environment, public bldgs & infrastructure	50,834	813,512	780,083
Community health & public services	1,134,673	1,386,249	1,354,327
Economic vitality	66,000	55,000	54,000
Beautification & recreation	58,877	55,487	72,869
Protective inspection	1,021,169	0	0
Interfund services used	31,849	33,034	NA ⁽¹⁾
Capital outlay	152,668	885,381	250,328
Debt service:			
Principal retirement	290,000	290,000	460,000
Interest and fiscal charges	<u>126,090</u>	<u>118,115</u>	<u>106,865</u>
TOTAL EXPENDITURES	\$22,794,945	\$23,712,577	\$23,399,431
REVENUES OVER (UNDER) EXPENDITURES	(96,651)	(22,863)	330,196
TOTAL OTHER FINANCING SOURCES (USES)	54,763	579,805	(114,347)
NET CHANGE IN FUND BALANCES	(41,888)	556,942	215,849
FUND BALANCE BEGINNING OF YEAR	\$ 7,436,323	\$ 7,394,435	\$ 7,951,377
FUND BALANCE END OF YEAR	\$ 7,394,435	\$ 7,951,377	\$ 8,167,226

Source: Comprehensive Annual Financial Reports 2009, 2010 and unaudited 2011 actuals provided by the County Auditor.

(1) "Interfund services used" and "Interfund services provided" are the result of reclassifications required for GAAP reporting; therefore the budget amounts for fiscal year 2011 do not reflect these classifications.

Sales Taxes

The following table sets forth the general fund sales tax revenues of the County for each of the last five fiscal years:

<u>Year</u>	<u>Sales Tax/ General Revenue Fund</u>	<u>Sales Tax Collected</u>	<u>Percentage Increase Over Prior Year</u>
2011 ⁽¹⁾	0.50%	\$12,050,000	4.1%
2010	0.50	11,579,076	3.9
2009	0.50	11,144,410	(2.8)
2008	0.50	11,460,782	(1.4)
2007	0.50	11,618,935	NA

Source: Boone County Auditor.

⁽¹⁾ 2011 figures are unaudited.

Fund Balances

The County's budget for fiscal year 2012 includes a spend-down of the County's fund balances. The following table sets forth the unreserved, undesignated general fund balances of the County for each of the last five fiscal years:

	<u>Budget Basis Expenditures</u> ⁽¹⁾	<u>Unreserved Undesignated Fund Balance</u>	<u>As Percentage of Expenditures</u>
2011 ⁽²⁾	\$23,502,195	\$7,648,439	32.54%
2010	23,298,628	7,206,493	30.93
2009	22,777,444	6,184,794	27.15
2008	23,833,280	7,436,323	31.20
2007	23,350,975	7,311,833	31.31

Source: 2012 Budget.

⁽¹⁾ Excludes other financing uses, equity transfers out and prior year encumbrances.

⁽²⁾ 2011 figures are unaudited.

Revenue Assumptions for 2012 Budget

Sales Tax. The County depends on sales tax revenue for more than 60% of its annual operating revenue. Sales Tax revenue accounts for over 50% of the revenues for the General Fund, nearly 80% of the revenues for Road and Bridge activities, and 100% of the revenue for the Law Enforcement Services Fund. Based upon general economic forecasts and projections, the County's fiscal year 2012 budget assumes that the sales tax revenues will experience approximately 4% growth during fiscal year 2012. The past five years of sales tax revenues are shown above under the caption "**Sales Tax Revenues.**"

Property Tax. In addition to sales tax, the County derives approximately 9% of its operating revenues from property tax. The County is authorized to levy a property tax for General Fund operations and for Road and Bridge operations. The property tax provides approximately \$3 million from the General Fund (approximately 13% of General Fund revenue) and approximately \$1.2 million for road and bridge functions (approximately 8% of Road and Bridge Revenue). The proposed budget assumes no change in the property tax rates: 12-cent levy for the General Fund and a 4.75-cent levy for the Road and Bridge Fund. (Property tax rates are expressed per \$100 of assessed valuation.) Although the County Commission has authority to set the property tax rates not to exceed the statutory maximum, the actual rate levied by the County Commission is substantially less than the maximum allowed by law. See the caption "**PROPERTY TAX INFORMATION**" herein.

Other Significant Revenue Sources – Boone Hospital Lease, State Reimbursements, CART. The General Fund receives more than \$1.7 million in lease revenue from the County-owned hospital. This accounts for approximately 7% of the total revenue to the General Fund. This revenue source is subject to a CPI (Consumer Price Index) adjustment factor, which is expected to be near zero for the year.

The County receives substantial revenues from federal and state grants as well as from annual state appropriations. The FY 2012 Budget includes amounts for grants that have been awarded to the County, but only for the current award period; the budget does not assume renewal or extension. *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 includes estimated amounts for state reimbursements. The County receives a prisoner per diem reimbursement from the state when inmates held at the jail are ultimately sentenced to the Missouri Department of Corrections. Other state reimbursements include a daily per diem reimbursement 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. Over the past several years, the state has reduced all of these reimbursements, resulting in revenue reductions of approximately \$370,000.

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 with increases in consumption. Higher fuel prices tend to reduce consumption, which in turn, reduces county revenue. The FY 2012 revenue estimate assumes no growth in CART revenues.

Risk Management

The County maintains broad form insurance coverages for property/casualty, general liability, inland marine, EDP, public officials' errors and omissions, law enforcement errors and omissions, and boiler and machinery. The County is a member of the Missouri Public Entity Risk Management Fund (MOPERM), a public entity risk retention pool. The MOPERM Board of Directors includes six member representatives, including the Commissioner of the State's Office of Administration and the Missouri Attorney General. MOPERM is responsible for claims within its specified self-insured retention limits and provides coverage for large losses through excess insurance agreements. The County had no settlements in excess of insurance coverage in any of the past three years.

Employee Relations

The County has a total of 329 full-time personnel and 72 part-time personnel. Except for approximately 48 full-time road and bridge employees, the County's employees are not represented by a union. There have never been any strikes or work stoppages.

Source: Boone County Treasurer.

PROPERTY TAX INFORMATION

Property Valuations

Assessment Procedure: All taxable real and personal property within the County is assessed annually by the County Assessor. Missouri law requires that personal property be assessed at 33-1/3% of true value and that real property be assessed at the following percentages of true value:

Residential real property.....	19%
Agricultural and horticultural real property	12%
Utility, industrial, commercial, railroad and all other real property	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the state legislature adopted a maintenance law in 1986. On January 1 in every odd-numbered year, each County Assessor must adjust the assessed valuation of all real

property located within the county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

Current Assessed Valuation: The following table shows the total assessed valuation, by category, of all taxable tangible property situated in the County according to the finally adjusted assessment for 2011.

<u>Type of Property</u>	<u>Total Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Total Estimated Actual Valuation</u>	<u>% of Actual Valuation</u>
Real Property:				
Residential	\$1,370,638,936	19.00%	\$7,218,889,137	69.16%
Agricultural	24,673,105	12.00%	205,609,208	1.97
Commercial	<u>542,054,398</u>	32.00%	<u>1,693,919,994</u>	<u>16.24</u>
Total Real Property	\$1,937,366,439		\$9,118,418,339	87.37
Personal Property	402,467,181	33.33%	1,207,522,295	11.58
State Assessed	<u>35,170,581</u>	32.00%	<u>109,908,066</u>	<u>1.05</u>
TOTAL PROPERTY	<u>\$2,375,004,201</u>		<u>\$10,435,848,700</u>	<u>100.0%</u>

Source: Boone County Clerk.

History of Property Valuations: The total assessed valuation and estimated actual value of all taxable tangible property situated in the County, including state assessed railroad and utility property, according to the finally adjusted assessments for each of the following years, has been as follows:

<u>Year</u>	<u>Real Property</u>	<u>Personal Property</u>	<u>State Assessed</u>	<u>Total Assessed</u>	<u>Percentage Change</u>
2011	\$1,937,366,439	\$402,467,181	\$35,170,581	\$2,375,004,201	2.0%
2010	1,917,306,476	375,672,926	35,272,705	2,328,252,107	1.0
2009	1,892,882,026	378,020,300	33,591,530	2,304,493,856	0.4
2008	1,847,552,541	414,336,897	33,047,910	2,294,937,348	3.4
2007	1,780,593,022	405,951,130	33,367,549	2,219,911,701	NA

Source: Boone County Clerk.

Property Tax Levies and Collections

Tax Collection Procedure: Property taxes are levied and collected by the County.

The County is required by law to prepare an annual budget, which includes an estimate of the amount of revenues to be received from all sources for the budget year, including an estimate of the amount of money required to be raised from property taxes and the tax levy rates required to produce such amounts. The budget must also include proposed expenditures and must state the amount required for the payment of interest, amortization and redemption charges on the County's debt for the ensuing budget year. Such estimates are based on the assessed valuation figures provided by the County Clerk. The County must fix its ad valorem property tax rates and certify them to the County Clerk not later than September first for entry in the tax books.

The County Clerk receives the county tax books from the County Assessor, which set forth the assessments of real and personal property. The County Clerk enters the tax rates certified to him by the local taxing bodies in the tax books and assesses such rates against all taxable property in the County as shown in such books. The County Clerk forwards the tax books by October 31 to the County Collector, who is charged with levying and collecting taxes as shown therein. The County Collector extends the taxes on the tax rolls and issues the tax statements in early December. Taxes are due by December 31 and become delinquent if not paid to the County Collector by that time. All tracts of land and county lots on which delinquent taxes are due are charged

with a penalty of eighteen percent of each year's delinquency. All lands and lots on which taxes are delinquent and unpaid are subject to sale at public auction in August of each year.

The County Collector is required to make disbursements of collected taxes to the County each month. Because of the tax collection procedure described above, the County receives the bulk of its moneys from local property taxes in the months of December, January and February.

Tax Rates

Debt Service Levy. Once indebtedness has been approved by the required percentage of the voters voting therefor and bonds are issued, the County is required under Article VI, Section 26(f) of the Missouri Constitution to levy an annual tax on all taxable tangible property therein sufficient to pay the interest and principal of the indebtedness as they fall due and to retire the same within 20 years from the date of issue. The County Commission may set the tax rate for debt service, without limitation as to rate or amount, at the level required to make such payments. 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.

Operating Levy. The current operating levy of the County is \$0.12 per \$100 of assessed valuation. The operating levy does not require annual voter approval but the County Commission cannot raise the rate above that approved in the last election. Under Article X, Section 11(c) of the Missouri Constitution, any increase in the County's operating levy above \$0.35 must be approved by 2/3 of the voters voting on the proposition.

The following table shows the County's tax levies (per \$100 of assessed valuation) for each of the last five fiscal years:

<u>Fiscal Year</u>	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Group Homes</u>	<u>Debt Service</u>	<u>Total Levy</u>
2011	\$0.1200	\$0.0475	\$0.1130	\$0.0000	\$0.2805
2010	0.1200	0.0475	0.1127	0.0000	0.2802
2009	0.1200	0.0475	0.1127	0.0000	0.2802
2008	0.1200	0.0475	0.1114	0.0000	0.2789
2007	0.1200	0.0475	0.1114	0.0000	0.2789

Tax Collection Record ⁽¹⁾

<u>Collector Fiscal Year End</u>	<u>Total Taxes Levied</u>	<u>Current Tax Collected</u>	<u>Delinquent Tax Collected</u>	<u>Total Tax Collected</u>	<u>Percent of Total Tax Collected</u>
<u>February 28</u>					
2011 ⁽²⁾	\$2,793,655.39	\$2,708,626.93	\$137,679.95	\$2,846,306.88	101.9%
2010	2,767,832.40	2,677,971.20	122,497.62	2,800,468.82	101.2
2009	2,774,702.34	2,677,537.53	121,488.55	2,799,026.08	100.9
2008	2,760,692.60	2,654,566.77	121,243.42	2,775,810.19	100.5
2007	2,670,035.75	2,577,037.45	100,935.18	2,677,972.63	100.3

Source: Boone County Auditor.

⁽¹⁾ Includes County General Revenue only. The tax amounts are gross collections; and the totals include penalties collected. Collections are based upon County Collector's fiscal year ending February 28 rather than County's December 31 fiscal year as shown in the audited financials.

⁽²⁾ 2011 figures are unaudited.

Major Property Taxpayers

The following table sets forth the ten largest property taxpayers in the County for fiscal year 2011.

<u>Firm</u>	<u>Type of Business</u>	<u>Amount Assessed Value</u>
Ameren-Union Electric	Utility	\$ 43,993,484
City of Columbia/AmerenUE	Utility	17,527,492
CenturyTel of Missouri LLC	Utility/Phone	14,368,364
Boone Electric Coop	Utility	13,745,031
Shelter Mutual Ins Co	Insurance	11,065,909
State Farm Mutual	Insurance	9,501,264
TKG Biscayne LLC	Retail	9,133,423
Columbia Mall LLC	Retail	8,520,254
Hubbel Power Systems Inc	Manufacturing	7,877,691
The Links at Columbia	Real estate	<u>7,679,618</u>
TOTAL		<u>\$143,412,530</u>

Source: Boone County Clerk.

* * *

APPENDIX B

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR FISCAL YEAR ENDED DECEMBER 31, 2010**

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**COMPREHENSIVE ANNUAL FINANCIAL
REPORT**

BOONE COUNTY, MISSOURI

YEAR ENDING DECEMBER 31, 2010

**BOONE COUNTY, MISSOURI
COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
For The Fiscal Year Ended December 31, 2010

*Report prepared and submitted by
June E. Pitchford
County Auditor*

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Introductory Section



BOONE COUNTY AUDITOR
JUNE E. PITCHFORD

BOONE COUNTY GOVERNMENT CENTER

801 East Walnut, Room 205 • Columbia, MO 65201-4890 • (573) 886-4275 OFFICE • (573) 886-4280 FAX

June 27, 2011

Honorable County Commissioners and Citizens of
Boone County, Missouri:

The Comprehensive Annual Financial Report of Boone County, Missouri for the fiscal year ended December 31, 2010, is hereby submitted.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

RubinBrown LLP, an independent certified public accounting firm, has issued unqualified (“clean”) opinions on Boone County, Missouri’s financial statements for the year ended December 31, 2010. The independent auditors’ report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditors’ report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The County is a political subdivision of the State of Missouri, organized in 1821 under applicable state statutes and continues under the same form of government to this day. Limited-scope policymaking and legislative authority is granted by the state statutes and vested in the County Commission, which consists of a Presiding Commissioner and two Associate Commissioners, each of whom serves full time. As the governing body, the County Commission is responsible for a mix of legislative and administrative duties including passing ordinances (to the extent permitted by statute), adopting the annual budget, managing county property, appointing committees, and hiring and supervising departmental directors. The Presiding Commissioner is elected at large and the two Associate Commissioners are each elected from within their respective district. Each serves a four-year term.

Boone County’s statutory *elective* form of government differs significantly from a charter form of government or a municipal council-manager form of government. Independent elected officials are directly accountable to the people of the County and individually responsible for discharging the statutory functions of their office in accordance with state law. 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.

The County provides a broad range of public services required by state law including operation of the 13th Judicial Circuit 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, assessment of all county property for taxing purposes, collection of property taxes for all political subdivisions within the County, voter registration and election services, maintenance of county roads, and various other public services.

The County adopts an annual budget for all of its governmental funds and proprietary (internal service) funds. Project-length budgets are prepared and approved for capital projects and neighborhood improvement district projects; unexpended and unencumbered appropriations for such project-length budgets are re-appropriated, as necessary, in successive annual budgets.

The County Commission approves the annual budget at the departmental object (or class) level. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriations lapse at fiscal year-end, while open encumbrances are reported as reservations of fund balance at each year-end.

The County's fiscal year is the calendar year and the annual budgetary process and timetable is governed by state statutes. Budgetary requests are due to the County Auditor by September 1st with a proposed comprehensive budget due from the County Auditor to the County Commission by November 15th. The County Commission may alter, modify, or change the proposed budget in any manner, except for the Court's budgets which may not be altered without the Court's consent or pursuant to mediation by the Judicial Finance Review Commission. The County Commission must comply with public notice and public hearing requirements and adopt the budget on or before January 10th; however, in a year in which a County Commissioner's new term of office begins (i.e., every other year), the statutory deadline is extended to January 31st. However, the County Commission typically adopts the budget prior to December 31st. In the event the County Commission does not adopt the budget, the preceding year's budget remains effective.

For financial reporting purposes, the *reporting entity* is comprised of the County (the primary government) including all funds, agencies, and departments that make up its legal entity as well as any legally separate entities that meet criteria established by the Governmental Accounting Standards Board for inclusion in the reporting entity. Such entities are referred to as component units and they include legally separate entities over whom the County is able to impose its will or entities capable of imposing a financial benefit or burden on the County. Component units also include organizations that are financially dependent on the County.

The County has determined that the reporting entity should include one discretely presented component unit, the Boone Hospital Board of Trustees. This entity is financially dependent on the County in that all bond issues for hospital operations must be approved by the County Commission.

Local Economy

The information presented in the CAFR is perhaps best understood when it is considered from the broader perspective of the specific environment within which the County operates.

Boone County is situated in Central Missouri at the cross-roads of Interstate 70 and US Highway 63. It is a fast-growing county known for its highly educated work force, low cost of living, award-winning schools, and unique blend of rural and urban lifestyles. The County contains 685 square miles and includes six cities (Ashland, Centralia, Columbia, Hallsville, Rocheport, and Sturgeon), three towns (Harrisburg, Hartsburg, and McBaine) and other local communities (Midway, Prathersville, Wilton, and Village of Pierpont). Over the past ten years, the County's annual population growth rate has consistently out-paced that of the state.

The local economy reflects a balanced mix of retail, education, insurance, light manufacturing, construction, and finance. The County's largest city and county seat, Columbia, serves as a regional commercial center for central Missouri. The County is also home to the flagship campus of the University of Missouri, Columbia College, and Stephens College. In addition, the County serves as a regional medical center. The largest employers in the County include the University of Missouri, University Hospital and Clinics, Columbia Public Schools, Boone Hospital, Hubbell Power Systems, 3-M Company, Truman Veteran Hospital, insurance institutions, MBS Textbook Exchange, and the City of Columbia. The County's varied economic base contributes to economic and employment stability. Although the County's unemployment rate has risen as a result of the current economic recession, the County's rate of 6.4% at December 31, 2010 compares favorably with that of the state (9.6%) and of the nation (9.6%).

Nearly sixty percent of the County's operating revenues are derived from local sales taxes. Sales tax revenue is inherently volatile and the County has experienced such volatility, with annual growth rates for sales tax ranging between 3% and 11% during the last ten years. However, in 2007, the County experienced an unexpected and significant drop in sales tax revenue growth, with the annual growth rate falling below 1%. This was followed by a further slowing in 2008 with a first-ever negative sales tax growth rate of -1.36%. Sales tax continued to decline during 2009, reflecting a growth rate of -2.76%. As the local economy has stabilized, sales tax revenues have improved, with FY 2010 reflecting growth of 3.9%. Because of the inherently volatile nature of sales tax revenue, the County maintains higher undesignated and unreserved fund balances in its major funds. The County used these resources in 2007, 2008, and 2009 because annual revenues fell short of annual expenditures. Within the annual budget, the County has taken numerous steps to reduce spending. This effort, combined with modest spending of fund balance, has allowed the County to avoid lay-offs and significant reductions in services.

Major Initiatives

Voters approved a three-year one-fifth cent sales tax for capital improvements, which expired September 30, 2009. The tax has financed several capital improvement projects including expansion of the Courthouse, remodeling a facility to house the Alternative Sentencing Center, remodeling the Johnson Building (Public Defender's offices), remodeling a portion of the Government Center, and retiring debt incurred to acquire properties adjacent to the Courthouse. All projects, other than debt retirement are scheduled for completion in FY 2011 or early FY 2012.

In addition, the County constructed a new facility near the Sheriff/Correctional facility to provide additional space for the Sheriff as well as house election equipment. The warehouse project was financed with accumulated monies transferred from the Sheriff Civil Charges Fund, monies transferred from the General Fund which had been designated for capital projects, and Recovery Zone bonds. The debt service for the bonds will be retired through annual appropriations from the Sheriff Civil Charges Fund and General Fund appropriations previously required for leasing space for election equipment. This project was completed in FY 2011.

Long-term Financial Planning

As noted above, the County is primarily dependent on local sales tax for operating revenues and this revenue source has declined significantly since 2007, a direct result of the current economic conditions. Other revenue sources, such as fees, are largely controlled by state law and are not subject to change or adjustment by the County Commission. Property tax rates are limited not only by state law, but by a voluntary property tax roll-back implemented when voters approved the one-half cent sales tax for roadway infrastructure. In addition, the County receives substantial reimbursement revenues from the state of Missouri for inmate housing, juvenile detention, and property assessment. Over the past two years, the state has reduced these reimbursements to Counties in an attempt to balance its own budget.

The County has avoided lay-offs and reductions in services up to this point, relying on a combination of cost reductions and spend-down of fund balance. In order to contain costs, the County has not authorized salary increases since 2008 and has eliminated several vacant positions and reduced the 401(A) retirement match. In addition, the County has opted to re-build and re-furbish large equipment rather than replace it. Funding to outside agencies has been reduced and non-essential operating costs have been eliminated. Although fund balances have been used to close the gap between revenues and expenditures, the amounts used have been relatively small such that the County's major operating funds continue to meet minimum fund balance requirements. It is unclear how long the recession will last and whether the County will be required to enact more significant cost reductions before revenue improvement is realized.

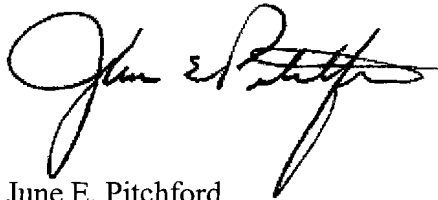
Awards and Acknowledgements

The County's CAFR for the fiscal year ended December 31, 2009, was awarded the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). This was the 26th consecutive year the County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized CAFR, whose contents conform to program standards. The report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for one year only. We believe that our current CAFR will continue to meet the Certificate of Achievement Program requirements and we will be submitting it to the GFOA to determine its eligibility for another certificate.

I would like to recognize the County Commission and other elected officials for their part in planning and conducting the financial operations of the County. In addition, I want to express my appreciation to the staff members of the Boone County Auditor's office who assisted in the preparation of this report.

Respectfully submitted,



June E. Pitchford
County Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Boone County
Missouri

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

BOONE COUNTY, MISSOURI

COUNTY OFFICIALS

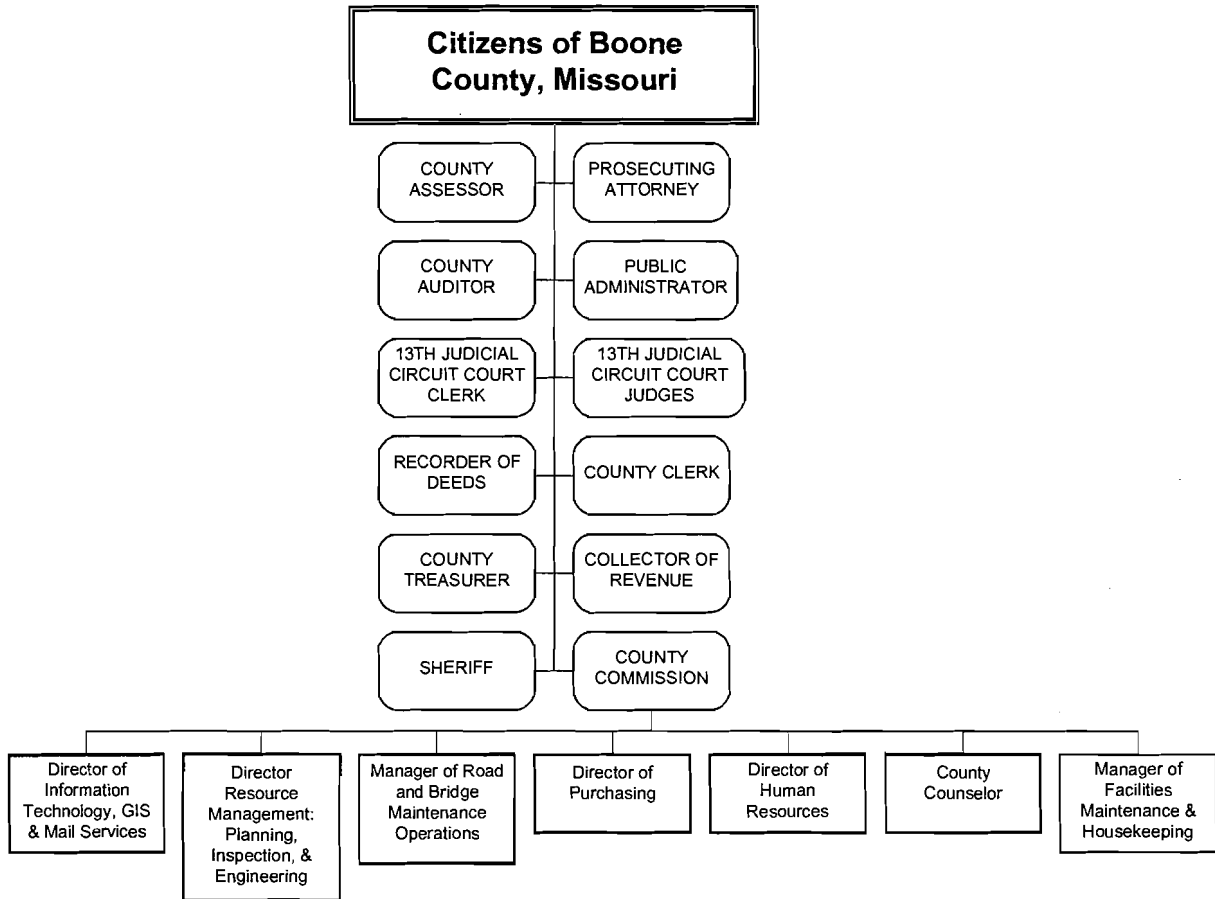
For The Year Ended December 31, 2010

County Commission:

Presiding Commissioner	Ed Robb
Commissioner - District I	Karen M. Miller
Commissioner - District II	Skip Elkin
Circuit Clerk	Christy Blakemore
Recorder of Deeds	Bettie Johnson
County Clerk	Wendy S. Noren
Prosecuting Attorney	Daniel K. Knight
Sheriff	Dwayne Carey
Auditor	June E. Pitchford
Collector of Revenue	Patricia S. Lensmeyer
Assessor	Thomas Schauwecker
Treasurer	Nicole Galloway
Public Administrator	Cathy Richards

BOONE COUNTY, MISSOURI

ORGANIZATIONAL CHART FOR BOONE COUNTY, MISSOURI



Financial Section

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RubinBrown LLP
Certified Public Accountants
& Business Consultants

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Independent Auditors' Report

The County Commissioners
Boone County, Missouri

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Boone County, Missouri as of and for the year ended December 31, 2010, which collectively comprise Boone County, Missouri's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of Boone County, Missouri's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component unit, is based on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the discretely presented component unit were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit, and the report of other auditors, provides a reasonable basis for our opinions.

In our opinion, based upon our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Boone County, Missouri as of December 31, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued a report dated June 27, 2011 on our consideration of Boone County, Missouri's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis on pages 3 through 14 and the Budgetary Comparison Information on pages 61 through 71, and the Other Post-Employment Benefit Schedule on page 72 are not a required part of the basic financial statements, but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Boone County, Missouri's basic financial statements. The combining and individual fund financial statements and schedules-other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules-other supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

RubinBrown LLP

June 27, 2011

BOONE COUNTY, MISSOURI

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the County's Comprehensive Annual Financial Report presents a narrative overview and analysis of the financial activities of Boone County, Missouri, for the fiscal year ended December 31, 2010. For a complete understanding of the County's financial statements, please read the transmittal letter at the front of this report along with the County's basic financial statements, including the footnotes, which follow the Management's Discussion and Analysis.

Financial Highlights

- On a government-wide basis, net assets (the amount by which assets exceeded liabilities) at the close of the most recent fiscal year totaled \$116.1 million. Of this amount, approximately \$9.86 million is unrestricted and may be used to meet the government's on-going obligations to citizens and creditors.
- On a government-wide basis, Boone County's total net assets increased by \$0.7 million or 0.6% during the fiscal year.
- On a government-wide basis, the cost of the County's governmental activities was \$47.4 million.
- At the close of the current fiscal year, Boone County's governmental funds reported combined ending fund balances of \$28.99 million, a decrease of \$1.36 million in comparison with the prior year. A significant portion of the combined ending fund balance, \$21.8 million, is available for spending at the government's discretion, subject to statutory restrictions applicable to specific funds (i.e., it is *unreserved, undesignated* fund balance).
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$7.2 million and represents 30% of expenditures. A portion of the unreserved fund balance, approximately \$2.5 million, was appropriated in the Fiscal Year 2011 budget.
- Boone County's total long-term debt increased by approximately \$151,000. The net increase is the result of additional debt being issued and increases in the accrued compensated absence liability exceeding principal repayments. The liability for other post employment benefits increased by approximately \$63,000.
- General fund revenues totaled \$23.7 million, which exceeded budgetary estimates by approximately \$196,000 or 0.8%.
- General fund expenditures (GAAP basis) were \$23.7 million. On a budgetary basis, the General fund expenditures totaled \$23.3 million which resulted in a favorable budgetary variance of \$2.38 million.
- Fund balance in the General Fund increased by approximately \$557,000, due to revenues and other financing sources exceeding expenditures and other financing uses.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Boone County's basic financial statements. The County prepares and issues a *Comprehensive Annual Financial Report* (CAFR), which provides extensive financial information beyond the minimum reporting requirements established by generally accepted accounting principles (GAAP). The CAFR consists of the following parts:

- **Introductory Section**, which includes the transmittal letter and general information;
- **Management Discussion and Analysis (MD&A)**, (this part);
- **The Basic Financial Statements**, which include the government-wide and the fund financial statements as well as the notes to the basic financial statements;
- **Required Supplementary Information**, which includes budgetary comparison information for certain major funds and certain other required disclosures;
- **Other Supplementary Information**, which includes combining statements for non major governmental funds, internal service funds, and fiduciary funds, as well as budgetary comparison schedules for special revenue, debt service, and capital project funds; and,
- **Statistical Information**

Government-wide Financial Statements

The first set of financial statements is the government-wide statements which report information about the County as a whole. These statements are a result of Governmental Accounting Standards Board (GASB) Statement No. 34 and were new to the County's financial reporting in fiscal year 2003. They provide both long-term and short-term information about the County's overall financial condition. These financial statements are prepared using a full accrual basis of accounting in order to achieve a more corporate, or private-sector type of presentation. The two government-wide statements, **Statement of Net Assets** and **Statement of Activities**, report the County's net assets and how they have changed from the previous year. The County does not provide services through *business-type activities* (such as a public utility); consequently, only *governmental activities* are included in the County's financial statements.

The **Statement of Net Assets** presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Increases and decreases in net assets may serve as a useful indicator of whether or not the financial position of the County is improving or deteriorating. The Statement of Net Assets also provides information on unrestricted and restricted net assets and net assets invested in capital assets, net of related debt.

The **Statement of Activities** presents information showing how the County's net assets changed during the most recent fiscal year. All of the current year's revenues and expenses are accounted for in the Statement of Activities regardless of the timing of related cash flows. The Statement of Activities presents the various functions of the County and the degree to which they are supported by charges for services, federal and state grants and contributions, tax revenues, and investment income.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

The government-wide financial statements include not only Boone County, Missouri itself (the *primary government*), but also a legally separate hospital board of trustees (a *component unit*) for which Boone County is financially accountable. Financial information for the component unit is reported separately from the financial information of the primary government. The government-wide financial statements do not include any blended component units.

The government-wide financial statements are the first statements included in the Basic Financial Statements tab section.

Fund Financial Statements

The second set of statements is the fund financial statements which provide information about groupings of related accounts which are used to maintain control over resources for specific activities or objectives. The County uses fund accounting to demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the County's most significant funds – not the County as a whole.

County operations require the use of three kinds of funds:

- *Governmental Funds.* Governmental funds reflect how general government services were financed in the short-term as well as what financial resources remain available for future spending to finance County services.

The County maintains numerous individual governmental funds according to their type (general, special revenue, debt service, and capital projects). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for funds that are considered to be a major fund; financial information for all non-major funds is summarized and presented in a single column. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements.

Fund financial statements for governmental funds are prepared using a modified accrual basis of accounting which differs from the full-accrual basis of accounting used to prepare the government-wide financial statements. Because of the resulting differences, a reconciliation of the fund financial statements to the government-wide financial statements is provided.

- *Proprietary Funds.* Proprietary funds offer short-term and long-term financial information about the various internal services which the County provides through a business-type operation, using a full accrual basis of accounting. The County does not operate enterprise activities, where the customers are primarily external to the County, such as a public utility. However, the County does operate several internal service activities, where the customers are internal County departments, such as Facilities Maintenance and Housekeeping and self-insured employee benefits.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (Continued)

- *Fiduciary Funds.* Fiduciary funds are used to account for resources held for the benefit of individuals or entities external to the County. The County's fiduciary responsibilities are summarized and reported by type: pension trust fund, private-purpose trust funds, and agency funds. These assets are restricted as to purpose and use or are being held by the County on behalf of others and do not represent discretionary assets of the County. Therefore, these assets are not presented as a part of the government-wide financial statements.

Financial Analysis of the County as a Whole

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Statement of Activities is used to report changes in net assets resulting from operations of the fiscal year just ended.

Net Assets

On a government-wide basis, the County's net assets were approximately \$116 million at fiscal year end, an increase of \$0.7 million over the previous year, as shown in the table below.

Boone County, Missouri Schedule of Net Assets As of December 31,

	2010 Governmental Activities	2009 Governmental Activities
Assets:		
Current and other assets	\$ 40,255,107	40,240,931
Capital assets, net	89,404,300	88,424,088
Total assets	<u>129,659,407</u>	<u>128,665,019</u>
Liabilities:		
Long-term debt outstanding	8,741,375	8,590,015
Other liabilities	4,759,781	4,619,233
Total liabilities	<u>13,501,156</u>	<u>13,209,248</u>
Net Assets:		
Invested in capital assets, net of related debt	83,464,300	83,875,914
Restricted	22,828,919	23,366,471
Unrestricted	9,865,032	8,213,386
Total net assets	<u>\$ 116,158,251</u>	<u>115,455,771</u>

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

The largest portion of the County's net assets, or approximately 72%, reflects its investment of more than \$83 million in capital assets, less any related outstanding debt used to acquire these assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated for the liabilities.

Included in the County's total net assets is \$22.8 million which represents resources that are subject to external restrictions, including statutory restrictions. Restricted net assets decreased by \$0.5 million compared to the previous year; this decrease is primarily due to decreases in net assets in the County's capital project funds. The remaining net assets of \$9.8 million are unrestricted and may be used to meet the government's obligations to citizens and creditors. Unrestricted net assets increased by \$1.65 million from the prior year.

Taken as whole, the County's net assets increased by \$702,480 during the fiscal year just ended. This compares to a decrease of \$2.47 million for the previous fiscal year. A discussion and analysis of the various factors resulting in this decrease are presented in the following section.

Governmental Activities

The schedule on the following page shows the revenues and expenses for the County's activities for the current fiscal year as compared to the previous fiscal year.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (Continued)

**Boone County, Missouri
Schedule of Changes in Net Assets
For the Fiscal Years Ended December 31,**

	2010	2009
	Governmental	Governmental
	Activities	Activities
Revenues:		
Program revenues:		
Charges for services	\$ 9,280,946	6,054,896
Operating grants and contributions	3,817,341	4,713,632
Capital grants and contributions	1,207,360	—
General revenues:		
Property taxes	4,170,985	4,227,381
Sales taxes	26,661,012	28,967,457
Franchise and other taxes	215,447	283,856
Investment income	194,400	221,272
Hospital lease revenue	2,178,028	1,632,323
Gain on sale of capital assets	19,525	50,407
Other	396,212	471,486
Total revenues	<u>48,141,256</u>	<u>46,622,710</u>
Expenses:		
Policy and administration	8,119,470	7,302,080
Law enforcement and judicial	18,502,876	18,630,308
Environment, protective inspection, and infrastructure	18,884,566	21,538,558
Community health and public services	1,485,975	1,219,320
Economic vitality	55,000	66,000
Beautification and recreation	65,551	58,877
Interest and fiscal charges	325,338	279,209
Total expenses	<u>47,438,776</u>	<u>49,094,352</u>
Change in net assets	702,480	(2,471,642)
Net assets, beginning of year	115,455,771	117,927,413
Net assets, end of year	<u>\$ 116,158,251</u>	<u>115,455,771</u>

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

The County's total revenue on a government-wide basis was \$48.1 million, a increase of \$1.5 million over the previous fiscal year. The increase is primarily due to increases in program revenue, including charges for services and capital contributions. Taxes (all sources combined) comprise approximately 65% of total revenue, with sales tax as the largest single source, accounting for more than 55% of all County revenue. Sales tax revenue is a primary source of operating revenue to the General Fund and the Road and Bridge Fund; however, it is the sole revenue source (other than investment income) to the Law Enforcement Services Fund and the One-Fifth Cent Capital Improvement Fund. The three-year one-fifth cent sales tax for capital improvements expired September 31, 2009. Actual sales tax revenue exceeded budget estimates, with actual sales tax growth of 3.9% compared to budgetary growth estimates of 0%. Charges for services account for approximately 19% of total revenue; grants and other support account for approximately 10% of total revenue. The remaining 6% of County revenues are derived from hospital lease revenue, investment income, gains on sale of capital assets, and other revenue.

The total cost of all programs and services was \$47.4 million, a decrease of approximately \$1.65 million over the previous year. The County's expenses cover a broad range of services typically provided by county government. Environment, Protective Inspection, and Infrastructure (primarily road and bridge activities) accounts for 40% of total expense followed by Law Enforcement and Judicial which accounts for 39% of total expenses and General Government Operations which accounts for 17% of total expenses. These areas also account for the largest burden on general tax revenues in the amount of \$16 million, \$14 million, and \$1.3 million, respectively.

As previously noted, governmental activities increased the County's net assets by approximately \$700,000 compared to a decrease of \$2.47 million the previous year. This change in net assets is attributable to a combination of increasing revenue and decreasing expenses.

Financial Analysis of the County's Funds

As previously mentioned, the purpose and focus of the County's governmental funds is significantly different than that of the government-wide financial statements. A discussion and analysis of the County's three types of fund financial statements (governmental funds, proprietary funds, and fiduciary funds) is presented below.

General Fund and Other Governmental Funds

The focus of the County's governmental funds is to provide information on the inflows, outflows, and balances of resources that are available for spending as well as to demonstrate compliance with statutory and other legal requirements. As a result, the fund financial statements reflect a *current financial resources* focus rather than a focus on *total economic resources*, which is used in the government-wide financial statements.

Given the focus of the fund financial statements, an unreserved fund balance may serve as a useful measure of a government's net resources available for funding future services.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

At the end of the current fiscal year, the unreserved fund balance of the General Fund was \$7.2 million. As a measure of the General Fund's liquidity, it may be useful to compare this amount to total fund expenditures, for a ratio of 30%. A portion of the unreserved fund balance, approximately \$2.5 million, was appropriated in the Fiscal Year 2011 budget. The total fund balance in the County's General Fund increased by approximately \$556,000 or by 8%. The increase in the current fiscal year's fund balance is primarily due to increasing sales tax revenues.

The total fund balance in the Road and Bridge Fund increased by approximately \$724,000, or 9%, this decrease is primarily due to increasing sales tax revenues and favorable spending variances. Of the total fund balance, the unreserved and undesignated portion was \$6.6 million. A significant portion of this balance, approximately \$2.7 million, was appropriated in the 2011 budget. The Road and Bridge Fund provides financing for routine road maintenance activities, distributions to local cities and a special road district, as well as road improvements.

The fund balance in the Law Enforcement Services Fund increased by approximately \$63,000 or 4%. This increase is primarily due to increasing sales tax revenues.

The Neighborhood Improvement District (NID) Fund met the criteria requiring presentation as a major fund within the County's Basic Financial Statements for FY 2010 as a result of the amount of liabilities reported within the fund. Under state law, property owners may petition the County Commission to establish a Neighborhood Improvement District (NID) and the Commission is empowered to approve one or more specific neighborhood improvement projects within the district. The County provides temporary financing during construction with total project costs assessed against property owners. Property owners may pay their assessment in full or elect to pay the assessment in annual payments which are billed and collected in the same manner as property taxes. In order to provide long-term financing for property owners who elect not to pay their assessment in full, the County issues general obligation bonds with property owners responsible for principal and interest. The deficit fund balance reported within the NID Fund occurs because construction costs have been paid utilizing short-term financing. Upon completion of the project, assessments will be ordered and long-terms bonds will be issued, thus eliminating the deficit fund balance.

The Series 2008 General Obligation Bond-Sewer NID Fund met the criteria requiring presentation as a major fund within the County's Basic Financial Statements for FY 2010 as a result of the liabilities reported within the fund. The deferred revenue of approximately \$1.0 million reported within the Series 2008 General Obligation Bond- Sewer NID Fund represents the future annual assessments to be billed and collected and used to retire the outstanding long-term debt issued in conjunction with a NID.

Fund balances in the County's non major governmental funds, all combined, decreased by approximately \$2.27, million or 17%. The decrease is primarily due expenditures within the County's capital project funds. The various capital projects are scheduled for completion in FY 2011.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

Proprietary Funds

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

As previously noted, the County does not operate enterprise funds; however it does operate several internal service funds. At the end of the fiscal year, total unrestricted net assets of \$4.65 million for the County's various internal service funds were comprised of the following:

• Self-Insured Health Plan:	\$ 2,146,636
• Self-Insured Dental Plan:	\$ 67,217
• Self-Insured Workers' Compensation:	\$ 698,201
• Self-Insured Workers' Compensation Loss Control	\$ 34,657
• Facilities and Grounds:	\$ 580,066
• Building/Ground Capital Repair and Replacement:	\$ 862,243
• Building Utilities:	\$ 141,937
• Health Facility Capital Repair and Replacement-	
Family Health Center Unit:	\$ 40,258
Health Department Unit:	\$ 29,341
• Public Works Capital Repair and Replacement:	\$ 50,092

Fiduciary Funds

The County maintains a fiduciary fund for the assets of the pension trust fund for Boone County Matching Pension Plan for county employees. At the end of the current fiscal year, the net assets of the pension fund totaled approximately \$1.85 million, representing an increase of about \$182,000, or 11%, in total net assets from the previous year. The increase is due to employer contributions and investment income exceeding benefit disbursements.

The County is trustee for three private-purpose trust funds. At the end of the current fiscal year, net assets of the trust funds totaled approximately \$116,000 representing a decrease of approximately \$2,800 in net assets from the previous year. The change is due to expenses exceeding investment income.

The County is the custodian of numerous agency funds. The most common use of agency funds is to account for pass-through activity associated with property tax collection and distribution; however, the County administers numerous agency funds for various other purposes such as pass-through criminal costs, inmate funds, and unclaimed fees. Since, by definition, all assets of the agency funds are held for the benefit of other entities (i.e., all assets represent liabilities to the fund), there are no net assets. At the end of the current fiscal year, the combined gross assets of the agency funds totaled over \$138 million.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (Continued)

General Fund Budgetary Highlights

The final budget for the County's General Fund represents the original budget plus any supplemental appropriations approved during the year, combined with transfers of budgeted funds between departments and accounts. Prior year encumbrances are accounted for as a reservation of fund balance and are not added to the subsequent year's budget. Supplemental appropriations to the General Fund for the year totaled approximately \$525,000 and represent budgetary increases associated with various grants and contracts received during the year as well as increases to re-appropriate the unexpired balances of various grants where the grant year does not align with the County's fiscal year. As previously noted, actual sales tax revenue exceeded budgetary estimates, contributing to the overall favorable budget variance of 1%. Actual spending was less than budgeted, representing 91% of budget. Appropriate adjustments, if needed, were implemented in the Fiscal Year 2011 budget process, depending on the causal factors of these variances. However, actual spending in the General Fund is consistently less than budget due to the unspent emergency appropriations and miscellaneous savings across a variety of departments and accounts.

Capital Assets and Debt Administration

Capital Assets

At the close of the fiscal year, the County's investment in a broad range of capital assets, including infrastructure assets (net of accumulated depreciation) exceeded \$89 million. This amount represents a net increase of approximately \$0.98 million or 1.1%, over last year. Detailed information is provided in the schedule below.

	2010	2009
	Governmental	Governmental
	Activities	Activities
	<hr/>	<hr/>
Land	\$ 6,697,393	6,656,080
Land - Infrastructure	10,423,277	10,423,277
Construction in progress	3,636,385	883,067
Construction in progress - Intangibles	163,002	—
Construction in progress - Infrastructure	1,871,332	1,363,313
Works of art	126,228	120,228
Buildings and improvements	36,295,029	35,994,864
Vehicles and equipment	4,600,339	4,803,735
Office furniture and equipment	437,760	576,354
Infrastructure	25,153,555	27,603,170
	<hr/>	<hr/>
Total capital assets	\$ 89,404,300	88,424,088
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BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

This year's major capital asset additions included construction in progress (facility construction projects, roadway infrastructure projects, and internally developed software projects) as well as routine replacement of vehicles, machinery, and equipment.

For government-wide financial presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Fund financial statements, however, reflect capital asset purchases as expenditures and ignore depreciation. Depreciation expense of \$5.9 million was recognized in the government-wide financial statements for fiscal year 2010; this compares to \$9.58 million for the previous year.

Capital asset retirements and disposals in the current year totaled approximately \$204,000 (net of accumulated depreciation) and consisted primarily of vehicles, office furniture, and equipment. Additional information on Boone County's capital assets can be found on pages 46-47 of this report.

Long-term Debt

The schedule below summarizes the changes in net outstanding debt. As previously noted, the County does not report business type activities; accordingly, all debt is attributable to governmental activities.

Boone County, Missouri Schedule of Changes in Net Outstanding Debt December 31,

	Fiscal Year	Fiscal Year
	2010	2009
Governmental Activities		
General Obligation bonds payable	\$ 1,530,075	1,997,000
Special Obligation bonds payable	5,940,000	5,455,000
Unamortized premiums	43,798	49,637
Accrued compensated absences	1,051,125	974,939
Other post-employment benefits	176,377	113,439
Total	<u>\$ 8,741,375</u>	<u>8,590,015</u>

At the end of the current fiscal year, the County had long-term liabilities for governmental activities in the amount of \$8.56 million compared to \$8.47 million from the previous year. Of this amount, approximately \$1.5 million are general obligation bonds issued for the Neighborhood Improvement District program and are being retired through special assessments; \$5.94 million are special obligation bonds being retired through a combination of general fund and special revenue fund appropriations; approximately \$44,000 is the result of unamortized premiums; and, approximately \$1.05 million is associated with accrued compensated absences. Additional information on Boone County's long-term debt can be found on pages 47-51 of this report.

BOONE COUNTY, MISSOURI

Management's Discussion And Analysis (*Continued*)

Economic Outlook

The unemployment rate for Boone County remains significantly lower than the state and national averages, although the rate has increased as a result of the economic recession. Local population growth is stable and continues at a pace faster than the state as a whole. Assessed valuation reflects flat growth; however, the property tax revenue is a very small percentage of the County's overall revenues. Local sales tax is the single most important revenue source to the County and its growth rate declined significantly in 2007 and then became negative in 2008 (-1.36%) and again in 2009 (-2.76%). The 2008 negative annual growth rate was the first-ever negative growth rate for the County. As previously noted, sales tax revenues for the County grew at 3.9% in FY 2010. Sales tax revenue is inherently volatile, responding very quickly to changing economic conditions, particularly consumer spending. Since sales tax revenue is a significant revenue source to the County, the County is at risk in the event of a decline in this revenue source. Other County revenues such as building permit revenue and real estate recording fees are also impacted by local economic conditions and remain at pre-recession levels. These trends combined with low investment income and lagging state reimbursement revenues will present significant budget challenges in the foreseeable future.

Requests for Information

This financial report is designed to provide a general overview of the finances of Boone County, Missouri, for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the office of Boone County Auditor, Roger B. Wilson Government Center, 801 E. Walnut, Room 304, Columbia, MO 65201.

Basic Financial Statements

BOONE COUNTY, MISSOURI

**STATEMENT OF NET ASSETS
December 31, 2010**

	<u>Primary Government</u>	<u>Component Unit</u>
	<u>Governmental Activities</u>	<u>Boone Hospital Board of Trustees</u>
ASSETS		
Cash and cash equivalents	\$ 12,440,770	7,439,996
Investments	17,423,766	80,380,970
Accrued interest	118,047	635,176
Accounts receivable	342,662	5,901,251
Commissions receivable	314,430	—
Property taxes receivable, net	669,092	—
Assessments receivable	1,336,102	—
Sales taxes receivable	5,051,547	—
Due from other governments	775,018	—
Due from others	78,568	—
Deferred charges	171,746	—
Prepaid items	24,602	6,183
Other assets	—	93,662
Restricted assets:		
Cash and cash equivalents	1,303,757	11,181,344
Investments	205,000	32,571,677
Capital assets, net:		
Nondepreciable	22,917,617	64,276,433
Depreciable	66,486,683	74,280,004
Total assets	<u>129,659,407</u>	<u>276,766,696</u>
LIABILITIES		
Accounts payable	2,323,649	8,376,457
Short-term notes payable	550,000	—
Wages payable	603,854	—
Accrued liabilities	80,422	56,640
Due to other governments	1,248	—
Due to others	37,215	—
Estimated liability for claims incurred but not paid	563,262	—
Unearned revenue	472,481	—
Interest payable	127,650	2,554,711
Long-term liabilities:		
Due within one year	1,546,708	3,865,000
Due within more than one year	7,194,667	112,995,000
Total liabilities	<u>13,501,156</u>	<u>127,847,808</u>
NET ASSETS		
Invested in capital assets, net of related debt	83,464,300	53,510,269
Restricted for:		
Debt service	4,586,855	11,231,239
Capital projects	3,307,425	—
Roads and bridge infrastructure	9,117,724	—
Law enforcement services	1,486,126	—
Other statutory restrictions	4,330,789	—
Expendable donor restrictions	—	1,721,014
Nonexpendable donor restrictions	—	707,950
Unrestricted	9,865,032	81,748,416
Total net assets	\$ <u>116,158,251</u>	<u>148,918,888</u>

BOONE COUNTY, MISSOURI

**STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2010**

Function/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Unit Boone Hospital Board of Trustees
PRIMARY GOVERNMENT						
GOVERNMENTAL ACTIVITIES:						
General government operations	\$ 8,119,470	6,030,412	797,275	—	(1,291,783)	—
Law enforcement and judicial	18,502,876	2,563,314	1,689,753	218,402	(14,031,407)	—
Environment, protective inspection and infrastructure	18,884,566	587,435	1,322,673	988,958	(15,985,500)	—
Community health and public services	1,485,975	99,785	7,640	—	(1,378,550)	—
Economic vitality	55,000	—	—	—	(55,000)	—
Beautification and recreation	65,551	—	—	—	(65,551)	—
Interest and fiscal charges	325,338	—	—	—	(325,338)	—
Total primary government	<u>47,438,776</u>	<u>9,280,946</u>	<u>3,817,341</u>	<u>1,207,360</u>	<u>(33,133,129)</u>	<u>—</u>
COMPONENT UNIT:						
Boone Hospital Board of Trustees	\$ <u>10,363,184</u>	<u>16,705,278</u>	<u>586,484</u>	<u>—</u>		<u>6,928,578</u>
GENERAL REVENUES:						
Property taxes				\$ 4,170,985		83,639
Sales taxes				26,661,012		—
Franchise and other taxes				215,447		—
Investment revenue				194,400		2,208,048
Hospital lease revenue				2,178,028		—
Gain on sale of capital assets				19,525		—
Gain on cancellation of pledge payable				—		245,000
Miscellaneous (including insurance proceeds)				396,212		3,328
Total general revenues				<u>33,835,609</u>		<u>2,540,015</u>
Change in net assets				702,480		9,468,593
NET ASSETS -- beginning of year				115,455,771		139,450,295
NET ASSETS -- end of year				<u>\$ 116,158,251</u>		<u>148,918,888</u>

BOONE COUNTY, MISSOURI

BALANCE SHEET - GOVERNMENTAL FUNDS December 31, 2010

	Major Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Road & Bridge Fund	Law Enforcement Services Fund	Neighborhood Improvement Districts	Series 2008 GO Bond Sewer NID DNR		
ASSETS							
Cash and cash equivalents	\$ 2,708,213	6,479,519	—	192	—	3,252,846	12,440,770
Investments	2,947,912	752,197	1,014,230	10,800	69,984	7,168,347	11,963,470
Accrued interest	15,629	33,325	4,058	566	—	41,989	95,567
Accounts receivable	191,357	21,092	—	—	—	127,667	340,116
Commissions receivable	126,430	764	—	—	—	187,236	314,430
Property taxes receivable	494,467	208,623	—	—	—	—	703,090
Assessments receivable	—	—	—	—	1,035,902	300,200	1,336,102
Sales taxes receivable	2,245,769	2,243,833	560,980	—	—	965	5,051,547
Loans receivable from other funds	66,426	—	—	—	—	—	66,426
Due from other funds	42,875	619	—	—	—	16,467	59,961
Due from other governments	324,585	216,342	—	—	—	234,091	775,018
Advance to other funds	28,240	—	—	—	—	—	28,240
Due from others	59,967	—	—	—	—	14,876	74,843
Prepaid items	23,013	—	—	—	—	1,589	24,602
Restricted assets:							
Cash and cash equivalents	469,212	—	—	60	88	834,397	1,303,757
Total assets	9,744,095	9,956,314	1,579,268	11,618	1,105,974	12,180,670	34,577,939
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	758,201	667,907	46,963	15,582	—	774,165	2,262,818
Short-term notes payable	—	—	—	550,000	—	—	550,000
Wages payable	393,349	120,520	42,145	—	—	32,016	588,030
Accrued liabilities	61,339	10,477	4,034	—	—	2,906	78,756
Due to other funds	619	28,546	—	—	—	30,796	59,961
Due to other governments	1,058	—	—	—	—	190	1,248
Due to others	33,861	1,500	—	—	—	1,854	37,215
Advance from other funds	—	—	—	—	—	28,240	28,240
Deferred revenue	544,291	41,361	—	—	1,000,333	322,338	1,908,323
Loans payable to other funds	—	—	—	66,426	—	—	66,426
Total liabilities	1,792,718	870,311	93,142	632,008	1,000,333	1,192,505	5,581,017
Fund balances:							
Reserved for:							
Loan receivable	66,426	—	—	—	—	—	66,426
Prepaid items	23,013	—	—	—	—	299	23,312
Reserved for NID projects	—	—	—	60	—	—	60
Debt service	469,072	—	—	—	105,641	2,831,365	3,406,078
Security deposits	140	—	—	—	—	—	140
Encumbrances	186,233	1,421,438	8,266	—	—	159,973	1,775,910
Unreserved							
Designated for capital improvements	—	1,039,400	250,000	—	—	—	1,289,400
Designated for out-of-county housing	—	—	629,000	—	—	—	629,000
Undesignated, reported in:							
General fund	7,206,493	—	—	—	—	—	7,206,493
Special revenue funds	—	6,625,165	598,860	(620,450)	—	4,689,103	11,292,678
Capital project funds	—	—	—	—	—	3,307,425	3,307,425
Total fund balances	7,951,377	9,086,003	1,486,126	(620,390)	105,641	10,988,165	28,996,922
Total liabilities and fund balances	\$ 9,744,095	9,956,314	1,579,268	11,618	1,105,974	12,180,670	34,577,939

BOONE COUNTY, MISSOURI

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS December 31, 2010

Total fund balance -- total governmental funds \$ 28,996,922

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities (excluding internal service fund capital assets) are not financial resources and, therefore, are not reported in the fund financial statements. 89,376,672

Some of the County's property taxes and special assessments will be collected after the 60-day availability period and are deferred in the fund financial statements. However, revenue for this amount is recognized in the government-wide financial statements, net of allowance for uncollectible amounts. 1,401,844

Internal service funds are used by management to charge the cost of building and custodial maintenance and self-insurance to the individual governmental funds, generally on a cost-reimbursement basis. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 4,883,276

Long-term liabilities applicable to the County's governmental activities (excluding internal service fund accrued compensated absences) are not due and payable in the current period and, accordingly, are not reported as liabilities within the fund financial statements. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities -- both current and long-term -- are reported on the government-wide statement of net assets. Discounts, premiums, bond issuance costs are reported in the governmental fund financial statements when the debt was issued, whereas these amounts are deferred and amortized over the life of the debt as an adjustment to interest expense on the government-wide financial statements.

Balances as of December 31, 2010 are:

Accrued interest on long-term debt	(127,650)
Bonds payable	(7,470,075)
Unamortized premiums	(43,798)
Unamortized bond issuance costs	171,746
Accrued compensated absences	<u>(1,030,686)</u>

Total net assets -- governmental activities -- statement of net assets \$ 116,158,251

BOONE COUNTY, MISSOURI

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS For The Year Ended December 31, 2010

	Major Funds							Total Governmental Funds
	General Fund	Road & Bridge Fund	Law Enforcement Services Fund	Neighborhood Improvement Districts	Series 2008 GO Bond Sewer NID DNR	Nonmajor Governmental Funds		
REVENUES								
Property taxes	\$ 2,967,101	1,223,426	—	—	—	—	4,190,527	
Assessments	—	—	—	583,971	105,535	72,651	762,157	
Sales taxes	11,579,077	11,932,107	2,892,065	—	—	257,763	26,661,012	
Other taxes	149,297	—	—	—	—	—	149,297	
Licenses and permits	445,159	8,644	—	—	—	58,738	512,541	
Intergovernmental	2,484,261	1,336,154	—	123,676	—	991,691	4,935,782	
Charges for services	3,612,767	283,825	—	—	—	1,692,337	5,588,929	
Fines and forfeitures	9,431	—	—	—	—	31,415	40,846	
Investment income	31,913	48,399	5,758	2,420	18	70,228	158,736	
Interfund services provided	379,052	33,034	—	—	—	—	412,086	
Miscellaneous:								
Hospital lease revenue	1,678,028	—	—	—	—	500,000	2,178,028	
Contributions	—	—	—	—	—	49,416	49,416	
Other	353,628	3,874	215	—	—	77,161	434,878	
Total revenues	23,689,714	14,869,463	2,898,038	710,067	105,553	3,801,400	46,074,235	
EXPENDITURES								
Current:								
General government operations	6,108,836	—	—	—	—	1,587,517	7,696,353	
Law enforcement and judicial	13,966,963	—	2,515,735	—	—	944,408	17,427,106	
Environment, protective inspection, and infrastructure	813,512	13,313,960	—	866,931	—	—	14,994,403	
Community health and public services	1,386,249	—	—	—	—	36,718	1,422,967	
Economic vitality	55,000	—	—	—	—	—	55,000	
Beautification and recreation	55,487	—	—	—	—	10,064	65,551	
Interfund services used	33,034	250,000	—	—	—	129,052	412,086	
Capital outlay	885,381	659,236	318,864	—	—	3,848,312	5,711,793	
Debt service:								
Principal retirement	290,000	—	—	—	686,600	163,000	1,139,600	
Interest and fiscal charges	118,115	—	—	—	30,401	175,014	323,530	
Total expenditures	23,712,577	14,223,196	2,834,599	866,931	717,001	6,894,085	49,248,389	
REVENUES OVER (UNDER) EXPENDITURES	(22,863)	646,267	63,439	(156,864)	(611,448)	(3,092,685)	(3,174,154)	
OTHER FINANCING SOURCES (USES)								
Transfers in	601,067	3,629	—	—	717,080	606,579	1,928,355	
Transfers out	(63,629)	—	—	(717,596)	—	(618,456)	(1,399,681)	
Proceeds of General Obligation Bonds	—	—	—	327,675	—	—	327,675	
Proceeds of Special Obligation Bonds	—	—	—	—	—	830,000	830,000	
Insurance proceeds	28,954	5,293	—	—	—	—	34,247	
Sale of capital assets	13,413	69,075	—	—	—	6,926	89,414	
Total other financing sources (uses)	579,805	77,997	—	(389,921)	717,080	825,049	1,810,010	
NET CHANGE IN FUND BALANCES	556,942	724,264	63,439	(546,785)	105,632	(2,267,636)	(1,364,144)	
FUND BALANCES, beginning of year	7,394,435	8,361,739	1,422,687	(73,605)	9	13,255,801	30,361,066	
FUND BALANCES, end of year	\$ 7,951,377	9,086,003	1,486,126	(620,390)	105,641	10,988,165	28,996,922	

BOONE COUNTY, MISSOURI

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO
THE STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2010**

Net change in fund balances - governmental funds - statement of revenues, expenditures, and changes in fund balances \$ (1,364,144)

Amounts reported for governmental activities in the statement of net assets are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets that meet the capitalization threshold is allocated over their estimated useful lives and recorded as depreciation expense. This is the amount by which such capital outlays (\$6,325,398) exceeded depreciation expense (\$5,900,634) in the current period. 424,764

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, contributed capital assets) is to increase net assets. 753,898

Revenues in the statement of activities (net of allowance for uncollectible amounts) that do not provide current financial resources are not reported as revenues in the fund financial statements. This amount represents the extent to which revenues not providing current financial resources in the current fiscal year exceeded revenues not providing current financial resources in the prior fiscal year (which are recognized in the fund financial statements in the current year). 1,117,679

Internal service funds are used by management to charge the cost of building and custodial maintenance and self-insurance to the individual governmental funds. The net income of internal service funds attributable to governmental activities is reported on the statement of activities. (163,982)

Bond proceeds are reported as financing sources in governmental funds financial statements and thus increase fund balance. In the statement of net assets, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, governmental funds report repayment of principal on bonds payable and capital leases as an expenditure. However, repayment of principal is not recognized as an expense in the statement of activities; instead, it reduces the liability in the statement of net assets.

