

Johnson County, Iowa



Watch us grow

Popular Annual Financial Report
For the year ended June 30, 2017

Message from the Board

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Johnson County

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Johnson County Auditor

@jcauditor

Johnson County Conservation

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Emergency Management

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Johnson County Public Health

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Johnson County Secondary Roads

@JCSecondaryRoad



Johnson County Ambulance
Johnson County Auditor
Johnson County Conservation
Emergency Management
Johnson County Public Health
Johnson County Sheriff



Johnson County Board of Supervisors, from left to right: Kurt M. Friese, Mike Carberry, Janelle Rettig, Lisa Green-Douglass, Rod Sullivan

We are pleased to present Johnson County's annual report for fiscal year 2017 (July 1, 2016 to June 30, 2017). This report gives us an opportunity to see how we've grown over the last year and look forward to the future. Johnson County has steadily grown in the nearly two centuries since its establishment in 1837. In 1900, the county's population was 24,817; in 2016, we were the second-fastest growing county in the State, with a population exceeding 146,500.

As our County grows, so do the services and resources we provide for our constituents. In fiscal year 2017, we moved forward with our Master Plan for the Johnson County Historic Poor Farm, which is sure to become a favorite outdoor destination spot. We worked to expand our green initiatives and were recognized by numerous organizations for our efforts. We continued to support our local foods community. We increased access to a number of our services, and spearheaded efforts to pursue a County-wide program designed to improve the way law enforcement and the community respond to people experiencing mental health crises. We partnered with more than three dozen community organizations to address poverty in our area.

We encourage our residents to get involved with their County government and help us continue to grow. Today's technology makes it very simple to drop us an email, view or listen to Board of Supervisors meetings through our live-streaming function, sign up for electronic communications, follow us on social media and more. We also welcome "old-school" contact—attend a meeting, stop by our office or pick up the phone to share your thoughts. As your Board of Supervisors, it is our pleasure to serve you.

Revitalizing the Historic Poor Farm

Master Plan

Johnson County Historic Poor Farm

- 1 Historic Building Complex
 - 2 Cropland
 - 3 Multi-Use Trail
 - 4 Prairie Meadow
 - 5 Keyline Swales & Ponds
 - 6 New Century Farm
 - 7 Timberstand Improvement
 - 8 Rotational Grazing
 - 9 Constructed Wetland or Pond
 - 10 Housing Development
 - 11 Charitable Food Production
 - 12 Cemetery
- Johnson County Poor Farm & Asylum Historic District
- - - Property Boundary



The Johnson County Historic Poor Farm is one of the few remaining relatively intact examples of the county farm model established in the 19th Century.

First opened in 1855 to care for the indigent, the developmentally disabled and the mentally ill, this historical resource provides an unique educational and interpretive opportunity for visitors to learn about Iowa's method of using its plentiful agricultural resources in efforts to care for the poor and mentally ill. The concept of the Poor Farm reflected the prevailing attitude that fresh air and work would be good for the "poor unfortunates." The farm was to be self-supporting and residents were expected to do farm chores to the extent of their abilities. This structure made sense, as many residents had previous farm experience and their labor helped compensate the County for their care.

With the help of grant funds from the State Historical Society of Iowa, Johnson County has begun repairs to the historic buildings, to ensure that the property's unique history is preserved for future generations. To accommodate the increasing activities at the farm, including a planned trail, a restroom facility was installed, water and sewer service was added, and several buildings have received electrical upgrades.

The County involved numerous community partners in Phase One focus groups and public input. We completed Phase One of the Master Planning process for the farm, selecting the "New Century Farm" concept, which includes repairing and preserving the four historic structures on the property and honoring the natural environment of the farm with a pollinator meadow, gardens and walking trails. We began Phase Two of the planning process, which includes a signage master plan, and thanks to a \$50,000 grant, we are implementing conservation improvements at the farm.

Grow Johnson County, a local agricultural group, is currently growing fresh vegetables for food-insecure Johnson County residents. The project is bringing the historic Poor Farm full-circle, continuing its role of helping those who are struggling. The Iowa Valley Global Food Project, a coalition of Eastern Iowa non-profits and community groups, also leases land and is working to make the local food system more inclusive by creating opportunities for immigrant community members -- new Iowans -- to obtain greater access to food, land and educational resources.

