



METROPOLITAN EMERGENCY SERVICES BOARD BOARD MEETING AGENDA

May 10, 2018, 10:00 a.m.

1. **Call to Order** – Board Chair, Council Member Andrew Johnson
2. **Oath of Office** (if needed) – Council Member Johnson
3. **Consent Agenda** _____ **1**
 - A. Approval of Minutes of March 14, 2018 Meeting
 - B. Approval of January 2018 Treasurer’s Report
 - C. Approval of February 2018 Treasurer’s Report
 - D. Approval of March 2018 Treasurer’s Report
4. **Acceptance of 2017 Audit** – Jill Rohret, Executive Director/Peggy Moeller, Redpath & Company _____ **35**
5. **Radio Items** – Troy Tretter, Radio Services Coordinator
 - A. Approval of Amendments to Radio TOC Bylaws _____ **97**
 - B. Approval of Washington County Request for Use of Excess ARMER Capacity _____ **101**
 - C. Approval of Dakota Co. Participation Plan Amendment for VHF Paging _____ **103**
 - D. Approval of Amendments to Metro Standard 3.17.4 – Event & Exercise Communication Planning _____ **109**
6. **9-1-1 Items** – Pete Eggimann, Director of 9-1-1 Services
 - A. Approval of Amendments to 9-1-1 TOC Bylaws _____ **113**
7. **EMS Items** – None
8. **Administrative Items** – Jill Rohret, Executive Director
 - A. Approval of Amendments to MESB Bylaws _____ **117**
 - B. Resolution Approving Membership of Sherburne County on MESB _____ **125**
9. **Reports**
 - A. Legislative Report – Margaret Vesel & Matthew Bergeron, Larkin Hoffman
 - B. Statewide Emergency Communications Board & Committees
 1. Finance Committee – Huffman/Tretter
 2. Legislative Committee – Egan/Rohret
 3. Steering Committee – Rohret/Tretter
 4. Other Committees – Tretter/Eggimann
 5. SECB – A. Johnson/Rohret
10. **Old Business** – None
11. **New Business**
 - A. Executive Director Performance Review/Process – Council Member Johnson
12. **Adjourn**



METROPOLITAN EMERGENCY SERVICES BOARD BOARD MEETING AGENDA

May 10, 2018, 10:00 a.m.

Metropolitan Emergency Services Board Members

Anoka County

Commissioner Julie Braastad
Commissioner Rhonda Sivarajah*

Carver County

Commissioner Gayle Degler
Commissioner Jim Ische*

Chisago County

Commissioner George McMahon*

Dakota County

Commissioner Tom Egan* (2018 Treasurer)
Commissioner Mary Liz Holberg

Hennepin County

Commissioner Debbie Goettel*
Commissioner Jeff Johnson

Isanti County

Commissioner Greg Anderson*

Ramsey County

Commissioner Blake Huffman* (2018 Secretary)
Commissioner Janice Rettman

Scott County

Commissioner Barb Weckman Brekke
Commissioner Tom Wolf*

Washington County

Commissioner Fran Miron* (2018 Vice Chair)

City of Minneapolis

Council Member Andrew Johnson* (2018 Chair)

*Denotes Executive Committee member

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Rohret	AGENDA NUMBER: 3. Consent Agenda
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- A. **Minutes** – The minutes of the March 14, 2018 meeting of the Board are attached for review and approval.
- B. **January 2018 Treasurer’s Report** – The Treasurer has reviewed the January 2018 financial statements and has given his approval of the report.
- C. **February 2018 Treasurer’s Report** – The Treasurer has reviewed the February 2018 financial statements and has given his approval of the report.
- D. **March 2018 Treasurer’s Report** – The Treasurer has reviewed the March 2018 financial statements and has given his approval of the report.
- E. **Informational Only** – Metro Critical Incident Stress Management (CISM) Fiscal Year 2016 – 2017 Annual Report to Stakeholders.
- F. **Informational Only** – Draft minutes of the April 11, 2018 MESB Executive Committee meeting.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		

METROPOLITAN EMERGENCY SERVICES BOARD

MEETING MINUTES

MARCH 14, 2018

Commissioners Present:

ANOKA	Julie Braastad Rhonda Sivarajah	HENNEPIN	Debbie Goettel Jeff Johnson - Absent
CARVER	Gayle Degler Jim Ische	ISANTI	Greg Anderson
CHISAGO	George McMahon	RAMSEY	Blake Huffman Janice Rettman - Absent
City of Minneapolis	Andrew Johnson	SCOTT	Barb Weckman Brekke- Absent Tom Wolf
DAKOTA	Tom Egan Mary Liz Holberg - Absent	WASHINGTON	Karla Bigham Fran Miron

Staff Present: Jill Rohret; Pete Eggmann; Kelli Jackson; Ron Robinson; Troy Tretter; and Martha Ziese.

Others Present: Jay Arneson, *MESB Board Counsel*; and Margaret Vesel, *Larkin Hoffman*.

1. Call to Order

Meeting was called to order at 10:00 a.m. by MESB Chair, Council Member Andrew Johnson.

2. Approval of Agenda

Motion made by Commissioner Wolf, seconded by Commissioner Degler to approve the March 14, 2018 agenda. Motion carried.

3. Oath of Office – none.

4. Approval of Consent Agenda

Motion made by Commissioner Degler, seconded by Commissioner Miron to approve the Consent Agenda. Motion carried.

5. Issues and Action Requests

A. Radio

1. Approval of University of Minnesota MCC7100 Console Connection

Troy Tretter said the University of Minnesota requests approval of its request for a MCC7100 console and connection. The method of connection has been used elsewhere in Minnesota, but not in the metro area. The Radio Technical Operations Committee had no concerns relating to the request and recommends approval.

Motion made by Commissioner Miron, seconded by Commissioner Degler to approve the University of Minnesota's request to add a Motorola MCC7100 dispatch console. Motion carried.

2. Approval of Hennepin County Participation Plan Amendment for VHF Simulcast Paging

Tretter said Hennepin County requests approval to add a sub-site (C-subsite) to the Zone 2 master site for its VHF simulcast paging system. The request is akin to adding an ARMER simulcast subsystem. This is the first installation of a C-subsite to the ARMER system, though more are likely to follow. The Radio Technical Operations Committee recommends approval of Hennepin County's request to install a site to Zone 2 to support its VHF simulcast paging.

METROPOLITAN EMERGENCY SERVICES BOARD

Motion made by Commissioner Egan, seconded by Commissioner Ische to approve Hennepin County's request to install a site to the Zone 2 master site to support its VHF simulcast paging. Motion carried.

B. 9-1-1 TOC

1. Acceptance of CAD-to-CAD Interoperability Report

Pete Eggimann said the 9-1-1 TOC recommends the Board accept the CAD-to-CAD Interoperability Feasibility Report and Recommendations as submitted.

The study was conducted by Winbourne Consulting, using SECB grant funds. Eggimann said the report provides a glimpse of the direction of NG9-1-1 and PSAP operations. The report includes short case studies on areas where a similar solution has been implemented. The San Diego project most closely compares to what is recommended for the metro region. EMS agencies in the San Diego area experienced a significant reduction in response time which they directly attribute to the ability to share CAD information between agencies.

PSAPs and the agencies for which they dispatch would decide what level of information they will share with neighboring PSAPs/agencies. It could also allow the sharing of information so that the first available or closest unit, regardless of agency, could be notified.

The total five-year cost estimate is \$6.9 million for the region; the report includes possible methods of allocating the costs. The consensus of the 9-1-1 TOC was that such a system should be implemented at a regional level, so that all the PSAPs could be supported. IP connectivity between the PSAPs and the hubs would be necessary.

Winbourne Consulting found strong support for the MESB to manage this solution, though the possible role of the MESB has not been defined, and would be the subject of discussion at many levels, including the Executive Committee and the Board. Data interoperability is now recognized as being just as important as voice interoperability. ECN is interested in this project; it may be incorporated into the SECB's 2019-2021 strategic plan, which could result in a statewide implementation or provide additional grant funds.

Eggimann said if the board is supportive of the project, the next steps would be to work with the TOC, ECN and responder agencies to try to put together a system management and funding plan.

Commissioner Goettel asked if law enforcement officials had been contacted and if not, suggested they be contacted, as their feedback would be valuable. Eggimann replied that only those which participated in interviews with the PSAPs had been contacted, but that the intent is to bring them all on board.

Jill Rohret said that the 9-1-1 TOC and the PSAPs were all supportive but noted that they stated the costs would have to be affordable, which could vary between PSAPs. There was also interest from those interviewed for this report to take this information to their neighboring jurisdictions beyond the metro region, which would be difficult for the MESB to manage. Because there is interest across the state for CAD-to-CAD interoperability or a statewide hosted project it would be important for this plan to be included into state's strategic plan.

Commissioner Degler asked if there was the possibility of grant funds. Rohret said the report was funded through a SECB grant; staff was aware that the original grant would only fund the feasibility report and intended to apply for additional funds, if available, in the future. Future grant funds would be allocated on a competitive basis and could only cover a maximum of 50% of the cost; she noted that the cost of the project likely exceeds the amount of future available grant funds.

Motion made by Commissioner Goettel, seconded by Commissioner Wolf to accept the CAD-to-CAD Interoperability Feasibility Report and Recommendations as submitted. Motion carried.

METROPOLITAN EMERGENCY SERVICES BOARD

C. Acceptance of FY2017 SHSP Grant

Tretter said the Executive Committee recommends the acceptance of the 2017 State Homeland Security Program (SHSP) grant to the MESB in the amount of \$26,000. \$1,000.00 would be allocated for exercises for the Communications Response Task Force, with the remaining funds allocated for Motorola training.

Commissioner McMahon asked who would attend the Motorola training. Tretter stated generally spots are made available to each party to the JPA.

Motion made by Commissioner Miron, seconded by Commissioner Wolf to accept the FY 2017 SHSP grant. Motion carried.

D. Approval of Amendment to Lease with Hennepin County for ARMER sites

Tretter said the Executive Director recommends the Board approve Amendment No. 3 to the Master Lease Agreement with Hennepin County. The original agreement was executed in 1999 and amended twice in 2001. The current amendment would allow the Zone 2 master site to be moved from a Hennepin County Sheriff's Office facility in Golden Valley to Parkers Lake in Plymouth this spring. The amendment also updates terminology, removes Brooklyn Park as a leased site, adds Parkers Lake as a leased site, extends the lease term to December 31, 2029, changes the lease renewal term language, and updates contact information and exhibits related to equipment at the sites and site access procedures.

Motion made by Commissioner McMahon, seconded by Commissioner Goettel to approve Amendment 3 to the Master Lease Agreement with Hennepin County. Motion carried.

E. Approval of Amendment to CenturyLink 9-1-1 Contract

Eggimann said that the Executive Committee recommends the Board approve an amendment to the 9-1-1 contract with CenturyLink. He reminded members that the MESB is signatory to the 9-1-1 contract with the State and CenturyLink. The amendment has no direct effect on the MESB, but because it is a party to the contract it must approve and sign amendments. The first topic of the amendment is a billing issue between CenturyLink and the State whereby CenturyLink failed to bill the state at the beginning of the contract; billing will begin effective February 2018. The amendment states they will bill the state going forward. The second portion of the amendment provides diversity to the Cook County PSAP and implement monthly connectivity charges for legacy selective router gateways.

