

**MINUTES OF THE INFORMAL MEETING OF THE JOHNSON COUNTY  
BOARD OF SUPERVISORS:  
FEBRUARY 4, 2011**

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Chairperson Harney called the Johnson County Board of Supervisors to order in the Johnson County Administration Building at 10:31 a.m. Members present were: Pat Harney, Terrence Neuzil, Janelle Rettig, Sally Stutsman, and Rod Sullivan.

**FY 2012 COUNTY BUDGET  
Recommendations of the Compensation Board**

Neuzil said the Compensation Board recommended a 4% raise for the County Sheriff, 3% for the County Auditor, and 2% for all other elected officials and administrative deputies for FY12. Last year, the Compensation Board recommended a 2% increase for FY11 and the majority of the Board decided to take approximately half of the 2.75% union negotiated contract increase, a 1.4% increase. The union negotiated contract for FY12 is set at 3%. If the Board follows what they did last year they would give all elected officials, other than the two specified, a 1.5% salary increase which is half of the 3% union negotiated contract increase. Neuzil asked if this percentage breakdown was cleared with the County Attorney. He said he thinks the Compensation Board is in place for a reason and has consistently said that the Board should start with what they recommend. He said he has also tried to compromise with others throughout the process and find something that is fair.

Stutsman asked what the Board ended up with for non-bargaining employees. Harney said 2.25%. He said they are cutting non-bargaining employees down to 2.25% and he is looking at three options. The Board can zero out hours; do the 50% which would be 2% for the County Sheriff, 1.5% for the County Auditor, and 1% for the other elected officials; or the Board could do the 25% reduction leaving 3% for the County Sheriff, 2.25% for the County Auditor, and 1.5% for the other elected officials. Harney said he is trying to compensate for what the Board is cutting back on for non-bargaining employees and trying to make it an equal and fair adjustment.

Stutsman asked Harney about the 25% scenario. Harney said the 25% reduction would give the County Sheriff 3%, the County Auditor 2.25%, and the other elected officials 1.5%. Neuzil said that would be consistent with the decision the Board made last year, trying to make sure that elected officials and administrative deputies get half of

what the Board has negotiated. Neuzil said last year he was able to argue that decision pretty strongly with people that did not want the Board to accept any increase. He said the Board is identifying that elected officials and administrative deputies continue to work hard, they reduce compaction, and do not take as much as what they have negotiated with other employees. It shows good faith that the Board is trying to be consistent with what the Compensation Board said in their discussion and the reasons for their recommendations.

Stutsman asked if the Board has heard what any other counties have done. Harney said several have no increases and some are up. He said he does not have the information with him. Sullivan said they have the information from last year which has this year's recommendation and last year's raise, but it does not have this year's vote. Stutsman agreed. Neuzil said he thinks it would be good if other elected officials gave input; the Board is trying to make a decision that impacts them and their administrative deputies as well.

County Sheriff Lonny Pulkrabek said the Clayton County Board of Supervisors gave a 3% increase across the board. He said that is the only county he has heard about. Pulkrabek said he talked about compaction in the Sheriff's Office during the Compensation Board meeting and how the Sheriff's Office had someone turn down a promotion. As a result, his goal is to try to set the salaries of the supervisors in the Sheriff's Office 10% above the people they supervise. He said if they do that incrementally, based on the County's command staff level, it would take a significant raise.

Pulkrabek said he thinks he is currently at \$94,000 or \$95,000, and to get to the 10% increment his salary would have to go to \$115,000. He said obviously the County cannot get to this amount, but he was looking at Iowa City and the Iowa City Police Captain makes more than the County Sheriff. He understands it is a difficult decision. The Compensation Board did lower some of the proposal; they wanted to get to a level the Board would accept. He would encourage the Board to accept what the Compensation Board recommended. That is the structure set up by state law and that is the process that the County follows. He knows it is a difficult decision for the Board and he appreciates their consideration.

County Recorder Kim Painter said in terms of salary compression and how it tends to work, she is not sure that it is a significant issue at this moment. However, it is the kind of issue that if not addressed, can flip rather quickly and become an issue where the County will have to consider a substantial increase to get out of a ditch. This is one thing that can happen over several years. That is something the Board can take into consideration based on what they are hearing today. She said she is not going to advocate one way or another, but will think about it and decide if she does have anything to contribute.

County Treasurer Tom Kriz said he would agree with what Pulkrabek said earlier. The Compensation Board started with a higher level and decided to lower it. He said at

one time he thinks they were considering increases at the levels of 3%, 4%, and 5%. The Compensation Board decided to lower it to 2%, 3%, and 4% for the various positions thinking that would be palatable, knowing the Board struggles with the job of figuring out where the increases should be and where they should not. They know that the bargaining employees will get 3%. He thinks the Board has decided to go 2.25% or 2%. Stutsman said it is 2.25%. Kriz said the 2%, 3%, and 4% still falls within that range. Some of those increases will impact what the County does with all of the contracts they have open in 2012. He said the Board can make the decision.

Kriz said he and his deputies do not do the job for the money they make; they do the job for the impact they have on the community. He said that is important to consider, whether the increase is 0%, 1%, 2%, or 3%. In some ways it becomes immaterial, but they also like to feel that they are keeping up with the rest of the people in the County. Kriz said that like Pulkrabek, he would like the Board to consider what the Compensation Board recommended.

Kriz said the Compensation Board was also trying to get the salaries of the elected officials so they are all ranked right where they would be based on the size of the county. One way to look at it is that the salaries in the fifth biggest county should rank fifth, the salaries in the tenth largest county should rank tenth, etcetera. Salaries are based on the size of the community and size of the county; it has nothing to do with efficiencies or how things are done. The sad point when looking at salaries is when it is ranked by size, often the job that is being done is not taken into consideration. He said on behalf of his staff, they are always grateful for anything that happens and will abide accordingly.

Painter said she is going to make a recommendation to the Board. She said she has always been opposed to zeroing out. Her reasoning for that is Johnson County is a particular kind of county; they enjoy a fair amount of growth, a vibrant business community, a vibrant educational community, and she believes the governments are expected to live up to that standard. Every day County employees come to work to do everything they can to try and help the innovative businesses and the innovative educational institutions to create the best, most energetic community they can. This will help stimulate growth and help stimulate the local economy. Painter said she thinks the County employees have done that in a very commendable fashion. She would like to see whatever token recognition that the Board thinks, in the toughest of times, can be made to recognize those efforts.

Harney said the only other thing he would say is that he does not think the Compensation Board considered the actual effectiveness of each elected official. Harney said he thinks that some of them run a very tight ship, their employees are cross trained, the number of employees are minimized, and they serve the County very well. He said some of the elected officials have more employees than he thinks they should probably have and they are not quite as efficient, but they are getting higher raises. Harney said that is his own perspective on the topic.