Expanding Green initiatives

Sustainability is a value that we expect to be a regular part of County business. Efforts to reduce energy usage and address sustainability in all aspects of County work is one of our ongoing priorities. In fiscal year 2017, we continued to prioritize sustainability and received recognition for many of our efforts.

The County has been committed to making biking easier for visitors and staff. Our main downtown campus was named a Gold-level Bicycle Friendly Business by the League of American Bicyclists. The County was recognized for efforts such as bike-to-work-month activities, regular educational events, participation in the Move Naturally to the Market program, bicycle racks at every building, and bicycles provided for employee use.

We were one of nine recipients statewide honored by 1,000 Friends of Iowa, an organization that focuses on promoting responsible land use in community state and federal development decisions. We received a Best Development Award in the Innovative Leadership category for our solar array and soil quality restoration at our Administration Building. The two solar arrays quadrupled the County's on-site solar photovoltaic energy generation. For the ground-mounted array, a layer of compost was added around the posts that support the solar array. The compost was tilled into the ground to provide quality soil for the low-grow, no-mow grass under and around the solar array, and to provide better infiltration of stormwater runoff.

The Johnson County Conservation Board received a statewide first place Habitat Award for County Conservation Boards from the Izaak Walton League of America. The award recognizes county conservation efforts in the establishment and management of wildlife habitat.

Johnson County Social Services; Planning, Development and Sustainability and the Board of Supervisors worked to educate local non-profits on energy efficiency/conservation and provided nearly \$30,000 in grants for five non-profits to implement energy efficiency projects.

We expanded our green fleet of vehicles with the addition of a Lightning hybrid vehicle, which is the first of its kind being used in the State of Iowa and holds four wheelchairs plus multiple ambulatory passengers. In FY 2017 Johnson County fleet vehicles averaged more than 31 miles per gallon, because of the hybrid vehicles now being used.

Our Secondary Roads department utilized the on-site solar arrays at its facility to reduce the use of fossil fuels. Secondary Roads was also awarded a green product usage award for pavement preservation work by Asphalt Systems Inc., a company that produces environmentally-friendly asphalt.



Supporting local foods



Johnson County is a unique region in Iowa where the rural landscape meets our urban centers in many dynamic ways. We are a brilliant mix of talent, experience, and culture. We sit on some of the richest, most fertile soil on earth and our deep agricultural history continues to define us. We identify the wealth of food our region is capable of producing and understand the need for community-based food systems.

The Johnson County Board of Supervisors and staff are committed to building a thriving local food system -- where farmers prosper, businesses succeed, and everyone has access to clean, healthy, delicious food.

In Johnson County we see the need to localize our food system and we are working to create a healthy, intact system that lessens resource inputs, promotes worker's rights and preserves the natural environment. The advancement of our local food system will enhance rural and urban economic development, increase access to healthy, clean food and build equity in our community.

In fiscal year 2017, we continued to support the promotion and expansion of opportunities for local food enterprises, including it as an integral piece of the Master Planning process for the Johnson County Historic Poor Farm. We expanded the growing area for the non-profit Grow: Johnson County and added space for the Iowa Valley Global Food Project to grow local foods.

The Iowa City Farm to Street Dinner, launched in 2016, is a joint effort among Johnson County, the City of Iowa City, and the Iowa City Downtown District. The Farm to Street Dinner brings together members of Johnson County's diverse, vibrant community to share a table, a story, and a meal, while raising funds for local food initiatives. Each year, up to \$10,000 of revenue from the event is awarded to an area organization working to enhance the local food system. A six-course meal is prepared by some of Iowa City's best chefs utilizing local ingredients. Each selected chef works closely with local producers to prepare one course of the six-course meal.

We continue to explore options for a community food hub, which would allow growers to cooperatively sell their goods. Additionally, our Planning, Development and Sustainability department is working on an agri-tourism ordinance, which would help promote the local food economy.

The Johnson County Food Policy Council is pursuing the creation and implementation of a "Grown Here, Made Here" label for local food producers. The Food Policy Council addresses food system issues in the County and works to improve dialogue and discussion and provide necessary advice on food and agriculture issues in the County.



Increasing access



Our mission is to enhance the quality of life for the people of Johnson County by providing exceptional public services in a collaborative, responsive and fiscally accountable manner. One way we do that is to continue to increase access to our services, which we do in a variety of ways County-wide.

