

**Wright County
Board of Supervisors
January 30, 2023**

Chairman Kluss called the regular meeting of the Wright County Board of Supervisors to order at 9:00 a.m. Members present were Kluss, Rasmussen, and Helgevoid. Motion by Helgevoid and seconded by Rasmussen to approve the tentative agenda. Motion carries.

Minutes of the previous regular meeting of January 23, 2023 were read and approved.

Approved claims for payments. Motion by Helgevoid and seconded by Rasmussen to approve Resolution 2023-08, the Wright County Right-To-Use Lease Asset Policy. By roll call vote: Ayes – Kluss, Rasmussen, and Helgevoid; nays – none. Resolution 2023-08 duly passes and reads as follows:

Resolution 2023-08

**Wright County Right-To-Use
Lease Asset Policy**

GASB Statement No. 87, "Leases", is effective **beginning July 1, 2021**. (FY2022). 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, 2021 will need to be reported as the beginning balance (July 1, 2021) for leases of FY2022.**

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 \$50,000 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.

**Approved by resolution
No. 2023-08 on January 30, 2023.**

Motion by Rasmussen and seconded by Helgevoid to accept the resignation from Doug Helgevoid from the EMS Advisory Committee and appoint Mickey Cooper. Motion carries.

Adam Clemons, Wright County Engineer, presented Resolution 2023-09 Awarding Contract for Project FM-C099(102)--55-99. Motion by Rasmussen and seconded by Helgevoid to approve Resolution 2023-09. By roll call vote: Ayes – Kluss, Rasmussen, and Helgevoid; nays – none. This project will be for the C70 curves and patching the approaches to the interstate bridge. The awarding bid goes to Heartland Asphalt for \$358,153.11. Resolution 2023-09 duly passes and reads as follows:

**RESOLUTION NO. 2023-09
AWARDING CONTRACT FOR
PROJECT**

FM-C099(102)--55-99

WHEREAS, the Wright County Board of Supervisors, hereafter referred to as "the Board", believes that FM-C099(102)--55-99, hereafter referred to as "the project" is in the best interest of Wright County, Iowa, and the residents thereof. The project is defined as FM-C099(102)--55-99 consisting of Bridge Replacement with RCB Cul-

vert; and

WHEREAS, the Board has sought appropriate professional guidance for the concept and planning for the project and followed the steps as required by the Code of Iowa for notifications, hearings, and bidding/letting; and

WHEREAS, The Board finds this resolution appropriate and necessary to protect, preserve, and improve the rights, privileges, property, peace, safety, health, welfare, comfort, and convenience of Wright County and its citizens, all as provided for in and permitted by section 331.301 of the Code of Iowa; and

IT IS THEREFORE RESOLVED by Board to accept the bid from Heartland Asphalt, Inc. in the amount of \$358,153.11 and awards the associated contract(s) to the same; and

BE IT FURTHER RESOLVED that all other resolutions or parts of resolutions in conflict with this resolution are hereby repealed. If any part of this resolution is adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the resolution or action of The Board as a whole or any part thereof not adjudged invalid or unconstitutional. This resolution shall be in full force and effect from and after the date of its approval as provided by law; and

BE IT FURTHER RESOLVED by the Board of Supervisors of Wright County, Iowa, that after receiving the necessary contract documents, including but not limited to, the contractor's bond and certificate of insurance, Adam W. Clemons, P.E., the Engineer for Wright County, Iowa, be and is hereby designated, authorized, and empowered on behalf of the Board of Supervisors of said County to execute the contracts in connection with the afore awarded construction project let through the DOT for this county.

Dated at Wright County, Iowa, this 30th day of January, 2023.