Rettig said she served on the Compensation Board for two years and her opinions are probably well-known. She said she does not think this is as much of a budget decision as it is a philosophical decision. In the end, none of the raises would impact the budget much. The County is borrowing \$4.5 million from reserves to fill the budget, in addition to increasing taxes. Rettig said when she served on the Compensation Board, they discussed the County Auditor, County Treasurer, and County Recorder very carefully and keeping those salaries basically the same. Somewhere along the line, the County Auditor became a couple hundred dollars off from the County Recorder and County Treasurer. She said she understands why the Compensation Board made the decision they did when they only took the rankings into account. However, they did not take Woodbury County into account, which has a combination of Recorder and Auditor together. If Woodbury County is removed, because it is a model that does not apply to Johnson County, the County Auditor ranks where the position should.

Rettig said she has been very clear that the County Sheriff's ranking is a little bit different when different personnel scenarios and such are taken into account. Rettig said in light of the budget and taking \$4.5 million from reserves, all of the nearby counties last year froze their elected officials' salaries, while Johnson County gave a 1.4% increase. She said she does not agree with separating out the County Auditor, County Treasurer, and County Recorder salaries to different levels. She thinks that 4% is not a defensible increase at all for anyone in this climate. Rettig said she would be perfectly happy if the County froze the salaries this year and match what all the counties around Johnson County did, meaning a 100% reduction from the Compensation Board's recommended increases. She said that is not criticism to the Compensation Board; they do their independent research, their voice is valuable, and they set the upper limit. The Board has the responsibility to look at the broader picture.

Stutsman asked if Rettig is saying no increases for anyone. Rettig said yes. Neuzil said the Board knows where he stands on the topic. Stutsman said she is not supportive of the salary freeze. The reason is that all other County employees are getting some kind of increase this year. Even non-bargaining employees are going to get a 2.25% increase. Stutsman said she does not want to go overboard with any of the salaries; she is not sure if this can be done and they would have to check with County Attorney Janet Lyness. She would support 1% for the Board; 1.5% for the County Recorder, County Treasurer, and County Attorney; 2.25% for the County Auditor; and 3% for the County Sheriff.

Neuzil said he thinks it has to be a consistent level. Stutsman thought the Board could be totally separate. Sullivan said that is correct. Neuzil said he does not know why the Board of Supervisors would be treated differently, unless they think the Board has done less work. He said he has done more work this year as a Supervisor than in the nine or ten previous years. Stutsman said she is not basing it on the workload. The Board does not have any deputies in the office and that is not a consideration. She thinks it is a message to the taxpayers that the Board understands what is happening. A lot of people do not have jobs, let alone concerns about a pay raise. Stutsman said she is not supportive of a 0% increase and 1% is just a token. Neuzil said he is OK with 1%, but he does not know why the Board would be treated differently than the County Treasurer,

County Recorder, and County Attorney. Stutsman said she will go back and say the Board does not have the deputies.

Sullivan asked Stutsman to restate what she suggested. Stutsman said she is in favor of a 1% increase for the Board; 1.5 % for the County Recorder, County Attorney, and County Treasurer; 2.25% for the County Auditor; and 3% for the County Sheriff. Sullivan said 1.5% would be for all of the people for whom 2% was suggested. Stutsman agreed. Sullivan said 2.25% is in place of where 3% was suggested and 3% where a 4% increase was suggested. Stutsman agreed. Neuzil said it would be 25% less from the recommendation of the Compensation Board, except for the Board of Supervisors.

Neuzil said it is a difficult vote because it is self-serving. People will be upset that a 10% reduction was not taken. He said he does not like the idea of treating the Board different than everyone else. Sullivan said it is important to throw out that if the Board accepted what the Compensation Board suggested for all of the elected officials, this is a rough calculation within a couple hundred dollars, it is a \$16,400 increase. He said it is important in terms of putting the numbers in perspective and he is amazed how this dominates media coverage of the County budget when it is \$16,400. Neuzil said the County has spent \$72 million. Sullivan said \$72 million or \$73 million is being spent and \$16,400 is a very small percentage. If people want to take issue with certain items, this probably is not the place to look.

Sullivan said he does agree with Rettig that the increases are much more symbolic than substantive; the Board is sending a message with the decision more than anything else. He said one of the concerns he has is that the Board needs to start sending the message, and he thinks they are getting there, that the County salaries pipeline is not going to have the spigot open forever. He said he thinks the Board tried to send that message by reducing the non-bargaining employees to 2.25%. The County will go into next year with all six contracts open. Sullivan said he thinks the decisions made over the last five or six years have been OK, given the financial climate, but they are potentially moving into a different financial climate that might require the Board to look at significantly lower numbers.

Sullivan said to him, looking at the Sheriff's Office contract being open, he cannot imagine giving the County Sheriff a 4% raise. He said if he was a deputy the first thing he would ask for is his 4% raise. It becomes a difficult argument to make when that is the decision that is made. Sullivan said he is in a fourth place; everybody has had something slightly different. He said Rettig said zero, Stutsman said to reduce the increases by a quarter, and he was going to suggest cutting increases in about half. This would allow the County Sheriff a 2% raise, the County Auditor would get a 1.5% increase, and everyone else would get 1%.

Rettig said she does not think the Board can approve what Stutsman said because they have to be cut equally; a 25% cut for the Auditor does not equal 2.25%. Stutsman said yes. Sullivan said whatever she intended. Rettig said Stutsman's intent maybe is not exactly the numbers she stated. Harney said the Board can do anything with the

Board's amount, but the others have to be equal. Sullivan said yes. Executive Assistant Andy Johnson clarified that 75% of 3% is 2.25%.

Neuzil said he would like to argue about the Board of Supervisors too; the Board brings it up every year. He said the Board is roughly \$23,000 less than the County Auditor, County Treasurer, and County Recorder. Sullivan agreed. Neuzil said the Board is \$23,000 less because they are part-time. He said if that is the case, the Board needs to rethink the amount of hours spent to respect the Board members and allow them to be citizen legislatures at the County level. At some point, they need to have a conversation with the Compensation Board, certainly among the Board members, and ask why they are \$23,000 less than the other elected officials. Neuzil said it is because they have a much more flexible schedule and they are to be part-time. He said if the Board looked at their calendar in the past year they will realize that 60 and 70 hours per week is not part-time. He brings this issue up and he has brought it up before.

Stutsman said there are five Board members, but there is one County Recorder, one County Treasurer, and one County Attorney. That has to be factored in too. She said they share the workload. Neuzil said absolutely, but asked the Board to look at their calendar and see they are consistently on 44 different committees or liaison groups. Harney said he does not disagree with that argument; it is a full-time job plus. He said he thinks the Board has had the discussion before as far as whether they are part-time or full-time employees. Part-time was the preference for the Board because they can take time off and go on vacation; there is flexibility if something else is going on. Harney said the Board does not have to stay within a specific vacation time; they have a choice. Neuzil said they kind of do have the flexibility, but they do not have a consistent schedule that allows a Board member to have another part-time job.

Rettig said she has disagreed for the last four years on salaries, but she does not necessarily disagree about how many hours a good Supervisor works. She said there is seldom a week where she does not put in way past full-time, but she does have the flexibility in another week when the meetings are light to have time off on a Monday or a Friday. Rettig said nobody should hold her to a level that says she cannot have a free Friday.