Working in partnership with the Sheriff's Office, Jail Alternatives and numerous community partners, we continue to develop a Crisis Intervention Training (CIT) Program that includes trainings, services and facilities. CIT is designed to improve the way law enforcement and the community respond to people experiencing mental health crises and is built on strong partnerships among law enforcement, mental health provider agencies and individuals and families affected by mental illness. The County held two local CIT training classes in Spring 2017, resulting in 120 additional first responders trained in CIT methods, to improve the way law enforcement and the community respond to people experiencing mental health crises.

In the 2016 General Election, the Auditor's Office processed a record number of in-person voters using a ballot-on-demand system that increased efficiency and reduced the number of unused ballots, and used a third-party vendor to mail absentee ballots to reduce in-house costs and staffing needs.

We held two outreach events to provide information about the County's Community ID card program. The Johnson County Community ID is a local government-issued photo identification available to residents of Johnson County. The ID was established to ensure that all members of the community are welcomed and can participate fully in the economic and social life of Johnson County. The ID can be used to open bank accounts, confirm identity, get a library card, interact with schools and City/County agencies and receive promotions at participating businesses.

The Women Infant and Children Breastfeeding Program in our Public Health department hired breastfeeding consultants to expand languages to better match the populations served. We also continue to have growth in the I-Smile school outreach program, which ensures children have a dental home by providing assistance to families in finding a dental provider.

Our Veterans Affairs department expanded outreach efforts and extended Saturday morning office hours to accommodate veterans who have difficulty getting to the office during regular business hours. The extended hours resulted in increased benefits to Johnson County Veterans and family members.

Addressing poverty



For fiscal year 2017, the Johnson County Board of Supervisors allocated more than \$2 million through various grant and fund allocation processes to more than three dozen community partners, including social services organizations, libraries and economic development groups to meet the critical needs of Johnson County residents and our growing community.

The Board directed \$600,000 to address the need for affordable housing in Johnson County through the Housing Trust Fund of Johnson County's revolving loan fund. The Housing Trust Fund supports affordable housing by providing funding for affordable home ownership, rental and transition housing and emergency shelter needs. The Board of Supervisors also awarded additional funding to social service agencies to meet emergency needs and implement innovative programming.



As part of the Board's annual Quality of Life grant program, we added a Hunger Relief Initiative to address food insecurity in our community. The Hunger Relief initiative supported 33 mobile pantries in five area locations and the implementation of a school-based pantry. Ten farm stands served 307 households through the new initiative.

The Social Services department allocated funds to 551 households through the County's General Assistance Program. The program provides funds for those needing emergency help with daily living expenses like rent and utilities. Seventy-eight percent surveyed said they would likely lose housing without the assistance.

With Iowa Department of Transportation funding, and in partnership with the East Central Iowa Council on Governments, the City of Coralville and the City of Iowa City, the County hired a Social Services Mobility Coordinator, who works to improve overall mobility for elderly, low-income and persons with disabilities. The Coordinator is also tasked with increasing awareness of local transit options, expanding public transportation ridership in the community and providing travel training.

Social Services also coordinates a Community Connections Day and Veteran's Stand Down event. The event is a resource fair for homeless and low-income Johnson County residents and veterans. The goal of the event is to connect people to community resources and to provide basic services that are not easily accessible to populations without easy access to transportation. Services and resources provided include Affordable Care Act enrollment navigators, dental cleanings, flu shots, sexual health resources, transportation assistance, hearing and vision screening, translation services, job fair, financial counseling and housing resources.

Glossary and FY2016 PAFR Award

Glossary of terms

Appropriation

An authorization made by the governing body to establish legal authority for officials to obligate and expend resources.

Assessed Value

A value that is established for real estate or other property by a government as a basis for levying taxes.

Deferred Inflows of Revenues

Represent an acquisition of net position that applies to a future year(s) and will not be recognized as an inflow of resources (revenue) until that time.

Deferred Outflows of Revenues

Represent a consumption of net position that applies to a future year(s) and will not be recognized as an outflow of resources (expense/expenditure) until then.

Fund Balance

The difference between fund assets and fund liabilities. Also known as surplus funds or cash reserves.

General Fund

The fund used to account for the activities of a government that are carried out primarily to provide services to citizens and that are financed primarily through taxes and intergovernmental revenues.