Rohret said the request is to grant the Chair the authority to execute the amendment pending final review by MESB counsel. As of today, it is possible that additional changes may be made to the version included in the packet.

Commissioner Egan asked why the MESB was involved since this is a Greater Minnesota issue. Rohret said this is part of the statewide 9-1-1 contract, to which the MESB is a party. The MESB must approve any amendment to that contract.

Motion made by Commissioner McMahon, seconded by Commissioner Degler to approve the amendment to the CenturyLink 9-1-1 contract, pending final legal review by MESB counsel. Motion carried.

F. Approval of Agreement with Metro CISM Team

Ron Robinson said staff recommends the Board approve a contract with the Metro Critical Incident Stress Management (CISM) Team in the amount of \$11,000.00 to provide incident stress management services for the metro region first responder community, through June 30, 2019.

Commissioner Sivarajah asked if all law enforcement knew of these services and how to contact the team for services. Commissioner McMahon asked what agencies should know about these services. Robinson

METROPOLITAN EMERGENCY SERVICES BOARD

said there is a 24-hour number on file with MRCC. A Metro CISM representative attends annual conferences of each public safety discipline's associations and perform other types of outreach to public safety. Commissioner Sivarajah said that sending reminders would be helpful. She noted that MESB Board Members thought that the Narcan grants were known to all agencies and that was not the case. Commissioner Miron said that it would be useful to see the activity reports to see if these services are being used and are of value. Rohret will see that the report is distributed to Board Members.

Motion made by Commissioner Miron, seconded by Commissioner Wolf to approve agreement with the Metro CISM Team. Motion carried.

G. Approval of Executive Director Travel Requests

Rohret said the Executive Committee recommends approval of two travel requests for the Executive Director to attend the annual NENA conference June 17-21, 2018, and the APCO/MTUG conference August 5-11, 2018. Both conferences are included in the 2018 budget.

Motion made by Commissioner Sivarajah, seconded by Commissioner Wolf to approve travel requests for the Executive Director to attend the annual NENA and APCO/MTUG conferences. Motion carried.

6. Reports

A. Legislative Report

Margaret Vesel distributed the legislative overview. The legislative budget was passed. The budget surplus was announced at \$329 million. The governor announced a \$1.5 million bonding bill; much of went to U of M and MNSCU. The first bill deadline is March 22. The second deadline is March 29. All bills will have to clear both bodies by then.

There are several bills of interest to the MESB. The EMS Funding SF95. The money goes to the EMSRB as a pass through to the regions. A version was passed by both bodies last year but did not make the final cut.

The other bill being monitored for the MESB is the rewrite of Chapter 403. Larkin Hoffman and Executive Director have been meeting with the stakeholders; the telecom providers. There has been eighteen months of negotiations.

Distracted Driving was sent to Ways and Means, and from there will go to the floor. The Opioid bills differ in their funding mechanisms. Both have money for the EMS regions to provide Narcan.

B. Statewide Emergency Communications Board (SECB)

Reports

1. Finance (Comm. Huffman/Rohret) - cancelled

2. Legislative (Comm. Egan/Rohret) - cancelled

3. Steering – Rohret said the meeting for today was cancelled. The February meeting discussed membership and strategic planning.

4. OTC – Tretter said a participation plan for Red Lake Nation was approved, as were requests for Sanford Ambulance consoles, amendments to the Dispatchers Best Practices Guide, and the Hennepin County VHF paging.

5. Board (CM. Johnson/Rohret) - cancelled

7. Old Business

A. Sherburne County Intent to Join MESB (Rohret)

Rohret stated a formal resolution on the consent agenda at the March 13, 2018 Sherburne County Board meeting, which included all the language required by the MESB. She stated that MESB approval of the Sherburne County request to join the MESB will be on the April and May Executive Committee and Board agendas, respectively. A formal vote in May will enable staff to finalize the 2019 budget and assessments,

METROPOLITAN EMERGENCY SERVICES BOARD

which the Board will vote on in July. She noted the vote to approve the Sherburne County request will require unanimous vote by those in attendance.

8. New Business

A. Presentation on Life Cycles of Approved Subscriber Radios Allowed on ARMER

Rohret said that there was a discussion at the February Executive meeting about the life cycles of subscriber radios and how notifications of product cancellation are provided. Troy Tretter talked with major radio vendors at a conference last week and requested additional information in writing for this presentation; none of the vendors supplied him with the requested information.

Tretter said before any radio is allowed to be used on the ARMER system, it must be tested by MnDOT and approved by the SECB Operations and Technical Committee. Testing results can be viewed on Emergency Communication Networks' website. He noted that each vendor has a similar product cancellation notification process. He provided information on cancellation notification processes for EF Johnson (now owned by JVC Kenwood), JVC Kenwood, Tait (now owned by Harris), Harris, and Motorola.

Meeting adjourned 11:08 a.m.

DRAFT



METROPOLITAN
EMERGENCY SERVICES BOARD

2099 UNIVERSITY AVENUE WEST
SAINT PAUL, MINNESOTA 55104-3431
PHONE 651-643-8395
WWW.MN-MESB.ORG

TO: Metropolitan Emergency Services Board
FROM: Dakota County Commissioner Thomas Egan, MESB Treasurer
RE: Treasurer's Report – January 2018
DATE: March 29, 2018

As Treasurer for the Metropolitan Emergency Services Board it is necessary to review the following documents:

- Monthly summary financial reports for Administration, 911, Radio and EMS
- Explanation for significant variance from budget report for Administration, 911, Radio and EMS.

The review was conducted on March 28, 2018.

Sincerely,

Thomas Egan, Commissioner
Dakota County
Treasurer, Metropolitan Emergency Services Board



METROPOLITAN
EMERGENCY SERVICES BOARD

2099 UNIVERSITY AVENUE WEST
SAINT PAUL, MINNESOTA 55104-3431
PHONE 651-643-8395
WWW.MN-MESB.ORG

TO: Metropolitan Emergency Services Board
FROM: Dakota County Commissioner Thomas Egan, MESB Treasurer
RE: Treasurer's Report – February 2018
DATE: March 29, 2018

As Treasurer for the Metropolitan Emergency Services Board it is necessary to review the following documents:

- Monthly summary financial reports for Administration, 911, Radio and EMS
- Explanation for significant variance from budget report for Administration, 911, Radio and EMS.

The review was conducted on March 28, 2018.

Sincerely,

Thomas Egan, Commissioner
Dakota County
Treasurer, Metropolitan Emergency Services Board



METROPOLITAN
EMERGENCY SERVICES BOARD

2099 UNIVERSITY AVENUE WEST
SAINT PAUL, MINNESOTA 55104-3431
PHONE 651-643-8395
WWW.MN-MESB.ORG

TO: Metropolitan Emergency Services Board

FROM: Dakota County Commissioner Thomas Egan, MESB Treasurer

RE: Treasurer's Report – March 2018

DATE: April 16, 2018

As Treasurer for the Metropolitan Emergency Services Board it is necessary to review the following documents:

- Monthly summary financial reports for Administration, 911, Radio and EMS
- Explanation for significant variance from budget report for Administration, 911, Radio and EMS.

The review was conducted on April 13, 2018.

Sincerely,

A handwritten signature in black ink that reads "Thomas A. Egan". The signature is written in a cursive, flowing style.

Thomas Egan, Commissioner
Dakota County
Treasurer, Metropolitan Emergency Services Board



Fiscal Year 2016-2017
(1 July 2016 to 30 June 2017)

Annual Report to Stakeholders



*Metro CISM Team, 7809 Southtown Center, #174
Bloomington MN 55431 • 612-207-1130
www.metroCISM.org*



The Metro CISM Team
7809 Southtown Center, #174
Bloomington MN 55431-1324
312-207-1130

The Metro CISM Team Fiscal Year 2016-2017 Stakeholder Report

The Metro CISM Team provides research-informed *peer support* to emergency first responders which will result in healthier lives, stronger families, and supportive communities. We *build stress resistance* with audience specific training, *promote resilience* through direct support and *improve recovery* through outreach and resources.

ABOUT US

The Metro Critical Incident Stress Management Team consists of 42 police officers, firefighters, emergency dispatchers, and paramedics (considered peers) who volunteer their time and energy to support others in the field of emergency response. These "peers" are supported by emergency services chaplains and acculturated mental health professionals who also volunteer their time. These volunteers commit to monthly service review, obtain many hours of continuing training and make themselves available 24/7 to assist agencies in crisis when we are called upon.

The Metro CISM Team offers a comprehensive set of services, nationally recognized and established as a part of a larger international movement to provide needed services to emergency response professionals – first responders. These services seek to **build resistance to stress** (cumulative and acute), **support the inherent resilience** of first responders, and **speed the recovery of personnel** after critical incidents to ensure career longevity, **promote continued occupational satisfaction** and **encourage physical, emotional and interpersonal well-being**.

We are part of the *International Critical Stress Management Foundation* network and follow their recommendations for services protocols.

The members of the 2016-2017 Board of Directors were:

Corinne Becker, Co-Chair, Active Law Enforcement
Mike Glassberg, Co-Chair, Active Law Enforcement
Debbie Brown, Vice-Chair, Active Public Safety Chaplain
Brian Kluck, Secretary, Retired Fire Service
Joe Meuwissen, Treasurer, Retired Fire Services and Active Mental Health Professional
Bruce "Doc" Johnson, At large, Retired Law Enforcement
Jason Groskreutz, At large, Active Law Enforcement and Fire Service
Mike Passig, At large, Active Law Enforcement
Jeff Seidl, At large, Active Law Enforcement
Mike Vandervort, At large, Active Law Enforcement and EMS Service
Tracey Vee, At large, Active Mental Health Professional

OUR VISION

We envision a fully functioning and healthy community of first responders who have the tools to manage the stress of their work and personal lives and advocate stress management to their peers.

OUR NON-PROFIT STATUS

The Metro CISM Team was established in 1987. It is a registered 501(c)(3) nonprofit organization in good standing with the State of Minnesota Attorney General Charities Division and the Internal Revenue Service. The entirely volunteer Team is made up of 46 First Responder peers (law enforcement, firefighters, dispatchers, and emergency medical services personnel), and First Responder-acclulturated chaplains and mental health professionals from the Twin Cities region.

WHO WE SERVE

The Metro CISM Team is responsible for meeting the needs of First Responders in **Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott and Washington Counties**. The Team does provide services to agencies outside of these counties upon direct request and evaluation for appropriateness. As there are other peer support teams in Minnesota, we strive to keep our Team Members active mainly in the Metro but we do consider exceptions a few times a year.

