

"There she stands, proud in all her glory."

Missouri County Record

Spring 2017



Dent County Courthouse,
Salem, Mo.

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Dent County

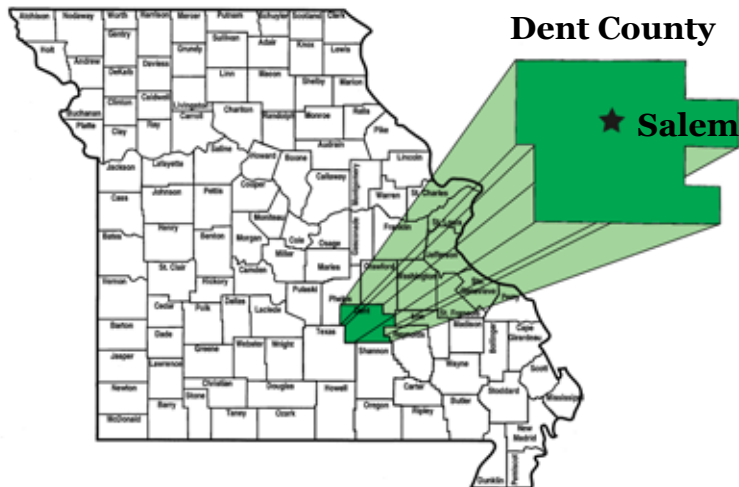
Dennis Weiser

Missouri Courthouses: Building Memories On The Square

In 1851, Missouri legislators cut off the southern half of Crawford County and the northern half of Shannon County, and this land became Dent County. A few more boundary modifications followed, and the county's present day borders became firm in 1879.

Fire destroyed the county's first courthouse during the Civil War, and the second was destroyed immediately following the end of the conflict. The current courthouse was constructed in 1870.

An expansion in 1896 added a one-story addition at the rear of the building. In 1911, a second floor was added to the annex. More renovations during the 1930s created additional office space. In 1976, workers stripped yellow paint from the handmade, walnut stair railings, returning them to their natural color. The courthouse is on the National Register of Historic Places.



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516 East Capitol Avenue, PO Box 234, Jefferson City, MO 65102-0234
Telephone: (573) 634-2120 Fax: (573) 634-3549
www.mocounties.com

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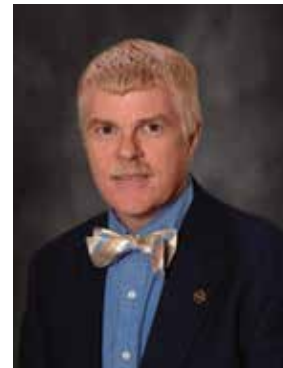
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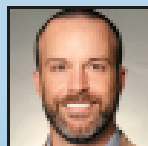
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Building A Prescription Drug Monitoring Program — A Local Approach

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Amy Endrizal, JD, MPH, and Kate Donaldson, MPH
St. Louis County Department of Public Health

Opioid drug abuse is a serious public health issue nationwide and is the leading cause of death due to injury in the United States, according to the Department of Health and Human Services. Opioids, sometimes referred to as narcotics, are a class of drugs that includes heroin but also prescription pain relievers such as morphine, oxycodone (OxyContin), hydrocodone (Vicodin), and fentanyl, among others. While they are effective pain relievers, they can also produce euphoria. Sustained use of opioids, even when prescribed by a physician, can lead to dependency and abuse. Two million Americans abused or were dependent on opioid pain relievers (OPRs) in 2014. That same year, nearly 19,000 deaths resulted from OPR overdose, an increase of nine percent from 2013. High-risk behaviors, such as “doctor shopping” for multiple prescriptions or diversion for use by those other than the person to whom they were prescribed, are associated with overdose.

In Missouri, the rate of opioid-related deaths exceeds the national average. While the metropolitan regions of St. Louis and Kansas City have the highest rates of both emergency department and inpatient hospitalizations due to OPR misuse, the largest increases in these rates within the past 10 years have occurred in the rural northeast and southeast regions of the state. Overall, Missouri has experienced a 137 percent increase in OPR misuse hospitalizations between 2005 and 2014. Demographically, the largest increases in these hospitalizations have occurred in white males under

30 years of age. Uninsured patients currently represent almost a third of those hospitalized.

According to the Centers for Disease Control and Prevention (CDC), prescription drug monitoring programs (PDMPs) are among the most promising policy-level interventions to promote the appropriate prescribing and dispensing of OPRs. A PDMP is a database that tracks prescribing and dispensing of controlled prescription drugs, including OPRs, to patients by collecting information from dispensers, ordinarily pharmacies, and making that information available to prescribers.

Common arguments against the adoption of a statewide PDMP have included concerns about citizen privacy and skepticism regarding their effectiveness in curtailing opioid-related deaths.

However, a Health Affairs study estimates that the adoption of a PDMP results in a reduction of 1.12 opioid-related deaths per 100,000 the year following its adoption. The researchers found that programs with more robust reporting protocols, such as frequent data updates involving several drug schedules, are associated with greater reductions in opioid-related deaths. They concluded that 600 opioid-related deaths could have been avoided in 2016 if all states, including Missouri, had implemented an equally robust PDMP protocol. Evidence from the National Survey on Drug Use and Health also indicates that PDMPs are having a measurable impact on reducing opioid drug misuse.

Except for Missouri, every state in the U.S., together with the District of Columbia and Guam,

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has adopted a PDMP. The Missouri Legislature has debated the adoption of a statewide PDMP for nearly 15 years. Numerous bills have been introduced in the 2017 legislative session, and one bill has been passed out of the Senate. St. Louis County is in support of an evidence-based, state-operated PDMP.

States that have adopted these programs are eligible for federal funding to combat OPR- and heroin-related deaths. In the summer of 2016, Sen. Claire McCaskill introduced, and the U.S. Senate approved, an amendment to the Comprehensive Addiction and Recovery Act to also allow local governments that adopt PDMPs to apply for federal funding when a statewide PDMP is not in place.

In March 2016, St. Louis County passed an ordinance establishing a PDMP, whereby other jurisdictions may opt into the program. St. Louis City enacted its law to adopt the PDMP in May 2016, and St. Charles, Jackson, Ste. Genevieve, Cole, and Lincoln Counties, and the cities of Kansas City and Independence have since joined. In addition to passing an ordinance, participating counties

must sign a user agreement with St. Louis County. The PDMP platform will be implemented through a chosen vendor and is slated to launch in April 2017.