Levy

The total amount of taxes imposed by the government.

Levy Rate

The rate used in calculating taxes based upon the value of property, expressed in an amount per thousand dollars of assessed value.

Property Tax

Taxes levied according to the property's taxable value and the tax rate.

Rollback

The reduction in taxable value of property as computed annually by the State of Iowa.

Net Investment in Capital Assets

Equals capital assets net of accumulated depreciation and any outstanding borrowings used for their acquisition.

Restricted Net Position

Assets are reported as restricted when there are limitations imposed on their use by legislation, creditors, grantors or laws or regulations of other governments.

Unrestricted Net Position

Represents the difference between assets and liabilities not restricted for use.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Johnson County
Iowa**

For its Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Christopher P. Morill
Executive Director/CEO

Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Financial Reporting to Johnson County, Iowa, for its Popular Financial Report for the fiscal year ended June 30, 2016. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability and reader appeal.

An Award for Outstanding Achievement in Popular Financial Reporting is valid for a period of one year only. Johnson County has received a Popular Award for the last two consecutive years (fiscal years ended 2015-2016).

Financial Highlights FY17

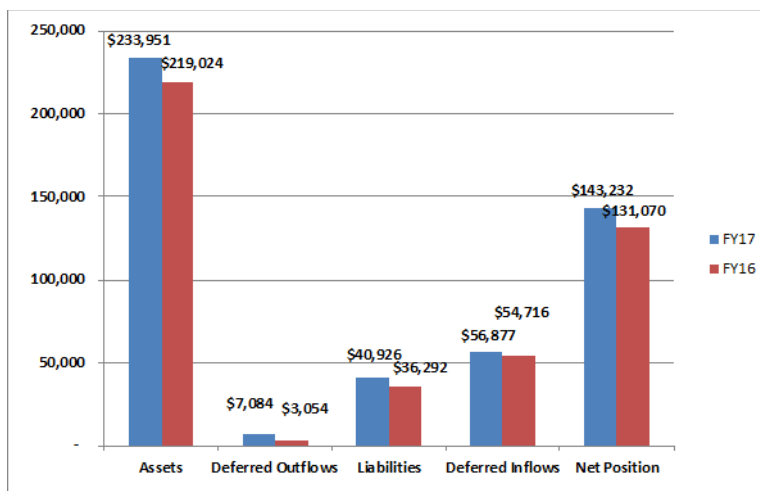
through June 30, 2017

Total net position was \$143,231,784 at June 30, 2017. This was an increase of \$12,161,852 (9.3 percent) compared to the prior fiscal year.

Overall revenues of governmental activities increased 5.2 percent or \$4,093,920 from fiscal year 2016. Property tax revenues increased \$3,123,7315; operating grants and contributions decreased \$531,4445; charges for services increased \$713,900; tax credit revenues increased \$86,697; and capital grants and contributions decreased \$677,503.

Overall program expenses increased \$5,873,457 (9.1 percent) from fiscal year 2016. Public safety and legal services increased \$836,076; physical health and social services increased \$997,532; mental health expenses decreased \$162,768; county environment and education expenses increased \$1,437,534; roads and transportation expenses increased \$1,998,500; governmental services to residents increased \$387,104; administration expenses increased \$411,599; non-program expenses decreased \$1,427; and interest expenses on the County's long-term debt decreased by \$33,547.

Statement of Net Position



Net Position may serve as an indicator of a government's financial position. The total net position of governmental activities increased by 9.3 percent compared to fiscal year 2016. The increase in total liabilities for FY17 is primarily due to the increase of the pension liability from GASB Statement No. 68.

Additionally, the increase to assets was a result of increased capital project activity during the fiscal year. The largest portion of the County's net position is invested in capital assets (land, buildings, equipment), net of related debt. The debt related to investment in capital assets is liquidated with sources other than capital assets.

Restricted net position represent resources that are subject to external restrictions, constitutional provisions or enabling legislation on how they can be used. Unrestricted net position increased from \$514,934 in fiscal year 2016 to \$7,671,983 in fiscal year 2017, an increase of 1389.9 percent, due primarily to the effect of the net pension liability on the county's unrestricted fund balance.