Debt issued during the current year: Special and general obligation bonds payable	(1,157,675)	
Annual principal payments on bonds payable and capital leases	<u>1,139,600</u>	
		(18,075)

Under the modified accrual basis of accounting used in the governmental funds financial statements, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis of accounting, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

This adjustment combines the net changes of the following:

Accrued compensated absences	(72,777)	
Accrued interest on bonds	(7,647)	
Premiums on debt issuances, net of amortization	5,839	
Deferred bond issuance costs, net of amortization	<u>26,925</u>	
		<u>(47,660)</u>

Change in net assets - governmental activities - statement of activities \$ 702,480

BOONE COUNTY, MISSOURI

STATEMENT OF NET ASSETS - PROPRIETARY FUNDS

December 31, 2010

	<u>Governmental Activities—Internal Service Funds</u>
ASSETS	
Current assets:	
Investments	\$ 5,460,296
Accrued interest	22,480
Accounts receivable	2,546
Due from other governments	3,725
Restricted investments	205,000
Total current assets	<u>5,694,047</u>
Noncurrent assets:	
Capital assets, net	<u>27,628</u>
Total noncurrent assets	<u>27,628</u>
 Total assets	 <u>5,721,675</u>
 LIABILITIES	
Current liabilities:	
Accounts payable	60,831
Wages payable	15,824
Compensated absences	20,439
Accrued liabilities	1,666
Estimated liability for claims incurred but not paid	<u>563,262</u>
Total current liabilities	<u>662,022</u>
Long-term liabilities:	
Other post-employment benefit	<u>176,377</u>
 Total liabilities	 <u>838,399</u>
 NET ASSETS	
Invested in capital assets	27,628
Restricted for workers' compensation expenses	205,000
Unrestricted	<u>4,650,648</u>
 Total net assets	 \$ <u><u>4,883,276</u></u>

BOONE COUNTY, MISSOURI

**STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET ASSETS -
PROPRIETARY FUNDS
For The Year Ended December 31, 2010**

	<u>Governmental Activities—Internal Service Funds</u>
OPERATING REVENUES	
Intergovernmental	\$ 20,377
Charges for services	4,658,302
Miscellaneous	22,916
Total operating revenues	<u>4,701,595</u>
OPERATING EXPENSES	
Salaries and employee benefits	559,876
Supplies, services, and other charges	716,757
Claims expense	2,569,320
Professional services	60,729
Administrative fees	390,346
Capital outlay	3,440
Other post-employment benefit expense	62,938
Depreciation	9,161
Total operating expenses	<u>4,372,567</u>
Operating income (loss)	<u>329,028</u>
NONOPERATING REVENUES (EXPENSES)	
Investment income	<u>35,664</u>
Total nonoperating revenues (expenses)	<u>35,664</u>
Transfers in	45,000
Transfers out	<u>(573,674)</u>
Total transfers, net	<u>(528,674)</u>
Change in net assets	(163,982)
Net assets, beginning of year	<u>5,047,258</u>
Net assets, end of year	<u>\$ 4,883,276</u>

BOONE COUNTY, MISSOURI

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS For The Year Ended December 31, 2010

	Governmental Activities—Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 4,707,570
Payments to employees	(555,253)
Payments to suppliers for goods and services	(3,698,643)
Net cash provided by operating activities	<u>453,710</u>
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchase of capital assets	<u>(339,385)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	4,744,079
Purchase of investments	(4,884,677)
Interest received	26,273
Net cash used in investing activities	<u>(114,325)</u>
Net change in cash and cash equivalents	—
Cash and cash equivalents, beginning of year	—
Cash and cash equivalents, end of year	<u>—</u>
 Reconciliation of operating income to net cash provided by operating activities:	
Operating income	329,028
Depreciation	9,161
Change in assets and liabilities:	
Decrease in receivables	6,011
Increase in accounts payable and estimated liability for claims incurred but not paid	41,751
Increase in wages payable	1,214
Increase in accrued liabilities	198
Increase in compensated absences	3,409
Increase in other post-employment benefit	62,938
Net cash provided by operating activities	<u>453,710</u>
 Noncash investing, capital, and financing activities:	
Net depreciation in value of investments reported at fair value (not classified as cash equivalents)	\$ <u>(23,866)</u>

BOONE COUNTY, MISSOURI

**STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
December 31, 2010**

	<u>Pension Trust Fund</u>	<u>Private-Purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ —	—	14,521,489
Investments:			
U.S. Government and agency securities	—	116,150	102,765,373
Money market mutual funds	1,849,460	—	—
Accrued interest	—	458	100,016
Accounts receivable	—	—	3,540
Property taxes receivable	—	—	21,376,357
Due from others	—	—	61,285
Total assets	<u>1,849,460</u>	<u>116,608</u>	<u>138,828,060</u>
LIABILITIES			
Accounts payable	—	—	299,674
Due to other political subdivisions	—	—	138,528,386
Total liabilities	<u>—</u>	<u>—</u>	<u>138,828,060</u>
NET ASSETS			
Held in trust for pension benefits and other purposes	<u>1,849,460</u>	<u>116,608</u>	<u>—</u>
Total net assets	<u>\$ 1,849,460</u>	<u>116,608</u>	<u>—</u>

BOONE COUNTY, MISSOURI

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
For The Year Ended December 31, 2010**

	Pension Trust Fund	Private-Purpose Trust Funds
ADDITIONS		
Contributions - employer	\$ 104,629	—
Investment income	165,574	685
Total additions	<u>270,203</u>	<u>685</u>
DEDUCTIONS		
Benefits	88,217	—
Scholarships	—	389
Supplies, services and other charges	—	3,114
Total deductions	<u>88,217</u>	<u>3,503</u>
Change in net assets	181,986	(2,818)
NET ASSETS, beginning of year	<u>1,667,474</u>	<u>119,426</u>
NET ASSETS, end of year	<u>\$ 1,849,460</u>	<u>116,608</u>

BOONE COUNTY, MISSOURI

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2010

(1) Summary Of Significant Accounting Policies

Boone County, Missouri (the County) is a first-class County, effective January 1, 1991, governed by a County commission comprised of a northern district commissioner, southern district commissioner, and presiding commissioner. Elected officials are responsible for the operations of certain County offices, including the assessor, collector, treasurer, clerk, auditor, sheriff, public administrator, prosecuting attorney and recorder offices, and the circuit court with its various divisions.

The accounting policies and financial reporting practices of the County conform to U.S. generally accepted accounting principles (GAAP) applicable to governmental entities. The following is a summary of the more significant policies:

(a) *Reporting Entity*

The County's financial reporting entity has been determined in accordance with governmental standards for defining the reporting entity and identifying entities to be included in its basic financial statements. These standards identify the County's financial accountability for potential component units as the primary, but not only, criteria for inclusion. The County is financially accountable if it appoints a voting majority of a potential component unit governing body and is able to impose its will on that potential component unit, or there is a potential for the potential component unit to provide specific financial benefits to or impose specific financial burdens on the County. The County's financial reporting entity consists of Boone County, Missouri (the primary government) and its component unit.

Component Unit

The County has no blended component units. The component unit column in the government-wide financial statements presents the financial data of the County's discretely presented component unit discussed below.

The Board of Trustees of Boone Hospital Center (the Board of Trustees) is a five-member elected board operating under the provisions of Revised Missouri Statute 205.160, et seq. The Board of Trustees is charged with the operation of County hospital facilities in Boone County, Missouri. These facilities provide acute health care services to Boone County under the name of Boone Hospital Center. The Board of Trustees is reported as a component unit of the County because the County must approve the issuance of bonded debt by the Board of Trustees, and therefore the County is considered to be financially accountable for the Board of Trustees.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements *(Continued)*

Component units of the Board of Trustees include Boone Hospital Foundation and the Walter Johnson Palliative Care Foundation. The purpose of the Boone Hospital Foundation is to provide support and provision of care to, and in respect to, patients at Boone Hospital Center and its facilities. The purpose of the Walter Johnson Palliative Care Foundation is to provide support and provision of palliative care to patients and their families at Boone Hospital Center and its facilities.

Effective September 1, 1988, the Board of Trustees and Boone County entered into a lease agreement with CH Allied Services, Inc. (CHAS), a Missouri not-for-profit corporation, to lease the facilities and operate the services of Boone Hospital Center. The lease was amended and restated effective January 1, 2001. The Board of Trustees serves as lessor and shares in certain Hospital management responsibilities pursuant to the lease agreement. The lease agreement is explained in Note 9.

Complete financial statements for the discretely presented component unit can be obtained from its administrative office as follows:

Boone Hospital Center
1600 E. Broadway
Columbia, Missouri 65201

Related Organizations

The County Commissioners also are responsible for appointing the members of Boone County Group Homes and Family Support, the Board of Trustees of the Boone County Regional Sewer District, the Industrial Development Authority, the Boone County Library Board, and the Boone County Mental Health Board of Trustees. The County's accountability for these organizations does not extend beyond making the appointments. Thus, these organizations are not component units of the County, and accordingly, no financial data for these organizations are included in the County's basic financial statements.

(b) *Government-Wide And Fund Financial Statements*

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the County and its component unit. The effect of interfund activity has been removed from these statements. The County's nonfiduciary activities consist entirely of governmental activities, which normally are supported by taxes and intergovernmental revenues. The County has no business-type activities that rely to a significant extent on charges for services from external parties. Additionally, the County is reported separately from the legally separate component unit for which the County is financially accountable.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges for services to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes, unrestricted interest earnings, gains, and other miscellaneous revenues not properly included among program revenues are reported instead as general revenues.

Following the government-wide financial statements are separate financial statements for governmental funds, proprietary funds, and fiduciary funds. Fiduciary activities are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. All other governmental funds are reported in one column labeled "Nonmajor Governmental Funds." The total fund balances for all governmental funds is reconciled to total net assets for governmental activities as shown on the statement of net assets. The net change in fund balance for all governmental funds is reconciled to the total change in net assets as shown on the statement of activities in the government-wide statements. Additionally, the County has ten internal service funds (governmental activities): self-insured health plan, self-insured dental plan, self-insured workers' compensation, self-insured worker's compensation loss control, facilities and grounds, building and grounds capital repair and replacement fund, utilities fund, family health center capital repair and replacement, and health department capital repair and replacement. All internal service fund activity is combined into a single column on the proprietary fund statements since major fund reporting requirements do not apply to internal service funds.

The fund financial statements of the County are organized on the basis of funds, each of which is considered a separate accounting entity with self-balancing accounts that comprise its assets, liabilities, fund balances/net assets, revenues and expenditures, or expenses. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following funds are reported by the County:

Governmental Funds

Governmental funds are those through which most governmental functions are financed. The acquisition, uses, and balances of the County's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income.

The following are the County's governmental major funds:

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements *(Continued)*

General Fund - The general fund is the general operating fund of the County. All general tax revenues and other receipts not allocated by law or contractual agreement to another fund are accounted for in this fund. This fund provides for general operating expenditures, fixed charges, and the capital improvement costs not paid through other funds.

Road And Bridge Fund - The road and bridge fund is a special revenue fund used to account for the operations of the public works department. Financing is primarily provided by a one-half cent sales tax, revenue from the State of Missouri, and property taxes.

Law Enforcement Services Fund - The law enforcement services fund is a special revenue fund financed by a one-eighth cent sales tax for law enforcement and judicial activities.

Neighborhood Improvement Districts Fund - The neighborhood improvement districts fund is a special revenue fund that accounts for the revenue and expenditures of construction repair of roads and sewers in Neighborhood Improvement Districts (NIDs).

Series 2008 Neighborhood Improvement District Bond Fund - Sewer - The Series 2008 neighborhood improvement district bond fund – sewer is a debt service fund that accumulates moneys for the payment of the principal and interest on the \$1,700,000 general obligation neighborhood improvement bonds issued in 2008. Financing is obtained through fees paid by property owners within the neighborhood improvement district. Principal payments are required annually and interest payments are required semi-annually until 2028. The fees in excess of actual requirements are legally restricted to servicing this debt.

The other governmental funds of the County are considered nonmajor and are reported as nonmajor governmental funds within these financial statements. Nonmajor governmental funds include special revenue funds that account for the proceeds of specific revenue sources that are legally restricted, or restricted through local policy, to expenditures for specific purposes; debt service funds that account for the accumulation of resources for, and repayment of, general obligation long-term debt principal, interest, and related costs; and capital projects funds that account for financial resources used for the acquisition or construction of major capital facilities.

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income and capital maintenance.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

The following are the County's proprietary funds:

Internal Service Funds - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis. The following internal service funds have been established: self-insured health plan fund, self-insured dental plan fund, self-insured workers' compensation fund, self-insured worker's compensation loss control fund, facilities and grounds fund, building and grounds capital repair and replacement fund, utilities fund, family health center capital repair and replacement fund, health department capital repair and replacement fund, and public works repair and replacement fund. The self-insured health plan fund accounts for operations of the self-insured health plan for County employees. The self-insured dental plan fund accounts for operations of the self-insured dental plan for County employees. The self-insured workers' compensation funds account for operations of the self-insured workers' compensation plan for County employees. The facilities and grounds fund accounts for the operations of the facilities maintenance and housekeeping departments. The buildings and grounds capital repair and replacement fund provides for the accumulation of resources to be used for major repairs and replacements for County-owned buildings. The utilities fund accounts for building utilities for the Government Center, the Johnson Building, the Courthouse, the County-owned space in the Centralia Clinic, and the building located at 607 East Ash. The Family Health Center Capital Repair and Replacement Fund and the Health Department Capital Repair and Replacement Fund account for the accumulation of resources to be used for major repairs to the health facility. The public works capital repair and replacement fund accounts for the accumulation of resources to be used for major repairs to the County's road and bridge maintenance operations facility.

In the government-wide and proprietary fund financial statements, the County applies all applicable Governmental Accounting Standards Board (GASB) pronouncements, as well as the following private-sector pronouncements issued on or before November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARBs) of the Committee on Accounting Procedure. The discretely presented component unit has elected to apply the provisions of all relevant pronouncements of the FASB, including those issued after November 30, 1989, that do not conflict with or contradict GASB pronouncements.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governmental units.

The following are the County's fiduciary funds:

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Pension Trust Fund - The pension trust fund accounts for the plan net assets of the Boone County Matching Pension Plan, a defined contribution plan under Internal Revenue Code (IRC) Section 401(a). The pension trust fund is accounted for and reported similar to a proprietary fund.

Private Purpose Trust Funds - The private-purpose trust funds are used to account for all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments. Private-purpose trust funds are accounted for and reported similar to a proprietary fund. Three private-purpose trust funds have been established: the George Spencer Trust Fund, which was established to award academic scholarships from the interest earned, the Union Cemetery Trust Fund, which was established to fund the maintenance of the Union Cemetery, and the Rocky Fork Cemetery Trust Fund, which was established to fund the maintenance of the Rocky Fork Cemetery.

Agency Funds - Agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. The County maintains agency funds for special taxing districts, the Circuit Clerk, the Collector of Revenue, and for other miscellaneous purposes.

(c) ***Basis Of Accounting***

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and accrual basis of accounting, as are the financial statements of the proprietary fund, pension trust fund, private-purpose trust fund, and the discretely presented component unit. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating expenses for the internal service funds consist of the cost of providing services to other County funds, and operating revenues consist of the charges to other County funds for these services. Investment income and gains or losses on disposals of capital items are considered nonoperating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. The term “available” is defined as collectible within the current period or soon enough thereafter to be used to pay the liabilities of the current period. For the County, available is defined as expected to be received within 60 days of fiscal year-end, except for government grants, which is within 270 days of fiscal year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due (i.e. matured).

GASB Statement No. 33 groups nonexchange transactions into the following four classes, based upon their principal characteristics: derived tax revenues, imposed nonexchange revenues, government mandated nonexchange transactions and voluntary nonexchange transactions.

The County recognizes assets from derived tax revenue transactions (such as sales taxes) in the period when the underlying exchange transaction on which the tax is imposed occurs or when the assets are received, whichever occurs first. Revenues are recognized, net of estimated refunds and estimated uncollectible amounts, in the same period that the assets are recognized, provided that the underlying exchange transaction has occurred. Resources received in advance are reported as deferred revenues until the period of the exchange.

The County recognizes assets from imposed nonexchange revenue transactions (such as property taxes, licenses and permits, and fines and forfeitures) in the period when an enforceable legal claim to the assets arises or when the resources are received, whichever occurs first. Revenues are recognized in the period when the resources are required to be used for the first period that use is permitted. The County recognizes revenues from property taxes, net of refunds and estimated uncollectible amounts, in the period for which the taxes are levied.

Intergovernmental revenues, representing grants and assistance received from other governmental units, are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB Statement No. 33, have been met. Any resources received before eligibility requirements are met are reported as deferred revenues.

Charges for services in the governmental funds, which are exchange transactions and are, therefore, not subject to the provisions of GASB Statement No. 33, are recognized as revenues when received in cash because they are generally not measurable until actually received.

When both restricted and unrestricted resources are available for use, it is the County’s policy to use restricted resources first and then unrestricted resources as they are needed.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

For the pension trust funds, under the accrual basis of accounting, contributions are recognized in the period in which the contributions are due and benefits are recognized when they become due and payable.

(d) Cash And Investments

The County Treasurer maintains a cash and investment pool that is available for use by all funds except the pension trust fund. Within the financial statements, income from investments associated with one fund is not assigned to another fund for other than legal or contractual reasons. In addition, cash and investments are separately maintained by County court officials and third-party trustee and fiscal agents.

Investments are recorded at fair value. Fair values for investments are determined by closing market prices at year end.

(e) Inventories

Purchases of materials and supplies in the governmental funds are charged to expenditures as incurred. Amounts of inventories are immaterial.

(f) Capital Assets

Primary Government

Capital assets, which include buildings, improvements, equipment, infrastructure assets (e.g., roads, drainage structures and similar items) and works of art, are reported in the governmental activities column in the government-wide financial statements, net of accumulated depreciation. Capital assets also are recorded in the proprietary fund financial statements. Capital assets are defined by the County as assets with an estimated useful life in excess of one year with an initial, individual cost of \$5,000 or more, infrastructure with a cost of \$50,000 or more, internally developed software with a cost of \$20,000 or more, and all land and land improvements.

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Depreciation, including depreciation recognized on assets acquired through government grants and other aid, is computed on the straight-line method over the estimated useful lives of the various classes of assets. The estimated useful lives of depreciable capital assets are as follows:

	<u>Years</u>
Buildings and improvements	5 to 50
Vehicles and equipment	4 to 7
Furniture and fixtures	3 to 4
Infrastructure	10 to 75

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

Component Unit

Capital assets include equipment, land and buildings which are valued at actual historical cost where available and at estimated historical cost where historical cost records are not available. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Land is valued at actual historical cost or fair market value if received by donation. Interest costs are capitalized when incurred on debt where proceeds were used to finance construction of assets.

(g) *Restricted Assets*

Restricted assets, comprised of cash and cash equivalents and investments, represent those funds that are restricted as to use either at the time of receipt, by action of a governing body, or by legal requirement. At December 31, 2010, the County's restricted assets represent assets restricted by bond agreements as to their use and the pledged security for the self-insured workers' compensation plan.

(h) *Reserved Fund Balance/Restricted Net Assets*

Primary Government

Reserved fund balance represents the portion of fund balance that is not available for subsequent year appropriation and is legally segregated for a specific future use. Restricted net assets represents the portion of net assets that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Component Unit

Restricted net assets of the Board of Trustees consist of bond proceeds, held in escrow, restricted by bond covenant to be used for future debt reduction.

Net assets restricted for expendable donor restrictions include donor-imposed restrictions, which limit the net assets use to a specified time period or purpose. Net assets restricted for nonexpendable donor restrictions include donor-imposed restrictions, which require the net assets to be maintained by the Board of Trustees in perpetuity.

(i) *Encumbrances*

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded in order to reserve that portion of the appropriation, is utilized in the governmental funds. Encumbrances are reported as reservations of fund balances because they do not constitute expenditures or liabilities for GAAP-basis financial statements. Encumbrances will remain in force and be liquidated under the current year's budget.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

(j) Amortization

In government-wide financial statements, bond premiums are recorded as an addition to the debt obligation and bond issuance costs are recorded as a deferred charge. Such amounts are amortized using the interest method or bonds outstanding method over the term of the related revenue bonds.

In the fund financial statements, governmental funds recognize bond premiums, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(k) Compensated Absences

Under terms of the County's personnel policies, employees are granted vacation and sick leave in varying amounts. County employees are allowed to carry their total accrued vacation leave balance up to an established cap. Amounts in excess of this cap are converted to sick leave. However, in the event of termination, County employees are only paid for accrued vacation leave up to a maximum of two times their annual accrual of vacation leave. Employees are not paid for accumulated sick leave upon termination. The vacation earned by County employees, subject to the aforementioned maximum, has been recorded as a long-term liability in the government-wide financial statements. A liability for compensated absences is recorded within the fund financial statements only to the extent that this liability has matured. Compensated absences are typically liquidated from the fund that pays the salary and benefits for the employee.

(l) Interfund Transactions

In the fund financial statements, the County has the following types of transactions amongst funds:

Transfers

Legally authorized transfers are reported when incurred as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.

Interfund Services Provided/Used

Charges for services rendered by one fund for another are recognized as revenues (interfund services provided) of the recipient fund and expenditures or expenses (interfund services used) of the disbursing fund. These transactions are recorded as interfund services because they would be treated as revenues and expenditures or expenses if they involved organizations external to the County.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements *(Continued)*

(m) Statement Of Cash Flows

For the purpose of the statement of cash flows, cash and cash equivalents are defined as cash and all highly liquid investments (including restricted assets) with a maturity of three months or less at the date of purchase.

(n) Use Of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenue, expenses, and expenditures during the reporting period. Actual results could differ from those estimates.

(o) Income Taxes - Component Unit

The Board of Trustees is exempt from federal income tax as described in Section 115 of the Internal Revenue Code. The Boone Hospital Foundation and the Walter Johnson Palliative Care Foundation, component units of the Board of Trustees, are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

(2) Cash And Investments

Primary Government

The County's investment policies are governed by County Commission Order, state statutes, and management policies. The County deposits all cash with the County Treasurer, who maintains all banking relationships for the County. Additionally, all investment decisions are made by the County Treasurer and the Treasurer's agents. County moneys are deposited in FDIC-insured banks located within the State of Missouri.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements *(Continued)*

The County is authorized to invest in the following:

- a. United States Treasury Securities;
- b. United States Agency Securities, including coupon and zero coupon securities, discount notes, callable securities, step-up securities, floating rate securities, and mortgage backed securities;
- c. Repurchase agreements;
- d. Collateralized public deposits (certificates of deposit);
- e. Banker's acceptance and
- f. Commercial paper.

Investments are recorded at fair value. Fair value for investments is determined by closing market prices at year-end as reported by FT Interactive Data. In addition, money market mutual funds are classified as cash and cash equivalents on the statement of net assets but as investments for risk disclosure.

As of December 31, 2010, the County had the following investments:

<u>Investment Type</u>	<u>Fair Value</u>
Certificates of Deposit	\$ 23,000,000
U.S. Treasuries	205,000
U.S. Agencies:	
Federal Home Loan Bank	35,557,188
Federal National Mortgage Association	4,999,063
Federal Farm Credit Bank	1,996,563
Freddie Discount Notes	2,008,125
Farmer Mac Discount Notes	1,999,800
Federal Home Loan Mortgage Corporation	4,500,000
FAMA	750,000
Commercial Paper	35,494,689
Repurchase Agreement	10,000,000
Money Market Mutual Funds	1,303,618
Pension Trust Fund Mutual Funds	1,849,460
	<u>\$ 123,663,506</u>

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

(a) Interest Rate Risk

Interest rate risk is the risk that the fair value of investments will be adversely affected by a change in interest rates. The County's investment policy provides that the County seeks to minimize the risk that the market value of securities in its portfolio will decrease due to changes in general interest rates by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. Additionally, the County primarily invests operating funds in shorter-term securities. Investments with call options are assumed to mature on the call date for interest rate risk disclosures.

As of December 31, 2010, the County's investments had the following maturities:

Investment Maturities (In Years)			
Investment Type	Fair Value	Less Than One	1-5
Certificates of Deposit	\$ 23,000,000	\$ 23,000,000	\$ —
U.S. Treasuries	205,000	205,000	—
U.S. Agencies:			
Federal Home Loan Bank	35,557,188	27,609,375	7,947,813
Federal National Mortgage Association	4,999,063	4,010,000	989,063
Federal Farm Credit Bank	1,996,563	—	1,996,563
Freddie Discount Notes	2,008,125	2,008,125	—
Farmer Mac Discount Notes	1,999,800	1,999,800	—
Federal Home Loan Mortgage Corporation	4,500,000	4,500,000	—
FAMA	750,000	750,000	—
Commercial Paper	35,494,689	35,494,689	—
Repurchase Agreement	10,000,000	10,000,000	—
	\$ 120,510,428	\$ 109,576,989	\$ 10,933,439

(b) Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is measured using credit quality ratings of investments in debt securities as described by nationally recognized rating agencies such as Moody's Investor Services.

The County's investment policy provides that the County will minimize credit risk by pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the County will do business, as well as through diversifying its portfolio in order to minimize potential losses on individual securities.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

The County's debt investments (excluding U.S. Treasuries) were rated as follows by Moody's Investor Services as of December 31, 2010:

<u>Investment Rating</u>	<u>Investment Fair Value</u>
Aaa	\$ 51,810,737
P-1	68,494,691
P-2	—
Unrated	1,792,105
	<u>\$ 122,097,533</u>

(c) *Custodial Credit Risk*

Custodial credit risk is the risk that, in the event of the failure of a counterparty, the County will not be able to recover the value of the investments, collateral securities, or deposits that are in the possession of the counterparty. The County's investment policy requires that deposits be covered by adequate pledge collateral. In order to anticipate market changes and provide a level of security for all funds, the market value (including accrued interest) of the collateral should be at least 102%.

The County's investment policy further provides that all securities that serve as collateral against the deposits of a depository institution must be safe kept at a nonaffiliated custodial facility. Depository institutions pledging collateral against deposits must, in conjunction with the custodial agent, furnish the necessary custodial receipts within five business dates from the settlement date. The County shall have a depository contract and pledge agreement with each safekeeping bank that complies with the Financial Institutions, Reform, Recovery, and Enforcement Act of 1989 (FIRREA). This will ensure that the County's security interest in collateral pledged to secure deposits is enforceable against the receivables of a failed financial institution.

At December 31, 2010, all County investments and all collateral securities and letters of credit pledged against County deposits are held by the counterparty's trust department or agent in the County's name.

(d) *Concentration Of Credit Risk*

The County's investment policy provides that investments shall be diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity, specific issuer, or specific class of securities. The County's investment policy further provides that, with the exception of U.S. Treasury Securities, U.S. Government Agency Securities, and collateralized repurchase agreements, no more than 30% of the County's total investment portfolio will be invested with a single security type.

BOONE COUNTY, MISSOURINotes To Basic Financial Statements (*Continued*)

At December 31, 2010, the concentration of the County's investments was as follows:

<u>Investment Type</u>	<u>Percentage</u>	<u>Fair Value</u>
Certificates of Deposit	18.60%	\$ 23,000,000
U.S. Treasuries	0.17%	205,000
U.S. Agencies:		
Federal Home Loan Bank	28.75%	35,557,188
Federal National Mortgage Association	4.04%	4,999,063
Federal Farm Credit Bank	1.61%	1,996,563
Freddie Discount Notes	1.62%	2,008,125
Farmer Mac Discount Notes	1.62%	1,999,800
Federal Home Loan Mortgage Corporation	3.64%	4,500,000
FAMA	0.61%	750,000
Repurchase Agreement	8.09%	10,000,000
Commercial Paper	28.70%	35,494,689
Money Market Mutual Funds	1.05%	1,303,618
Pension Trust Fund Mutual Funds	1.50%	1,849,460
	100.00%	\$ 123,663,506

Investments are included within the County's accompanying statement of net assets as of December 31, 2010 as follows:

	<u>Government-Wide Statement Of Net Assets</u>	<u>Fiduciary Statement Of Net Assets</u>	<u>Total</u>
Investments	\$ 17,423,766	\$ 104,730,983	\$ 122,154,749
Restricted assets:			
Cash and cash equivalents	1,303,757	—	1,303,757
Investments	205,000	—	205,000
Total investments	\$ 18,932,523	\$ 104,730,983	\$ 123,663,506

Component Unit

The Board of Trustees may legally invest in direct obligations of and other obligations guaranteed as to principal by the U.S. Treasury and U.S. agencies and instrumentalities; obligations guaranteed by the full faith and credit of the State of Missouri; repurchase agreements, certificates of deposit; bankers acceptances; and commercial papers.

(a) Interest Rate Risk

The Board of Trustees' investment policy related to interest rate risk specifically requires investments of a short-term nature to meet liquidity needs and avoid the need to sell securities on the open market, prior to maturity.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

As of December 31, 2010, the Board of Trustees had the following investments and weighted average maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Weighted Average Maturity In Years</u>
Overnight repurchase agreements	\$ 5,459,312	0.00
U.S. Treasury money market funds	1,983,684	0.00
U.S. government agency obligations	69,527,177	1.67
Certificates of deposit	4,715,810	3.04
Corporate bonds	1,897,023	1.64
Fixed income mutual funds	268,527	n/a
Marketable equity securities	4,677,383	n/a
Restricted bond accounts:		
U.S. Treasury money market funds	11,181,344	0.00
U.S. government agency obligations	31,863,727	0.27
	<u>\$ 131,573,987</u>	

(b) Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of a counterparty, the Board of Trustees will not be able to recover the value of the investments, collateral securities, or deposits that are in the possession of the counterparty. December 31, 2010, all U.S. Government Agency securities were held by local financial institutions in the name of the Board of Trustees. All investments in marketable equity securities were held in stock certificates in the name of the Board of Trustees.

(c) Credit Risk

The Board of Trustees policy related to credit risk requires diversification of the investment portfolio to mitigate the potential loss related to any one security. At December 31, 2010, the credit ratings associated with the Board of Trustee's investments were as follows:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Overnight repurchase agreements	\$ 5,459,312	Not rated
U.S. Government agency obligations	101,390,904	Aaa
Certificates of deposit	252,380	A2
Certificates of deposit	252,390	A3
Certificates of deposit	497,548	Baa3
Certificates of deposit	3,713,492	Not rated
	<u>\$ 111,566,026</u>	

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

(d) Concentration Of Credit Risk

As a means of limiting its exposure to losses arising from concentration of investments, the Board of Trustees investment policy mandates that the investment portfolio not have a concentration of assets in specific maturity, specific issuer, or specific class of securities. At a minimum diversification standards by security type and issuer shall be: a) U.S. Treasuries and securities having principal and/or interest guaranteed by the U.S. Government, up to 100%; b) Collateralized time and demand deposits, up to 100%; c) U.S. Government agencies and Government sponsored enterprises, up to 60%; d) Collateralized repurchase agreements, up to 50%; and e) U.S. Government agency callable securities, up to 30%.

(3) Property Tax

The County’s property tax is levied by September 20 of each year based on the assessed value listed for all property located in the County and appropriate taxing districts as of January 1 of that year. Property taxes are due by December 31 following the levy date. Taxes become delinquent if not paid by February and a lien is placed on the property as of March 1 if the delinquent taxes are not paid. Assessed values are established by the County Assessor, subject to review by the Board of Equalization.

Property taxes levied for 2010, which are intended to finance the budgeted expenditures for the fiscal year 2010, are recorded as receivables, net of estimated uncollectibles. Property taxes that have been billed and are expected to be collected before March 1 of the subsequent year are recognized as revenues in the current year within the governmental fund financial statements. Property taxes expected to be collected after March 1 have been recorded as property taxes receivable and deferred revenue within the governmental fund financial statements. All property taxes billed are recognized as revenue on the government-wide statements, regardless of when they are expected to be collected.

The County is permitted by Missouri State statutes to levy taxes for various purposes. The following schedule presents the maximum allowable County-wide tax levies and the County’s actual levy for 2010:

Purpose	Per \$100 Of Assessed Valuation	
	Maximum Levy Allowed By Law (a)	County’s Levy 2010
General, other than payment of principal and interest on long-term debt	0.3122	0.1200
Road and bridge (excluding special road districts)	0.2649	0.0475
Group Homes	0.1134	0.1127
Combined County-wide tax rate (noncommercial and commercial)		0.2802
County-wide surtax on commercial property (Class III)	0.6100	0.6100

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

- (a) Missouri State statutes require the County to reduce its property tax levy (levies) in an amount sufficient to decrease the total property taxes it expects to collect in a year by not less than 50% of the amount of general revenue sales taxes received by the County.

In addition to the tax levies described above, various independent taxing districts within the County, including school, County, library, fire, special road, and levee districts, levy a tax that is collected by the County Collector. The property tax collections resulting from these levies are disbursed by the County to the appropriate taxing districts.

Property taxes receivable are net of an allowance for uncollectible receivables of \$24,338 in the general fund and \$9,640 in the road and bridge fund.

(4) Intergovernmental Revenue And Receivables

Intergovernmental revenue for governmental funds for fiscal year 2010 consisted of the following:

	General Fund	Road And Bridge Fund	Neighborhood Improvement Districts	Other Governmental Funds	Total Governmental Funds
Federal	\$ 1,101,867	\$ 124,378	\$ 123,676	\$ 643,812	\$ 1,993,733
State	1,193,579	1,211,776	—	317,027	2,722,382
Local	188,815	—	—	30,852	219,667
Total inter- governmental revenue	\$ 2,484,261	\$ 1,336,154	\$ 123,676	\$ 991,691	\$ 4,935,782

Within the fund financial statements, amounts due from other governments at December 31, 2010 include the following:

	General Fund	Road And Bridge Fund	Other Governmental Funds	Total Governmental Funds
Federal	\$ 171,770	\$ 70,345	\$ 178,492	\$ 420,607
State	107,210	125,629	30,663	263,502
Local	45,605	20,368	24,936	90,909
Total due from other governments	\$ 324,585	\$ 216,342	\$ 234,091	\$ 775,018

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

(5) Interfund Balances

Interfund receivable and payable balances at December 31, 2010 were as follows:

Due From:	Due To:			Total
	General Fund	Road And Bridge Fund	Other Governmental Funds - Nonmajor	
General Fund	\$ —	\$ 619	\$ —	\$ 619
Road And Bridge Fund	28,546	—	—	28,546
Other Governmental Funds - Nonmajor	14,329	—	16,467	30,796
	<u>\$ 42,875</u>	<u>\$ 619</u>	<u>\$ 16,467</u>	<u>\$ 59,961</u>

These interfund balances are the result of services provided by one fund to another fund and are expected to be repaid during the fiscal year ended December 31, 2010.

Loans receivable and payable between funds at December 31, 2010 are as follows:

Receivable Fund	Payable Fund	Amount
General fund	Neighborhood improvement districts	<u>\$ 66,426</u>

Interfund loans were used to provide short-term financing for Neighborhood Improvement District (NID) projects.

Advances between funds at December 31, 2010 are as follows:

Receivable Fund	Payable Fund	Amount
General fund	Nonmajor governmental funds	<u>\$ 28,240</u>

The advance to the nonmajor governmental funds was made to fund expenses that were to be subsequently reimbursed by a grant from an external party.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

(6) Interfund Transfers

Transfers between funds of the County for the year ended December 31, 2010 were as follows:

Transfer Out:	Transfer In:					Total
	General Fund	Road And Bridge Fund	Series 2008 NID Bond Fund - Sewer	Other Governmental Funds - Nonmajor	Internal Service Funds	
General Fund	\$ —	\$ 3,629	\$ —	\$ 60,000	\$ —	\$ 63,629
NIDs	—	—	717,080	516	—	717,596
Other Governmental Funds - Nonmajor	72,393	—	—	546,063	—	618,456
Internal Service Funds	528,674	—	—	—	45,000	573,674
	\$ 601,067	\$ 3,629	\$ 717,080	\$ 606,579	\$ 45,000	\$ 1,973,355

Interfund transfers were used to move revenues from the fund that ordinance or budget requires to collect them to the fund that ordinance or budget requires to expend them.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

(7) Capital Assets

Primary Government

The following is a summary of changes in capital assets for the year ended December 31, 2010:

	Balance January 1, 2010	Additions	Deletions	Transfers	Balance December 31, 2010
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 6,656,080	\$ 41,313	\$ —	\$ —	\$ 6,697,393
Land - infrastructure	10,423,277	—	—	—	10,423,277
Construction in progress	883,067	3,391,864	(34,397)	(604,149)	3,636,385
Construction in progress - intangibles	—	163,002	—	—	163,002
Construction in progress - infrastructure	1,363,313	992,942	—	(484,923)	1,871,332
Works of art	120,228	6,000	—	—	126,228
Total capital assets not being depreciated	19,445,965	4,595,121	(34,397)	(1,089,072)	22,917,617
Capital assets being depreciated:					
Buildings and improvements	44,498,972	548,052	(47,774)	604,149	45,603,399
Vehicles and equipment	11,257,843	831,933	(316,388)	—	11,773,388
Office furniture and equipment	3,919,185	164,197	(129,622)	—	3,953,760
Infrastructure	101,667,873	988,958	(225,588)	484,923	102,916,166
Total capital assets being depreciated	161,343,873	2,533,140	(719,372)	1,089,072	164,246,713
Less accumulated depreciation for:					
Buildings and improvements	8,504,108	835,569	(31,307)	—	9,308,370
Vehicles and equipment	6,454,108	965,778	(246,837)	—	7,173,049
Office furniture and equipment	3,342,831	302,792	(129,623)	—	3,516,000
Infrastructure	74,064,703	3,805,656	(107,748)	—	77,762,611
Total accumulated depreciation	92,365,750	5,909,795	(515,515)	—	97,760,030
Total capital assets being depreciated, net	68,978,123	(3,376,655)	(203,857)	1,089,072	66,486,683
Total capital assets, net	\$ 88,424,088	\$ 1,218,466	\$ (238,254)	\$ —	\$ 89,404,300

Within the statement of activities, depreciation expense is charged to the functions of the primary government as follows:

Policy and administration	\$ 400,600
Law enforcement and judicial	943,170
Environment, public buildings and infrastructure	4,498,529
Community health and public services	58,335
Internal service fund - capital project and facilities maintenance/repair	9,161
	<u>9,161</u>
	<u>\$ 5,909,795</u>

BOONE COUNTY, MISSOURINotes To Basic Financial Statements (*Continued*)***Component Unit***

The following is a summary of changes in the component unit capital assets for the year ended December 31, 2010:

	Balance January 1, 2010	Additions	Deletions	Transfers	Balance December 31, 2010
Governmental activities:					
Capital assets not being depreciated:					
Construction in progress	\$ 19,214,800	\$ 51,373,644	\$ —	\$ (6,312,011)	\$ 64,276,433
Capital assets being depreciated:					
Land and land improvements	17,139,736	—	—	93,309	17,233,045
Buildings	121,243,056	—	(205,760)	5,249,122	126,286,418
Fixed equipment	812,002	—	(597)	191,371	1,002,776
Major movable equipment	12,396,947	—	(173,025)	778,209	13,002,131
Total capital assets being depreciated	151,591,741	—	(379,382)	6,312,011	157,524,370
Less accumulated depreciation for:					
Land and land improvements	5,844,192	367,195	—	—	6,211,387
Buildings	61,003,088	3,729,363	(121,684)	—	64,610,767
Fixed equipment	656,364	32,331	(597)	—	688,098
Major movable equipment	11,780,257	123,593	(169,736)	—	11,734,114
Total accumulated depreciation	79,283,901	4,252,482	(292,017)	—	83,244,366
Total capital assets being depreciated, net	72,307,840	(4,252,482)	(87,365)	6,312,011	74,280,004
Total capital assets, net	\$ 91,522,640	\$ 47,121,162	\$ (87,365)	\$ —	\$ 138,556,437

(8) Long-Term Liabilities***Primary Government***

Following is a summary of the changes in long-term liabilities for the year ended December 31, 2010:

	Balance January 1, 2010	Additions	Deletions	Balance December 31, 2010	Due Within One Year
General obligation bonds payable	\$1,997,000	\$ 327,675	\$ (794,600)	\$ 1,530,075	\$ 101,869
Special obligation bonds payable	5,455,000	830,000	(345,000)	5,940,000	585,000
Unamortized premiums	49,637	—	(5,839)	43,798	5,839
Accrued compensated absences	974,939	901,736	(825,550)	1,051,125	854,000
Other post-employment benefits	113,439	64,100	(1,162)	176,377	—
	\$8,590,015	\$2,123,511	\$(1,972,151)	\$ 8,741,375	\$ 1,546,708

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

General Obligation Bonds

General obligation bonds at December 31, 2010 are composed of special assessment debt as follows:

\$305,000 - 2001 general obligation neighborhood improvement bonds due in annual installments of \$25,000 to \$37,000 through 2012; interest at 2.35% to 4.1%	\$ 72,000
\$182,000 - 2006 general obligation neighborhood improvement bonds due in annual installments of \$15,000 to \$21,000 through 2016; interest at 4.2% to 4.5%	117,000
\$1,700,000 - 2008 general obligation neighborhood sewer improvement bonds due in annual installments of \$80,000 to \$108,000 through 2028; interest at 1.92%	1,013,400
\$204,000 - 2010A general obligation neighborhood sewer improvement bonds due in annual installments of \$1,000 to \$79,000 through 2030; interest at 4.0% to 5.0%	204,000
\$123,675 - 2010 general obligation neighborhood sewer improvement bonds (Direct Loan through Department of Natural Resources - ARRA) due in annual installments of \$69 to \$8,112 through 2029; interest at 1.48%	<u>123,675</u>
Total general obligation bonds	<u>\$ 1,530,075</u>

The annual debt service requirements for the above general obligation bonds are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 101,869	\$ 38,008	\$ 139,877
2012	111,875	34,697	146,572
2013	75,912	32,005	107,917
2014	77,781	30,032	107,813
2015	79,818	27,996	107,814
2016-2020	332,717	115,924	448,641
2021-2025	352,486	82,968	435,454
2026-2030	397,617	39,050	436,667
	<u>\$ 1,530,075</u>	<u>\$ 400,680</u>	<u>\$ 1,930,755</u>

The County is subject to Missouri State statutes that limit the amount of the County's outstanding bonded debt (exclusive of revenue bonds and balances available in Debt Service funds) to 10% of the County's assessed valuation. At December 31, 2010, the statutory limit for the County was \$232,825,268, providing a debt margin of \$231,591,227.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

Although the County is generally obligated for their payment, neighborhood improvement bonds are to be repaid from assessments on properties within the districts. Such assessments are required to be deposited in debt service funds that are legally restricted for payment of the bonds. The County attaches liens on the properties within the districts to secure payment of the assessments. As of December 31, 2010, delinquent assessments receivable amounted to \$9,424.

Special Obligation Bonds

Special obligation bonds at December 31, 2010 are composed of the following:

\$5,240,000 - 2003 refunding and improvement special obligation bonds due in annual installments of \$270,000 to \$745,000 through 2018; interest at 2% to 4%; secured by a first lien on the property and buildings purchased with bond proceeds	\$ 3,255,000
\$2,005,000 - 2005 taxable special obligation bonds due in annual installments of \$45,000 to \$65,000 beginning in 2008 through 2014, with a balloon payment of \$1,640,000 in 2015; interest at 4.92% to 5.94%; secured by first lien on the property and buildings purchased with bond proceeds	1,855,000
\$830,000 - 2010 special obligation Recovery Zone bonds due in annual installments of \$70,000 to \$95,000 beginning in 2011 through 2020; semi-annual interest is due 2010 through 2020; interest at 3.354% to 4.594%; secured by first lien on the property and buildings constructed by the bond proceeds	<u>830,000</u>
Total special obligation bonds	<u><u>\$ 5,940,000</u></u>

The annual debt service requirements for the above special obligation bonds are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2011	\$ 585,000	\$ 247,389	\$ 832,389
2012	450,000	230,113	680,113
2013	465,000	214,363	679,363
2014	480,000	197,751	677,751
2015	2,035,000	134,438	2,169,438
2016-2020	1,925,000	156,961	2,081,961
	<u>\$ 5,940,000</u>	<u>\$ 1,181,015</u>	<u>\$ 7,121,015</u>

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

Component Unit

Following is a summary of the changes in the Board of Trustees long-term debt liabilities for the year ended December 31, 2010:

	Balance January 1, 2009	Additions	Deletions	Balance December 31, 2010	Due Within One Year
Revenue bonds	\$ 120,595,000	\$ —	\$ (3,735,000)	\$ 116,860,000	\$ 3,865,000
Other accrued expenses	150,773	—	(94,133)	56,640	—
	<u>\$ 120,745,773</u>	<u>\$ —</u>	<u>\$ (3,829,133)</u>	<u>\$ 116,916,640</u>	<u>\$ 3,865,000</u>

Revenue bonds of the Board of Trustees at December 31, 2010 are composed of the following:

Hospital Refunding Revenue Bonds, Series 2002, principal payable annually through August 2022 in amounts ranging from \$905,000 to \$2,205,000, including premium of \$93,573. Interest is payable semiannually and ranges from 2.1% to 5.25%	\$ 15,280,000
Hospital Revenue Bonds, Series 2004, principal payable annually through July 2024 in amounts ranging from \$230,000 to \$505,000, including discount of \$68,410. Interest is payable semiannually and ranges from 3.75% to 5%	5,275,000
Hospital Revenue Bonds, Series 2008, principal payable annually through August 2038 in amounts ranging from \$655,000 to \$7,040,000, including premium of \$1,078,731. Interest is payable semiannually and ranges from 3% to 5.625%	<u>96,305,000</u>
	<u>\$ 116,860,000</u>

Debt service requirements for the revenue bonds relating to the Board of Trustees are being financed through the hospital facilities lease payments pursuant to and through the terms of the lease agreement with CHAS.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

The annual requirements to amortize the above principal are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 3,865,000	\$ 6,131,306
2012	4,015,000	5,979,979
2013	4,180,000	5,817,296
2014	4,390,000	5,609,642
2015	4,575,000	5,424,172
2016 – 2020	12,280,000	24,840,740
2021 – 2025	15,745,000	21,365,977
2026 – 2030	20,715,000	16,410,125
2031 – 2035	27,050,000	10,081,827
2036 – 2038	20,045,000	2,232,486
	<u>\$ 116,860,000</u>	<u>\$ 103,893,550</u>

(9) Operating Lease

Effective January 2001, and as amended on December 26, 2006, the County and the Board of Trustees entered into an amended and restated lease agreement with CH Allied Services, Inc. (CHAS), whereby CHAS leases real property and equipment of the Board of Trustees for the purpose of providing healthcare services in Boone County and surrounding areas. The amended term of the lease is through December 31, 2015.

Under terms of the agreement, the Board of Trustees as lessor will lease real property and equipment to CHAS (Lessee), for the purpose of providing health care services in Boone County and surrounding areas.

Minimum payments, under the terms of the lease for 2010, are as follows:

1. Effective for the year ended December 31, 2008, the base annual lease payment totals \$10,000,000, which is intended to approximate the debt service requirements of the Board of Trustees.
2. The Board of Trustees receives annually a percentage of the change in cash and cash equivalents generated by the hospital during the year. In 2010, the percentage of cash and cash equivalents per the lease was 25%. Accordingly, the Board of Trustees recognized income of \$5,727,097 in 2010. As of December 31, 2010, the amount was reported in accounts and other receivables on the accompanying statement of net assets. Under the same terms of the Lease, the Board of Trustees is responsible for 75% of any shortfall in cash and cash equivalent balances during a fiscal year, and therefore under those conditions would be required to make a payment to the lessee.

The restated lease agreement also includes minimum capital expenditure requirements, certain lessee and lessor operational covenants, and governance and control clauses.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements *(Continued)*

The Amended and Restated Lease between the Board of Trustees and CHAS requires CHAS to commit to expend, on a successive three-year period average basis, no less than seven percent (7%) of Boone Hospital Center net revenues on capital expenditures. This requirement was not satisfied by the cumulative amount of \$20,976,630 for the period of January 1, 2001 to December 31, 2010. This cumulative amount is before consideration of commitments for capital expenditures for specific projects and equipment that have been made by CHAS to the Board of Trustees, but for which expenditures have not yet been incurred as of December 31, 2010.

On November 26, 2007, the Board of Trustees approved a joint resolution with CHAS whereby CHAS shall commit and earmark current or future net revenue until the capital expenditure benchmark is satisfied. Under this resolution CHAS transferred \$10,248,231 into a segregated account which is to be used to pay for specific capital projects as soon as practical. At December 31, 2010, the balance of this account was \$752,000 and is included in the before mentioned cumulative shortfall balance of \$20,976,630.

Additionally, pursuant to the Lease, CHAS is required to make payments of \$1,350,000 per year to the County in equal quarterly installments beginning in 2001. In years subsequent to 2001, the required lease payment is increased as determined based upon the Consumer Price Index. Beginning in 2010, CHAS is required to make an additional payment to the County for \$500,000 per year to be used for community medical and health needs.

The Board of Trustees also leases or rents property in Boone County, Missouri for establishing medical practices and related services primarily located adjacent to Boone Hospital Center. The income from these agreements is characterized as rental income on the financial statements for the Board of Trustees.

Future minimum lease payments expected under noncancellable lease agreements for the next five years are as follows:

Year Ending December 31	CHAS Lease	Other Leases	Total
2011	\$ 10,000,000	\$ 707,112	\$ 10,707,112
2012	10,000,000	517,105	10,517,105
2013	10,000,000	517,105	10,517,105
2014	10,000,000	450,565	10,450,565
2015	10,000,000	364,744	10,364,744
	<u>\$ 50,000,000</u>	<u>\$ 2,556,631</u>	<u>\$ 52,556,631</u>

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

(10) Employee Benefit Plans

Primary Government

(a) *Boone County Matching Pension Plan*

The Boone County Matching Pension Plan (the Plan) is a defined contribution plan under Internal Revenue Code (IRC) Section 401 (a). The Plan was adopted by Order of the County Commission on March 16, 1999, with an effective date of May 1, 1999. The County Commission has the authority to amend the Plan. All employees who are in “benefited” positions are eligible to participate. As of December 31, 2010, 278 employees were participating in the Plan. The County makes contributions equal to participating employees’ contributions to the County’s IRC Section 457 deferred compensation plan, with County contributions limited to \$15 per bi-weekly pay period per participant. These matching contributions are invested as directed by participants in a variety of registered investment company funds. The County’s matching contributions for 2010 were \$104,629. For financial reporting purposes, the activity of the Plan is accounted for within the pension trust fund of the County. Separate financial statements are not available for the Plan.

(b) *Statewide County Employees’ Retirement Fund*

The County Employees’ Retirement Fund (CERF) was established by an act of the Missouri General Assembly effective August 28, 1994. Laws governing the retirement fund are found in Sections 50.1000-50.1300 of the Missouri Revised Statutes (RSMo). The Board of Directors consists of eleven members, nine of whom are county employee participants. The CERF is administered by a governing board of directors, which has the authority to adopt rules and regulations for administering the system.

The CERF is a mandatory cost-sharing multiple employer retirement system for each county in the State of Missouri, except any county not within a county (which excludes the County of St. Louis) and counties of the first classification with a charter form of government. Complete financial statements of the CERF can be obtained from its administrative offices:

County Employee Retirement Fund
c/o Brydon, Searingen, and England
312 East Capitol
Jefferson County, Missouri 65102

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

The CERF covers County elective or appointive officers or employees whose position requires the actual performance of duties not less than 1,000 hours per year; including employees of circuit courts located in a first class, noncharter county which is not participating in the Local Government Employees Retirement System (LAGERS); and does not cover circuit clerks, deputy circuit clerks, County prosecuting attorneys, and County sheriffs. Until January 1, 2000, employees hired before January 1, 2000 could opt out of the system.

The CERF provides retirement and death benefits to its members. All benefits vest after eight years of creditable service. Employees who retire on or after age 62 are entitled to an allowance for life based on the form of payment selected. Employees who have a minimum of eight years of creditable service may retire with an early retirement benefit and receive a reduced allowance after attaining age 55. Annual cost of living adjustments, not to exceed 1%, are provided for eligible retirees and survivor annuitants, up to a lifetime maximum of 50% of the initial benefit which the member received upon retirement. Benefit provisions are fixed by state statute and may be amended only by action of the Missouri Legislature. Administrative expenses for the operation of the Fund are paid out of funds of the system.

Prior to January 1, 2003, participating County employees, except for those who participated in LAGERS, were required to make contributions equal to 2% of gross compensation. Effective January 1, 2003, in addition to the prior contribution requirements, participating county employees hired on or after February 25, 2002 are required to make contributions of 4% if they are in a LAGERS county and contributions of 6% if they are in a non-LAGERS county. If an employee leaves covered employment before attaining eight years of creditable service, accumulated employee contributions are refunded to the employee. The contribution rate is set by state statute and may be amended only by action of the Missouri Legislature.

While the County is not required to make any contributions to the Plan, the County has elected to contribute 4% of the required 6% contribution for employees hired between February 25, 2002 and December 31, 2002. During 2010, the County collected and remitted to CERF employee contributions of \$641,733, employer contributions of \$28,392 and statutory charges of \$705,268.

(c) ***Deferred Compensation Plan***

The County offers its employees a deferred compensation plan created in accordance with IRC Section 457. The deferred compensation plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employees or other beneficiary) held in trust for the exclusive benefit of employees. As the County does not have fiduciary responsibility for these assets, the trust account and related liability are not included in the accompanying basic financial statements.

(11) Other Post-Employment Benefit Plan

Plan Description

The County has a single-employer defined benefit healthcare plan (the Healthcare Plan) that provides medical and prescription drug coverage to retirees. Participants are eligible to retire once they have attained age 55 plus five years of service or age 65.

The County requires retirees to pay the same premiums charged to active participants. The rates being paid for benefits are typically lower than those for individual health insurance policies. The difference between these rates is the implicit rate subsidy, which is considered an other post-employment benefit under GASB Statement No. 45, *Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions*.

Retirees and spouses have the same benefits as active employees. Retiree and spousal coverage terminates when the retiree becomes covered under another employer health plan, or becomes eligible to be covered under Medicare at age 65.

Funding Policy

The County is not required to fund the Healthcare Plan and has elected not to do so. County policy dictates the payment of retiree claims as they come due.

Annual Post-Employment Benefit Cost

The County's annual post-employment benefit cost for the current year is as follows:

Annual required contribution (January 1, 2010)	\$ 66,100
Interest on net OPEB obligation	4,500
Adjustment to the Annual Required Contribution (ARC)	<u>(6,500)</u>
Net OPEB Costs	64,100
Contributions made	<u>(1,162)</u>
Increase in benefit obligation	62,938
Net post-employment benefit obligation - Beginning of year	<u>113,439</u>
End of year	<u><u>\$ 176,377</u></u>

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

Trend Information

<u>Year Ended</u>	<u>Annual Post-Employment Benefit Cost (APBC)</u>	<u>Percentage Of APBC Contributed</u>	<u>Net Post-Employment Obligation</u>
2010	\$ 64,100	2%	\$ 176,377
2009	\$ 69,800	7%	\$ 113,439
2008	\$ 69,800	20%	\$ 48,355

Funded Status And Funding Progress

As of December 31, 2010, the Healthcare Plan was not funded. The actuarial accrued liability for benefits at December 31, 2010, the date of the latest actuarial valuation, was \$461,000, and there were no assets, resulting in an unfunded actuarial accrued liability (UAAL) of \$461,000. The covered payroll (annual payroll of active employees covered by the plan) was \$16,800,000, and the ratio of the UAAL to covered payroll was 2.7%.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents trend information about whether the actuarial accrued liability for benefits is increasing or decreasing over time.

Actuarial Assumptions And Methods

The actuarial accrued liability was determined as part of an actuarial valuation at December 31, 2010, the most recently filed actuarial valuation report. Additional information as of the latest actuarial valuation follows:

Valuation Date:	December 31, 2010
Actuarial Cost Method:	Projected Unit Credit Cost Method
Amortization Method and Period:	The initial UAAL is being amortized over a 30 year closed period using a level-percentage of projected payroll
Healthcare Cost Trend Rate:	7.7% initially, reduced by decrements to an ultimate rate of 4.7% after 70 years.
Discount Rate	4%
Investment Rate of Return	N/A

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

(12) Commitments And Contingent Liabilities

Litigation

The County is a defendant in a number of claims and lawsuits. The County's legal counsel has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the County and arrive at an estimate, if any, of the amount or range of potential loss to the County. The County's legal counsel has indicated that the resolution of any lawsuits pending is not expected to have a material adverse effect on the basic financial statements of the County. No amount has been provided in the December 31, 2010 basic financial statements for any such claims and lawsuits.

General Obligation Bonds

In 1992, County voters approved a \$3.5 million general obligation bond issue for the purpose of financing the construction and repair of roads and streets within the County's neighborhood improvement districts. Property taxes will not be levied for debt service on the bonds; instead, property owners within these districts will repay the bonds through annual billings over a period not to exceed 10 years. As of December 31, 2010, \$1,581,000 of the bonds has been issued.

In 1997, County voters approved a \$5.5 million general obligation bond issue for the purpose of financing the construction and repair of sewers within the County's neighborhood improvement districts. Property taxes will not be levied for debt service on the bonds; instead, property owners within these districts will repay the bonds through annual billings over a period not to exceed 20 years. As of December 31, 2010, \$2,184,000 of the bonds has been issued.

Component Unit

As a normal part of operations, the Board of Trustees may enter into significant contracts and make proposals and commitments of a financial nature for various business reasons. Lease agreements and construction contracts account for substantially all of the Board of Trustees material commitments.

The Board of Trustees entered into contracts for the construction and renovation of outpatient, surgical and administrative areas of the hospital. Remaining commitments for these contracts totaled approximately \$28 million at December 31, 2010.

Construction

As of December 31, 2010, the County has outstanding construction commitments amounting to \$744,700.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (*Continued*)

(13) Risk Management

Primary Government

The County maintains broad form insurance coverage for property/casualty, general liability, inland marine, EDP, public officials' errors and omissions, law enforcement errors and omission, and boiler and machinery. The County is a member of the Missouri Public Entity Risk Management Fund (MOPERM), a public entity risk retention pool. The MOPERM Board of Directors includes six member representatives, including the Commissioner of the State's Office of Administration and the Missouri Attorney General. MOPERM has the right to assess members' additional premiums to cover deficiencies in claim payments and may also issue refunds when revenues exceed expenses. Property losses are limited to 125% of scheduled property values and other risks are insured up to \$2,000,000 with deductibles varying between \$10 and \$10,000 per incident. MOPERM is responsible for claims within its specified self-insured retention limits and provides coverage for large losses through excess insurance agreements. The County had no settlements in excess of insurance coverage in any of the past three years. Total premiums paid to MOPERM by the County in 2010 were \$622,861. Premiums paid to Naught for crime insurance and professional engineers/architects insurance were \$18,329.