AN OVERVIEW OF OUR EFFORTS

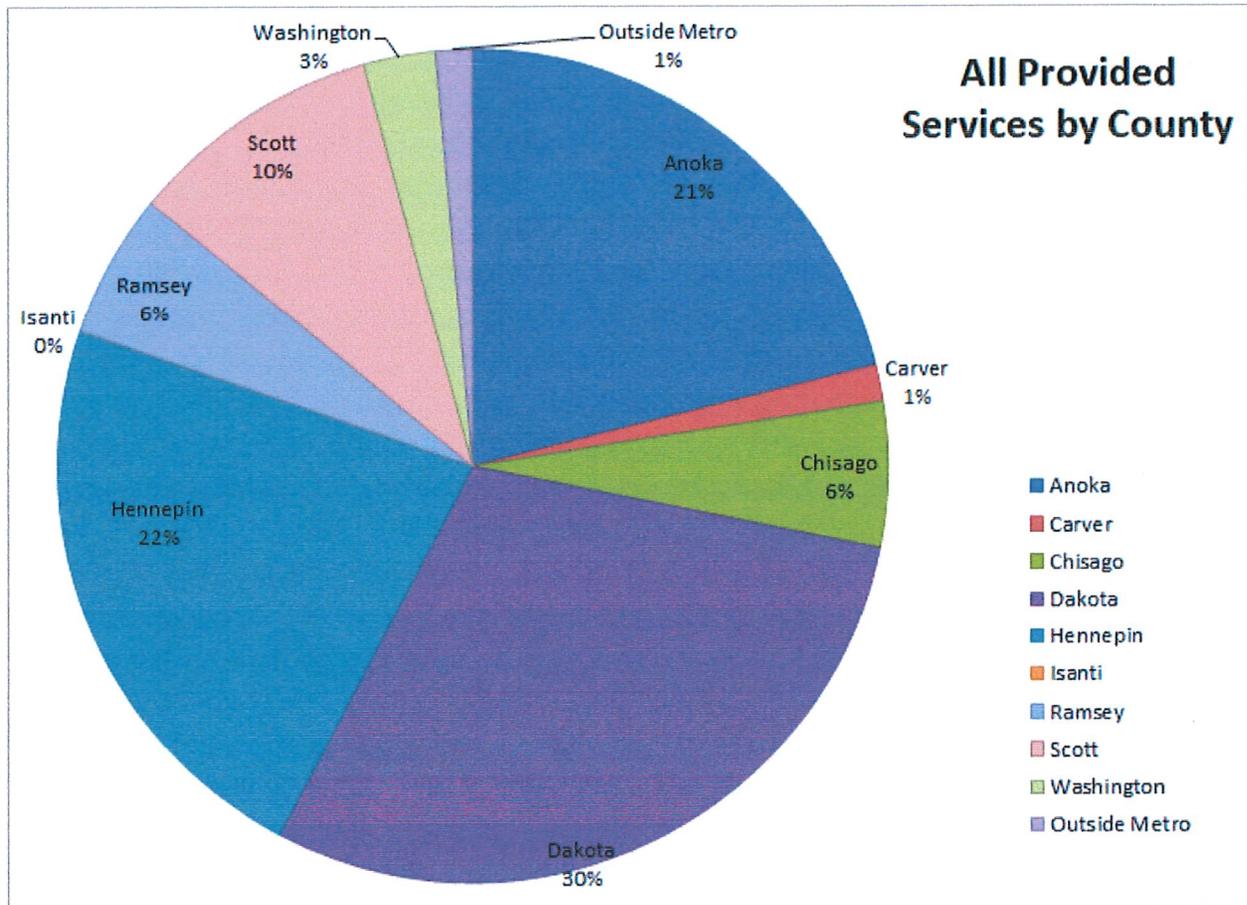
To inform us about how we are doing, confidential survey data from the exit evaluations of the hundreds of service participants are aggregated. It is important to note that completion of the evaluations is voluntary. The evaluations are anonymous and there are no documents ever created that track specific first responders or agencies served, comments made or any other type of information that may identify who we serve.

The State of Minnesota has a data privacy statute protects people using peer support services. However, it is important to again emphasize that we do not collect any data on the individuals or agencies we serve.

CALLS FOR SERVICE

During the fiscal year of 2016-2017, The Metro CISM Team was available for services in all nine counties of our service region in the Greater Minneapolis-Saint Paul Metro area. There are other peer support Teams around the State but there is not a centralized directory to identify them all. Additionally, a Team's activity can vary over time based on its members' ability to provide peer support. A partial list of Teams in Greater Minnesota can be found at the International Critical Incident Stress Foundation's website.

The following chart shows the percentage of total services we provided in 2016-2017 by each county we served. Please note that our services are provided exclusively in response to an agency request. We never self-deploy and we always wait for a direct request from an agency wishing to seek a consultation on what the Team can do for them or to utilize the Team's variety of services.



SERVICES WE PROVIDE

In Fiscal Year 2016-2017, the Metro CISM Team responded to 77 unique requests for services. That is down from 101 events from last year. Year to year, we see normally see small fluctuations in the utilization of our services. The subject of critical incident peer support has become a hot topic since inclusion in the 2015 issuing of The President's Task Force on 21st Century Policing Implementation Guide: Moving from Recommendations to Action. <https://ric-zai-inc.com/ric.php?page=detail&id=COPS-P341>

This boost in awareness has led to people with different perspectives to put their spin on the work of peer support teams in general. Specifically, several attorneys and agencies are recommending that first responders not participate in peer support services if there is a potential for litigation. Unfortunately, nearly everything first responders to is subject to potential litigation.

The Metro CISM Team has and continues to attempt to educate those entities on how peer support works in order to allay their fears of first responders opening themselves up to litigation.

To emphasize, the Metro CISM Team has addressed how the team serves individuals involved in high profile incidents to minimize litigious vulnerability. The Team does not document who participates in our services. The Team does not document anything that is said by anyone in our services. The Team does not retain any records to identify which team members provided which services. The reputation of the team lives and dies by its ability to maintain the trust and confidence that what is said is not repeated.

The Team provided critical incident services to more than 1300 First Responders and civilians. Last year we served 907.

Types of Services

Crisis Management Briefings: Structured large group community/organizational “town meetings” designed to provide information about the incident, control rumors, educate about symptoms of distress, inform about basic stress management, and identify resources available for continued support, if desired. May be especially useful in response to community violence/terrorism. (Everly, IJEMH, 2000)

Consultation Services: The Metro CISM Team has years over thirty years of experience and has developed a reputation as a resource for information related to best practices in helping first responders after a critical incident. The Team has a depth of relationships that can be useful for

Debrief Services: The most well known and most frequently used of the Team’s provided services is the “debriefing” - a multi-step, peer-facilitated discussion of the critical incident. Our protocol prohibits anyone not directly related to the incident from participating. If the person did not feel it, see it, smell it or hear it, they are not allowed to be in the room during the service. We find this helps build rapport among the people who experienced the incident and it helps foster honest conversation. Additionally, no first responder is ever required to participate in any service. It is often noted that the most resistant attendee often participates after seeing the non-threatening and supportive nature of the service. A volunteer mental health professional is always in attendance to provide psychoeducation about the effects of stress and to monitor participants for problematic emotional responses to the critical incident.

Defusing Services: A shorter version of the debrief service that is utilized closer to the event itself and is designed to provide an initial forum for ventilation and information exchange. None of the services provided by this Team are a “tactical” critique. The defusing service provides an opportunity for assessment of those who were involved in a critical incident and is sometimes followed by a Critical Incident Stress Debriefing.

Education Services – 1st 90 Minutes: Discussed later in this document.

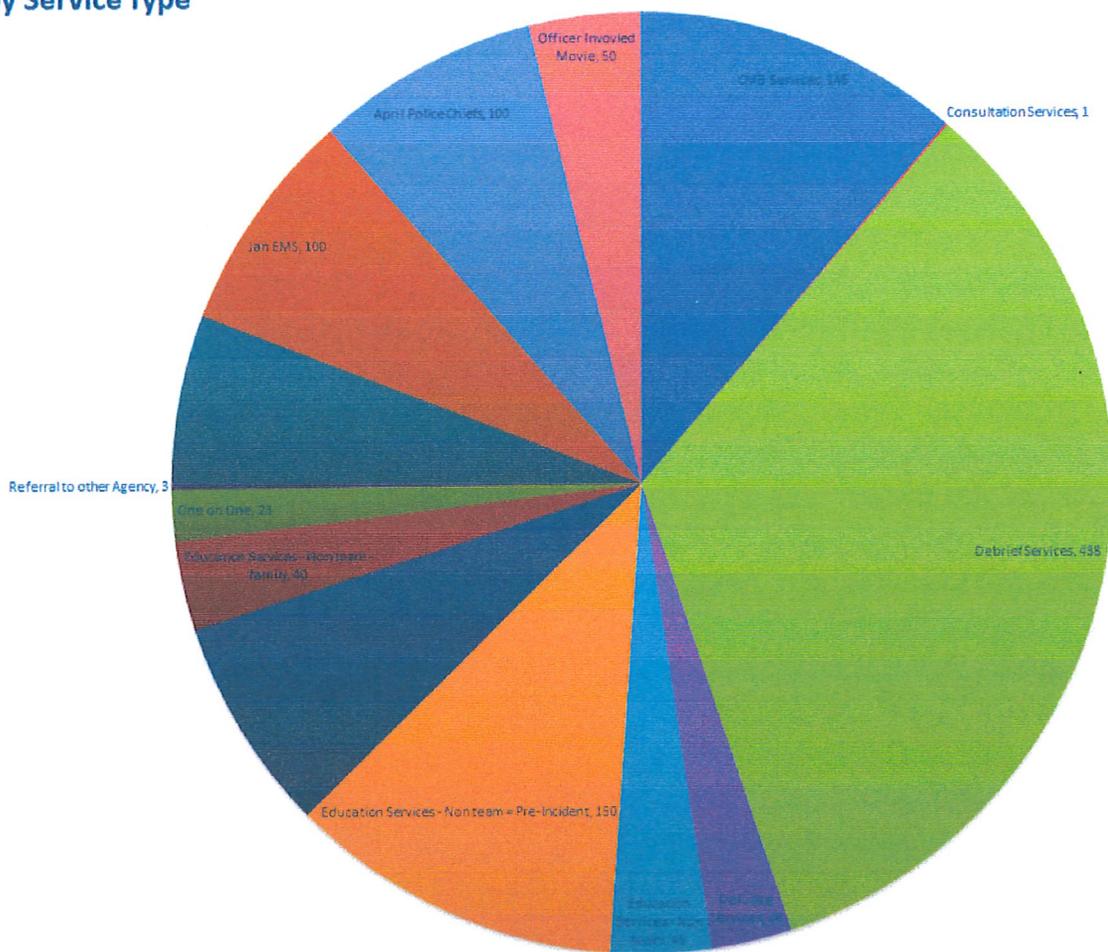
Education Services – Pre-Incident Training: Discussed later in this document.

One-on-One: Every First Responder has a unique personal and work experience that they bring to every critical incident. After such events, someone may just need to have someone who can relate to what they may be thinking or experiencing. The Metro Team can provide a trained, sympathetic listener, a peer, to help First Responders process their thoughts.

Referral to Other Agency: The Team occasional receives requests for service that are better provided by a different peer team or entity. We respect jurisdictional boundaries and provide referrals to other teams best suited to the requesting agency's needs.

Conferences: Team members staff booths with informational handouts and promote what the Metro CISM Team does.

