

March 13, 2023

Board met as Trustees of the Bremer County Drainage Districts at 8:45 a.m. in the Courthouse, lower level, Supervisors' Office. Minutes recorded by Shelley Wolf, Auditor.

Hildebrandt & Cerwinske met as part of the Bremer-Waverly Law Board in the Law Center at 9:00 a.m. Minutes recorded by Dan Pickett, Sheriff.

The Bremer County Board of Supervisors met in session on Monday, March 13, 2023 in the Courthouse, Waverly, Iowa, at 10:00 a.m. Cerwinske, Hildebrandt, present. Cassandra Johansen, Finance Director, also present. Unless otherwise noted all actions were approved unanimously. Some Resolutions and Ordinances herein are summary descriptions, full text is available for viewing online at:

https://www.bremercounty.iowa.gov/government/resolutions_and_ordinances.php and also available M – F 8:00 AM to 4:30 PM in the Bremer County Auditor's office.

Following the Pledge of Allegiance, the meeting was called to order by Vice-Chair Cerwinske. Hildebrandt moved/Cerwinske second to approve the agenda. Alex Willet, Judicial Specialist & Dusten Rolando, Heartland Asphalt Project Mgr. & Estimator, present.

Board met with Landon Moore, Engineer, for a weekly department update. Bids were opened for 2023 projects.

Hildebrandt moved/Cerwinske second to award the letting for Subdivision Paving Project - Bremer County Project L-L-10-123—73-09 for HMA Resurfacing – Larrabee Avenue to ASPRO for \$138,477.58 contingent on Engineer's review.

Hildebrandt moved/Cerwinske second to award the letting for Subdivision Paving Project - Bremer County Project L-L-9-125—73-09 for HMA Resurfacing and Pavement Scarification – Whitetail Subdivision to Heartland Asphalt for \$154,416.52 contingent on Engineer's review.

Hildebrandt moved/Cerwinske second to award the letting for Subdivision Paving Project - Bremer County Project L-L-5-124—73-09 for Full Depth Reclamation & Pavement Scarification – Shiloh and Shelby Ridge Subdivisions to Heartland Asphalt for \$376,211.65 contingent on Engineer's review.

Rolando exited. Adam Hoffman, Treasurer, entered.

Hildebrandt moved/Cerwinske second to approve the 3/6/23 minutes.

Hildebrandt moved/Cerwinske second to approve a payroll addition for Jacob Baughman, fulltime Jailer, \$43,120/yr., effective 3/22/23.

Board/Committee updates: Hildebrandt & Kammeyer attended Iowa State Association of Counties Spring Conference; Hildebrandt attended Iowa County Engineer's SRFD Distribution Committee & Service Bureau meetings; Cerwinske attended Northeast Iowa Response Group board meeting.

Riverview Center representatives presented a Proclamation for the board to consider.

Hildebrandt moved/Cerwinske second to issue a Proclamation recognizing April as Sexual Assault Awareness Month. Reed Palo, Victim Witness Coordinator, Scott LaRue, GIS/Maintenance, Willett & Hoffman, present.

Board met with Scott LaRue GIS/Maintenance, to establish the scope of the courthouse addition project, to consider an air quality assessment and purchasing a carpet cleaner. Hildebrandt moved/Cerwinske second to accept a proposal from Terracon Consultants, Inc. for an indoor environmental quality assessment of the third floor of the courthouse for \$3,600. Hildebrandt moved/Cerwinske second to purchase a carpet cleaner for \$3,940. Willett & Hoffman exited.

Board reviewed the FY24 Budget.

Board met with David Lehman, Roadside Vegetation Mgr., for a department update.

Board met with Jan Heidemann, MHDD/GA/SA, for a department update. No action taken on the Memorandum of Understanding Regarding Reimbursement from MH/DS of the East Central Region for County Employees, Exhibit A, and Exhibit B.

Board met with Daniel Bonzer, Veterans Affairs Director, Kailey Heidemann, VA Assist. Director, and Richard Miller, VA Commissioner, for a FY24 VA Budget work session.

Board of Supervisors Canvassed the March 7, 2023 Hawkeye Community College & Nashua-Plainfield School District Special Elections. Susi LaRue, Deputy Commissioner of Elections, presented canvass documents. Anelia Dimitrova, Waverly Newspaper Editor, Braeden Goding, Auditor's Office Clerk, Adam Hoffman, Treasurer, Jackie Bohr, Deputy Treasurer, Jan Heidemann, MHDD/GA/SA, present.