Self-Insured Employee Benefits

The County maintains three internal service funds to account for its self-insured coverage of County employees and their dependents for health, dental, and workers' compensation benefits. Under these self-insurance programs, coverage is provided up to a maximum of \$85,000, \$1,250, and \$350,000 for each health, dental, and workers' compensation claims, respectively. Additionally, coverage is provided up to a maximum of \$450,000 for police officers for workers' compensation claims. The County has commercial reinsurance for claims in excess of the health and workers' compensation individual claim maximum. No reinsurance is in place for dental because the County's plan does not provide for individual claims in excess of \$1,250. The claims liability, as reported in the Internal Service funds, is based on the GASB Statement No. 10 requirements that a liability for claims be recorded if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and the amount of the loss can be reasonably estimated. There were no significant changes in coverage during the year.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements (Continued)

Changes in the internal service funds claims liability for the past two years are as follows:

	2010			
	Beginning Of Year Claims Liability	Current Year Claims And Changes In Estimates	Claim Payments	End Of Year Claims Liability
Self-insured health plan, including prescription drugs	\$ 158,778	\$ 2,117,407	\$ (2,062,437)	\$ 213,748
Self-insured dental plan	21,791	190,197	(192,509)	19,479
Self-insured worker's compensation	323,247	321,162	(314,374)	330,035
	<u>\$ 503,816</u>	<u>\$ 2,628,766</u>	<u>\$ (2,569,320)</u>	<u>\$ 563,262</u>

	2009			
	Beginning Of Year Claims Liability	Current Year Claims And Changes In Estimates	Claim Payments	End Of Year Claims Liability
Self-insured health plan, including prescription drugs	\$ 163,494	\$ 1,784,154	\$ (1,788,870)	\$ 158,778
Self-insured dental plan	15,323	183,685	(177,217)	21,791
Self-insured worker's compensation	275,989	317,372	(270,114)	323,247
	<u>\$ 454,806</u>	<u>\$ 2,285,211</u>	<u>\$ (2,236,201)</u>	<u>\$ 503,816</u>

Component Unit

The Board of Trustees is exposed to various risks of loss related to certain aspects of the Board of Trustees' operations. These legal proceedings are not likely to have a material adverse impact on the funds of the Board of Trustees. Significant losses are covered by commercial insurance. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year.

(14) Conduit Debt

During 2008, pursuant to the statutory provisions of Revised Statutes of Missouri (RSMo) 100, the County issued \$15,000,000 of "Chapter 100" bonds in order to finance the construction of a facility and purchase of equipment for Analytical Bio-Chemistry Laboratories, Inc. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon payment of the bonds, ownership of the acquired facilities transfers to Analytical Bio-Chemistry Laboratories, Inc. The County is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying basic financial statements.

BOONE COUNTY, MISSOURI

Notes To Basic Financial Statements *(Continued)*

(15) Fund Deficit

The fund deficit of \$620,390 in the Neighborhood Improvement District major fund is due to neighborhood improvements being performed in advance of assessments being collected from residents. The deficit will be resolved in future years as assessments are collected.

The fund deficit of \$4,148 in the Prosecuting Attorney Bad Check collection special revenue is due to expenses exceeding charges for services in 2010. The deficit will be resolved by charges to services collected in future years.

(16) Proposed Combination of Foundations – Component Unit

During 2010, the Board of Trustees decided to combine the Walter Johnson Palliative Care Foundation into the Boone Hospital Foundation during 2011. The Board of Trustees obtained consent from the family of Walter Johnson to perform this combination. Under the combination, the Walter Johnson Palliative Care Foundation would be merged into the Boone Hospital Foundation and be maintained as a separate fund designated for use in the palliative care program.

(17) Subsequent Events

During 2011, the County issued \$485,869 in general obligations neighborhood improvements bonds.

Required Supplementary Information

BOONE COUNTY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
GENERAL FUND**

For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 2,922,600	2,922,600	2,967,101	44,501
Sales taxes	11,117,000	11,117,000	11,579,077	462,077
Other taxes	159,600	159,600	149,297	(10,303)
Licenses and permits	310,730	310,730	445,159	134,429
Intergovernmental	2,449,938	2,888,298	2,484,261	(404,037)
Charges for services	3,749,040	3,749,340	3,741,819	(7,521)
Fines and Forfeitures	6,000	6,000	9,431	3,431
Investment income	109,103	109,103	31,913	(77,190)
Miscellaneous:				
Hospital lease revenue	1,632,322	1,632,322	1,678,028	45,706
Other	598,296	598,296	603,628	5,332
Total revenues	23,054,629	23,493,289	23,689,714	196,425
EXPENDITURES				
Policy and administration:				
Auditor:				
Personnel services	266,375	268,326	259,310	9,016
Supplies, services, and other charges	28,940	28,940	26,583	2,357
Total Auditor	295,315	297,266	285,893	11,373
Human Resources:				
Personnel services	117,731	117,731	116,949	782
Supplies, services, and other charges	44,026	43,945	34,262	9,683
Total Human Resources	161,757	161,676	151,211	10,465
Purchasing:				
Personnel services	142,203	142,203	141,183	1,020
Supplies, services, and other charges	18,675	18,675	14,937	3,738
Total Purchasing	160,878	160,878	156,120	4,758
County Commission:				
Personnel services	393,467	393,467	372,218	21,249
Supplies, services, and other charges	74,779	74,779	72,679	2,100
Total County Commission	468,246	468,246	444,897	23,349
County Association Dues:				
Supplies, services, and other charges	34,159	34,159	31,876	2,283
Total County Association Dues	34,159	34,159	31,876	2,283
Emergency and Contingency:				
Supplies, services, and other charges	770,500	538,606	—	538,606
Total Emergency and Contingency	770,500	538,606	—	538,606

(Continued)

BOONE COUNTY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
GENERAL FUND**

For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
Centralia Office:				
Supplies, services and other charges	\$ 9,270	9,270	8,551	719
Total Centralia Office	<u>9,270</u>	<u>9,270</u>	<u>8,551</u>	<u>719</u>
County Counselor Office:				
Personnel services	125,211	125,211	125,182	29
Supplies, services and other charges	33,034	33,034	13,601	19,433
Total County Counselor Office	<u>158,245</u>	<u>158,245</u>	<u>138,783</u>	<u>19,462</u>
County Clerk:				
Personnel services	283,797	283,797	272,619	11,178
Supplies, services and other charges	29,874	30,846	24,488	6,358
Total County Clerk	<u>313,671</u>	<u>314,643</u>	<u>297,107</u>	<u>17,536</u>
Election and Registration:				
Personnel services	327,259	341,967	341,394	573
Supplies, services and other charges	867,793	891,042	610,588	280,454
Total Election and Registration	<u>1,195,052</u>	<u>1,233,009</u>	<u>951,982</u>	<u>281,027</u>
Treasurer:				
Personnel services	221,442	209,872	205,551	4,321
Supplies, services and other charges	69,509	86,054	69,960	16,094
Capital outlay	—	1,000	—	1,000
Total Treasurer	<u>290,951</u>	<u>296,926</u>	<u>275,511</u>	<u>21,415</u>
Collector:				
Personnel services	379,007	379,007	347,393	31,614
Supplies, services and other charges	99,256	98,742	83,746	14,996
Capital outlay	5,682	6,196	6,195	1
Total Collector	<u>483,945</u>	<u>483,945</u>	<u>437,334</u>	<u>46,611</u>
Recorder:				
Personnel services	389,347	389,347	387,044	2,303
Supplies, services and other charges	101,032	101,032	94,826	6,206
Capital outlay	—	—	60	(60)
Total Recorder	<u>490,379</u>	<u>490,379</u>	<u>481,930</u>	<u>8,449</u>
Information Technology:				
Personnel services	910,247	910,529	877,849	32,680
Supplies, services and other charges	411,693	416,558	330,307	86,251
Capital outlay	105,598	217,458	193,667	23,791
Total Information Technology	<u>1,427,538</u>	<u>1,544,545</u>	<u>1,401,823</u>	<u>142,722</u>
Geographic Information System—Consortium:				
Supplies, services and other charges	9,435	9,435	1,966	7,469
Total Geographic Information System—Consortium	<u>9,435</u>	<u>9,435</u>	<u>1,966</u>	<u>7,469</u>

(Continued)

BOONE COUNTY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND

For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
Geographic Information System—County:				
Personnel services	\$ 117,613	117,613	117,498	115
Supplies, services and other charges	39,606	39,606	35,254	4,352
Total Geographic Information System—County	<u>157,219</u>	<u>157,219</u>	<u>152,752</u>	<u>4,467</u>
Nondepartmental:				
Supplies, services and other charges	216,689	216,689	202,993	13,696
Debt service:				
Principal retirement	332,000	290,000	290,000	—
Interest and fiscal charges	136,115	118,115	118,115	—
Total Nondepartmental	<u>684,804</u>	<u>624,804</u>	<u>611,108</u>	<u>13,696</u>
Insurance and Safety:				
Supplies, services and other charges	498,520	498,520	477,021	21,499
Total Insurance and Safety	<u>498,520</u>	<u>498,520</u>	<u>477,021</u>	<u>21,499</u>
Employee Benefits:				
Personnel services	20,000	3,727	—	3,727
Supplies, services and other charges	9,800	9,800	9,304	496
Employee Benefits	<u>29,800</u>	<u>13,527</u>	<u>9,304</u>	<u>4,223</u>
Mail Services:				
Personnel services	69,315	69,315	60,315	9,000
Supplies, services and other charges	276,354	283,182	246,986	36,196
Total Mail Services	<u>345,669</u>	<u>352,497</u>	<u>307,301</u>	<u>45,196</u>
Insurance Claim Activity:				
Supplies, services and other charges	27,000	68,386	65,701	2,685
Capital outlay	—	21,746	21,746	—
Total Insurance Claim Activity	<u>27,000</u>	<u>90,132</u>	<u>87,447</u>	<u>2,685</u>
Records Management Services:				
Personnel services	5,822	5,722	—	5,722
Supplies, services and other charges	28,311	28,411	27,616	795
Total Records Management Services	<u>34,133</u>	<u>34,133</u>	<u>27,616</u>	<u>6,517</u>
Total Policy and administration	<u>8,046,486</u>	<u>7,972,060</u>	<u>6,737,533</u>	<u>1,234,527</u>
Law enforcement and judicial:				
Public Administrator:				
Personnel services	249,311	268,078	258,315	9,763
Supplies, services and other charges	44,649	45,231	37,342	7,889
Capital outlay	—	2,160	1,897	263
Total Public Administrator	<u>293,960</u>	<u>315,469</u>	<u>297,554</u>	<u>17,652</u>

(Continued)

BOONE COUNTY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND

For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
Circuit Court:				
Personnel services	\$ 982,029	984,314	961,317	22,997
Supplies, services and other charges	441,317	441,617	403,874	37,743
Capital outlay	6,520	6,520	4,072	2,448
Total Circuit Court	1,429,866	1,432,451	1,369,263	63,188
Circuit Clerk:				
Personnel services	163,806	164,520	164,519	1
Supplies, services and other charges	333,705	332,791	315,335	17,456
Capital outlay	12,504	12,704	11,224	1,480
Total Circuit Clerk	510,015	510,015	491,078	18,937
Jury Services and Court Costs:				
Supplies, services and other charges	240,650	240,370	193,479	46,891
Capital outlay	2,110	2,390	2,389	1
Total Jury Services and Court Costs	242,760	242,760	195,868	46,892
Juvenile Office:				
Personnel services	116,162	116,162	91,803	24,359
Supplies, services and other charges	291,557	291,339	242,101	49,238
Capital outlay	1,040	1,258	1,258	—
Total Juvenile Office	408,759	408,759	335,162	73,597
Juvenile Justice Center:				
Personnel services	141,614	141,667	124,163	17,504
Supplies, services and other charges	217,190	216,980	188,804	28,176
Capital outlay	480	690	643	47
Total Juvenile Justice Center	359,284	359,337	313,610	45,727
Judicial Grants and Contracts:				
Personnel services	82,416	180,995	166,965	14,030
Supplies, services and other charges	115,979	209,085	132,329	76,756
Capital outlay	4,968	30,517	27,870	2,647
Total Judicial Grants and Contracts	203,363	420,597	327,164	93,433
Sheriff:				
Personnel services	3,279,252	3,303,747	3,303,746	1
Supplies, services and other charges	609,074	672,219	654,551	17,668
Total Sheriff	3,888,326	3,975,966	3,958,297	17,669
Corrections:				
Personnel services	2,800,085	2,803,925	2,576,600	227,325
Supplies, services and other charges	1,332,080	1,332,080	1,293,414	38,666
Capital outlay	—	2,500	2,500	—
Total Corrections	4,132,165	4,138,505	3,872,514	265,991

(Continued)

BOONE COUNTY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
GENERAL FUND**

For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
Sheriff's Grants:				
Supplies, services and other charges	\$ —	26,241	24,514	1,727
Capital outlay	—	173,759	173,311	448
Total Corrections	—	200,000	197,825	2,175
Prosecuting Attorney:				
Personnel services	1,361,629	1,361,629	1,330,026	31,603
Supplies, services and other charges	216,893	216,693	211,080	5,613
Capital outlay	—	200	198	2
Total Prosecuting Attorney	1,578,522	1,578,522	1,541,304	37,218
Victim Witness:				
Personnel services	117,672	138,413	132,022	6,391
Supplies, services and other charges	20,699	21,084	21,082	2
Total Victim Witness	138,371	159,497	153,104	6,393
IV-D:				
Personnel services	346,003	354,219	352,903	1,316
Supplies, services and other charges	46,454	46,454	39,202	7,252
Total IV-D	392,457	400,673	392,105	8,568
Prosecuting Attorney Retirement:				
Supplies, services and other charges	7,752	7,752	7,752	—
Total Prosecuting Attorney Retirement	7,752	7,752	7,752	—
Medical Examiner:				
Supplies, services and other charges	181,175	181,175	181,175	—
Capital outlay	29,134	29,134	29,133	1
Total Medical Examiner	210,309	210,309	210,308	1
Public Defender:				
Supplies, services and other charges	30,814	30,814	30,814	—
Total Public Defender	30,814	30,814	30,814	—
Emergency Services and Dispatch:				
Supplies, services and other charges	586,540	586,540	574,828	11,712
Total Emergency Services and Dispatch	586,540	586,540	574,828	11,712
Total Law enforcement and judicial	14,413,263	14,977,966	14,268,550	706,978
Environment, protective inspection, and infrastructure:				
NID Administration:				
Supplies, services and other charges	9,500	9,500	6,067	3,433
Total NID Administration	9,500	9,500	6,067	3,433

(Continued)

BOONE COUNTY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
GENERAL FUND**

For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
Solid Waste Recycling:				
Personnel services	\$ 15,921	15,990	15,989	1
Supplies, services and other charges	38,218	38,130	29,989	8,141
Total Solid Waste Recycling	<u>54,139</u>	<u>54,120</u>	<u>45,978</u>	<u>8,142</u>
Boone Co. Regional Sewer Dist. Mgmt. Service:				
Personnel services	4,731	4,750	4,749	1
Total Boone Co. Regional Sewer Dist. Mgmt. Service	<u>4,731</u>	<u>4,750</u>	<u>4,749</u>	<u>1</u>
Planning and Zoning:				
Personnel services	324,956	324,956	324,081	875
Supplies, services and other charges	37,364	37,364	29,528	7,836
Total Planning and Zoning	<u>362,320</u>	<u>362,320</u>	<u>353,609</u>	<u>8,711</u>
Building Codes:				
Personnel services	344,903	344,903	339,448	5,455
Supplies, services and other charges	39,853	39,853	29,422	10,431
Total Building Codes	<u>384,756</u>	<u>384,756</u>	<u>368,870</u>	<u>15,886</u>
Hinkson Creek Watershed:				
Personnel services	13,226	13,226	12,866	360
Supplies, services and other charges	218,245	218,245	3,721	214,524
Total Bonne Femme Creek Watershed	<u>231,471</u>	<u>231,471</u>	<u>16,587</u>	<u>214,884</u>
Total Environment, protective inspection and infrastructure	<u>1,046,917</u>	<u>1,046,917</u>	<u>795,860</u>	<u>251,057</u>
Community health and public services:				
Community Health:				
Supplies, services and other charges	1,032,909	1,032,909	881,031	151,878
Total Community Health	<u>1,032,909</u>	<u>1,032,909</u>	<u>881,031</u>	<u>151,878</u>
Social Services:				
Supplies, services and other charges	123,596	123,596	116,861	6,735
Total Social Services	<u>123,596</u>	<u>123,596</u>	<u>116,861</u>	<u>6,735</u>
Community Services:				
Supplies, services and other charges	150,260	150,260	149,510	750
Total Community Services	<u>150,260</u>	<u>150,260</u>	<u>149,510</u>	<u>750</u>
Animal Control:				
Supplies, services and other charges	166,639	167,610	167,609	1
Total Animal Control	<u>166,639</u>	<u>167,610</u>	<u>167,609</u>	<u>1</u>

(Continued)

BOONE COUNTY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - GENERAL FUND

For The Year Ended December 31, 2010

		Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
On-Site Waste Water:					
Supplies, services and other charges	\$	75,117	75,117	71,188	3,929
Total On-Site Waste Water		<u>75,117</u>	<u>75,117</u>	<u>71,188</u>	<u>3,929</u>
 Total Community health and public services		 <u>1,548,521</u>	 <u>1,549,492</u>	 <u>1,386,199</u>	 <u>163,293</u>
 Economic vitality:					
Economic Support:					
Supplies, services and other charges		55,000	55,000	55,000	—
Total Economic Support		<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>—</u>
 Total Economic vitality		 <u>55,000</u>	 <u>55,000</u>	 <u>55,000</u>	 <u>—</u>
 Beautification and recreation:					
Parks and Recreation:					
Supplies, services and other charges		48,389	81,399	55,486	25,913
Total Parks and Recreation		<u>48,389</u>	<u>81,399</u>	<u>55,486</u>	<u>25,913</u>
 Total Beautification and recreation		 <u>48,389</u>	 <u>81,399</u>	 <u>55,486</u>	 <u>25,913</u>
 Total expenditures		 <u>25,158,576</u>	 <u>25,682,834</u>	 <u>23,298,628</u>	 <u>2,381,768</u>
 REVENUES OVER (UNDER) EXPENDITURES		 <u>(2,103,947)</u>	 <u>(2,189,545)</u>	 <u>391,086</u>	 <u>2,578,193</u>
 OTHER FINANCING SOURCES (USES)					
Transfers in		—	—	72,393	72,393
Transfers out		—	(63,629)	(63,629)	—
Insurance proceeds		—	28,954	28,954	—
Sale of capital assets		—	—	13,413	13,413
 Total other financing sources (uses)		 <u>—</u>	 <u>(34,675)</u>	 <u>51,131</u>	 <u>85,806</u>
 NET CHANGE IN FUND BALANCE	\$	 <u>(2,103,947)</u>	 <u>(2,224,220)</u>	 <u>442,217</u>	 <u>2,663,999</u>
 FUND BALANCES (GAAP), beginning of year				7,394,435	
Less encumbrances, beginning of year				(71,508)	
Add encumbrances, end of year				<u>186,233</u>	
 FUND BALANCES (GAAP), end of year				 <u>\$ 7,951,377</u>	

BOONE COUNTY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - ROAD AND BRIDGE FUND For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 1,197,900	1,197,900	1,223,426	25,526
Sales taxes	11,465,000	11,465,000	11,932,107	467,107
Licenses and permits	14,000	14,000	8,644	(5,356)
Intergovernmental	1,114,800	1,124,500	1,336,154	211,654
Charges for services	70,825	370,530	316,859	(53,671)
Investment income	74,000	74,000	48,399	(25,601)
Miscellaneous	1,000	1,000	3,874	2,874
Total revenues	<u>13,937,525</u>	<u>14,246,930</u>	<u>14,869,463</u>	<u>622,533</u>
EXPENDITURES				
Environment, public buildings, and infrastructure:				
Maintenance Operations:				
Personnel services	2,859,900	2,859,900	2,766,640	93,260
Supplies, services, and other charges	4,774,870	4,749,639	3,579,539	1,170,100
Capital outlay	420,360	585,091	583,439	1,652
Total Maintenance Operations	<u>8,055,130</u>	<u>8,194,630</u>	<u>6,929,618</u>	<u>1,265,012</u>
Pavement Preservation:				
Supplies, services, and other charges	2,000,000	2,065,000	1,824,051	240,949
Total Design and Construction	<u>2,000,000</u>	<u>2,065,000</u>	<u>1,824,051</u>	<u>240,949</u>
Design and Construction:				
Personnel services	814,372	831,953	789,861	42,092
Supplies, services, and other charges	3,062,065	3,248,827	1,422,884	1,825,943
Capital outlay	—	6,500	4,162	2,338
Total Design and Construction	<u>3,876,437</u>	<u>4,087,280</u>	<u>2,216,907</u>	<u>1,870,373</u>
Stormwater Administration:				
Personnel services	96,017	96,017	93,918	2,099
Supplies, services, and other charges	13,700	59,553	45,696	13,857
Capital outlay	2,110	2,085	2,194	(109)
Total Design and Construction	<u>111,827</u>	<u>157,655</u>	<u>141,808</u>	<u>15,847</u>
Insurance Activity:				
Supplies, services, and other charges	40,000	40,000	18,960	21,040
Total Insurance Activity	<u>40,000</u>	<u>40,000</u>	<u>18,960</u>	<u>21,040</u>
Administration:				
Distributions to other political subdivisions and other charges	3,022,150	2,993,150	2,890,676	102,474
Total Administration	<u>3,022,150</u>	<u>2,993,150</u>	<u>2,890,676</u>	<u>102,474</u>
Total Environment, protective inspection, and infrastructure	<u>17,105,544</u>	<u>17,537,715</u>	<u>14,022,020</u>	<u>3,258,899</u>
Total expenditures	<u>17,105,544</u>	<u>17,537,715</u>	<u>14,022,020</u>	<u>3,258,899</u>
REVENUES OVER (UNDER) EXPENDITURES	(3,168,019)	(3,290,785)	847,443	3,881,432
OTHER FINANCING SOURCES (USES)				
Transfers in	—	3,629	3,629	—
Insurance proceeds	—	—	5,293	5,293
Sale of capital assets	53,000	53,000	69,075	16,075
Total other financing sources (uses)	<u>53,000</u>	<u>56,629</u>	<u>77,997</u>	<u>21,368</u>
NET CHANGE IN FUND BALANCE	\$ <u>(3,115,019)</u>	<u>(3,234,156)</u>	925,440	\$ <u>3,902,800</u>
FUND BALANCES (GAAP), beginning of year			8,361,739	
Less encumbrances, beginning of year			(1,622,614)	
Add encumbrances, end of year			<u>1,421,438</u>	
FUND BALANCES (GAAP), end of year			\$ <u>9,086,003</u>	

BOONE COUNTY, MISSOURI

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS - LAW ENFORCEMENT SERVICES FUND For The Year Ended December 31, 2010

	Original Budget	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Sales taxes	\$ 2,775,000	2,775,000	2,892,065	117,065
Investment income	5,815	5,815	5,758	(57)
Miscellaneous:				
Other	35,721	35,721	215	(35,506)
Total revenues	2,816,536	2,816,536	2,898,038	81,502
EXPENDITURES				
Law enforcement and judicial:				
Emergency and Contingency:				
Supplies, services, and other charges	25,000	20,821	—	20,821
Total Emergency and Contingency	25,000	20,821	—	20,821
Sheriff Operations:				
Personnel services	1,066,830	1,066,830	1,014,154	52,676
Supplies, services, and other charges	177,784	181,588	151,759	29,829
Capital outlay	320,573	320,573	312,595	7,978
Total Sheriff Operations	1,565,187	1,568,991	1,478,508	90,483
Corrections:				
Personnel services	657,835	657,835	632,562	25,273
Supplies, services, and other charges	39,788	39,788	39,461	327
Total Corrections	697,623	697,623	672,023	25,600
Prosecuting Attorney:				
Personnel services	277,680	277,680	267,956	9,724
Supplies, services, and other charges	5,528	5,903	5,612	291
Total Prosecuting Attorney	283,208	283,583	273,568	10,015
Alternative Sentencing Programs:				
Personnel services	237,001	244,155	226,106	18,049
Supplies, services, and other charges	90,930	83,776	67,617	16,159
Capital outlay	7,100	7,100	5,229	1,871
Total Alternative Sentencing Programs	335,031	335,031	298,952	36,079
Law Enforcement/Judicial Information System:				
Supplies, services, and other charges	35,151	35,151	31,622	3,529
Total Law Enforcement/Judicial Info System	35,151	35,151	31,622	3,529
Contract Inmate Housing:				
Supplies, services, and other charges	228,000	228,000	71,681	156,319
Total Contract Inmate Housing	228,000	228,000	71,681	156,319
Information System—Court Only:				
Supplies, services, and other charges	2,100	2,100	2,100	—
Total Information System—Court Only	2,100	2,100	2,100	—
Total Law enforcement and judicial	3,171,300	3,171,300	2,828,454	342,846
Total expenditures	3,171,300	3,171,300	2,828,454	342,846
REVENUES OVER (UNDER) EXPENDITURES	(354,764)	35,721	69,584	424,348
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	35,721	35,721	—	(35,721)
Total other financing sources (uses)	35,721	35,721	—	(35,721)
NET CHANGE IN FUND BALANCE	\$ (319,043)	(354,764)	69,584	388,627
FUND BALANCES (GAAP), beginning of year			1,422,687	
Less encumbrances, beginning of year			(14,411)	
Add encumbrances, end of year			8,266	
FUND BALANCES (GAAP), end of year			\$ 1,486,126	

BOONE COUNTY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - BUDGET BASIS -
NEIGHBORHOOD IMPROVEMENT DISTRICTS FUND
For The Year Ended December 31, 2010**

	<u>Original Budget</u>	<u>Final Revised Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ —	—	583,971	583,971
Sales taxes	—	—	—	—
Licenses and permits	—	—	—	—
Intergovernmental	—	180,062	123,676	(56,386)
Charges for services	—	—	—	—
Investment income	—	—	2,420	2,420
Miscellaneous	—	—	—	—
	<u>—</u>	<u>180,062</u>	<u>710,067</u>	<u>530,005</u>
Total revenues	—	180,062	710,067	530,005
EXPENDITURES				
Environment, protective inspection, and infrastructure:				
Supplies, services, and other charges	—	1,309,288	426,769	882,519
	<u>—</u>	<u>1,309,288</u>	<u>426,769</u>	<u>882,519</u>
Total Environment, protective inspection, and infrastructure	—	1,309,288	426,769	882,519
	<u>—</u>	<u>1,309,288</u>	<u>426,769</u>	<u>882,519</u>
Total expenditures	—	1,309,288	426,769	882,519
REVENUES OVER (UNDER) EXPENDITURES	—	(1,129,226)	283,298	1,412,524
OTHER FINANCING SOURCES (USES)				
Transfers out	—	(716,829)	(717,596)	(767)
Proceeds of GO Bonds	—	—	327,675	327,675
	<u>—</u>	<u>(716,829)</u>	<u>(389,921)</u>	<u>326,908</u>
Total other financing sources (uses)	—	(716,829)	(389,921)	326,908
NET CHANGE IN FUND BALANCE	\$ <u>—</u>	<u>(1,846,055)</u>	(106,623)	<u>1,739,432</u>
FUND BALANCES (GAAP), beginning of year			(73,605)	
Less encumbrances, beginning of year			(440,162)	
Add encumbrances, end of year			<u>—</u>	
FUND BALANCES (GAAP), end of year			\$ <u>(620,390)</u>	

BOONE COUNTY, MISSOURI

NOTES TO BUDGETARY COMPARISON INFORMATION

December 31, 2010

Explanation Of Budgetary Basis Of Accounting

The County's policy is to prepare the annual operating budget on a basis that includes encumbrances as the equivalent of expenditures. The statement of revenues, expenditures, and changes in fund balances-governmental funds excludes outstanding encumbrances in accordance with U.S. generally accepted accounting principles of the modified accrual basis of accounting. However, budgeted expenditures include both expenditures and encumbrances (budget basis). Therefore, in order to match reported results (actual) to the budget and to provide a useful comparison, it is necessary to include encumbrances outstanding at the end of the year and exclude encumbrances outstanding at the beginning of the year. Unencumbered appropriations lapse at year end.

Explanation Of Budgetary Process

The County follows these procedures in establishing the budgetary data using the following dates as targets:

- a. July: County Auditor develops and distributes budget guidelines and instructions to each elected official and department head.
- b. September 1: Budget requests due to County Auditor.
- c. September and October: The County Auditor and County Commission review budget requests and schedule work sessions with elected officials and department directors, as necessary.
- d. November 15: County Auditor delivers proposed Budget to County Commission.
- e. November 15 through December 15: County Commission holds public hearings on the Proposed Budget.
- f. January 10: Statutory deadline for adoption of the budget by the County Commission. However, in the year in which any commissioner's new term begins, the statutory deadline is January 31.

For fiscal year 2010, the County Commission adopted an annual budget for the General Fund, the Special Revenue Funds, the Debt Service Funds, the Capital Projects Funds, and the Internal Service Funds.

Budget amendments must be authorized by the County Commission or other appropriating authority as determined by state statute. Supplemental appropriations are made by the applicable authority throughout the year. Such supplemental appropriations were insignificant for the fiscal year ended December 31, 2010.

The County Commission approves the annual budget by class of transaction at the department level for each fund. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Unencumbered appropriations lapse at fiscal year end, while open encumbrances are reported as reservations of fund balance at each year end.

BOONE COUNTY, MISSOURI

**REQUIRED SUPPLEMENTARY INFORMATION -
OTHER POST-EMPLOYMENT BENEFITS
December 31, 2010**

Schedule Of Funding Progress

Actuarial Valuation Date	Actuarial Value Of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL As A Percentage Of Covered Payroll {(b-a)/c}
12/31/2010	\$ —	\$ 461,000	\$ 461,000	0.0%	\$ 16,800,000	2.7%
12/31/2008	\$ —	\$ 422,000	\$ 422,000	0.0%	\$ 16,830,000	2.5%

Note: Pursuant to GASB Statement No. 45, actuarial valuations are required to be obtained for other post-employment benefits on a biannual basis. The County's next actuarial valuation will be obtained for the year beginning January 1, 2012.

Other Supplementary Information

**Combining And Individual Fund
Financial Statements And Schedules**

BOONE COUNTY, MISSOURI
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2010

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 179,532	—	3,073,314	3,252,846
Investments	4,442,765	1,974,973	750,609	7,168,347
Accrued interest	15,503	7,880	18,606	41,989
Accounts receivable	127,667	—	—	127,667
Commissions receivable	187,236	—	—	187,236
Assessments receivable	—	300,200	—	300,200
Sales taxes receivable	—	—	965	965
Due from other funds	14,823	—	1,644	16,467
Due from other governments	117,182	—	116,909	234,091
Due from others	14,876	—	—	14,876
Prepaid items	1,589	—	—	1,589
Restricted assets:				
Cash and cash equivalents	—	834,397	—	834,397
Total assets	5,101,173	3,117,450	3,962,047	12,180,670
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	134,293	—	639,872	774,165
Wages payable	32,016	—	—	32,016
Accrued liabilities	2,906	—	—	2,906
Due to other funds	16,046	—	14,750	30,796
Due to other governments	190	—	—	190
Due to others	1,854	—	—	1,854
Advance from other funds	28,240	—	—	28,240
Deferred revenue	36,253	286,085	—	322,338
Total liabilities	251,798	286,085	654,622	1,192,505
Fund balances:				
Reserved for prepaid items	299	—	—	299
Reserved for debt service	—	2,831,365	—	2,831,365
Reserved for encumbrances	159,973	—	—	159,973
Undesignated	4,689,103	—	3,307,425	7,996,528
Total fund balances	4,849,375	2,831,365	3,307,425	10,988,165
Total liabilities and fund balances	\$ 5,101,173	3,117,450	3,962,047	12,180,670

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
For The Year Ended December 31, 2010**

	Special Revenue	Debt Service	Capital Project	Total Nonmajor Governmental Funds
REVENUES				
Assessments	\$ —	72,651	—	72,651
Sales taxes	252,763	—	5,000	257,763
Licenses and permits	58,738	—	—	58,738
Intergovernmental	818,519	7,937	165,235	991,691
Charges for services	1,692,337	—	—	1,692,337
Fines and forfeitures	31,415	—	—	31,415
Investment income	26,386	11,652	32,190	70,228
Miscellaneous:				
Hospital lease	500,000	—	—	500,000
Contributions	49,416	—	—	49,416
Other	11,844	30,920	34,397	77,161
Total revenues	3,441,418	123,160	236,822	3,801,400
EXPENDITURES				
Current:				
General government operations	1,587,517	—	—	1,587,517
Law enforcement and judicial	944,408	—	—	944,408
Community health and public services	36,718	—	—	36,718
Beautification and recreation	10,064	—	—	10,064
Interfund services used	129,052	—	—	129,052
Capital outlay	319,881	—	3,528,431	3,848,312
Debt service:				
Principal retirement	—	163,000	—	163,000
Interest and fiscal charges	—	142,040	32,974	175,014
Total expenditures	3,027,640	305,040	3,561,405	6,894,085
REVENUES OVER (UNDER) EXPENDITURES	413,778	(181,880)	(3,324,583)	(3,092,685)
OTHER FINANCING SOURCES (USES)				
Transfers in	35	100,516	506,028	606,579
Transfers out	(112,428)	—	(506,028)	(618,456)
Issuance of SO bonds	—	—	830,000	830,000
Sale of capital assets	6,926	—	—	6,926
Total other financing sources (uses)	(105,467)	100,516	830,000	825,049
NET CHANGE IN FUND BALANCES	308,311	(81,364)	(2,494,583)	(2,267,636)
FUND BALANCES, beginning of year	4,541,064	2,912,729	5,802,008	13,255,801
FUND BALANCES, end of year	\$ 4,849,375	2,831,365	3,307,425	10,988,165

BOONE COUNTY, MISSOURI

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific or restricted revenue sources or to finance specified activities as required by law or administrative regulations.

Special Building Project Citizen Contribution Fund - To account for citizen contributions towards County building projects.

Assessment Fund - To account for the operations of the County Assessor's office, which includes the cost of performing a reassessment of all taxable real property as required by Statute 137.750. Financing is provided by the state and a commission received from property tax collections.

E-911 Emergency Telephone Fund - To account for the collection and disbursement of the 2% tax on land line local tariffs, authorized in Statute 190.305, used to operate the enhanced 911 emergency telephone system.

Domestic Violence Fund - To account for fees collected under Statute 455.2 to provide shelter for victims of domestic violence.

Hospital Profit Share Fund - To account for additional lease compensation moneys received pursuant to the lease of Boone Hospital Center.

Local Emergency Planning Committee Fund - To account for funds received by the Local Emergency Planning Committee from the State of Missouri.

Collector Tax Maintenance Fund - To account for the additional delinquent fees and commissions authorized by Statute 52.312-317. The additional fees supplement the General Fund operating budget for the Collector.

Fairground Maintenance Fund - To account for the maintenance and repair of the Boone County Fairgrounds. The resources of this fund were derived from the net insurance proceeds resulting from building damage sustained at the site in fiscal year 2002.

Community Health/Medical (Hospital Lease) Fund - To account for dedicated revenues received pursuant to the Boone Hospital Lease and which are intended to fund community health and medical needs.

Election Services Fund - To account for charges levied to all entities participating in an election, not to exceed 5% of total election costs.

Federal HAVA Election Fund - To account for revenues and expenses related to federal monies received in conjunction with the Help America Vote Act (HAVA).

Election Equipment Replacement Fund - To account for moneys collected by the local election authority as an equipment rental fee while conducting local elections. This fund is intended to provide a means for accumulating resources for the eventual replacement of existing voting equipment.

Sheriff Forfeiture Fund - To account for certain fines and forfeitures collected by the Sheriff's department.

Sheriff Training Fund - To account for fees collected under Statute 590 for providing training for peace officers.

Public Safety Citizen Contributions Fund - To account for private donations specifically set aside for the following programs: neighborhood watch, community traffic safety, Drug Abuse Resistance Education (D.A.R.E.), and internet crimes task force.

BOONE COUNTY, MISSOURI

Law Enforcement Department of Justice Grants Fund - To account for U.S. Dept of Justice grant funds to be used for local law enforcement.

Sheriff Civil Charges Fund - To account for civil charges collected by the Sheriff.

Sheriff Revolving Fund - To account for revolving funds collected by the Sheriff.

Inmate Security Fund - To account for fees authorized and collected for the purpose of developing, implementing, and maintaining a biometric verification system to ensure that inmates can be properly identified and tracked within the jail system.

Prosecuting Attorney Training Fund - To account for fees collected under Statute 56.765 for the purpose of providing additional training for prosecuting attorneys and their staff.

Prosecuting Attorney Tax Collection Fund - To account for fees collected under Statute 136.15 for the Prosecuting Attorney's collection of delinquent taxes, licenses, and fees for the State of Missouri.

Prosecuting Attorney Contingency Fund - To account for fees collected under Statute 56.330 for the payment of incidental expenses incurred in the Prosecuting Attorney's office.

Prosecuting Attorney Bad Check Collection Fund - To account for the revenues and expenditures of the Prosecuting Attorney for the collection of insufficient funds checks as provided in Statute 570.1. The Prosecuting Attorney retains a fee based on the amount of the collection recovered.

Prosecuting Attorney Forfeiture Fund - To account for federal drug money collected by the prosecuting attorney and used for expenditures related to the prosecution of drug-related cases.

Record Preservation Fund - To account for fees collected under Statute 59.319 for record storage, microfilming and preservation.

Family Services and Justice Fund - Accounts for the revenues and expenditures associated with family court. In 1993, the state legislature passed legislation that created a family court in the Thirteenth Judicial Circuit. The law provides for the collection of a \$30 fee per each family court case, which is deposited into this fund.

Circuit Drug Court Fund - To account for fees received from defendants who participate in the Drug Court program.

Administration of Justice Fund - To account for late fees collected pursuant to RSMo 488.5025.1-2 to be used for the general administration of justice.

Recovery Acts Cyber Crimes/VAW Fund - To account for expenditures and corresponding reimbursement revenues from federal stimulus (ARRA - American Recovery and Re-investment Act) pertaining to operation of the Cyber Crimes Investigative Unit and the Violence Against Women program.

JAG Recovery Act Stimulus Fund - To account for Justice Assistance Grant (JAG) expenditures and revenues received from federal stimulus funds (ARRA - American Recovery and Re-investment Act) to be used for local law enforcement.

Law Library Fund - To account for fees collected under Statutes 514.47 and 514.48 for the maintenance and upkeep of a law library.

BOONE COUNTY, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2010**

	Local	Emergency Planning Committee	Tax Collector Maintenance	Fairground Maintenance	Community Health/Med (Hospital Lease)	Services Election	Federal HAVA Election
ASSETS							
Cash and cash equivalents	64,480	—	—	—	—	—	—
Investments	2,854	16,634	85,195	38,088	33,547	500,363	25,382
Accrued interest	11	39	329	146	136	1,932	217
Accounts receivable	—	—	—	—	—	—	—
Commissions receivable	187,236	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—
Due from other governments	—	—	—	—	—	—	—
Due from others	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—
Total assets	2,865	18,329	85,524	38,234	33,683	502,295	71,437
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	10,311	8,345	—	—	—	—	113
Short-term notes payable	—	—	—	—	—	—	—
Wages payable	19,404	—	—	—	—	—	—
Accrued liabilities	1,874	—	—	—	—	—	—
Due to other funds	—	—	—	—	—	—	—
Due to other governments	—	—	—	—	—	—	—
Due to others	—	—	—	—	—	—	—
Advance from other funds	—	—	—	—	—	—	—
Deferred revenue	—	—	—	—	—	—	—
Total liabilities	31,589	8,345	—	—	—	—	113
Fund balances:							
Reserved for prepaid items	—	—	—	—	—	—	—
Reserved for encumbrances	92,125	—	—	—	—	—	—
Undesignated	2,865	18,329	85,524	38,234	33,683	502,295	71,025
Total fund balances	2,865	18,329	85,524	38,234	33,683	502,295	71,324
Total liabilities and fund balances	2,865	18,329	85,524	38,234	33,683	502,295	71,437

(Continued)

BOONE COUNTY, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS**

December 31, 2010

	Election Equipment Replacement	Sheriff Forfeiture	Sheriff Training	Public Safety Citizen Contributions	Law Enforcement Department of Justice Grants	Sheriff Civil Charges	Sheriff Revolving	Inmate Security	Prosecuting Attorney Training	Prosecuting Attorney Tax Collection	Prosecuting Attorney Contingency
ASSETS											
Cash and cash equivalents	\$ —	—	—	—	36,433	—	—	—	—	—	1,444
Investments	100,695	85,668	11,452	8,405	—	20,671	99,851	72,294	2,998	23,506	—
Accrued interest	341	377	25	33	—	101	387	263	8	87	—
Accounts receivable	—	—	—	—	—	—	—	—	355	8,293	—
Commissions receivable	—	—	—	—	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—	—	—	—
Due from other governments	—	—	1,398	—	—	12,194	720	1,398	—	—	—
Due from others	—	—	—	—	—	—	—	—	—	—	—
Prepaid items	—	—	—	—	—	—	—	—	100	—	—
Total assets	101,036	86,045	12,875	8,438	36,433	32,966	100,958	73,955	3,461	31,886	1,444
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts payable	—	—	50	532	4,500	332	11,000	—	—	—	1,409
Short-term notes payable	—	—	—	—	—	—	—	—	—	—	—
Wages payable	—	—	—	—	—	—	—	—	—	1,460	—
Accrued liabilities	—	—	—	—	—	—	—	—	—	112	—
Due to other funds	—	—	38	35	—	12,736	—	—	—	—	—
Due to other governments	—	—	—	—	—	—	—	—	—	—	—
Due to others	—	—	—	—	—	—	—	—	—	110	—
Advance from other funds	—	—	—	—	—	—	—	—	—	—	—
Deferred revenue	—	—	—	—	31,200	—	—	—	—	—	—
Total liabilities	—	—	88	567	35,700	13,068	11,000	—	—	1,682	1,409
Fund balances:											
Reserved for prepaid items	—	—	—	—	—	—	—	—	—	—	—
Reserved for encumbrances	—	6,391	—	—	18,009	—	11,637	—	—	—	—
Undesignated	101,036	79,654	12,787	7,871	(17,276)	19,898	78,321	73,955	3,461	30,204	35
Total fund balances	101,036	86,045	12,787	7,871	733	19,898	89,958	73,955	3,461	30,204	35
Total liabilities and fund balances	\$ 101,036	86,045	12,875	8,438	36,433	32,966	100,958	73,955	3,461	31,886	1,444

(Continued)

BOONE COUNTY, MISSOURI
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
December 31, 2010

	Prosecuting Attorney Bad Check Collection	Prosecuting Attorney Forfeiture	Record Preservation	Family Services and Justice	Circuit Drug Court	Administration of Justice	Recovery Acts Cyber Crimes/ VAW	JAG Recovery Act Stimulus	Law Library	Total Nonmajor Special Revenue Funds
ASSETS										
Cash and cash equivalents	\$ 5	—	—	—	—	—	—	5,053	72,117	179,532
Investments	(25)	13,939	551,747	56,769	195,328	87,873	—	—	—	4,442,765
Accrued interest	62	54	2,050	183	695	328	—	—	—	15,503
Accounts receivable	490	—	789	6,180	13,965	846	—	—	—	127,667
Commissions receivable	—	—	—	—	—	—	—	—	—	187,236
Due from other funds	—	—	—	—	—	—	14,823	—	—	14,823
Due from other governments	—	—	—	9,227	—	—	56,936	—	—	117,182
Due from others	—	—	—	—	—	—	—	—	—	14,876
Prepaid items	—	—	—	—	—	—	1,190	—	—	1,589
Total assets	532	13,993	554,586	72,359	209,988	89,047	72,949	5,053	72,117	5,101,173
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts payable	938	—	18,337	35,516	6,076	25	36,809	—	—	134,293
Short-term notes payable	—	—	—	—	—	—	—	—	—	—
Wages payable	3,022	—	—	—	—	—	7,141	—	—	32,016
Accrued liabilities	195	—	—	—	—	—	650	—	—	2,906
Due to other funds	—	—	—	—	—	—	—	—	—	16,046
Due to other governments	190	—	—	—	—	—	—	—	—	190
Due to others	335	—	—	—	—	—	—	—	—	1,854
Advance from other funds	—	—	—	—	—	—	28,240	—	—	28,240
Deferred revenue	—	—	—	—	—	—	—	5,053	—	36,253
Total liabilities	4,680	—	18,337	35,516	6,076	25	72,840	5,053	—	251,798
Fund balances:										
Reserved for prepaid items	—	—	—	—	—	—	—	—	—	299
Reserved for encumbrances	—	—	—	—	2,470	—	—	5,053	—	159,973
Undesignated	(4,148)	13,993	556,249	36,843	201,442	89,022	109	(5,053)	72,117	4,689,103
Total fund balances	(4,148)	13,993	556,249	36,843	203,912	89,022	109	—	72,117	4,849,375
Total liabilities and fund balances	\$ 532	13,993	554,586	72,359	209,988	89,047	72,949	5,053	72,117	5,101,173

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2010**

	Special Bldg Project Citizen Contribution	Assessment	E-911 Emergency Telephone	Domestic Violence	Hospital Profit Share	Local Emergency Planning Committee	Collector Tax Maintenance	Fairground Maintenance	Community Health/Med (Hospital Lease)	Election Services	Federal HAVA Election
REVENUES											
Sales taxes	\$ —	—	252,763	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	—	—	—	—	—
Intergovernmental	—	243,656	—	—	—	7,640	—	—	—	56,753	73,721
Charges for services	—	856,455	—	31,686	—	—	203,112	—	—	33,691	—
Fines and forfeitures	—	—	—	—	—	—	—	—	—	—	—
Investment income	17	7,670	3,970	67	485	198	1,536	279	2,295	1,023	—
Miscellaneous:											
Hospital lease revenue	—	—	—	—	—	—	—	—	500,000	—	—
Contributions	—	—	—	—	—	—	—	49,416	—	—	—
Other	965	8,596	9	—	—	—	—	—	—	—	—
Total revenues	982	1,116,377	256,742	31,753	485	7,838	204,648	49,695	502,295	91,467	73,721
EXPENDITURES											
Current:											
General government operations	220	1,330,213	—	—	—	—	36,289	—	—	107,214	72,077
Law enforcement and judicial	—	—	183,788	—	—	—	—	—	—	—	—
Community health and public services	—	—	—	32,614	—	4,104	—	—	—	—	—
Beautification and recreation	—	—	—	—	—	—	—	10,064	—	—	—
Interfund services used	—	60,422	—	—	—	—	68,630	—	—	—	—
Capital outlay	—	10,466	—	—	—	—	1,272	22,228	—	157,675	1,644
Total expenditures	220	1,401,101	183,788	32,614	—	4,104	106,191	32,292	—	264,889	73,721
REVENUES OVER (UNDER) EXPENDITURES	762	(284,724)	72,954	(861)	485	3,734	98,457	17,403	502,295	(173,422)	—
OTHER FINANCING SOURCES (USES)											
Transfers in	—	—	—	—	—	—	—	—	—	—	—
Transfers out	—	—	—	—	—	—	(72,393)	—	—	—	—
Proceeds of GO Bonds	—	—	—	—	—	—	—	—	—	—	—
Sale of capital assets	—	60	3	—	—	—	—	—	—	—	—
Total other financing sources (uses)	—	60	3	—	—	—	(72,393)	—	—	—	—
NET CHANGE IN FUND BALANCES	762	(284,664)	72,957	(861)	485	3,734	26,064	17,403	502,295	(173,422)	—
FUND BALANCES, beginning of year	2,103	1,902,427	702,524	19,190	85,039	34,500	303,733	16,280	—	244,746	—
FUND BALANCES, end of year	\$ 2,865	1,617,763	775,481	18,329	85,524	38,234	329,797	33,683	502,295	71,324	—

(Continued)

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2010**

	Election Equipment Replacement	Sheriff Forfeiture	Sheriff Training	Public Safety Citizen Contributions	Law Enforcement Department of Justice Grants	Sheriff Civil Charges	Sheriff Revolving	Inmate Security	Prosecuting Attorney Training	Prosecuting Attorney Tax Collection	Prosecuting Attorney Contingency
REVENUES											
Sales taxes	\$ —	—	—	—	—	—	—	—	—	—	—
Licenses and permits	—	—	—	—	—	—	58,738	—	—	—	—
Intergovernmental	—	—	8,978	—	56,929	—	—	—	—	—	—
Charges for services	25,650	—	17,604	—	—	50,000	—	17,568	4,438	45,913	19,851
Fines and forfeitures	—	3,382	—	—	—	—	—	—	—	—	—
Investment income	458	571	27	53	105	240	515	352	12	131	—
Miscellaneous:											
Hospital lease revenue	—	—	—	—	—	—	—	—	—	—	—
Contributions	—	—	—	—	—	—	—	—	—	—	—
Other	—	—	—	—	—	—	—	—	—	—	—
Total revenues	26,108	3,953	26,609	53	57,034	50,240	59,253	17,920	4,450	46,044	19,851
EXPENDITURES											
Current:											
General government operations	—	—	—	—	—	—	—	—	—	—	—
Law enforcement and judicial	—	10,033	26,722	1,762	52,430	6,557	17,876	—	5,377	43,949	19,965
Community health and public services	—	—	—	—	—	—	—	—	—	—	—
Beautification and recreation	—	—	—	—	—	—	—	—	—	—	—
Interfund services used	—	—	—	—	—	—	—	—	—	—	—
Capital outlay	—	5,808	—	—	4,499	—	27,125	—	—	—	—
Total expenditures	—	15,841	26,722	1,762	56,929	6,557	45,001	—	5,377	43,949	19,965
REVENUES OVER (UNDER) EXPENDITURES	26,108	(11,888)	(113)	(1,709)	105	43,683	14,252	17,920	(927)	2,095	(114)
OTHER FINANCING SOURCES (USES)											
Transfers in	—	—	—	—	—	—	—	—	—	—	—
Transfers out	—	—	—	(35)	—	(40,000)	—	—	—	—	—
Sale of capital assets	—	—	—	—	—	6,683	—	—	—	—	—
Total other financing sources (uses)	—	—	—	(35)	—	(33,317)	—	—	—	—	—
NET CHANGE IN FUND BALANCES	26,108	(11,888)	(113)	(1,744)	105	10,366	14,252	17,920	(927)	2,095	(114)
FUND BALANCES, beginning of year	74,928	97,933	12,900	9,615	628	9,532	75,706	56,035	4,388	28,109	149
FUND BALANCES, end of year	\$ 101,036	86,045	12,787	7,871	733	19,898	89,958	73,955	3,461	30,204	35

(Continued)

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
For The Year Ended December 31, 2010**

	Prosecuting Attorney Bad Check Collection	Prosecuting Attorney Forfeiture	Record Preservation	Family Services and Justice	Circuit Drug Court	Administration of Justice	Recovery Act Grants CC & VAW	JAG Recovery Act Stimulus	Law Library	Total Nonmajor Special Revenue Funds
REVENUES										
Sales taxes	\$ —	—	—	—	—	—	—	—	—	252,763
Licenses and permits	—	—	—	—	—	—	—	—	—	58,738
Intergovernmental	—	—	—	30,852	—	—	310,353	29,637	—	818,519
Charges for services	65,715	—	103,931	106,893	93,126	16,704	—	—	—	1,692,337
Fines and forfeitures	—	—	—	—	—	—	—	—	28,033	31,415
Investment income	185	80	2,857	268	923	455	—	1,147	467	26,386
Miscellaneous:										
Hospital lease revenue	—	—	—	—	—	—	—	—	—	500,000
Contributions	—	—	—	—	—	—	—	—	—	49,416
Other	54	—	5	1,240	975	—	—	—	—	11,844
Total revenues	65,954	80	106,793	139,253	95,024	17,159	310,353	30,784	28,500	3,441,418
EXPENDITURES										
Current:										
General government operations	—	—	41,504	—	—	—	—	—	—	1,587,517
Law enforcement and judicial	111,362	—	—	140,028	37,817	676	263,172	10,414	12,480	944,408
Community health and public services	—	—	—	—	—	—	—	—	—	36,718
Beautification and recreation	—	—	—	—	—	—	—	—	—	10,064
Interfund services used	—	—	—	—	—	—	—	—	—	129,052
Capital outlay	—	—	17,728	—	977	2,568	47,216	20,675	—	319,881
Total expenditures	111,362	—	59,232	140,028	38,794	3,244	310,388	31,089	12,480	3,027,640
REVENUES OVER (UNDER) EXPENDITURES	(45,408)	80	47,561	(775)	56,230	13,915	(35)	(305)	16,020	413,778
OTHER FINANCING SOURCES (USES)										
Transfers in	—	—	—	—	—	—	35	—	—	35
Transfers out	—	—	—	—	—	—	—	—	—	(112,428)
Sale of capital assets	—	—	180	—	—	—	—	—	—	6,926
Total other financing sources (uses)	—	—	180	—	—	—	35	—	—	(105,467)
NET CHANGE IN FUND BALANCES	(45,408)	80	47,741	(775)	56,230	13,915	—	(305)	16,020	308,311
FUND BALANCES, beginning of year	41,260	13,913	488,508	37,618	147,682	75,107	109	305	56,097	4,541,064
FUND BALANCES, end of year	\$ (4,148)	13,993	536,249	36,843	203,912	89,022	109	—	72,117	4,849,375

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SPECIAL BUILDING PROJECT CITIZEN CONTRIBUTION FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ 14	17	3
Miscellaneous:			
Other	<u>965</u>	<u>965</u>	<u>—</u>
Total revenues	<u>979</u>	<u>982</u>	<u>3</u>
EXPENDITURES			
Supplies, services, and other charges	220	220	—
Capital outlay	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>220</u>	<u>220</u>	<u>—</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>759</u>	762	<u>3</u>
FUND BALANCE (GAAP), beginning of year		<u>2,103</u>	
FUND BALANCE (GAAP), end of year		\$ <u>2,865</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
ASSESSMENT FUND**

For The Year Ended December 31, 2010

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 182,742	243,656	60,914
Charges for services	963,000	856,455	(106,545)
Investment income	8,450	7,670	(780)
Miscellaneous:			
Other	5,100	8,394	3,294
Total revenues	<u>1,159,292</u>	<u>1,116,175</u>	<u>(43,117)</u>
EXPENDITURES			
Personnel services	913,743	750,188	163,555
Supplies, services, and other charges	476,581	254,133	222,448
Capital outlay	39,353	38,315	1,038
Total expenditures	<u>1,429,677</u>	<u>1,042,636</u>	<u>387,041</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(270,385)</u>	<u>73,539</u>	<u>343,924</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	—	202	202
Total other financing sources (uses)	<u>—</u>	<u>202</u>	<u>202</u>
NET CHANGE IN FUND BALANCE	<u>\$ (270,385)</u>	<u>73,741</u>	<u>344,328</u>
FUND BALANCE (GAAP), beginning of year		1,902,427	
Less encumbrances, beginning of year		(450,530)	
Add encumbrances, end of year		<u>92,125</u>	
FUND BALANCE (GAAP), end of year		<u>\$ 1,617,763</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
E-911 EMERGENCY TELEPHONE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Sales taxes	\$ 234,000	252,763	18,763
Investment income	4,420	3,970	(450)
Total revenues	<u>238,420</u>	<u>256,733</u>	<u>18,313</u>
EXPENDITURES			
Supplies, services, and other charges	187,382	183,788	3,594
Capital outlay	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>187,382</u>	<u>183,788</u>	<u>3,594</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>51,038</u>	<u>72,945</u>	<u>21,907</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	<u>—</u>	<u>12</u>	<u>12</u>
Total other financing sources (uses)	<u>—</u>	<u>12</u>	<u>12</u>
NET CHANGE IN FUND BALANCE	\$ <u><u>51,038</u></u>	72,957	<u><u>21,919</u></u>
FUND BALANCE (GAAP), beginning of year		<u>702,524</u>	
FUND BALANCE (GAAP), end of year		\$ <u><u>775,481</u></u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
DOMESTIC VIOLENCE FUND
For The Year Ended December 31, 2010**

	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Charges for services	\$ 33,925	31,686	(2,239)
Investment income	55	67	12
Total revenues	<u>33,980</u>	<u>31,753</u>	<u>(2,227)</u>
EXPENDITURES			
Supplies, services, and other charges	<u>35,350</u>	<u>32,614</u>	<u>2,736</u>
Total expenditures	<u>35,350</u>	<u>32,614</u>	<u>2,736</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(1,370)</u>	(861)	<u>509</u>
FUND BALANCE (GAAP), beginning of year		<u>19,190</u>	
FUND BALANCE (GAAP), end of year		\$ <u>18,329</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
HOSPITAL PROFIT SHARE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Investment income	\$ —	485	485
Total revenues	<u>—</u>	<u>485</u>	<u>485</u>
EXPENDITURES			
Supplies, services, and other charges	<u>2,000</u>	<u>—</u>	<u>2,000</u>
Total expenditures	<u>2,000</u>	<u>—</u>	<u>2,000</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(2,000)</u>	485	<u>2,485</u>
FUND BALANCE (GAAP), beginning of year		<u>85,039</u>	
FUND BALANCE (GAAP), end of year		\$ <u>85,524</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
LOCAL EMERGENCY PLANNING COMMITTEE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 9,000	7,640	(1,360)
Investment income	—	198	198
Total revenues	<u>9,000</u>	<u>7,838</u>	<u>(1,162)</u>
EXPENDITURES			
Supplies, services, and other charges	18,716	4,104	14,612
Capital outlay	—	—	—
Total expenditures	<u>18,716</u>	<u>4,104</u>	<u>14,612</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (9,716)</u>	3,734	<u>13,450</u>
FUND BALANCE (GAAP), beginning of year		<u>34,500</u>	
FUND BALANCE (GAAP), end of year		<u>\$ <u>38,234</u></u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
COLLECTOR TAX MAINTENANCE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 190,985	203,112	12,127
Investment income	1,917	1,536	(381)
Total revenues	<u>192,902</u>	<u>204,648</u>	<u>11,746</u>
EXPENDITURES			
Personnel services	39,743	24,858	14,885
Supplies, services, and other charges	189,672	104,349	85,323
Capital outlay	1,272	1,272	—
Total expenditures	<u>230,687</u>	<u>130,479</u>	<u>100,208</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(37,785)</u>	<u>74,169</u>	<u>111,954</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	—	(72,393)	(72,393)
Total other financing sources (uses)	—	<u>(72,393)</u>	<u>(72,393)</u>
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>\$ (37,785)</u>	1,776	<u>(32,832)</u>
FUND BALANCE (GAAP), beginning of year		303,733	
Add encumbrances, end of year		<u>24,288</u>	
FUND BALANCE (GAAP), end of year		<u>\$ 329,797</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
FAIRGROUND MAINTENANCE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ —	—	—
Investment income	—	279	279
Miscellaneous:			
Contributions	49,416	49,416	—
Other	500	—	(500)
Total revenues	<u>49,916</u>	<u>49,695</u>	<u>(221)</u>
EXPENDITURES			
Supplies, services, and other charges	10,064	10,064	—
Capital outlay	40,000	22,228	17,772
Total expenditures	<u>50,064</u>	<u>32,292</u>	<u>17,772</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(148)</u>	17,403	<u>17,551</u>
FUND BALANCE (GAAP), beginning of year		<u>16,280</u>	
FUND BALANCE (GAAP), end of year		\$ <u>33,683</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
COMMUNITY HEALTH/MEDICAL (HOSPITAL LEASE)
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ —	2,295	2,295
Miscellaneous:			
Other	—	500,000	500,000
Total revenues	—	502,295	502,295
EXPENDITURES			
Supplies, services, and other charges	—	—	—
Capital outlay	—	—	—
Total expenditures	—	—	—
REVENUES OVER (UNDER) EXPENDITURES	\$ —	502,295	502,295
FUND BALANCE (GAAP), beginning of year		—	
FUND BALANCE (GAAP), end of year		\$ 502,295	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
ELECTION SERVICES FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 26,090	56,753	30,663
Charges for services	35,000	33,691	(1,309)
Investment income	890	1,023	133
Total revenues	<u>61,980</u>	<u>91,467</u>	<u>29,487</u>
EXPENDITURES			
Supplies, services, and other charges	111,000	107,214	3,786
Capital outlay	157,800	157,675	125
Total expenditures	<u>268,800</u>	<u>264,889</u>	<u>3,911</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(206,820)</u>	(173,422)	<u>33,398</u>
FUND BALANCE (GAAP), beginning of year		<u>244,746</u>	
FUND BALANCE (GAAP), end of year		\$ <u>71,324</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
FEDERAL HAVA ELECTION FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 72,312	73,721	1,409
Total revenues	<u>72,312</u>	<u>73,721</u>	<u>1,409</u>
EXPENDITURES			
Supplies, services, and other charges	70,668	72,077	(1,409)
Capital outlay	<u>1,645</u>	<u>1,644</u>	<u>1</u>
Total expenditures	<u>72,313</u>	<u>73,721</u>	<u>(1,408)</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(1)</u>	—	<u>1</u>
FUND BALANCE (GAAP), beginning of year		—	
FUND BALANCE (GAAP), end of year		\$ <u>—</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
ELECTION EQUIPMENT REPLACEMENT FUND**