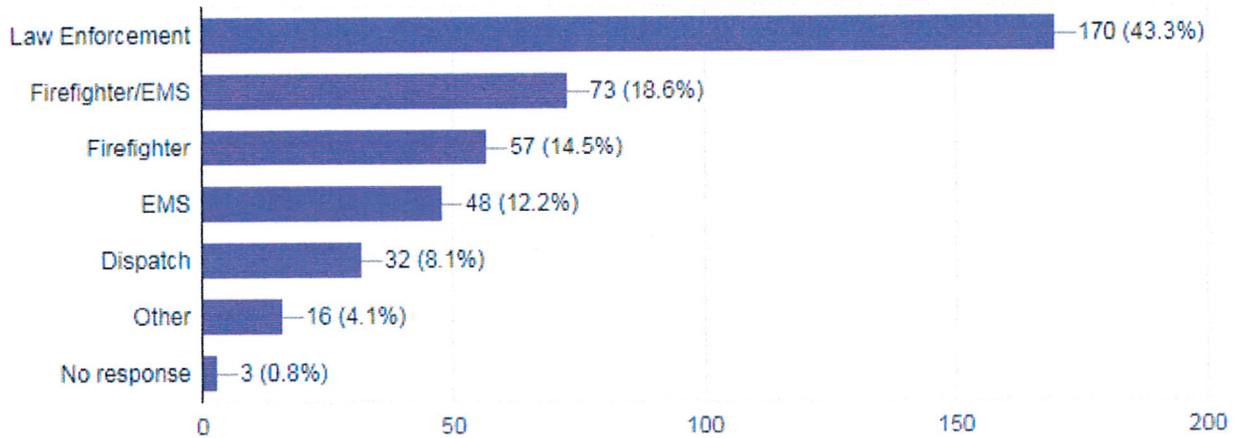
**1303 People served
by Service Type**



Demographics of those we have served

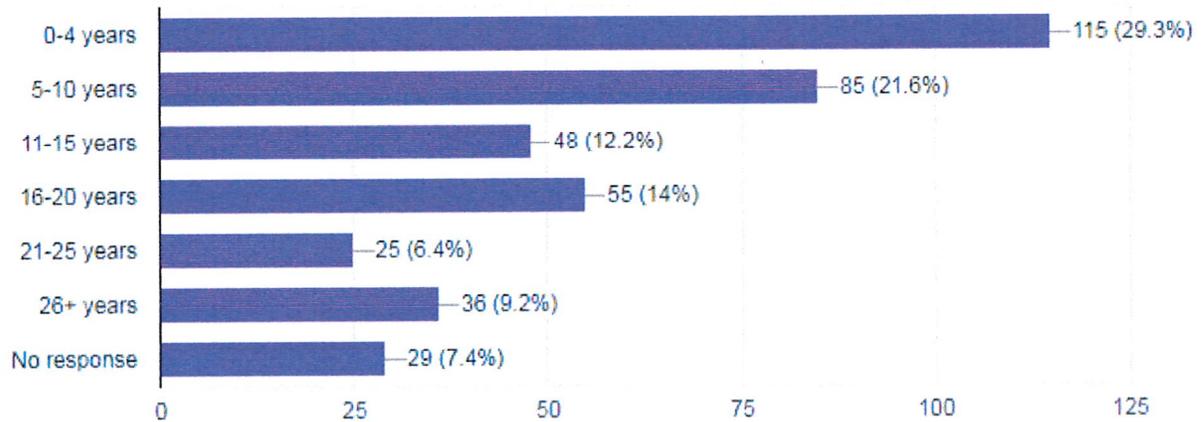
Please indicate your discipline.

393 responses

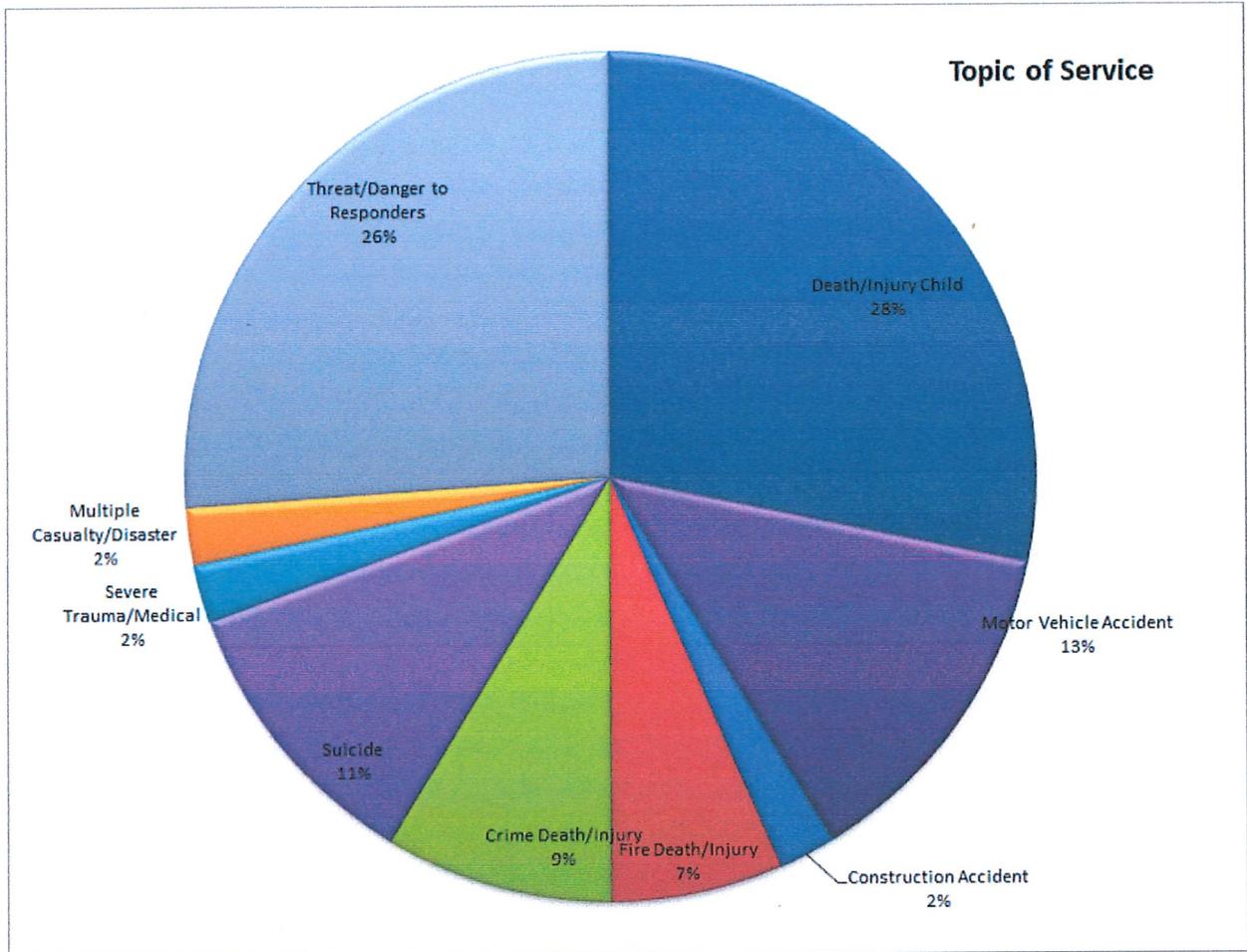


Please indicate your length of service.

393 responses



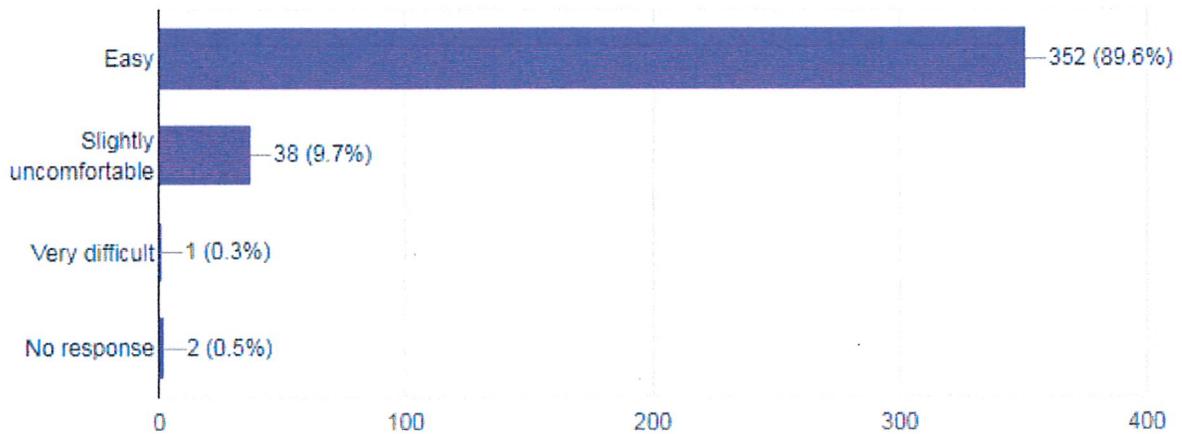
Categories of Critical Incidents



Impressions / How participants felt about the Team

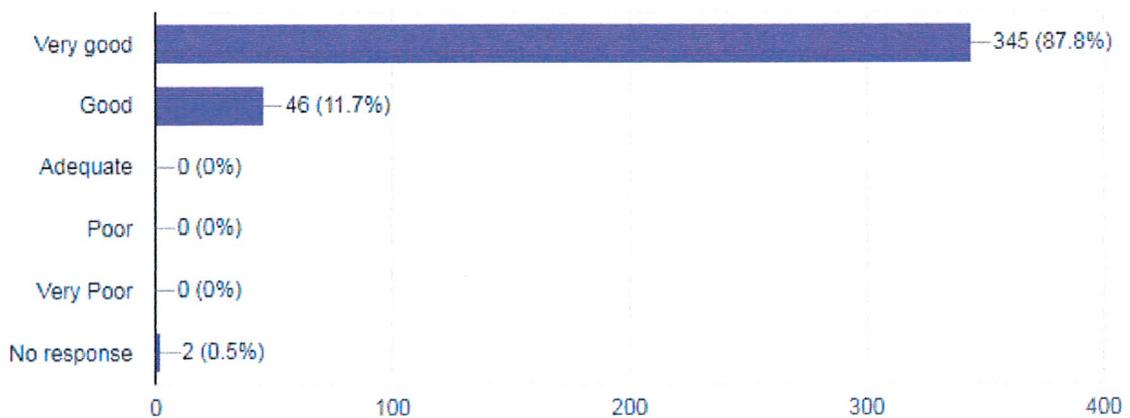
Talking with the team members was:

393 responses



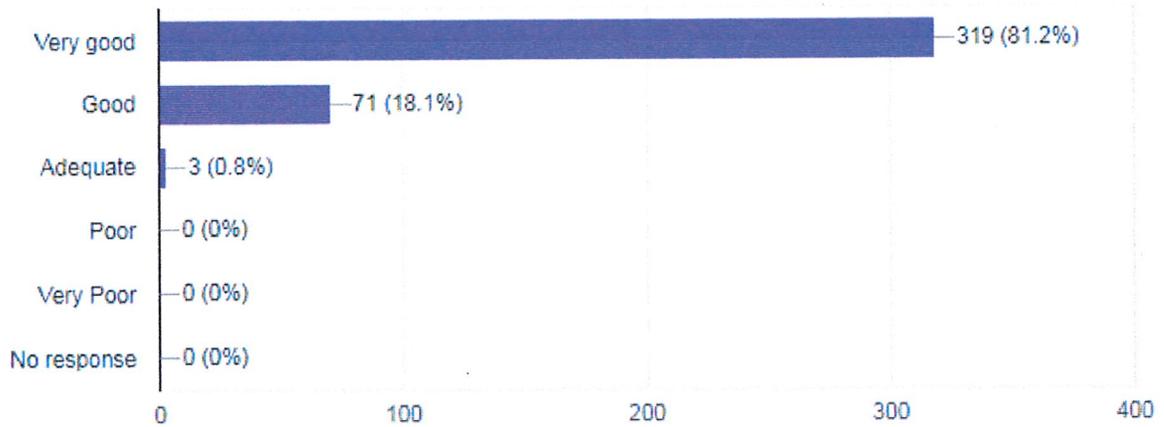
Please rate The Metro CISM Team members on the following:
Clearly explained the ground rules.