Rettig said in a normal week the Board clearly works, if they are doing the job right, more than 40 hours. Rettig said she thinks that is a different discussion than the current one. Right now, the County still considers the Board of Supervisors at three-quarter time. The broader discussion should be about the expectations. She said everyone who ran for an office knew the salary and the expectations. If they preferred to make more money, they should have gone somewhere else. Neuzil agreed. Rettig said all ten of the County's Elected Officials are hard working, dedicated, and good stewards of the people's business, but if they wanted to make more money they should have done another job. This job is not one that is necessarily rewarded by money.

Neuzil said his point is that right now, the way the Board has their meetings and everything structured without any consistency, a Board member cannot have another job.

Neuzil said he has tried and former Supervisor Larry Meyers has tried; they are the only two that tried to do this. Rettig said she had another job for the first two months of her assignment as a Board member and she quit the other job; it was a conscious decision she made. Stutsman said she did too.

Neuzil said the point is that if the Board is going to be part-time then they need to have some consistency in scheduling so that at least a certain amount of time during the week there are no meetings where four Supervisors attend and one cannot because they have another job. Neuzil said this is not only for the Board's own purposes, but for people who would like to run for this job. He said he is trying to bring the Board back to the thought that until they figure that all out, he is not sure why they want to make the elected officials and Supervisors different. By treating the Board differently, that makes it unfair.

Sullivan said the fact of the matter is there is not a huge reservoir of sympathy for elected officials out in the community. He said people do not care what bothers the elected officials or what they think they should be compensated. Stutsman added or the amount of hours they are working. Sullivan said the Board can talk about the topic forever, but the bottom line is they need to come up with something and balancing all of that. Sullivan said he, Stutsman, Rettig, and Neuzil have given their opinions and they need to come to some resolution. Neuzil agreed.

Rettig said the broader question would need to be handled with an honest conversation with the Compensation Board about the hours. Neuzil said or even a conversation with the Board. If the expectation is part-time, which it is and he is fine with, then the Board's calendar is not supposed to be so inconsistent that they do not have the ability to hold another job. Neuzil said they are supposed to be citizen legislatures of County government and policy makers.

Rettig said she completely understands, but for example on Monday, February 7, 2011, the Board does not have a single meeting scheduled and she is hoping to have the day off and maybe someone else can have the day off on Friday, February 11, 2011. Neuzil said that is fine, but on Monday, January 3, January 10, and January 17, 2011 the Board had meetings so a Supervisor could not have another job where they plan to work on Mondays. Rettig said on a normal Tuesday, Wednesday, and Thursday, the Board puts in over 40 hours, which is well over 30 hours. She said in general, there will be a Monday they can take off. She does not want anyone to criticize her for doing that. Neuzil said no and he does not think this job should be full-time. If it is going to be part-time, then the opportunity should be allowed for a Board member to be able to know there are some consistent times when there is not going to be a meeting. The Board does not have that consistency.

Harney said they can sit down as a Board and schedule a four day work week. Neuzil said that would be fantastic. Stutsman said she thinks the expectation will be that the Board members are present on the other days. Harney agreed and said some will expect that. Neuzil said the Board serves on 44 committees and there are times they cannot be at

Board Meetings. Stutsman said the Board has to decide what the taxpayers' business is versus other committees the Board is serving on. Neuzil said all of the committees are listed and said Stutsman is on about 40 committees. Rettig said she has never counted and she does not really want to know.

Neuzil asked if there is any desire to do what they did last year. He asked if there is any desire to accept the Compensation Board's recommendation. Stutsman, Harney, and Sullivan said no. Neuzil said he is the only one on record to say that he will hold true to what he has done for ten years and say that is the Compensation Board's job, and he will lose out on that. Harney said he would support the 25% reduction. Neuzil said to do what they did last year and reduce 25% across the board. He said he would support that.

Sullivan said he would like to see a larger reduction than 25%. He said, for example, if he is a Sheriff's Office deputy negotiating the salary and he sees the County Sheriff got 3%, then he wants 3% as well. Stutsman asked Sullivan if he is suggesting 2% for the County Sheriff. Sullivan said yes his suggestion is 2% for the County Sheriff, 1.5% for the County Auditor, and 1% for everyone else. Harney said that would be the 50% reduction Sullivan talked about. Sullivan agreed.

Stutsman said she would still like to increase the County Recorder, County Attorney, and the County Treasurer, but to reach some kind of an agreement she could go along with that suggestion. Rettig told Stutsman that she does not think the Board can use her suggestion. They have to reduce the increases by the same percentage so the five of them would have the same reduction. The only way the Board could not move the County Sheriff and County Auditor higher would be to reduce it 100%. Based on the law, they could not do what Stutsman is suggesting. Sullivan agreed. Neuzil said Sullivan's recommendation is consistent across. Stutsman said OK. Sullivan said because the Compensation Board chose to make the County Auditor somewhat different than the County Recorder and County Treasurer, the Board is stuck with that recommendation. Rettig said that does not mean the Compensation Board could not fix that issue next year in some other way. Sullivan agreed. Rettig said unless they go to 0% the Board is stuck with that existing difference. Stutsman said OK.

Neuzil asked if there are three Board members who want to reduce the Compensation Board's recommendation by 50%. Stutsman said she is in agreement and asked Sullivan. Sullivan said yes, he is the one who threw out the recommendation. Stutsman said that makes two Board members. Neuzil said there are two Supervisors for 25% and two for 50%. He asked Rettig what her thoughts are and if she still wants zero. Rettig said she is supportive of zero. Neuzil said what the Board had done in the past is compromise in the middle. Harney said they could do a 35% reduction. Stutsman said they could also do a dollar amount. Rettig said the Board has to use percentages. Neuzil said they could reduce by 33%. Sullivan said because the Compensation Board used percentages, the Board has to use percentages.

Neuzil said the Board could take one-third and asked if that would be half of what they are talking about. He said the Board can reduce one-third of the recommendation

from the Compensation Board and that would meet in the middle. Johnson said he thinks the County Sheriff would be 2.64%, the County Auditor would be 1.98%, and the rest would be 1.32%. Sullivan said if the County Sheriff is at 2.64%, the opening offer from the union next year will be 2.64% and that is hard to argue. Neuzil said it is the law, not the Board that is tying their hands in this situation. The Compensation Board could have just as easily said 10%. Neuzil said he thinks there is a pretty good argument that exists. Sullivan said the Compensation Board did that a few years ago. Rettig said she will support the 50% reduction across the board.

Pulkrabek said the raise the Board is debating allows the union to be in a position to get somewhere between 2.75% and 3% for the same raise the Board is talking about giving now. He said he understands Sullivan is talking about next year. Pulkrabek said they are likely going to do that anyway because they got 2.75% this year or 3% perhaps. He said the other thing he forgot to distinguish is that the law is fairly specific; it tells the Compensation Commission how they should compensate the County Sheriff. It should be comparable with leaders in the department of Public Safety and local law enforcement leaders. He said he thinks the law is fairly specific when it comes to the compensation. He said he thinks the information is on page five, top paragraph, of the packet the Auditor's Office sent out.