For The Year Ended December 31, 2010

	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Charges for services	\$ 31,000	25,650	(5,350)
Investment income	325	458	133
Total revenues	<u>31,325</u>	<u>26,108</u>	<u>(5,217)</u>
EXPENDITURES			
Supplies, services, and other charges	<u>57,000</u>	<u>—</u>	<u>57,000</u>
Total expenditures	<u>57,000</u>	<u>—</u>	<u>57,000</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(25,675)</u>	26,108	<u>51,783</u>
FUND BALANCE (GAAP), beginning of year		<u>74,928</u>	
FUND BALANCE (GAAP), end of year		\$ <u>101,036</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SHERIFF FORFEITURE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and forfeitures	\$ —	3,382	3,382
Investment income	<u>732</u>	<u>571</u>	<u>(161)</u>
Total revenues	<u>732</u>	<u>3,953</u>	<u>3,221</u>
EXPENDITURES			
Personnel services	6,291	6,291	—
Supplies, services, and other charges	7,544	3,742	3,802
Capital outlay	<u>16,868</u>	<u>12,199</u>	<u>4,669</u>
Total expenditures	<u>30,703</u>	<u>22,232</u>	<u>8,471</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(29,971)</u>	<u>(18,279)</u>	<u>11,692</u>
NET CHANGE IN FUND BALANCE	\$ <u>(29,971)</u>	(18,279)	<u>11,692</u>
FUND BALANCE (GAAP), beginning of year		<u>97,933</u>	
Add encumbrances, end of year		<u>6,391</u>	
FUND BALANCE (GAAP), end of year		\$ <u>86,045</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SHERIFF TRAINING FUND**

For The Year Ended December 31, 2010

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental	\$ 10,000	8,978	(1,022)
Charges for services	20,000	17,604	(2,396)
Investment income	95	27	(68)
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>30,095</u>	<u>26,609</u>	<u>(3,486)</u>
EXPENDITURES			
Supplies, services, and other charges	<u>30,500</u>	<u>26,722</u>	<u>3,778</u>
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>30,500</u>	<u>26,722</u>	<u>3,778</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(405)</u>	(113)	<u>292</u>
FUND BALANCE (GAAP), beginning of year		<u>12,900</u>	
FUND BALANCE (GAAP), end of year		\$ <u>12,787</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
PUBLIC SAFETY CITIZEN CONTRIBUTIONS FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Investment income	\$ 33	53	20
Miscellaneous: Contributions	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u> 33</u>	<u> 53</u>	<u> 20</u>
EXPENDITURES			
Supplies, services, and other charges	<u> 6,501</u>	<u> 1,797</u>	<u> 4,704</u>
Total expenditures	<u> 6,501</u>	<u> 1,797</u>	<u> 4,704</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u> (6,468)</u>	(1,744)	<u> 4,724</u>
FUND BALANCE (GAAP), beginning of year		<u> 9,615</u>	
FUND BALANCE (GAAP), end of year		\$ <u> 7,871</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
LAW ENFORCEMENT DEPARTMENT OF JUSTICE GRANTS FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental	\$ 88,131	56,929	(31,202)
Investment income	—	105	105
	<u>88,131</u>	<u>57,034</u>	<u>(31,097)</u>
Total revenues			
EXPENDITURES			
Supplies, services, and other charges	47,012	47,011	1
Capital outlay	36,434	22,509	13,925
	<u>83,446</u>	<u>69,520</u>	<u>13,926</u>
Total expenditures			
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>4,685</u>	(12,486)	<u>(17,171)</u>
FUND BALANCE (GAAP), beginning of year		628	
Less encumbrances, beginning of year		(5,418)	
Add encumbrances, end of year		<u>18,009</u>	
FUND BALANCE (GAAP), end of year		\$ <u>733</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SHERIFF CIVIL CHARGES FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 50,000	50,000	—
Investment income	<u>—</u>	<u>240</u>	<u>240</u>
Total revenues	<u>50,000</u>	<u>50,240</u>	<u>240</u>
EXPENDITURES			
Supplies, services, and other charges	<u>8,770</u>	<u>6,557</u>	<u>2,213</u>
Total expenditures	<u>8,770</u>	<u>6,557</u>	<u>2,213</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>41,230</u>	<u>43,683</u>	<u>2,453</u>
OTHER FINANCING SOURCES (USES)			
Transfer out	(40,000)	(40,000)	—
Sale of capital assets	<u>—</u>	<u>6,683</u>	<u>6,683</u>
Total other financing sources (uses)	<u>(40,000)</u>	<u>(33,317)</u>	<u>6,683</u>
NET CHANGE IN FUND BALANCE	\$ <u>1,230</u>	10,366	<u>9,136</u>
FUND BALANCE (GAAP), beginning of year		<u>9,532</u>	
FUND BALANCE (GAAP), end of year		\$ <u>19,898</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SHERIFF REVOLVING FUND**

For The Year Ended December 31, 2010

	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Licenses and permits	\$ 76,284	58,738	(17,546)
Investment income	<u>389</u>	<u>515</u>	<u>126</u>
Total revenues	<u>76,673</u>	<u>59,253</u>	<u>(17,420)</u>
EXPENDITURES			
Supplies, services, and other charges	33,882	17,988	15,894
Capital outlay	<u>53,974</u>	<u>32,111</u>	<u>21,863</u>
Total expenditures	<u>87,856</u>	<u>50,099</u>	<u>37,757</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(11,183)</u>	9,154	<u>20,337</u>
FUND BALANCE (GAAP), beginning of year		75,706	
Less encumbrances, beginning of year		(6,539)	
Add encumbrances, end of year		<u>11,637</u>	
FUND BALANCE (GAAP), end of year		\$ <u>89,958</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
INMATE SECURITY FUND**

For The Year Ended December 31, 2010

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 21,000	17,568	(3,432)
Investment income	<u>265</u>	<u>352</u>	<u>87</u>
Total revenues	<u>21,265</u>	<u>17,920</u>	<u>(3,345)</u>
EXPENDITURES	<u>—</u>	<u>—</u>	<u>—</u>
Total expenditures	<u>—</u>	<u>—</u>	<u>—</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>21,265</u>	17,920	<u>(3,345)</u>
FUND BALANCE (GAAP), beginning of year		<u>56,035</u>	
FUND BALANCE (GAAP), end of year		\$ <u>73,955</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
PROSECUTING ATTORNEY TRAINING FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 4,850	4,438	(412)
Investment income	<u>20</u>	<u>12</u>	<u>(8)</u>
Total revenues	<u>4,870</u>	<u>4,450</u>	<u>(420)</u>
EXPENDITURES			
Supplies, services, and other charges	<u>5,844</u>	<u>5,377</u>	<u>467</u>
Total expenditures	<u>5,844</u>	<u>5,377</u>	<u>467</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(974)</u>	(927)	<u>47</u>
FUND BALANCE (GAAP), beginning of year		<u>4,388</u>	
FUND BALANCE (GAAP), end of year		\$ <u>3,461</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
PROSECUTING ATTORNEY TAX COLLECTION FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 40,000	45,913	5,913
Investment income	250	131	(119)
Miscellaneous	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>40,250</u>	<u>46,044</u>	<u>5,794</u>
EXPENDITURES			
Personal services	47,764	42,241	5,523
Supplies, services, and other charges	1,785	1,708	77
Capital outlay	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>49,549</u>	<u>43,949</u>	<u>5,600</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(9,299)</u>	2,095	<u>11,394</u>
FUND BALANCE (GAAP), beginning of year		<u>28,109</u>	
FUND BALANCE (GAAP), end of year		<u>\$ 30,204</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
PROSECUTING ATTORNEY CONTINGENCY FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 20,000	19,851	(149)
Investment income	105	—	(105)
Total revenues	<u>20,105</u>	<u>19,851</u>	<u>(254)</u>
EXPENDITURES			
Supplies, services, and other charges	<u>20,000</u>	<u>19,965</u>	<u>35</u>
Total expenditures	<u>20,000</u>	<u>19,965</u>	<u>35</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>105</u>	(114)	<u>(219)</u>
FUND BALANCE (GAAP), beginning of year		<u>149</u>	
FUND BALANCE (GAAP), end of year		\$ <u>35</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
PROSECUTING ATTORNEY BAD CHECK COLLECTION FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Charges for services	\$ 85,000	65,715	(19,285)
Investment income	565	185	(380)
Miscellaneous	75	54	(21)
	<u> </u>	<u> </u>	<u> </u>
Total revenues	85,640	65,954	(19,686)
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURES			
Personal services	107,224	106,419	805
Supplies, services, and other charges	6,620	4,943	1,677
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	113,844	111,362	2,482
	<u> </u>	<u> </u>	<u> </u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(28,204)</u>	(45,408)	<u>(17,204)</u>
FUND BALANCE (GAAP), beginning of year		<u>41,260</u>	
FUND BALANCE (GAAP), end of year		\$ <u>(4,148)</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
PROSECUTING ATTORNEY FORFEITURE FUND
For The Year Ended December 31, 2010**

	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Investment income	\$ <u>105</u>	<u>80</u>	<u>(25)</u>
Total revenues	<u>105</u>	<u>80</u>	<u>(25)</u>
EXPENDITURES			
Supplies, services, and other charges	<u>13,500</u>	<u>—</u>	<u>13,500</u>
Total expenditures	<u>13,500</u>	<u>—</u>	<u>13,500</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u><u>(13,395)</u></u>	<u>80</u>	<u><u>13,475</u></u>
FUND BALANCE (GAAP), beginning of year		<u>13,913</u>	
FUND BALANCE (GAAP), end of year		\$ <u><u>13,993</u></u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
RECORD PRESERVATION FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 123,200	103,931	(19,269)
Investment income	<u>1,900</u>	<u>2,857</u>	<u>957</u>
Total revenues	<u>125,100</u>	<u>106,788</u>	<u>(18,312)</u>
EXPENDITURES			
Supplies, services, and other charges	363,220	41,504	321,716
Capital outlay	<u>35,295</u>	<u>17,548</u>	<u>17,747</u>
Total expenditures	<u>398,515</u>	<u>59,052</u>	<u>339,463</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(273,415)</u>	47,736	<u>321,151</u>
OTHER FINANCING SOURCES (USES)			
Sale of capital assets	<u>—</u>	<u>5</u>	<u>5</u>
Total other financing sources (uses)	<u>—</u>	<u>5</u>	<u>5</u>
NET CHANGE IN FUND BALANCE	\$ <u><u>(273,415)</u></u>	47,741	<u><u>321,161</u></u>
FUND BALANCE (GAAP), beginning of year		<u>488,508</u>	
FUND BALANCE (GAAP), end of year		\$ <u><u>536,249</u></u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
FAMILY SERVICES AND JUSTICE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 33,725	30,852	(2,873)
Charges for services	95,500	106,893	11,393
Investment income	275	268	(7)
Miscellaneous:			
Other	1,500	1,240	(260)
 Total revenues	 <u>131,000</u>	 <u>139,253</u>	 <u>8,253</u>
EXPENDITURES			
Supplies, services, and other charges	<u>150,450</u>	<u>140,028</u>	<u>10,422</u>
 Total expenditures	 <u>150,450</u>	 <u>140,028</u>	 <u>10,422</u>
 REVENUES OVER (UNDER) EXPENDITURES	 \$ <u>(19,450)</u>	 (775)	 <u>18,675</u>
 FUND BALANCE (GAAP), beginning of year		 <u>37,618</u>	
 FUND BALANCE (GAAP), end of year		 \$ <u>36,843</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
CIRCUIT DRUG COURT FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 115,000	93,126	(21,874)
Investment income	550	923	373
Miscellaneous:			
Other	—	975	975
	<u>115,550</u>	<u>95,024</u>	<u>(20,526)</u>
EXPENDITURES			
Supplies, services, and other charges	128,470	39,987	88,483
Capital outlay	1,000	977	23
	<u>129,470</u>	<u>40,964</u>	<u>88,506</u>
REVENUES OVER (UNDER) EXPENDITURES			
	\$ <u>(13,920)</u>	54,060	<u>67,980</u>
FUND BALANCE (GAAP), beginning of year			
		147,682	
Less encumbrances, beginning of year			
		(300)	
Add encumbrances, end of year			
		<u>2,470</u>	
FUND BALANCE (GAAP), end of year			
		\$ <u>203,912</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
ADMINISTRATION OF JUSTICE FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 21,500	16,704	(4,796)
Investment income	235	455	220
Total revenues	<u>21,735</u>	<u>17,159</u>	<u>(4,576)</u>
EXPENDITURES			
Supplies, services, and other charges	13,100	676	12,424
Capital outlay	2,200	1,664	536
Total expenditures	<u>15,300</u>	<u>2,340</u>	<u>12,960</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>6,435</u>	14,819	<u>8,384</u>
FUND BALANCE (GAAP), beginning of year		75,107	
Less encumbrances, beginning of year		(904)	
Add encumbrances, end of year		<u>—</u>	
FUND BALANCE (GAAP), end of year		\$ <u>89,022</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
RECOVERY ACT GRANTS – CYBER CRIMES AND
VIOLENCE AGAINST WOMEN FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental	\$ 350,103	310,353	(39,750)
Total revenues	<u>350,103</u>	<u>310,353</u>	<u>(39,750)</u>
EXPENDITURES			
Personal Services	246,622	234,737	11,885
Supplies, services, and other charges	42,172	28,435	13,737
Capital outlay	<u>52,056</u>	<u>47,216</u>	<u>4,840</u>
Total expenditures	<u>340,850</u>	<u>310,388</u>	<u>30,462</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>9,253</u>	<u>(35)</u>	<u>(9,288)</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>—</u>	<u>35</u>	<u>35</u>
Total other financing sources (uses)	<u>—</u>	<u>35</u>	<u>35</u>
NET CHANGE IN FUND BALANCE	\$ <u>9,253</u>	<u>—</u>	<u>(9,253)</u>
FUND BALANCE (GAAP), beginning of year		<u>109</u>	
FUND BALANCE (GAAP), end of year		\$ <u>109</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
JUSTICE ASSISTANCE GRANT - RECOVERY ACT STIMULUS FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 34,690	29,637	(5,053)
Investment income	—	1,147	1,147
Total revenues	<u>34,690</u>	<u>30,784</u>	<u>(3,906)</u>
EXPENDITURES			
Personal services	8,337	8,337	—
Supplies, services, and other charges	—	—	—
Capital outlay	<u>25,729</u>	<u>25,728</u>	<u>1</u>
Total expenditures	<u>34,066</u>	<u>34,065</u>	<u>1</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>624</u>	(3,281)	<u>(3,905)</u>
FUND BALANCE (GAAP), beginning of year		305	
Less encumbrances, beginning of year		(2,077)	
Add encumbrances, end of year		<u>5,053</u>	
FUND BALANCE (GAAP), end of year		\$ <u>—</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
LAW LIBRARY FUND**

For The Year Ended December 31, 2010

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Fines and forfeitures	\$ 28,033	28,033	—
Investment income	<u>467</u>	<u>467</u>	<u>—</u>
Total revenues	<u>28,500</u>	<u>28,500</u>	<u>—</u>
EXPENDITURES			
Supplies, services, and other charges	<u>12,480</u>	<u>12,480</u>	<u>—</u>
Total expenditures	<u>12,480</u>	<u>12,480</u>	<u>—</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u><u>16,020</u></u>	16,020	<u><u>—</u></u>
FUND BALANCE (GAAP), beginning of year		<u>56,097</u>	
FUND BALANCE (GAAP), end of year		\$ <u><u>72,117</u></u>	

BOONE COUNTY, MISSOURI

DEBT SERVICE FUNDS

Debt Service Funds account for resources used for the payments of principal, interest, and other expenditures on long-term general and special obligation debt.

Debt Service Reserve Fund - To hold in trust the moneys required as a reserve for the 2003 Special Obligation Refunding and Improvement Bonds issued in the amount of \$5,240,000. These bonds were issued in 2003 to refund the Series 1993 Special Obligation Administration Building Bonds, for which the debt service reserve fund previously held moneys in trust. Financing for the bond issue is obtained through an annual appropriation for rental payments from the County. Payments of principal are required annually and interest payments required semi-annually until 2018. The moneys in this fund will be used to make the final payments on the bonds.

Series 2005 Special Obligation Bond - Taxable - To hold in trust the moneys required as a reserve for the bonds and to accumulate moneys for payment of the principal and interest on \$2,005,000 taxable special obligation bonds issued in 2005 for the purchase of land and buildings. Financing for the annual debt service requirements is primarily obtained through revenues received from lease of the land and buildings. Interest-only payments are required through 2007 with principal and interest payments required 2008 through 2014 followed by a final balloon payment in 2015.

Series 2010 Special Obligation Bond - Taxable - To hold in trust the moneys required as a reserve for the bonds and to accumulate moneys for payment of the principal and interest on \$830,000 taxable special obligation bonds issued in 2010 for the construction of buildings. Financing for the annual debt service requirements is primarily obtained through revenues received from lease of the land and buildings. Principal payments are required annually beginning in 2011 through 2020 and interest payments are required semi-annually beginning in 2010 through 2020.

Series 2000A Neighborhood Improvement District Bond Fund - Sewer - To accumulate moneys for payment of the principal and interest on \$280,000 general obligation neighborhood improvement bonds issued in 2000. Financing is obtained through fees paid by property owners within the neighborhood improvement district. Principal payments are required annually and interest payments are required semi-annually until 2010. The fees in excess of actual requirements are legally restricted to servicing this debt.

Series 2000B Neighborhood Improvement District Bond Fund - Road - To accumulate moneys for payment of the principal and interest on \$184,000 general obligation neighborhood improvement bonds issued in 2000. Financing is obtained through fees paid by property owners within the neighborhood improvement district. Principal payments are required annually and interest payments are required semi-annually until 2010. The fees in excess of actual requirements are legally restricted to servicing this debt.

Series 2001 Neighborhood Improvement District Bond Fund - Road - To accumulate moneys for payment of the principal and interest on \$305,000 general obligation neighborhood improvement bonds issued in 2001. Financing is obtained through fees paid by property owners within the neighborhood improvement district. Principal payments are required annually and interest payments are required semi-annually until 2012. The fees in excess of actual requirements are legally restricted to servicing this debt.

Series 2006A Neighborhood Improvement District Bond Fund - Road - To accumulate moneys for payment of the principal and interest on \$182,000 general obligation neighborhood improvement bonds issued in 2006. Financing is obtained through fees paid by property owners within the neighborhood improvement district. Principal payments are required annually and interest payments are required semi-annually until 2016. The fees in excess of actual requirements are legally restricted to servicing this debt.

BOONE COUNTY, MISSOURI

DEBT SERVICE FUNDS

Series 2010A Neighborhood Improvement District Bond Fund - Sewer - To accumulate moneys for payment of the principal and interest on \$204,000 general obligation neighborhood improvement bonds issued in 2010. Financing is obtained through fees paid by property owners within the neighborhood improvement district. Principal payments are required annually and interest payments are required semi-annually until 2030. The fees in excess of actual requirements are legally restricted to servicing this debt.

Series 2010 Neighborhood Improvement District Bond Fund - Sewer - To accumulate moneys for payment of the principal and interest on \$123,675 general obligation neighborhood improvement bonds issued in 2010. Financing is obtained through fees paid by property owners within the neighborhood improvement district. Principal payments are required annually and interest payments are required semi-annually until 2029. The fees in excess of actual requirements are legally restricted to servicing this debt.

BOONE COUNTY, MISSOURI

**COMBINING BALANCE SHEET -
NONMAJOR DEBT SERVICE FUNDS**

December 31, 2010

	Debt Service Reserve	Series 2005 Special Obligation Bond—Taxable	Series 2010 Special Obligation Bond—Taxable	Series 2000A Neighborhood Improvement District Bond—Sewer	Series 2000B Neighborhood Improvement District Bond—Road	Series 2001 Neighborhood Improvement District Bond—Road	Series 2006A Neighborhood Improvement District Bond—Road	Series 2010A Neighborhood Improvement District Bond—Sewer	Series 2010 Neighborhood Improvement District Bond—Sewer	Total Nonmajor Debt Service Funds
ASSETS										
Investments	\$ —	1,709,032	90,150	19,898	13,245	104,667	24,107	13,874	—	1,974,973
Accrued interest	—	7,071	322	78	51	348	10	—	—	7,880
Assessments receivable	—	—	—	811	506	8,876	80,566	209,441	—	300,200
Restricted assets:										
Cash and cash equivalents	524,000	310,397	—	—	—	—	—	—	—	834,397
Total assets	<u>524,000</u>	<u>2,026,500</u>	<u>90,472</u>	<u>20,787</u>	<u>13,802</u>	<u>113,891</u>	<u>104,683</u>	<u>223,315</u>	<u>—</u>	<u>3,117,450</u>
LIABILITIES AND FUND BALANCES										
Liabilities:										
Deferred revenue	—	—	—	811	506	2,242	80,566	201,960	—	286,085
Total liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>811</u>	<u>506</u>	<u>2,242</u>	<u>80,566</u>	<u>201,960</u>	<u>—</u>	<u>286,085</u>
Fund balances:										
Reserved for debt service	524,000	2,026,500	90,472	19,976	13,296	111,649	24,117	21,355	—	2,831,365
Total fund balances	<u>524,000</u>	<u>2,026,500</u>	<u>90,472</u>	<u>19,976</u>	<u>13,296</u>	<u>111,649</u>	<u>24,117</u>	<u>21,355</u>	<u>—</u>	<u>2,831,365</u>
Total liabilities and fund balances	<u>\$ 524,000</u>	<u>2,026,500</u>	<u>90,472</u>	<u>20,787</u>	<u>13,802</u>	<u>113,891</u>	<u>104,683</u>	<u>223,315</u>	<u>—</u>	<u>3,117,450</u>

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
NONMAJOR DEBT SERVICE FUNDS
For The Year Ended December 31, 2010**

	Debt Service Reserve	Series 2005 Special Obligation Bond—Taxable	Series 2010 Special Obligation Bond—Taxable	Series 2000A Neighborhood Improvement District Bond—Sewer	Series 2000B Neighborhood Improvement District Bond—Road	Series 2001 Neighborhood Improvement District Bond—Road	Series 2006A Neighborhood Improvement District Bond—Road	Series 2010A Neighborhood Improvement District Bond—Sewer	Series 2010 Neighborhood Improvement District Bond—Sewer	Total Nonmajor Debt Service Funds
REVENUES										
Assessments	\$ —	—	—	1,308	2,969	24,635	22,636	21,103	—	72,651
Intergovernmental	—	—	7,937	—	—	—	—	—	—	7,937
Investment income	—	10,606	172	161	101	563	49	—	—	11,652
Miscellaneous: Other	—	30,920	—	—	—	—	—	—	—	30,920
Total revenues	—	41,526	8,109	1,469	3,070	25,198	22,685	21,103	—	123,160
EXPENDITURES										
Principal retirement	—	55,000	—	35,000	23,000	33,000	17,000	—	—	163,000
Interest and fiscal charges	—	112,811	17,637	936	598	3,873	5,921	—	264	142,040
Total expenditures	—	167,811	17,637	35,936	23,598	36,873	22,921	—	264	305,040
REVENUES OVER (UNDER) EXPENDITURES	—	(126,285)	(9,528)	(34,467)	(20,528)	(11,675)	(236)	21,103	(264)	(181,880)
OTHER FINANCING SOURCES (USES)										
Transfers in	—	—	100,000	—	—	—	—	252	264	100,516
Transfers out	—	—	—	—	—	—	—	—	—	—
Total other financing sources (uses)	—	—	100,000	—	—	—	—	252	264	100,516
NET CHANGE IN FUND BALANCE	—	(126,285)	90,472	(34,467)	(20,528)	(11,675)	(236)	21,355	—	(81,364)
FUND BALANCES, beginning of year	524,000	2,152,785	—	54,443	33,824	123,324	24,353	—	—	2,912,729
FUND BALANCES, end of year	\$ 524,000	2,026,500	90,472	19,976	13,296	111,649	24,117	21,355	—	2,831,365

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2008 NEIGHBORHOOD IMPROVEMENT DISTRICT BOND FUND - SEWER -
MAJOR FUND**

For The Year Ended December 31, 2010

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Assessments	\$ —	105,535	105,535
Investment income	—	18	18
Total revenues	—	105,553	105,553
EXPENDITURES			
Debt service:			
Principal retirement	686,600	686,600	—
Interest and fiscal charges	32,640	30,401	2,239
Total debt service	719,240	717,001	2,239
Total expenditures	719,240	717,001	2,239
REVENUES OVER (UNDER) EXPENDITURES	(719,240)	(611,448)	107,792
OTHER FINANCING SOURCES (USES)			
Transfers in	719,240	717,080	(2,160)
Total other financing sources (uses)	719,240	717,080	(2,160)
NET CHANGE IN FUND BALANCE	\$ —	105,632	105,632
FUND BALANCES (GAAP), beginning of year		9	
FUND BALANCES (GAAP), end of year		\$ 105,641	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2005 SPECIAL OBLIGATION BOND FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ —	10,606	10,606
Miscellaneous:			
Other	<u>30,920</u>	<u>30,920</u>	<u>—</u>
Total revenues	<u>30,920</u>	<u>41,526</u>	<u>10,606</u>
EXPENDITURES			
Principal retirement	55,000	55,000	—
Interest and fiscal charges	<u>112,811</u>	<u>112,811</u>	<u>—</u>
Total expenditures	<u>167,811</u>	<u>167,811</u>	<u>—</u>
REVENUES OVER (UNDER) EXPENDITURES	(136,891)	(126,285)	—
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>—</u>	<u>—</u>	<u>—</u>
NET CHANGE IN FUND BALANCE	<u>\$ (136,891)</u>	<u>(126,285)</u>	<u>—</u>
FUND BALANCE (GAAP), beginning of year		<u>2,152,785</u>	
FUND BALANCE (GAAP), end of year		<u>\$ 2,026,500</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2010 SPECIAL OBLIGATION BOND FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 7,937	7,937	—
Investment income	—	172	172
Total revenues	<u>7,937</u>	<u>8,109</u>	<u>172</u>
EXPENDITURES			
Interest and fiscal charges	<u>17,638</u>	<u>17,637</u>	<u>1</u>
Total expenditures	<u>17,638</u>	<u>17,637</u>	<u>1</u>
REVENUES OVER (UNDER) EXPENDITURES	(9,701)	(9,528)	173
OTHER FINANCING SOURCES (USES)			
Transfer in	100,000	100,000	—
Transfer out	—	—	—
NET CHANGE IN FUND BALANCE	<u>\$ 90,299</u>	<u>90,472</u>	<u>173</u>
FUND BALANCE (GAAP), beginning of year		—	
FUND BALANCE (GAAP), end of year		<u>\$ 90,472</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2000A NEIGHBORHOOD IMPROVEMENT DISTRICT BOND FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Assessments	\$ —	1,308	1,308
Investment income	<u>200</u>	<u>161</u>	<u>(39)</u>
Total revenues	<u>200</u>	<u>1,469</u>	<u>1,269</u>
EXPENDITURES			
Principal retirement	35,000	35,000	—
Interest and fiscal charges	<u>1,437</u>	<u>936</u>	<u>501</u>
Total expenditures	<u>36,437</u>	<u>35,936</u>	<u>501</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(36,237)</u>	(34,467)	<u>1,770</u>
FUND BALANCE (GAAP), beginning of year		<u>54,443</u>	
FUND BALANCE (GAAP), end of year		\$ <u>19,976</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2000B NEIGHBORHOOD IMPROVEMENT DISTRICT BOND FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Assessments	\$ —	2,969	2,969
Investment income	85	101	16
	<u> </u>	<u> </u>	<u> </u>
Total revenues	85	3,070	2,985
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURES			
Principal retirement	23,000	23,000	—
Interest and fiscal charges	1,098	598	500
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	24,098	23,598	500
	<u> </u>	<u> </u>	<u> </u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(24,013)</u>	(20,528)	<u>3,485</u>
FUND BALANCE (GAAP), beginning of year		<u>33,824</u>	
FUND BALANCE (GAAP), end of year		\$ <u>13,296</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2001 NEIGHBORHOOD IMPROVEMENT DISTRICT BOND FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Assessments	\$ 24,583	24,635	52
Investment income	<u>280</u>	<u>563</u>	<u>283</u>
Total revenues	<u>24,863</u>	<u>25,198</u>	<u>335</u>
EXPENDITURES			
Principal retirement	33,000	33,000	—
Interest and fiscal charges	<u>4,112</u>	<u>3,873</u>	<u>239</u>
Total expenditures	<u>37,112</u>	<u>36,873</u>	<u>239</u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u>(12,249)</u>	(11,675)	<u>574</u>
FUND BALANCE (GAAP), beginning of year		<u>123,324</u>	
FUND BALANCE (GAAP), end of year		\$ <u>111,649</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2006A NEIGHBORHOOD IMPROVEMENT DISTRICT BOND FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Assessments	\$ 22,409	22,636	227
Investment income	36	49	13
	<u> </u>	<u> </u>	<u> </u>
Total revenues	22,445	22,685	240
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURES			
Principal retirement	17,000	17,000	—
Interest and fiscal charges	6,071	5,921	150
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	23,071	22,921	150
	<u> </u>	<u> </u>	<u> </u>
REVENUES OVER (UNDER) EXPENDITURES	\$ <u> (626)</u>	(236)	<u> 390</u>
FUND BALANCE (GAAP), beginning of year		<u>24,353</u>	
FUND BALANCE (GAAP), end of year		\$ <u> 24,117</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2010A NEIGHBORHOOD IMPROVEMENT DISTRICT BOND FUND - SEWER
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Assessments	\$ —	21,103	21,103
Investment income	—	—	—
Total revenues	<u>—</u>	<u>21,103</u>	<u>21,103</u>
EXPENDITURES			
Principal retirement	—	—	—
Interest and fiscal charges	—	—	—
Total expenditures	<u>—</u>	<u>—</u>	<u>—</u>
REVENUES OVER (UNDER) EXPENDITURES	—	21,103	21,103
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>252</u>	<u>252</u>	
NET CHANGE IN FUND BALANCE	<u>\$ 252</u>	21,355	<u>21,103</u>
FUND BALANCE (GAAP), beginning of year		<u>—</u>	
FUND BALANCE (GAAP), end of year		<u>\$ 21,355</u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SERIES 2010 NEIGHBORHOOD IMPROVEMENT DISTRICT BOND FUND - SEWER
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Assessments	\$ —	—	—
Investment income	—	—	—
	<u> </u>	<u> </u>	<u> </u>
Total revenues	—	—	—
EXPENDITURES			
Principal retirement	—	—	—
Interest and fiscal charges	—	264	(264)
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	—	264	(264)
REVENUES OVER (UNDER) EXPENDITURES	—	(264)	(264)
OTHER FINANCING SOURCES (USES)			
Transfer in	264	264	—
	<u> </u>	<u> </u>	<u> </u>
NET CHANGE IN FUND BALANCE	\$ <u>264</u>	—	<u>(264)</u>
FUND BALANCE (GAAP), beginning of year		<u>—</u>	
FUND BALANCE (GAAP), end of year		\$ <u>—</u>	

BOONE COUNTY, MISSOURI

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for the receipt and disbursement of resources for the purpose of constructing or buying major capital assets.

Government Center Capital Improvement Fund - To account for the resources used in the planning, renovating, and expanding of the Government Center and/or Johnson Building. This is a major fund; therefore, it is also included in the Basic Financial Statements.

City/County Health Facility - To account for the resources used in the planning, renovating, and expanding of the City/County Health Facility.

General Capital - To account for other miscellaneous building-related capital projects of the County.

One-Fifth Cent Sales Tax Capital Improvement Fund - To account for the resources and expenditures of the voter-approved three-year one-fifth cent sales tax for the Courthouse Expansion, Government Center improvements, and other related projects. The sales tax expires in 2009. This is a major fund; therefore, it is also included in the Basic Financial Statements.

Law Office Remodel IV-D (Child Support Enforcement) - To account for the resources used in planning and remodeling law office building space in order to house the operations of the Prosecuting Attorney's Child Support Enforcement operations.

Sheriff/Elections Facility - To account for resources and expenditures used in the planning and construction of a Sheriff's Annex and Election Warehouse Facility.

Johnston Paint Building Remodel - To account for resources and expenditures used in the planning and remodeling of the Johnston Paint Building which will provide operating space for Human Resources, Purchasing, and Facilities Maintenance.

BOONE COUNTY, MISSOURI

**COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
December 31, 2010**

	Government Center	City/County Health Facility	General Capital	One-Fifth Cent Sales Tax Capital Improvements	Law Office Remodel IV-D 605 E. Walnut	Sheriff/ Elections Facility	Johnston Paint Building Remodel	Total Nonmajor Capital Project Funds
ASSETS								
Cash and cash equivalents	\$ 2,381,161	—	63,076	629,077	—	—	—	3,073,314
Investments	—	—	—	69,343	11,886	262,909	406,471	750,609
Accrued interest	10,952	—	—	2,915	52	3,109	1,578	18,606
Sales taxes receivable	—	—	—	965	—	—	—	965
Due from other funds	—	—	—	—	—	1,644	—	1,644
Due from other governments	—	—	116,909	—	—	—	—	116,909
Total assets	2,392,113	—	179,985	702,300	11,938	267,662	408,049	3,962,047
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	398,400	—	—	—	—	177,195	64,277	639,872
Due to other funds	—	—	14,750	—	—	—	—	14,750
Total liabilities	398,400	—	14,750	—	—	177,195	64,277	654,622
Fund balances:								
Undesignated	1,993,713	—	165,235	702,300	11,938	90,467	343,772	3,307,425
Total fund balances	1,993,713	—	165,235	702,300	11,938	90,467	343,772	3,307,425
Total liabilities and fund balances	\$ 2,392,113	—	179,985	702,300	11,938	267,662	408,049	3,962,047

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
NONMAJOR CAPITAL PROJECTS FUNDS**

December 31, 2010

	Government Center	Health Facility	General Capital	Capital Improvements	IV-D 605 E. Walnut	Elections Facility	Building Remodel	Capital Project Funds
REVENUES								
Sales taxes	\$ —	—	—	5,000	—	—	—	5,000
Intergovernmental	—	—	165,235	—	—	—	—	165,235
Investment income	18,990	—	—	5,265	78	7,208	649	32,190
Miscellaneous:								
Other	—	—	—	34,397	—	—	—	34,397
Total revenues	18,990	—	165,235	44,662	78	7,208	649	236,822
EXPENDITURES								
Capital outlay	1,869,665	3,640	—	—	—	1,457,492	197,634	3,528,431
Interest and fiscal charges	—	—	—	—	—	32,974	—	32,974
Total expenditures	1,869,665	3,640	—	—	—	1,490,466	197,634	3,561,405
REVENUES OVER (UNDER) EXPENDITURES	(1,850,675)	(3,640)	165,235	44,662	78	(1,483,258)	(196,985)	(3,324,583)
OTHER FINANCING SOURCES (USES)								
Transfers in	—	—	—	—	—	—	506,028	506,028
Transfers out	(506,028)	—	—	—	—	—	—	(506,028)
Issuance of SO Bonds	—	—	—	—	—	830,000	—	830,000
Total other financing sources (uses)	(506,028)	—	—	—	—	830,000	506,028	830,000
NET CHANGE IN FUND BALANCES	(2,356,703)	(3,640)	165,235	44,662	78	(653,258)	309,043	(2,494,583)
FUND BALANCES,								
beginning of year	4,350,416	3,640	—	657,638	11,860	743,725	34,729	5,802,008
FUND BALANCES,								
end of year	\$ 1,993,713	—	165,235	702,300	11,938	90,467	343,772	3,307,425

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
GOVERNMENT CENTER CONSTRUCTION FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ —	18,990	18,990
Total revenues	—	18,990	18,990
EXPENDITURES			
Capital outlay	3,251,315	1,869,665	1,381,650
Total expenditures	3,251,315	1,869,665	1,381,650
REVENUES OVER (UNDER) EXPENDITURES	(3,251,315)	(1,850,675)	1,400,640
OTHER FINANCING SOURCES (USES)			
Transfers out	(506,028)	(506,028)	—
Total other financing sources (uses)	(506,028)	(506,028)	—
NET CHANGE IN FUND BALANCE	\$ (3,757,343)	(2,356,703)	1,400,640
FUND BALANCE (GAAP), beginning of year		4,350,416	
FUND BALANCE (GAAP), end of year		\$ 1,993,713	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
CITY/COUNTY HEALTH FACILITY FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES	\$ —	—	—
EXPENDITURES	—	—	—
REVENUES OVER (UNDER) EXPENDITURES	—	—	—
OTHER FINANCING SOURCES (USES) Transfers out	—	—	—
NET CHANGE IN FUND BALANCE	\$ —	—	—
FUND BALANCE (GAAP), beginning of year		3,640	
Less encumbrances, beginning of year		<u>(3,640)</u>	
FUND BALANCE (GAAP), end of year		\$ <u>—</u>	

See accompanying independent auditors' report.

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
GENERAL CAPITAL FUND
For The Year Ended December 31, 2010**

	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ <u>—</u>	<u>165,235</u>	<u>165,235</u>
Total revenues	<u>—</u>	<u>165,235</u>	<u>165,235</u>
EXPENDITURES	<u>—</u>	<u>—</u>	<u>—</u>
NET CHANGE IN FUND BALANCE	\$ <u><u>—</u></u>	<u>165,235</u>	<u><u>165,235</u></u>
FUND BALANCE (GAAP), beginning of year		<u>—</u>	
FUND BALANCE (GAAP), end of year		\$ <u><u>165,235</u></u>	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
ONE-FIFTH CENT SALES TAX CAPITAL IMPROVEMENT FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Sales taxes	\$ —	5,000	5,000
Investment income	—	5,265	5,265
Other			
Miscellaneous	—	34,397	34,397
	<u> </u>	<u> </u>	<u> </u>
Total revenues	—	44,662	44,662
	<u> </u>	<u> </u>	<u> </u>
EXPENDITURES			
Capital outlay	50,178	—	50,178
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	50,178	—	50,178
	<u> </u>	<u> </u>	<u> </u>
NET CHANGE IN FUND BALANCE	\$ <u>(50,178)</u>	44,662	<u>94,840</u>
FUND BALANCE (GAAP), beginning of year		<u>657,638</u>	
FUND BALANCE (GAAP), end of year		\$ <u>702,300</u>	

See accompanying independent auditors' report.

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
LAW OFFICE REMODEL IV-D 605 E. WALNUT FUND
For The Year Ended December 31, 2010**

	<u>Final Revised Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Investment income	\$ <u>—</u>	<u>78</u>	<u>78</u>
Total revenues	<u>—</u>	<u>78</u>	<u>78</u>
EXPENDITURES			
Total expenditures	<u>—</u>	<u>—</u>	<u>—</u>
NET CHANGE IN FUND BALANCE	\$ <u><u>—</u></u>	<u>78</u>	<u><u>78</u></u>
FUND BALANCE (GAAP), beginning of year		<u>11,860</u>	
FUND BALANCE (GAAP), end of year		\$ <u><u>11,938</u></u>	

See accompanying independent auditors' report.

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
SHERIFF/ELECTIONS FACILITY FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ —	7,208	7,208
Total revenues	—	7,208	7,208
EXPENDITURES			
Capital outlay	1,540,859	1,457,492	83,367
Interest and fiscal charges	32,974	32,974	—
Total expenditures	1,573,833	1,490,466	83,367
REVENUES OVER (UNDER) EXPENDITURES	(1,573,833)	(1,483,258)	90,575
OTHER FINANCING SOURCES (USES)			
Issuance of SO Bonds	830,000	830,000	—
Total other financing sources (uses)	830,000	830,000	—
NET CHANGE IN FUND BALANCE	\$ (743,833)	(653,258)	90,575
FUND BALANCE (GAAP), beginning of year		743,725	
FUND BALANCE (GAAP), end of year		\$ 90,467	

BOONE COUNTY, MISSOURI

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - BUDGET BASIS -
JOHNSTON PAINT BUILDING REMODEL FUND
For The Year Ended December 31, 2010**

	Final Revised Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ —	649	649
Total revenues	—	649	649
EXPENDITURES			
Capital outlay	540,757	197,634	343,123
Total expenditures	540,757	197,634	343,123
REVENUES OVER (UNDER) EXPENDITURES	(540,757)	(196,985)	343,772
OTHER FINANCING SOURCES (USES)			
Transfers in	506,028	506,028	—
Total other financing sources (uses)	506,028	506,028	—
NET CHANGE IN FUND BALANCE	\$ (34,729)	309,043	343,772
FUND BALANCE (GAAP), beginning of year		34,729	
FUND BALANCE (GAAP), end of year		\$ 343,772	

BOONE COUNTY, MISSOURI

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units on a cost reimbursement basis.

Self-insured Health Plan Fund - Accounts for operations of the self-insured health plan for County employees.

Self-insured Dental Plan Fund - Accounts for operations of the self-insured dental plan for County employees.

Self-insured Workers' Compensation Fund - Accounts for operations of the self-insured workers' compensation plan for County employees.

Self-insured Workers' Compensation Loss Control Fund - Accounts for the resources and expenses pertaining to loss control activities.

Facilities and Grounds Fund - Accounts for the operations of the Facilities Maintenance and Housekeeping Departments. Operating revenues are derived from all internal service charges to County departments based on square footage occupied.

Building and Grounds Capital Repair and Replacement Fund - Provides for the accumulation of resources to be used for major repairs and replacements for County owned buildings. The resources are derived from an annual internal service charge to departments based on square footage occupied.

Utilities Fund - Accounts for building utilities for the Government Center, Johnson Building, Courthouse, 607 East Ash, and the County owned space in the Centralia Clinic.

Family Health Center Capital Repair and Replacement Fund - Accounts for the accumulation of resources to be used for major repairs and replacements for the County's 100% ownership interest in Unit 2 of the Health Facility. This portion of the Health Facility is currently leased to Family Health Center.

Health Department Capital Repair and Replacement Fund - Accounts for the accumulation of resources to be used for major repairs and replacements for the County's ownership share of Unit 1 of the Health Facility. Unit 1 is jointly owned by the City of Columbia and the County. This portion of the Health Facility houses the City-County Health Department.

Public Works Capital Repair and Replacement Fund - Accounts for the accumulation of resources to be used for major repairs and replacements for the County's Road and Bridge Maintenance Operations facility. The resources are derived from an annual internal service charge to the Road and Bridge Fund.

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF NET ASSETS -
INTERNAL SERVICE FUNDS
December 31, 2010**

	Self-Insured Health Plan	Self-Insured Dental Plan	Self-Insured Workers' Comp	Self-Insured Workers' Comp Loss Control	Facilities and Grounds	Bldg/Grnd Capital R & R	Utilities	Family Health Ctr Capital R & R	Health Department Capital R & R	Public Works Capital R & R	Total
ASSETS											
Current assets:											
Investments	\$ 2,523,858	86,294	1,026,001	35,604	621,635	892,818	151,132	40,102	32,938	49,914	5,460,296
Accrued interest	10,464	394	4,113	173	2,397	3,790	687	156	128	178	22,480
Accounts receivable	2,439	8	—	—	24	—	75	—	—	—	2,546
Due from other governments	—	—	—	—	—	—	—	—	3,725	—	3,725
Restricted investments	—	—	205,000	—	—	—	—	—	—	—	205,000
Total current assets	2,536,761	86,696	1,235,114	35,777	624,056	896,608	151,894	40,258	36,791	50,092	5,694,047
Noncurrent assets:											
Capital assets, net	—	—	—	—	27,628	—	—	—	—	—	27,628
Total assets	2,536,761	86,696	1,235,114	35,777	651,684	896,608	151,894	40,258	36,791	50,092	5,721,675
LIABILITIES											
Current liabilities:											
Accounts payable	—	—	1,878	1,120	6,061	34,365	9,957	—	7,450	—	60,831
Wages payable	—	—	—	—	15,824	—	—	—	—	—	15,824
Compensated absences	—	—	—	—	20,439	—	—	—	—	—	20,439
Accrued liabilities	—	—	—	—	1,666	—	—	—	—	—	1,666
Estimated liability for claims incurred but not paid	213,748	19,479	330,035	—	—	—	—	—	—	—	563,262
Due to other funds	—	—	—	—	—	—	—	—	—	—	—
Total current liabilities	213,748	19,479	331,913	1,120	43,990	34,365	9,957	—	7,450	—	662,022
Long-term liabilities:											
Other post-employment benefit	176,377	—	—	—	—	—	—	—	—	—	176,377
Total liabilities	390,125	19,479	331,913	1,120	43,990	34,365	9,957	—	7,450	—	838,399
NET ASSETS											
Invested in capital assets	—	—	—	—	27,628	—	—	—	—	—	27,628
Restricted for workers' compensation claims	—	—	205,000	—	—	—	—	—	—	—	205,000
Unrestricted	2,146,636	67,217	698,201	34,657	580,066	862,243	141,937	40,258	29,341	50,092	4,650,648
Total net assets	\$ 2,146,636	67,217	903,201	34,657	607,694	862,243	141,937	40,258	29,341	50,092	4,883,276

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2010**

	Self-Insured Health Plan	Self-Insured Dental Plan	Self-Insured Workers' Comp	Self-Insured Workers' Comp Loss Control	Facilities and Grounds	Bldg/Grnd Capital R & R	Utilities	Family Health Ctr Capital R & R	Health Department Capital R & R	Public Works Capital R & R	Total
OPERATING REVENUES											
Intergovernmental	\$ 19,158	1,219	—	—	—	—	—	—	—	—	20,377
Charges for services	2,365,386	192,956	455,687	—	930,676	207,782	452,090	—	3,725	50,000	4,658,302
Miscellaneous	22,834	—	46	—	36	—	—	—	—	—	22,916
Total operating revenues	2,407,378	194,175	455,733	—	930,712	207,782	452,090	—	3,725	50,000	4,701,595
OPERATING EXPENSES											
Salaries and employee benefits	—	—	1,305	—	558,571	—	—	—	—	—	559,876
Supplies, services, and other charges	—	—	—	1,190	288,914	—	419,203	—	7,450	—	716,757
Claims expense	2,062,437	192,509	314,374	—	—	—	—	—	—	—	2,569,320
Professional services	29,400	—	—	31,329	—	—	—	—	—	—	60,729
Administrative fees	324,177	14,889	51,280	—	—	—	—	—	—	—	390,346
Capital outlay	—	—	—	—	3,440	—	—	—	—	—	3,440
Other post employment benefit expense	62,938	—	—	—	—	—	—	—	—	—	62,938
Depreciation	—	—	—	—	9,161	—	—	—	—	—	9,161
Total operating expenses	2,478,952	207,398	366,959	32,519	860,086	—	419,203	—	7,450	—	4,372,567
Operating income (loss)	(71,574)	(13,223)	88,774	(32,519)	70,626	207,782	32,887	—	(3,725)	50,000	329,028
NONOPERATING REVENUES (EXPENSES)											
Investment income	15,523	593	8,280	302	3,417	6,036	1,000	231	190	92	35,664
Total nonoperating revenues (expenses)	15,523	593	8,280	302	3,417	6,036	1,000	231	190	92	35,664
Transfers in	—	—	—	45,000	—	—	—	—	—	—	45,000
Transfers out	—	—	(45,000)	—	—	(528,674)	—	—	—	—	(573,674)
Total other financing sources (uses)	—	—	(45,000)	45,000	—	(528,674)	—	—	—	—	(528,674)
Change in net assets	(56,051)	(12,630)	52,054	12,783	74,043	(314,856)	33,887	231	(3,535)	50,092	(163,982)
NET ASSETS, beginning of year	2,202,687	79,847	851,147	21,874	533,651	1,177,099	108,050	40,027	32,876	—	5,047,258
NET ASSETS, end of year	\$ 2,146,636	67,217	903,201	34,657	607,694	862,243	141,937	40,258	29,341	50,092	4,883,276

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
For The Year Ended December 31, 2010**

	Self-Insured Health Plan	Self-Insured Dental Plan	Self-Insured Workers' Comp	Self-Insured Workers' Comp Loss Control	Facilities and Grounds	Bldg/Grnd Capital R & R	Utilities	Family Health Ctr Capital R & R	Health Department Capital R & R	Public Works Capital R & R	Total
CASH FLOWS FROM OPERATING ACTIVITIES											
Receipts from customers	\$ 2,410,686	194,220	462,203	—	930,664	207,782	452,015	—	—	50,000	4,707,570
Other operating cash receipts	—	—	—	—	36	—	—	—	—	—	36
Payments to employees	—	—	(1,305)	—	(553,948)	—	—	—	—	—	(555,253)
Payments to suppliers for goods and services	(2,361,044)	(209,710)	(356,988)	(41,962)	(303,676)	3,602	(428,865)	—	—	—	(3,698,643)
Net cash provided by (used in) operating activities	<u>49,642</u>	<u>(15,490)</u>	<u>103,910</u>	<u>(41,962)</u>	<u>73,076</u>	<u>211,384</u>	<u>23,150</u>	<u>—</u>	<u>—</u>	<u>50,000</u>	<u>453,710</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES											
Operating subsidies and transfers to other funds	—	—	(45,000)	45,000	—	—	—	—	—	—	—
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES											
Purchase of capital assets	—	—	—	—	—	(339,385)	—	—	—	—	(339,385)
CASH FLOWS FROM INVESTING ACTIVITIES											
Proceeds from sales and maturities of investments	2,379,414	211,291	427,127	46,705	872,749	351,270	453,875	624	513	511	4,744,079
Purchase of investments	(2,440,163)	(196,257)	(492,439)	(49,966)	(948,219)	(228,055)	(477,705)	(795)	(653)	(50,425)	(4,884,677)
Interest	11,107	456	6,402	223	2,394	4,786	680	171	140	(86)	26,273
Net cash provided by (used in) investing activities	<u>(49,642)</u>	<u>15,490</u>	<u>(58,910)</u>	<u>(3,038)</u>	<u>(73,076)</u>	<u>128,001</u>	<u>(23,150)</u>	<u>—</u>	<u>—</u>	<u>(50,000)</u>	<u>(114,325)</u>
Net increase in cash and cash equivalents	—	—	—	—	—	—	—	—	—	—	—
Cash and cash equivalents, beginning of year	—	—	—	—	—	—	—	—	—	—	—
Cash and cash equivalents, end of year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:											
Operating income (loss)	(71,574)	(13,223)	88,774	(32,519)	70,626	207,782	32,887	—	(3,725)	50,000	329,028
Depreciation	—	—	—	—	9,161	—	—	—	—	—	9,161
Change in assets and liabilities:											
Decrease (increase) in receivables	3,308	45	6,470	—	(12)	—	(75)	—	(3,725)	—	6,011
Increase (decrease) in accounts payable	54,970	(2,312)	8,666	(9,443)	(11,520)	3,602	(9,662)	—	7,450	—	41,751
Increase in wages payable	—	—	—	—	1,214	—	—	—	—	—	1,214
Increase in accrued liabilities	—	—	—	—	198	—	—	—	—	—	198
Increase in compensated absences	—	—	—	—	3,409	—	—	—	—	—	3,409
Increase in other post-employment benefit	62,938	—	—	—	—	—	—	—	—	—	62,938
Net cash provided by (used in) operating activities	<u>\$ 49,642</u>	<u>(15,490)</u>	<u>103,910</u>	<u>(41,962)</u>	<u>73,076</u>	<u>211,384</u>	<u>23,150</u>	<u>—</u>	<u>—</u>	<u>50,000</u>	<u>453,710</u>
Noncash investing, capital, and financing activities:											
Net appreciation (depreciation) in value of investments reported at fair value (not classified as cash equivalents)	<u>\$ (11,066)</u>	<u>(408)</u>	<u>(4,316)</u>	<u>(204)</u>	<u>(2,472)</u>	<u>(4,220)</u>	<u>(746)</u>	<u>(164)</u>	<u>(135)</u>	<u>(135)</u>	<u>(23,866)</u>

BOONE COUNTY, MISSOURI

FIDUCIARY FUNDS

Private Purpose Trust Funds are used to account for all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments.

George Spencer Trust Fund - To account for interest earned on an initial principal deposit. Upon proper authorization, academic scholarships will be awarded from the interest earned.

Union Cemetery Trust Fund - To account for moneys held in trust by the County for the maintenance of Union Cemetery.

Rocky Fork Cemetery Trust Fund - To account for moneys held in trust by the County for the maintenance of Rocky Fork Cemetery.

Agency Funds account for moneys and properties held by the County as a trustee, custodian, or agent for individuals, for other governmental units, or for private organizations.

Special Taxing Districts Funds - To account for the moneys held on behalf of various taxing entities. Property taxes and other revenues billed and collected by the County on their behalf are recorded in a special taxing district fund. These moneys are invested by the County Treasurer and transferred to the entity upon request.

Fee Office Funds - To account for the collection and distribution of various fees, taxes, and other revenues.

Collector - To account for all property taxes collected in the County and the subsequent distribution to the various taxing entities.

Circuit Clerk - To account for all fees collected by the Circuit Clerk and the subsequent distribution of those fees to the State, County, or other entities.

Other Agency Funds:

County Public Schools Fund - To account for fines and forfeitures collected by the circuit court and remitted to all County schools once a year based on the percentage of enrollment in the County.

Criminal Costs Fund - To account for court costs of indigents reimbursed by the state to the County Treasurer. These moneys are then remitted to those parties originally incurring the costs.

Tax Sales Excess Fund - To account for excess proceeds from property sold by the County over the tax liability owed. These moneys must be kept for 20 years and, if not claimed, are then remitted to County schools.

Special Election Fund - To account for moneys collected from taxing entities for election costs and the disbursements made in regard to those elections. Any moneys collected in excess of costs are to be remitted back to the taxing entities.

BOONE COUNTY, MISSOURI

FIDUCIARY FUNDS *(Continued)*

Other Agency Funds (Continued):

Unclaimed Fees Fund - To account for old outstanding checks and unclaimed deposits maintained by the County Treasurer for one year after which time the moneys are transferred to the General Fund.

Sheriff's Inmate Fund - To account for moneys held by the County on behalf of inmates.

Boone County Cafeteria Plan Fund - To account for the moneys received and disbursed pursuant to the County's employee benefits cafeteria plan.

County Employee Retirement Fund - To account for the moneys collected and disbursed to the County Employee Retirement Fund (CERF). Pursuant to legislation enacted in August 1994, special fees are collected by various County offices and recorded in this fund, together with employee contributions. The moneys are subsequently transferred to the statewide fund, CERF, where they are invested. The plan is administered by a governing Board of Directors.

Boone County Juvenile Restitution Fund - To account for moneys collected from juveniles as restitution payments and the subsequent disbursement of those moneys to the rightful recipients.

Out of County Cash Bonds - To account for bond moneys collected at the Boone County Jail pertaining to other counties' outstanding warrants. The moneys are deposited with the Boone County Treasurer who then disperses the moneys to the appropriate jurisdiction.

Victim Restitution Fund - To account for restitution moneys collected from defendants prior to the disposition of their case.

Other Entity Funds - To account for the moneys held by the County Treasurer and invested on behalf of the following entities: Health Facility Condo Board; the Soil and Water District; the Boone Retirement Center; the Extension Council; the Callahan Watershed District; and the Industrial Development Authority.

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
December 31, 2010**

	<u>George Spencer Trust Fund</u>	<u>Union Cemetery Trust Fund</u>	<u>Rocky Fork Cemetery Trust Fund</u>	<u>Total</u>
ASSETS				
Current assets:				
Investments	\$ 32,356	7,186	76,608	116,150
Accrued interest	<u>126</u>	<u>28</u>	<u>304</u>	<u>458</u>
Total assets	<u>32,482</u>	<u>7,214</u>	<u>76,912</u>	<u>116,608</u>
NET ASSETS				
Held in trust	<u>32,482</u>	<u>7,214</u>	<u>76,912</u>	<u>116,608</u>
Total net assets	<u>\$ 32,482</u>	<u>7,214</u>	<u>76,912</u>	<u>116,608</u>

See accompanying independent auditors' report.