393 responses



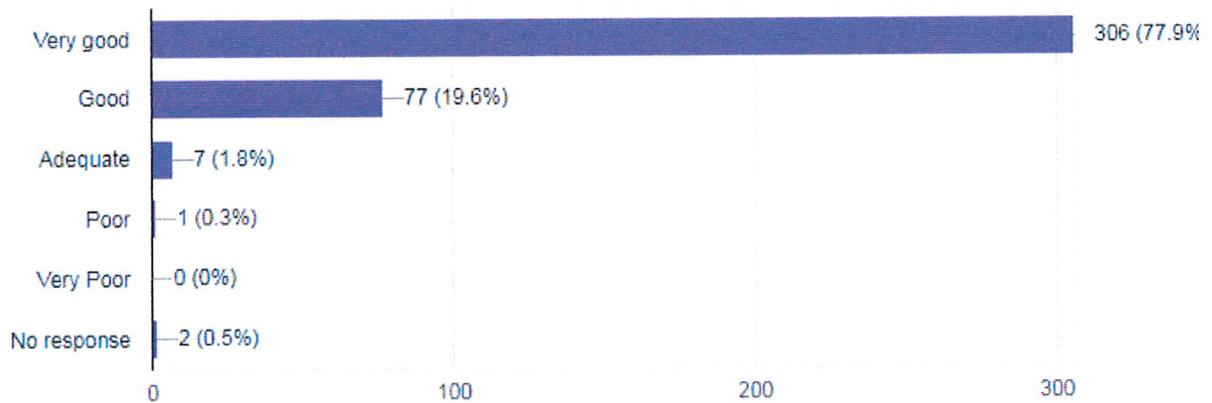
Please rate The Metro CISM Team members on the following:
Managed group discussion effectively.

393 responses



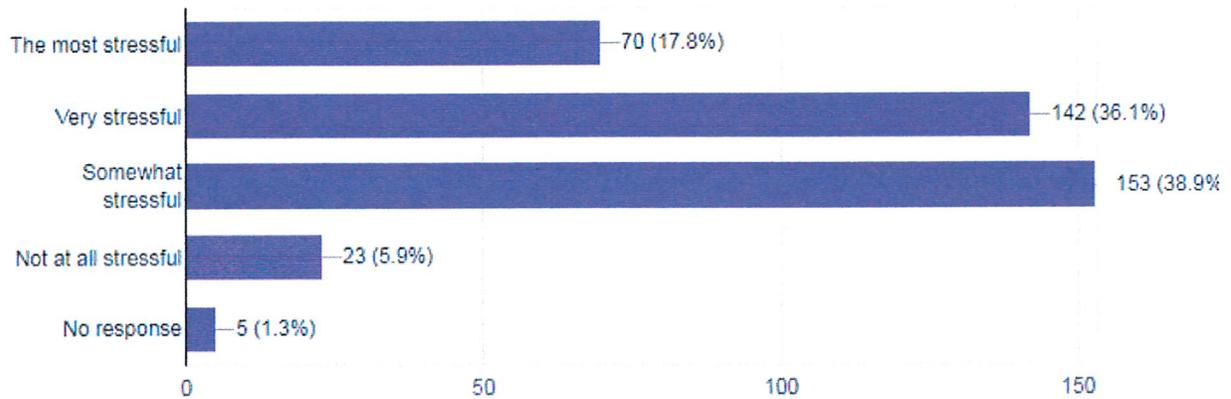
Please rate The Metro CISM Team members on the following:
Talked enough but not too much.

393 responses



How stressful was this event in comparison to others in your career?

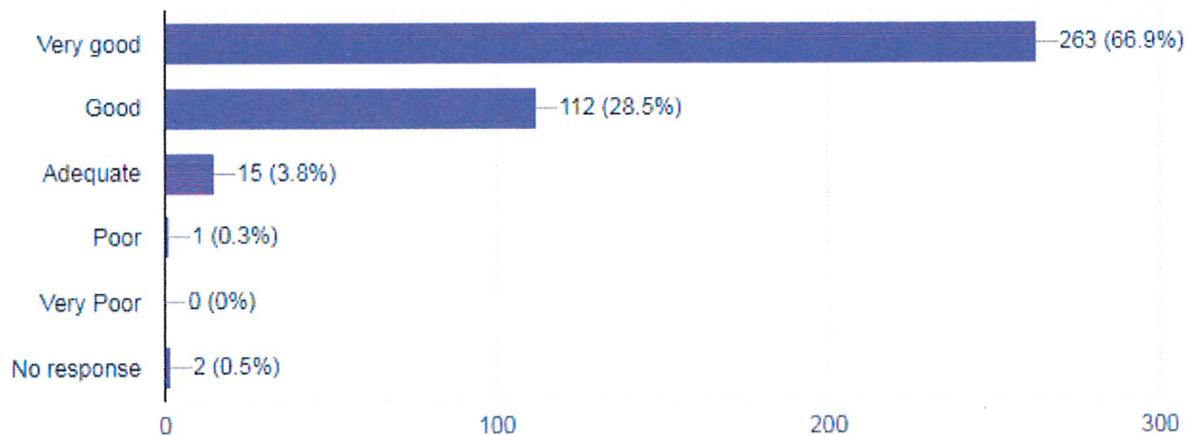
393 responses



Education

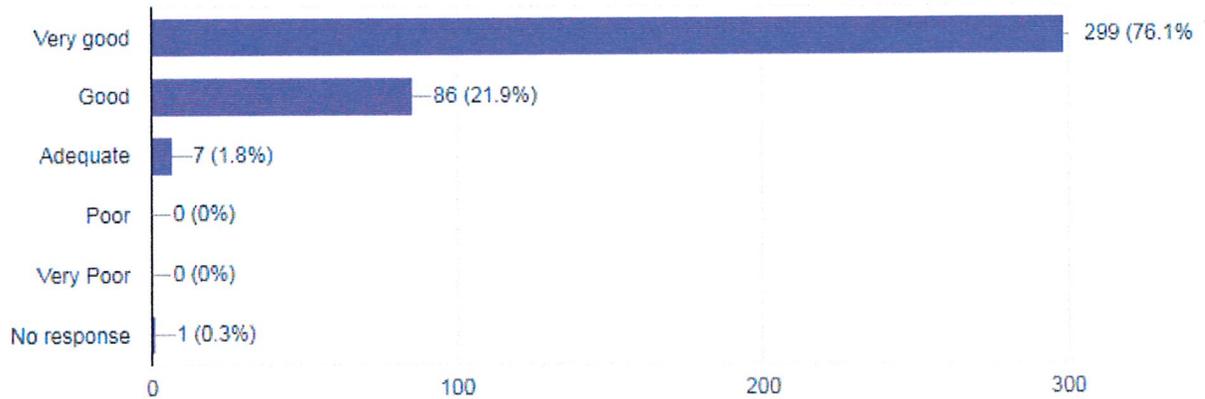
Please rate The Metro CISM Team members on the following:
Helped to bring to mind new or different ways of coping with stress.

393 responses



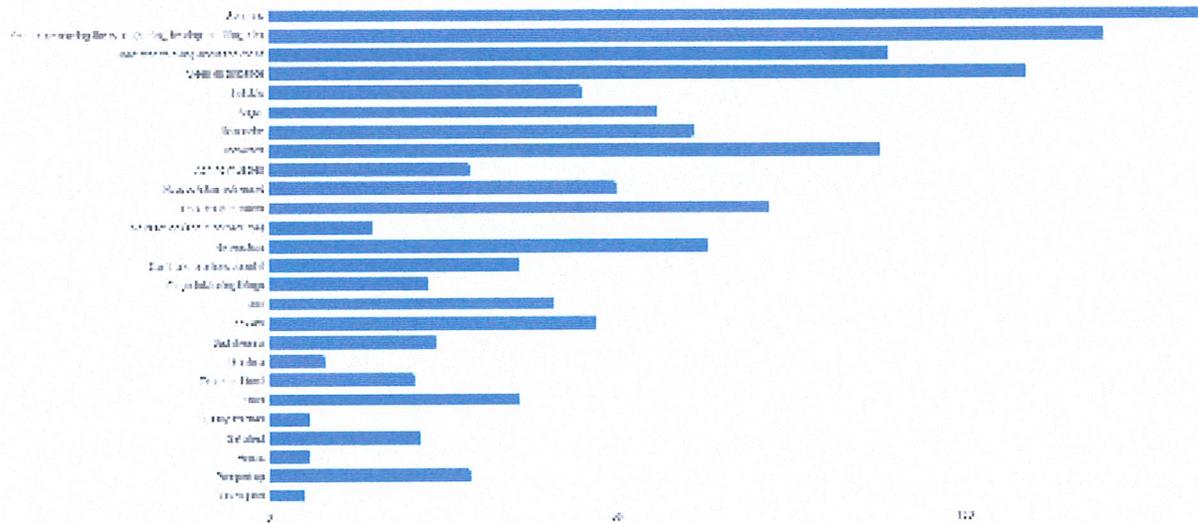
Please rate The Metro CISM Team members on the following:
 Provided enough specific information on critical incident stress reactions.