After the April 2017 launch, counties who adopt PDMP legislation will be able to join the St. Louis County PDMP on a quarterly basis. For example, any county who adopts legislation by May 1, 2017, will be included in the system on July 1, 2017.

St. Louis County's PDMP is part of a comprehensive public health heroin/opiate initiative, addressing abuse on multiple levels. In addition to the PDMP, elements of the initiative include increased rescue use of naloxone, education, communication, and support for prescription drug buy-



The St. Louis County Prescription Drug Monitoring Program can be accessed at www.stlouisco.com/healthandwellness/pdmp.

back programs. PDMP utilization reports and CDC indicators will be used to inform best practices and local program effectiveness. Information on the PDMP, including reporting procedures and provisions of the county ordinance, can be found at <http://www.stlouisco.com/healthandwellness/pdmp>. In addition, the Missouri Public Health Association works collaboratively with others seeking public health guidance and information, including county officials and MAC members, to support action to improve the health of Missouri's residents.

St. Louis County is collaborating with counties throughout Missouri to submit a joint proposal for PDMP federal funding. Interested jurisdictions are welcome to submit a Letter of Support and participate in the proposal. Contact your local public health agency or St. Louis County for more information at PDMP.DPH@stlouisco.com.

About the Authors: Amy Endrizal is a public health researcher and writer in St. Louis. Kate Donaldson is the Assessment, Evaluation, and Policy Manager at the St. Louis County Department of Public Health.

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The ABCs Of Being A Newly Elected Official

Randy Van Vleck
New Mexico Municipal League
& revised, in part, by MAC

A. Attitude

The right attitude is essential. You may think that this is your opportunity to “change the world” or at least your part of it. County government is a complicated business. Before embarking on a crusade of change, take the opportunity to listen and to learn about the business of governing from those who have governed and also from those who are governed.

B. Budget

The budget is much more than dollars and cents. It is the most important policy document you will ever put together. Counties must have a budget that is balanced, yet one that provides an appropriate level of services to its constituents. Care must be taken to obtain accurate predictions of county revenue and to limit spending to an amount that can be covered by anticipated revenues and reserved savings.

C. Conflicts of Interest

As a member of the governing body, you are prohibited from taking an official act (such as voting) for the primary purpose of directly enhancing your financial interest. An elected official should treat the office as a public trust. Full disclosure of real or potential conflicts of interest should be the guiding principle.

D. Debt

A debt is an obligation resulting from borrowing money or entering into contracts for the purchase of goods and services. Debts of governments may also include bonds.

No individual elected official may bind the county; it is the collective decision of the governing body that is required to bind the county financially.

E. Employees

Employees are your most precious asset. Treat your employees with care and respect. Public employees are a rare breed of individuals that are willing to sacrifice the larger salaries of private life for the feeling that they have done something to promote the public good. Employees are there to make the county a better place to live and work, a goal that should be shared with everyone in the public service.

F. Freedom of Information

The activities of public employees

and elected officials are the public’s business. The Sunshine Law provides the vehicle for making the actions of public officials open to public inspection. You should be mindful that the actions you take are and should be open to the public and that the county should strictly comply with the procedures provided for allowing inspection and copying of public records.

G. Gifts


Elected officials may not act, or refrain from acting, in their official capacity conditioned on payments, offers to pay, or promises to pay money, gifts, or campaign contributions to the elected official or third parties. Gifts to elected officials may raise concerns about undue influence on the elected

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official, or raise concerns about an elected official's independent judgment and decision-making.

H. Home Rule

Home rule counties are those that have undertaken the process for adopting a local charter. Home rule counties are typically larger, and they have the advantage of being able to legislate and act on matters unless the *Constitution* or State Legislature has expressly prohibited the county from acting in the given subject matter.

I. Internet

It's wonderful tool that places almost infinite information at your fingertips, including the Missouri Association of Counties' website at www.mocounties.com. Use the Internet as a starting point for your research but always rely on primary sources over those found online.

J. Judge

The judge is also a partner in the governing of the county. The judge is responsible for hearing criminal and civil cases. Separation

of powers between the judicial, executive, and legislative branches is the cornerstone of government structure in the United States and Missouri. Make the judges feel like they are a member of the team while at the same time respecting their boundaries.

K. Kickbacks

A kickback is the illegal act of receiving something of value in exchange for providing help (or a vote) in a secret and dishonest business deal. Kickbacks are one of the most common forms of government corruption and are easily avoided; just say no.

L. Liability

Elected officials will generally not be held personally liable for acts or omissions that are within the scope of duties as an elected official. Actions that you take that are within the scope of your duties might give rise to liability of the county as a duly elected representative of the county. Elected officials have official immunity for some decisions and actions.

M. Meetings

Meetings are the vehicle through which the elected officials pronounce the policy objectives of the county and through which county actions are initiated. Meetings of the governing body are required to be open to the public under the Missouri Sunshine Law, and can only be closed for a limited number of reasons and only after the proper procedure has been invoked.

N. Nepotism

Art. VII, § 6, of the *Missouri Constitution* sets forth the penalty for engaging in nepotism: "Any public officer or employee in this state who by virtue of his office or employment names or appoints to public office or employment any relative within the fourth degree, by consanguinity or affinity, shall thereby forfeit his office or employment." By way of explanation, the term "consanguinity" pertains to a blood relative and the term "affinity" pertains to kinship by marriage, not by blood.

O. Open

Meetings of the governing body must be open to the public. The open and transparent exercise of government functions is essential to maintaining the trust and legitimacy of government activities.

P. Personnel Policy

Personnel policies are intended to serve as documents from which all county officials may work to adopt a single manual governing county employees. They are intended to provide elected officials with a road map to the various personnel policies and practices that must be reviewed. In many cases, the suggested policies are mandated by the federal government and need to be uniform for all county officers, regardless of the authority for employment control. Please visit

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<http://mocounties.com/mac-model-personnel-policy.php>
to view MAC's model personnel policy.

Q. Quorum

A majority of the members of the governing body is a quorum. A quorum of the governing body, convened in an open meeting (with a few exceptions), is required to conduct business.

R. Respect

Respect for the fellow members of the governing body, respect for the citizens whom you serve, and respect for yourself are the ingredients for a highly successful career as an elected official. Respect is recognizing value from different opinions and following through with commitments.