Rettig said the Board has three votes for the County Sheriff at 2%, the County Auditor at 1.5%, and everyone else at 1%. Neuzil and Stutsman agreed. Stutsman asked Harney if he would like to weigh in at all. Harney said the only thing he would say is that he understands what Pulkrabek is saying about the unions, but they are doing the non-bargaining units at 2.25% even though the bargaining units are getting a little more, 2.75% or 3% next year. He also said he understands next year is going to be perceived as a tougher year than this year.

Harney asked if the Board has a motion. Sullivan said he would make that a motion. Neuzil asked if the Board has had votes like this in the past. Stutsman said yes. Sullivan said this is not a Formal Meeting. Rettig said the Board did not vote last year; they got a two to three agreement and it was over. It is not an actual roll call until the Board votes on the budget. Neuzil said this is just direction the Board gives to the Budget Coordinator and it gets put into the state form that is going to be published. Harney said they could do it either way; it is adopted into the budget when the Board decides.

Neuzil said he is comfortable with doing it any way. Ultimately, the Board votes for or against the budget. He said this is not a deal breaker for not supporting the \$73 million budget. Sullivan said it is \$8,000 in a \$73 million budget. Neuzil agreed. Rettig said they spend a lot less time talking about million dollar decisions than they spent talking about this decision. Neuzil said the Board will still have people upset with them for not taking a 10% decrease. Harney said his preference was a 25% decrease, but he has no problem with a 50% decrease.

Harney asked Sullivan what option he wants. Rettig said it is Sullivan's motion. Sullivan said the 50% cut. Rettig said she compromised and went with Stutsman and

Sullivan at 50%. Harney said Neuzil is no and asked Stutsman. Stutsman said she is a yes for the 50% reduction. Harney said he is a yes. He said it will be a 50% reduction on the recommendation from the Compensation Board, resulting in a 2% increase for the County Sheriff, 1.5 % for the County Auditor, and 1% for other elected officials. Neuzil agreed.

### **Finalization and Review of Budget for Publication**

Budget Coordinator Rich Claiborne said he passed out the publication sheet and noted how it ties back to certain pages and cells in the Microsoft Excel (Excel) packet. Stutsman asked if Claiborne is referring to the February 4, 2011 draft. Claiborne said yes. He said the first page says to “see page 9” and “see page 8.” This is self-explanatory and the Board can trace that back to the Excel packet and see how it all ties together. Claiborne said it is the same on the next page with a note to page ten; it lists all of the levies and tax askings. He said this draft was redone after the Mental Health and Disability Services (MH/DS) issue that occurred earlier in the week.

Claiborne said MH/DS Director Kris Artley adjusted the personnel numbers because there are two openings that will not be filled. He said Artley also adjusted some revenues in FY12. He directed the Board to page nine in the Excel packet. He said they had a \$2.7 million deficit ending balance from MH/DS and now they are basically coming in with one dollar. Claiborne said it is a moving target and anything can happen in FY12, but this is a more realistic estimate to continue working with. Rettig said one dollar; at least it is not negative. Claiborne said the Board can see on the second page of the publication that the only item to be completed is the elected officials information that he just received. The budget will be ready for publication. He said the first page of the publication sheet has limited space at the bottom where he included the explanations of significant changes, similar to the changes highlighted on the previous seven budgets.

Claiborne said this document is what will be on the formal agenda next week to set the Public Hearing in March 2011 and to give the Auditor’s Office authority to publish the information in the papers. Rettig asked Claiborne about the re-estimated amount of the increased budget of about \$3 million. She said the Board has not made those decisions and asked if Claiborne is expecting them in an amendment. Claiborne said no. He said during the budget process the re-estimate is part of the budget process. They are restating the appropriations and it does not require an amendment. Rettig said in theory it would require an amendment. She said MH/DS is in the process of spending more money than the Board budgeted and that is why the reserves are being decimated in this Fiscal Year and are completely gone in the next Fiscal Year. Rettig asked Claiborne if the Board has to vote on that matter. Claiborne said the Board will vote on that item in the spring amendment. Rettig asked Claiborne if the number calculated on the document assumes the Board will vote yes on the matter. Claiborne said the re-estimate reflects the fall amendment.

Rettig said the County did not spend \$3 million in the fall amendment; the County barely spent anything. She said she is confused as to how this number was calculated.

Sullivan said they spent a lot of money, but the question is if they received offsetting revenues. Rettig agreed and said the Board made very few fall amendment adjustments and asked how they managed to make \$3 million dollars worth. Neuzil asked if there was a transfer for the Joint Emergency Communications Center (JECC) that was in the fall amendment that may have been the large amount contributing to the \$3 million. Claiborne said yes. Rettig asked if that was the big contribution to the amount. Neuzil said he thinks so and will double-check. Claiborne said also Department 20 Block Grants.

Claiborne said they went from a \$3.9 million published budget up to a \$5.4 million. Rettig asked if the budget went from \$3.9 million to \$5.4 million. Neuzil said the transfer for the JECC must have been the large amount. Sullivan said that is \$2.5 million. Rettig said that makes a lot more sense; it was the big JECC transfer that contributed to the amount. Neuzil said it was the big JECC transfer. Rettig said of the individual decisions the Board could actually make, very few have been made. Claiborne agreed. Neuzil said JECC was the majority of the transfer. Claiborne said Public Health was a sizeable amount as well as the Sheriff's Office. Neuzil agreed. Rettig said it makes more sense now that Claiborne has clarified where the amount came from, but she did not consider it a decision because she did not have a choice.

Claiborne said if the Board is OK with the information, the document will be published next week. He said there is no discussion; it is just the Board's business of setting a Public Hearing for March 2, 2011 at 6:00 p.m. He said he will get the document to Recording Secretary Nancy Tomkovicz. Harney asked if they can leave the MH/DS section blank until they decide where they will have to make their cuts. Claiborne said yes; the planning board needs to look at services. Neuzil said they are putting in last year's revenue amounts which would be nice but unlikely for this year, and they will have to respond with a Planning Council. Claiborne said mostly for FY12 because these are the changes Artley made. He said he is not sure if the Board is interested in the detail. Rettig and Neuzil said yes and asked for Claiborne to email the details to the Board. Claiborne said yes.

Sullivan said the Board is going to have to start talking with MH/DS in terms of what they will do for cuts, but this will work for the purpose of Claiborne constructing a budget. Claiborne agreed and said in the re-estimate for FY11 Artley changes salaries because of the two open positions knowing she is not getting allowable growth. Claiborne said Artley had the third or fourth draft from the state and they were showing zero. As a result, Artley was not comfortable plugging that number in. Claiborne said Artley made changes in FY12 because it is further out and things can change. He said he will forward the changes to the Board.

Sullivan said at the Board's last budget discussion meeting there were a couple of changes in a couple of departments. He said he wanted to make sure those changes are communicated back to those departments. Johnson said Claiborne made those changes. There was the \$5,500 to Information Technology Director Jean Schultz regarding

technology. Sullivan said yes that was one item. Johnson said \$500 to the City of Literature was also changed.

