

June 30, 2025
Garner, Iowa

The Hancock County, Iowa, Board of Supervisors met in adjourned session on the above captioned date pursuant to adjournment with Supervisors Florence (Sis) Greiman, Osmund (Bud) Jermeland, and Gary Rayhons present. Absent: none.

The minutes of June 23, 2025 and June 24, 2025 were read and approved by Supervisors Jermeland and Rayhons. Supervisor Greiman abstained due to availability.

On motion by Supervisor Rayhons, seconded by Supervisor Greiman and carried unanimously, the Board gave approval to the following: 28E Agreement with City of Kanawha, Iowa and Hancock County, Iowa for the provision of Law Enforcement Services with amendments to sections 4 and 5. Invoice City of Kanawha in the amount of \$10,000 for law enforcement services for the month of June 2025. Signed Iowa Department of Transportation Agreement no. 2-25-HSIP-SWAP-033 for Highway Safety Improvement Program. Signed Memorandum of Understanding with Iowa Department of Management for enhanced security services.

On motion by Supervisor Greiman, seconded by Supervisor Rayhons and carried unanimously, the Board gave approval to the following: Invoice for compaction testing for Maintenance/Storage garage with Chosen Valley Testing, Inc. in the amount of \$490.

On motion by Supervisor Rayhons, seconded by Supervisor Greiman and carried unanimously, the Board gave approval to the following Resolution:

Resolution 2025-025
Hancock County Right-To-Use Subscription Asset Policy

GASB Statement No. 96, "Subscription-Based Information Technology Arrangements", is effective beginning July 1, 2022 (FY2023). GASB 96 requires a government end user (government) to recognize a subscription liability and an intangible right-to-use subscription 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 subscription-based information technology arrangements (SBITA or subscription) 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 subscription asset is an intangible capital asset. The asset represents the right to use an underlying asset identified in a subscription contract, as specified for a period of time.

The County will recognize the intangible right-to-use subscription 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.
- 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.)

Threshold for Capitalization of Right-To-Use SBITA Assets

The establishment of a right-to-use subscription 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 subscription contracts. All right-to-use subscription assets at or above \$100,000.00 must be reported.

As a general rule, the threshold should be applied to individual subscription contracts.

Right-to-use lease asset classifications:

The government is required to disclose the amount of subscription assets (and the related amortization) separately from other capital assets.

Measurement and amortization:

Measurement: A government should initially measure the subscription asset as the sum of the following:

- a) The amount of the initial measurement of the subscription right-to-use asset. (A lessee should measure the subscription liability and right-to-use asset at the present value of payments expected to be made during the lease term.) (For the year of implementation, the subscription liability and right-to-use asset should be measured as of July 1, 2022.)
- b) Subscription payments made to the vendor at or before the commencement of the subscription term, less any subscription incentives received from the vendor at or before the commencement of the subscription term.
- c) Initial direct costs that are ancillary charges necessary to place the subscription asset into service.

Amortization: A subscription asset should be amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying asset. The amortization of the lease asset should be reported as amortization expense.

At a minimum, amortization should be calculated on a monthly basis.

At a joint teleconference with Cerro Gordo County Board of Supervisors, Chris Watts, Casey Callanan, and Carl Ginapp, Absent: none; Franklin County Board of Supervisors, Gary McVicker, Richard Lukensmeyer, and Chris Vanness, Absent: none, and Hancock County Board of Supervisors, Florence (Sis) Greiman, Osmund (Bud) Jermeland, and Gary Rayhons present, Absent: none; motion by Supervisor Callanan, seconded by Supervisor Jermeland, and

carried unanimously, the Joint Board gave approval to the following: Continued completion of work hearing for Joint Drainage District no. 86-31-1 to July 14, 2025 at 10:30 a.m.

Motion made by Supervisor Rayhons to enter into closed session pursuant to Iowa Code section 21.5 (1)(h), to avoid disclosure of specific law enforcement matters, such as allowable tolerances or criteria for the selection, prosecution, or settlement of cases, which if disclosed would facilitate disregard of requirements imposed by law. The motion was seconded by Supervisor Greiman and the vote was unanimous to hold a closed session pursuant to Iowa Code section 21.5 (1)(h). Supervisors present were Greiman, Jermeland, and Rayhons. The Board of Supervisors entered into closed session. Minutes were taken and a tape recording made. The closed session was later concluded by agreement of the parties and the Board of Supervisors came back into open session. The recording and minutes were sealed and secured in an envelope, and no person will be permitted to examine them without a court order.

Supervisor Greiman left the meeting at 11:45 a.m.

On motion by Supervisor Rayhons, seconded by Supervisor Jermeland and carried unanimously, the Board gave approval to the following: Signed 28E Agreement with Winnebago, Kossuth, and Worth Counties for sharing of mental health advocate costs. Absent: Greiman

Motion made by Supervisor Rayhons to enter into closed session pursuant to Iowa Code section 21.5 (1)(h), to avoid disclosure of specific law enforcement matters, such as allowable tolerances or criteria for the selection, prosecution, or settlement of cases, which if disclosed would facilitate disregard of requirements imposed by law. The motion was seconded by Supervisor Jermeland and the vote was unanimous to hold a closed session pursuant to Iowa Code section 21.5 (1)(h). Supervisors present were Jermeland and Rayhons. Absent: Greiman. The Board of Supervisors entered into closed session. Minutes were taken and a tape recording made. The closed session was later concluded by agreement of the parties and the Board of Supervisors came back into open session. The recording and minutes were sealed and secured in an envelope, and no person will be permitted to examine them without a court order.

On motion by Supervisor Jermeland, seconded by Supervisor Rayhons and carried unanimously, the Board gave approval to the following: Request County Attorney, Rachel Martinez, to draft a letter to specific addresses giving property owners/tenants 15 days to contact Andy Buffington, Zoning Director to present a plan of correction to nuisances and then given 60 days to execute plan or notice of abatement may be sent out to properties that do not comply. Absent: Greiman.

No further business to come before the Board, motion made to adjourn at 12:50 p.m. by Supervisor Rayhons and carried. All Supervisors present voting, "Aye," session to adjourn and will meet again on June 30, 2025 at 3:00 p.m.

ATTEST:

Michelle K. Eisenman, Auditor

Florence Sis Greiman, Chair