Clemons also presented Resolution 2023-10 Awarding Contract for Project BRS-C099(101)--60-99. Motion by Rasmussen and seconded by Helgevoid to approve Resolution 2023-10. By roll call vote: Ayes – Kluss, Rasmussen, and Helgevoid; nays – none. This project will be for Bridge #53 south of Galt. The awarding bid goes to Gus Construction Co, Inc for \$571,677.49. Resolution 2023-10 duly passes and reads as follows:

**RESOLUTION NO. 2023-10
AWARDING CONTRACT FOR
PROJECT**

BRS-C099(101)--60-99

WHEREAS, the Wright County Board of Supervisors, hereafter referred to as "the Board", believes that BRS-C099(101)--60-99, hereafter referred to as "the project" is in the best interest of Wright County, Iowa, and the residents thereof. The project is defined as Bridge Replacement with RCB Culvert; and

WHEREAS, the Board has sought appropriate professional guidance for the concept and planning for the project and followed the steps as required by the Code of Iowa for notifications, hearings, and bidding/letting; and

WHEREAS, The Board finds this resolution appropriate and necessary to protect, preserve, and improve the rights, privileges, property, peace, safety, health, welfare, comfort, and convenience of Wright County and its citizens, all as provided for in and permitted by section 331.301 of the Code of Iowa; and

IT IS THEREFORE RESOLVED by Board to accept the bid from Gus Construction Co., Inc. in the amount of \$571,677.49 and awards the associated contract(s) to the same; and

BE IT FURTHER RESOLVED that all other resolutions or parts of resolutions in conflict with this resolution are hereby repealed. If any part of this resolution is adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the resolution or action of The Board as a whole or any part thereof not adjudged invalid or unconstitutional. This resolution shall be in full force and effect from and after the date of its approval as provided by law; and

BE IT FURTHER RESOLVED by the Board of Supervisors of Wright County, Iowa, that after receiving the necessary contract documents, including but not limited to, the contractor's bond and certificate of insurance, Adam W. Clemons, P.E., the Engineer for Wright County, Iowa, be and is hereby designated, authorized, and empowered on behalf of the Board of Supervisors of said County to execute the contracts in connection with the afore awarded construction project let through the DOT for this county.

Dated at Wright County, Iowa,

this 30th day of January, 2023.

Clemons discussed the sale of Bridge #200 on Buchanan Avenue. This bridge is only for pedestrian traffic, no vehicle traffic should be on this bridge. The bridge must be placed over a water feature because it is a historic bridge. The sale of the bridge will happen in the near future.

Clemons gave an update on the Secondary Roads. Blades are working on widening routes, tapering drifts, and working on clearing intersections. Trucks are treating problem areas from the previous weeks storm. Trucks went out at 5:00 a.m. on Thursday, January 26th for winter operations as well as Saturday, January 28th at 10:00 a.m.

Julie Edwards, with Upper Des Moines Opportunity, gave an annual update and requested the continued support of \$15,000 from the County. In return, UDMO has helped 2,891 individuals and a cost of service of \$481,652.43 in Wright County. This will be discussed during budget discussions.

Ryan Berven with Assured Partners discussed the ISAC health insurance renewal. Wright County will be seeing an increase of 14% from the previous year premiums. By employees participating in the Wellness Program, it can save the County a total of 5%. The Board will review the documents and take action at a later date.

Motion by Rasmussen and seconded by Helgevoid to move into closed session at 10:35 a.m. pursuant to Iowa Code 21.5(1)(j) to discuss the purchase or sale of a particular real estate only where premature disclosure could be reasonably expected to increase the governmental body would have to pay for that property or reduce the price the governmental body would receive for that property. By roll call vote: Ayes – Kluss, Rasmussen, and Helgevoid; nays – none. Motion carries.

Motion by Rasmussen and seconded by Helgevoid to move into open session at 11:18 a.m. Motion carries.

There was no action taken concerning closed session.

Motion by Rasmussen and seconded by Helgevoid to adjourn the meeting. Motion carries.

*Dean Kluss, Chairman
Wright County
Board of Supervisors
Betty Ellis, Wright County Auditor*