Neuzil said it would only be reasonable that sometime before March 2, 2011 each department has a follow-up meeting. Stutsman agreed and said the Board has asked for that every year because department heads will question the changes that occurred. Neuzil said it is the Board's expectation that the Budget Coordinator will communicate what the budget looks like to the departments before March 2, 2011. Stutsman agreed and said they would know what the budget looks like and that it could change during the budget hearing, but this is what is initially being proposed. Neuzil agreed and said the amount could go lower.

Harney said an amount should be included for Soil and Water Conservation District; they should have a percentage like everyone else. Stutsman asked Claiborne if he figured in that amount. Claiborne said it is included in department 23. Neuzil said that will get 2.25%.

Rettig explained for the public that the MH/DS budget is capped. She said people may not understand that, but Johnson County cannot put any more money into their budget even if they desire to do so. In FY09 the MH/DS budget was \$14.1 million and they spent slightly under what was budgeted. With cuts in FY11, the budget was around \$13.3 million. The budget for MH/DS has been re-estimated for \$12.8 million and the County has to utilize reserves. Rettig said that is why the reserves that were there are now gone. In addition, the Board will have to find about \$2.7 million in cuts. As the legislature sets their budget, Johnson County will get the bad news, or hopefully they will understand what it means, that they will be ending up with \$2.7 million in cuts and still have no money in reserves. Rettig said she hopes that people understand what that means because for the first time the County will have to look at local waiting lists and cutting services they have provided for a long time. It is unfortunate that they are in that position through no fault of the County.

Harney said part of that is attributed to the stimulus dollars that were put in, which inflated the budget and it has to come back down. Neuzil said if they just maintain the level of service this will be the case. Rettig agreed. Stutsman said as dire as it looks she thinks Johnson County is in good shape compared to many other counties, due to the planning that was done ahead of time knowing that this day was probably going to come. Rettig said she is sure that is true. Neuzil said if the Iowa legislature does not come up with the funding they have committed to in the past, this is going to be the most difficult situation for the MH/DS department in the history of Johnson County.

Stutsman said before this meeting there was an Iowa State Association of Counties Legislative Policy Board Meeting. She said she thinks the toughest thing is going to be dealing with freshman legislatures who think the mental health system just involves mental health. They do not understand the breadth of the services that are provided. Stutsman said it is an uphill battle, not only to educate about the services, but also to

convince them of the needs. She said it is nothing against them personally, but it is a complicated system.

Sullivan agreed and said it is frustrating. Even people who have been in the legislature for a long time say they need a regional system. Sullivan said they already have a regional system and very few people get services in Iowa County or Cedar County; they come to Johnson County. It is that way all over the state; there are clusters. There are six counties around Mason City that receive services in Mason City. He said the State thinks they can offer these services more cheaply. Sullivan warned people who utilize those services to be careful. Stutsman agreed and said the State thinks they can run them cheaply or better, which is scary.

Rettig said while it is frustrating that there is any tax increase in this budget, there is not that much of a tax increase. In most commercial and industrial properties there is a decrease. She said some people have asked her why there is a difference between Iowa City, rural, and other cities' percentage of change. It has to do with a reevaluation; the properties have been reevaluated and that is out of their control. When this budget is said and done, the County is asking for around \$230,000 more from the taxpayers. The County is absorbing the amount from JECC, \$350,000 for inmate transport, a 3% increase in negotiated salaries, and an 8.5% increase in health insurance.

Rettig said they are doing all of that and they have to take from reserves to do that. Rettig said the County will not end up with reserves they can live with, but she is happy they are doing that so they can hold down taxes. It is remarkable with all of the challenges that they have been able to get there and keep taxes as low as they are. She said they are frustrated they have to raise taxes at all and utilize the reserves, but in the end with everything that is expected, and with inmate transport and JECC, they have little choice because the prisoners have to go somewhere, and they are able to absorb all of those costs. She hopes the department heads understand they cannot have very many amendments. They have to freeze it in order to rebuild the County reserves.

Neuzil said what Rettig has said included significant highlights that should be recognized in the Board's presentation. The County has held the line on taxes and inherited two significant increases that were handed to the County: JECC and the Jail transport. He said that is a big part of the story this year. Sullivan said additionally, each year, the County continues to lose somewhere in the neighborhood of \$3.5 million to \$4 million in income that should be coming into the County because of Tax Increment Financing (TIF). Neuzil agreed and said that is another part of the story. Stutsman agreed. Sullivan asked them to imagine what the budget would be like with \$3.5 million more dollars. Rettig said or even half of that amount. Stutsman agreed. Rettig said with half of the amount they would have been able to reduce taxes significantly. Harney said the Conservation bond was about \$1 million. Stutsman asked if the purpose of a TIF is to increase the tax base in order to lower taxes. Harney said states do not have to pay for infrastructure.

### **Plans for the Budget Hearing**

Johnson said he is not sure if the Board needs to spend a lot of time going over the PowerPoint today. He said Claiborne gave the Board a copy of last year's document, which everyone had some input on and the conversation seemed to go well. The suggestion would be to go with the same format. Claiborne said years ago the County used a different structure. After looking at other budgets, and trying to communicate more clearly to the taxpayers, changes were made. Last year and the previous year when the new items came out, the JECC and the Conservation Bond, which the County does not have this year, everyone wanted to state clearly what belongs to the County, to JECC, or to the Conservation Bond. The structure used for FY11, FY10, and FY09 allowed to display these items clearly.

Claiborne said he starts out with an overview of County services, then the JECC, and then breaks down how it is all paid for. He said the document then goes into separate departments, it explains the tax askings, and there is a pie chart break down. It lists other County services and funds followed by the JECC, what it is, how it is paid for, and the JECC budget. In the presentation Claiborne breaks down the amount of the levy. It includes any bonding and TIFs. Sullivan said he thinks there should be a slide that says TIF at the very top and talks about it. Neuzil agreed.

Stutsman said another slide they used to include that she thinks should be put in somewhere is a slide to clear up the confusion about the County's tax amount compared to the schools and the cities. She said they used to have a pie chart that would break that information up. Neuzil said they did have a chart which would compare a township or city resident. Claiborne said that information comes out after budget time. He said other cities are much later than Johnson County and he receives their information a month later. Neuzil said the Board could still show a generic chart. Stutsman said they could use last year's as an illustration. Neuzil agreed. Rettig said they will have preliminary numbers and based off those numbers they could generate a chart. Neuzil agreed and said they could come up with estimates to use. Sullivan said he would be comfortable putting in a slide of his tax bill. Neuzil said that would be a good idea. Sullivan said it is just a residential property, and it is not confusing with agriculture or commercial. Stutsman agreed and said the education to the taxpayer is important showing that County taxes are just one part of the overall tax bill.