The increase in deferred inflows from FY2016 to FY2017 was primarily due to pension-related deferred inflows decreasing from \$2,123,700 to \$644,564 in fiscal year 2017 and the increase in succeeding year property tax was \$3,639,403 from FY16 to FY17.

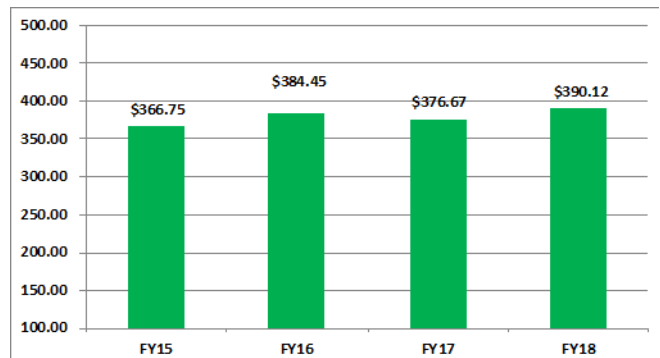
Financial Highlights FY17

through June 30, 2017

Statement of activities

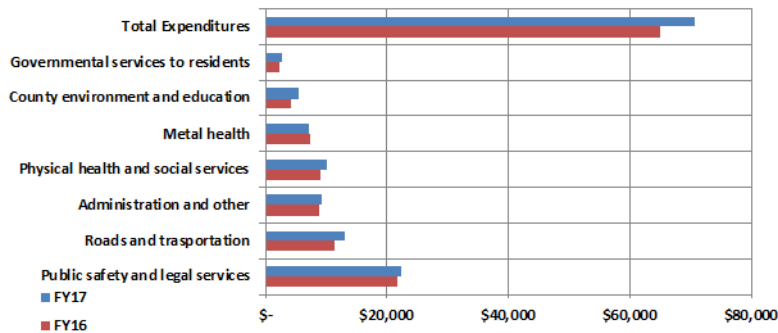
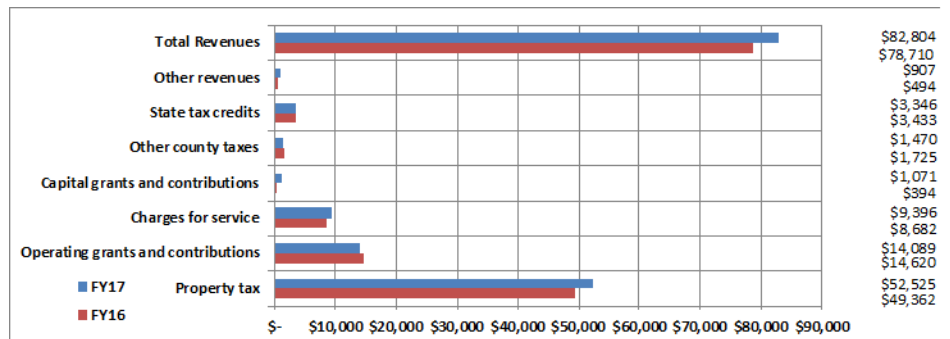
The County increased property taxes levied for 2017 by 5.9 percent. This increase raised the County's property tax revenue by approximately \$3,162,969. Based on increases in the tax levies and total assessed valuation, property tax revenue is budgeted to increase by an additional \$3.1 million for fiscal year 2018.

The cost of all government services this year was approximately \$70,642,000 compared to \$64,768,000 last year. The amount financed by taxpayers was \$46,085,706 (See Statement of Activities). Some of the cost was paid for by those who benefited from programs or other government grants and contributions. The County's program revenues increased from \$23,696,126 to \$24,556,085 from fiscal year 2016 to 2017, due to an increase in capital grants, due primarily to capital projects being completed using federal funds.



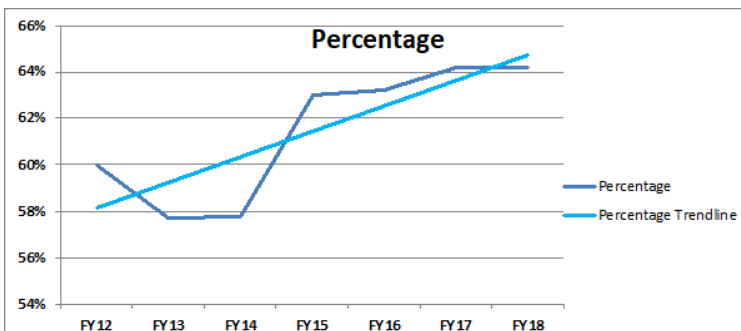
The increase in property tax from fiscal year 2017 to fiscal year 2018 is due to the change in the state rollback rate and an increase in the countywide levy rate. The FY17 levy rate was 6.771 and the FY18 countywide levy rate increased to 6.851 due to a legislative change in MHDS levy requirements.