BOONE COUNTY, MISSOURI

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
PRIVATE PURPOSE TRUST FUNDS
For The Year Ended December 31, 2010**

	<u>George Spencer Trust Fund</u>	<u>Union Cemetery Trust Fund</u>	<u>Rocky Fork Cemetery Trust Fund</u>	<u>Total</u>
ADDITIONS				
Investment income	\$ 186	42	457	685
Total additions	<u>186</u>	<u>42</u>	<u>457</u>	<u>685</u>
DEDUCTIONS				
Scholarships	389	—	—	389
Supplies, services, and other charges	—	314	2,800	3,114
Total deductions	<u>389</u>	<u>314</u>	<u>2,800</u>	<u>3,503</u>
Change in net assets	(203)	(272)	(2,343)	(2,818)
NET ASSETS,				
beginning of year	<u>32,685</u>	<u>7,486</u>	<u>79,255</u>	<u>119,426</u>
NET ASSETS,				
end of year	\$ <u><u>32,482</u></u>	<u><u>7,214</u></u>	<u><u>76,912</u></u>	<u><u>116,608</u></u>

BOONE COUNTY, MISSOURI

**COMBINING SCHEDULE OF FIDUCIARY ASSETS AND LIABILITIES -
AGENCY FUNDS
December 31, 2010**

	<u>Special Taxing Districts</u>	<u>Collector</u>	<u>Circuit Clerk</u>	<u>Other</u>	<u>Total</u>
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 178,399	12,663,403	1,559,969	119,718	14,521,489
Investments	11,509,458	89,378,671	608,873	1,268,371	102,765,373
Accrued interest	52,144	42,395	—	5,477	100,016
Accounts receivable	—	—	—	3,540	3,540
Property taxes receivable	143,905	21,232,452	—	—	21,376,357
Due from others	—	9,524	—	51,761	61,285
Total assets	<u>11,883,906</u>	<u>123,326,445</u>	<u>2,168,842</u>	<u>1,448,867</u>	<u>138,828,060</u>
LIABILITIES					
Accounts payable	—	298,679	—	995	299,674
Due to other political subdivisions	<u>11,883,906</u>	<u>123,027,766</u>	<u>2,168,842</u>	<u>1,447,872</u>	<u>138,528,386</u>
Total liabilities	<u>\$ 11,883,906</u>	<u>123,326,445</u>	<u>2,168,842</u>	<u>1,448,867</u>	<u>138,828,060</u>

BOONE COUNTY, MISSOURI

**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
FIDUCIARY FUNDS - AGENCY FUNDS
For The Year Ended December 31, 2010**

	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
TOTALS ALL AGENCY FUNDS				
Assets:				
Cash and cash equivalents	\$ 13,750,025	28,050,810	27,279,346	14,521,489
Investments	103,873,625	204,254,074	205,362,326	102,765,373
Accrued interest	76,232	365,947	342,163	100,016
Accounts receivable	3,877	3,540	3,877	3,540
Property taxes receivable	22,652,736	50,951,807	52,228,186	21,376,357
Due from others	157,837	818,470	915,022	61,285
	<u>140,514,332</u>	<u>284,444,648</u>	<u>286,130,920</u>	<u>138,828,060</u>
Total assets	<u>140,514,332</u>	<u>284,444,648</u>	<u>286,130,920</u>	<u>138,828,060</u>
Liabilities:				
Accounts payable	409,340	126,234,323	126,343,989	299,674
Due to other political subdivisions	140,102,142	166,569,771	168,143,527	138,528,386
Advance from other funds	2,850	—	2,850	—
	<u>140,514,332</u>	<u>292,804,094</u>	<u>294,490,366</u>	<u>138,828,060</u>
Total liabilities	<u>\$ 140,514,332</u>	<u>292,804,094</u>	<u>294,490,366</u>	<u>138,828,060</u>

(Continued)

BOONE COUNTY, MISSOURI

**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
FIDUCIARY FUNDS - AGENCY FUNDS
For The Year Ended December 31, 2010**

	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
SPECIAL TAXING DISTRICTS				
Assets:				
Cash and cash equivalents	\$ 305,558	5,095,179	5,222,338	178,399
Investments	11,940,372	11,365,588	11,796,502	11,509,458
Accrued interest	30,736	224,183	202,775	52,144
Property Tax Receivable	—	143,905	—	143,905
Total assets	12,276,666	16,828,855	17,221,615	11,883,906
Liabilities:				
Due to other political subdivisions	12,276,666	25,372,283	25,765,043	11,883,906
Total liabilities	12,276,666	25,372,283	25,765,043	11,883,906
FEE OFFICES—CIRCUIT CLERK				
Assets:				
Cash and cash equivalents	909,735	7,675,994	7,025,760	1,559,969
Investments	306,198	311,248	8,573	608,873
Total assets	1,215,933	7,987,242	7,034,333	2,168,842
Liabilities:				
Due to other political subdivisions	1,215,933	7,987,242	7,034,333	2,168,842
Total liabilities	\$ 1,215,933	7,987,242	7,034,333	2,168,842

(Continued)

BOONE COUNTY, MISSOURI

**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
FIDUCIARY FUNDS - AGENCY FUNDS
For The Year Ended December 31, 2010**

	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
FEE OFFICES—COLLECTOR				
Assets:				
Cash and cash equivalents	\$ 12,530,939	14,154,732	14,022,268	12,663,403
Investments	90,449,510	189,622,582	190,693,421	89,378,671
Accrued interest	42,220	119,866	119,691	42,395
Property taxes receivable	22,652,736	50,807,902	52,228,186	21,232,452
Due from others	96,910	765,300	852,686	9,524
Total assets	<u>125,772,315</u>	<u>255,470,382</u>	<u>257,916,252</u>	<u>123,326,445</u>
Liabilities:				
Accounts payable	408,265	125,307,929	125,417,515	298,679
Due to other political subdivisions	<u>125,364,050</u>	<u>130,144,200</u>	<u>132,480,484</u>	<u>123,027,766</u>
Total liabilities	<u>\$ 125,772,315</u>	<u>255,452,129</u>	<u>257,897,999</u>	<u>123,326,445</u>

(Continued)

BOONE COUNTY, MISSOURI

**COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES -
FIDUCIARY FUNDS - AGENCY FUNDS
For The Year Ended December 31, 2010**

	Balance January 1, 2010	Additions	Deductions	Balance December 31, 2010
OTHER AGENCY FUNDS				
Assets:				
Cash and cash equivalents	\$ 3,793	1,124,905	1,008,980	119,718
Investments	1,177,545	2,954,656	2,863,830	1,268,371
Accrued interest	3,276	21,898	19,697	5,477
Accounts receivable	3,877	3,540	3,877	3,540
Due from others	60,927	53,170	62,336	51,761
	<u>1,249,418</u>	<u>4,158,169</u>	<u>3,958,720</u>	<u>1,448,867</u>
Total assets	<u>1,249,418</u>	<u>4,158,169</u>	<u>3,958,720</u>	<u>1,448,867</u>
Liabilities:				
Accounts payable	1,075	926,394	926,474	995
Due to other political subdivisions	1,245,493	3,066,046	2,863,667	1,447,872
Advance from other funds	2,850	—	2,850	—
	<u>1,249,418</u>	<u>3,992,440</u>	<u>3,792,991</u>	<u>1,448,867</u>
Total liabilities	<u>\$ 1,249,418</u>	<u>3,992,440</u>	<u>3,792,991</u>	<u>1,448,867</u>

BOONE COUNTY, MISSOURI
STATISTICAL SECTION
(Unaudited)

This section of the comprehensive annual financial report presents detailed information as a context for understanding the financial statements, note disclosures, required supplementary information, and other supplementary information. This section is intended to aid the reader in drawing conclusions about the county's overall financial health.

Table Page

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time:

Net Assets by Component	1	151
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Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the County's ability to generate its primary revenue source, sales tax:

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Overlapping Sales Tax Rates—County, State, and Cities	7	158

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

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Ratios of General Bonded Debt Outstanding	9	160
Legal Debt Margin	10	161
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Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments:

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Principal Employers	13	164

Operating Information

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

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BOONE COUNTY, MISSOURI

**NET ASSETS BY COMPONENT
LAST EIGHT FISCAL YEARS**

Table 1

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental Activities								
Invested in capital assets, net of related debt	\$ 33,367,459	38,159,971	39,783,056	86,587,212	84,283,160 *	86,300,817	83,875,914	83,464,300
Restricted	10,971,616	7,962,221	12,532,993	18,182,305	23,598,191	20,988,696	23,366,471	22,828,919
Unrestricted	9,140,402	11,934,864	11,547,276	10,603,858	10,597,314	10,637,900	8,213,386	9,865,032
Total governmental activities net assets	\$ <u>53,479,477</u>	<u>58,057,056</u>	<u>63,863,325</u>	<u>115,373,375</u>	<u>118,478,665</u>	<u>117,927,413</u>	<u>115,455,771</u>	<u>116,158,251</u>
Total primary government net assets	\$ <u>53,479,477</u>	<u>58,057,056</u>	<u>63,863,325</u>	<u>115,373,375</u>	<u>118,478,665</u>	<u>117,927,413</u>	<u>115,455,771</u>	<u>116,158,251</u>

* GASB Statement No. 34 included retrospective reporting requirements for infrastructure, effective FY2007. Accordingly, the County has restated FY2006 net assets for this table; the total has been increased by \$43,259,594.

Notes:

The County does not operate business type activities. As a result, the amounts presented above for governmental activities represent those for the primary government as a whole.

The County implemented GASB Statement 34 in 2003. Therefore, information prior to 2003 is not available.

BOONE COUNTY, MISSOURI

**CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS**

Table 2

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities:								
General Government Operations	\$ 6,024,342	6,776,220	6,520,149	8,235,033	8,351,758	8,696,371	7,302,080	8,119,470
Law enforcement and judicial	14,861,271	15,218,767	15,556,658	16,452,287	18,355,489	18,501,921	18,630,308	18,502,876
Environment, protective inspection, and infrastructure	11,459,814	11,111,654	12,378,735	14,217,727	20,929,029	21,187,500	21,538,558	18,884,566
Community health and public services	1,197,204	1,112,171	1,232,866	1,171,702	1,316,693	1,219,204	1,219,320	1,485,975
Economic vitality	66,000	66,000	67,875	66,000	66,000	66,000	66,000	55,000
Beautification and recreation	27,291	36,819	39,842	41,008	42,141	56,485	58,877	65,551
Interest and fiscal charges	401,632	191,180	320,576	284,280	277,262	262,562	279,209	325,338
Total primary government expenses	<u>34,037,554</u>	<u>34,512,811</u>	<u>36,116,701</u>	<u>40,468,037</u>	<u>49,338,372</u>	<u>49,990,043</u>	<u>49,094,352</u>	<u>47,438,776</u>
Program Revenues								
Governmental activities:								
Charges for services:								
General Government Operations	3,513,267	3,461,172	3,588,425	3,941,928	3,881,039	3,827,206	3,826,596	6,030,412
Law enforcement and judicial	1,504,558	1,451,692	1,580,250	1,660,417	1,702,664	1,779,705	1,955,473	2,563,314
Environment, protective inspection, and infrastructure	271,511	279,947	602,688	944,932	404,570	344,496	232,836	587,435
Other	200	32,079	36,951	34,355	35,258	37,192	39,991	99,785
Operating grants and contributions:	4,248,591	4,138,405	4,079,444	4,174,709	4,664,023	4,190,088	4,713,632	3,817,341
Capital grants and contributions:	1,136,706	537,212	96,000	2,306,349	1,049,328	798,921	0	1,207,360
Total primary government program revenues	<u>10,674,833</u>	<u>9,900,507</u>	<u>9,983,758</u>	<u>13,062,690</u>	<u>11,736,882</u>	<u>10,977,608</u>	<u>10,768,528</u>	<u>14,305,647</u>
Net (Expense)/Revenue								
Total primary government net expense	(23,362,721)	(24,612,304)	(26,132,943)	(27,405,347)	(37,601,490)	(39,012,435)	(38,325,824)	(33,133,129)

(Continued)

BOONE COUNTY, MISSOURI

**CHANGES IN NET ASSETS
LAST EIGHT FISCAL YEARS**

Table 2 (Continued)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Revenues and Other Changes in Net Assets								
Governmental Activities:								
Property taxes	3,149,292	3,139,387	3,467,469	3,900,415	4,052,018	4,182,556	4,227,381	4,170,985
Sales Taxes	22,830,022	23,873,177	25,452,011	27,751,933	31,463,171	30,948,772	28,967,457	26,661,012
Franchise and other taxes	164,694	175,724	193,172	213,759	222,558	204,337	283,856	215,447
Investment revenue	220,320	256,721	660,643	1,311,016	1,640,430	1,024,891	221,272	194,400
Hospital lease revenue	1,404,518	1,430,923	1,477,571	1,528,104	1,566,918	1,630,692	1,632,323	2,178,028
Gain on sale of capital assets	116,848	20,554	255,692	37,012	2,654	191	50,407	19,525
Miscellaneous	438,407	293,397	432,654	913,564	1,759,031	469,744	471,486	396,212
Total general revenues- - primary government	<u>28,324,101</u>	<u>29,189,883</u>	<u>31,939,212</u>	<u>35,655,803</u>	<u>40,706,780</u>	<u>38,461,183</u>	<u>35,854,182</u>	<u>33,835,609</u>
Change in Net Assets - primary government	\$ <u>4,961,380</u>	<u>4,577,579</u>	<u>5,806,269</u>	<u>8,250,456</u>	<u>3,105,290</u>	<u>(551,252)</u>	<u>(2,471,642)</u>	<u>702,480</u>

Notes:

The County does not operate business type activities. As a result, the amounts presented above for the governmental activities represent those for the primary government as a whole.

The County implemented GASB Statement 34 in 2003. Therefore, information prior to 2003 is not available.

BOONE COUNTY, MISSOURI

FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS

Table 3

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Major Funds:										
General Fund										
Reserved	969,375	568,247	586,909	629,288	889,818	624,002	703,031	568,077	644,442	744,884
Unreserved										
Designated	1,556,306	1,823,525	1,823,525	2,123,525	2,200,000	—	—	—	—	—
Undesignated	5,899,798	6,886,105	7,728,966	6,392,552	7,559,716	7,860,355	7,311,833	6,868,246	6,749,993	7,206,493
Total General Fund	<u>8,425,479</u>	<u>9,277,877</u>	<u>10,139,400</u>	<u>9,145,365</u>	<u>10,649,534</u>	<u>8,484,357</u>	<u>8,014,864</u>	<u>7,436,323</u>	<u>7,394,435</u>	<u>7,951,377</u>
Road and Bridge Fund										
Reserved	1,156,319	960,643	1,098,592	2,198,921	2,411,516	1,241,348	1,133,864	1,340,571	1,622,614	1,421,438
Unreserved										
Designated	—	—	—	—	—	500,000	500,000	1,039,400	1,039,400	1,039,400
Undesignated	1,680,221	2,347,735	2,633,790	2,966,534	4,089,014	5,320,265	7,114,339	6,663,439	5,699,725	6,625,165
Total Road and Bridge Fund	<u>2,836,540</u>	<u>3,308,378</u>	<u>3,732,382</u>	<u>5,165,455</u>	<u>6,500,530</u>	<u>7,061,613</u>	<u>8,748,203</u>	<u>9,043,410</u>	<u>8,361,739</u>	<u>9,086,003</u>
Law Enforcement Services Fund										
Reserved	—	—	262,895	28,005	34,051	307,307	89,426	22,817	14,411	8,266
Unreserved										
Designated	—	—	250,000	250,000	250,000	250,000	250,000	879,000	879,000	879,000
Undesignated	—	—	217,789	543,952	763,388	1,075,464	1,125,325	607,399	529,276	598,860
Total Law Enforcement Services Fund	<u>—</u>	<u>—</u>	<u>730,684</u>	<u>821,957</u>	<u>1,047,439</u>	<u>1,632,771</u>	<u>1,464,751</u>	<u>1,509,216</u>	<u>1,422,687</u>	<u>1,486,126</u>
Capital Project Funds *										
Reserved	—	—	888,639	—	—	—	—	—	906,826	—
Unreserved	—	—	563,895	—	—	—	—	—	3,443,590	—
Total Capital Project Fund	<u>—</u>	<u>—</u>	<u>1,452,534</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,350,416</u>	<u>—</u>
Federal HAVA Election Fund										
Unreserved	—	—	—	—	—	(113,234)	—	—	—	—
Total Federal HAVA Election Fund	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(113,234)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
One-Fifth Cent Sales Tax Capital Improvement Fund										
Reserved	—	—	—	—	—	3,382,586	7,089,020	2,189,704	657,638	—
Total One-Fifth Cent Sales Tax Capital Improvement Fund	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>3,382,586</u>	<u>7,089,020</u>	<u>2,189,704</u>	<u>657,638</u>	<u>—</u>
Neighborhood Improvement Districts Fund										
Reserved	—	—	—	—	—	—	—	—	—	60
Unreserved	—	—	—	—	—	—	—	—	—	(620,450)
Total Neighborhood Improvement Districts Fund	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(620,390)</u>
Series 2008 GO Bond Sewer NID DNR Fund										
Reserved	—	—	—	—	—	—	—	—	—	105,641
Unreserved	—	—	—	—	—	—	—	—	—	—
Total Series 2008 GO Bond Sewer NID DNR Fund	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>105,641</u>
Non Major Funds (all other governmental funds):										
Reserved	1,564,695	988,470	2,599,923	1,872,511	2,033,106	2,131,335	2,011,361	4,209,498	4,063,769	2,991,637
Unreserved, reported in:										
Special revenue funds	2,179,041	2,989,849	2,617,828	2,893,049	2,934,381	3,605,626	4,154,991	3,862,723	3,320,068	4,689,103
Debt service funds	—	—	—	—	—	—	—	—	—	—
Capital project funds	155,898	1,095,173	83,018	180,205	269,146	421,968	295,568	2,529,885	790,314	3,307,425
Total all non major governmental funds	<u>3,899,634</u>	<u>5,073,492</u>	<u>5,300,769</u>	<u>4,945,765</u>	<u>5,236,633</u>	<u>6,158,929</u>	<u>6,461,920</u>	<u>10,602,106</u>	<u>8,174,151</u>	<u>10,988,165</u>
Total fund balance- all governmental funds combined	<u>15,161,653</u>	<u>17,659,747</u>	<u>21,355,769</u>	<u>20,078,542</u>	<u>23,434,136</u>	<u>26,607,022</u>	<u>31,778,758</u>	<u>30,780,759</u>	<u>30,361,066</u>	<u>28,996,922</u>

Note: The Law Enforcement Services Fund did not exist prior to FY 2003. The County reports capital project funds as major funds only in those years where the activity meets the requirement for presentation as a major fund.
* 2003 activity is from the General Capital Fund. 2009 activity is from the Government Center Capital Improvement Fund

BOONE COUNTY, MISSOURI

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN YEARS

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues:										
Property taxes	\$ 2,961,134	3,024,767	3,162,565	3,222,224	3,530,953	3,772,895	4,032,706	4,160,203	4,212,637	4,190,527
Assessments	444,089	361,028	203,541	227,015	226,077	206,031	148,743	105,288	182,385	762,157
Sales taxes	19,094,072	19,704,957	22,833,022	23,873,177	25,452,011	27,751,933	31,463,171	30,948,772	28,967,457	26,661,012
Other taxes	80,074	137,711	137,206	143,692	162,240	175,895	185,691	179,159	157,199	149,297
Licenses and permits	284,832	340,430	393,227	434,809	471,331	476,771	454,054	360,946	352,289	512,541
Intergovernmental	4,380,202	4,489,297	4,430,181	4,541,519	4,398,261	5,338,568	4,884,000	4,397,129	5,032,989	4,935,782
Charges for services	3,854,780	4,480,285	4,732,415	4,547,665	4,769,872	5,470,963	5,105,838	5,126,334	5,101,833	5,588,929
Fines and forfeitures	94,832	138,919	27,284	21,631	27,846	22,774	23,121	41,167	44,443	40,846
Investment income	605,999	416,156	196,099	229,256	564,710	1,082,934	1,345,231	878,200	190,061	158,736
Interfund services provided	—	—	216,962	224,720	225,310	255,814	239,962	240,205	250,552	412,086
Miscellaneous:										
Hospital lease revenue	450,000	1,371,600	1,404,518	1,430,923	1,477,571	1,528,104	1,566,918	1,630,692	1,632,323	2,178,028
Contributions	17,018	9,056	506,800	550	1,110	150	8,500	15,000	18,768	49,416
Other	454,585	1,415,859	493,727	322,602	555,562	426,262	446,365	516,098	506,889	434,878
Total revenues	32,721,617	35,890,065	38,727,547	39,219,783	41,862,854	46,509,094	49,904,300	48,599,193	46,649,825	46,074,235
Expenditures:										
General government operations	4,744,358	5,539,366	5,540,692	6,410,794	6,076,780	7,307,779	7,153,954	7,638,125	6,641,324	7,696,353
Law enforcement and judicial	11,652,925	12,013,715	13,889,533	14,738,670	15,250,197	16,245,940	16,726,536	17,362,611	17,873,735	17,427,106
Environment, protective inspection and infrastructure	12,945,334	11,829,442	11,722,411	11,813,437	12,884,216	14,827,772	14,425,088	15,448,208	17,427,875	14,994,403
Community health and public services	1,029,804	1,185,831	1,196,286	1,112,171	1,232,866	1,171,702	1,227,491	1,238,888	1,167,384	1,422,967
Economic vitality	72,500	66,000	66,000	66,000	67,875	66,000	66,000	66,000	66,000	55,000
Beautification and recreation	30,929	34,137	27,291	36,769	39,842	41,008	42,141	56,485	58,877	65,551
Interfund services used	—	—	216,962	224,720	225,310	255,814	239,962	240,205	250,552	412,086
Capital outlay	2,231,190	2,345,818	4,935,013	5,494,232	4,651,099	3,414,011	4,527,205	8,632,511	3,056,598	5,711,793
Debt service:										
Principal retirement	964,761	764,890	812,609	519,610	461,454	402,000	413,000	466,000	444,000	1,139,600
Interest and fiscal charges	249,609	213,305	280,663	229,260	272,669	290,888	288,609	273,757	283,790	323,530
Total expenditures	33,921,410	33,992,504	38,682,460	40,645,663	41,162,308	44,022,914	45,109,986	51,422,790	47,270,135	49,248,389
Revenues over (under) expenditures	(1,199,793)	1,897,561	45,087	(1,425,880)	700,546	2,486,180	4,794,314	(2,823,597)	(620,310)	(3,174,154)
Other Financing Sources (Uses):										
Issuance of long-term debt	302,347	—	5,240,000	—	2,005,000	182,000	—	1,700,000	—	—
Premium on long-term debt	—	—	87,594	—	—	—	—	—	—	—
Payments for bond refunding	—	—	(1,898,933)	—	—	—	—	—	—	—
Proceeds of general obligation bonds	—	—	—	—	—	—	—	—	—	327,675
Proceeds of special obligation bonds	—	—	—	—	—	—	—	—	—	830,000
Proceeds of capital leases	—	—	—	—	—	—	—	—	—	—
Transfers in	9,829,057	9,967,246	230,652	953,304	404,338	2,626,876	827,009	3,101,867	4,736,420	1,928,355
Transfers out	(10,029,057)	(10,314,508)	(230,652)	(953,304)	(404,338)	(2,626,876)	(827,009)	(3,101,867)	(4,736,420)	(1,399,681)
Local use tax refund	—	—	—	—	—	—	—	—	—	—
Insurance proceeds	—	—	—	—	—	237,622	160,822	26,823	28,621	34,247
Sale of capital assets	—	947,795	222,274	148,653	650,048	267,084	216,600	98,775	171,996	89,414
Total other financing sources (uses)	102,347	600,533	3,650,935	148,653	2,655,048	686,706	377,422	1,825,598	200,617	1,810,010
Net change in fund balances	\$ (1,097,446)	2,498,094	3,696,022	(1,277,227)	3,355,594	3,172,886	5,171,736	(997,999)	(419,693)	(1,364,144)
Debt service as a percentage of noncapital expenditures	3.8%	3.1%	3.2%	2.1%	2.0%	1.7%	1.7%	1.7%	1.8%	3.4%

BOONE COUNTY, MISSOURI

**TAXABLE SALES BY CATEGORY
LAST TEN FISCAL YEARS**

Table 5

Category	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	Percent Change last 2 Years
General merchandise retail stores	\$ 165,887,652	303,660,060	328,260,554	350,606,705	380,847,908	409,784,463	437,041,100	453,469,833	451,426,016	439,263,570	-3%
Eating and drinking establishments	173,571,966	182,901,047	192,064,999	210,810,940	234,119,630	245,901,932	250,882,383	256,965,731	259,611,462	268,448,113	3%
Miscellaneous retail	383,327,163	268,211,314	262,788,146	207,369,343	205,788,793	211,149,353	208,049,295	170,236,933	164,707,520	169,324,578	3%
Food stores	169,297,047	173,095,570	169,697,586	176,859,876	186,041,430	192,953,568	188,354,313	187,526,069	187,969,216	213,852,221	14%
Furniture, home furnishings and equipment	102,532,778	107,608,743	107,942,376	152,359,603	159,096,419	161,784,753	153,295,254	151,389,186	92,408,834	95,754,923	4%
Electric, gas, and sanitary	128,799,412	128,161,804	135,331,391	137,351,544	155,552,041	168,540,873	184,998,226	97,425,630	95,986,937	96,927,892	1%
Building material, hardware, garden supply	66,520,648	65,599,305	77,112,759	107,462,698	119,695,044	125,371,642	103,195,966	91,171,823	104,943,336	103,631,054	-1%
Wholesale trade- durable goods	62,655,741	64,045,973	67,316,251	80,442,371	82,297,426	104,208,957	87,873,156	64,732,353	60,870,568	56,086,290	-8%
Communication	38,949,206	35,428,604	75,041,319	76,195,717	79,791,721	87,217,700	86,462,973	90,983,902	95,461,110	95,061,411	0%
Wholesale trade- nondurable goods	47,141,839	50,070,550	53,799,924	57,392,072	60,065,524	63,482,358	62,984,255	52,951,149	53,857,991	60,184,732	12%
Apparel and accessories	43,421,276	42,845,312	43,403,914	47,445,561	51,727,564	53,908,741	56,415,889	59,212,790	60,256,938	64,266,113	7%
Automotive dealers and gasoline services	42,140,459	45,114,665	54,432,842	44,500,520	49,463,645	55,331,141	59,237,012	64,248,234	90,459,039	90,628,102	0%
All other	282,245,656	283,051,850	258,307,055	286,635,379	320,656,841	334,280,260	328,491,340	467,263,397	434,656,997	444,768,714	2%
Total	\$ 1,706,490,843	1,749,794,797	1,825,499,116	1,935,432,329	2,085,143,986	2,213,915,741	2,207,281,162	2,207,577,030	2,152,615,964	2,198,197,713	
Annual percentage change	6.8%	2.5%	4.3%	6.0%	7.7%	6.2%	-0.3%	0.0%	-2.5%	2.1%	
County direct sales tax rate	1.000%	1.000%	1.125%	1.125%	1.125%	1.325%	1.325%	1.325%	1.325%	1.125%	

Source: Missouri Department of Revenue

BOONE COUNTY, MISSOURI

DIRECT AND OVERLAPPING SALES TAX RATES LAST TEN FISCAL YEARS

Table 6

Fiscal Year	Boone County Direct Sales Tax Rates				Total County Direct Rate	State of Missouri Rate
	County General Revenue	County Maintenance-Roads	County Law Enforcement Services	County Capital Improvement		
2001	0.50%	0.50%	-	-	1.000%	4.225%
2002	0.50%	0.50%	-	-	1.000%	4.225%
2003	0.50%	0.50%	0.125%	-	1.125%	4.225%
2004	0.50%	0.50%	0.125%	-	1.125%	4.225%
2005	0.50%	0.50%	0.125%	-	1.125%	4.225%
2006	0.50%	0.50%	0.125%	0.20%	1.325%	4.225%
2007	0.50%	0.50%	0.125%	0.20%	1.325%	4.225%
2008	0.50%	0.50%	0.125%	0.20%	1.325%	4.225%
2009	0.50%	0.50%	0.125%	0.20%	1.325%	4.225%
2010	0.50%	0.50%	0.125%	-	1.125%	4.225%

Source: County Auditor's Office and Missouri Department of Revenue

Note: The county sales tax rate may only be changed with voter approval. The one-half cent General Revenue rate and the one-eighth cent Law Enforcement Services rate are permanent. The one-half cent rate for County Maintenance-Roads has been renewed by voter twice and will expire September 30, 2018 unless renewed again. The County is expected to seek renewal. The one-fifth cent rate for Capital Improvements was approved by voters for 3 years and expired September 30, 2009.

BOONE COUNTY, MISSOURI

OVERLAPPING SALES TAX RATES – STATE, COUNTY AND CITIES Rates Effective December 31, 2010

Table 7

Unincorporated Areas of Boone County including McBaine, Midway, Prathersville, and Wilton	State	4.225%	Permanent
	County General Revenue	0.500%	Permanent
	County Maintenance-Roads (Misc.)	0.500%	Sunset September 30, 2018
	County Law Enforcement Services	0.125%	Permanent
	Combined Sales Tax Rates	5.350%	
Hartsburg and Village of Pierpont	State	4.225%	Permanent
	County General Revenue	0.500%	Permanent
	County Maintenance-Roads (Misc.)	0.500%	Sunset September 30, 2018
	County Law Enforcement Services	0.125%	Permanent
	City General Revenue	0.500%	Permanent
Combined Sales Tax Rates	5.850%		
Ashland and Rocheport	State	4.225%	Permanent
	County General Revenue	0.500%	Permanent
	County Maintenance-Roads (Misc.)	0.500%	Sunset September 30, 2018
	County Law Enforcement Services	0.125%	Permanent
	City General Revenue	1.000%	Permanent
	City Capital Improvements (Misc.)	0.500%	Permanent
Combined Sales Tax Rates	6.850%		
Sturgeon	State	4.225%	Permanent
	County General Revenue	0.500%	Permanent
	County Maintenance-Roads (Misc.)	0.500%	Sunset September 30, 2018
	County Law Enforcement Services	0.125%	Permanent
	City General Revenue	1.000%	Permanent
	City Transportation	0.500%	Permanent
	City Law Enforcement	0.500%	Permanent
	Combined Sales Tax Rates	7.350%	
Centralia	State	4.225%	Permanent
	County General Revenue	0.500%	Permanent
	County Maintenance-Roads (Misc.)	0.500%	Sunset September 30, 2018
	County Law Enforcement Services	0.125%	Permanent
	City General Revenue	1.000%	Permanent
	City Transportation	0.500%	Permanent
	City Stormwater and Parks Tax	0.500%	Permanent
	Combined Sales Tax Rates	7.350%	
Columbia	State	4.225%	Permanent
	County General Revenue	0.500%	Permanent
	County Maintenance-Roads (Misc.)	0.500%	Sunset September 30, 2018
	County Law Enforcement Services	0.125%	Permanent
	City General Revenue	1.000%	Permanent
	City Transportation	0.500%	Permanent
	City Capital Improvements (Misc.)	0.250%	Sunset December 31, 2015
	City Stormwater and Parks	0.250%	Roll back to permanent 1/8-cent March 31, 2011
	Combined Sales Tax Rates	7.350%	
Hallsville and Harrisburg	State	4.225%	Permanent
	County General Revenue	0.500%	Permanent
	County Maintenance-Roads	0.500%	Sunset September 30, 2018
	County Law Enforcement Services	0.125%	Permanent
	City General Revenue	1.000%	Permanent
	Combined Sales Tax Rates	6.350%	

Source: Missouri Department of Revenue, Division of Taxation and Collection

BOONE COUNTY, MISSOURI

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Table 8

Fiscal Year	Governmental Activities Debt						Total Primary Government	Percentage of Personal Income ^a	Per Capita ^a	Boone Co Personal Income (thousands)	Boone Co Personal Income (actual)	Boone County Population
	General Obligation Bonds	Special Obligation Bonds— Non-Taxable	Special Obligation Bonds— Taxable	Special Assessment Bonds	Capital Leases	Notes Payable						
2001	—	2,480,000	—	1,260,000	134,563	600,000	4,474,563	0.12%	32.67	3,732,809	3,732,809,000	136,977
2002	—	2,180,000	—	1,125,000	104,673	300,000	3,709,673	0.10%	26.77	3,828,183	3,828,183,000	138,600
2003	—	5,240,000	—	959,000	72,064	—	6,271,064	0.16%	44.77	4,001,080	4,001,080,000	140,067
2004	—	4,930,000	—	785,000	36,454	—	5,751,454	0.13%	40.73	4,290,346	4,290,346,000	141,216
2005	—	4,660,000	2,005,000	630,000	—	—	7,295,000	0.16%	50.90	4,517,993	4,517,993,000	143,326
2006	—	4,390,000	2,005,000	680,000	—	—	7,075,000	0.15%	48.44	4,722,976	4,722,976,000	146,048
2007	—	4,115,000	2,005,000	542,000	—	—	6,662,000	0.13%	43.70	5,000,046	5,000,046,000	152,435
2008	—	3,835,000	1,960,000	2,101,000	—	—	7,896,000	0.14%	51.15	5,576,452	5,576,452,000	154,365
2009	—	3,545,000	1,910,000	1,997,000	—	—	7,452,000	0.13%	47.65	5,731,093	5,731,093,000	156,377
2010	\$ —	3,255,000	2,685,000	1,530,075	—	—	7,470,075	*	\$ 47.08	*	*	158,682

^a See Table 12 for personal income and population data.

* Information not yet available.

Note: The special assessment bonds included in the table above were approved by voters as general obligation bonds for the Neighborhood Improvement District Program and are being retired solely with special assessments and the County's special assessment is backed by an enforceable tax lien against the property.

BOONE COUNTY, MISSOURI

**RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Table 9

Fiscal Year	General Bonded Debt Outstanding— General Obligation Bonds	Taxable Property		Percentage of Taxable Property— Property— Estimated Actual Value	Per Capita ^a	Boone County Population
		Assessed Value	Estimated Actual Value			
2001	\$ —	1,507,459,279	6,556,366,036	—	—	136,977
2002	—	1,561,716,332	6,792,380,299	—	—	138,600
2003	—	1,626,463,450	7,072,361,257	—	—	140,067
2004	—	1,682,923,528	7,345,049,664	—	—	141,216
2005	—	1,968,613,137	8,639,742,036	—	—	143,326
2006	—	2,098,227,136	9,211,347,641	—	—	146,048
2007	—	2,219,912,270	9,732,834,265	—	—	152,435
2008	—	2,294,937,917	10,069,629,534	—	—	154,365
2009	—	2,306,828,601	10,159,088,945	—	—	156,377
2010	—	2,328,252,676	10,267,252,550	—	—	158,682

^a See Table 12 for population data.

BOONE COUNTY, MISSOURI

**LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

Table 10

Legal Debt Margin Calculation for Fiscal Year 2010	
Assessed Value	\$ 2,328,252,676
Debt limit (10% of assessed value)	232,825,268
Debt applicable to limit:	
General obligation bonds (Special assessment bonds)	1,530,075
Less: Amount set aside for repayment of general obligation debt	(296,034)
Total net debt applicable to limit	<u>1,234,041</u>
Legal debt margin	<u>\$ 231,591,227</u>

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt limit	\$ 150,745,928	156,171,633	162,646,345	168,292,353	196,861,314	209,822,714	221,991,227	229,493,792	230,682,860	232,825,268
Total net debt applicable to limit	<u>1,009,550</u>	<u>703,423</u>	<u>542,300</u>	<u>409,093</u>	<u>259,060</u>	<u>361,024</u>	<u>227,934</u>	<u>1,838,829</u>	<u>1,761,047</u>	<u>1,234,041</u>
Legal debt margin	<u>\$ 149,736,378</u>	<u>155,468,210</u>	<u>162,104,045</u>	<u>167,883,260</u>	<u>196,602,254</u>	<u>209,461,690</u>	<u>221,763,293</u>	<u>227,654,963</u>	<u>228,921,813</u>	<u>231,591,227</u>
Total net debt applicable to the limit as a percentage of debt limit	0.67%	0.45%	0.33%	0.24%	0.13%	0.17%	0.10%	0.80%	0.76%	0.53%

Note: The general obligation bonds included in the table above were issued for the Neighborhood Improvement Program and are being retired solely with special assessments and the County's special assessment is backed by an enforceable tax lien against the property. These bonds are accounted for as special assessment debt in other debt-related tables. However, because the bonds are general obligation bonds, they meet the legal criteria for inclusion in the computation of legal debt margin.

BOONE COUNTY, MISSOURI

**PLEGDED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Table 11

Fiscal Year	Special Assessment Bonds					Coverage
	Special Assessment Collections	Debt Service				
		Principal	Interest	Total		
2001	\$ 444,089	\$ 124,000	\$ 54,616	\$ 178,616	2.49	
2002	361,028	135,000	52,641	187,641	1.92	
2003	209,541	166,000	47,807	213,807	0.98	
2004	227,015	174,000	40,005	214,005	1.06	
2005	226,077	155,000	32,317	187,317	1.21	
2006	206,031	132,000	25,710	157,710	1.31	
2007	148,743	138,000	28,629	166,629	0.89	
2008	105,288	141,000	21,318	162,318	0.65	
2009	102,598	104,000	15,691	119,691	0.86	
2010	178,186	794,600	28,158	822,758	0.22	

Note: The special assessment bonds included in the table above were approved by voters as general obligation bonds for the Neighborhood Improvement District Program and are being retired solely with special assessments and the County's special assessment is backed by an enforceable tax lien against the property.

BOONE COUNTY, MISSOURI
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Table 12

	Population						Unemployment Rate Percentages		
	State of Missouri		Boone County				Boone County	State of Missouri	USA
	Total	Percentage of Growth	Total	Percentage of Growth	Per Capita Personal Income	Personal Income (thousands of dollars)			
2001	5,643,326	0.66%	136,977	0.90%	27,251	3,732,809	1.8%	4.5%	4.7%
2002	5,681,045	0.67%	138,600	1.18%	27,620	3,828,183	2.2%	5.2%	5.8%
2003	5,718,717	0.66%	140,067	1.06%	28,565	4,001,080	2.3%	5.6%	6.0%
2004	5,759,532	0.71%	141,216	0.82%	30,381	4,290,346	2.3%	5.7%	5.5%
2005	5,800,310	0.71%	143,326	1.49%	31,519	4,517,993	3.4%	5.3%	4.6%
2006	5,842,713	0.73%	146,048	1.90%	31,524	4,722,976	3.2%	4.8%	4.6%
2007	5,878,415	0.61%	152,435	4.37%	32,884	5,000,046	3.6%	5.0%	4.8%
2008	5,911,605	0.56%	154,365	1.27%	36,133	5,576,452	4.3%	6.1%	7.1%
2009	5,987,580	1.29%	156,377	1.30%	36,649	5,731,093	6.3%	9.3%	9.7%
2010	6,011,741	0.40%	158,682	1.47%	*	*	6.4%	9.6%	9.6%

* Information not yet available.

Sources:

Consumer Price Index, Population and Income statistics - US Department of Commerce; Bureau of Economic Analysis

Unemployment statistics - US Department of Labor, Bureau of Labor Statistics; Missouri Economic Development, Missouri Economic Research and Information Center

BOONE COUNTY, MISSOURI
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

Table 13

Employer	2001			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
University of Missouri	14,987	1	18.72%	8,630	1	9.69%
University Hospital & Clinics	5,156	2	6.44%	4,279	2	4.80%
Columbia Public Schools	2,000	3	2.50%	2,140	3	2.40%
Boone Hospital Center	1,981	4	2.47%	1,647	4	1.85%
Hubbell Power Systems, Inc./Chance Company	1,100	5	1.37%	680	10	0.76%
City of Columbia	1,070	6	1.34%	1,286	5	1.44%
Shelter Insurance Companies	1,047	7	1.31%	1,171	7	1.31%
3M	950	8	1.19%	-	-	-
State Farm Insurance Companies	825	9	1.03%	1,043	9	1.17%
Harry S. Truman Veteran's Hospital	800	10	1.00%	1,250	6	1.40%
MBS Textbook Exchange	-	-	-	1,084	8	1.22%
Total employment for principal employers	<u>29,916</u>		<u>37.36%</u>	<u>23,210</u>		<u>26.06%</u>
Total county employment	<u>80,067</u>			<u>89,078</u>		

Sources:

Employer and Employees - Regional Economic Development, Inc., Excludes retail sector. The 2001 data is based on total employees while the 2010 data is based on total benefitted full-time equivalent employees.

Total County Employment - US Department of Labor, Bureau of Labor Statistics; Missouri Department of Economic Development, Missouri Economic Research and Information Center

BOONE COUNTY, MISSOURI

**FULL-TIME EQUIVALENT COUNTY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Table 14

Full-time Equivalent Employees as of December 31

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Government Operations	77.41	80.15	80.55	83.55	81.05	84.60	83.88	87.40	84.44	85.68
Law Enforcement & Judicial - Court	43.04	41.13	44.11	43.25	43.55	44.21	45.68	46.11	46.18	44.51
Law Enforcement & Judicial - Sheriff/Corrections	116.60	121.35	140.35	140.40	141.40	144.65	145.40	145.90	145.40	144.28
Law Enforcement & Judicial - PA & Other	39.70	40.10	41.50	41.50	42.50	46.62	46.62	46.75	49.12	47.33
Environment, Protective Inspection & Infrastructure	73.72	73.61	76.28	78.28	82.28	82.28	83.97	84.28	85.86	85.11
Capital Projects & Facilities Maintenance/Repairs	14.00	14.00	13.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Total	<u>364.47</u>	<u>370.34</u>	<u>395.79</u>	<u>400.98</u>	<u>404.78</u>	<u>416.36</u>	<u>419.55</u>	<u>424.44</u>	<u>425.00</u>	<u>420.91</u>

BOONE COUNTY, MISSOURI

**OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Table 15

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Law Enforcement & Judicial - Court										
Circuit Clerk										
No. of Cases Filed	*	21,541	25,463	24,005	26,611	23,347	30,808	22,550	23,122	21,610
No. of Cases Disposed	*	21,178	25,259	22,500	21,710	22,458	26,749	22,501	22,585	21,769
No. of Cases Pending	*	8,461	7,650	8,030	8,121	8,924	7,850	9,097	9,126	8,777
Circuit Court Services										
No. of Juries Reporting	44	47	34	36	54	39	48	48	52	55 a
No. of Jury Trial Days	71	71	48	75	90	68	76	109	107	100 a
No. of Home Detention Days	8,965	9,955	11,055	15,942	14,306	16,824	14,405	13,827	12,473	15,000 a
Law Enforcement & Judicial - Sheriff/Corrections										
Corrections										
Correction Facility Capacity	210	210	210	210	210	210	210	210	210	210
Inmate Bookings	6,381	6,816	6,976	9,676	7,427	7,247	7,330	7,781	8,112	7,663
Average Daily Population	203	201	223	223	217	217	193	224	216	220
Sheriff										
Calls for Service	33,724	42,874	52,349	53,324	49,534	49,564	49,564	50,179	78,669	79,495
Civil Papers Served	13,912	13,593	12,848	12,959	13,418	12,454	12,454	14,326	10,510	9,756
Warrants Served	4,619	5,354	6,029	6,127	6,524	6,112	6,112	6,256	5,939	5,155
Law Enforcement & Judicial - PA & Other										
Prosecuting Attorney										
Total Cases Filed	10,170	9,262	9,542	9,991	11,362	10,982	10,179	10,179	10,738	9,356
Environment, Buildings & Infrastructure										
Public Works										
County Maintained Roads in Centerline Miles **										
Concrete	29	30	30	30	32	33	34	34	34	33
Asphalt	196	196	203	208	206	209	209	209	209	218
Low Type Bituminous	38	38	56	61	72	73	97	97	97	69
Gravel	537	537	507	501	491	487	472	472	472	484

* Information not readily available.

(a) Estimates by department

Sources: Data provided by various county offices and compiled by the County Auditor; information for prior years is not readily available.

BOONE COUNTY, MISSOURI

**CAPITAL ASSET STATISTICS BY FUNCTION
LAST SIX FISCAL YEARS**

Table 16

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Government Operations						
Government Center Building	1	1	1	1	1	1
Johnson Building	1	1	1	1	1	1
Building at 101 N Seventh (Currently leased to City of Columbia)	1	1	1	1	1	1
Law Enforcement & Judicial - Court/Prosecuting Attorney/Other						
Alternative Sentencing Center	-	-	1	1	1	1
Courthouse	1	1	1	1	1	1
Juvenile Justice Center	1	1	1	1	1	1
Juvenile Justice Center Capacity	45	45	45	45	45	45
Juvenile Justice Center Art/Maintenance Building	1	1	1	1	1	1
Child Support Building	1	1	1	1	1	1
Law Enforcement & Judicial - Sheriff/Corrections						
Sheriff Administration & Correction Facility	1	1	1	1	1	1
Correction Facility Capacity	210	210	210	210	210	210
Substations	2	2	2	2	2	2
Environment, Buildings & Infrastructure						
Public Works Administration & Maintenance Building	1	1	1	1	1	1
North Garage	1	1	1	1	1	1
Asphalt Storage Facility	1	1	1	1	1	1
Snow & Ice Maintenance Storage Facility	1	1	1	1	1	1
North Maintenance Building	-	-	-	-	-	1
County Maintained Roads in Centerline Miles *						
Concrete	32	33	34	34	34	33
Asphalt	206	209	209	209	209	218
Low Type Bituminous	72	73	97	97	97	69
Gravel	491	487	472	472	472	484
Community Health & Public Services						
Health Facility (joint ownership with City of Columbia)	1	1	1	1	1	1
Beautification & Recreation						
Fairground Property & Buildings	1	1	1	1	1	1
Other (Currently utilized for construction staging & storage)						
Building at 605 E Walnut	1	1	1	1	1	1
Building at 613 E Ash	-	-	1	1	1	1

Information for prior years is not readily available.

Source: County Auditor

* Source: Resource Management Department

APPENDIX C

**DEFINITIONS OF WORDS AND TERMS
AND
SUMMARIES OF LEGAL DOCUMENTS**

APPENDIX C

DEFINITIONS OF WORDS AND TERMS AND SUMMARIES OF LEGAL DOCUMENTS

The summaries of the Declaration of Trust, the Lease and the Base Lease contained in this Appendix C do not purport to be comprehensive or definitive and are qualified in their entirety by reference to such documents, copies of which may be viewed at the designated corporate office of the Trustee, or will be provided by the Trustee to any prospective purchaser requesting the same, upon payment by such prospective purchaser of the cost of complying with such request.

DEFINITIONS OF WORDS AND TERMS

The definitions of certain words and terms used in this Official Statement are set forth below:

“Additional Certificates” means any Certificates executed and delivered pursuant to the Declaration of Trust.

“Authorized Representative” means the Presiding Commissioner, or any other person designated as an Authorized Representative by the Presiding Commissioner to act on behalf of the County, such designation being approved by the governing body of the County by a resolution or order that is filed with the Trustee.

“Available Revenues” means, for any Fiscal Year, any balances of the County from previous Fiscal Years encumbered to pay Rent, amounts budgeted or appropriated by the County for such Fiscal Year plus any unencumbered balances of the County from previous Fiscal Years that are legally available to pay Rent during such Fiscal Year, plus all moneys and investments, including earnings thereon, held by the Trustee pursuant to the Declaration of Trust.

“Base Lease” means the Base Lease dated as of March 1, 2012, between the County, as lessor, and the Trustee, as lessee.

“Basic Rent” means a payment of Basic Rent Payments comprised of a Principal Portion and an Interest Portion as set forth in the Lease.

“Basic Rent Payment” means a payment of Basic Rent.

“Basic Rent Payment Date” means each February 1 and August 1 during the Lease Term, commencing on August 1, 2012.

“Business Day” means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the principal corporate trust office or designated payment office of the Trustee is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

“Certificate Payment” means the payments to be made to the Owners of the Certificates, whether representing Interest Portion only or Principal Portion and Interest Portion of Basic Rent under the Lease.

“Certificates” means the Series 2012 Certificates and any Additional Certificates.

“Code” means the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement entered into by the County and the dissemination agent thereunder in connection with the execution and delivery of a series of Certificates, as from time to time amended.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the County and related to the authorization, execution, sale and delivery of the Certificates, including advertising and printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of the Trustee, legal fees of parties to the transaction and all other initial fees and disbursements contemplated by the Lease and the Declaration of Trust.

“County” means Boone County, Missouri, a first-class county duly created, organized and existing under and by virtue of the laws of the State of Missouri, and its successors.

“Declaration of Trust” means the Declaration of Trust dated as of March 1, 2012, made by the Trustee, as the same may from time to time be amended or supplemented in accordance with its terms.

“Directive” means an instrument in writing executed in one or more counterparts by the Owners of Certificates, as determined from the records of the Registrar kept pursuant to the Declaration of Trust, or their lawful attorneys-in-fact, representing not less than a majority of the aggregate unpaid Principal Portion represented by the then-Outstanding Certificates.

“Event of Default” has the meaning specified under the caption **“SUMMARY OF THE DECLARATION OF TRUST - Events of Default.”**

“Event of Lease Default” means an Event of Default as described under the caption **“SUMMARY OF LEASE – Events of Default Defined.”**

“Event of Nonappropriation” means an Event of Nonappropriation as described under the caption **“SUMMARY OF THE LEASE - Nonappropriation.”**

“Fiscal Year” means the fiscal year of the County, currently the twelve-month period beginning January 1 and ending on December 31.

“Funds” means, collectively, the funds created and held under the Declaration of Trust.

“Government Obligations” means (a) direct noncallable obligations of the United States of America and obligations the timely payment of principal and interest on which is fully and unconditionally guaranteed by the United States of America, and (b) trust receipts or certificates evidencing participation or other direct ownership interests in principal or interest payments to be made upon obligations described in clause (a) above that are held in a custody or trust account free and clear of all claims of persons other than the holders of such trust receipts or certificates, and (c) obligations that are noncallable or for which the call date has been irrevocably determined having an investment rating in the highest rating category of either Moody’s or S&P as a result of the advance refunding of such obligations by the deposit of direct noncallable obligations of the United States of America in a trust or escrow account segregated and exclusively set aside for the payment of such obligations and that mature as to principal and interest in such amounts and at such times as will insure the availability of sufficient moneys to timely pay such principal and interest.

“Interest Portion” means the portion of each Basic Rent Payment that represents the payment of interest.

“Investment Securities” means and includes any of the following securities, if and to the extent the same are permitted by law:

- (a) Government Obligations;
- (b) other obligations issued by or on behalf of agencies or instrumentalities of the United States of America except for the Federal Farm Credit Bank;
- (c) negotiable certificates of deposit, demand deposits and other deposit arrangements, repurchase agreements, and investment agreements issued by banks or trust companies, including without limitation, the Trustee and its affiliates, continuously secured (to the extent not fully insured by the Federal Deposit Insurance Corporation), for the benefit of the Trustee by lodging with a bank or trust company (which may or may not be the bank or trust company issuing such negotiable certificates of deposit, repurchase agreement or investment agreement), as collateral security, Government Obligations having a market value (exclusive of accrued interest) at all times at least equal to the principal amount of such certificates of deposit, demand deposits and other deposit arrangements; and
- (d) money market mutual funds rated in the highest rating category by a nationally recognized rating service consisting of Government Obligations or repurchase agreements for Government Obligations.

“**Lease**” means the Lease Purchase Agreement dated as of March 1, 2012, between the Trustee, as lessor, and the County, as lessee, as amended and supplemented from time to time in accordance with its terms.

“**Lease Revenue Fund**” means the fund by that name established pursuant to the Declaration of Trust.

“**Lease Revenues**” means the Basic Rent Payments, Supplemental Rent Payments and all other amounts due and owing pursuant to or with respect to the Lease, including prepayments, insurance proceeds, condemnation proceeds, and any and all interest, profits or other income derived from the investment thereof in any fund or account established pursuant to the Declaration of Trust.

“**Leased Property**” means the Real Property.

“**Moody's**” means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, “Moody's” will be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

“**Net Proceeds**” means the amount remaining from the gross proceeds of any insurance claim, condemnation award or sale under threat of condemnation after deducting all reasonable expenses, including attorneys' fees, incurred in the collection thereof.

“**Notice by Mail**” or “**Notice**” of any action or condition “**by Mail**” means a written notice meeting the requirements of the Declaration of Trust mailed by first-class mail to the Owners of specified Certificates at the addresses shown on the registration books maintained by the Registrar.

“**Original Term**” means the period from the date of delivery of the Lease until the end of the Fiscal Year then in effect.

“**Outstanding**” means, as of the date of determination, all Certificates theretofore executed and delivered pursuant to the Declaration of Trust except (a) Certificates theretofore cancelled by the Trustee or surrendered to the Trustee for cancellation, (b) Certificates for the transfer or exchange of or in lieu of or in substitution for which other Certificates shall have been executed and delivered by the Trustee pursuant to the

Declaration of Trust, (c) Certificates whose payment or prepayment has been provided for, and (d) Certificates paid or deemed to be paid pursuant to the Declaration of Trust.

“Owner” of a Certificate means the registered owner of such Certificate as shown on the register kept by the Registrar.

“Prepayment Date” means any date set for prepayment of the Principal Portion of Basic Rent represented by Certificates.

“Prepayment Price” means with respect to any Certificate (or portion thereof), the amount specified in the Declaration of Trust.

“Principal Portion” means the principal portion of the Basic Rent Payments

“Proceeds” means the aggregate moneys initially paid to the Trustee for each series of the Certificates.

“Purchase Price” means the amount designated as such in the Lease that the County may pay to the Trustee to purchase the Trustee’s interest in the Leased Property.

“Real Property” means the real property described in the Lease, together with any improvements located or to be located thereon, including the County’s juvenile justice center.

“Record Date” means the fifteenth day of the month (whether or not a Business Day) before the applicable Basic Rent Payment Date.

“Refunded Bonds” means all the outstanding Boone County, Missouri Special Obligation Refunding and Improvement Bonds, Series 2003, originally delivered in the aggregate principal amount of \$5,240,000.

“Registrar” means the Trustee when acting in that capacity, or its successor as Registrar.

“Renewal Term” means each renewal term of the Lease, each having a duration of one year and a term coextensive with the then-current Fiscal Year as provided in the Lease, except that the last possible Renewal Term will end on February 2, 2018.

“Rent” means, collectively, Basic Rent and Supplemental Rent.

“Rent Payment” means a payment of Rent.

“Reserve Fund” means the fund by that name established in the Declaration of Trust.

“Reserve Fund Requirement” means (a) with respect to the Series 2012 Certificates, \$221,000*, which amount is equal to the least of (i) 10% of the Principal Portion of Basic Rent that is distributable to Owners of Series 2012 Certificates, (ii) 125% of the average annual Basic Rent that is distributable to Owners of Series 2012 Certificates, or (iii) the maximum annual Basic Rent that is distributable to Owners of Series 2012 Certificates; and (b) with respect to any other Additional Certificates, the amount, if any, specified in the Supplemental Declaration of Trust authorizing such Additional Certificates.

“Securities Depository” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

* Preliminary, subject to change.

“**Series 2012 Certificates**” means the \$2,210,000* aggregate principal amount of Refunding Certificates of Participation, Series 2012, evidencing a proportionate interest in Basic Rent Payments to be made by the County pursuant to the Lease, executed and delivered pursuant to the Declaration of Trust.

“**S&P**” means Standard & Poor’s, a division of The McGraw–Hill Companies, its successors and their assigns, and if that entity no longer performs the functions of a municipal securities rating agency, “S&P” will be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

“**Special Tax Counsel**” means Gilmore & Bell, P.C., or any other attorney or firm of attorneys of nationally recognized standing in matters pertaining to the federal tax exemption of interest on bonds or other obligations issued by states and political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America.

“**State**” means the State of Missouri.

“**Supplemental Declaration of Trust**” means any amendment or supplement to the Declaration of Trust as described under the caption “**SUMMARY OF THE DECLARATION OF TRUST – Amendments Permitted.**”

“**Supplemental Lease**” means any amendment or supplement to the Lease as described under the caption “**SUMMARY OF THE LEASE – Amendments, Changes and Modifications.**”

“**Supplemental Rent**” means all amounts due under the Lease other than Basic Rent.

“**Supplemental Rent Payment**” means a payment of Supplemental Rent.

“**Tax Compliance Agreement**” means the Tax Compliance Agreement entered into by the County and the Trustee in connection with the execution and delivery of each series of Certificates.

“**Trustee**” means the party acting as Trustee under the Declaration of Trust.

“**Trust Estate**” means the assets, property and interests held by the Trustee pursuant to the Declaration of Trust and the Lease.

“**Underwriter**” means Piper Jaffray & Co., Leawood, Kansas, the original purchaser of the Series 2012 Certificates.

SUMMARY OF THE DECLARATION OF TRUST

General Provisions

The Declaration of Trust is made by the Trustee. The Declaration of Trust authorizes the Trustee to execute and deliver the Series 2012 Certificates, provides the terms of the Series 2012 Certificates and provides for various Funds related to the Lease.

Trust Estate

The Trustee has executed and delivered the Declaration of Trust in order to secure the payment of the Principal Portions of Basic Rent Payments, premium, if any, and the Interest Portions of Basic Rent Payments.

* Preliminary, subject to change.

It further declares that it will hold all of the assets, property and interests received by it under the terms of the Declaration of Trust, the Base Lease and the Lease and all agreements and instruments contemplated thereby (except any compensation, indemnification or other amounts that are due directly to the Trustee under the Declaration of Trust).

Additional Certificates

Upon the execution and delivery of a Supplemental Lease that provides for an increase in the amount of Basic Rent payable under the Lease and so long as no Event of Default or Event of Nonappropriation exists, Additional Certificates evidencing the right of the Owners thereof to receive the Principal Portion and the Interest Portion of such additional Basic Rent may be executed and delivered under and equally and ratably secured by the Declaration of Trust on a parity with the Series 2012 Certificates and any other Additional Certificates, at any time and from time to time, upon compliance with the conditions provided in the Declaration of Trust, for the purposes described under the heading **“SUMMARY OF THE LEASE - Increased Basic Rent.”** The conditions for the issuance of Additional Certificates under the Declaration of Trust include, but are not limited to, providing the Trustee with evidence of the assignment by Moody’s of a rating on the Additional Certificates that is not lower than the rating then assigned to the Series 2012 Certificates, unless the Additional Certificates are being delivered to refund the Certificates of any series in a manner which provides present value savings to the City for the Rental Payments distributable to the Owners of the series of Certificates being refunded.

Establishment of Funds

There are established with the Trustee the following funds and accounts:

- (a) Lease Revenue Fund;
- (b) Reserve Fund; and
- (c) Delivery Costs Fund.

All funds and accounts established pursuant to the Declaration of Trust will be held by the Trustee in trust for the benefit of the Certificate Owners. The money in all of the funds and the accounts will be held in trust and applied as provided in the Declaration of Trust.

Application of Lease Revenues

Lease Revenues will be deposited, as received, pursuant to the Lease, as follows:

- (a) Basic Rent will be deposited to the Lease Revenue Fund.
- (b) Optional prepayments of the Principal Portion of Basic Rent (in amounts equal to the applicable Prepayment Price) will be deposited to the Lease Revenue Fund.
- (c) Payments of Supplemental Rent pursuant to the Lease will be applied as described under the caption **“SUMMARY OF THE LEASE – Supplemental Rent.”**

Undesignated payments of Rent that are insufficient to discharge the full amount then due will be applied first to the Interest Portion of Basic Rent, next to the Principal Portion of Basic Rent and finally to Supplemental Rent.

Application of Moneys in the Lease Revenue Fund

Except as otherwise provided in the Declaration of Trust, all amounts in the Lease Revenue Fund will be used and withdrawn by the Trustee solely to pay Basic Rent represented by the Certificates when due and payable or on a Prepayment Date.

Reserve Fund

Money in the Reserve Fund shall be used solely (i) to make up any deficiencies in the Lease Revenue Fund and, if the money in the Lease Revenue Fund is insufficient to pay the Principal Portion or the Interest Portion of Base Rentals as the same become due, the Trustee shall without further authorization transfer any funds available to make up such deficiency from the Reserve Fund to the Lease Revenue Fund or (ii) to make the last payment of the Principal Portion of Base Rentals.

The Permitted Investments held in the Reserve Fund shall be valued at the market value thereof, excluding accrued interest. The Trustee shall value the Reserve Fund (i) semiannually as of the last Business Day preceding each February 1 and August 1, commencing August 1, 2012 (each, a "Valuation Date"), and (ii) on any date there is a draw on the Reserve Fund pursuant to the Declaration of Trust. The Trustee shall furnish a copy of such valuation to the County. If on any Valuation Date the Reserve Fund exceeds the Reserve Requirement, the Trustee shall promptly thereafter transfer such excess to the Lease Revenue Fund. If on any such date the amount in the Reserve Fund is less than the Reserve Requirement, the Trustee shall promptly notify the County of such deficiency and shall direct the County to replenish the Reserve Fund in the manner provided for Supplemental Rent under the Lease. The Lease provides that, if the value of the Reserve Fund is less than the Reserve Requirement due to a decline in market value, as determined by the Trustee in accordance with the Declaration of Trust, or as a result of a withdrawal from the Reserve Fund pursuant to the Declaration of Trust, the County will pay to the Trustee for deposit in the Reserve Fund an amount necessary to restore the Reserve Fund to the Reserve Requirement on or before the next succeeding Valuation Date

Investment of Moneys

Moneys held in the Funds will, subject to the requirements of the Tax Compliance Agreement and as provided in the Declaration of Trust, be invested and reinvested by the Trustee, pursuant to written direction of the County, signed by an Authorized Representative, in Investment Securities that mature or are subject to redemption by the owner prior to the date such funds will be needed; provided, money held in the Reserve Fund shall be invested in Permitted Investments which mature or are subject to redemption not later than five years from the date of purchase thereof.

The Trustee will sell and reduce to cash a sufficient amount of such Investment Securities held by the Trustee in any fund held under the Declaration of Trust whenever the cash balance in such Fund is insufficient for the purpose of such Fund. Any such Investment Securities will be held by or under the control of the Trustee and will be deemed at all times a part of the Fund or account in which such moneys are originally held, and the interest accruing thereon and any profit realized from such Investment Securities will be credited to such Fund or account, and any loss resulting from such Investment Securities will be charged to such Fund or account; provided, that, if at any time the amount in the Reserve Fund exceeds the Reserve Fund Requirement, such excess shall be transferred to the Lease Revenue Fund.

For purposes of determining the amount in any Fund or account, the value of any investments will be computed at the market value thereof (excluding accrued interest), the purchase price thereof (excluding accrued interest) or principal amount, whichever is lower, provided that the value of any investments held in the Reserve Fund shall be computed at a market value thereof (excluding accrued interest).