Neuzil said in a meeting on February 3, 2011, the Board was discussing an individual who is going to be applying for a human services waiver and asked if they looked at their North Liberty tax. He said it was a \$40.00 or \$50.00 increase from the schools, more from the City of North Liberty, and \$7.00 or \$8.00 from the County. He said at some point the Board needs to have a conversation with everybody and say these costs add up. Stutsman said the Board tries and she is not sure why the County is held responsible for the total tax bill because it does not seem like anybody else is responsible. Rettig said it is because residents come to the County to pay it. Stutsman said that may be it. Sullivan added that the tax bill comes out with Kriz's name on it. Stutsman agreed.

Claiborne commented that he thinks it is funny how the universities can have 4% to 7% tuition increases and three or four comments will be in the newspaper, while the Board will increase 1.8%, \$0.50 per month, and there will be 30 to 40 people commenting. Neuzil said he thought it was interesting that in this document that Claiborne gave the Board which was from last year, Iowa City has the same percent. He said he did not realize it was the same. Claiborne said the other cities were lower than this year because of the nearly 5% reevaluation. Neuzil agreed and said he thought it was interesting that Iowa City has the same impact on residential property last year as they do this year. Rettig agreed and said they end up at the same percent. Neuzil said he did not realize that it worked out that way.

Rettig said one of the things she thinks would be helpful in Claiborne's budget presentation is a slide that highlights a couple of decisions the Board has made, the story of the budget. The County is investing in a new patrol officer and a new Assistant County Attorney. Neuzil said there is a new Medical Examiner position. Rettig said the slide could show the rationale for doing it. She said she does not think Claiborne has to include all 48 points of discussion, but a couple that tell the story of what is changing and why the Board is changing it. Harney said include things like the larger decisions and an explanation on the \$500,000 for road maintenance. Rettig agreed. Neuzil asked Johnson to forward those highlights to Claiborne if he has some. Johnson said the Board could refer to the state form where Claiborne has highlighted some of the bigger items. Sullivan agreed and said in the little box on the form. Johnson said those items could be used on the slide and they are all highlighted under the department.

Rettig said there is a good reason the Board is going to authorize hiring a new Assistant County Attorney, to reduce the Jail population, and she thinks it is a reason they should share. Neuzil said that is a good point and those details are important. The County has a philosophy since the economic downturn in 2008 to not hire new employees unless it is in the area of public safety. Sullivan added or if the employee's position can pay for itself. Rettig and Neuzil agreed. Neuzil said compared to other communities, like Iowa City, which is talking about reducing public safety or other areas, it would be ideal to at least identify some of the priorities the Board has identified. Rettig said she does not think Claiborne needs to include a lot of examples, but just a handful that were the top priorities. Claiborne said he will get the document put together and distributed. Neuzil said it should be included in the press release when the budget is published. Sullivan agreed.

Claiborne said what he did last year included a breakdown of the County services to residents and the explanation of the two new full-time equivalent employees for Ambulance. He said he could include an explanation of why the Board elected to do that. Sullivan agreed and said it would add some meat to the bones. Rettig said she thinks someone could help write those explanations with one or two sentences about the items.

Johnson said he suggested Human Resources (HR) leave because the meeting needs to end by noon and they will need to reschedule the strategic planning item that was on the agenda. Stutsman agreed. Johnson said they still have to go over an item with

Facilities Manager David Kempf. He said if he is wrong he can go get them. Neuzil said Johnson is right.

Harney asked if the Board is OK with the publication of the changes they have discussed. Claiborne said he will take the next week to get the document together and send it out for edits. He told the Board to send him any ideas they have for the presentation.

### **REQUEST FOR OFFERS FROM THE SOCIAL SECURITY ADMINISTRATION**

Kempf said they met a while ago with seven or eight members from the Social Security Administration (SSA), the U.S. General Services Administration (GSA), to look at the old Public Health building. He said they were not interested in the building, but they also took a look at the Health and Human Services (HHS) building. They looked at the third floor area and GSA determined that space could meet their needs based on how the building was built and the way the County has it set up. Kempf said Johnson has a packet that explains that the GSA is requesting the County give them a proposal if they are interested. They are looking for roughly 5,200 square feet. Kempf said they have it broken down by office space they need, private interview rooms, mail room, reception room, multipurpose room, video-conferencing room, and an open office area. He said their total request is for 5,192 square feet.

Kempf said he has gone through the packet a few times and there are provisions that request the County build out the space to the SSA's requirements, but the SSA would pay for the tenant improvements. The County would have to come up with a cost per square foot price for the lease. He said their preference would be to have a 15 year lease, but they are looking for a minimum of a ten year lease.

Stutsman asked if this administration is the Social Security services that are currently in the federal building. She asked if it would be that office and those services. Kempf said yes, that is his understanding. Harney asked if Kempf is saying that the County would build out the space for the SSA and the SSA would reimburse the County for the expense in its entirety including carpeting and walls. Kempf said yes, that is how he is reading the document. Rettig asked if the SSA would then pay rent. Kempf said yes. Rettig asked how many square feet are on the third floor. Kempf said 27,326 square feet. Stutsman asked if they only want 5,192 square feet. Kempf said they are just looking for 5,200 square feet.

Rettig asked how much of the 27,000 square feet the County is currently using. Kempf said the County is using the center section for an exercise area and they are using some area on the west end for file storage, but the space, for all intents and purposes, is unfinished on the third floor. Rettig said they have had this discussion before, but she does not think the County is a landlord. If there is an advantage to consolidating services, that is a different argument than the County being a landlord. She said she thinks it causes problems, for example, when the County offices were closed on February 2, 2011, but the Department of Human Services (DHS) was open. She said that will be

the same problem with this situation. The County closes, but federal offices do not and Physical Plant has to plow them out and get the building open. Rettig said the County becomes their landlord.

Rettig said the County is talking about building a \$5 million building, part of which is storage, yet the County has space for storage; they just have decided not to use it for storage. They did not want to fill the space because they wanted to be able to use it for future growth for the County. Once the SSA is on the third floor of the building they will never leave; that will be a permanent part of County life and the building. She said it will be a battle to get the SSA to leave, even if the County needs the space for its own purposes. She said she thinks the County was wise to overbuild the building so they will never have to build another building. If the space is used up by the County being a landlord then they have taken the option away from themselves. She said she would rather not build storage in the Ambulance building for the voting machines. Rettig said she does not like this option in a lot of different ways.

Stutsman said the County does have a lease and at the end of the lease they could tell the SSA they need the space. She said she likes the synergy between Social Services and the other County services in the HHS building. So much of what DHS does involves the SSA, the County could tell someone to go upstairs and apply for Supplemental Security Income (SSI) or whatever, rather than trying to explain to someone where the federal building is located. It fits in nicely with the campus concept and providing those kinds of services in one building.

Stutsman said the SSA will pay rent for the space, which is a positive rather than having an open space. She asked if the County has any say in the build out. Thinking down the road for County purposes, when the County needs the space it would be easier to work with the SSA now rather than having to tear down something that did not fit the County's needs. Kempf said he thinks all of that comes in during the negotiation phase of the planning. He said he thinks those things could be taken into consideration.