Hildebrandt moved/Cerwinske second to authorize an Administrative Recount at the request of Shelley Wolf, Auditor, for the Absentee Ballots cast in the Hawkeye Community College Special Election.

Hildebrandt moved/Cerwinske second to elect to participate in five new proposed national opioid settlement agreements with Teva, Allergan, CVS, Walgreens & Walmart. Heidemann exited.

Shelley Wolf, Auditor, presented Municipal Securities Disclosure Policies & Procedures to the board members present - Cerwinske & Hildebrandt, County Treasurer Hoffman & Deputy Treasurer Bohr, Payroll/AP Clerk, Goding & Finance Director, Johansen, for bond compliance training.

Hildebrandt moved/Cerwinske second to ratify Janesville Public Library's Rural Trustee Appointment - Nazeen Jabbari, July 1, 2022 – July 1, 2025 and Waverly Public Library's Rural Trustee – Deanna McCue, July 1, 2022 – July 1 2028.

Hildebrandt moved/Cerwinske second to adopt RESOLUTION NO. 23-21: Bremer County Right-To-Use Lease Asset Policy. GASB Statement No. 87, "Leases", is effective beginning July 1, 2022. (FY2023). GASB 87 requires a lessee to recognize a lease liability and an intangible

right-to-use lease asset. For counties reporting on the accrual basis of accounting, the cumulative effect, if any, may require a restatement of beginning net position, fund balance, or fund net position (as applicable). This means leases in existence on June 30, 2022 will need to be reported as the beginning balance (July 1, 2022) for leases of FY2023. A right-to-use lease asset is an intangible capital asset. The asset represents the right to use an underlying asset identified in a lease contract, as specified for a period of time. The County will recognize the intangible right-to-use lease asset when:

- (a) The contract conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. (GASB 87, paragraph 4)
- (b) The minimum noncancelable contract term is greater than twelve months.
- (c) The contract does not transfer ownership of the underlying asset.
- (d) The underlying asset is used to conduct county business. (This will not apply to custodial funds.)

The following leases are not GASB 87 leases and are excluded from this policy: (GASB 87, paragraph 8)

- (a) Leases of intangible assets, including rights to explore for or to exploit natural resources such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents and copyrights; and licensing contracts for computer software.
- (b) Leases of biological assets, including timber, living plants, and living animals.
- (c) Leases of inventory.
- (d) Contracts that meet the definition of a service concession arrangements (as specified in GASB 60, paragraph 4).
- (e) Leases of assets financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- (f) Supply contracts, such as power purchase agreements.

Threshold for Capitalization of Right-To-Use Lease Assets. The establishment of a right-to-use lease asset capitalization threshold policy has been recommended. The policy should be approved by the Board of Supervisors. The threshold is to be consistently applied by all departments and offices of the County for financial reporting purposes and should overall capture most right-to-use lease contracts. All right-to-use lease assets at or above \$10,000 must be reported. As a general rule, the threshold should be applied to individual lease contracts.

Right-to-use lease asset classifications: The lessee is required to disclose the amount of lease assets (and the related amortization) by major classes of underlying assets, separately from other capital assets. (GASB 87, paragraph 37) At a minimum, the following major classes of underlying lease assets will be disclosed by the County.

- Right-to-use leased land.
- Right-to-use leased buildings.
- Right-to-use leased equipment.
- Right-to-use leased improvements other than buildings.

Measurement and amortization: Measurement: A lessee should initially measure the lease asset as the sum of the following: (GASB 87, paragraph 30)

- (a) The amount of the initial measurement of the lease right-to-use asset. (A lessee should measure the lease liability and right-to-use asset at the present value of payments expected to be made during the lease term. (GASB 87, paragraph 21)) (For the year of implementation, the lease liability and right-to-use asset should be measured as of July 1, 2021.)
- (b) Lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term
- (c) Initial direct costs that are ancillary charges necessary to place the lease asset into service.

Amortization: A lease asset should be amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset (except if the lessee is reasonably certain a purchase option will be exercised). The amortization of the lease asset should be reported as amortization expense. (GASB 87, paragraph 31). At a minimum, amortization should be calculated on a monthly basis. PASSED AND ADOPTED THIS 13th day of March, 2023.

Hildebrandt moved/Cerwinske second to adjourn at 1:45 p.m.

The above and foregoing is a true and correct copy of the minutes and proceedings of a regular session of the March 13, 2023 meeting of the Bremer County Board of Supervisors.

Corey Cerwinske, Vice-Chairman

Attest: _____
Shelley Wolf, Auditor