S. Service

Your service and sacrifice for choosing to become an elected official are appreciated far more than you might imagine. It takes a special individual to make room in his/her life for the important job of governance. It is complex, sometimes personal and occasionally controversial. Whether it is said directly to you or not, let it be known that the citizens of your community thank you for your service and sacrifice to the better good.

T. Tort Immunity

Sovereign immunity in Missouri limits a county's exposure to tort claims, except for three statutory exceptions: (1) injuries resulting from the operation of a motor vehicle; (2) injuries caused by dangerous conditions on the county's property; and (3) claims for which the county has purchased insurance. Note that the statute places statutory caps on damages, even if there is an exception to sovereign immunity, and is further limited by the policy limits where there is insurance. It is important for counties to make sure that they have insurance covering the first two exceptions, and that they have a sovereign immunity endorsement on their policy.

U. Use Tax

A use tax differs from a sales tax only with respect to the location of the seller.

A "use" tax substitutes for a local sales tax on goods or materials that are purchased out-of-state. It is called a "use" tax because the goods or materials are brought into Missouri and "used" by the purchaser. It is not a new tax.

Hometown merchants must charge state and local sales taxes. Online e-tailers and catalog companies, on the other hand, sell merchandise tax-free. This puts the

"Mom & Pop" businesses in your cities and towns at a distinct competitive disadvantage.

V. Vote

As an elected official, you speak to the public by your vote. Be prepared to cast a vote on every agenda item, unless you have some sort of conflict of interest or other reason you cannot legitimately vote or participate. Choosing not to vote because the matter is controversial is not responsible. You were placed in this important position of trust to tackle the tough situation and to vote for the betterment of the community.

W. Wisdom

With your wisdom and willingness to learn, anything is possible.

X. "Xcellence"

Strive every day to be your very best. Excellent counties begin with excellent leaders. The citizens who elected you to office depend on your ability to be your very best.

Y. Yesterday

Yesterday is history, but tomorrow is a mystery. Look always forward for the future has yet to be written and you can be the author.

Z. Zoning

This refers to the ability for a county to establish zones throughout and to regulate the look, construction and use of the land in those particular districts. Zoning is a powerful tool, but it is also one that can be abused. Zoning authority must be exercised judiciously and consistently. In doing so, property values will increase and the overall appearance of your county will be enhanced. Any type of zoning regulations must first receive voter approval.

There you have it. Keep these ABCs handy and refer to them often. Remember, you occupy a great position of trust and authority. The citizens of your county are looking to you to provide the leadership to lead the community into the future. Also, remember that MAC is just a phone call or e-mail away if you need any help.



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A Start On Leveling The “Playing Field”?

Amazon Collecting State & Local Use Taxes In Missouri Beginning Feb. 1

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Editor’s Note: This article concerns the much larger, all-encompassing use tax and is not to be confused with re-instating the sales tax on motor vehicle and marine purchases made across state lines or on sales between individuals in-state purchased from other than a licensed Missouri dealer.

A use tax is exactly the same thing as a sales tax.

It is called a “use” tax because it substitutes for a local sales tax on goods or materials that are purchased out-of-state. It is called a “use” tax because the goods or materials are brought into Missouri

and “used” by the purchaser. It is not a new tax.

Hometown merchants must charge state and local sales taxes. Online e-tailers and catalog companies, on the other hand, sell merchandise tax-free. This puts the “Mom & Pop” businesses in your cities and towns at a distinct competitive disadvantage.

The state of Missouri has had a .04225 use tax for a long time. Counties were given the authority to put a local use tax on the ballot in 1996. Once it is approved, it will always mirror the local sales tax rate, whether it is raised or lowered.

In 1996, nine counties jumped at the chance to put the measure

on the August ballot and were successful.

Since that time, a total of 62 counties have successfully passed a use tax and are reaping thousands of dollars. This leaves more money to run their governments, for law enforcement protection, and for maintaining or upgrading their road and bridge infrastructure.

Now that it’s tax time for Amazon customers in Missouri, 52 counties without the use tax will be losing out.

“Do you know anybody that doesn’t shop online?” asked Greg Burris, Springfield’s city manager, during a Jan. 31 interview with KYTV Channel 3.

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“This does level the playing field,” he continued. “For us it will be helpful. We don’t know exactly how much because we don’t know what the revenues will be. But, what we have heard from the state, statewide, is that it could be anywhere from \$30 million to \$34 million a year.”

The state and city will be benefitting, but one entity will be left out. Greene County is lacking the one thing that Springfield has – a use tax.

The opposite scenario plays out in the Capital City. Cole County has a use tax, but Jefferson City does not.

During the KYTV interview conducted by Reporter Mike Landis, Greene County’s Director of Communications and Public Engagement Trysta Herzog said that the county’s sales tax growth has slowed and she attributes part of that to online sales.

Missouri now joins the ranks of almost 40 states where Amazon is collecting the state and local use tax. Online retailers aren’t required to collect a use tax when they don’t have a physical presence (a nexus) in a state. There is speculation, however, that Amazon will be opening a distribution facility in the St. Louis area. The online giant e-tailer’s decision to begin collections in Missouri on Feb. 1 could be potentially attributed to this.

In a Jan. 26 article published in the *St. Louis Post-Dispatch*, Reporter Lisa Brown interviewed the owner of Creve Coeur Camera. Stephen Weiss said he welcomed Amazon’s announcement that it would begin charging sales tax. He said shoppers often come to his eight stores to look at equipment, but they buy on Amazon because no use tax is collected. It makes the purchase cheaper than buying at his stores and says it’s a practice retailers call “showrooming.”

“It makes a huge difference,” Weiss said about competing against Amazon’s prices that don’t include use tax, which he said is an unfair disadvantage. “It kills us.”

A breakdown of Missouri sales/use tax rates is available online at <https://dors.mo.gov/tax/strgis/input.jsp>.



Seated, left to right: James C. Bowers, Jr., Michael T. White, Aaron G. March, Standing, left to right: Ferdinand E. Niemann IV, Kimberley S. Spies, William B. Moore, Mark S. Bryant, Brian E. Engel, Patricia R. Jensen

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St. Louis Economic Development Partnership To Create Missouri-Wide Supply Map

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The St. Louis Economic Development Partnership (the “Partnership”) received a grant from the U.S. Department of Defense, Office of Economic Adjustment (OEA) to prepare a Missouri-wide defense supply chain map. The Partnership has notified appropriate state-wide agencies and offices of the work and is beginning to visit with selected businesses as part of the process.