Kempf said he talked with one of the SSA people about the County's concept behind how they made the building universal, with all of the offices the same size and supervisors' offices essentially two individual offices that could be made into two separate spaces again. Stutsman agreed. Kempf said the SSA requires all of the same construction standards the County used when they initially built the building. He said he thinks there is a lot of room for negotiation. They give the County a floor plan of what they would like to see in the space, then the County would design the space and show them what they think will work in the area. It is a negotiation. Kempf said the SSA does get to review fit and finishes and all of those things. One other thing they need to bear in mind with this is the SSA has asked for a reply by February 22, 2011.

Harney said with that said he agrees with Stutsman, it is a good fit as far as combining all of the services in one area. He said Rettig has some good points as well. The other real issue that is not being addressed is the parking issue. He said he thinks the SSA will want a specific number of parking spaces for their clients. He asked where the

SSA employees will park. Harney said he does not know how many spaces the SSA wants and what is fair.

Kempf said he read about the parking needs, but cannot recall them. He said he knows one of the things the SSA said was that the parking needs to be within two blocks. Johnson asked when they talked with the SSA if they had said they would need 14 employee and 22 public spots. Kempf said yes it was something like that. Stutsman asked if the County could accommodate that. Johnson said as long as the spaces do not have to be specifically reserved for the SSA. He added that is not what they have at their current location. Rettig asked if they pay extra for parking. Harney said the County is charging the employees for parking and it will not be fair if they do not charge the SSA employees. Kempf said charging for parking would be part of the lease. Rettig said the SSA will pay extra for parking. Neuzil said he assumes employees will still have to pay for parking. Harney said OK.

Rettig asked Kempf how much space is on the west end of the building where there is currently a little wall. Sullivan said that area is almost exactly 5,200 square feet. Kempf said that would be almost what it would take to create the space. Rettig said she understands the synergy concept, the fact that people have one-stop shopping. They come and go from Social Services to DHS to Social Security, and can go to Public Health and receive their Women, Infants, and Children needs. She said she understands all of the services would be in one place, but she does not want the SSA dictating to the County how they are going to run the building. Kempf said the SSA gets very specific. Rettig said they built the building for County use and they taxed Johnson County residents to build it. She said the one way it seems like leasing the space could work is if the administration is on the same elevator system as DHS, on the same side. Then when the state and federal offices make a decision that is different than the County, they only have to have one door open and everything else is secured.

Rettig said the SSA is hard to deal with, they will not sell or trade land with the County, but the County is supposed to bend over and do whatever the SSA wants to accommodate their needs. She said the County has a perfectly good building for them to use and she does not think the County should be in the business of being landlords. If they want to allow them to use the space because of the synergy and the good of the people coming to one location, then that is a different argument. Rettig said she does not think the County built the building in order to make money off of it. They built the building for some future use for the County, not for state and federal needs. She said they would fill it tomorrow if the County allowed them. State and federal entities cannot afford to build their own buildings so they will fill the County buildings.

Sullivan said he hears Rettig's concerns, but thinks to some extent the County has space that is just sitting there. He said he agrees they can store more stuff on the third floor of the building and probably should. If they just take the section where the records are currently located and move those records to the southeast part of the building they could potentially generate some real revenue. He said he thinks there are savings because there a lot of case managers that spend a lot of time dealing with Social Security

issues and they could send those people right upstairs. Stutsman agreed. Sullivan said there are soft savings that are going to be pretty sizeable. Sullivan said the County may as well bring in a little money on the space. He said all of Rettig's concerns about dealing with the federal government are true and are good warnings, and he thinks the County has to be very careful going through a lease. With that said, Sullivan thinks it is a good fit. Stutsman agreed and said she is willing to proceed and go to the next step.

Johnson said to clarify this item is on for direction and will take a lot of work to respond to and there may be some costs. Once the Board has made an offer, there will still be negotiation, but at that point they are beyond just exploring the option. Rettig asked how the County would even pay for the build out. She said the SSA is not very good about paying their bills. Kempf said that is something they will have to discuss. Rettig said they do not have it in the budget and the County is already using reserves for another reason. She said the Board will have to amend the budget in order to do it and they can set some sort of timeline to receive payments, but the SSA moves at their own pace. Rettig asked how the County will pay for the construction in the interim. Harney asked over what kind of time period is the SSA going to pay the County back. He asked if there will be one lump sum to pay for the build out or if it will be with the rent for ten years. Kempf said those are discussions that take place during negotiations.

Kempf said there is a section that does talk about one-time tenant improvement payouts. It looks like the County could request those improvements are paid in full. Kempf said he does not know what their schedule is on processing pay requests. The County is looking at about \$40.00 to \$50.00 per square foot build out cost. Sullivan said \$225,000. Neuzil asked if the SSA will need office equipment as well. Kempf said no, it looks like the SSA will bring their office equipment. The construction has to be built to standards to fit standard modular office furniture, but it sounds like the administration will be supplying all of those things. Harney said the County will need to have a design that fits the SSA's needs.

Rettig asked if it would cost between \$208,000 and \$260,000. Kempf said yes, and there would be architectural and engineering fees. Rettig asked if those fees are around \$10,000, \$12,000, or \$15,000. Kempf said yes, the fees are around 7% to 10% more. Harney asked if that is based on carpeting. Kempf said yes. They need to use carpeting with certain recycle content and low volatile organic compounds finish. They must follow all of the federal building guidelines, which are all of the same things the County used when they originally built the HHS building. Kempf said they are very strict about when they build the space the contract will require the County to recycle all construction materials.

Kempf said they do not have any demolition recycling issues because the County has not built anything out. He said they are very specific. The County has to have a seismic report to show that it is built to withstand earthquakes and an inspection to show there is no mold and no radon. Neuzil agreed and said that is a standard procedure. Kempf said it is going to be an involved process and he does not know if the County can do it by February 22, 2011. However, if it is something the Board wants to pursue they can

contact the SSA and tell them the County is interested, but they need more time to work on the proposal. Stutsman agreed and said they could ask to extend the deadline.

Neuzil asked if there was any explanation of why they are not interested in a very good building sitting three or four blocks from the Administration Building that is going to be available. Stutsman asked Neuzil what he means by a very good building. Neuzil said the Health Building is a pretty nice building, but it is older. Kempf said the SSA does not want to be property owners; it wants to lease. Rettig said the SSA can sell the County the parking lot then. Harney said he finds that reason interesting because the SSA is located in a federal building. Kempf said the SSA did say they have nothing to do with any of the negotiations on the parking lot. Rettig said she understands. Harney said the SSA is currently in a federal building, which seems to him they rent to themselves, unless they are running out of space. Neuzil asked if the SSA has a timeline for the project. He said the former Henry Sabin Elementary School has been sold from the University of Iowa to the bank. He said they are probably going to have some build out going on with the bank.

Kempf said he would assume since the SSA wants a quick turnaround on a decision, the County would want to start moving the process forward. This is not going to be a quick thing. Sullivan agreed it will not be quick. Rettig said it would be for a 15 year lease. Kempf said yes and the SSA would settle for a ten year lease. Neuzil said the County is still waiting on windows in the Administration Building.