Government-wide Revenues (Expressed in thousands)



Government-wide Revenues (Expressed in thousands)

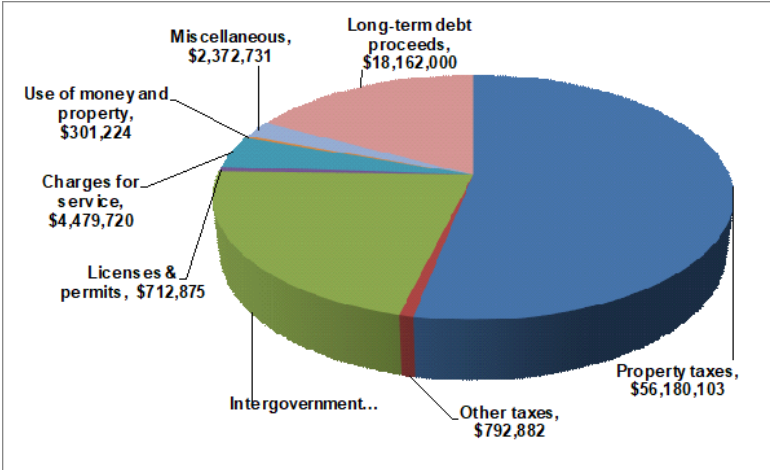
Taxes as a percentage of total budgeted revenues



Even though it may appear that taxes as a percentage of total budgeted revenues are changing drastically as you look at the graph, in reality, there has been a modest increase over the last five years, as evidenced by the trend line.

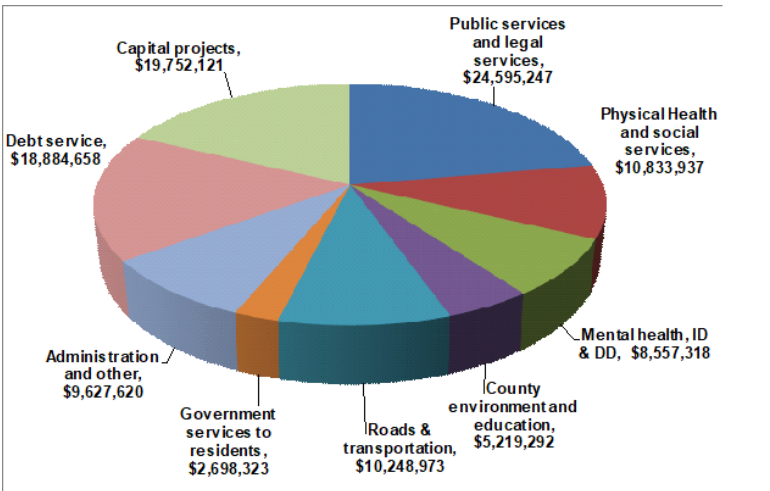
Financial Year 2018 Budgeted Revenue

Property taxes	\$ 56,180,103
Other taxes	\$ 792,882
Intergovernmental	\$ 22,862,703
Licenses & permits	\$ 712,875
Charges for service	\$ 4,479,720
Use of money and property	\$ 301,224
Miscellaneous	\$ 2,372,731
Long-term debt proceeds	\$ 18,162,000
Total Revenues	\$ 105,864,238



Financial Year 2018 Budgeted Expenditures

Public services and legal services	\$ 24,595,247
Physical Health and social services	\$ 10,833,937
Mental health, ID & DD	\$ 8,557,318
County environment and education	\$ 5,219,292
Roads & transportation	\$ 10,248,973
Government services to residents	\$ 2,698,323
Administration and other	\$ 9,627,620
Debt service	\$ 18,884,658
Capital projects	\$ 19,752,121
Total Expenditures	\$ 110,417,489



Report Disclosure

The Statement of Activities and Statement of Net Position are prepared on the accrual basis for the year ended June 30, 2017. Information summarized on these pages is from the Financial Section of the County's Comprehensive Annual Financial Report (CAFR). The CAFR is prepared in accordance with generally accepted accounting principles (GAAP). Information, including County demographics, is presented in greater detail in the CAFR which is available from the Johnson County Finance Department and at the Johnson County website under Departments/Finance/Audit Reports. The budgeted revenue and expenditures summaries included governmental funds only.