Please know that the Partnership has commissioned Thomas P. Miller and Associates (TPMA) to provide this compilation and analysis of the state’s defense supply chain, laying the foundation for the State of Missouri to diversify and advance the state’s economic prosperity. Such a state-wide supply chain map is dramatically different from a supply chain map prepared for an individual business, and this statewide defense supply chain map will analyze the key strengths, weaknesses, opportunities, and challenges facing Missouri’s defense industry.

TPMA is beginning to conduct interviews with community leaders, business partners, and other pertinent organizations within the defense industry from all parts of Missouri. Because of the important role of each county, it is important for you to be aware this process is underway, and that defense contractors, subcontractors, and suppliers in your county may be invited to participate. We hope you will let the businesses in your county know of this important project, and that you will encourage those who are invited to participate to do so. The mapping process is expected to conclude in July, with four presentations of the mapping information across the state.

In the event you may have questions, or desire additional information, please contact Brian Lane or John Hixson by phone or by email at the addresses below:

Brian Lane,
Project Manager,
Advanced Manufacturing
St. Louis Economic Development
Partnership
314-615-8162
blane@stlpartnership.com

John Hixson
Vice President
Advanced Manufacturing
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Richard P. Moore, Attorney At Law - Clayton, MO 314-726-3040

White Goss P.C. - Kansas City, MO 816-753-9200

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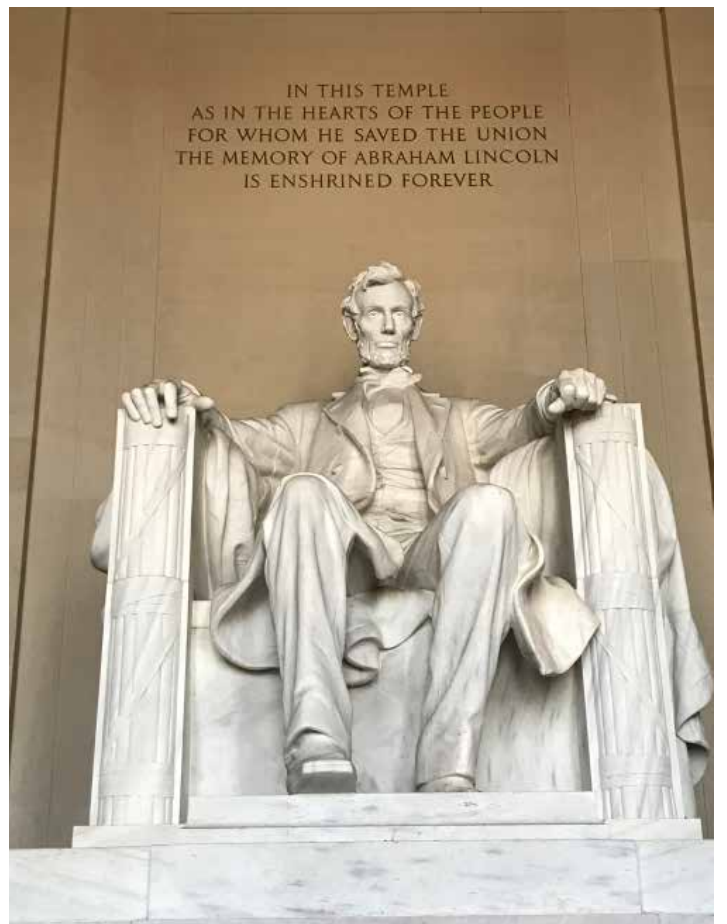
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The Reimbursement Caveats For Housing The State's Prisoners In County Jails

.....

The Caveat For The Amount Of Reimbursement Is “Subject To Appropriations”!

Since its inception in 1972, the Missouri Association of Counties has been facing an uphill battle trying to procure significant state reimbursement for housing the state's prisoners in our county jails.

MAC's first records indicate that in 1976 the per diem was increased from \$3 to \$8. Over the years, the amount grew gradually.

At last, a law passed in 1996 marked what counties perceived as a significant victory. SB 781 increased the state-paid per diem cap to \$37.50, subject to appropriations and “never less than the previous fiscal year.”

Over the years, the words “never less than the previous fiscal year” have been completely disregarded.

Bill of Costs Board Rates

Below is a chart outlining the board rates and corresponding dates since 1998.

Source: MO Department of Corrections

FROM	TO	RATE
7/1/1998	6/30/2002	\$22.50
7/1/2002	6/30/2007	\$20.00
7/1/2007	6/30/2008	\$21.25
7/1/2008	6/30/2010	\$22.00
7/1/2010	9/30/2014	\$19.58
10/1/2014	6/30/2015	\$21.58
7/1/2015	6/30/2016	\$20.58
7/1/2016	6/30/2017	\$21.08

The last two entries in the table are significant because lawmakers were aware of the need in the 2014 and 2016 sessions and they granted higher per diems. The respective \$3 and \$2 increases fell, however, to the power of Gov. Nixon's pen in the form of withholdings or restrictions.

As you read further, keep in mind the win in the 2014 session was applied to the state's upcoming Fiscal Year 2015. Each fiscal year begins on July 1 and ends on June 30. The same held true for the 2016 county win. It was applied to the upcoming Fiscal Year 2017 budget.

The FY 2015 \$3 increase in the prisoner per diem (taking it from \$19.58 to \$22.58 and representing a \$5.3 million increase for Missouri county governments) was historically the highest amount Missouri counties have seen, a major step forward, and one that was both overdue and desperately needed. Gubernatorial action restricted roughly two-thirds of the aforementioned increase, leaving only a \$1 increase that upped the per diem to \$20.58.

The Legislature included another \$2 increase in the FY 2017 budget, which again resulted in a gubernatorial restriction of 75 percent, leaving only a 50-cent increase that upped the per diem to the current \$21.08.

Recognizing the necessity for a solution to the problem, Sen. Brian Munzlinger this year is sponsoring SB 413.

It provides that after July 1, 2018, the amount paid to counties for the local incarceration of prisoners shall not be less than one half of the amount paid to the Department of Corrections.

Continued On Page 20





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Continued From Page 18

According to a reliable source at Corrections, their state-paid per diem for institutionalizing one state prisoner was \$57.38 for FY '16. This included medical costs, employee time, etc.