The Trustee may, in making or disposing of any investment permitted by the Declaration of Trust, deal with itself (in its individual capacity), or with any one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or dealing as a principal for its own account.

Amendments Permitted

The Declaration of Trust, the Lease and the Base Lease and the rights and obligations of the County and of the Owners of the Certificates and of the Trustee may be modified or amended from time to time and at

anytime by an amendment or supplement thereto that the parties thereto may enter into when the written consent of the Trustee and the County, if not a party thereto, and the Owners of a majority in aggregate Principal Portion of Basic Rent Payments represented by the Certificates then Outstanding has been filed with the Trustee. No such modification or amendment will (1) extend the stated maturity of any Certificate, or reduce the amount of principal represented thereby, or extend the time of payment or reduce the amount of any Prepayment Price provided in the Declaration of Trust for the payment of any Certificate, or reduce the rate of interest with respect thereto, or extend the time of payment of interest with respect thereto without the consent of the Owner of each Certificate so affected, (2) reduce the aforesaid percentage of Certificates the consent of the Owners of which is required to effect any such modification or amendment or, except in connection with the delivery of any Additional Certificates, permit the creation of any lien on the moneys in the Lease Revenue Fund and the Reserve Fund or deprive the Owners of the trust created by the Declaration of Trust with respect to the moneys in the Lease Revenue Fund and the Reserve Fund or (3) create a preference or priority of any Certificate or Certificates over any other Certificate or Certificates without the consent of the Owners of all of the Certificates then Outstanding.

Notwithstanding the preceding paragraph, the Declaration of Trust, the Lease or the Base Lease and the rights and obligations of the County, of the Trustee and of the Owners of the Certificates may also be modified or amended from time to time by an agreement that the parties thereto may enter into without the consent of any Certificate Owners, only to the extent permitted by law and only for any one or more of the following purposes: (1) to add to the covenants and agreements of the Trustee in the Declaration of Trust, other covenants and agreements thereafter to be observed, to pledge or assign additional security for the Certificates (or any portion thereof), or to surrender any right or power in the Declaration of Trust reserved to or conferred upon the County; provided, however, that no such covenant, agreement, pledge, assignment or surrender will materially adversely affect the interests of the Owners of the Certificates; (2) to add to the covenants and agreements of the County in the Base Lease or the Lease, other covenants and agreements thereafter to be observed or to surrender any right or power therein reserved to or conferred upon the Trustee or the County; provided, however, that no such covenant, agreement or surrender will materially adversely affect the interests of the Owners of the Certificates; (3) to make such provisions for the purpose of curing any ambiguity, inconsistency or omission, or of curing or correcting any defective provision, contained in the Declaration of Trust, the Base Lease or the Lease, or in regard to matters or questions arising under the Declaration of Trust, the Base Lease or the Lease as the Trustee and the County may deem necessary or desirable and not inconsistent with said agreements, or as may be requested by the County, or the Trustee and that will not, in any such case adversely affect the interests of the Owners of the Certificates; (4) to modify, amend or supplement the Declaration of Trust in such manner as to permit the qualification of the Declaration of Trust under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect, and to add such other terms, conditions and provisions as may be permitted by said act or similar federal statute, and that will not materially adversely affect the interests of the Owners of the Certificates; (5) to provide for any additional procedures, covenants or agreements necessary to maintain the exclusion of the Interest Portion of Basic Rent from gross income for purposes of federal income taxation; (6) to provide for the execution and delivery of Additional Certificates; or (7) to make any other change that in the sole judgment of the Trustee does not have a materially adverse effect on the rights of the Certificate Owners.

Opinion of Counsel

Before the Trustee or the County consents to any modification or amendment of the Declaration of Trust, the Base Lease or the Lease, an Opinion of Special Tax Counsel will be delivered to the effect that such amendment (a) is permitted by the Declaration of Trust and the instrument modified or amended (if other than the Declaration of Trust), (b) complies with its terms, (c) will, upon execution and delivery thereof, be valid and binding upon the County in accordance with the terms of the instrument modified or amended, and (d) will not adversely affect the exclusion from gross income for purposes of federal income taxation of the Interest Portion of Basic Rent Payments represented by the Certificates. In any instance in which the Trustee may be required to determine that a modification or amendment will not materially adversely affect the interest of the Owners of the Certificates, prior to consenting to such modification or amendment, the Trustee will be entitled to require that there be delivered to it an Opinion of Counsel to the effect that no such materially adverse affect would result

from such modification or amendment. The Trustee will be fully protected and will incur no liability in relying upon such Opinion of Counsel in making such determination.

Defaults

The occurrence of any of the following events, subject to the provisions permitting waivers of defaults in the Declaration of Trust, is defined as an "Event of Default" under the Declaration of Trust:

- (a) Default in the due and punctual payment of any Interest Portion of Basic Rent represented by a Certificate; or
- (b) Default in the due and punctual payment of the Principal Portion of Basic Rent represented by a Certificate, whether at the stated payment date thereof or the Prepayment Date set therefor in accordance with the terms of the Declaration of Trust; or
- (c) Any Event of Lease Default.

Acceleration

Upon the occurrence of an Event of Default under the Declaration of Trust, the Trustee may, and upon receipt of a Directive will, by notice in writing delivered to the County, declare the Principal Portion and Interest Portion of Basic Rent represented by all Certificates Outstanding to the end of the then-current Fiscal Year immediately due and payable.

Other Remedies

Upon the occurrence of an Event of Lease Default or Event of Nonappropriation, the Trustee may exercise any remedies available under the Lease and, to the extent consistent therewith, may sell, lease or manage any portion of the Leased Property or Trustee's interest in the Leased Property and apply the net proceeds thereof and, whether or not it has done so, may pursue any other remedy available to it under the Lease or at law or in equity.

No remedy by the terms of the Declaration of Trust conferred upon or reserved to the Trustee or to the Certificate Owners is intended to be exclusive of any other remedy, but each and every such remedy will be cumulative and will be in addition to any other remedy given to the Trustee or to the Certificate Owners under the Declaration of Trust or now or hereafter existing at law or in equity or by statute.

Rights of Certificate Owners

If an Event of Default or an Event of Nonappropriation has occurred and is continuing and if instructed to do so by a Directive and if indemnified as provided in the Declaration of Trust, the Trustee will be obligated to exercise such one or more of the rights and the remedies conferred by the Declaration of Trust as the Trustee, upon the advice of counsel, deems to be in the interests of the Certificate Owners.

Any other provision in the Declaration of Trust to the contrary notwithstanding, the Owners of not less than a majority in aggregate principal amount of Certificates then Outstanding will have the right, at any time, by a Directive, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the Declaration of Trust, or for the appointment of a receiver or any other proceedings under the Declaration of Trust; provided that (1) such Directive will not be otherwise than in accordance with the provisions of law and of the Declaration of Trust, and (2) the Trustee has been indemnified as provided in the Declaration of Trust and will have the right to decline to follow any such direction if the Trustee in good faith determines that the proceeding so directed would involve it in personal liability.

Discharge of Declaration of Trust

When (i) the obligations of the County under the Lease have been satisfied in connection with the exercise by the County of its option to purchase the Leased Property in accordance with the Lease by the irrevocable deposit in escrow of moneys or Government Obligations (maturing as to principal and interest in such amounts and at such times as are necessary to make any required payments without reinvestment of any earnings thereon) or both moneys and Government Obligations, and (ii) the County has delivered to the Trustee an Opinion of Counsel to the effect that the conditions for such discharge contained in the Declaration of Trust and the Lease have been satisfied or irrevocably provided for and an accountant's certificate verifying the sufficiency of moneys or Government Obligations or both so deposited for the payment of the Principal Portion and Interest Portion of the Certificates and any applicable Prepayment Price to be paid with respect to the Certificates and (iii) the County has deposited sufficient moneys to pay the fees, charges and expenses of the Trustee (or has made provision satisfactory to the Trustee for their payment), thereupon the obligations created by the Declaration of Trust will cease, determine and become void except for the right of the Certificate Owners and the obligation of the Trustee to apply such moneys and Government Obligations to the payment of the Certificates as set forth in the Declaration of Trust; provided, however, that all provisions relating to the compensation or indemnification of the Trustee will survive the satisfaction and discharge of the Declaration of Trust.

Duties, Immunities and Liabilities of Trustee

The Trustee will, prior to an Event of Default or Event of Nonappropriation and after the curing of all Events of Default or Events of Nonappropriation that may have occurred, perform only such duties as are specifically set forth in the Declaration of Trust. The Trustee will, during the existence of any Event of Default or Event of Nonappropriation, exercise such of the rights and powers vested in it by the Declaration of Trust, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

The Trustee may be removed at any time by a Directive. The Trustee will give written notice of any removal pursuant to this paragraph to the County. The Trustee will resign at any time the Trustee ceases to be eligible in accordance with the Declaration of Trust, or becomes incapable of acting, or is adjudged as bankrupt or insolvent, or a receiver of the Trustee or its property is appointed, or any public officer takes control or charge of the property or affairs of the Trustee for the purpose of rehabilitation, conservation or liquidation, and thereupon a successor Trustee will be appointed by a Directive.

The Trustee may at any time resign by giving written notice of such resignation to the County and by giving the Certificate Owners Notice by Mail of such resignation at the addresses listed on the registration books kept by the Registrar. Upon receiving such notice of resignation, a successor Trustee will be appointed by a Directive.

SUMMARY OF THE LEASE

General

The Lease has been entered into between the Trustee and the County and contains the terms and conditions under which the Leased Property will be leased to and used by the County.

Lease Term

The Original Term of the Lease will terminate the last day of the current Fiscal Year. The Lease Term may be continued, solely at the option of the County, at the end of the Original Term or any Renewal Term for an additional one year, provided that the final Renewal Term shall not extend beyond February 2, 2018. At the end of the Original Term and at the end of each Renewal Term, unless the County has terminated the Lease

and for no other reason, the County will be deemed to have exercised its option to continue the Lease for the next Renewal Term. The terms and conditions during any Renewal Term will be the same as the terms and conditions during the Original Term, except for any difference in the Rent as provided in the Lease.

Continuation of Lease Term by the County

The County reasonably believes that legally available funds in an amount sufficient to make all payments of Rent during the Original Term and each of the Renewal Terms can be obtained. The County covenants in the Lease that its responsible financial officer will do all things lawfully within his power to obtain and maintain funds from which the Rent may be paid, including making provision for such payments to the extent necessary in each proposed budget or appropriation request submitted for adoption in accordance with applicable provisions of law and to exhaust all available reviews and appeals in the event such portion of the budget or appropriation request is not approved. Notwithstanding the foregoing, the decision to budget and appropriate funds or to extend the Lease for any Renewal Term is to be made in accordance with the County's normal procedures for such decisions by the then-current governing body of the County.

Nonappropriation

The County is obligated only to pay periodic payments under the Lease as may lawfully be made from Available Revenues. If an Event of Nonappropriation occurs, the Lease will be deemed terminated at the end of the then-current Original Term or Renewal Term. An Event of Nonappropriation will be deemed to have occurred if the County fails to budget, appropriate or otherwise provide for sufficient funds to pay Basic Rent and any reasonably anticipated Supplemental Rent to come due during the immediately following Renewal Term. The County agrees to deliver notice to the Trustee of such termination at least 90 days prior to the end of the then-current Original Term or Renewal Term, but failure to give such notice will not extend the term beyond such Original Term or Renewal Term. If the Lease is terminated in accordance with such provision, the County agrees peaceably to transfer and surrender possession of the Leased Property to the Trustee.

Enjoyment of Leased Property

The Trustee will provide the County during the Lease Term with quiet use and enjoyment of the Leased Property. The County will, during the Lease Term, peaceably and quietly have, hold and enjoy the Leased Property, without suit, trouble or hindrance from the Trustee, except as expressly set forth in the Lease. The County may use the Leased Property for any governmental or proprietary purpose of the County, subject to the limitations contained in the Lease.

Notwithstanding any other provision in the Lease, the Trustee will have no responsibility to maintain, repair or insure the Leased Property. The County will comply with all statutes, laws, ordinances, orders, judgments, decrees, regulations, directions and requirements of all federal, state, local and other governments or governmental authorities, now or hereafter applicable to the Leased Property, as to the manner and use or the condition of the Leased Property. The County will also comply with the mandatory requirements, rules and regulations of all insurers under the policies required to be carried by the provisions of the Lease. The County will pay all costs, expenses, claims, fines, penalties and damages that may in any manner arise out of, or be imposed as a result of, the failure of the County to comply with the foregoing provisions. Notwithstanding any provision contained in this paragraph, however, the County may, at its own cost and expense, contest or review by legal or other appropriate procedures the validity or legality of any such governmental statute, law, ordinance, order, judgment, decree, regulation, direction or requirement, or any such requirement, rule or regulation of an insurer and during such contest or review, the County may refrain from complying therewith, if the County furnishes, on request, to the Trustee, at the County's expense, indemnity satisfactory to the Trustee.

Basic Rent

The County will promptly pay all Basic Rent, subject to its right to terminate the Lease as described under the captions “**Nonappropriation**” above and “**Rent Payments to Constitute a Current Expense and Limited Obligations of the County**” below, in lawful money of the United States of America on each Basic Rent Payment Date. A portion of each Basic Rent Payment is paid as, and represents payment of, interest. To provide for the timely payment of Basic Rent, the County will pay to the Trustee for deposit in the Lease Revenue Fund on the 15th day of the month preceding each Basic Rent Payment Date, the amount due on such Basic Rent Payment Date.

The County will, in accordance with the requirements of law and its normal budgeting procedures, fully budget and appropriate sufficient funds for the current Fiscal Year to make the Rent Payments scheduled to come due during the Original Term, and to meet its other obligations for the Original Term and such funds will not be expended for other purposes.

Supplemental Rent

The County will pay, subject to its right to terminate the Lease as described under the captions “**Nonappropriation**” above and “**Rent Payments to Constitute a Current Expense and Limited Obligations of the County**” below, as Supplemental Rent (a) all Impositions (as defined in the Lease); (b) all amounts required and all other payments that the County has agreed to pay or assume under the Lease; (c) all expenses, including attorneys’ fees to the extent permitted by law, incurred in connection with the enforcement of any rights under the Lease or the Base Lease by the Trustee; (d) all fees, charges and expenses of the Trustee as provided in the Lease, (e) if the value of the Reserve Fund is less than the Reserve Requirement due to a decline in market value, as determined by the Trustee in accordance with the Declaration of Trust, or as a result of a withdrawal from the Reserve Fund pursuant to the Declaration of Trust, to the Trustee for deposit in the Reserve Fund an amount necessary to restore the Reserve Fund to the Reserve Requirement on or before the next succeeding Valuation Date; and (f) any payments required to be made pursuant to the Tax Compliance Agreement.

Rent Payments to Constitute a Current Expense and Limited Obligation of the County

Notwithstanding any other provision of the Lease, the obligation of the County to pay Rent under the Lease is limited to payment from Available Revenues and will constitute a current expense of the County. Such obligation will not in any way be construed to be a debt of the County in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the County, nor shall anything contained in the Lease constitute a pledge of the general tax revenues, funds or moneys of the County.

Credit against Basic Rent Payment Obligation

The County will receive credit against its obligation to pay the Interest Portion or Principal Portion of Basic Rent to the extent moneys are on deposit in the Lease Revenue Fund and are available to pay the Interest Portion or the Principal Portion of Basic Rent represented by the Certificates.

Net Lease; Rent Payments to be Unconditional

The Lease is intended to be net, net, net to the Trustee; subject to the right of the County to terminate the Lease described under the captions “**Nonappropriation**,” “**Rent Payments to Constitute a Current Expense and Limited Obligations of the County**,” and “**Credit Against Basic Rent Payment Obligation**” above. The obligations of the County to pay the Basic Rent Payments and to perform and observe the other covenants and agreements contained in the Lease will be absolute and unconditional in all events without abatement, diminution, deduction, setoff or defense, for any reason, including any failure of the Leased

Property to be constructed or installed, any defects, malfunctions, breakdowns or infirmities in the Leased Property or any accident, condemnation or unforeseen circumstances.

Nothing in the Lease will be construed as a waiver by the County of any rights or claims the County may have against the Trustee, but any recovery upon such rights and claims will be from the Trustee separately.

Increased Basic Rent

Notwithstanding any other provision of the Lease, the Trustee and the County may enter into a Supplemental Lease or Supplemental Leases that increase the amount of Basic Rent payable by the County on any Basic Rent Payment Date to provide funds to pay the costs of (a) repairing, replacing or restoring the Leased Property, (b) improving, upgrading or modifying the Leased Property, (c) additional improvements to the Leased Property or the acquisition of additional real property to be included in the Leased Property or the acquisition, purchase construction or equipping of additions to or expansions or remodeling or modification of the Leased Property, and (d) refunding any or all of the Certificates. Each such Supplemental Lease will include an amended schedule of Rental Payments reflecting separately the Principal Portion and the Interest Portion of Basic Rent allocable to the original Lease and to each Supplemental Lease due on each Basic Rent Payment Date as well as the total Basic Rent on each Basic Rent Payment Date.

Impositions

The County will bear, pay and discharge, before the delinquency thereof, as Supplemental Rent, all taxes and assessments, general and special, if any, that may be lawfully taxed, charged, levied, assessed or imposed upon or against or be payable for or in respect of the Leased Property, including any taxes and assessments not of the kind enumerated above to the extent that the same are lawfully made, levied or assessed in lieu of or in addition to taxes or assessments now customarily levied against real or personal property, and including all water and sewer charges, assessments and other general governmental charges and impositions whatsoever, foreseen or unforeseen, that if not paid when due would impair the security of the Trustee or encumber the Leased Property (all of the foregoing being herein referred to as “**Impositions**”).

Contest of Impositions

The County may, in its own name or in the Trustee’s name, contest the validity or amount of any Imposition that the County is required to bear, pay and discharge pursuant to the terms of the Lease by appropriate legal proceedings instituted at least 10 days before the contested Imposition becomes delinquent. The County may permit the Imposition so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Trustee notifies the County that, in the Opinion of Counsel, by nonpayment of any such items the interest of the Trustee in the Leased Property will be endangered or the Leased Property or any part thereof will be subject to loss or forfeiture. In that event, the County shall promptly pay such taxes, assessments or charges or provide the Trustee with full security against any loss which may result from nonpayment in form satisfactory to the Trustee.

Insurance Required

The County will, during the Lease Term, cause the Leased Property to be kept continuously insured against such risks customarily insured against for facilities such as the Leased Property and will pay (except as otherwise provided in the Lease) as the same become due, all premiums in respect thereof, such insurance to include the following policies of insurance:

- (1) Insurance insuring the Leased Property against loss or damage by fire, lightning and all other risks covered by the extended coverage insurance endorsement then in use in the State in an amount not less than the Principal Portion of the Certificates then Outstanding and issued by such insurance company or companies authorized to do business in the State as may be selected by the

County. The policy or policies of such insurance will name the County and the Trustee as insureds, as their respective interests may appear. All proceeds from such policies of insurance will be applied as provided in the Lease.

(2) Comprehensive general accident and public liability insurance (including coverage for all losses whatsoever arising from the ownership, maintenance, operation or use of any automobile, truck or other motor vehicle), under which the County and the Trustee are named as insureds, in an amount not less than \$500,000 combined single limit for bodily injuries and property damage.

(3) Workers' compensation and unemployment coverages to the extent, if any, required by the laws of the State.

(4) Nothing in the Lease will be construed as preventing the County from satisfying the insurance requirements set forth in the Lease by using blanket policies of insurance or self-insurance provided each and all of the requirements and specifications of the Lease respecting insurance are complied with.

(5) The County may elect to be self-insured for all or any part of the foregoing requirements if (i) the County annually obtains a written evaluation with respect to such self-insurance program from an individual or firm selected by the County and acceptable to the Trustee qualified to survey risks and to recommend insurance coverage for entities engaged in operations similar to those of the County and having a favorable reputation for skill and experience in making such surveys and recommendations (an "**Insurance Consultant**"), (ii) the evaluation is to the effect that the self-insurance program is sound, (iii) unless the evaluation states that such reserves are not necessary, the County maintains adequate reserves for the self-insurance program, and (iv) in the case of workers' compensation, adequate reserves created by the County for such self-insurance program are maintained in such amount and manner as are acceptable to the State. The County will pay any fees and expenses of such Insurance Consultant in connection therewith.

Maintenance and Modification of Leased Property by the County

The County will at its own expense (1) keep the Leased Property in a safe condition, (2) with respect to the Leased Property, comply with all applicable health and safety standards and all other industrial requirements or restrictions enacted or promulgated by the State, or any political subdivision or agency thereof, or by the government of the United States of America or any agency thereof, and (3) keep the Leased Property in good repair and in good operating condition and make from time to time all necessary repairs thereto and renewals and replacements thereof; provided, however, that the County will have no obligation to operate, maintain, preserve, repair, replace or renew any element or unit of the Leased Property the maintenance, repair, replacement or renewal of which becomes uneconomical to the County because of damage, destruction or obsolescence, or change in economic or business conditions, or change in government standards and regulations. The County will not permit or suffer others to commit a nuisance in or about the Leased Property or itself commit a nuisance in connection with its use or occupancy of the Leased Property. The County will pay all costs and expenses of operation of the Leased Property.

The County may, also at its own expense, make from time to time any additions, modifications or improvements to the Leased Property that it deems desirable for its business purposes and that do not materially impair the structural strength or effective use, or materially decrease the value, of the Leased Property. All such additions, modifications or improvements made by the County will (1) be made in a workmanlike manner and in strict compliance with all laws and ordinances applicable thereto, (2) when commenced, be pursued to completion with due diligence and (3) when completed, be deemed a part of the Leased Property.

Damage, Destruction and Condemnation

The County will bear the risk of loss with respect to the Leased Property during the Lease Term. If (1) the Leased Property or any portion thereof is destroyed, in whole or in part, or is damaged by fire or other casualty or (2) title to, or the temporary use of, the Leased Property or any part thereof shall be nonexistent or deficient or taken under the exercise or threat of the power of eminent domain by any governmental body or by any person, firm or corporation acting pursuant to governmental authority, the County will cause the Net Proceeds of any insurance claim, condemnation award or sale under threat of condemnation to be applied to the prompt replacement, repair, restoration, modification or improvement of the Leased Property, unless the County has exercised its option to purchase the Trustee's interest in the Leased Property by making payment of the Purchase Price as provided in the Lease. Any balance of the Net Proceeds remaining after such work has been completed will be paid to the County and will be held and appropriated by the County for the exclusive purpose of paying Rent under the Lease.

If the County determines that the repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interest of the County, then, in lieu of making such repair, restoration, modification or improvement and if permitted by law, the County will promptly purchase the Trustee's interest in the Leased Property pursuant to the Lease by paying the Purchase Price. The Net Proceeds will be applied by the County to payment of the Purchase Price. Any balance of the Net Proceeds remaining after paying the Purchase Price will belong to the County.

In the Lease, the County acknowledges the provisions pertaining to eminent domain as described under the caption "**SUMMARY OF THE BASE LEASE – Eminent Domain.**" The Trustee and County agree that the terms of the Base Lease are incorporated in and made a part of the Lease to the same extent as if set forth in the Lease.

Insufficiency of Net Proceeds

If the Net Proceeds are insufficient to pay in full the cost of any repair, restoration, modification or improvement referred to under the caption "**Damage, Destruction and Condemnation**" above, and the County has not elected to purchase the Trustee's interest in the Leased Property, the County will complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds. If the County makes any payments as provided in this paragraph, the County will not be entitled to any reimbursement therefor from the Trustee nor will the County be entitled to any diminution of Rent.

Tax Covenants

The County covenants and agrees that (a) it will comply with the provisions of the Tax Compliance Agreement and with all applicable provisions of the Code, including Sections 103 and 141 through 150, necessary to maintain the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent and (b) it will not use or permit the use of any proceeds of Certificates or any other funds of the County nor take or permit any other action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income for federal income tax purposes of the Interest Portion of the Basic Rent. The County will, in addition, adopt such other orders or resolutions and take such other actions as may be necessary to comply with the Code and with all other applicable future laws, regulations, published rulings and judicial decisions, in order to ensure that the Interest Portion of the Basic Rent will remain excluded from gross income for federal income tax purposes, to the extent any such actions can be taken by the County.

Purchase Option

The County may purchase the Trustee’s interest in the Leased Property, upon giving written notice to the Trustee at least 30 days before the purchase date, at the following times and on the following terms:

(a) On or after February 1, 2017, upon payment in full of Rent Payments then due hereunder plus a Purchase Price equal to the percentage of the remaining Principal Portions of Basic Rent for the maximum Lease Term plus Interest Portions of Basic Rent accrued to the prepayment date.

(b) Upon deposit of moneys or Government Obligations or both with the Trustee in accordance with the Declaration of Trust, in the amount necessary to provide for the Basic Rent Payments until and on, and the Purchase Price calculated as described in (a) above on the Certificates to, the next Prepayment Date, which will be on or after February 1, 2017.

(c) In the event of substantial damage to or destruction or condemnation (other than condemnation by the County or any entity controlled by or otherwise affiliated with the County) of, or loss of title to, substantially all of the Leased Property, or if, as a result of changes in the constitution of the State or legislative or administrative action by the State or the United States, the Base Lease or the Lease becomes unenforceable, on the date the County specifies as the purchase date in the County’s notice to the Trustee of its exercise of the purchase option, upon payment in full of the Rent Payments then due under the Lease plus then remaining Principal Portions of Basic Rent for the maximum Lease Term, plus Interest Portions of Basic Rent accrued to the prepayment date.

Partial Prepayment

The County may prepay the Basic Rent Payments in part, upon giving written notice to the Trustee at least 30 days before the prepayment date, on any Basic Rent Payment Date occurring on or after February 1, 2017, at the prepayment price equal to the 100% of the Principal Portion of Basic Rent being so prepaid, plus the Interest Portion of Basic Rent accrued thereon to such Basic Rent Payment Date.

The Principal Portion of Basic Rent prepaid pursuant to the provisions of the Lease will be in integral multiples of \$5,000. Upon any partial prepayment, the amount of each Interest Portion of Basic Rent coming due thereafter will be reduced by the amount of such Interest Portion attributable to such prepaid Principal Portion determined by applying the annual interest rate corresponding to such prepaid Principal Portion.

Assignment and Subleasing by the County

Except as provided in the Lease, none of the County’s right, title and interest in, to and under the Base Lease, the Lease and in the Leased Property may be assigned or encumbered by the County for any reason; except that the County may sublease any one or more parts of the Leased Property if the County obtains an Opinion of Special Tax Counsel that such subleasing will not adversely affect the exclusion of the Interest Portion of the Basic Rent Payments from gross income for purposes of federal income taxation. Any such sublease of all or part of the Leased Property shall be subject to the Base Lease, the Lease and the rights of the Trustee in, to and under the Base Lease, the Lease and the Leased Property.

Events of Default Defined

Any of the following will constitute an “Event of Default” under the Lease:

- (1) Failure by the County to pay Basic Rent pursuant to the Lease;

(2) Failure by the County to make any Supplemental Rent Payment when due and the continuance of such failure for ten days after written notice specifying such failure and requesting that it be remedied is given to the County by the Trustee;

(3) Failure by the County to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in subparagraph (1) or (2) above, for a period of 30 days after written notice specifying such failure and requesting that it be remedied is given to the County by the Trustee, unless the Trustee will agree in writing to an extension of such time prior to its expiration; provided that, if the failure stated in the notice cannot be corrected within the applicable period, the Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the County within the applicable period and diligently pursued until the default is corrected;

(4) Any statement, representation or warranty made by the County in or pursuant to the Base Lease or the Lease or the execution, delivery or performance of either of them proves to have been false, incorrect, misleading or breached in any material respect on the date when made;

(5) Any provision of the Lease or the Base Lease at any time for any reason ceases to be valid and binding on the County, or is declared null and void, or the validity or enforceability thereof is contested by the County or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of the Trustee; or

(6) The County becomes insolvent or admits in writing its inability to pay its debts as they mature or applies for, consents to, or acquiesces in the appointment of a trustee, receiver or custodian for the County or a substantial part of its property; or in the absence of such application, consent or acquiescence, a trustee, receiver or custodian is appointed by the County or a substantial part of its property and is not discharged within 60 days; or any bankruptcy, reorganization, debt arrangement, moratorium or any proceeding under bankruptcy or insolvency law, or any dissolution or liquidation proceeding, is instituted by or against the State and, if instituted against the County, is consented to or acquiesced in by the County or is not dismissed within 60 days.

Failure of the County to comply with the Continuing Disclosure Agreement will not be an Event of Default under the Lease.

Remedies on Default

Whenever any Event of Default exists, the Trustee will have the right, without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to the County, the Trustee may declare all Rent payable by the County under the Lease to the end of the then-current Original Term or Renewal Term to be due;

(b) With or without terminating the Lease, the Trustee may take possession of the Leased Property (in which event the County will take all actions necessary to authorize, execute and deliver to the Trustee for the remainder of the Trustee's leasehold term under the Base Lease all documents necessary to vest in the Trustee for the remainder of the Trustee's leasehold term under the Base Lease all of the County's interest in the Leased Property), and sell the Trustee's interest in the

Leased Property or lease the Leased Property or, for the account of the County, sublease the Leased Property continuing to hold the County liable for the difference between (1) the Rent payable by the County under the Lease for the then-current Original Term or Renewal Term, as the case may be, and (2) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of the Trustee in exercising its remedies under the Lease, including without limitation all expenses of taking possession, removing, storing, reconditioning, and selling or leasing or subleasing the Leased Property and all brokerage, auctioneers and attorney's fees);

(c) The Trustee may terminate any rights the County may have in any moneys held by the Trustee under the Declaration of Trust; and

(d) The Trustee may take whatever action at law or in equity necessary or desirable to enforce its rights in the Leased Property and under the Lease.

Amendments, Changes and Modifications

The Lease may not be effectively amended, changed, modified, altered or supplemented except with the written consent of the Trustee and the County as described under the caption "**SUMMARY OF THE DECLARATION OF TRUST – Amendments Permitted.**"

SUMMARY OF THE BASE LEASE

Generally

The County and the Trustee have entered into the Base Lease under which the County leases the Real Property to the Trustee for the rentals and upon the terms and conditions set forth therein.

Term

The term of the Base Lease commences from the date of delivery, and ends on February 1, 2024, unless extended or terminated as provided therein.

Rental

As and for rental under the Base Lease and in consideration for the leasing of the Real Property to the Trustee, the Trustee will take the following actions: (a) simultaneously with the delivery of the Base Lease, enter into the Lease; (b) simultaneously with the delivery of the Base Lease, pay to the County the sum of \$10.00 and provide such other consideration as the Trustee and County may agree; and (c) deposit funds in the amount and in the Funds established and as set forth in the Declaration of Trust.

Assignments and Subleases

It is intended that the Trustee will hold the Base Lease and its rights thereunder for the benefit of Owners of the Certificates. The Trustee thereafter may assign the Base Lease and its rights thereunder or lease or sublease the Leased Property without the written consent of the County (a) in connection with any assignment of its rights under the Lease, (b) if the Lease is terminated for any reason, or (c) if an Event of Default as defined in the Lease has occurred.

Termination

The Base Lease will terminate upon the completion of the term set forth above under the caption "**Term;**" provided, however, that if the County pays the purchase price or all of the rental payments pursuant to

the Lease and exercises its option to purchase the Trustee's interest in the Leased Property, then the Base Lease will be considered assigned to the County and terminated through merger of the leasehold interest under the Base Lease with the fee interest of the County if the County is the owner of the fee interest.

Eminent Domain

If the whole or any part of the Leased Property is taken by eminent domain proceedings, the interest of the Trustee will be recognized. The condemnation proceeds will be applied as described under the captions **“SUMMARY OF THE LEASE – Damage, Destruction and Condemnation”** and **“– Insufficiency of Net Proceeds.”** Under Missouri statutes, the County has the power to condemn property for its purposes, and the County acknowledges in the Lease that if the County condemned the Leased Property, such action could adversely affect the continuation of the Base Lease. The County further acknowledges in the Lease that condemnation of the Leased Property would adversely affect the Trustee and that without the Trustee's interest in the Leased Property, the Trustee might not lease the Leased Property to the County pursuant to the Lease.

The County and the Trustee have reached agreement on the terms of the acquisition of the Leased Property, at the County's option, and to the use of the Leased Property, all as set forth in the Lease. Any acquisition of the Trustee's interest in the Leased Property or rights to its use by the County (whether pursuant to the exercise of eminent domain powers or otherwise) will be pursuant to and in accordance with the Lease, including payment of Rent Payments and the applicable Purchase Price. If the County allows the Lease to expire without exercising its option to purchase (whether by failure to exercise its option to extend the Lease for a Renewal Term, failure to exercise its option to purchase at the conclusion of the maximum Lease Term or failure to cure an Event of Default), that action will constitute an irrevocable determination by the County that the Leased Property is not required by it for any public purpose for the term of the Base Lease.

* * *

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT

FORM OF CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** dated March 1, 2012 (the "Continuing Disclosure Agreement"), is executed and delivered by **BOONE COUNTY, MISSOURI** (the "**County**") and **THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.**, as Dissemination Agent (the "**Dissemination Agent**").

RECITALS

1. This Continuing Disclosure Agreement is being executed and delivered in connection with the delivery by the County of \$_____ principal amount of its Refunding Certificates of Participation, Series 2012 (the "**Certificates**").

2. The County and the Dissemination Agent are entering into this Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Certificates and in order to assist the Participating Underwriter in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**"). The County is the only "**obligated person**" (as defined by the Rule) with responsibility for continuing disclosure hereunder.

In consideration of the mutual covenants and agreements herein, the County and the Dissemination Agent covenant and agree as follows:

Section 1. Definitions. In addition to the definitions set forth in the Declaration of Trust dated March 1, 2002 (the "**Declaration of Trust**") entered into by The Bank of New York Mellon Trust Company, N.A., as trustee (the "**Trustee**"), and the Lease Purchase Agreement dated March 1, 2012 (the "**Lease**") entered into by and between the County and the Trustee, which apply to any capitalized term used in this Continuing Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms have the following meanings:

"**Annual Report**" means any Annual Report filed by the County pursuant to, and as described in, **Section 2** of this Continuing Disclosure Agreement.

"**Beneficial Owner**" means any registered owner of any Certificates and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Certificates (including persons holding Certificates through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Certificates for federal income tax purposes.

"**Business Day**" means a day other than (a) a Saturday, Sunday or legal holiday, (b) a day on which banks located in any city in which the payment office of the Trustee or the Dissemination Agent is located are required or authorized by law to remain closed, or (c) a day on which the Securities Depository or the New York Stock Exchange is closed.

"**Dissemination Agent**" means The Bank of New York Mellon Trust Company, N.A., acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the County.

"**EMMA**" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"**Fiscal Year**" means the 12-month period beginning on January 1 and ending on December 31 or any other 12-month period selected by the County as the Fiscal Year of the County for financial reporting purposes.

“**Material Events**” means any of the events listed in **Section 3(a)** of this Continuing Disclosure Agreement.

“**MSRB**” means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

“**Participating Underwriter**” means any of the original underwriters of the Certificates required to comply with the Rule in connection with offering of the Certificates.

“**Rule**” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 2. Provision of Annual Reports.

(a) The County shall not later than **180** days after the end of the County’s fiscal year, commencing with the year ending December 31, 2011, file with the MSRB, through EMMA, the following financial information and operating data (the “**Annual Report**”):

(1) The audited financial statements of the County for the prior fiscal year, prepared in accordance with generally accepted accounting principles. If audited financial statements are not available by the time the Annual Report is required to be filed pursuant to this Section, the Annual Report shall contain unaudited financial statements in a format similar to the summary unaudited financial information contained in the final Official Statement relating to the Bonds, and the audited financial statements shall be filed in the same manner as the Annual Report promptly after they become available.

(2) Updates as of the end of the fiscal year of certain financial information and operating data contained in the final Official Statement, as described in **Exhibit A**, in substantially the same format contained in the final Official Statement.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the County is an “**obligated person**” (as defined by the Rule), which have been filed with the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB on EMMA. The County shall clearly identify each such other document so included by reference.

In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in this Section; provided that the audited financial statements of the County may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the County’s fiscal year changes, it shall give notice of such change in the same manner as for a Material Event under **Section 3**.

(b) In addition to the foregoing requirements of this Section, the County agrees to provide copies of the most recent Annual Report to any requesting Beneficial Owner or prospective Beneficial Owner, but only after the same has been filed with the MSRB.

Section 3. Reporting of Material Events.

(a) No later than 10 Business Days after the occurrence of any of the following events, the County shall give, or cause to be given to the MSRB, through EMMA, notice of the occurrence of any of the following events with respect to the Certificates (“Material Events”):

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Certificates, or other material events affecting the tax status of the Certificates;
- (7) modifications to rights of certificate holders, if material;
- (8) certificate calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Certificates, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the County;
- (13) the consummation of a merger, consolidation, or acquisition involving the County or the sale of all or substantially all of the assets of the County, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

(b) The Dissemination Agent shall, promptly after obtaining actual knowledge of the occurrence of any event that it believes may constitute a Material Event, contact the County’s finance officer or his or her designee, or such other person as the County shall designate in writing to the Dissemination Agent from time to time, inform such person of the event, and request that the County promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (d). If in response to a request under this subsection (b), the County determines that such event would not constitute a Material Event, the County shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent whether or not to report the occurrence pursuant to subsection (d).

(c) Whenever the County obtains knowledge of the occurrence of a Material Event, because of a notice from the Dissemination Agent pursuant to subsection (b) or otherwise, the County shall promptly notify and instruct the Dissemination Agent in writing to report the occurrence pursuant to subsection (d).

(d) If the Dissemination Agent receives written instructions from the County to report the occurrence of a Material Event, the Dissemination Agent shall promptly file a notice of such occurrence with the MSRB, with a copy to the County. Notwithstanding the foregoing, notice of Material Events described in subsections (a)(8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to the registered owners of affected Certificates pursuant to the Declaration of Trust.

Section 4. Termination of Reporting Obligation. The County’s obligations under this Continuing Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Certificates. If the County’s obligations under this Continuing Disclosure Agreement are assumed in full by some other entity, such person shall be responsible for compliance with this Continuing

Disclosure Agreement in the same manner as if it were the County, and the County shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Certificates, the County shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 3**.

Section 5. Dissemination Agent. The County may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this Continuing Disclosure Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent may resign as dissemination agent hereunder at any time upon 30 days prior written notice to the County. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report (including without limitation the Annual Report) prepared by the County pursuant to this Continuing Disclosure Agreement. The initial Dissemination Agent is The Bank of New York Mellon Trust Company, N.A.

Section 6. Amendment; Waiver. Notwithstanding any other provision of this Continuing Disclosure Agreement, the County and the Dissemination Agent may amend this Continuing Disclosure Agreement (and the execution of such amendment by the Dissemination Agent so requested by the County shall not be unreasonably withheld) and any provision of this Continuing Disclosure Agreement may be waived, provided that Special Counsel or other counsel experienced in federal securities law matters provides the County and the Dissemination Agent with its written opinion that the undertaking of the County contained herein, as so amended or after giving effect to such waiver, is in compliance with the Rule and all current amendments thereto and interpretations thereof that are applicable to this Continuing Disclosure Agreement.

In the event of any amendment or waiver of a provision of this Continuing Disclosure Agreement, the County shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the County. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a Material Event under **Section 3**, and (2) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 7. Additional Information. Nothing in this Continuing Disclosure Agreement shall be deemed to prevent the County from disseminating any other information, using the means of dissemination set forth in this Continuing Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Continuing Disclosure Agreement. If the County chooses to include any information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is specifically required by this Continuing Disclosure Agreement, the County shall have no obligation under this Continuing Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 8. Default. In the event of a failure of the County or the Dissemination Agent to comply with any provision of this Continuing Disclosure Agreement, the Trustee, the Participating Underwriter or any Beneficial Owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the County or the Dissemination Agent, as the case may be, to comply with its obligations under this Continuing Disclosure Agreement. A default under this Continuing Disclosure Agreement shall not be deemed an event of default under the Declaration of Trust, the Lease or the Certificates, and the sole remedy under this Continuing Disclosure Agreement in the event of any failure of the County or the Dissemination Agent to comply with this Continuing Disclosure Agreement shall be an action to compel performance.

Section 9. Duties and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Continuing Disclosure Agreement, and the County agrees, to the extent permitted by law, to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The obligations of the County under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Certificates. The County shall pay the fees, charges and expenses of the Dissemination Agent in connection with its administration of this Continuing Disclosure Agreement.

Section 10. Notices. Any notices or communications to or among any of the parties to this Continuing Disclosure Agreement may be given by registered or certified mail, return receipt requested, or by confirmed facsimile, or delivered in person or by overnight courier, and will be deemed given on the second day following the date on which the notice or communication is so mailed, as follows:

To the County: **Boone County, Missouri**
Boone County Courthouse
801 East Walnut, Room 236
Columbia, Missouri 65201
Attention: County Treasurer
Telephone/Fax: 573-886-4365/573-886-4369

To the Dissemination Agent: **The Bank of New York Mellon Trust Company, N.A.**
911 Washington Avenue, Suite 300
St. Louis, Missouri 63101
Attention: Corporate Trust Department
Telephone/Fax: 314-613-8271/314-613-8239

Any person may, by written notice to the other persons listed above, designate a different address or telephone number(s) to which subsequent notices or communications should be sent.

Section 11. Beneficiaries. This Continuing Disclosure Agreement shall inure solely to the benefit of the County, the Dissemination Agent, the Participating Underwriter and Beneficial Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 12. Severability. If any provision in this Continuing Disclosure Agreement, the Declaration of Trust or the Certificates shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13. Counterparts. This Continuing Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14. Electronic Transactions. The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 15. Governing Law. This Continuing Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

IN WITNESS WHEREOF, the County and the Dissemination Agent have caused this Continuing Disclosure Agreement to be executed as of the day and year first above written.

BOONE COUNTY, MISSOURI

By: _____
Title: Presiding Commissioner

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,**
as Dissemination Agent

By: _____
Title: Authorized Officer or Signatory

EXHIBIT A

**FINANCIAL INFORMATION AND OPERATING DATA TO BE
INCLUDED IN ANNUAL REPORT**

The financial information and operating data contained in the following described sections and tables contained in **APPENDIX A** of the final Official Statement:

- DEBT STRUCTURE (other than under the section, "Overlapping General Obligation Indebtedness")
- FINANCIAL INFORMATION CONCERNING THE COUNTY

EXHIBIT B

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Boone County, Missouri
Name of Issue: \$_____ Refunding Certificates of Participation, Series 2012
Name of Obligated Person: Boone County, Missouri
Date of Issuance: March 15, 2012

NOTICE IS HEREBY GIVEN that Boone County, Missouri, has not provided an Annual Report with respect to the above-named Certificates as required by the Continuing Disclosure Agreement dated March 1, 2012, between Boone County, Missouri, and The Bank of New York Mellon Trust Company, N.A., as Dissemination Agent. [The Obligated Person has informed the Dissemination Agent that the Obligated Person anticipates that the Annual Report will be filed by _____.]

Dated: _____, _____.

**THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.,** as Dissemination Agent on behalf of
BOONE COUNTY, MISSOURI

cc: Boone County, Missouri

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APPENDIX E

FORM OF OPINION OF SPECIAL TAX COUNSEL

[Closing Date]

Boone County Commission
Columbia, Missouri

Piper Jaffray & Co.
Leawood, Kansas

The Bank of New York Mellon
Trust Company, N.A., as Trustee
St. Louis, Missouri

Re: \$ _____ Refunding Certificates of Participation, Series 2012, evidencing proportionate interests in Basic Rent Payments to be made by Boone County, Missouri

Ladies and Gentlemen:

We have acted as bond counsel in connection with a transaction involving the above-captioned Refunding Certificates of Participation (the “**Certificates**”), evidencing proportionate interests of the owners thereof in Basic Rent Payments to be made by Boone County, Missouri (the “**County**”), under a Lease Purchase Agreement, dated as of March 1, 2012 (the “**Lease**”), between The Bank of New York Mellon Trust Company, N.A., a national banking association (the “**Trustee**”), and the County. Capitalized terms used herein and not otherwise defined herein will have the meanings assigned to such terms in the Lease.

We have examined (a) the Base Lease, (b) the Lease, (c) the Declaration of Trust, (d) the Tax Compliance Agreement, (e) the Continuing Disclosure Agreement, (f) certifications of officers and officials of the County and others, and (g) the form of the Certificates. In addition, we have reviewed and considered the Internal Revenue Code of 1986, as amended (the “**Code**”), and the applicable regulations thereunder promulgated by the United States Treasury Department.

In rendering the opinions set forth herein, we have assumed without undertaking to verify the same by independent investigation, (a) as to questions of fact, the accuracy of all representations of the Trustee and the County set forth in the Base Lease, the Lease, the Declaration of Trust, the Tax Compliance Agreement, the Continuing Disclosure Agreement and all certificates of and officials of the Trustee, the County and others examined by us, and (b) the conformity to original documents of all documents submitted to us as copies and the authenticity of such original documents and all documents submitted to us as originals.

Based on and subject to the foregoing, we are of the opinion, under existing law, as follows:

1. The Declaration of Trust has been approved by the County, and the Base Lease, the Lease, the Tax Compliance Agreement and the Continuing Disclosure Agreement have been duly authorized, executed and delivered by the County and constitute legal, valid and binding agreements of the County, enforceable in accordance with their terms, except that the Lease is enforceable only during each fiscal year for which sufficient funds have been appropriated.

2. The Certificates have been duly authorized, executed and delivered in accordance with the Declaration of Trust, are entitled to the benefits and security of the Declaration of Trust and evidence interests in the right to receive Basic Rent Payments under the Lease, which right to receive Basic Rent Payments is enforceable against the County in accordance with the terms of the Certificates, the Declaration of Trust and the Lease.

3. The interest portion of each Basic Rent Payment paid by the County under the Lease and distributed to the registered owners of the Series 2012 Certificates (i) is excludable from gross income of such registered owners for federal income tax purposes, (ii) is exempt from taxation by the State of Missouri, and (iii) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations, but is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax imposed on certain corporations. The opinions set forth in this paragraph are subject to the condition that the County comply with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the execution and delivery of the Lease in order that the interest portion of Basic Rent Payments thereunder be, or continue to be, excludable from gross income for federal income tax purposes. The County has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest portion of Basic Rent Payments to be included in gross income for federal and Missouri income tax purposes retroactive to the date of execution and delivery of the Lease. The County’s obligation to pay Rental Payments under the Lease is a “**qualified tax-exempt obligation**” for purposes of Section 265(b)(3) of the Code.

4. We express no opinion regarding (a) other federal or Missouri tax consequences arising with respect to the Basic Rent Payment or the Series 2012 Certificates, (b) the treatment for federal or Missouri income tax purposes of any moneys received by registered owners of the Series 2012 Certificates, other than payments by the County made pursuant to the Lease, upon an Event of Nonappropriation or an Event of Default or (c) the title to or the description of the property subject to the Base Lease or the Lease.

The rights of the registered owners of the Series 2012 Certificates and the enforceability of the Lease, the Base Lease and the Declaration of Trust may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent applicable and their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Very truly yours,

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
 County of Boone } ea.

March Session of the January Adjourned

Term. 20 12

In the County Commission of said county, on the

1st

day of March

20 12

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the attached order authorizing a tax and securities law compliance procedure for financial obligations of Boone County, Missouri. It is further ordered the Boone County Commissioners are hereby authorized to sign said order.

Done this 1st day of March, 2012.

ATTEST:

Wendy S. Noren
 Wendy S. Noren
 Clerk of the County Commission

Daniel K. Atwill
 Daniel K. Atwill
 Presiding Commissioner

Karen M. Miller
 Karen M. Miller
 District I Commissioner

Absent
 Skip Elkin
 District II Commissioner

AN ORDER AUTHORIZING A TAX AND SECURITIES LAW COMPLIANCE PROCEDURE FOR FINANCIAL OBLIGATIONS OF BOONE COUNTY, MISSOURI.

WHEREAS, Boone County, Missouri (the "County"), from time to time issues obligations to finance capital assets for the County; and

WHEREAS, the Internal Revenue Service ("IRS") has increased its requirements for compliance with federal tax laws and regulations for tax-exempt and other governmental obligations, has expanded its enforcement of such federal tax laws and regulations and has shifted the burden of proof for compliance with such laws and regulation to the issuers of governmental obligations; and

WHEREAS, the Securities and Exchange Commission ("SEC") has increased requirements for compliance with federal securities tax laws and regulations related to providing information to the municipal bond marketplace on an ongoing basis pursuant to SEC Rule 15c2-12; and

WHEREAS, the County Commission deems it to be necessary and in the best interests of said County to adopt policies and procedures for its financial obligations to evidence compliance with IRS and SEC laws and regulations;

NOW, THEREFORE, BE IT ORDERED BY THE COUNTY COMMISSION OF BOONE COUNTY, MISSOURI, AS FOLLOWS:

Section 1. It is hereby found, determined and declared to be necessary and in the best interests of the County to authorize and approve the "Tax and Securities Law Compliance Procedure" to be dated the date of adoption of the order, attached hereto as **Appendix A**, for financial obligations issued by the County.

Section 2. The Tax and Securities Law Compliance Procedure shall be amended and revised from time to time as may be necessary to comply with IRS and SEC laws and regulations relating to financial obligations of the County.

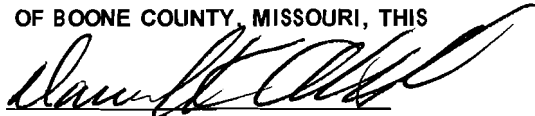
Section 3. This Order shall be in full force and effect from and after its adoption.

APPROVED BY THE COUNTY COMMISSION OF BOONE COUNTY, MISSOURI, THIS
1st day of **MARCH**, 2012.

(SEAL)




Wendy S. Noren
Clerk of the County Commission



Daniel K. Atwill
Presiding Commissioner



Karen M. Miller
District I Commissioner



Skip Elkin
District II Commissioner

BOONE COUNTY, MISSOURI
TAX AND SECURITIES LAW COMPLIANCE PROCEDURE
Relating to
TAX-ADVANTAGED OBLIGATIONS

Dated as of March 1, 2012

March 1, 2012

TAX AND SECURITIES LAW COMPLIANCE PROCEDURE

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TAX AND SECURITIES LAW COMPLIANCE PROCEDURE

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized words and terms used in this Compliance Procedure have the following meanings:

"Annual Compliance Checklist" means a questionnaire and/or checklist described in **Section 6.1** hereof that is completed each year for the Tax-Advantaged Obligations.

"Annual Report" means the County's audited financial statements (or unaudited financial statements as permitted by the Continuing Disclosure Undertaking for the Tax-Advantaged Obligations) and certain other financial information and operating data required to be filed annually with the MSRB for the Tax-Advantaged Obligations.

"Bond Compliance Officer" means the County Treasurer or, if the position of County Treasurer is vacant, the person filling the responsibilities of the County Treasurer.

"Bond Counsel" means a law firm selected by the County to provide a legal opinion regarding the tax status of interest on the Tax-Advantaged Obligations as of the issue date or the law firm selected to advise the County on matters referenced in this Compliance Procedure.

"Bond Restricted Funds" means the funds, accounts, and investments that are subject to arbitrage rebate and/or yield restriction rules that have been identified in the Tax Compliance Agreement for the Tax-Advantaged Obligations.

"Bond Transcript" means the "transcript of proceedings" or other similarly titled set of transaction documents assembled by Bond Counsel following the issuance of the Tax-Advantaged Obligations.

"Code" means the Internal Revenue Code of 1986, as amended.

"Compliance Procedure" means this Tax and Securities Law Compliance Procedure.

"Continuing Disclosure Undertaking" means the Continuing Disclosure Agreements, Continuing Disclosure Undertakings, Continuing Disclosure Instructions or other written certifications of the County setting out covenants for satisfying the County's requirements for providing information to the MSRB pursuant to SEC Rule 15c2-12 on an ongoing basis for one or more Tax-Advantaged Obligations.

"Cost" or **"Costs"** means all costs and expenses paid for the acquisition, design, construction, equipping or improvement of a Project Facility or costs of issuing Tax-Advantaged Obligations for a Project Facility.

"County" means Boone County, Missouri.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org.

"Final Written Allocation" means the Final Written Allocation of Tax-Advantaged Obligation proceeds prepared pursuant to Section 5.4 of this Compliance Procedure.

"Financed Assets" means that part of a Project Facility treated as financed with Tax-Advantaged Obligation proceeds as reflected in a Final Written Allocation or, if no Final Written Allocation was prepared, the accounting records of the County and the Tax Compliance Agreement for the Tax-Advantaged Obligations.

"Governing Body" means the County Commission of the County.

"Intent Resolution" means a resolution of the County stating (1) the intent of the County to finance all or a portion of the Project Facility, (2) the expected maximum size of the financing and (3) the intent of the County to reimburse Costs of the Project Facility paid by the County from proceeds of the Tax-Advantaged Obligations.

"IRS" means the Internal Revenue Service.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Placed In Service" means that date (as determined by the Bond Compliance Officer) when the Project Facility is substantially complete and in operation at substantially its design level.

"Project Facility" means all tangible or intangible property financed in whole or in part with Tax-Advantaged Obligations that are (1) functionally related or integrated in use, (2) located on the same physical site or proximate sites, and (3) expected to be Placed In Service within a one-year period of each other.

"Rebate Analyst" means the rebate analyst for the Tax-Advantaged Obligations selected pursuant to the Tax Compliance Agreement.

"Regulations" means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to tax-exempt obligations.

"Tax-Advantaged Obligation File" means documents and records which may consist of paper and electronic medium, maintained for the Tax-Advantaged Obligations. Each Tax-Advantaged Obligation File will include the following information if applicable:

- (a) Intent Resolution.
- (b) Bond Transcript.
- (c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of the Tax-Advantaged Obligations and expenditures (if any) allocated to other sources of funds.
- (d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculations.
- (e) Forms 8038-T together with proof of filing and payment of rebate.

- (f) Investment agreement bid documents (unless included in the Bond Transcript) including:
 - (1) bid solicitation, bid responses, certificate of broker;
 - (2) written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
 - (3) copies of the investment agreement and any amendments.
- (g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Tax-Advantaged Obligations.
- (h) Any opinion of Bond Counsel regarding the Tax-Advantaged Obligations not included in the Bond Transcript.
- (i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript.
- (j) Any correspondence with the IRS relating to the Tax-Advantaged Obligations including all correspondence relating to an audit by the IRS of the Tax-Advantaged Obligations or any proceedings under the Tax-Advantaged Obligations Voluntary Closing Agreement Program (VCAP).
- (k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Tax-Advantaged Obligations.
- (l) For refunding bond issues, the Tax-Advantaged Obligation File for the refunded Tax-Advantaged Obligations.

"Tax-Advantaged Obligations" means any bond, note, installment sale agreement, lease or certificate intended to be a debt obligation of the County or another political subdivision or government instrumentality, the proceeds of the which are to be loaned or otherwise made available to the County, and the interest on which is excludable from gross income for federal income tax purposes. A list of all Tax-Advantaged Obligations outstanding and subject to this Compliance Procedure as of March 1, 2012, is attached as **Exhibit A**.

"Tax Compliance Agreement" means the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written certification or agreement of the County setting out representations and covenants for satisfying the post-issuance tax compliance requirements for the Tax-Advantaged Obligations.

ARTICLE II

PURPOSE AND SCOPE

Section 2.1. Purpose of Compliance Procedure.

(a) The County uses Tax-Advantaged Obligations to fund Costs of a Project Facility. The County understands that in exchange for the right to issue Tax-Advantaged Obligations at favorable interest rates and terms, the Code and Regulations impose ongoing requirements related to the proceeds of the Tax-Advantaged Obligations and the Project Facility financed by the Tax-Advantaged Obligations. These requirements focus on the investment, use and expenditure of proceeds of the Tax-Advantaged Obligations and related funds as well as restrictions on the use of the Project Facility.

(b) The County recognizes that the IRS has stated that all issuers of Tax-Advantaged Obligations should have separate written procedures regarding ongoing compliance with the federal tax requirements for Tax-Advantaged Obligations.

(c) The County is required under the Continuing Disclosure Undertaking to provide disclosures of certain financial information and operating data and to file notices of certain material events to the marketplace to facilitate informed secondary market trading in Tax-Advantaged Obligations issued by the County. The County is committed to full compliance with the tax and securities law requirements for all of its outstanding and future tax-advantaged financings. This Compliance Procedure is adopted by the Governing Body to comply with the IRS and Securities and Exchange Commission directives and to improve tax and securities law compliance and documentation.

Section 2.2. Scope of Compliance Procedure; Conflicts. This Compliance Procedure applies to all Tax-Advantaged Obligations currently outstanding and all Tax-Advantaged Obligations issued in the future. If the provisions of this Compliance Procedure conflict with a Tax Compliance Agreement, the Continuing Disclosure Undertaking or any other specific written instructions of Bond Counsel, the terms of the Tax Compliance Agreement, Continuing Disclosure Undertaking or specific written instructions of Bond Counsel will supersede and govern in lieu of this Compliance Procedure. Any exception to this Compliance Procedure required by Bond Counsel as part of a future issue of Tax-Advantaged Obligations will be incorporated in the Tax Compliance Agreement for the future issue. Any requirements imposed on the County in the Tax Compliance Agreement, will be noted by the Bond Compliance Officer and incorporated into the Annual Compliance Checklist. The County acknowledges that the Continuing Disclosure Undertaking may also apply to one or more issues of taxable securities issued by the County.

Section 2.3. Amendments and Publication of Compliance Procedure. This Compliance Procedure may be amended from time-to-time by the Governing Body. Copies of this Compliance Procedure and any amendments will be included in the permanent records of the County.

ARTICLE III

BOND COMPLIANCE OFFICER; TRAINING

Section 3.1. Bond Compliance Officer Duties. The Bond Compliance Officer is responsible for implementing this Compliance Procedure. The Bond Compliance Officer will work with other employees that use the Project Facility to assist in implementing this Compliance Procedure. The Bond Compliance Officer will consult with Bond Counsel, legal counsel to the County, accountants, tax return preparers and other outside experts to the extent necessary to carry out the purposes of this Compliance Procedure. The Bond Compliance Officer will report to the Governing Body as necessary, and at least annually, regarding implementation of this Compliance Procedure and any recommended changes or amendments to this Compliance Procedure.

Section 3.2. Training. When appropriate, the Bond Compliance Officer and/or other employees of the County under the direction of the Bond Compliance Officer will attend training programs offered by the IRS or other industry professionals regarding tax-exempt financing that are relevant to the County. At the time the individual acting as the Bond Compliance Officer passes the responsibilities for carrying out the provisions of this Compliance Procedure to another individual, the outgoing Bond Compliance Officer is responsible for training the incoming individual acting as Bond Compliance Officer to ensure the County's continued compliance with the provisions of this Compliance Procedure and all Tax Compliance Agreements for any outstanding Tax-Advantaged Obligations.

ARTICLE IV

TAX-ADVANTAGED OBLIGATIONS CURRENTLY OUTSTANDING

Section 4.1. Tax-Advantaged Obligations Covered by Article IV Procedures. This Article IV applies to all Tax-Advantaged Obligations issued prior to the date of this Compliance Procedure that are currently outstanding. These Tax-Advantaged Obligations are listed on **Exhibit A**.

Section 4.2. Tax-Advantaged Obligation File. As soon as practical, the Bond Compliance Officer will attempt to assemble as much of the Tax-Advantaged Obligation File as is available for the Tax-Advantaged Obligations listed on **Exhibit A**.

Section 4.3. Annual Compliance Checklists. As soon as practical following the adoption of this Compliance Procedure, the Bond Compliance Officer will work with Bond Counsel and/or legal counsel to the County and cause Annual Compliance Checklists to be completed for all outstanding Tax-Advantaged Obligations and will follow the procedures specified in Article VI to complete the Annual Compliance Checklists and thereafter include each completed Annual Compliance Checklist in the Tax-Advantaged Obligation File.