Sullivan asked if Kempf thinks he needs additional expertise. Sullivan said between Kempf and an architectural firm he could easily figure out the cost to build it out, but Sullivan questions ongoing lease requirements. Kempf said he would need additional help. He could sit down with Novak Design Group; they would be Kempf's recommendation because they originally did the building and have them look at the requirements. Based on the requirements the SSA is calling for, Novak Design Group could give a fairly solid cost per square foot estimate. Sullivan said the County would want to have a lease that has built-in increases because the property value in this area is going up dramatically. Kempf said all of those things are talked about in the packet. He said they would need somebody from the Attorney's Office to take a look at that portion.

Harney said he would suggest that the Attorney's Office review this document to see if the County even wants to get involved. Sullivan said he thinks it is the Board's decision. Harney said he thinks the trouble is in the details. Stutsman said she is not opposed to contracting with somebody to draw up a lease if they have more experience dealing with GSA or the government. She said the Attorney's Office workload is so intense; she does not have a problem contracting out to draw up a lease. Harney asked Johnson if he has read through the packet. Johnson said no, he handed it off to Kempf.

Sullivan said he was thinking more along the line of consulting with somebody like SouthGate Development Services or somebody who manages a lot of property and could help the County. Rettig said a commercial real estate person, not someone to review the legal terms because the County has that, but someone to determine the fair market value

of a square foot in this area. Stutsman, Sullivan, and Kempf agreed. Kempf said right now he thinks they use a figure of around \$15.00 per square foot. Sullivan said maybe Iowa City Assessor Denny Baldrige could help with that. Johnson said in the preliminary talks he spoke with the City Assessor's Office and they had some information on comparables in the area; he thinks it was in the \$15.00 to \$20.00 per square foot range. Rettig asked if that is a year. Kempf said yes, per square foot per year. Stutsman asked if there are three Board members that want to move ahead with this item and they can get into the negotiations. Sullivan said he would like to go forward. Stutsman said she would like to go forward too.

Rettig said her priority is that the lease is not forever and that is known from day one, and that the space is built so that the County could move into it in 15 years. The space is built so whatever department needed to expand, the County is able to utilize the area if they choose. She does not want to get into this for the income; it is more about the synergy. Kempf agreed. Rettig said the public needs services from all of those offices at once and to have them and staff be able to go from office to office is a good point. She does not agree with the principle of the space being used as a way to make money. Kempf said from reading through the packet he does not see anything too specialized or specific that the SSA is requesting in the area that the County could not use down the road.

Harney asked how the SSA's operational schedule fits in with the state and with the county employees in that building. There are going to be days the County needs to be open and they are not, or differences in hours of operation. Kempf said he cannot speak to holidays and he does not know the SSA's holiday schedule. They have included in the packet that their hours of operation for employees are 6:30 a.m. to 5:30 p.m. with office hours being 8:00 a.m. to 4:30 p.m. Sullivan said the SSA will have more holidays than the County does. Rettig agreed. Harney said they do have more holidays, but with their extended hours someone has to be sure the building is locked. Kempf said from what the SSA has in the packet it is within the County operating hours. They did not list any evening hours or any of those types of things. Stutsman said the SSA is trying to move to online services and she thinks they will see a decrease in hours. Kempf said the County can contact them and see if they are OK with giving the County additional time to work on the proposal. He said he is sure they know all of what is involved with the process.

Harney asked if that will involve additional phone and computer lines. Kempf said they are in the process of converting their systems to Voice over Internet Protocol and are requesting everything be Cat6 or 12 Pair phone lines. They are very specific about computer cable routing and cable trays. Kempf said it is all the same stuff the County currently has in the building. Negotiation would involve whether the County is supplying the terminal switch blocks or if they are supplying them or if they are calling for a certain size cabinets. He said they are all things the County has currently used in the lower two floors. Stutsman said there would not be a lot of special retrofitting.

Neuzil said it is hard not to keep an open mind, but he would want some assurance, particularly on the funding side, that this is advantageous for Johnson County. He said if

they can identify this as advantageous then he thinks the Board should keep an open mind. There should be the expectation that this third floor is to be used for expanding services of Johnson County and that has to be very clear. Neuzil said he does not want to encumber a future Board of Supervisors into making this a permanent location. Stutsman said she does not think any of the Supervisors want that.

Rettig said the other concern she has is that it is the County's building. After September 11, 2001, the federal government put in an armed guard in the hallway of the Iowa City Federal Building and a person was not allowed to enter the hallway where they were located without a government issued photo ID. She said it is the County's building and the County will set the rules and regulations for safety and security of the building, not the SSA. After September 11, 2011, the federal government panicked and did a lot of silly things costing an enormous amount of money. If they expect the County to do that it would be a real problem, for example, to not be allowed to enter a government building without a photo ID and having to go through an armed guard to do so. Rettig said if that decision is ever to be made some future Board of Supervisors will make that decision, not the federal government. Harney said he thinks that is a good point and if the SSA is going to demand that, they should have it in a lobby within their facility, rather than out in the hallway.

Kempf said so far all he is reading in the packet is standard life and safety issues, including fire alarm and sprinkler systems. There is a request for duress alarms, such as panic buttons, which is one of the things the County has been talking about. The SSA requires a security system in case somebody was to break in after hours so a call would go out. Kempf said it is pretty standard and he has not read anything that raised any big alarms.

Stutsman said it sounds like they are going to the next step. Harney asked if there is a consensus. Stutsman said yes.

## **JOHNSON COUNTY STRATEGIC PLAN**

Neuzil stated the Board has a Strategic Planning Meeting scheduled for February 16, 2011, and the Board should expect that to be a longer meeting. Johnson said yes, it is the Work Session with Secondary Roads so it will run long no matter what. They are going to build in the strategic plan goals. Johnson said he does not know if the Board wants to reschedule the discussion from today and set another meeting time. Harney said the Work Session with Secondary Roads is scheduled for February 16, 2011 at 1:30 p.m. and the Strategic Plan Meeting is in the morning. Harney asked if they could do it all in the morning. Rettig asked if HR was on the agenda for strategic planning today. Sullivan said yes.

Johnson said on the morning of February 16, 2011 the Board is scheduled to look at Economic Development and Social Services block grant funding. He said they can try and add that item on and block out the entire day. Stutsman said yes. Neuzil said until 4:00 p.m. Rettig said she and Neuzil have Juvenile Justice Youth Development Program

at 4:00 p.m. on February 16, 2011. Sullivan said they can block off 9:00 a.m. to 12:00 p.m. or 12:30 p.m. for strategic planning. Harney said yes because 1:30 p.m. is the Work Session for Secondary Roads. Neuzil said to block out 1:30 p.m. to 3:30 p.m. for Secondary Roads.

Sullivan said the block grants may not be that long of a discussion. Rettig agreed they can call in lunch and take a break. Neuzil said no one should try and schedule anything else for that day. The Board agreed. Johnson said he will make some arrangements to order lunch.

Adjourned at 12:02 p.m.

Attest: Tom Slockett, Auditor

By Angela McConville-Laffey, Recording Secretary