One half of that amount would mean \$28.69 daily for their prisoners held in county jails – should Sen. Munzlinger's proposal pass.

At press time, SB 413 was reported "Do Pass" out of the Senate Local Government and Elections Committee and is now on the Senate Informal Calendar of Bills For Perfection.

While the legislative process is going on, Gov. Greitens is recommending his budget for the coming state fiscal year. Simultaneously, the Department of Corrections is preparing its FY '18 budget (which includes per diem payments to counties) for submission to the Missouri Legislature.

The back-and-forth process will be ironed out by the end of session in mid-May.

Then the General Assembly's proposed budget is sent to the governor for his approval or denial.

Why Are Counties So Financially Strapped By The Mandate To House State Prisoners In County Jails?

- County governments prepare their budgets based on a calendar year and the "ups and downs" of appropriations are based on the state's fiscal year, all of which make it difficult to forecast anticipated reimbursements.

- Prisoners are held each year in county jails on behalf of the State of Missouri on state criminal charges.

- County governments bear the

burden of funding and providing housing, food, clothing, and transportation for state prisoners in county jails.

- **It is commonly known that the average daily cost for counties to house one state prisoner is \$45.00, which excludes expenditures for inmate medical care, as well as for prisoners who are not adjudicated (actually sentenced to be confined in a state prison and sent to a state facility).**

- **If a state prisoner is not sentenced to spend time in prison and walks out the courtroom door "Scott-Free" or is placed on probation as a non-violent offender, the county receives nothing for his previous incarceration.**

The Caveat For Distribution Of Funds To Counties Is "Timeliness"!

At the County Commissioners Annual Training Session in mid-February, Senate Majority Leader Mike Kehoe gave a concluding address.

During a brief Q&A session following his speech, Cape Girardeau Associate Commissioner Paul Koeper asked why there is such a delay in receiving prisoner per diem reimbursement from the state. He said Cape County has been waiting to receive at least \$500,000 and his county is probably a year behind getting compensated.

This affects everyone at budget time. "The effect of late bills of costs payments from the state affects everyone's budget – all officeholders – all county employees. If bills of costs are not paid in a timely manner, when commissioners prepare the budget, we can only budget money on hand, not what the state owes us," says Commissioner Koeper. "This means possible raises for county employees, health insurance premium increases, repairs to offices, office supplies, etc., are tabled because of lack of funds."

The payment problem is two-pronged.

One prong is that the circuit clerk according to Sec. 33.120, *RSMo*, must put together the payment



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request after the case is disposed before he/she sends it to Jefferson City. It reads that bills must be submitted within two years after final disposition of the case. This is according to guidelines proffered by the Office of the State Courts Administrator.

Another factor to consider in the prisoner per diem issue throws a wrench into things.

Secs. 550.140 to 550.240, *RSMo*, relate to criminal cases. They state bills should be submitted before the next succeeding term. A succeeding term is January through April, May through August, and September through December. So if a person is convicted in January of 2017, the bill should be calculated and sent at the latest by August of 2017, explains

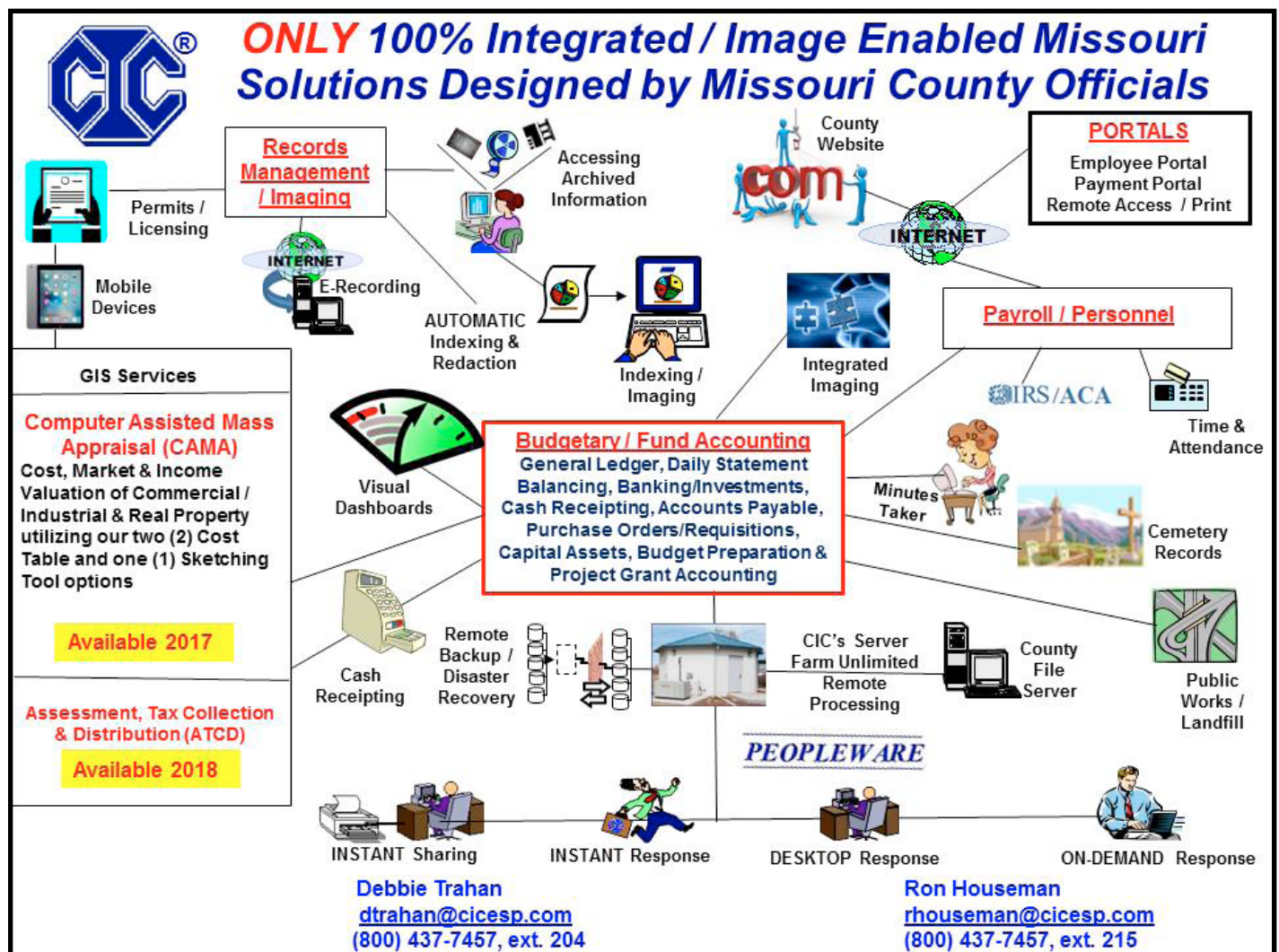
Koeper.