393 responses



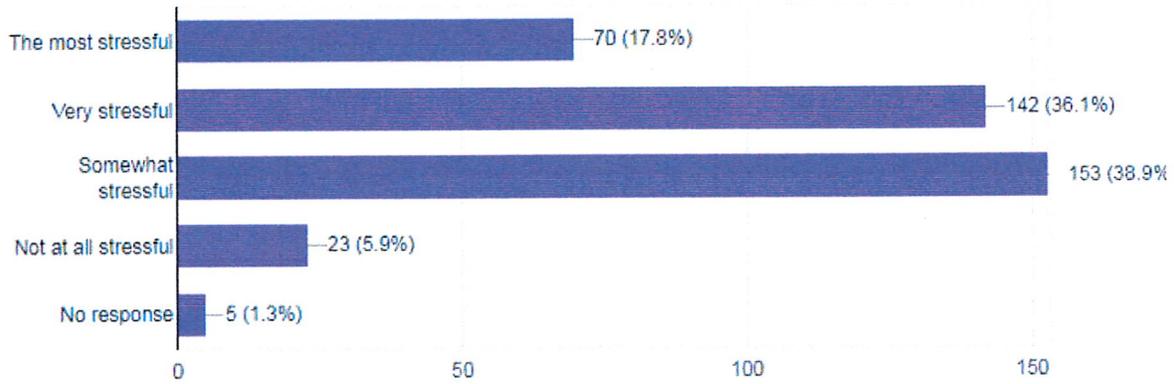
Participant impressions

The following list contains common reactions often experienced after experiencing a critical incident. Please check ALL that you are currently experiencing as a result of this event.



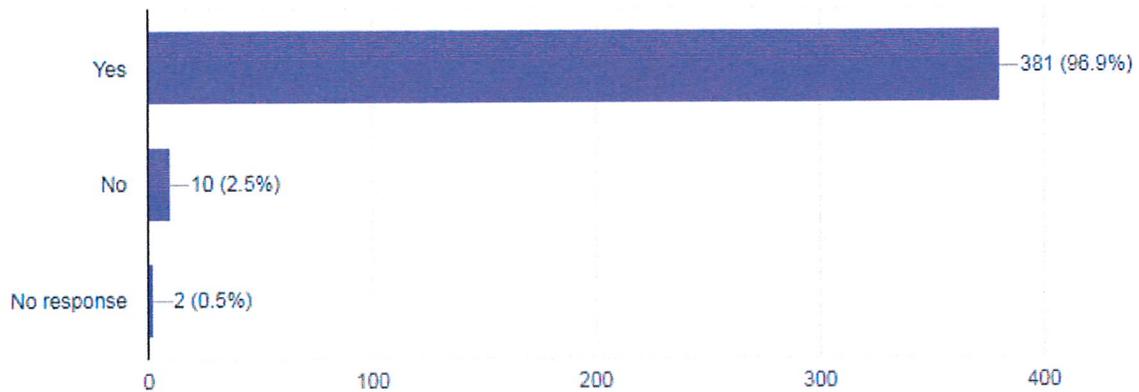
How stressful was this event in comparison to others in your career?

393 responses



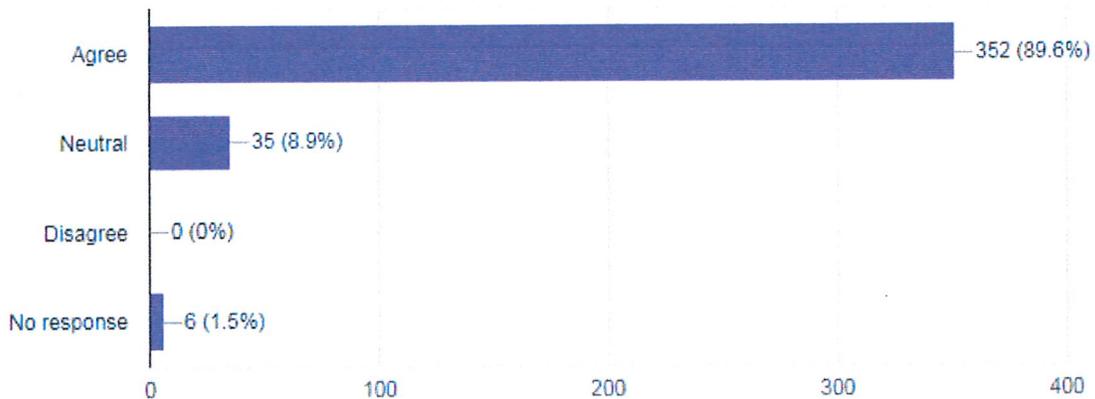
I was able to say all that I thought/felt about the incident.

393 responses



By the end, I felt that this meeting was helpful in dealing with the stress of the incident.

393 responses



Training and Education

Education is one of the key parts of our organization's public mission. This year, the Team provided eleven trainings for agencies. Our proprietary trainings are called *Pre-Incident Awareness* and *The 1st 90 Minutes*®. We did eight sessions of *The 1st 90 Minutes* and three sessions of our *Pre-Incident Awareness* training.

Pre-Incident Awareness Training

Pre-incident training provides agencies with information to be proactive rather than reactive when handling critical incidents that occur within their departments. Pre-Incident Awareness focuses on general stress reactions First Responders may encounter. The main intent of this training is to inform First Responders about the different types of stress reactions they may encounter, identify the types of incidents that may be more likely to induce severe stress reactions, and teach healthy stress mitigation techniques.

Training includes-

- *Understanding the parameters of critical incident stress unique to First Responders*
- *Common signs and symptoms of critical incident stress*
- *Understanding the biological impact of long term stress exposure in First Responders*
- *Practical tips for coping with stress*
- *A basic understanding of the debriefing process*
- *Understanding on the "toolbox" of stress mitigation options available to First Responders including the Metro CISM Team.*

The 1st 90 Minutes®

The impact of critical incidents continues to affect First Responders and concerned supervisors are now beginning to proactively seek immediate help for their personnel. This training guides them on how to do that.

The First 90 Minutes® is reality based training designed to explore how front line supervisors might react to and support their first responders within the first 90 minutes after they participate in a critical incident.

Training helps supervisors learn to-

- *Identify common stress reactions in their staff*
- *Identify best practices to mitigate stress reactions through direct actions available to supervisors immediately following a critical incident*
- *Discuss complex return-to-work issues*
- *Consider real life scenarios of more and less successful post-critical incident leadership*
- *Discover services the Metro CISM Team can provide and when to call for support*
- *Practice using new skills in psychological first aid*

Training includes-

- *An easy to use tool outlining specific recommended actions to initiate immediately after a critical incident*
- *A guide to assess the impact of a critical incident on personnel and operations*

Education for First Responder Families

A curriculum focusing on the needs of the families of First Responders is completed. We have begun Beta testing to insure our training meets the needs and expectations of the families of First Responders.

Topics include-

- *Contributors to chronic stress for both the first responder and their family*
- *Shift work and call-out impact on family dynamics*
- *Isolation from the “normal” population because of overexposure to societal dysfunction*
- *Challenges of Overtime Work*
- *Family and friend relational impacts*
- *Job Complaints and conflicts impact*
- *Finding support from other families with similar experiences*
- *How to talk with your children*

Officer Involved Shootings

The increasing attention to officer involved shootings has clarified a need for specialized and tailored handling of high profile incidents such as officer involved shootings. We are developing training related to how the Metro CISM Team handles these highly scrutinized event services and the benefits of providing peer counseling services to all those involved.

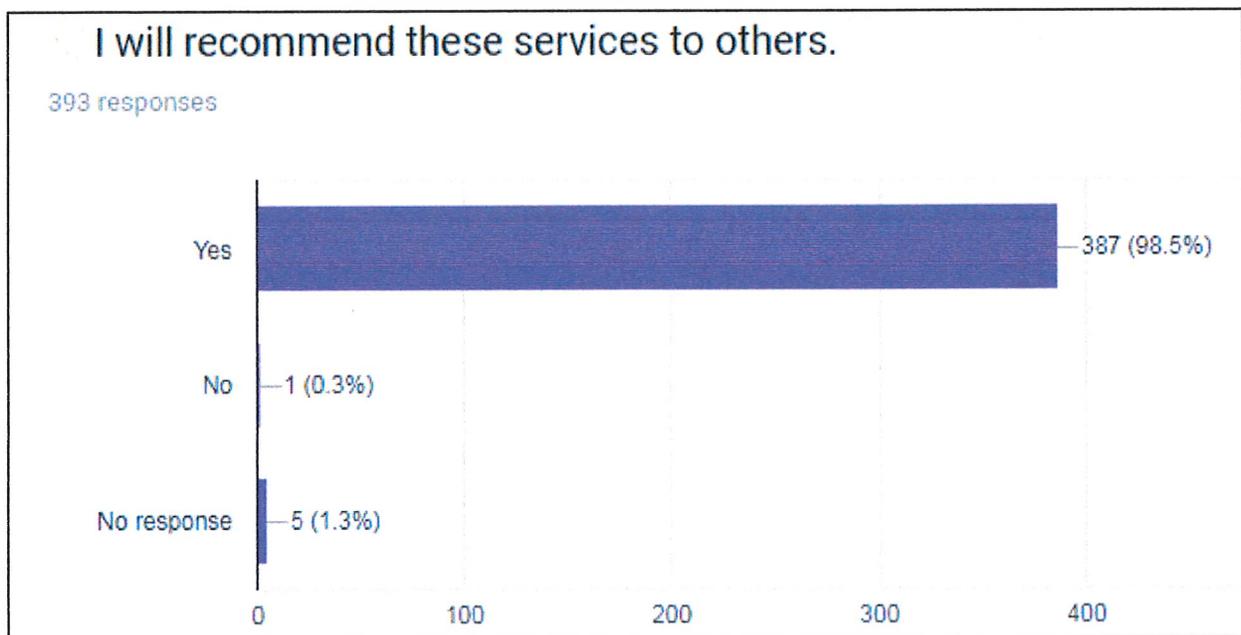
MEASURE OF SUCCESS

How do you ethically measure the successful mitigation of stress in a group of people already self-selected to have a high tolerance for stress exposure? While there may be some scholars or professionals with clinical interest in this question, we have not been able to establish a connection with this group. But we, The Metro CISM Team, are an organization of volunteer First Responders who have seen the problem first-hand in our professions and have developed research-informed services to address that question.

We meet ten times a year to train and expect our members to continue to hone the art of peer support through practice of learned skills. We conduct internal reviews of challenging services because we are ultimately dealing with people who may have just been through a traumatic experience and, above all else, we must do no harm to those people at a time when they are most vulnerable. We strive to learn from the services we provide as our team members bring different past experiences, different perceptions and different expectations to the services we provide. We constantly try to improve how we interact with first responders to give them best experience we can.

We provide exit surveys to participants after debriefing services. These surveys are anonymous and are destroyed after review. Completion of the survey is voluntary and we never document, in any way, to whom we provide services.

As seen in the chart below, those hundreds of first responders who choose to complete the survey told us good news – that what we do was so helpful to them that they would recommend our services to others. We are very proud of this feedback.



THE FUTURE

We believe in the value of ongoing training and improvement of the skills of team members. To enhance our basic CISM training and improve peer support, we incorporate into our service information gleaned from the latest neurological, biological and psychological research on the effects of trauma exposure. We are currently exploring how to more effectively reach out to family members of First Responders and support them before and after critical incidents. We are also investigating the best methods for dealing with officer involved shooting incidents. The Metro CISM Team must prepare for the evolution of services based on identified needs in the First Responder community and the latest scholarly research.

We believe we are having a positive and effective impact on First Responders as we are finding more and more that they have come to expect to have CISM Team services after critical incidents. We are pleased to be able to provide professional, safe and compassionate volunteers to be there for them.