Section 4.4. Correcting Prior Deficiencies in Compliance. In the event the Bond Compliance Officer determines any deficiency in compliance with a Tax Compliance Agreement for an outstanding Tax-Advantaged Obligation listed on **Exhibit A**, the Bond Compliance Officer will follow the procedures described in the Regulations or the Tax-Advantaged Obligations Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the County to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

ARTICLE V

COMPLIANCE PROCEDURE FOR NEW TAX-ADVANTAGED OBLIGATIONS

Section 5.1. Application. This Article V applies to Tax-Advantaged Obligations issued on or after the date of this Compliance Procedure.

Section 5.2. Prior to Issuance of Tax-Advantaged Obligations.

(a) Intent Resolution. The Governing Body will authorize and approve the issuance of Tax-Advantaged Obligations. Prior to or as a part of this authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution.

(b) Directions to Bond Counsel. The Bond Compliance Officer will provide a copy of this Compliance Procedure to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Tax-Advantaged Obligations so that they conform to the requirements of this Compliance Procedure, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the County's costs and expenses incurred to implement this Compliance Procedure.

(c) Tax Compliance Agreement. For each issuance of Tax-Advantaged Obligations, a Tax Compliance Agreement will be signed by the Bond Compliance Officer. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance, (3) for new money financings, require a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Tax-Advantaged Obligations. The Bond Compliance Officer will confer with Bond Counsel and the County's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) Preliminary Cost Allocations. For each issuance of Tax-Advantaged Obligations, the Bond Compliance Officer in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and when necessary, will break-out the portions of Costs that are expected to be financed with proceeds of the Tax-Advantaged Obligations (the "Financed Assets") and the portions, if any, expected to be financed from other sources.

(e) Tax Review with Bond Counsel. Prior to the sale of Tax-Advantaged Obligations, the Bond Compliance Officer and Bond Counsel will review this Compliance Procedure together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by this Compliance Procedure and/or the Tax Compliance Agreement. If Bond Counsel determines that this Compliance Procedure conflicts with the Tax Compliance Agreement, or must be supplemented to account for special issues or requirements for the Tax-Advantaged Obligations, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Tax-Advantaged Obligations.

Section 5.3. Accounting and Recordkeeping.

(a) Accounting for New Money Projects. The Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Tax-Advantaged Obligations. The Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. Where appropriate, the Bond Compliance Officer may use accounts established as part of the County's financial records for this purpose. In recording Costs for the Project Facility, the Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

(b) Accounting for Refunded Bonds and Related Refunded Bond Accounts. For Tax-Advantaged Obligations that are issued to refund prior Tax-Advantaged Obligations, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced Tax-Advantaged Obligations.

(c) Tax-Advantaged Obligation File. The Bond Compliance Officer will be responsible for assembling and maintaining the Tax-Advantaged Obligation File. The Annual Reports, other reports and notices of certain material events filed by the County with the MSRB will be publicly available on EMMA and need not be separately maintained in the Tax-Advantaged Obligation File.

Section 5.4. Final Allocation of Bond Proceeds.

(a) Preparation of Final Written Allocation; Timing. The Bond Compliance Officer is responsible for making a written allocation of proceeds of Tax-Advantaged Obligations to expenditures and identifying the Financed Assets. This process will be memorialized in the Final Written Allocation. For a new money financing, the Bond Compliance Officer will commence this process as of the earliest of (1) the requisition of all Tax-Advantaged Obligation proceeds from any segregated Tax-Advantaged Obligation funded account, (2) the date the Project Facility has been substantially completed or (3) four and one-half years following the issue date of the Tax-Advantaged Obligations. For Tax-Advantaged Obligations issued only to refund a prior issue of Tax-Advantaged Obligations, the Bond Compliance Officer will work with Bond Counsel to prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Tax-Advantaged Obligations and include it in the Tax Compliance Agreement.

(b) Contents and Procedure. The Bond Compliance Officer will consult the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Tax-Advantaged Obligation proceeds and other money of the County to the Costs of the Project Facility. If no special allocation is required or recommended, the Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Tax-Advantaged Obligations in accordance with the County's accounting records. Each Final Written Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility, (2) the percentage of the cost of the Project Facility financed with proceeds of the Tax-Advantaged Obligations (sale proceeds plus any investment earnings on those sale proceeds), (3) the Project Facility's Placed in Service date, (4) the estimated economic useful life of the Project Facility, and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Tax-Advantaged Obligations).

(c) Finalize Annual Compliance Checklist. As part of the preparation of the Final Written Allocation, the Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the Tax Compliance Agreement. The Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Tax-Advantaged Obligations in the Annual Compliance Checklist.

(d) Review of Final Written Allocation and Annual Compliance Checklist. Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the County or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and this Compliance Procedure. Following the completion of the review, the Bond Compliance Officer will execute the Final Written Allocation.

ARTICLE VI

ONGOING MONITORING PROCEDURES

Section 6.1. Annual Compliance Checklist. An Annual Compliance Checklist will be completed by the Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or this Compliance Procedure and obtaining documents (such as investment records, arbitrage calculations, or other documentation for the Project Facility) that are required to be incorporated in the Tax-Advantaged

Obligation File. The Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the County or Bond Counsel and, if recommended by counsel, will follow the procedure set out in Section 4.4 hereof to remediate the non-compliance.

Section 6.2. Arbitrage and Rebate Compliance. The Bond Compliance Officer will monitor the investment of Bond Restricted Funds and provide investment records to the Rebate Analyst on a timely basis. The Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

ARTICLE VII

CONTINUING DISCLOSURE

Section 7.1. Annual Disclosure Filings. For each issuance of Tax-Advantaged Obligations, the Bond Compliance Officer will review the Continuing Disclosure Undertaking to determine the financial information and operating data required to be included in the Annual Report to be filed by the County with the MSRB on EMMA. The Bond Compliance Officer will cause the Annual Report to be filed with the MSRB on EMMA within the timeframe provided in the Continuing Disclosure Undertaking for the Tax-Advantaged Obligations.

Section 7.2. Material Event Disclosure Filings. For each outstanding issue of Tax-Advantaged Obligations, the Bond Compliance Officer will review the Continuing Disclosure Undertaking to determine the "material events" that require prompt notice to be filed with the MSRB. Generally, the occurrence of any of the following events with respect to the Tax-Advantaged Obligations represents a "material event:"

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the obligated person;

- (13) the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material.

After obtaining actual knowledge of the occurrence of any event that the Bond Compliance Officer believes may constitute an event requiring disclosure, the Bond Compliance Officer will contact Bond Counsel to determine if notice of the event is required to be given to the MSRB under the Continuing Disclosure Undertaking. If it is determined that notice should be provided to the MSRB or is required to be provided to the MSRB by the Continuing Disclosure Undertaking, the Bond Compliance Officer will cause the appropriate notice to be filed with the MSRB on EMMA within 10 business days after the occurrence of the event or as otherwise directed by Bond Counsel.

* * *

I hereby certify that this Tax and Securities Law Compliance Procedure was duly approved by the County Commission of Boone County, Missouri, on March 1, 2012.

BOONE COUNTY, MISSOURI

By: _____
Title: Clerk of the County Commission

EXHIBIT A

LIST OF TAX-ADVANTAGED OBLIGATIONS COVERED BY THIS COMPLIANCE PROCEDURE

General Obligation Bonds. The following general obligation indebtedness of the County:

Series	Date of Indebtedness	Original Principal Amount	Final Maturity
2006A	7/15/06	\$ 182,000	3/1/16
2008	9/19/08	1,700,000	4/1/28
2010	1/28/10	179,900	4/1/29
2010A	8/30/10	204,000	3/1/30
2011A	4/29/11	450,000	3/1/21
2011B	10/27/11	71,000	3/1/31

Other Obligations. The following bond indebtedness of the County:

Category of Obligation	Date of Obligation	Original Principal Amount	Final Maturity
Hospital Revenue Bonds ⁽¹⁾	2002	\$ 29,470,000	8/1/22
Hospital Revenue Bonds ⁽¹⁾	2004	6,740,000	8/1/24
Hospital Revenue Bonds ⁽¹⁾	2008	100,000,000	8/1/38
Special Obligation Bonds	2010	830,000	2/1/20
Certificates of Participation	2012		2/1/18

⁽¹⁾ Payable solely from revenues of Boone Hospital Center.

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
County of Boone } ea.

March Session of the January Adjourned

Term. 20 12

In the County Commission of said county, on the 1st day of March 20 12

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the grant application by Boone County, Missouri for community garden coalition funding in the amount of \$790 for the Juvenile Justice Center.

Done this 1st day of March, 2012.

ATTEST:

Wendy S. Noren
Wendy S. Noren
Clerk of the County Commission

Daniel K. Atwill
Daniel K. Atwill
Presiding Commissioner

Karen M. Miller
Karen M. Miller
District I Commissioner

Absent
Skip Elkin
District II Commissioner

Community Garden Coalition Funding Request

The Community Garden Coalition has funds to support new and existing gardens in purchasing tools and supplies. Funds are potentially available for bigger projects at the gardens, such as storage sheds, raised beds, and compost bins.

Yearly Garden Allotment: Leaders at each garden are “pre-approved” to spend \$100 per gardening season to purchase supplies and equipment that benefit the entire garden. Receipts are required for reimbursement.

Prior Approval for purchases above the \$100 allotment: Once the \$100 allotment has been spent, the CGC board requires prior approval for purchases for which the garden wishes to be reimbursed. This is to ensure that funds are used wisely and is in no way intended to serve as a barrier to needed improvements, tools, and supplies at the gardens.

To submit a funding request for purchases above the \$100 allotment, please use the form on the back side of this sheet and mail to: CGC, POX Box 7051, Columbia 65205

or email as an attachment to cgardenc@yahoo.com with subject line GARDEN FUNDING REQUEST.

(This form can also be found on the CGC website at: <http://cgc.missouri.org>.)

The CGC Board typically meets the third Thursday of each month at the Columbia Public Library from 7-9 pm. Submitting a funding request a few days before the monthly board meeting will result in a quicker decision on your request. You are also welcome to come to a Board Meeting with your funding request; please check with a Board member to verify the date of the next meeting as this sometimes changes.

To receive a reimbursement check for purchases:

Receipts must be submitted to the CGC board in order to receive reimbursement. The CGC is a nonprofit and exempt from paying sales tax. We cannot reimburse you for tax paid on purchases. Our tax exempt ID is on record at the following businesses: Westlake's on Worley and Lowe's. At these and other businesses, you will need to present the CGC's tax exempt letter which is included in the Garden Leader's Packet at the beginning of the gardening season.

Mail reimbursement requests along with receipts to: CGC, PO Box 7051, Columbia 65205.
Please include a note with your name, mailing address for reimbursement check, phone number, and garden name.

FUNDING REQUEST FORM FOR PURCHASES ABOVE \$100 ALLOTMENT

Garden Name:

Robert L. Perry Juvenile Justice Center

Garden Leader Submitting Request:

Kirsten Lange

Phone and E-mail:

573-886-4450

Kirsten.Lange@courts.mo.gov

Date:

2/22/12

Item	Approx. Cost	Amount Approved
6 ft. x 150 ft. Fencing, hex netting, Posts, +Cement	\$ 400	
Plants: Tomato, Pepper, Cucumber, Zucchini,		
Pole beans, Cantaloupe, and herbs.	\$ 190	
Soaker hoses (3)	\$ 60	
Misc: Clogs, gloves, manure, and soil	\$ 140	
Total Amount Requested/Approved	\$ 790	

Approved by CGC Board:

Signature

Date

The following items were not approved for these reasons:

Gardening Grant

Product	Cost	Totals
Fencing (6ftX150ft)	165	
Hex Netting (3ftX150ft)	50	
Gate (chain link)	60	
Wood/T-Posts	100	
Cement	25	400

Plants

Tomato (9)	45	
Red/Yellow Bell (8)	40	
Green Bell (6)	30	
Orange Bell (4)	20	
Hot Hybrid (2)	8	
Cucumbers (seeds)	4	
Yellow Zucchini (seeds)	4	
Pole Beans (seeds)	4	
Cantaloupe (3)	5	
Herbs (asst)	30	190

MISC

Soaker Hoses (3)	60	
Clogs/Gloves (6 sets)	90	
Manure/Soil	50	200

790

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
 County of Boone } ea.

March Session of the January Adjourned

Term. 20 12

In the County Commission of said county, on the 1st day of March 20 12

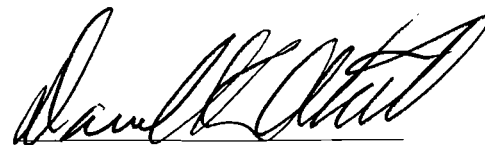
the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby award bid 02-10JAN12 – Juror Accommodations Term and Supply to Holiday Inn Executive Center, Wingate by Wyndham, and Holiday Inn East. It is further ordered the Presiding Commissioner is hereby authorized to sign said contracts.

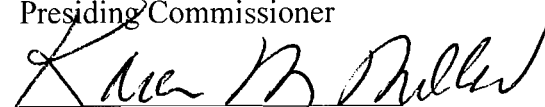
Done this 1st day of March, 2012.

ATTEST:

Wendy S. Noren cc
 Wendy S. Noren
 Clerk of the County Commission



Daniel K. Atwill
 Presiding Commissioner



Karen M. Miller
 District I Commissioner

Absent
 Skip Elkin
 District II Commissioner

Boone County Purchasing

Tyson Boldan



613 E. Ash St., Room 109
Columbia, MO 65201
Phone: (573) 886-4391
Fax: (573) 886-4390

MEMORANDUM

TO: Boone County Commission
FROM: Tyson Boldan, Buyer
DATE: January 27, 2012
RE: 02-10JAN12 – Juror Accommodations Term and Supply

The Bid for Juror Accommodations Term and Supply closed on January 10, 2012. Seven bids were received. Three of the bids received were non-responsive for not meeting mandatory specifications in the bid. The non-responsive bids are as follows:

Ramada Inn & Suites – The Ramada Inn is only ADA accessible on the ground floor. Ground floor rooms are not acceptable because windows allow access to, and egress from, the rooms. Paragraph 2.3.2. of bid states “the rooms must be located above ground level...”

Super 8 – This hotel did not meet the ADA requirements. Paragraph 2.3.9. of the bid states “rooms must provide for ADA accessibility on floors beyond the ground floor.”

Candlewood Suites – The Ramada Inn is only ADA accessible on the ground floor. Ground floor rooms are not acceptable because windows allow access to, and egress from, the rooms. Paragraph 2.3.2. of bid states “the rooms must be located above ground level...”

Court Administration recommends award to Holiday Inn Executive Center as the Primary Contractor, Wingate By Wyndham as the Secondary Contractor, and Holiday Inn East as Tertiary Contractor.

This is a term and supply contract and invoices will be paid from department 1230 - Jury Services & Court Costs, account 84000 - Food/Lodging Juries. \$28,000 is budgeted for Juror Accommodations.

Attached is a copy of the bid tabulation for your review. Along with a memo from the Court Marshal.

ATT: Bid Tabulation
cc: Kathy Lloyd, Court Administration / Bid File

RECCOMENDATION OF JURY TRIAL HOTELS

On Wednesday, January 18, 2012, Sergeant Barry Francis and I inspected hotels in Columbia, MO that had submitted bids for jury accommodations for Boone County.

The following hotels were inspected;

Ramada Inn
Super 8 – Clark Lane
Wingate by Wyndham
Holiday Inn East

On Thursday, January 19, 2012, Sergeant Barry Francis and Deputy Marshal II, John Waldschlager inspected the Candlewood Suites.

Below are the findings of the hotels inspected based on specific criteria that are attached to this memo.

Ramada Inn is a two level hotel located at the intersection of Interstate 70 and Highway 63. There are no ADA accommodations for the second floor but do have a ADA accessible room on the first floor. In that room there is not a roll in shower. Manager advised rooms may not be in a block due to previous reservations.

Super 8 is located on Clark Lane near Cracker Barrel. Upon entering the hotel there was a strong odor of cigarette smoke and it appeared to be throughout the hotel. This hotel is a two level hotel without ADA accommodations. Rooms are located on the second floor but are not in a straight line block. The area that was designated for future juror use had hidden corners and one area was accessed by walking up two steps, that placed the remaining rooms on different levels thus making the security observation difficult.

Wingate by Wyndham is located off Keene Street and is a three level hotel with ADA accommodations, with ADA compatible rooms and an elevator. This hotel also offers a rear entrance. Each room has a microwave and refrigerator and were very clean. The manager reported that new furniture will be arriving soon to replace current furniture in place.

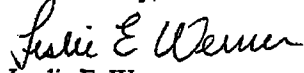
Holiday Inn East is located in the Lake of the Woods area. This hotel is one year old and is very clean. This hotel offers ADA accommodations with an elevator and handicap rooms located on each of its five floors. There is a restaurant located in the hotel that serves breakfast and dinner. There are meeting rooms available for private dining. Manager advised that menus would be provided in advance, food prepared on arrival and served in a meeting room's area.

Candlewood Suites is also located near Keene Street across from Wingate. This hotel is ADA compatible, however there are no ADA compatible rooms located above the ground floor. Manager reported rooms may not be blocked due to rooms being reserved ahead of time. This hotel accommodates to extended stay individuals such as construction workers.

Holiday Inn Executive Center was not inspected during this bidding process due using this hotel during 2011. This hotel offers ADA accommodations and rooms in a block. Meeting rooms are available for breakfast. This hotel is located near the intersection of Interstate 70 and Stadium.

The recommendation of the Court Marshals' Office is the following; Award the primary bid to Holiday Inn Executive Center, Wingate by Wyndham secondary and Holiday Inn East as tertiary.

Submitted by,



Leslie E. Werner
Court Marshal



REQUIREMENTS FOR SEQUESTERED JURY MOTEL ROOMS

1. Above ground level.
2. No exterior access to rooms.(door on the inside of building)
3. Block of 14/15/16/17 rooms together with no rooms rented between.
4. Limited access to one end of block of rooms with no rented rooms on that end of block.
5. Radios removed.
6. Telephones removed.
7. Televisions removed.
8. Radio, TV, and Phone left in Security room.(last room in block at opposite end from limited access end.
9. One additional phone left in Security room.
10. Inspection of rooms and delivery of keys the morning of first day of trial.
11. Flexible check out date.
12. Allow all charges to be extended on credit.
13. Guaranteed reservations with no penalty for cancellation before delivery of room keys.
14. The court may cancel reservation without penalty 24 hours before check out time on day of check in.
15. The motel must provide necessary accommodations when request is made before 30/15 days before beginning of trial.
16. ADA Accommodations.

Boone County Purchasing

Tyson Boldan,
Buyer



601 E. Walnut, Rm. 209
Columbia, MO 65201
(573) 886-4392
(573) 886-4390

TO: Les Werner
Court Marshal

Kathy Lloyd
Court Administrator

FROM: Tyson Boldan,
Buyer

DATE: January 12, 2012

RE: Bid Award Recommendation – 02-10JAN12 – Juror Hotel Accommodations
Term and Supply

Attached is the bid tabulation for the five bid responses received for the above referenced bid. Please return this cover sheet with your recommendation by fax to 886-4390 after you have completed the evaluation of this bid. If you have any questions, please call or e-mail me.

DEPARTMENT REPLY:

Please complete the following:

Department Number: 1230

Account Number: 84000

Budgeted: \$ 28,000.00

Award Bid by low bid with Super 8 as primary, Ramada as secondary, and Candlewood suites as tertiary.

Recommend accepting the following bid(s) for reasons detailed on attached page. (Attach department recommendation).

Recommend rejecting bid for reasons detailed on attached page. (Attach department recommendation).

Administrative Authority Signature: _____

Date: 1-25-12

**02-10JAN12 - Juror
Accommodations Term & Supply**

BID TABULATION		WINGANTE BY WYNDHAM	HOLIDAY INN EXECUTIVE CENTER	HOLIDAY INN EAST	Hilton Garden Inn
4.7.	PRICING				
4.7.1.	Single Occupancy Rooms Monday through Thursday	\$75.00	\$75.60	\$80.00	\$99.00
4.7.2.	Single Occupancy Rooms Friday through Saturday	\$85.00	\$75.60	\$80.00	\$99.00
4.7.3.	Single Occupancy Rooms Friday through Saturday on high event weekends	\$105.00	\$149.95	\$159.00	\$129.00
4.7.4.	Number of Rooms required to meet specifications	18	18	0	4
4.8.	Maximum % Increase 1st Renewal	0	3	0	5
	Maximum % Increase 2nd Renewal	0	7	0	5
	Maximum % Increase 3rd Renewal	10	11	0	5
	Maximum % Increase 4th Renewal	10	15	0	5
4.10.	COOP? (Yes or No)	NON-RESPON	NO	YES	YES
NO BID	SUPER 8 EAST				

Total for 3 low

Total for 3 low

No Bid:
CANDLEWOOD SUITES
RAMADA
SUPER 8

**PURCHASE AGREEMENT
FOR
JUROR ACCOMMODATIONS TERM & SUPPLY
PRIMARY SUPPLIER**

THIS AGREEMENT dated the 1 day of March 2012 is made between Boone County, Missouri, a political subdivision of the State of Missouri through the Boone County Commission, herein "County" and **Holiday Inn Executive Center**, herein "Contractor."

IN CONSIDERATION of the parties performance of the respective obligations contained herein, the parties agree as follows:

1. Contract Documents - This agreement shall consist of this Purchase Agreement for **Juror Accommodations Term & Supply**, County of Boone Request for Bid for **Juror Accommodations Term & Supply**, bid number **02-10JAN12**, Introduction and General Conditions of Bidding, Primary Specifications, Response Presentation and Review, the un-executed Response Form, Standard Terms and Conditions as well as the Contractor's bid response dated **January 01, 2012** and executed by **Teri Weise** on behalf of the Contractor. All such documents shall constitute the contract documents, which are attached hereto and incorporated herein by reference. Service or product data, specification and literature submitted with bid response may be permanently maintained in the County Purchasing Office bid file for this bid if not attached. In the event of conflict between any of the foregoing documents, the Introduction and General Conditions of Bidding, this Purchase Agreement, the Primary Specifications, the Response Presentation and Review, the un-executed Response Form, and the Standard Terms and Conditions shall prevail and control over the Contractor's bid response.

2. Contract Duration - This agreement shall be for the period from the date of award through **December 31, 2012** subject to the provisions for termination specified below. This agreement may be extended beyond the expiration date by order of the County for four (4) additional one-year periods subject to the pricing clauses in the Contractor's bid response and thereafter on a month to month basis in the event the County is unable to re-bid and/or award a new contract prior to the expiration date after exercising diligent efforts to do so or not.

3. Purchase - The County agrees to purchase from the Contractor and the Contractor agrees to supply the County the items as required in the bid specifications and in conformity with the contract documents for the prices set forth in the Contractor's bid response. **Holiday Inn Executive Center** shall act as the primary supplier and shall furnish rooms for juror accommodations for the County.

4. Billing and Payment - All billing shall be invoiced to Boone County Court Administration in accordance with section 2.5 of the bid document. Billings may only include the prices listed in the Contractor's bid response. No additional fees for extra services not included in the bid response or taxes shall be included as additional charges in excess of the charges in the Contractor's bid response to the specifications. The County agrees to pay all correct monthly statements within thirty days of receipt. In the event of a billing dispute, the County reserves the right to withhold payment on the disputed amount; in the event the billing dispute is resolved in favor of the Contractor, the County agrees to pay interest at a rate of 9% per annum on disputed amounts withheld commencing from the last date that payment was due.

5. Binding Effect - This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect.

6. Entire Agreement - This agreement constitutes the entire agreement between the parties and supersedes any prior negotiations, written or verbal, and any other bid or bid specification or contractual agreement. This agreement may only be amended by a signed writing executed with the same formality as this agreement.

7. Termination - This agreement may be terminated by the County upon thirty days advance written notice for any of the following reasons or under any of the following circumstances:

- a. County may terminate this agreement due to material breach of any term or condition of this agreement, or
- b. County may terminate this agreement if in the opinion of the Boone County Commission if delivery of products are delayed or products delivered are not in conformity with bidding specifications or variances authorized by County, or
- c. If appropriations are not made available and budgeted for any calendar year.

IN WITNESS WHEREOF the parties through their duly authorized representatives have executed this agreement on the day and year first above written.

HOLIDAY INN EXECUTIVE CENTER

by Seri L. Meise
title Director of Sales
address Holiday Inn Exec Ctr.
2200 I-70 Dr. SW
Columbia, MO 65203

APPROVED AS TO FORM:

[Signature]
County Counselor

BOONE COUNTY, MISSOURI

by: Boone County Commission
[Signature]
Daniel K. Atwill, Presiding Commissioner

ATTEST:

[Signature]
Wendy S. Noren, County Clerk

AUDITOR CERTIFICATION

In accordance with RSMo 50.660, I hereby certify that a sufficient unencumbered appropriation balance exists and is available to satisfy the obligation(s) arising from this contract. (Note: Certification of this contract is not required if the terms of this contract do not create a measurable county obligation at this time.)

[Signature] by jjj 02/24/2012 No encumbrance required
Signature Date Appropriation Account

1230/84000 - Term/Supply

Appropriation Account



BOONE COUNTY, MISSOURI
Request for Bid #: 02-10JAN12 – Juror Hotel Accommodations Term & Supply

ADDENDUM #1 - Issued January 4, 2012

This addendum is issued in accordance with the Bid Response Page in the Request for Bid and is hereby incorporated into and made a part of the Request for Bid Documents. Bidders are reminded that receipt of this addendum Should be acknowledged and submitted with Bidder's *Response Form*.

Specifications for the above noted Request for Bid and the work covered thereby are herein modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect:

1. Replace the Response page with the attached Revised Response page

County of Boone

Purchasing Department

4. Revised Response Form

- 4.1. Company Name: Holiday Inn Executive Center
4.2. Address: 2200 I-70 Dr. S.W.
4.3. City/Zip: Columbia, MO 65203
4.4. Phone Number: 573-445-8531
4.5. Fax Number: 573-446-1159
4.6. Federal Tax ID: 431331200
4.6.1. Corporation
 Partnership - Name _____
 Individual/Proprietorship - Individual Name _____
 Other (Specify) _____

4.7. Pricing

Rooms – Read section 2.3 through 2.3.11. carefully

- 4.7.1. Single Occupancy Rooms Monday through Thursday \$ 75.60 *
4.7.2. Single Occupancy Rooms Friday through Saturday \$ 75.60 *
4.7.3. Single Occupancy Rooms Friday through Saturday on high event weekends \$ 149.95 *
4.7.4. Number of rooms required to meet specifications (see Section 2.3.2.) 18
(This is the maximum number of rooms for which the County will be charged, absent a specific request for

* Room rates subject to 4% city tax (lodging tax) and is subject to change

additional rooms, even if Contractor must remove additional rooms from its rental inventory in order to meet the contract specifications.)

4.7.5. Cancellation of room reservations: Describe your policy regarding the time by which a room reservation can be cancelled without being charged for that night: by

Standard Cancellation is 6:00 pm one day prior to reservation arrival date in order to avoid penalties.

4.7.6. Will a different policy apply to the County: Yes No

If yes, please specify:

Hotel will extend cancellation timeline to 12 noon by the day of reservation arrival.

4.7.7. What is your policy regarding check-out time?

Standard check-out time is 11:00am

4.7.8. Will a different policy apply to the County? Yes No

If yes, please specify:

A late check out time of 2:00 pm will be extended for juror rooms

Note: Flexibility in room cancellation will be a factor in the award of bid, due to the unpredictability of jury scheduling.

4.7.9. Additional Charges Not Set Out Above (Specify):

All guest rooms are subject to the 4% city tax. This tax is subject to change. The hotel will waive the standard hotel services surcharge of \$1.95 per room per nt.

4.8. Maximum Percentage Increase or Decrease for Renewal Periods:

3 % 1st Renewal (through 3/31/13)
7 % 2nd Renewal (through 3/31/14)
11 % 3rd Renewal (through 3/31/15)
15 % 4th Renewal (through 3/31/16)

4.9. The undersigned offers to furnish and deliver the articles or services as specified at the prices and terms stated and in strict accordance with the specifications, instructions and general conditions of bidding which have been read and understood, and all of which are made part of this order.

4.9.1. Authorized Representative (Sign By Hand):

Teri L. Weise

4.9.2. Type or Print Signed Name:

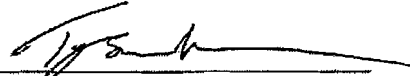
TERI WEISE

4.9.3. Today's Date: 1-9-12

4.10. Will you honor the submitted prices for purchase by other entities in Boone County who participate in cooperative purchasing with Boone County, Missouri?

 Yes X No

By:


Tyson Boldan
Buyer

OFFEROR has examined copy of Addendum #1 to Request for Bid 02-10JAN12 – Juror Hotel Accommodations Term & Supply, receipt of which is hereby acknowledged:

Company Name: Holiday Inn Executive Center

Address: 2200 I-70 Dr. S.W.
Columbia, MO 65203

Phone Number: 573-445-8531 Fax Number: 573-446-1159

Authorized Representative Signature: Teri H. Weise Date: 1-9-12

Authorized Representative Printed Name: TERI WEISE

WORK AUTHORIZATION CERTIFICATION
PURSUANT TO 285.530 RSMo
(FOR ALL AGREEMENTS IN EXCESS OF \$5,000.00)

County of Boone)
State of MO)ss
)

My name is Teri Weise. I am an authorized agent of Holiday Inn Executive Center (Bidder). This business is enrolled and participates in a federal work authorization program for all employees working in connection with services provided to the County. This business does not knowingly employ any person that is an unauthorized alien in connection with the services being provided. Documentation of participation in a federal work authorization program is attached hereto.

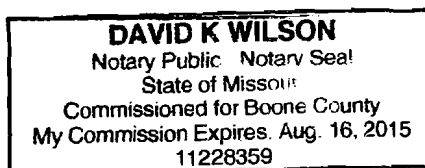
Furthermore, all subcontractors working on this contract shall affirmatively state in writing in their contracts that they are not in violation of Section 285.530.1, shall not thereafter be in violation and submit a sworn affidavit under penalty of perjury that all employees are lawfully present in the United States.

Teri Weise 1-10-12
Affiant Date

TERI WEISE
Printed Name

Subscribed and sworn to before me this 10th day of January, 2012.

David K Wilson
Notary Public



THE E-VERIFY PROGRAM FOR EMPLOYMENT VERIFICATION MEMORANDUM OF UNDERSTANDING

ARTICLE I

PURPOSE AND AUTHORITY

This Memorandum of Understanding (MOU) sets forth the points of agreement between the Department of Homeland Security (DHS) and **Executive Hotel Management, Inc.** (Employer) regarding the Employer's participation in the Employment Eligibility Verification Program (E-Verify). This MOU explains certain features of the E-Verify program and enumerates specific responsibilities of DHS, the Social Security Administration (SSA), and the Employer. E-Verify is a program that electronically confirms an employee's eligibility to work in the United States after completion of the Employment Eligibility Verification Form (Form I-9). For covered government contractors, E-Verify is used to verify the employment eligibility of all newly hired employees and all existing employees assigned to Federal contracts.

Authority for the E-Verify program is found in Title IV, Subtitle A, of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA), Pub. L. 104-208, 110 Stat. 3009, as amended (8 U.S.C. § 1324a note). Authority for use of the E-Verify program by Federal contractors and subcontractors covered by the terms of Subpart 22.18, "Employment Eligibility Verification", of the Federal Acquisition Regulation (FAR) (hereinafter referred to in this MOU as a "Federal contractor") to verify the employment eligibility of certain employees working on Federal contracts is also found in Subpart 22.18 and in Executive Order 12989, as amended.

ARTICLE II

FUNCTIONS TO BE PERFORMED

A. RESPONSIBILITIES OF SSA

1. SSA agrees to provide the Employer with available information that allows the Employer to confirm the accuracy of Social Security Numbers provided by all employees verified under this MOU and the employment authorization of U.S. citizens.
2. SSA agrees to provide to the Employer appropriate assistance with operational problems that may arise during the Employer's participation in the E-Verify program. SSA agrees to provide the Employer with names, titles, addresses, and telephone numbers of SSA representatives to be contacted during the E-Verify process.
3. SSA agrees to safeguard the information provided by the Employer through the E-Verify program procedures, and to limit access to such information, as is appropriate by law, to individuals responsible for the verification of Social Security Numbers and for evaluation of the E-Verify program or such other persons or entities who may be authorized by SSA as governed by the Privacy Act (5 U.S.C. § 552a), the Social Security Act (42 U.S.C. 1306(a)), and SSA regulations (20 CFR Part 401).

Company ID Number: 255469

Information relating to the Program Administrator(s) for your Company on policy questions or operational problems:

Name:	Elizabeth Murphy	Fax Number:	(573) 445 - 4117
Telephone Number:	(573) 445 - 8531 ext. 764		
E-mail Address:	emurphy@socket.net		



Boone County Purchasing
613 E. Ash St., Room 108
Columbia, MO 65201

Request for Bid (RFB)

Tyson Boldan, Buyer
(573) 886-4392 – Fax: (573) 886-4390
Email: tboldan@boonecountymo.org

Bid Data

Bid Number: **02-10JAN12**
Commodity Title: **Juror Hotel Accommodations Term & Supply**

DIRECT BID FORMAT OR SUBMISSION QUESTIONS TO THE PURCHASING DEPARTMENT

Bid Submission Address and Deadline

Day / Date: **TUESDAY, JANUARY 10, 2012**
Time: **10:30 A.M. Central Time**(Bids received after this time will be returned unopened)
Location / Mail Address: **Boone County Purchasing Department**
Boone County Purchasing Office
613 E. Ash, Room 109
Columbia, MO 65201
Directions: The Purchasing office is located on the Southeast corner at 7th Street and Ash Street. Enter the building from the south Side. Wheel chair accessible entrance is available.

Bid Opening

Day / Date: **TUESDAY, JANUARY 10, 2012**
Time: **10:30 A.M. Central Time**(Bids received after this time will be returned unopened)
Location / Address: **Boone County Purchasing Office**
613 E. Ash, Room 109
Columbia, MO 65201

Bid Contents

- 1.0: **Introduction and General Conditions of Bidding**
- 2.0: **Primary Specifications**
- 3.0: **Response Presentation and Review**
- 4.0: **Response Form**
Work Authorization Certification
Certification Of Individual Bidder
Affidavit
Debarment
Standard Terms and Conditions
"NO BID" Response Form

1. Introduction and General Conditions of Bidding

- 1.1. **INVITATION** - The County of Boone, through its Purchasing Department, invites responses, which offer to provide the goods and/or services identified on the title page, and described in greater detail in Section 2.
- 1.2. **DEFINITIONS**
- 1.2.1. **County** - This term refers to the County of Boone, a duly organized public entity. It may also be used as a pronoun for various subsets of the County organization, including, as the context will indicate:
Purchasing - The Purchasing Department, including its Purchasing Director and staff.
Department(s) or Office(s) - The County Department(s) or Office(s) for which this Bid is prepared, and which will be the end user(s) of the goods and/or services sought.
Designee - The County employee(s) assigned as your primary contact(s) for interaction regarding Contract performance.
- 1.2.2. **Bidder / Contractor / Supplier** - These terms refer generally to businesses having some sort of relationship to or with us. The term may apply differently to different classes of entities, as the context will indicate.
Bidder - Any business entity submitting a response to this Bid. Suppliers, which may be invited to respond, or which express interest in this bid, but which do not submit a response, have no obligations with respect to the bid requirements.
Contractor - The Bidder whose response to this bid is found by Purchasing to meet the best interests of the County. The Contractor will be selected for award, and will enter into a Contract for provision of the goods and/or services described in the Bid.
Supplier - All business(s) entities which may provide the subject goods and/or services.
- 1.2.3. **Bid** - This entire document, including attachments. A Bid may be used to solicit various kinds of information. The kind of information this Bid seeks is indicated by the title appearing at the top of the first page. A "Request for Bid" is used when the need is well defined.
- 1.2.4. **Response** - The written, sealed document submitted according to the Bid instructions.
- 1.3. **BID CLARIFICATION** - Questions regarding this Bid should be directed in writing, by e-mail or fax, to the Purchasing Department. Answers, citing the question asked but not identifying the questioner, will be distributed simultaneously to all known prospective Bidders in the form of an addendum. We strongly suggest that you check for any addenda a minimum of [forty eight] hours in advance of the bid deadline. Bids, addendums, bid tabulations and bid awards are posted on our web site at: www.showmeboone.com
 Note: written requirements in the Bid or its Amendments are binding, but any oral communications between County and Bidder are not.
- 1.3.1. **Bidder Responsibility** - The Bidder is expected to be thoroughly familiar with all specifications and requirements of this Bid. Bidder's failure or omission to examine any relevant form, article, site or document will not relieve them from any obligation regarding this Bid. By submitting a Response, Bidder is presumed to concur with all terms, conditions and specifications of this Bid.
- 1.3.2. **Bid Addendum** - If it becomes evident that this Bid must be amended, the Purchasing Department will issue a formal written Addendum to all known prospective Bidders. If necessary, a new due date will be established.
- 1.4. **AWARD** - Award will be made to the Bidder(s) whose offer(s) provide the greatest value to the County from the standpoint of suitability to purpose, quality, service, previous experience, price, lifecycle cost, ability to deliver, previous County contract compliance or for any other reason deemed by Purchasing to be in the best interest of the County. Thus, the result will not be determined by price alone. The County will be seeking the least costly outcome that meets the County needs as interpreted by the County. The County reserves the right to award this bid on an item by item basis, an "all or none" basis, or multiple award basis whichever is in the best interest of the County.
- 1.5. **CONTRACT EXECUTION** - This Bid and the Contractor's Response will be made part of any resultant Contract and will be incorporated in the Contract as set forth, verbatim.
- 1.5.1. **Precedence** - In the event of contradictions or conflicts between the provisions of the documents comprising this Contract, they will be resolved by giving precedence in the following order:
 1) the provisions of the Contract (as it may be amended);
 2) the provisions of the Bid;
 3) the provisions of the Bidder's Response.
- 1.6. **COMPLIANCE WITH STANDARD TERMS AND CONDITIONS** - Bidder agrees to be bound by the County's standard "boilerplate" terms and conditions for Contracts, a sample of which is attached to this Bid.

2. Primary Specifications

- 2.1. **ITEMS TO BE PROVIDED** - Boone County, hereafter referred to as "County", proposes to contract with an individual(s) or organization(s), hereinafter referred to as "Contractor" for a Term and Supply contract for the furnishing of **hotel accommodations** as needed for sequestered jurors for Boone County and as specified in the following requirements.
 - 2.1.1. **Quantity** – The County does not guarantee a minimum amount of usage. Services shall be provided on an as needed, if needed basis.
- 2.2. **CONTRACT DURATION** - The contract shall be effective from Date of Award through December 31, 2012. This contract is subject to renew annually for four (4) additional one (1) year periods following expiration of the first contract period. Prices are subject to adjustment thereafter, effective on the renewal date, and must remain firm through the end of the renewal period.
 - 2.2.1. **Contract Extension** - The County Purchasing Director may exercise the option to extend the contract on a month to month basis for a maximum of six months from the date of termination if it is deemed to be in the best interest of Boone County, except as set out in Section 3.5.6.
 - 2.2.2. **Contract Documents** - The successful bidder(s) shall be obligated to enter into a written contract with the County within 15 days of award on contract forms provided by the County. If bidders desire to contract under their own written agreement, any such proposed agreement shall be submitted in blank with their bid. County reserves the right to modify any proposed form agreement or withdraw its award to a successful bidder if any proposed agreement contains terms and conditions inconsistent with its bid or are unacceptable to county legal counsel.
- 2.3. **MINIMUM CONTRACT REQUIREMENTS**
 - 2.3.1. The contractor's facility must be physically located within the city limits of Columbia, Missouri.
 - 2.3.2. The contractor must provide 18 sleeping rooms separated from the rest of the hotel rooms and guests. These rooms can either be in a separate wing, on a separate floor, or grouped together at the end of a hallway. The rooms must be located above ground level and must have no outside entrances. The contractor must offer a selection of smoking and non-smoking rooms in this group.
 - 2.3.3. The sleeping rooms must be single occupancy rooms. Each room must have its own separate bathroom.
 - 2.3.4. The television, radio, any reading material, and all phones must be removed from 16 of the 18 sleeping rooms prior to guest arrival (see Section 2.3.5, below).
 - 2.3.5. Two (2) of the sleeping rooms must be located at each end of the remaining group of 16. These two (2) rooms must each contain two (2) phones as well as a television, radio, and reading material.
 - 2.3.6. The contractor must insure that all sleeping rooms are clean upon check-in and receive daily maid service.
 - 2.3.7. The contractor must provide sleeping rooms that are clean, neat, and insect free. Carpet and fixtures must be without stains or disrepair. The air conditioning/heating units must be in good working order.
 - 2.3.8. Rooms must not be connecting rooms.
 - 2.3.9. Rooms must provide for ADA accessibility on floors beyond the ground floor.
 - 2.3.10. Floors, hallways and rooms must have no outside entrances.
 - 2.3.11. Rooms must be organized in such a way that foot traffic can be monitored easily.
- 2.4. **BID SUBMITTAL INFORMATION**
 - 2.4.1. Bidders should submit a floor plan with the areas jurors are to be placed highlighted. The County reserves the right to inspect the facility prior to award to ensure compliance with the bid specifications.
- 2.5. **BILLING AND PAYMENT** – The contractor must submit a complete invoice upon completion of the service. A complete invoice shall include a complete itemized breakdown of the room cost per juror. Failure to submit a complete invoice may result in a delay of payment until a correct invoice is received. **NOTE: County will not be responsible for any additional expenses incurred by room occupants.**
- 2.6. **DESIGNEE** - Boone County Court Administration, 705 E. Walnut Street, Columbia, MO 65201.

- 2.7. **BID CLARIFICATION** - Any questions or clarifications concerning bid documents should be addressed to Tyson Boldan, Buyer, 613 E. Ash, Room 109, Columbia, Missouri 65201. Telephone (573) 886-4392 Fax (573) 886-4390, E-mail: tboldan@boonecountymmo.org.
- 2.8. **AWARD OF CONTRACT:**
The County reserves the right to award to one or multiple respondents. Multiple awards may be made on the basis of a primary, secondary, and tertiary supplier. The primary supplier shall furnish the County's requirements unless a scheduling conflict occurs. In the event the primary supplier cannot meet the needs of the County, the County shall seek performance from the secondary supplier, then tertiary supplier. The County's decision will be based upon the ability of the primary source to supply acceptable goods or services within the County's time requirements. The County's decision to utilize the secondary and tertiary sources shall be final and conclusive. In addition, the resulting contract from this RFP will be considered "Non-Exclusive". The County reserves the right to purchase juror accommodations from other suppliers.
- 2.8.1. The County of Boone reserves the right to accept or reject any and all bids in the best interest of the County.

3. Response Presentation and Review

- 3.1. **RESPONSE CONTENT** - In order to enable direct comparison of competing Responses, you must submit your Response in strict conformity to the requirements stated here. Failure to adhere to all requirements may result in your Response being disqualified as non-responsive. All Responses must be submitted using the provided Response Sheet. Every question must be answered and if not applicable, the section must contain "N/A" or "No Bid".
- 3.2. **SUBMITTAL OF RESPONSES** - Responses **MUST** be received by the date and time noted on the title page under "Bid Submission Information and Deadline". **NO EXCEPTIONS**. We are not responsible for late or incorrect deliveries from the US Postal Service or any other mail carrier or method of delivery.
 - 3.2.1. **Submittal Package** - Submit, to the location specified on the title page, **three (3) complete copies** of your Response in a single sealed envelope, clearly marked on the outside with your company name and return address, the bid number and the due date and time.
 - 3.2.2. **Advice of Award** - A Bid Tabulation of responses received as well as Award status can be viewed at www.showmeboone.com.
- 3.3. **BID OPENING** - On the date and time and at the location specified on the title page under "Bid Opening", all Responses will be opened in public. Brief summary information from each will be read aloud.
 - 3.3.1. **Removal from Vendor Database** - If any prospective Bidder currently in our Vendor Database to whom the Bid was sent elects not to submit a Response and fails to reply in writing stating reasons for not bidding, that Bidder's name may be removed from our database. Other reasons for removal include unwillingness or inability to show financial responsibility, reported poor performance, unsatisfactory service, or repeated inability to meet delivery requirements.
- 3.4. **RESPONSE CLARIFICATION** - We reserve the right to request additional written or oral information from Bidders in order to obtain clarification of their Responses.
 - 3.4.1. **Rejection or Correction of Responses** - We reserve the right to reject any or all Responses. Minor irregularities or informalities in any Response which are immaterial or inconsequential in nature, and are neither affected by law nor at substantial variance with Bid conditions, may be waived at our discretion whenever it is determined to be in the County's best interest.
- 3.5. **EVALUATION PROCESS** - Our sole purpose in the evaluation process is to determine from among the Responses received which one is best suited to meet the County's needs at the lowest possible cost. Any final analysis or weighted point score does not imply that one Bidder is superior to another, but simply that in our judgment the Contractor selected appears to offer the best overall solution for our current and anticipated needs at the lowest possible cost.
 - 3.5.1. **Method of Evaluation** - We will evaluate submitted responses in relation to all aspects of this Bid.
 - 3.5.2. **Acceptability** - We reserve the sole right to determine whether goods and/or services offered are acceptable for our use.
 - 3.5.3. **Discrepancies** - In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
 - 3.5.4. **Endurance of Pricing** - Your pricing must be held until contract execution or 60 days, whichever comes first.
 - 3.5.5. **Reservation of Rights** - Boone County reserves the right to reject all bids. Boone County reserves the right to waive informalities in bids.
 - 3.5.6. **Cancellation by Contractor:** The Contract may be cancelled by Contractor upon 30 days advance written notice to the Purchasing Department. If, at the time of cancellation, County has reserved rooms which will be affected by the cancellation, said notice of cancellation shall serve as authorization to the Purchasing Department will purchase hotel accommodations elsewhere and charge full increase in cost and handling to Contractor.
 - 3.5.7. **Default by Contractor:** Default in promised block of rooms (without accepted reasons) or failure to meet specifications, authorizes the Purchasing Department to purchase hotel accommodations elsewhere and charge full increase in cost and handling to defaulting contractor.

4. Response Form

4.1. Company Name:

4.2. Address:

4.3. City/Zip:

4.4. Phone Number:

4.5. Fax Number:

4.6. Federal Tax ID:

4.6.1. () Corporation

() Partnership - Name

() Individual/Proprietorship - Individual Name

() Other (Specify)

4.7. Pricing

Rooms – Read section 2.3 through 2.3.11. carefully

4.7.1. Single Occupancy Rooms Monday through Thursday \$

4.7.2. Single Occupancy Rooms Friday through Saturday \$

4.7.3. Single Occupancy Rooms Friday through Saturday on high event weekends \$

4.7.4. Number of rooms required to meet specifications (see Section 2.3.2.)

(This is the maximum number of rooms for which the County will be charged, absent a specific request for additional rooms, even if Contractor must remove additional rooms from its rental inventory in order to meet the contract specifications.)

4.7.5. Cancellation of room reservations: Describe your policy regarding the time by which a room reservation can be cancelled without being charged for that night:

4.7.6. Will a different policy apply to the County? Yes No

If yes, please specify:

4.7.7. What is your policy regarding check-out time?

4.7.8. Will a different policy apply to the County? Yes No

If yes, please specify:

Note: Flexibility in room cancellation will be a factor in the award of bid, due to the unpredictability of jury scheduling.

4.7.9. Additional Charges Not Set Out Above (Specify):

4.8. Maximum Percentage Increase or Decrease for Renewal Periods:

_____ % 1st Renewal (through 6/30/10)
_____ % 2nd Renewal (through 6/30/11)
_____ % 3rd Renewal (through 6/30/12)
_____ % 4th Renewal (through 6/30/13)

4.9. **The undersigned offers to furnish and deliver the articles or services as specified at the prices and terms stated and in strict accordance with the specifications, instructions and general conditions of bidding which have been read and understood, and all of which are made part of this order.**

4.9.1. Authorized Representative (Sign By Hand):

4.9.2. Type or Print Signed Name:

4.9.3. Today's Date: _____

4.10. Will you honor the submitted prices for purchase by other entities in Boone County who participate in cooperative purchasing with Boone County, Missouri?

_____ Yes _____ No

CERTIFICATION OF INDIVIDUAL BIDDER

Pursuant to Section 208.009 RSMo, any person applying for or receiving any grant, contract, loan, retirement, welfare, health benefit, post secondary education, scholarship, disability benefit, housing benefit or food assistance who is over 18 must verify their lawful presence in the United States. Please indicate compliance below. Note: A parent or guardian applying for a public benefit on behalf of a child who is citizen or permanent resident need not comply.

- _____ 1. I have provided a copy of documents showing citizenship or lawful presence in the United States. (Such proof may be a Missouri driver's license, U.S. passport, birth certificate, or immigration documents). Note: If the applicant is an alien, verification of lawful presence must occur prior to receiving a public benefit.

- _____ 2. I do not have the above documents, but provide an affidavit (copy attached) which may allow for temporary 90 day qualification.

- _____ 3. I have provided a completed application for a birth certificate pending in the State of _____. Qualification shall terminate upon receipt of the birth certificate or determination that a birth certificate does not exist because I am not a United States citizen.

Applicant

Date

Printed Name

AFFIDAVIT
(Only Required for Individual Bidder Certification Option #2)

State of Missouri)
)SS.
County of _____)

I, the undersigned, being at least eighteen years of age, swear upon my oath that I am either a United States citizen or am classified by the United States government as being lawfully admitted for permanent residence.

Date

Signature

Social Security Number
or Other Federal I.D. Number

Printed Name

On the date above written _____ appeared before me and swore that the facts contained in the foregoing affidavit are true according to his/her best knowledge, information and belief.

Notary Public

My Commission Expires:

(Please complete and return with Contract)

**Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98 Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Name and Title of Authorized Representative

Signature

Date



County Purchasing

Standard Terms and Conditions Boone

613 E. Ash St., Room 109
Columbia, MO 65201

Tyson Boldan, Buyer

Phone: (573) 886-4392 – Fax: (573) 886-4390

1. Responses shall include all charges for packing, delivery, installation, etc., (unless otherwise specified) to the Boone County Department identified in the Request for Bid and/or Proposal.
2. The Boone County Commission has the right to accept or reject any part or parts of all bids, to waive technicalities, and to accept the offer the County Commission considers the most advantageous to the County. Boone County reserves the right to award this bid on an item-by-item basis, or an "all or none" basis, whichever is in the best interest of the County.
3. Bidders must use the bid forms provided for the purpose of submitting bids, must return the bid and bid sheets comprised in this bid, give the unit price, extended totals, and sign the bid.
4. When products or materials of any particular producer or manufacturer are mentioned in our specifications, such products or materials are intended to be descriptive of type or quality and not restricted to those mentioned.
5. Do not include Federal Excise Tax or Sales and Use Taxes in bid process, as law exempts the County from them.
6. The delivery date shall be stated in definite terms, as it will be taken into consideration in awarding the bid.
7. The County Commission reserves the right to cancel all or any part of orders if delivery is not made or work is not started as guaranteed. In case of delay, the Contractor must notify the Purchasing Department.
8. In case of default by the Contractor, the County of Boone will procure the articles or services from other sources and hold the Bidder responsible for any excess cost occasioned thereby.
9. Failure to deliver as guaranteed may disqualify Bidder from future bidding.
10. Prices must be as stated in units of quantity specified, and must be firm. Bids qualified by escalator clauses may not be considered unless specified in the bid specifications.
11. No bid transmitted by fax machine or e-mail will be accepted. **U.S. mail only.**
12. The County of Boone, Missouri expressly denies responsibility for, or ownership of any item purchased until same is delivered to the County and is accepted by the County.
13. The County reserves the right to award to one or multiple respondents. The County also reserves the right to not award any item or group of items if the services can be obtained from a state or

other governmental entities contract under more favorable terms.

14. The County, from time to time, uses federal grant funds for the procurement of goods and services. Accordingly, the provider of goods and/or services shall comply with federal laws, rules and regulations applicable to the funds used by the County for said procurement, and contract clauses required by the federal government in such circumstances are incorporated herein by reference. These clauses can generally be found in the Federal Transit Administration's Best Practices Procurement Manual – Appendix A. Any questions regarding the applicability of federal clauses to a particular bid should be directed to the Purchasing Department prior to bid opening.
15. In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
16. Should an audit of Contractor's invoices during the term of the Agreement, and any renewals thereof, indicate that the County has remitted payment on invoices that constitute an over-charging to the County above the pricing terms agreed to herein, the Contractor shall issue a refund check to the County for any over-charges within 30-days of being notified of the same.



"No Bid" Response Form

Boone County Purchasing
613 E. Ash St., Room 109
Columbia, MO 65201

Tyson Boldan, Buyer
(573) 886-4392– Fax: (573) 886-4390

"NO BID RESPONSE FORM"

**NOTE: COMPLETE AND RETURN THIS FORM ONLY IF YOU DO NOT WANT TO
SUBMIT A BID**

If you do not wish to respond to this bid request, but would like to remain on the Boone County vendor list for this service/commodity, please remove form and return to the Purchasing Department by mail or fax.

If you would like to FAX this "No Bid" Response Form to our office, the FAX number is (573) 886-4390.

Bid: 02-10JAN12 – Juror Hotel Accommodation Service - Term and Supply

Business Name: _____

Address: _____

Telephone: _____

Contact: _____

Date: _____

Reason(s) for not bidding:

**PURCHASE AGREEMENT
FOR
JUROR ACCOMMODATIONS TERM & SUPPLY
SECONDARY SUPPLIER**

THIS AGREEMENT dated the 1 day of March 2012 is made between Boone County, Missouri, a political subdivision of the State of Missouri through the Boone County Commission, herein "County" and **Wingate By Wyndham**, herein "Contractor."

IN CONSIDERATION of the parties performance of the respective obligations contained herein, the parties agree as follows:

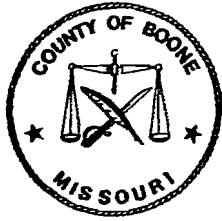
1. Contract Documents - This agreement shall consist of this Purchase Agreement for **Juror Accommodations Term & Supply**, County of Boone Request for Bid for **Juror Accommodations Term & Supply**, bid number **02-10JAN12**, Introduction and General Conditions of Bidding, Primary Specifications, Response Presentation and Review, the un-executed Response Form, Standard Terms and Conditions as well as the Contractor's bid response dated **January 10, 2012** and executed by **Rena Buckler** on behalf of the Contractor. All such documents shall constitute the contract documents, which are attached hereto and incorporated herein by reference. Service or product data, specification and literature submitted with bid response may be permanently maintained in the County Purchasing Office bid file for this bid if not attached. In the event of conflict between any of the foregoing documents, the Introduction and General Conditions of Bidding, this Purchase Agreement, the Primary Specifications, the Response Presentation and Review, the un-executed Response Form, and the Standard Terms and Conditions shall prevail and control over the Contractor's bid response.

2. Contract Duration - This agreement shall be for the period from the date of award through **December 31, 2012** subject to the provisions for termination specified below. This agreement may be extended beyond the expiration date by order of the County for four (4) additional one-year periods subject to the pricing clauses in the Contractor's bid response and thereafter on a month to month basis in the event the County is unable to re-bid and/or award a new contract prior to the expiration date after exercising diligent efforts to do so or not.

3. Purchase - The County agrees to purchase from the Contractor and the Contractor agrees to supply the County the items as required in the bid specifications and in conformity with the contract documents for the prices set forth in the Contractor's bid response. **Wingate By Wyndham** shall act as the secondary supplier and shall furnish rooms for juror accommodations for the County.

4. Billing and Payment - All billing shall be invoiced to Boone County Court Administration in accordance with section 2.5 of the bid document. Billings may only include the prices listed in the Contractor's bid response. No additional fees for extra services not included in the bid response or taxes shall be included as additional charges in excess of the charges in the Contractor's bid response to the specifications. The County agrees to pay all correct monthly statements within thirty days of receipt. In the event of a billing dispute, the County reserves the right to withhold payment on the disputed amount; in the event the billing dispute is resolved in favor of the Contractor, the County agrees to pay interest at a rate of 9% per annum on disputed amounts withheld commencing from the last date that payment was due.

5. Binding Effect - This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect.



BOONE COUNTY, MISSOURI
Request for Bid #: 02-10JAN12 – Juror Hotel Accommodations Term & Supply

ADDENDUM #1 - Issued January 4, 2012

This addendum is issued in accordance with the Bid Response Page in the Request for Bid and is hereby incorporated into and made a part of the Request for Bid Documents. Bidders are reminded that receipt of this addendum **Should be acknowledged** and submitted with Bidder's *Response Form*.

Specifications for the above noted Request for Bid and the work covered thereby are herein modified as follows, and except as set forth herein, otherwise remain unchanged and in full force and effect:

1. Replace the Response page with the attached Revised Response page

County of Boone

Purchasing Department

4. Revised Response Form

- 4.1. Company Name: Wingate By Wyndham
- 4.2. Address: 3101 Wingate Ct.
- 4.3. City/Zip: Columbia, Mo 65201
- 4.4. Phone Number: 573-817-0500
- 4.5. Fax Number: 573-817-3364
- 4.6. Federal Tax ID: 43-1867265
- 4.6.1. Corporation
 Partnership - Name _____
 Individual/Proprietorship - Individual Name _____
 Other (Specify) _____

4.7. Pricing

Rooms – Read section 2.3 through 2.3.11. carefully

- 4.7.1. Single Occupancy Rooms Monday through Thursday \$ 75⁰⁰
- 4.7.2. Single Occupancy Rooms Friday through Saturday \$ 85⁰⁰
- 4.7.3. Single Occupancy Rooms Friday through Saturday on high event weekends \$ 105⁰⁰
- 4.7.4. Number of rooms required to meet specifications (see Section 2.3.2.) 18
(This is the maximum number of rooms for which the County will be charged, absent a specific request for

additional rooms, even if Contractor must remove additional rooms from its rental inventory in order to meet the contract specifications.)

4.7.5. Cancellation of room reservations: Describe your policy regarding the time by which a room reservation can be cancelled without being charged for that night:

24 HRS

4.7.6. Will a different policy apply to the County: _____ Yes No

4.7.7. What is your policy regarding check-out time?

11 AM

4.7.8. Will a different policy apply to the County? _____ Yes No

Note: Flexibility in room cancellation will be a factor in the award of bid, due to the unpredictability of jury scheduling.

4.7.9. Additional Charges Not Set Out Above (Specify):

4.8. Maximum Percentage Increase or Decrease for Renewal Periods:

_____ % 1st Renewal (through 3/31/13)
_____ % 2nd Renewal (through 3/31/14)
10 % 3rd Renewal (through 3/31/15)
10 % 4th Renewal (through 3/31/16)

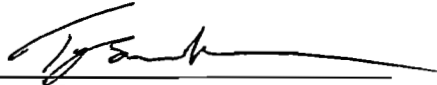
4.9. The undersigned offers to furnish and deliver the articles or services as specified at the prices and terms stated and in strict accordance with the specifications, instructions and general conditions of bidding which have been read and understood, and all of which are made part of this order.

4.9.1. Authorized Representative (Sign By Hand): Rema Buckler

4.9.2. Type or Print Signed Name: Rema Buckler

4.9.3. Today's Date: 1/10/12

4.10. Will you honor the submitted prices for purchase by other entities in Boone County who participate in cooperative purchasing with Boone County, Missouri?
_____ Yes _____ No

By: 
Tyson Boldan
Buyer

OFFEROR has examined copy of Addendum #1 to Request for Bid 02-10JAN12 – Juror Hotel Accommodations Term & Supply, receipt of which is hereby acknowledged:

Company Name: Wingate By Wyndham
Address: 3101 Wingate Ct, Columbia, MO 65201

Phone Number: 573-817-0500 Fax Number: 573-817-~~3364~~

Authorized Representative Signature:  Date: 1-10-12

Authorized Representative Printed Name: Rena Buckler

CERTIFICATION OF INDIVIDUAL BIDDER

Pursuant to Section 208.009 RSMo, any person applying for or receiving any grant, contract, loan, retirement, welfare, health benefit, post secondary education, scholarship, disability benefit, housing benefit or food assistance who is over 18 must verify their lawful presence in the United States. Please indicate compliance below. Note: A parent or guardian applying for a public benefit on behalf of a child who is citizen or permanent resident need not comply.