When and after the bills are prepared, the circuit clerk alerts the county treasurer as to the anticipated amount. Several other individuals must sign off on the submission – the sheriff, the circuit court judge, and the prosecuting attorney.

Barb Stillings, Christian County circuit clerk and president of the MO Circuit Clerks Association, says that the “ups and downs” of the per diem from one year to the next make it difficult to calculate the amount due the county. She explains that it’s particularly difficult if the inmate has been held in the county jail for several years in a row. “The 50 percent idea in Sen. Munzlinger’s bill would make it a lot easier,” she adds.

The second prong lies with the Department of Corrections. If it’s a tight year for the state budget, Commissioner Koeper said the department has the opportunity “to sit on it” until times are more favorable for payment. Stillings agrees.

Commissioner Koeper reiterates, “When we don’t get paid, it hurts! We can’t spend what we don’t have in the bank! The bill of cost goes to Jefferson City and sits on a desk for how long?”



Preservation Is Focus Of New Transportation Center Robotic Bridge Inspection

.....

Andrew Careaga,
Executive Director of Marketing and Communications,
Missouri University of Science and Technology

Your commute to work may be smoother in the future, thanks to new federally funded research at the Missouri University of Science and Technology.

Missouri S&T will receive a \$1.4 million 2016 University Transportation Centers (UTC) tier 1 grant to develop robotic tools to inspect and maintain bridges and portions of highway from the air or from the side of the structure. The U.S. Department of Transportation's Office of the Assistant Secretary for Research and Technology announced the award Monday, Dec. 5.

"We plan to develop a robotic arm for both flying and climbing unmanned vehicles to inspect and maintain bridges and other transportation infrastructure," says Dr. Genda Chen, the Robert W. Abbett Distinguished Chair in Civil Engineering at Missouri S&T and director of the new UTC. "Once this technology is developed and in use, we will never need to close traffic for bridge or highway inspection and preservation."

Instead, robotic unmanned aerial vehicles (UAVs) or robots capable of crawling up along the sides of bridges will inspect or fix bridges from beneath the flow of traffic, Chen says. The robotic arms could also apply sealant or paint to bridge sections, while engineers guide the work remotely and monitor on a screen and visually verify the results as needed. Chen envisions equipping the robots with sensors and microwave cameras capable of detecting potential problems inside bridge beams and decks before they

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become problematic.

"With the arrival of the robotic era, we expect bridge inspection to be reinvented and transformed into a more consistent, reliable and rapid process," Chen says.

Missouri S&T will lead a consortium of 10 colleges and universities in the effort. The grant is one of 35 five-year grants awarded under the UTC program, which was reauthorized under the Fixing America's Surface Transportation Act (FAST Act).

The federal funding is renewable annually for five years and must be matched by non-federal sources.

The Missouri S&T-led UTC is called Inspecting and Preserving Infrastructure through Robotic Exploration, or INSPIRE. In addition to the research, a portion of the grant will be used to "train and expand the transportation work force," Chen says.

Missouri S&T faculty who

will work with Chen on the project are Dr. Suzanna Long, professor and interim chair of engineering management and systems engineering, who serves as associate director of the center; Dr. Zhaozheng Yin, assistant professor of computer science; Dr. Ruwen Qin, associate professor of engineering management and systems engineering; Dr. Reza Zoughi, the Schlumberger Distinguished Professor of Electrical Engineering; Dr. John Myers, professor of civil engineering; Dr. Leslie Sneed, associate professor of civil engineering; Dr. Mohamed Elgawady, associate professor of civil engineering; and Dr. Hongyan Ma, assistant professor of civil engineering.

Missouri S&T's partners in the project are City College of New York, Georgia Institute of Technology, University of Colorado at Boulder, University of Nevada-Reno,

University of Nevada-Las Vegas and four Missouri institutions— Lincoln University, East Central College, St. Louis Community College and Ozarks Technical Community College.

Missouri S&T is a partner in the Mid-America Transportation Center, which is a regional UTC that also received grant funding from the U.S. Department of Transportation. This consortium is led by the University of Nebraska-Lincoln.

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Missouri's Guide To Municipal Bonds

Tax-exempt municipal bonds have been a fundamental feature of the United States tax code since 1913. Municipal bonds remain the primary method used by states and local governments to finance public capital improvements and public infrastructure projects that are essential for creating jobs, sustaining economic growth and improving the quality of life for Americans in every corner of this country.

Tax-exempt bonds are a critical tool for counties that facilitate budgeting and financing for long-range investments in the

infrastructure and facilities necessary to meet public demand. Without the tax-exemption, counties would pay more to raise capital, a cost that would ultimately be felt by taxpayers as it would result in reduced spending on county roads, bridges and other essential infrastructure, slower economic development and higher taxes and fees.

As part of the first federal tax code in 1913, tax-exempt bonds are a well-established financing tool. They are predominantly issued by state and local governments for their infrastructure and capital needs.