Financial Budget Award

Johnson County was awarded a Certificate of Achievement for Excellence in Financial Reporting for its Fiscal Year 2016 Comprehensive Annual Financial Report (CAFR) by the Government Finance Officers Association.

Elected Officials

Attorney Janet Lyness

The County Attorney is the County's Attorney and represents the State of Iowa in certain legal situations.

Some of the County Attorney's duties include prosecution of County and State criminal cases, victim assistance, assisting with payment of fines, advising Johnson County departments and offices, juvenile services, prosecuting Child in Need of Assistance cases, representing applicants in involuntary commitments, and forfeiting property connected to criminal activity.

Auditor Travis Weipert

The Auditor serves as:

- **County Commissioner of Elections**
- **County Commissioner of Registration** maintaining voter registration records
- **Clerk to the Board of Supervisors** and responsible for managing the County's central accounting system, processing payroll, paying bills and tabulating taxable valuations
- **Mapmaker** maintaining real estate ownership information.

Recorder Kim Painter

The Recorder's Office provides direct service to the County's citizens and also serves as a repository for many public records. Deeds, mortgages and contracts are some of the many real estate documents recorded in the Recorder's Office.

The Office also:

- Registers and titles boats, snowmobiles and all-terrain vehicles
- Issues hunting, fishing and trapping licenses
- Processes marriage licenses
- Stores birth, death and marriage records and provides certified copies of these documents.

Treasurer Tom Kriz

The County Treasurer collects and distributes property taxes and prepares reports for the State Treasurer, maintains bank accounts for the various County funds and conducts tax sales on property for which the taxes have not been paid.

The Treasurer's Office is also home to the Motor Vehicle department, which handles registration of cars, trucks and other motorized vehicles.

Sheriff Lonny Pulkrabek

The Sheriff's Office is composed of:

- **Patrol Division** handles routine and emergency calls for residents of unincorporated areas of the County, and provides contracted law enforcement for seven incorporated towns in the County. Specialty units include a K-9 Unit, Sheriff's Emergency Response Team (SERT), Water Search and Rescue, Water Patrol, and Johnson County Metro Bomb Squad.
- **Jail Division** oversees a jail that has the capacity to house 92 inmates.
- **Records Division** maintains records for individuals who are booked into the jail, maintains officers' investigative reports and issues permits to acquire and carry handguns.
- **Civil Division** is responsible for executing and serving legal process documents including Sheriff's sales, subpoenas and garnishments.
- **Investigative Division** handles more in-depth investigations that may require additional specialized training, such as burglary, robbery, sexual assault, fraud, murder and arson.
- **Reserve Division** is composed of volunteer Deputies who assist the full-time Deputies and the Sheriff with patrol, traffic control, security or any other area deemed necessary.

Departments and Offices

Ambulance, Director Fiona Johnson
Assessor (Iowa City), Assessor Brad Comer
County Assessor, Assessor Tom Van Buer
Attorney, Count Attorney Janet Lyness
Auditor, County Auditor Travis Weipert
Board of Supervisors, Executive Director Mike Hensch
Conservation, Director Larry Gullett
Emergency Management, Coordinator Dave Wilson
Finance, Director Dana Aschenbrenner
Human Resources, Director Lora Shramek
Information Technology, Director Bill Horning
Medical Examiner, Administrative Director Clayton Schuneman

Mental Health Services, Director Jan Shaw
Physical Plant, Facilities Manager Eldon Slaughter
Planning, Development and Sustainability, Director Josh Busard
Public Health, Director Dave Koch
Recorder, County Recorder Kim Painter
SEATS and Fleet, Director Tom Brase
Secondary Roads, County Engineer Greg Parker
Sheriff, County Sheriff Lonny Pulkrabek
Social Services, Director Lynette Jacoby
Treasurer County Treasurer Tom Kriz
Veterans Affairs, Director Gary Boseneiler