1. I have provided a copy of documents showing citizenship or lawful presence in the United States. (Such proof may be a Missouri driver's license, U.S. passport, birth certificate, or immigration documents). Note: If the applicant is an alien, verification of lawful presence must occur prior to receiving a public benefit.
- X 2. I do not have the above documents, but provide an affidavit (copy attached) which may allow for temporary 90 day qualification.
3. I have provided a completed application for a birth certificate pending in the State of . Qualification shall terminate upon receipt of the birth certificate or determination that a birth certificate does not exist because I am not a United States citizen.

Rena Buckler
Applicant

1-10-12
Date

Rena Buckler
Printed Name

AFFIDAVIT
(Only Required for Individual Bidder Certification Option #2)

State of Missouri)
)SS.
County of Boone)

I, the undersigned, being at least eighteen years of age, swear upon my oath that I am either a United States citizen or am classified by the United States government as being lawfully admitted for permanent residence.

1-10-12
Date

Rena Buckler
Signature

495-84-6678
Social Security Number
or Other Federal I.D. Number

Rena Buckler
Printed Name

On the date above written *Rena Buckler* appeared before me and swore that the facts contained in the foregoing affidavit are true according to his/her best knowledge, information and belief.

Tausha Bryan
Notary Public

My Commission Expires: 8-19-12

TAUSHA BRYAN
Notary Public - Notary Seal
STATE OF MISSOURI
County of Boone
My Commission Expires 8/19/2012
Commission # 08622291

(Please complete and return with Contract)

Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions

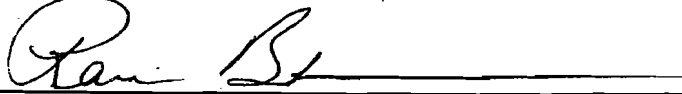
This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98 Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Rena Buckler Director of Sales

Name and Title of Authorized Representative



Signature

1-10-12

Date



Boone County Purchasing
613 E. Ash St., Room 108
Columbia, MO 65201

Request for Bid (RFB)

Tyson Boldan, Buyer
(573) 886-4392 – Fax: (573) 886-4390
Email: tboldan@boonecountymo.org

Bid Data

Bid Number: **02-10JAN12**
Commodity Title: **Juror Hotel Accommodations Term & Supply**

DIRECT BID FORMAT OR SUBMISSION QUESTIONS TO THE PURCHASING DEPARTMENT

Bid Submission Address and Deadline

Day / Date: **TUESDAY, JANUARY 10, 2012**
Time: **10:30 A.M. Central Time**(Bids received after this time will be returned unopened)
Location / Mail Address: **Boone County Purchasing Department
Boone County Purchasing Office
613 E. Ash, Room 109
Columbia, MO 65201**
Directions: The Purchasing office is located on the Southeast corner at 7th Street and Ash Street. Enter the building from the south Side. Wheel chair accessible entrance is available.

Bid Opening

Day / Date: **TUESDAY, JANUARY 10, 2012**
Time: **10:30 A.M. Central Time**(Bids received after this time will be returned unopened)
Location / Address: **Boone County Purchasing Office
613 E. Ash, Room 109
Columbia, MO 65201**

Bid Contents

- 1.0: **Introduction and General Conditions of Bidding**
- 2.0: **Primary Specifications**
- 3.0: **Response Presentation and Review**
- 4.0: **Response Form
Work Authorization Certification
Certification Of Individual Bidder
Affidavit
Debarment
Standard Terms and Conditions
"NO BID" Response Form**

1. Introduction and General Conditions of Bidding

- 1.1. **INVITATION** - The County of Boone, through its Purchasing Department, invites responses, which offer to provide the goods and/or services identified on the title page, and described in greater detail in Section 2.
- 1.2. **DEFINITIONS**
- 1.2.1. **County** - This term refers to the County of Boone, a duly organized public entity. It may also be used as a pronoun for various subsets of the County organization, including, as the context will indicate:
Purchasing - The Purchasing Department, including its Purchasing Director and staff.
Department(s) or Office(s) - The County Department(s) or Office(s) for which this Bid is prepared, and which will be the end user(s) of the goods and/or services sought.
Designee - The County employee(s) assigned as your primary contact(s) for interaction regarding Contract performance.
- 1.2.2. **Bidder / Contractor / Supplier** - These terms refer generally to businesses having some sort of relationship to or with us. The term may apply differently to different classes of entities, as the context will indicate.
Bidder - Any business entity submitting a response to this Bid. Suppliers, which may be invited to respond, or which express interest in this bid, but which do not submit a response, have no obligations with respect to the bid requirements.
Contractor - The Bidder whose response to this bid is found by Purchasing to meet the best interests of the County. The Contractor will be selected for award, and will enter into a Contract for provision of the goods and/or services described in the Bid.
Supplier - All business(s) entities which may provide the subject goods and/or services.
- 1.2.3. **Bid** - This entire document, including attachments. A Bid may be used to solicit various kinds of information. The kind of information this Bid seeks is indicated by the title appearing at the top of the first page. A "Request for Bid" is used when the need is well defined.
- 1.2.4. **Response** - The written, sealed document submitted according to the Bid instructions.
- 1.3. **BID CLARIFICATION** - Questions regarding this Bid should be directed in writing, by e-mail or fax, to the Purchasing Department. Answers, citing the question asked but not identifying the questioner, will be distributed simultaneously to all known prospective Bidders in the form of an addendum. We strongly suggest that you check for any addenda a minimum of [forty eight] hours in advance of the bid deadline. Bids, addendums, bid tabulations and bid awards are posted on our web site at: www.showmeboone.com
 Note: written requirements in the Bid or its Amendments are binding, but any oral communications between County and Bidder are not.
- 1.3.1. **Bidder Responsibility** - The Bidder is expected to be thoroughly familiar with all specifications and requirements of this Bid. Bidder's failure or omission to examine any relevant form, article, site or document will not relieve them from any obligation regarding this Bid. By submitting a Response, Bidder is presumed to concur with all terms, conditions and specifications of this Bid.
- 1.3.2. **Bid Addendum** - If it becomes evident that this Bid must be amended, the Purchasing Department will issue a formal written Addendum to all known prospective Bidders. If necessary, a new due date will be established.
- 1.4. **AWARD** - Award will be made to the Bidder(s) whose offer(s) provide the greatest value to the County from the standpoint of suitability to purpose, quality, service, previous experience, price, lifecycle cost, ability to deliver, previous County contract compliance or for any other reason deemed by Purchasing to be in the best interest of the County. Thus, the result will not be determined by price alone. The County will be seeking the least costly outcome that meets the County needs as interpreted by the County. The County reserves the right to award this bid on an item by item basis, an "all or none" basis, or multiple award basis whichever is in the best interest of the County.
- 1.5. **CONTRACT EXECUTION** - This Bid and the Contractor's Response will be made part of any resultant Contract and will be incorporated in the Contract as set forth, verbatim.
- 1.5.1. **Precedence** - In the event of contradictions or conflicts between the provisions of the documents comprising this Contract, they will be resolved by giving precedence in the following order:
 1) the provisions of the Contract (as it may be amended);
 2) the provisions of the Bid;
 3) the provisions of the Bidder's Response.
- 1.6. **COMPLIANCE WITH STANDARD TERMS AND CONDITIONS** - Bidder agrees to be bound by the County's standard "boilerplate" terms and conditions for Contracts, a sample of which is attached to this Bid.

2. Primary Specifications

- 2.1. **ITEMS TO BE PROVIDED** - Boone County, hereafter referred to as "County", proposes to contract with an individual(s) or organization(s), hereinafter referred to as "Contractor" for a Term and Supply contract for the furnishing of **hotel accommodations** as needed for sequestered jurors for Boone County and as specified in the following requirements.
- 2.1.1. **Quantity** – The County does not guarantee a minimum amount of usage. Services shall be provided on an as needed, if needed basis.
- 2.2. **CONTRACT DURATION** - The contract shall be effective from Date of Award through December 31, 2012. This contract is subject to renew annually for four (4) additional one (1) year periods following expiration of the first contract period. Prices are subject to adjustment thereafter, effective on the renewal date, and must remain firm through the end of the renewal period.
- 2.2.1. **Contract Extension** - The County Purchasing Director may exercise the option to extend the contract on a month to month basis for a maximum of six months from the date of termination if it is deemed to be in the best interest of Boone County, except as set out in Section 3.5.6.
- 2.2.2. **Contract Documents** - The successful bidder(s) shall be obligated to enter into a written contract with the County within 15 days of award on contract forms provided by the County. If bidders desire to contract under their own written agreement, any such proposed agreement shall be submitted in blank with their bid. County reserves the right to modify any proposed form agreement or withdraw its award to a successful bidder if any proposed agreement contains terms and conditions inconsistent with its bid or are unacceptable to county legal counsel.
- 2.3. **MINIMUM CONTRACT REQUIREMENTS**
- 2.3.1. The contractor's facility must be physically located within the city limits of Columbia, Missouri.
- 2.3.2. The contractor must provide 18 sleeping rooms separated from the rest of the hotel rooms and guests. These rooms can either be in a separate wing, on a separate floor, or grouped together at the end of a hallway. The rooms must be located above ground level and must have no outside entrances. The contractor must offer a selection of smoking and non-smoking rooms in this group.
- 2.3.3. The sleeping rooms must be single occupancy rooms. Each room must have its own separate bathroom.
- 2.3.4. The television, radio, any reading material, and all phones must be removed from 16 of the 18 sleeping rooms prior to guest arrival (see Section 2.3.5, below).
- 2.3.5. Two (2) of the sleeping rooms must be located at each end of the remaining group of 16. These two (2) rooms must each contain two (2) phones as well as a television, radio, and reading material.
- 2.3.6. The contractor must insure that all sleeping rooms are clean upon check-in and receive daily maid service.
- 2.3.7. The contractor must provide sleeping rooms that are clean, neat, and insect free. Carpet and fixtures must be without stains or disrepair. The air conditioning/heating units must be in good working order.
- 2.3.8. Rooms must not be connecting rooms.
- 2.3.9. Rooms must provide for ADA accessibility on floors beyond the ground floor.
- 2.3.10. Floors, hallways and rooms must have no outside entrances.
- 2.3.11. Rooms must be organized in such a way that foot traffic can be monitored easily.
- 2.4. **BID SUBMITTAL INFORMATION**
- 2.4.1. Bidders should submit a floor plan with the areas jurors are to be placed highlighted. The County reserves the right to inspect the facility prior to award to ensure compliance with the bid specifications.
- 2.5. **BILLING AND PAYMENT** – The contractor must submit a complete invoice upon completion of the service. A complete invoice shall include a complete itemized breakdown of the room cost per juror. Failure to submit a complete invoice may result in a delay of payment until a correct invoice is received. **NOTE: County will not be responsible for any additional expenses incurred by room occupants.**
- 2.6. **DESIGNEE** - Boone County Court Administration, 705 E. Walnut Street, Columbia, MO 65201.

2.7. **BID CLARIFICATION** - Any questions or clarifications concerning bid documents should be addressed to Tyson Boldan, Buyer, 613 E. Ash, Room 109, Columbia, Missouri 65201. Telephone (573) 886-4392 Fax (573) 886-4390, E-mail: tboldan@boonecountymmo.org.

2.8. **AWARD OF CONTRACT:**

The County reserves the right to award to one or multiple respondents. Multiple awards may be made on the basis of a primary, secondary, and tertiary supplier. The primary supplier shall furnish the County's requirements unless a scheduling conflict occurs. In the event the primary supplier cannot meet the needs of the County, the County shall seek performance from the secondary supplier, then tertiary supplier. The County's decision will be based upon the ability of the primary source to supply acceptable goods or services within the County's time requirements. The County's decision to utilize the secondary and tertiary sources shall be final and conclusive. In addition, the resulting contract from this RFP will be considered "Non-Exclusive". The County reserves the right to purchase juror accommodations from other suppliers.

2.8.1. The County of Boone reserves the right to accept or reject any and all bids in the best interest of the County.

3. Response Presentation and Review

- 3.1. **RESPONSE CONTENT** - In order to enable direct comparison of competing Responses, you must submit your Response in strict conformity to the requirements stated here. Failure to adhere to all requirements may result in your Response being disqualified as non-responsive. All Responses must be submitted using the provided Response Sheet. Every question must be answered and if not applicable, the section must contain "N/A" or "No Bid".
- 3.2. **SUBMITTAL OF RESPONSES** - Responses **MUST** be received by the date and time noted on the title page under "Bid Submission Information and Deadline". **NO EXCEPTIONS**. We are not responsible for late or incorrect deliveries from the US Postal Service or any other mail carrier or method of delivery.
 - 3.2.1. **Submittal Package** - Submit, to the location specified on the title page, **three (3) complete copies** of your Response in a single sealed envelope, clearly marked on the outside with your company name and return address, the bid number and the due date and time.
 - 3.2.2. **Advice of Award** - A Bid Tabulation of responses received as well as Award status can be viewed at www.showmeboone.com.
- 3.3. **BID OPENING** - On the date and time and at the location specified on the title page under "Bid Opening", all Responses will be opened in public. Brief summary information from each will be read aloud.
 - 3.3.1. **Removal from Vendor Database** - If any prospective Bidder currently in our Vendor Database to whom the Bid was sent elects not to submit a Response and fails to reply in writing stating reasons for not bidding, that Bidder's name may be removed from our database. Other reasons for removal include unwillingness or inability to show financial responsibility, reported poor performance, unsatisfactory service, or repeated inability to meet delivery requirements.
- 3.4. **RESPONSE CLARIFICATION** - We reserve the right to request additional written or oral information from Bidders in order to obtain clarification of their Responses.
 - 3.4.1. **Rejection or Correction of Responses** - We reserve the right to reject any or all Responses. Minor irregularities or informalities in any Response which are immaterial or inconsequential in nature, and are neither affected by law nor at substantial variance with Bid conditions, may be waived at our discretion whenever it is determined to be in the County's best interest.
- 3.5. **EVALUATION PROCESS** - Our sole purpose in the evaluation process is to determine from among the Responses received which one is best suited to meet the County's needs at the lowest possible cost. Any final analysis or weighted point score does not imply that one Bidder is superior to another, but simply that in our judgment the Contractor selected appears to offer the best overall solution for our current and anticipated needs at the lowest possible cost.
 - 3.5.1. **Method of Evaluation** - We will evaluate submitted responses in relation to all aspects of this Bid.
 - 3.5.2. **Acceptability** - We reserve the sole right to determine whether goods and/or services offered are acceptable for our use.
 - 3.5.3. **Discrepancies** - In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
 - 3.5.4. **Endurance of Pricing** - Your pricing must be held until contract execution or 60 days, whichever comes first.
 - 3.5.5. **Reservation of Rights** - Boone County reserves the right to reject all bids. Boone County reserves the right to waive informalities in bids.
 - 3.5.6. **Cancellation by Contractor:** The Contract may be cancelled by Contractor upon 30 days advance written notice to the Purchasing Department. If, at the time of cancellation, County has reserved rooms which will be affected by the cancellation, said notice of cancellation shall serve as authorization to the Purchasing Department will purchase hotel accommodations elsewhere and charge full increase in cost and handling to Contractor.
 - 3.5.7. **Default by Contractor:** Default in promised block of rooms (without accepted reasons) or failure to meet specifications, authorizes the Purchasing Department to purchase hotel accommodations elsewhere and charge full increase in cost and handling to defaulting contractor.

4. Response Form

- 4.1. Company Name: _____
- 4.2. Address: _____
- 4.3. City/Zip: _____
- 4.4. Phone Number: _____
- 4.5. Fax Number: _____
- 4.6. Federal Tax ID: _____
- 4.6.1. () Corporation
 () Partnership - Name _____
 () Individual/Proprietorship - Individual Name _____
 () Other (Specify) _____

4.7. Pricing

Rooms – Read section 2.3 through 2.3.11. carefully

- 4.7.1. Single Occupancy Rooms Monday through Thursday \$ _____
- 4.7.2. Single Occupancy Rooms Friday through Saturday \$ _____
- 4.7.3. Single Occupancy Rooms Friday through Saturday on high event weekends \$ _____

4.7.4. Number of rooms required to meet specifications (see Section 2.3.2.) _____
(This is the maximum number of rooms for which the County will be charged, absent a specific request for additional rooms, even if Contractor must remove additional rooms from its rental inventory in order to meet the contract specifications.)

4.7.5. Cancellation of room reservations: Describe your policy regarding the time by which a room reservation can be cancelled without being charged for that night:

4.7.6. Will a different policy apply to the County: _____ Yes _____ No
If yes, please specify:

4.7.7. What is your policy regarding check-out time?

4.7.8. Will a different policy apply to the County? _____ Yes _____ No
If yes, please specify:

Note: Flexibility in room cancellation will be a factor in the award of bid, due to the unpredictability of jury scheduling.

4.7.9. Additional Charges Not Set Out Above (Specify):

4.8. Maximum Percentage Increase or Decrease for Renewal Periods:

_____ % 1st Renewal (through 6/30/10)
_____ % 2nd Renewal (through 6/30/11)
_____ % 3rd Renewal (through 6/30/12)
_____ % 4th Renewal (through 6/30/13)

4.9. **The undersigned offers to furnish and deliver the articles or services as specified at the prices and terms stated and in strict accordance with the specifications, instructions and general conditions of bidding which have been read and understood, and all of which are made part of this order.**

4.9.1. Authorized Representative (Sign By Hand):

4.9.2. Type or Print Signed Name:

4.9.3. Today's Date: _____

4.10. Will you honor the submitted prices for purchase by other entities in Boone County who participate in cooperative purchasing with Boone County, Missouri?

_____ Yes _____ No

CERTIFICATION OF INDIVIDUAL BIDDER

Pursuant to Section 208.009 RSMo, any person applying for or receiving any grant, contract, loan, retirement, welfare, health benefit, post secondary education, scholarship, disability benefit, housing benefit or food assistance who is over 18 must verify their lawful presence in the United States. Please indicate compliance below. Note: A parent or guardian applying for a public benefit on behalf of a child who is citizen or permanent resident need not comply.

- _____ 1. I have provided a copy of documents showing citizenship or lawful presence in the United States. (Such proof may be a Missouri driver’s license, U.S. passport, birth certificate, or immigration documents). Note: If the applicant is an alien, verification of lawful presence must occur prior to receiving a public benefit.

- _____ 2. I do not have the above documents, but provide an affidavit (copy attached) which may allow for temporary 90 day qualification.

- _____ 3. I have provided a completed application for a birth certificate pending in the State of _____. Qualification shall terminate upon receipt of the birth certificate or determination that a birth certificate does not exist because I am not a United States citizen.

Applicant

Date

Printed Name

(Please complete and return with Contract)

**Certification Regarding
Debarment, Suspension, Ineligibility and Voluntary Exclusion
Lower Tier Covered Transactions**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98 Section 98.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988, Federal Register (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS FOR CERTIFICATION)

- (1) The prospective recipient of Federal assistance funds certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the prospective recipient of Federal assistance funds is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Name and Title of Authorized Representative

Signature

Date



County Purchasing

Standard Terms and Conditions Boone

613 E. Ash St., Room 109
Columbia, MO 65201

Tyson Boldan, Buyer

Phone: (573) 886-4392 – Fax: (573) 886-4390

1. Responses shall include all charges for packing, delivery, installation, etc., (unless otherwise specified) to the Boone County Department identified in the Request for Bid and/or Proposal.
2. The Boone County Commission has the right to accept or reject any part or parts of all bids, to waive technicalities, and to accept the offer the County Commission considers the most advantageous to the County. Boone County reserves the right to award this bid on an item-by-item basis, or an "all or none" basis, whichever is in the best interest of the County.
3. Bidders must use the bid forms provided for the purpose of submitting bids, must return the bid and bid sheets comprised in this bid, give the unit price, extended totals, and sign the bid.
4. When products or materials of any particular producer or manufacturer are mentioned in our specifications, such products or materials are intended to be descriptive of type or quality and not restricted to those mentioned.
5. Do not include Federal Excise Tax or Sales and Use Taxes in bid process, as law exempts the County from them.
6. The delivery date shall be stated in definite terms, as it will be taken into consideration in awarding the bid.
7. The County Commission reserves the right to cancel all or any part of orders if delivery is not made or work is not started as guaranteed. In case of delay, the Contractor must notify the Purchasing Department.
8. In case of default by the Contractor, the County of Boone will procure the articles or services from other sources and hold the Bidder responsible for any excess cost occasioned thereby.
9. Failure to deliver as guaranteed may disqualify Bidder from future bidding.
10. Prices must be as stated in units of quantity specified, and must be firm. Bids qualified by escalator clauses may not be considered unless specified in the bid specifications.
11. No bid transmitted by fax machine or **e-mail** will be accepted. **U.S. mail only.**
12. The County of Boone, Missouri expressly denies responsibility for, or ownership of any item purchased until same is delivered to the County and is accepted by the County.
13. The County reserves the right to award to one or multiple respondents. The County also reserves the right to not award any item or group of items if the services can be obtained from a state or

other governmental entities contract under more favorable terms.

14. The County, from time to time, uses federal grant funds for the procurement of goods and services. Accordingly, the provider of goods and/or services shall comply with federal laws, rules and regulations applicable to the funds used by the County for said procurement, and contract clauses required by the federal government in such circumstances are incorporated herein by reference. These clauses can generally be found in the Federal Transit Administration's Best Practices Procurement Manual – Appendix A. Any questions regarding the applicability of federal clauses to a particular bid should be directed to the Purchasing Department prior to bid opening.
15. In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
16. Should an audit of Contractor's invoices during the term of the Agreement, and any renewals thereof, indicate that the County has remitted payment on invoices that constitute an over-charging to the County above the pricing terms agreed to herein, the Contractor shall issue a refund check to the County for any over-charges within 30-days of being notified of the same.



Boone County Purchasing
613 E. Ash St., Room 109
Columbia, MO 65201

“No Bid” Response Form

Tyson Boldan, Buyer
(573) 886-4392– Fax: (573) 886-4390

“NO BID RESPONSE FORM”

**NOTE: COMPLETE AND RETURN THIS FORM ONLY IF YOU DO NOT WANT TO
SUBMIT A BID**

If you do not wish to respond to this bid request, but would like to remain on the Boone County vendor list for this service/commodity, please remove form and return to the Purchasing Department by mail or fax.

If you would like to FAX this “No Bid” Response Form to our office, the FAX number is (573) 886-4390.

Bid: 02-10JAN12 – Juror Hotel Accommodation Service - Term and Supply

Business Name: _____

Address: _____

Telephone: _____

Contact: _____

Date: _____

Reason(s) for not bidding:

**PURCHASE AGREEMENT
FOR
JUROR ACCOMMODATIONS TERM & SUPPLY
TERTIARY SUPPLIER**

THIS AGREEMENT dated the 1 day of March 2012 is made between Boone County, Missouri, a political subdivision of the State of Missouri through the Boone County Commission, herein "County" and **Holiday Inn East**, herein "Contractor."

IN CONSIDERATION of the parties performance of the respective obligations contained herein, the parties agree as follows:

1. Contract Documents - This agreement shall consist of this Purchase Agreement for **Juror Accommodations Term & Supply**, County of Boone Request for Bid for **Juror Accommodations Term & Supply**, bid number **02-10JAN12**, Introduction and General Conditions of Bidding, Primary Specifications, Response Presentation and Review, the un-executed Response Form, Standard Terms and Conditions as well as the Contractor's bid response dated **January 10, 2012** and executed by **April Dehrle** on behalf of the Contractor. All such documents shall constitute the contract documents, which are attached hereto and incorporated herein by reference. Service or product data, specification and literature submitted with bid response may be permanently maintained in the County Purchasing Office bid file for this bid if not attached. In the event of conflict between any of the foregoing documents, the Introduction and General Conditions of Bidding, this Purchase Agreement, the Primary Specifications, the Response Presentation and Review, the un-executed Response Form, and the Standard Terms and Conditions shall prevail and control over the Contractor's bid response.

2. Contract Duration - This agreement shall be for the period from the date of award through **December 31, 2012** subject to the provisions for termination specified below. This agreement may be extended beyond the expiration date by order of the County for four (4) additional one-year periods subject to the pricing clauses in the Contractor's bid response and thereafter on a month to month basis in the event the County is unable to re-bid and/or award a new contract prior to the expiration date after exercising diligent efforts to do so or not.

3. Purchase - The County agrees to purchase from the Contractor and the Contractor agrees to supply the County the items as required in the bid specifications and in conformity with the contract documents for the prices set forth in the Contractor's bid response. Holiday Inn East shall act as the tertiary supplier and shall furnish rooms for juror accommodations for the County.

4. Billing and Payment - All billing shall be invoiced to Boone County Court Administration in accordance with section 2.5 of the bid document. Billings may only include the prices listed in the Contractor's bid response. No additional fees for extra services not included in the bid response or taxes shall be included as additional charges in excess of the charges in the Contractor's bid response to the specifications. The County agrees to pay all correct monthly statements within thirty days of receipt. In the event of a billing dispute, the County reserves the right to withhold payment on the disputed amount; in the event the billing dispute is resolved in favor of the Contractor, the County agrees to pay interest at a rate of 9% per annum on disputed amounts withheld commencing from the last date that payment was due.

5. Binding Effect - This agreement shall be binding upon the parties hereto and their successors and assigns for so long as this agreement remains in full force and effect.

other governmental entities contract under more favorable terms.

14. The County, from time to time, uses federal grant funds for the procurement of goods and services. Accordingly, the provider of goods and/or services shall comply with federal laws, rules and regulations applicable to the funds used by the County for said procurement, and contract clauses required by the federal government in such circumstances are incorporated herein by reference. These clauses can generally be found in the Federal Transit Administration's Best Practices Procurement Manual – Appendix A. Any questions regarding the applicability of federal clauses to a particular bid should be directed to the Purchasing Department prior to bid opening.
15. In the event of a discrepancy between a unit price and an extended line item price, the unit price shall govern.
16. Should an audit of Contractor's invoices during the term of the Agreement, and any renewals thereof, indicate that the County has remitted payment on invoices that constitute an over-charging to the County above the pricing terms agreed to herein, the Contractor shall issue a refund check to the County for any over-charges within 30-days of being notified of the same.



Boone County Purchasing
613 E. Ash St., Room 109
Columbia, MO 65201

“No Bid” Response Form

Tyson Boldan, Buyer
(573) 886-4392-- Fax: (573) 886-4390

“NO BID RESPONSE FORM”

**NOTE: COMPLETE AND RETURN THIS FORM ONLY IF YOU DO NOT WANT TO
SUBMIT A BID**

If you do not wish to respond to this bid request, but would like to remain on the Boone County vendor list for this service/commodity, please remove form and return to the Purchasing Department by mail or fax.

If you would like to FAX this “No Bid” Response Form to our office, the FAX number is (573) 886-4390.

Bid: 02-10JAN12 – Juror Hotel Accommodation Service - Term and Supply

Business Name: _____

Address: _____

Telephone: _____

Contact: _____

Date: _____

Reason(s) for not bidding:

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
 County of Boone } ea.

March Session of the January Adjourned

Term. 20 12

In the County Commission of said county, on the 1st day of March 20 12

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the contract between the City of Columbia and Boone County, Missouri for 2012 pavement preservation projects. The terms of this agreement are stipulated in the attached contract. It is further ordered the Presiding Commissioner is hereby authorized to sign said contract.

Done this 1st day of March, 2012.

ATTEST:

Wendy S. Noren cc
 Wendy S. Noren
 Clerk of the County Commission

Daniel K. Atwill
 Daniel K. Atwill
 Presiding Commissioner

Karen M. Miller
 Karen M. Miller
 District I Commissioner

Absent
 Skip Elkin
 District II Commissioner

**BOONE COUNTY AND CITY OF COLUMBIA
ROAD MAINTENANCE COOPERATIVE AGREEMENT**

2012 Pavement Preservation Projects

THIS AGREEMENT is entered into by and between Boone County, Missouri, through its County Commission, a political subdivision of the State of Missouri, herein “Boone County” and the City of Columbia, Missouri, a political subdivision of the State of Missouri, herein “City”.

WHEREAS, County and City desire to cooperate with each other on the maintenance of certain roadways in which both County and City have certain maintenance obligations; and

WHEREAS, the parties are authorized pursuant to the provisions of RSMo §70.220 to enter into this cooperative agreement; and

WHEREAS, cooperation between the parties for the purposes herein stated is intended to benefit each through the containment and reduction of associated costs as well as provide for the preservation and maintenance of the impacted roadways.

WITNESSETH:

NOW, THEREFORE, in consideration of the mutual covenants, promises and representations in this agreement the parties agree as follows:

1. **PURPOSE:** The purpose of this agreement is to formalize the understanding between the parties regarding the sharing of costs associated with pavement preservation work to be done as part of the 2012 construction season.
2. **SHARED MAINTENANCE OBLIGATIONS:** Currently, Boone County is responsible for the maintenance of all of the roads referenced herein, as part of its road system, except that the City is responsible for a one half interest in maintenance responsibilities for those portions of the roads adjacent to property annexed into the City of Columbia. Said shared maintenance obligations are depicted in the Exhibits attached hereto and incorporated herein by reference.
3. **LOCATION:** The location of the 2012 Asphalt Overlay project is as follows: St. Charles Road to begin just west of Elderbrook Drive, and continue east approximately 2974 feet to Grace Lane. Rock Quarry Rd. to begin approximately 1,125 feet south of Zoe Lane, and continue south approximately 2,675 feet to

Gans Road. Gans Road to begin at Rock Quarry Road and continue east approximately 2,675 feet to Bearfield Road. Bearfield Road to begin approximately 190 feet south of Hollow Ridge Drive, and continue south approximately 7,104 feet to the end of pavement.

The locations of the 2012 Preservation Chip Seal projects are as follows:

Gans Road to begin at Bearfield Road and continue approximately east 2,525 feet to approximately 180 feet past Bradington Road. Oakland Gravel Road to begin at Teresa Drive and continue north and east approximately 3,625 feet to Alfalfa Drive. Old Millers Road to begin at the east right-of-way line of U.S. Highway 63 and continue east approximately 1,045 feet to Rolling Hills road. Prathersville Road to begin at the eat right-of-way line of Highway 763 and continue east approximately 3,835 feet to Lakeside Drive.

4. WORK CONTEMPLATED: Boone County will request bids for work to include but not limited to ditching, dig-out repairs, culvert replacements, driveway approach repairs, wedge/leveling course, asphalt overlay, and other associated preparatory work to complete the 2012 Asphalt Overlay Project.

Also, Boone County will perform, with its own forces, application of road oil, application of Osage River rock, Iron Mountain Trap Rock, or like aggregate, sweeping, and other associated preparatory work to complete the 2012 Preservation Chip Seal projects.

Additionally, the City will perform striping, as summarized below. The County's portion of the costs for the striping will be used to offset a portion of the City's costs incurred for the Asphalt Overlay and/or Preservation Chip Seal projects.

5. COST: The cost allocations for each bid item for the 2012 Overlay Project has been calculated based on the linear footage of shared responsibility versus the total length of the project, and are summarized below. The costs for the Preservation Chip Seal projects were calculated based on the surface area of pavement to be treated in areas of responsibility for each party and are summarized below.

2012 Asphalt Overlay Projects		
Road Name/Desc.	St. Charles Rd.	Rock Quarry Rd., Gans Rd., Bearfield Rd.
Project Length	2,974'	12,454'
Shared Length	2,254'	3,090'
City Only Length	225'	0'
County Only Length	495'	9,3641'
Engineer's Estimate	\$ 126,677.00	\$ 360,674.00
County Responsibility	\$ 69,038.97 (54.5%)	\$ 315,950.42 (87.6%)
City Responsibility	\$ 57,638.03 (45.5%)	\$ 44,723.58(12.4%)

2012 Preservation Chip Seal Projects					
Road Name	Total Qty.	County Qty.	City Qty.	Unit Cost	City Cost
Gans Rd.	6,172 s.y.	3,086 s.y.	3,086 s.y.	\$ 2.07	\$ 6,388.02
Oakland Gravel Rd.	8,861 s.y.	7,217 s.y.	1,644 s.y.	\$ 2.07	\$ 3,403.08
Old Millers Rd.	1,552 s.y.	776 s.y.	776 s.y.	\$ 2.07	\$ 1,606.32
Prathersville Rd.	9,800 s.y.	6,734 s.y.	3,066 s.y.	\$ 2.07	\$ 6,346.62
Total					\$ 17,744.04

2012 Striping By City					
Road Name	Description	Total Length	County Length	Unit Cost	County Cost
St. Charles Rd.	Double Yellow	2,974'	1,621'	\$ 0.12/L.F. x 2 lines	\$ 389.04
	White Edge	2,974'	1,621'	\$ 0.12/L.F. x 2 lines	\$ 389.04
Rock Quarry, Gans, Bearfield	Double Yellow	12,454'	10,909'	\$ 0.12/L.F. x 2 lines	\$ 2,618.16
Gans Rd. (Chip Seal)	Double Yellow	2,525'	1,263'	\$ 0.12/L.F. x 2 lines	\$ 303.12
Oakland Gravel Rd. (Chip Seal and 2012 County Overlay)	Double Yellow	4,945'	4,272'	\$ 0.12/L.F. x 2 lines	\$ 1,025.28
Prathersville Rd.	Double Yellow	3,835'	2,635'	\$ 0.12/L.F. x 2 lines	\$ 632.40
	White Edge	3,835'	2,635'	\$ 0.12/L.F. x 2 lines	\$ 632.40
Total					\$ 5,989.44

2012 Cost Summary: \$ 102,361.61 Asphalt Overlay Projects
 \$ 17,744.04 Preservation Chip Seal Projects
 - \$ 5,989.44 County Portion of Striping Cost by City
Total \$ 114,116.21 + 10% Contingency = \$ 125,527.83

TOTAL COST TO CITY NOT TO EXCEED \$ 126,000.00

6. Method of Payment: Upon completion of the Asphalt Overlay Project, and after settling of all payment to the contractor, a final cost to the City for said projects will be calculated by the County, at the established percentage of responsibility of the final project cost.

The estimated costs of the Preservation Chip Seal projects, as listed above will be used in the request for payment. Final measurements will not be made, unless actual material use indicates significant difference from planned quantities. If a change in this amount is made, the County will indicate said change on payment request to City.

The estimated costs for the Striping by the City, as listed above, will be used in the request for payment. Final measurements will not be made, unless actual material use indicated significant difference from planned quantities. If a change in this amount is made, the City shall notify the County as soon as possible upon completion of the striping, so an accurate payment request can be made.

Upon calculation of these final costs, following completion of all work for the construction season, The County will request payment from the City which will include the costs for Asphalt Overlay and/or Preservation Chip Seal projects, less the costs to the County of the Striping by City. The City will reimburse the County for requested costs incurred, within thirty (30) days of presentation of request.

7. AUTHORITY: The individuals signing this agreement below certify that they have obtained the appropriate authority to execute this agreement on behalf of the respective parties.

IN WITNESS WHEREOF the parties through their duly authorize representatives have executed this agreement effective as of the date of the last party and execute the same.

Executed by Boone County this 9th day of February, 2012

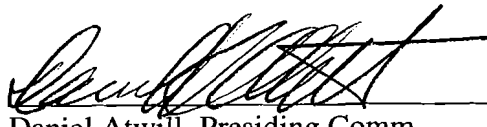
Executed by the City of Columbia this _____ day of _____, 2012.

CITY OF COLUMBIA

BOONE COUNTY



Mike Matthes, City Manager

Stan Shawver, Director of Resource Management, Boone County


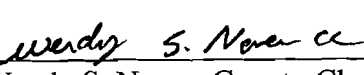
Daniel Atwill, Presiding Comm.

ATTEST:



Sheela Amin, City Clerk

ATTEST:



Wendy S. Noren, County Clerk

Director of Finance Certification:

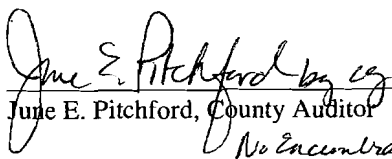
I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged 110-6022-521.49.90 and that there is an unencumbered balance to the credit of such an appropriation sufficient to pay therefore.



John Blattel, Director of Finance Date


Boone County Auditor Certification:

I hereby certify that a sufficient, unencumbered appropriation balance exists and is available to satisfy the obligation arising from this contract. (Note: Certification of this contract is not required if the terms of this contract do not create a measurable county obligation at this time.



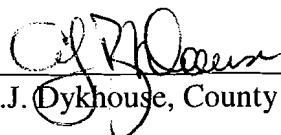
June E. Pitchford, County Auditor Date
2/24/12
2048-3528
No Encumbrance Required

APPROVED AS TO FORM:

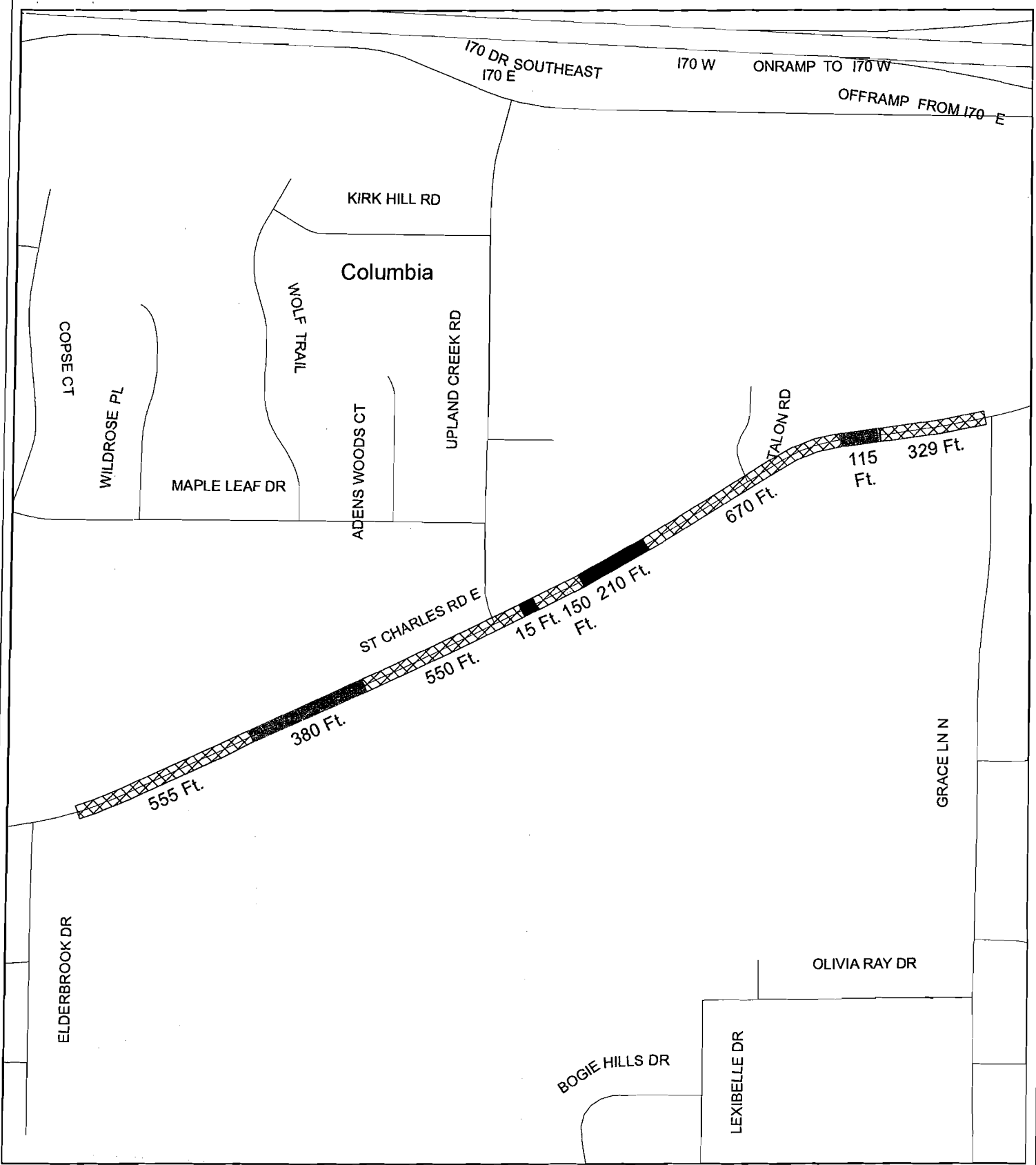


Fred Boeckmann, City Attorney

APPROVED AS TO FORM:



C.J. Dykhouse, County Counselor



2012 Asphalt Overlay

City of Columbia
and
Boone County

ST CHARLES RD



City



City and County

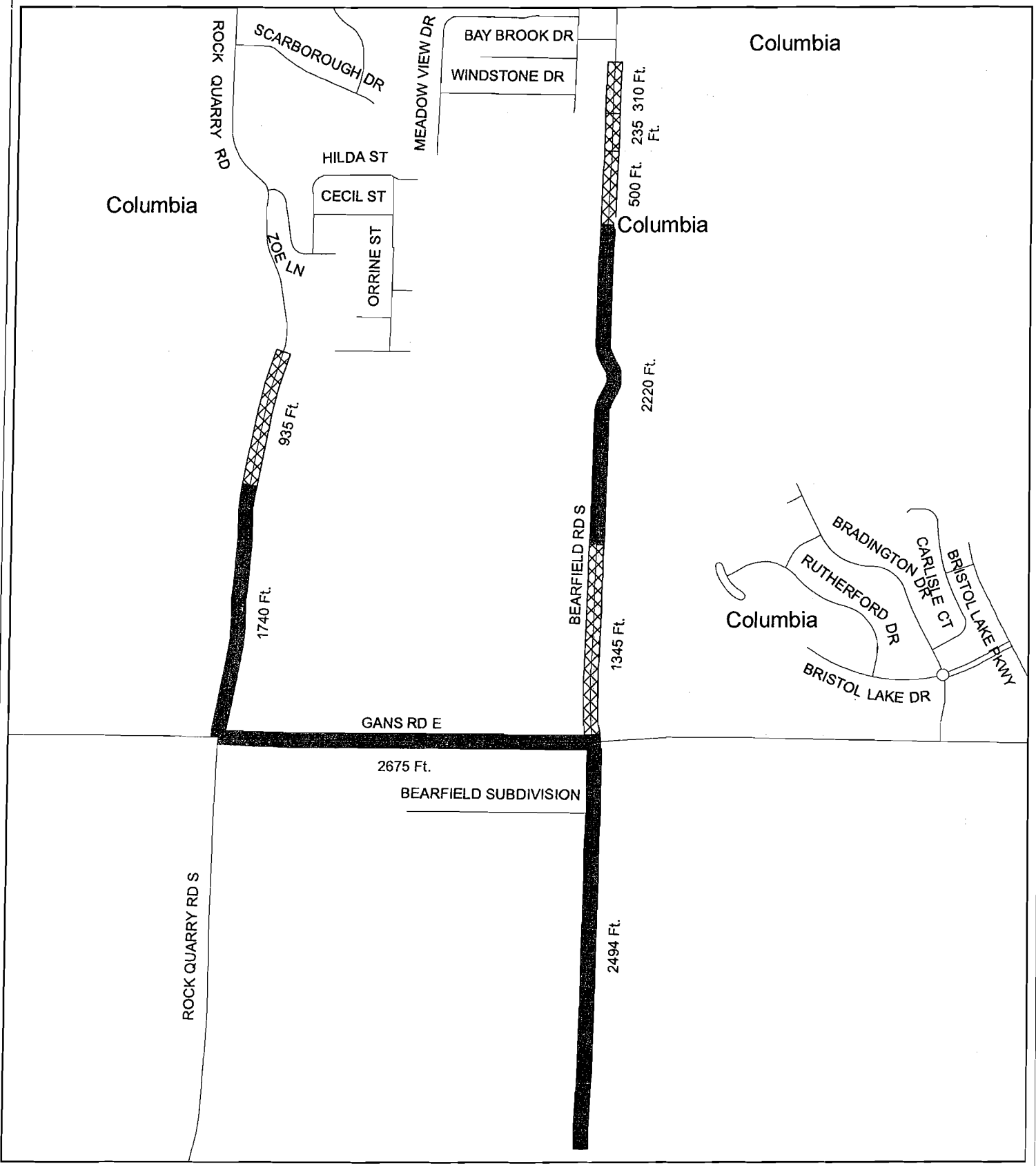


County

City Limits



Date: 9/27/2011



2012 Asphalt Overlay

City of Columbia
and
Boone County

ROCK QUARRY RD, GANS RD, &
BEARFIELD RD



City



City and County



County

City Limits



Date: 9/27/2011

BEARFIELD RD S

GANS RD E

BEARFIELD RD S

WYNDHAM DR

RUTHERFORD DR

Columbia

RUTHERFORD DR

BRISTOL LAKE DR

BRADINGTON DR

BRADINGTON DR

BRISTOL LAKE PKWY

GANS RD E

2525 Ft.

2012 Preservation Chip Seal

City of Columbia
and
Boone County



City and County

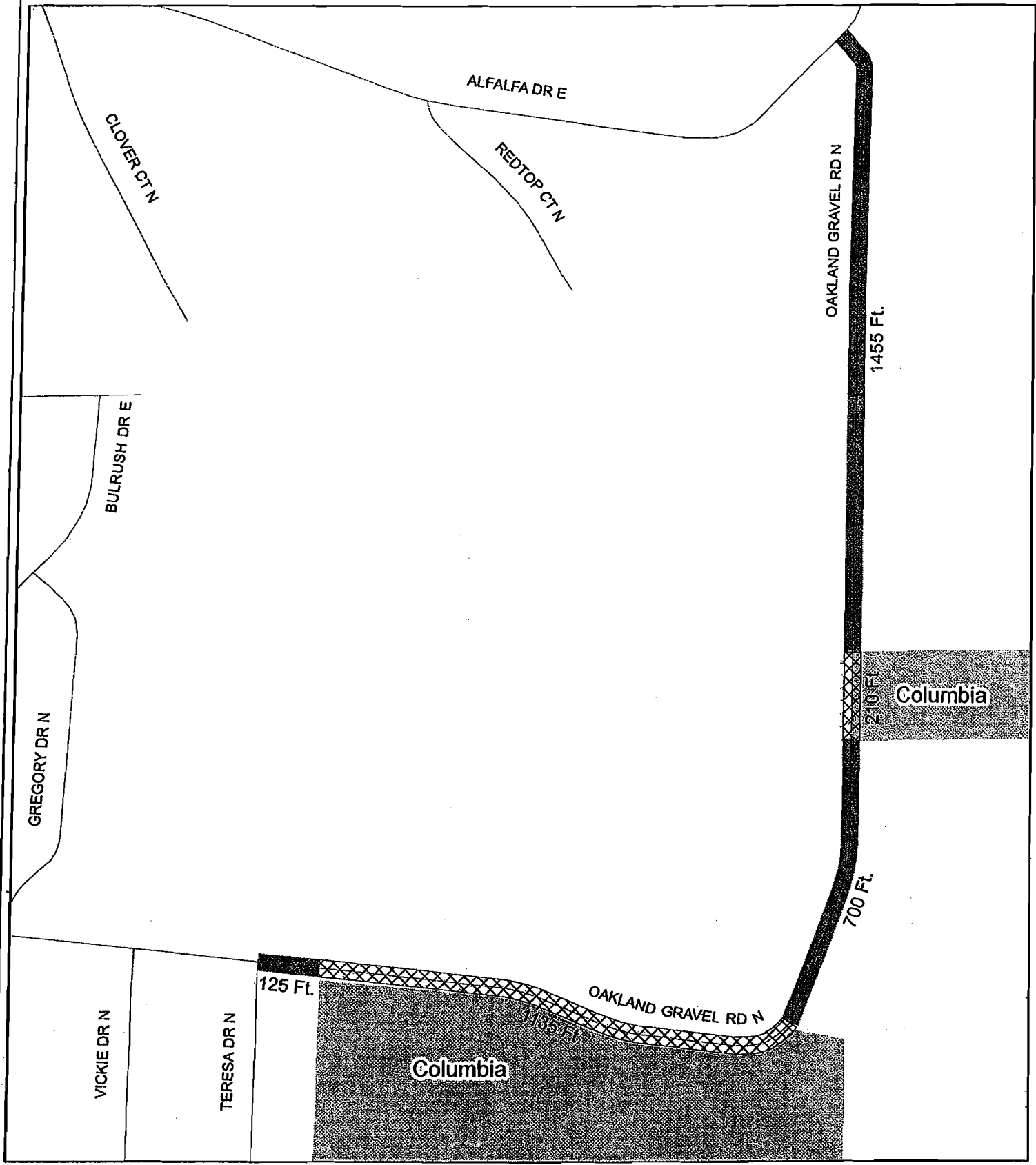


City Limits



GANS RD

Date: 9/27/2011



2012 Preservation Chip Seal

City of Columbia
and
Boone County

OAKLAND GRAVEL RD



City



City and County



County



City Limits



Date: 9/27/2011

Columbia

OLD MILLERS RD E

1045
Ft.

ROLLING HILLS RD S

HIGHWAY 63 S NB

HIGHWAY 63 S SB

PONDEROSA ST S

2012 Preservation Chip Seal

City of Columbia
and
Boone County

OLD MILLERS RD



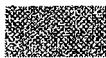
City



City and County



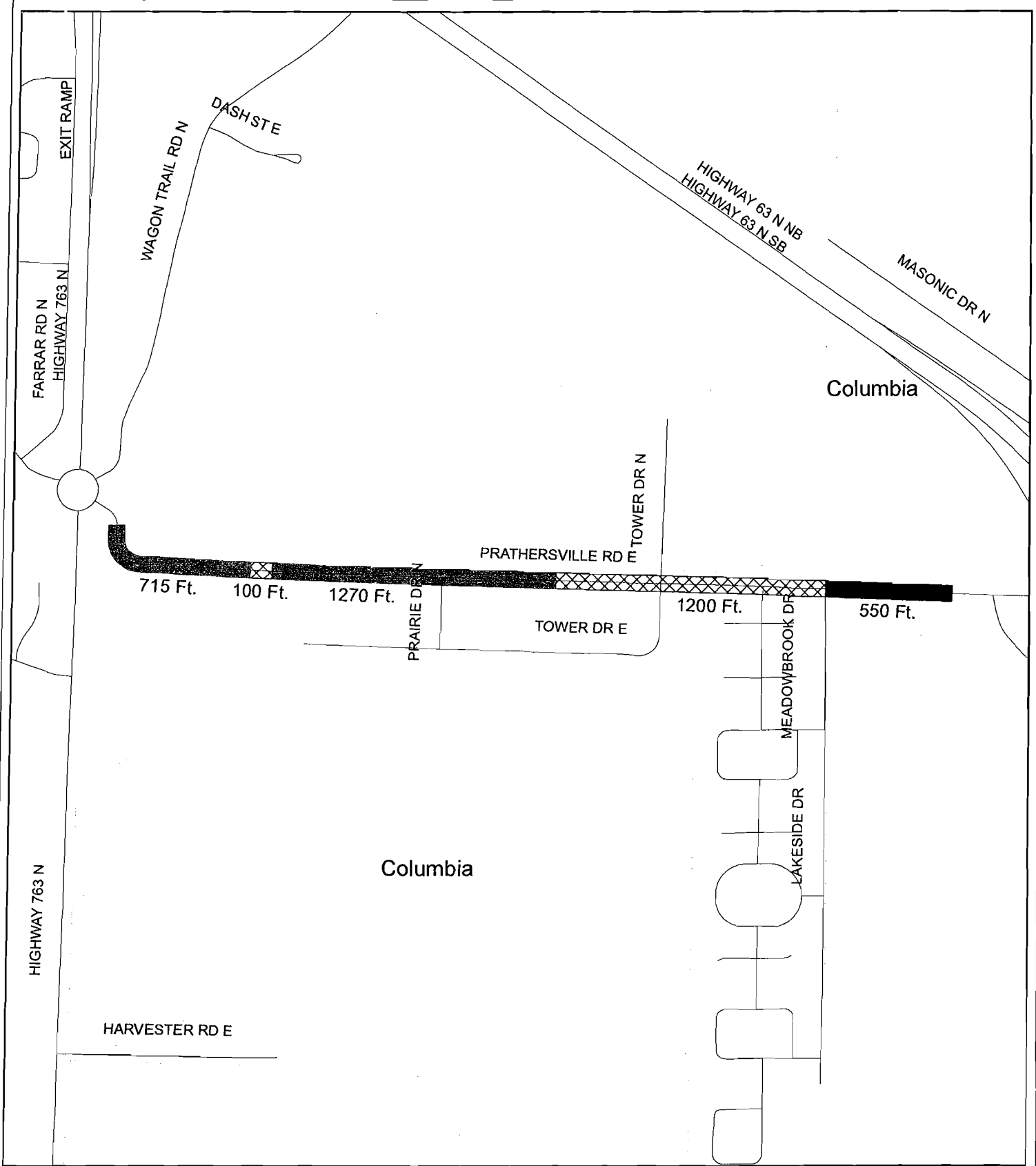
County



City Limits



Date: 9/27/2011




2012 Preservation Chip Seal

City of Columbia
and
Boone County

PRATHERSVILLE RD

 City

 City and County

 County

City Limits



Date: 9/27/2011

Asphalt Overlay Projects - City of Columbia									
Project Name	Description	Total Length (ft.)	County Only Length (ft.)	City Only Length (ft.)	Shared Length (ft.)	County Total Length (ft.)	City Total Length (ft.)	County %	City %
St. Charles Rd.	Elderbrook Dr. to Grace Ln.	2974	495	225	2254	1622	1352	54.5%	45.5%
Rock Quarry Rd., Gans Rd., Bearfield Rd.	City/County to EOP, Rock Quarry to Bearfield, City/County to EOP	12454	9364	0	3090	10909	1545	87.6%	12.4%

Preservation Chip Seal Projects - City of Columbia									
Road Name		Road Width (ft.)	Total Length (ft.)	County Only Length (ft.)	City Only Length (ft.)	Shared Length (ft.)	County Total Length (ft.)		
Gans Rd.	Bearfield Rd. to Bradington Dr.	22	2525	0	0	2525	1262.5	1262.5	3086 3086
Oakland Gravel Rd.	Teresa Dr. to Alfalfa	22	3625	2280	0	1345	2952.5	672.5	7217 1644
Old Millers Rd.	Hwy 63 to Rolling Hills Rd.	22	635	0	0	635	317.5	317.5	776
Prathersville Rd.	Hwy 763 to Lakeside Dr.	23	3835	1985	550	1300	2635		

Asphalt Overlay Projects - City of Columbia

Project Name	Description	Total Length (ft.)	County Only Length (ft.)	City Only Length (ft.)	Shared Length (ft.)	County Total Length (ft.)	City Total Length (ft.)	County %	City %
St. Charles Rd.	Elderbrook Dr. to Grace Ln.	2974	495	225	2254	1622	1352	54.5%	45.5%
Rock Quarry Rd., Gans Rd., Bearfield Rd.	City/County to EOP, Rock Quarry to Bearfield, City/County to EOP	12454	9364	0	3090	10909	1545	87.6%	12.4%

Preservation Chip Seal Projects - City of Columbia

Road Name		Road Width (ft.)	Total Length (ft.)	County Only Length (ft.)	City Only Length (ft.)	Shared Length (ft.)	County Total Length (ft.)	City Total Length (ft.)	County Area (SY)	City Area (SY)
Gans Rd.	Bearfield Rd. to Bradington Dr.	22	2525	0	0	2525	1262.5	1262.5	3086	3086
Oakland Gravel Rd.	Teresa Dr. to Alfalfa	22	3625	2280	0	1345	2952.5	672.5	7217	1644
Old Millers Rd.	Hwy 63 to Rolling Hills Rd.	22	635	0	0	635	317.5	317.5	776	776
Prathersville Rd.	Hwy 763 to Lakeside Dr.	23	3835	1985	550	1300	2635	1200	6734	3067
									Total	8573

CERTIFIED COPY OF ORDER

STATE OF MISSOURI }
County of Boone } ea.

March Session of the January Adjourned

Term. 20 12

In the County Commission of said county, on the 1st day of March 20 12

the following, among other proceedings, were had, viz:

Now on this day the County Commission of the County of Boone does hereby approve the contract between Burnett and Associates and Boone County, Missouri for a legislation consultant. The terms of this agreement are stipulated in the attached contract. It is further ordered the Presiding Commissioner is hereby authorized to sign said contract.

Done this 1st day of March, 2012.

ATTEST:

Wendy S. Noren
Wendy S. Noren
Clerk of the County Commission

Daniel K. Atwill
Daniel K. Atwill
Presiding Commissioner
Karen M. Miller
Karen M. Miller
District I Commissioner

Absent
Skip Elkin
District II Commissioner

LEGISLATION CONSULTANT SERVICES AGREEMENT

THIS AGREEMENT, dated the 1 day of March, 2012, between Boone County, Missouri, by and through its County Commission, herein "County," and Douglas W. Burnett, d/b/a Burnett and Associates, herein "Consultant."

IN CONSIDERATION OF the parties' performance of the mutual obligations set forth in this agreement, the parties agree to the following:

1. *Scope of Services* – Consultant agrees to provide consulting services to County by researching and monitoring legislation and representing the County before the Missouri State General Assembly, including the following specific services:

- Review pre-filed bills applicable to county government and, in particular, counties of the first class.
- Upon request, provides the County Commission and other county officers copies of proposed legislation applicable to county governments or as would otherwise relate to or affect the operation of county government.
- Prepare amendments to legislation introduced before the General Assembly as directed by various county officials.
- Individually contact state legislators to explain County positions on legislation or legislative proposals.
- Testify at legislative hearings on behalf of Boone County as directed by the County Commission or other County officers.
- Provide legislative updates to County officials.
- Coordinate lobbying efforts with other organizations involved with issues common to Boone County as directed by the Boone County Commission or other county officials.
- Meet with various departments and agencies of state government at the County's request.
- Attend meetings as directed by the County Commission or other county officials.

Services under this agreement may not be subcontracted, but may be performed by the Consultant's employees if approved by the County Commission.

2. *Compensation* – In exchange for the Consultant services as specified above, the County agrees to pay the Consultant a total sum of Twenty Five Thousand Nine Hundred Ninety Five Dollars (\$25,995.00) for calendar year 2012, payable upon

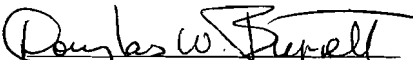
invoice in monthly installments, on or before the last day of the month of invoice. Services shall commence on the 1st day of January, 2012. In addition, the Consultant may be reimbursed for such expenses the Consultant incurs if pre-approved by order of the Boone County Commission. In this regard, it is explicitly understood and agreed that the County shall not be responsible for payment of any Consultant expenses unless said expenses are identified and authorized prior to being incurred by order of a majority vote of the Boone County Commission. Alternatively, such expenses may be pre-approved by the Presiding County Commissioner if he has been authorized to approve such expenses by order of a majority vote of the Boone County Commission, and only when such approval is within the scope of such authorization.

3. *Duration and Termination* – This agreement shall be effective for calendar year 2012. This agreement may be terminated by either party upon thirty (30) days advance written notice for any reason or upon five (5) days written notice for cause. Cause shall be defined as a material breach by either party of any term or condition of this agreement and/or a violation by the Consultant or Consultant's employees of any law, rule, regulation or ordinance regulating the conduct or activities of lobbyists. In the event of termination, the Consultant shall provide only such services as are necessary to wind up the Consultant's activities on behalf of the County from the date termination notice is given, to the date of termination, unless other services or activities are expressly authorized by the Boone County Commission in writing. In the event of termination the Consultant's compensation shall be prorated through the date of termination.

IN WITNESS WHEREOF the parties have executed this agreement on the day and year first above written.

BURNETT AND ASSOCIATES

by:


Douglas W. Burnett

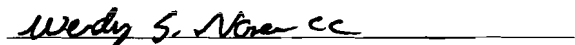
BOONE COUNTY, MISSOURI

by its County Commission

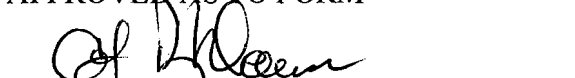


Daniel K. Atwill
Presiding Commissioner

ATTEST:


Wendy S. Noren, County Clerk

APPROVED AS TO FORM


C.J. Dykhouse, Boone County Counselor