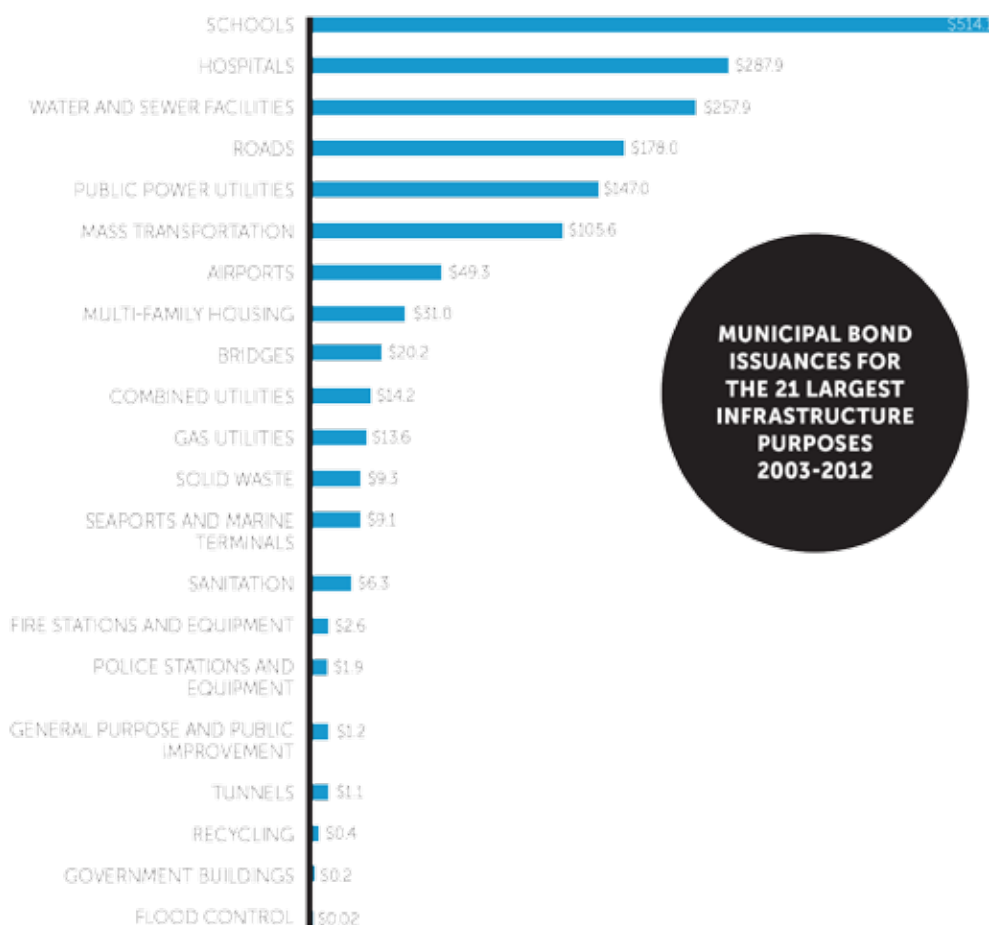
The debt issued for capital projects helps governments pay for public projects, such as the construction or improvement of schools, streets, highways, hospitals, bridges, water and sewer systems, ports, airports and other public works.

Deficit reduction efforts in recent years resulted in cuts in aid to local governments from the states and reduced funding in federal programs that benefit counties. Although a comprehensive rewrite of the federal tax code didn't materialize in 2016, legislative text is already being drafted.

Eliminating the tax-exempt status of municipal bonds was first entertained by former President Obama's National Commission on Fiscal Responsibility and Reform (Simpson-Bowles Plan). A derivative of that proposal, a 28 percent cap on the benefit of the exemption, was included in the former president's last five budget requests to Congress.

Similar proposals have continued to surface in the ongoing debate on tax reform in the Senate Finance Committee and House Ways and Means Committee. In 2014, former Ways and Means Chairman Dave Camp (R-Mich.) included a provision in his comprehensive reform discussion draft that would have placed a surtax on otherwise tax-exempt bond interest earned by high income taxpayers. All of these recommendations would have the effect of imposing an income tax on otherwise tax-exempt interest earned by investors.

MUNICIPAL BONDS HELP BUILD CRITICAL INFRASTRUCTURE



Action Needed — Contact Your Congressman

On March 8, 156 members of Congress sent a letter to the leadership of the House Ways and Means Committee in support of preserving the tax-exempt status of municipal bonds in comprehensive tax reform. Tax-exempt municipal bonds remain the primary method used by states and local governments to finance public capital improvements and public infrastructure projects that are essential to creating jobs, sustaining economic growth and improving the quality of life for Americans in every corner of this country.

The letter, circulated by Reps. Randy Hultgren (R-Ill.) and Dutch Ruppersberger (D-Md.), focused on the vital role municipal bonds play in our nation's infrastructure and their impact on American citizens and business. "Nearly two-thirds of core infrastructure investments in the United States are financed with municipal bonds," the letter says, adding, "Millions of Americans depend on municipal bonds for their economic security, and invest in them because of their low-risk nature." Any changes to the tax-exempt status of municipal bonds that would increase the cost of financing for states and local governments — including counties — should "be provided very careful consideration," according to the letter.

Please contact your member of Congress and ask him/her to support municipal bonds.



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THE IMPACT OF CHANGING THE TAX-EXEMPT STATUS OF MUNICIPAL BONDS INTEREST

Missouri

\$ 27.1 billion
State and local governments and authorities municipal bonds
for 21 infrastructure purposes, Value, 2003-2012

\$ 2.8 billion
Estimated cost of a 28 percent cap proposal, 2003-2012

\$ 8.1 billion
Estimated cost of the repeal of the tax-exempt status
of municipal bond interest, 2003-2012

**\$495.3
BILLION**
Estimated cost of the repeal of
the tax-exempt status of
municipal bond interest for the
21 largest infrastructure purposes,
excluding refunding, 2003-2012

**\$1.65
TRILLION**
Municipal bond issuances for the
21 largest infrastructure
purposes, excluding refunding,
2003-2012

Top 10 U.S. infrastructure purposes for muni bonds, 2003-2012:

SCHOOLS - \$514.1 BILLION
HOSPITALS - \$287.9 BILLION
WATER AND SEWER - \$257.9 BILLION
ROADS - \$178.0 BILLION
POWER UTILITIES - \$147.0 BILLION

FULL REPORT: www.naco.org/muni-bonds

Dr. Emilia Istrate
Research Director
research@naco.org

Brian Namey
Director of
Media Relations
bnamey@naco.org
202.942.4220

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SOURCE: NACo analysis of Thomson Reuters February 2013 data

DATA NOTES

Amounts in excess of 1 million are rounded to the nearest decimal. Amounts in excess of 1 billion are rounded to the nearest decimal.

The cost by state reflects the cost to all municipal bond issuers in a state not only the cost to the state government.

The estimated cost of a 28 percent cap proposal is how much a state and other municipal bond issuers in a state would have had to pay additionally in interest for tax-exempt municipal bonds between 2003 and 2012 if a 28 percent cap were in place over the last 10 years. For more details on the methodology, please see the full report.