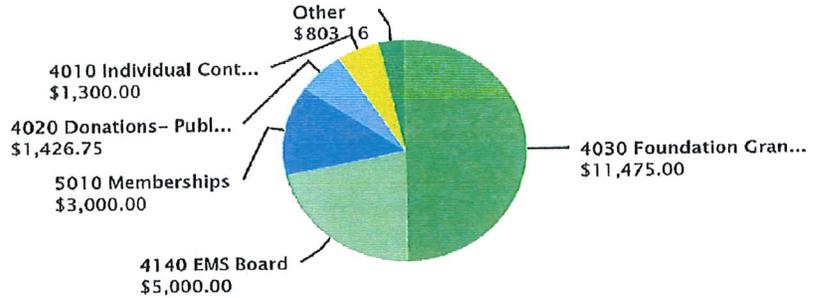
We volunteer because we know the Team's services make a positive impact on, and a real difference in, the lives of our brothers and sisters. We know this because we continue to see First Responders return again and again to participate in debriefings and because of the genuine thanks we receive from them at the end of each service we provide.

While we are only a small group of volunteers, the Metro CISM Team has broad impact in the First Responder community. The Team provides a safe space for rescuers to explore and validate the emotional consequences and feelings that result from the inevitable trauma of their chosen careers. While the impact ethically can only be measured indirectly through anecdotal reports of participants, but it is vital the Metro CISM Team continues "Serving Those Who Serve Others."

The support of stakeholders, like you, allows us to continue to help others. Thank you.

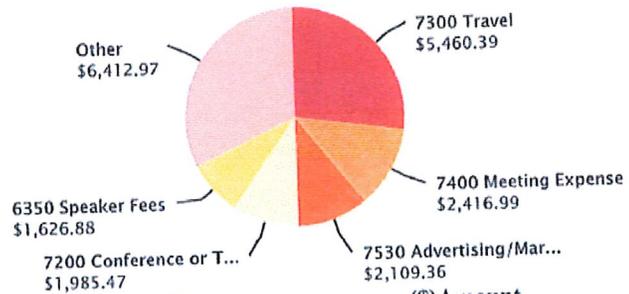
FINANCIAL REPORT¹

Metro CISM Team
Revenue By Category



%	Category	(\$)Amount
49.88%	4030 Foundation Grants	11,475.00
21.73%	4140 EMS Board	5,000.00
13.04%	5010 Memberships	3,000.00
6.20%	4020 Donations- Public Source	1,426.75
5.65%	4010 Individual Contributions	1,300.00
3.49%	Other	803.16

Metro CISM Team
Expenditure By Category



%	Category	(\$)Amount
27.29%	7300 Travel	5,460.39
12.08%	7400 Meeting Expense	2,416.99
10.54%	7530 Advertising/Marketing	2,109.36
9.92%	7200 Conference or Training Expenses	1,985.47
8.13%	6350 Speaker Fees	1,626.88
32.05%	Other	6,412.97

¹ (unaudited statement of revenues and expenditures)

**Metro CISM Team
Statement of Activity
July 2016 - June 2017**

	Total
Revenue	
4010 Individual Contributions	1,300.00
4020 Donations- Public Source	
4021 Donations	1,426.75
Total 4020 Donations- Public Source	\$ 1,426.75
4030 Foundation Grants	11,475.00
4140 EMS Board	5,000.00
5010 Memberships	1,500.00
5012 Sustaining Membership	1,000.00
5013 Patron Membership	500.00
Total 5010 Memberships	\$ 3,000.00
5050 Consultation & Training	
5051 Pre-Incident Training	400.00
Total 5050 Consultation & Training	\$ 400.00
5310 Interest Income	17.71
5999 Other Income	35.00
Total Revenue	\$ 22,654.46
Gross Profit	\$ 22,654.46

Expenditures

6310 Accounting Fees	289.95
6350 Speaker Fees	1,626.88
6360 Consultant Fees	1,000.00
6380 Administrative Fees	25.00
6390 Organization Membership Dues	50.00
7010 Office Supplies	30.48
7030 Telephone	149.50
7035 Paging Services	562.50
7040 Internet/Website	316.57
7050 Postage & Delivery	30.00
7060 Printing & Reproduction	705.93
7200 Conference or Training Expenses	
7230 ICISF Training Expenses	720.00
7240 Other Training/Conference Expen	1,265.47
Total 7200 Conference or Training Expenses	\$ 1,985.47
7300 Travel	
7310 Travel - Airfare/Transportation	969.60
7320 Travel- Meals	550.78
7330 Travel -Lodging	3,500.63
7340 Travel- Mileage/Parking	291.64
7342 Travel- 90-Minute Protocol training	47.74
7343 Travel- Training	100.00
Total 7340 Travel- Mileage/Parking	\$ 439.38
Total 7300 Travel	\$ 5,460.39
7380 Conferences/Conventions	300.00
7400 Meeting Expense	
7410 Team Meeting Expenses	1,567.31
7420 Exec Board Meeting	237.08
7450 Other Meetings	612.60
Total 7400 Meeting Expense	\$ 2,416.99
7510 Insurance	937.00
7530 Advertising/Marketing	
7531 Booth	1,901.63
7533 Advertising/Marketing- Other	207.73
Total 7530 Advertising/Marketing	\$ 2,109.36
7540 Honorarium	157.82
7550 Bank Fees	40.00
7580 Memorial Donations	251.79
7950 Other Miscellaneous Service Cost	241.43
Total Expenditures	\$ 18,687.06

Net Operating Revenue	\$	3,967.40
Other Revenue		
500011 Payment for Team Apparel		98.00
5410 Reimbursement to Team		252.45
Total Other Revenue	\$	350.45
Other Expenditures		
50001 Team Apparel		1,325.00
Total Other Expenditures	\$	1,325.00
Net Other Revenue	-\$	974.55
Net Revenue	\$	2,992.85

Do what you can, with what you have, where you are. - Theodore Roosevelt

Thank you for your support!

**METROPOLITAN EMERGENCY SERVICES BOARD
EXECUTIVE COMMITTEE MEETING MINUTES
APRIL 11, 2018**

Commissioners Present:

ANOKA	Rhonda Sivarajah	ISANTI	Greg Anderson
CARVER	Jim Ische	RAMSEY	Blake Huffman
CHISAGO	George McMahon	SCOTT	Tom Wolf
DAKOTA	Tom Egan	WASHINGTON	Fran Miron
HENNEPIN	Jeff Johnson	MINNEAPOLIS	Andrew Johnson

Staff Present: Jill Rohret; Pete Eggimann; Kelli Jackson; Troy Tretter; and Martha Ziese.

Others Present: Jay Arneson, MESB Board Counsel.

1. Call to Order

Meeting was called to order at 10:00 a.m. by Council Member Andrew Johnson.

2. Approval of April 11, 2018 Agenda

Motion made by Commissioner McMahon, seconded by Commissioner Wolf to approve the April 11, 2018 agenda. Motion carried.

3. Approval of February 14, 2018 Minutes

Motion made by Commissioner Sivarajah, seconded by Commissioner Miron to approve the February 14, 2018 Executive Committee minutes. Motion carried.

4. Issues and Action Requests

A. Radio TOC Action Items

1. Approval of Amendments to Radio TOC Bylaws

Troy Tretter said the Radio TOC Bylaws were created and approved by the MESB in 2005 after the board merger. In February 2018, the Radio TOC reviewed the committee's bylaws for needed updates and recommended amendments. The Radio TOC recommended two changes to its membership. The first recommendation is to remove the seat for MnDOT, which has never opted to appoint a representative. MnDOT is actively involved in any ARMER requests and therefore does not feel there is a need to sit on the committee.

The second recommendation is to remove the seat for the Minnesota Chiefs of Police Association (MCPA), as it has not made an appointment since 2013. Staff has made multiple inquiries to MCPA in the past, which have not been answered.

Other recommended amendments include language to make the appointment process more flexible, as not all agencies require governing body appointment of representatives; deleting the sentence in Section 2 that states the Chair shall attend all meetings of the Board to reflect current practice, and changing the date budget requests are due from June to May, and they are submitted to the Executive Director rather than the Administrative Officer.

Motion made by Commissioner McMahon, seconded by Commissioner Huffman to approve amendments to the Radio TOC bylaws. Motion carried.

2. Approval of Washington County Request for Use of Excess ARMER Capacity

Tretter said that Washington County is upgrading their system and is requesting the use of excess T1 capacity on ARMER at the St. Paul Park and Scandia sites. This is necessary for their VHF paging system connectivity.

Motion made by Commissioner Ische, seconded by Commissioner Sivarajah to approve Washington County's request for use of excess ARMER T1 capacity at St. Paul Park and Scandia sites. Motion carried.

3. Discussion – Use of SECB Grant Training Funds

Tretter said that each November the Board approves regional funding priorities for grant projects. Generally, \$25,000.00 is earmarked for training purposes; in November 2017, the funding priorities included such an earmark for Motorola training. A request was received in March for training on the Genesis system. Genesis is a reporting system used to develop more detailed reports than the ARMER system can provide. The hardware for this system is housed at MnDOT, and the users pay for a software license. Current metro license holders are: Anoka, Dakota, Hennepin, and Washington Counties, MnDOT, and the Metro Airports Commission. Staff wonders if such training would meet the spirit of the Board approved regional funding priorities.

Commissioner Sivarajah asked if other counties run these reports and how often? Tretter said that Hennepin, Dakota, Anoka and the Metro Airports Commission regularly run these reports. Ramsey did not use their license, so Washington County purchased it. The other counties have not been trained, so they do not use the licenses. The proposed training would provide that Motorola training.

Rohret said that if a county in the region wants to run a report it can be done for them through the regional system administrator in Dakota County. Anyone can go to the Genesis terminal at MnDOT to run reports, but most don't because they have not been trained.

Commissioner McMahon asked if it affects those of us that are not trained? Rohret said that these training dollars are available for all in the metro. Reports can be run at MnDOT or another license holder if the county does not have a license.

Commissioner Sivarajah asked if the reports were helpful for issues like the Metro Mobility usage. Rohret said that these reports are much more detailed.

Commissioner Anderson asked what kind of dollars did this involve? Tretter said the quote from Genesis had not arrived yet but he said the estimate was approximately \$6,000.00 - \$10,000.00. The total grant funds available for training is \$25,000.00.

Tretter stated the Radio TOC thinks this would be valuable training and recommends using grant funds for this purpose. It is brought before the Executive Committee because it was not listed as a funding grant priority separate from Motorola training.

Motion made by Commissioner Sivarajah, seconded by Commissioner McMahon to approve the use of grant funds for Genesis training.

Commissioner Sivarajah said if this approval did not have to go before the full board then it should not since the deadline is June 1. She asked if there was a dollar amount the Executive Committee could approve without full board approval. Rohret said she was not aware of a limit on the dollar amount the Executive Committee could approve.

Commissioner Egan suggested that there be a consensus with the Executive Committee that this Genesis training fit within the regional funding priorities. Jay Arneson agreed.

Commissioner Sivarajah withdrew her motion. There was a unanimous consensus that this did fit within the grant fund training dollars.