The estimated cost of the repeal of the tax-exempt status of muni bonds is how much a state and other municipal bond issuers in a state would have had to pay additionally in interest for tax-exempt municipal bonds between 2003 and 2012 if they were fully taxable over the last 10 years. For more details on the methodology, please see the full report.

The cost estimates are based on a limited set of long-term tax-exempt municipal bonds for 21 infrastructure purposes, not all tax-exempt municipal bonds.

The cost estimates are average effects based on historical market conditions. The cost of a 28 percent cap or a repeal in 2012 would have varied based on the size of an issuer; the credit rating of an issuer and the specific characteristics of each bond issuance.

Special Legislation: Whose Population Are We Counting Anyway?

Travis A. Elliott

*Ellis, Ellis, Hammons & Johnson, P.C.
General Counsel – Missouri Association of Counties*

Article III, Section 40 of the *Missouri Constitution* prohibits the General Assembly from passing any local or special law where a general law can be made applicable. The unconstitutionality of a special law is presumed and classifications based upon historical facts, geography, or unchanging characteristics are generally considered facially special laws. However, most court decisions have interpreted this restriction to allow specific classifications so long as the classifications are open-ended in nature.

In addition, Section 1.100.2, *RSMo*, provides, “Any law which is limited in its operation to counties, cities or other political subdivisions having a specified population or a specified assessed valuation shall be deemed to include all counties, cities or political subdivisions which thereafter acquire such population or assessed valuation as well as those in that category at the time the law passed. Once a city not located in a county has come under the operation of such a law a subsequent loss of population shall not remove that city from the operation of that law...”

These provisions are particularly significant to county government in that many statutory provisions authorize a wide variety of activities, taxes, and services relating to counties based upon certain population ranges. For example, in Chapter 67 alone, there are at least 45 distinct statutory provisions that apply to various counties based on their classification and population.

The issue of special laws and population-based statutory provisions was highlighted in 2015 when

Missouri-American Water filed a petition with the Public Service Commission (PSC) requesting the right to impose a surcharge on customers in St. Louis County. The PSC ultimately granted the request.

The statute granting authority to impose the surcharge was enacted in 2003, and is limited to “a charter form of government and with more than one million inhabitants.” At the time the statute was adopted, only St. Louis County had more than 1 million inhabitants and a charter form of government. However, for the 2010 census, St. Louis County’s population was 998,954.

The Office of Public Counsel appealed to the Western District of Missouri. On appeal, the court held that the surcharge was not available to a county whose population had fallen below the 1 million population threshold. The court indicated that the statute did not establish a “snapshot test” on its effective date, did not contain “grandfather” eligibility, and the Legislature was aware of the risk of a decline in population when it enacted the statute in question.

The court’s reasoning was of particular concern to county governments due to the uncertainty that this decision placed on the continued viability of certain statutory provisions where populations had changed.

The case was then transferred to the Missouri Supreme Court and a decision was issued on March 14, 2017. Of particular interest to counties and other public entities was the issue that the court did not decide—



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specifically, whether a political subdivision continued to be subject to a population-based statute even if its population later fell outside the specified population threshold. The court did not reach the issue because the issue was considered moot. Even though the court did not decide the issue, the decision is beneficial in that the Supreme Court's decision has the effect of displacing the appellate court's decision.

The court indicated that "Insofar as this appeal involves the broader issue whether, under Section 1.100.2, a political subdivision continues to be subject to a population-based statute even if its population later grows or shrinks outside the specified population threshold, the court agrees that this issue is of general public interest and importance in that dozens if not hundreds of statutes use population-based criteria. . . . Precisely because of the general interest and widespread effect should this court hold that a political subdivision can fall out of the scope of a population statute, it may well be that the Legislature will address and clarify the meaning of Section 1.100.2 before this issue recurs. This would make it unnecessary for this court to address the issue and would avoid the parade of horrors that it is alleged would occur were this court to hold that St. Louis County or other political subdivisions were no longer subject to statutes that have governed them for years if not decades."

If not a direct acknowledgement, Judge Stith's opinion alluded to the General Assembly's awareness of the issue. SB 124 (Wasson) and HCS/HB 451 (Austin) provide that a change in population shall not remove a city, county or political subdivision from operation of a law. SB 124 was passed by the Senate on March 30, and received a first reading in the House on March 30. HCS/HB 451 was passed by the House on March 2 and voted do pass by the Senate Local Government and Elections Committee on March 30.

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Boone County Commissioner Appointed To Judicial Finance Commission

Boone County Associate Commissioner Janet Thompson was named to the Missouri Judicial Finance Commission. The commission, made up of seven members (four judges and three county commissioners), was established to resolve budget disputes between counties and their respective circuit courts. The commission is empowered with the following duties: review petitions from the counties, schedule informal conferences in the geographical area in which the dispute arose in an effort to expeditiously settle disputes, hold hearings so that all parties have the opportunity to present their positions for the record, and issue opinions on the reasonableness of the disputed budget request.

Thompson received her undergraduate, graduate, law, and masters of law degrees from the University of Missouri-Columbia. She was a public defender for the Missouri State Public Defender System for almost 25 years before being elected to the Boone County Commission in 2012. Thompson was re-elected to the commission in 2016. She is an arbitrator for FINRA, a disciplinary hearing officer for the Missouri Bar, and

helped to develop the Lawyer to Lawyer Dispute Resolution Program for the Missouri Bar.

Upon receiving notice that her nomination to the Judicial Finance Commission had been finalized by the Missouri Supreme Court, Thompson said, "I am honored to be appointed to the Judicial Finance Commission. I look forward to utilizing skills developed as an arbitrator and mediator to help parties resolve their disputes. The commission is a wonderful tool for counties to utilize to efficiently and effectively address these kinds of issues."



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William T. Sullivan, Jr.
631.806.9470 cell
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Trish Oppeau
314.619.1792 direct
oppeaut@pfm.com



Jason Glidden
816.642.8552 direct
gliddenj@pfm.com



Mary Dix
314.815.5483 direct
dixm@pfm.com



Amber Cannegieter
Key Account
Manager
cannegietera@pfm.com



Joshua Groff
Client Consultant
groffj@pfm.com



Scott Bilheimer
Client Consultant
bilheimers@pfm.com



Melissa Rodgers
Client Service
Representative
roddersm@pfm.com

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County Government Team:

Ellie Blankenship
314.221.5235
eblankenship@ctsgroup.com

Jim Thurman
636.284.5031
jthurman@ctsgroup.com