B. 9-1-1 TOC Action Items

1. Approval of Amendments to 9-1-1 TOC Bylaws

Pete Eggimann said that in January 2018, the Metropolitan Airports Commission made a request to amend the 9-1-1 TOC bylaws to broaden its membership by including representatives from each of the PSAPs. The original bylaws limited the representation to two representatives from each of party to the JPA; after the board merger, Isanti and Chisago Counties and the city of Minneapolis were added. The suburban PSAPs have never had representation on the 9-1-1 TOC.

Like with the amendments to the Radio TOC bylaws, the date for budgetary requests was moved from June to May. All other changes are all grammatical.

Motion made by Commissioner Miron, seconded by Commissioner Wolf to approve the amendments to the 9-1-1 TOC bylaws. Motion carried.

C. Approval of Resolution Approving Membership of Sherburne County on MESB

Rohret said that the proposed resolution (with the typo corrected in #1 "The effective date of Sherburne County's membership on the MESB shall be January 1, 2019) is before the committee for approval. The resolution to approve conditions for membership to the MESB was approved by Sherburne County on March 13, 2018. The resolution addresses the reasoning behind the request and includes all the other requirements the MESB has asked other counties to make prior to joining the MESB.

It is not anticipated that the addition of Sherburne County to the MESB will increase the operational budget. The resolution will need to be passed at the May MESB meeting to include the county in the 2019 budget planning process and notify members of the assessment amounts.

Sherburne County will have two representatives, each with one vote, and one seat on the MESB Executive Committee. Sherburne County will have the appropriate representation on each of the TOCs, in accordance with their bylaws

The County will pay its portion of the assessment as outlined by the formula of the JPA. It will comply with the MESB's network standards and it will have redundancy within the network. The JPA will not need to be amended. The County will be incorporated into the JPA by this resolution and will be added into the document at the next JPA renewal.

Motion made by Commissioner McMahon, seconded by Commissioner Wolf to approve the resolution approving Sherburne County membership on the Metropolitan Emergency Services Board, effective January 1, 2019. Motion carried.

6. Old Business – None

7. New Business – None

Meeting adjourned at 10:27 a.m.

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Rohret	AGENDA NUMBER: 4. Acceptance of 2017 MESB Financial Audit
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RECOMMENDATION

The Executive Director recommends acceptance of the 2017 MESB financial audit.

BACKGROUND

The Metropolitan Emergency Services Board hires an auditing firm to conduct its financial audits annually. The audit report must be accepted by the Board.

ISSUES & CONCERNS

The 2017 is a clean audit with no findings. Please refer to the supporting documentation for this agenda item for more complete information and opinions from the auditors, Redpath and Company, Ltd.

FINANCIAL IMPACT

None.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		



AUDIT MANAGEMENT LETTER

To the Board of Directors
Metropolitan Emergency Services Board
St. Paul, Minnesota

We have audited the financial statements of the governmental activities and each major fund of Metropolitan Emergency Services Board (MESB) for the year ended December 31, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 12, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by MESB are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies were not changed during 2017. We noted no transactions entered into by the MESB during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the governmental activities financial statements were the OPEB liability required to be calculated by GASB No. 45 and management's estimate of the net pension liability, the pension related deferred outflows and inflows of resources and pension expense. Management's estimate of the OPEB liability is based on the Alternative Measurement Method under GASB No. 45. Management's estimates relating to the net pension liability, pension related deferred outflows and inflows of resources, and pension expense are based on actuarial studies. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements is Note 6 – Defined Benefit Pension Plans.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no uncorrected misstatements that have an effect on our opinion on the financial statements. In addition, none of the misstatements detected as a result of audit procedures, and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 18, 2018.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to MESB's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as MESB's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management discussion and analysis, the budgetary comparison information, the OPEB schedule of funding progress, and pension information, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of Metropolitan Emergency Services Board, and is not intended to be, and should not be, used by anyone other than these specified parties.

Redpath and Company, Ltd.
REDPATH AND COMPANY, LTD.
St. Paul, Minnesota

April 18, 2018



To: Metropolitan Emergency Services Board

From: Redpath and Company, Ltd. Peggy Moeller, Partner

Date: April 20, 2018

Re: Summary of Audit for the Year Ended December 31, 2017

GENERAL COMMENTS

Audit reports have been completed and dated April 18, 2018.

We have been invited to the MESB Board Meeting on May 9, 2018. In the meantime you can contact me, Peggy Moeller, with any questions or comments: 651-407-5832 or pmoeller@redpathcpas.com.

AUDIT OVERVIEW

Our opinion on the financial statements is unmodified, sometimes called “clean.” (pp. 3-5)

There was no finding in internal control and none in compliance.

For 2017, a federal single audit (The Uniform Guidance) was not required because expenditures of federal funds (including pass through) were less than \$750,000.

The Management’s Discussion and Analysis is prepared by MESB management and is intended to “tell the story behind the numbers.” (pp. 7-14)

The fund balance for all funds increased by \$75,585 in 2017. The General Fund had an increase of \$474,628. The 911 Fund had a decrease of \$111,935, the EMS Fund had an increase of \$6,363 and the Radio Fund had a decrease of \$293,471.

Metropolitan Emergency Services Board

Summary of Audit for the Year Ended December 31, 2017

Page 2

Governmental Accounting Standards Board (GASB) Statement No. 45 provides guidance on Accounting and Financial Reporting by Employers for Post-employment Benefits other than pensions. GASB 45 allows for an Alternative Measurement Method in lieu of an actuarial valuation for employers with fewer than one hundred plan members. We have worked with management to calculate the OPEB liability using the Alternative Measurement Method. The calculation will require annual updates.

A recap of December 31 balances is as follows:

2017	\$92,936
2016	\$111,243
2015	\$111,235
2014	\$100,370
2013*	\$31,350
2012*	\$34,500
2011*	\$44,900
2010*	\$45,800

*calculated based on benefits ending at age 65

Governmental Accounting Standards Board Statement No. 75 will replace Statement No. 45 for calendar year 2018. MESB will have an actuarial report prepared to calculate the OPEB liability under the new guidance.

Like all other affected governmental organizations, MESB was required to implement GASB Statement No. 68 for calendar year 2015. This Statement required recording a liability on the government-wide financial statements for PERA's unfunded liability and pension related deferred outflows of resources and deferred inflows of resources allocated to MESB. MESB reported a net pension liability of \$632,009, deferred outflows of resources of \$162,966 (will increase pension expense in future years) and deferred inflows of resources of \$139,363, (will decrease pension expense in future years).

AUDIT MANAGEMENT LETTER

The Audit Management Letter includes required communications to "those charged with governance." (generally, an audit committee or equivalent or the board of directors). For MESB we consider the communications to be of a routine nature.

Thank you.

**METROPOLITAN EMERGENCY
SERVICES BOARD**

FINANCIAL STATEMENTS

December 31, 2017

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METROPOLITAN EMERGENCY SERVICES BOARD
TABLE OF CONTENTS

	Reference	Page #
FINANCIAL SECTION		
Independent Auditor's Report		3
Management's Discussion and Analysis		7
Basic Financial Statements:		
Government-Wide Financial Statements:		
Statement of Net Position	Statement 1	16
Statement of Activities	Statement 2	17
Fund Financial Statements:		
Balance Sheet - Governmental Funds	Statement 3	18
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds	Statement 4	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds	Statement 5	20
Notes to Financial Statements		21
Required Supplementary Information:		
Budgetary Comparison Schedule - General Fund	Statement 6	40
Budgetary Comparison Schedule - 911 Fund	Statement 7	41
Schedule of Funding Progress - Other Postemployment Benefit Plan	Statement 8	42
Schedule of Proportionate Share of Net Pension Liability - General Employees Retirement Fund	Statement 9	43
Schedule of Pension Contributions - General Employees Retirement Fund	Statement 10	44
Notes to RSI		45
OTHER REPORTS		
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		49
Minnesota Legal Compliance Report		51

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Metropolitan Emergency Services Board
St. Paul, Minnesota

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Metropolitan Emergency Services Board, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Metropolitan Emergency Services Board's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Metropolitan Emergency Services Board, as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Metropolitan Emergency Services Board's 2016 financial statements, and we expressed an unmodified audit opinion on the respective financial statements of the governmental activities and each major fund in our report dated April 20, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, OPEB schedule of funding progress and pension information on pages 7 - 14 and 40 - 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 18, 2018, on our consideration of the Metropolitan Emergency Services Board's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purposes of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Metropolitan Emergency Service Board's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Metropolitan Emergency Services Board's internal control over financial reporting and compliance.

Redpath and Company, Ltd.

REDPATH AND COMPANY, LTD.
St. Paul, Minnesota

April 18, 2018

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of Metropolitan Emergency Services Board's (MESB) financial performance provides an overview of MESB's financial activities for the fiscal year ended December 31, 2017. Please consider it in conjunction with MESB's financial statements.

Effective January 1, 2017, the Joint Powers Agreement was renewed for a five year period by each of the governing bodies of the members and shall continue in force until December 31, 2021.

Financial Highlights

- The assets of MESB exceeded its liabilities at December 31, 2017 by \$2,740,178 (net position). Of this amount, \$1,941,560 (unrestricted net position) may be used to meet MESB's ongoing obligations.
- MESB's total net position decreased by \$21,964. In 2017, the MESB experienced depreciation in the value of assets, decreased valuation of OPEB liabilities, as well as a decrease in pension liability.
- As of December 31, 2017, MESB's governmental funds reported combined ending fund balances of \$3,104,916, which is a \$75,585 increase from the prior year. The increase in fund balance is primarily due to staffing issues. In January 2017, the Board approved changes to 911 staff positions, which were implemented in April and May 2017. Prior to 2017, there were three positions, two permanent (911 Coordinator and GIS Coordinator) and one temporary (GIS Specialist). In spring 2017, the MESB filled a newly created 911 Data Coordinator position, which combined the 911 and GIS Coordinator positions, as well as made permanent and filled the GIS Specialist position. As a result of these staffing changes, the MESB saved funds by having only two positions, rather than three.

Using this Annual Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (Statements 1 and 2) provide information about the activities of MESB as a whole and present a longer-term view of MESB's finances. Fund financial statements are presented on Statements 3 and 4. These statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report MESB's operations in more detail than the government-wide statements by providing information about MESB's most significant funds.

Reporting MESB as a Whole

The Statement of Net Position and the Statement of Activities

One of the most important questions to be asked about MESB's finances is, "Is MESB as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about MESB as a whole and about its activities in a way that helps answer this question. These statements include all assets and

Management's Discussion and Analysis

liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report MESB's net position and changes in them. An analysis of MESB's net position – the difference between assets and liabilities – is one way to measure MESB's financial health, or financial position. Over time, increases or decreases in MESB's net position are one indicator of whether MESB's financial health is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, all Board activities are classified as governmental. MESB does not have any activities that are classified as business-type.

- Governmental activities – all of MESB's services are reported here. County assessments, intergovernmental revenues and user fees finance most of these activities.
- The EMS Fund is an independent fund and program separate from the General, 911 or Radio Fund and program whose revenues finance the EMS Program. The Metro Region EMS System programs are recommended by the EMS Technical Operations Committee, approved by MESB and submitted in grant form to the Emergency Services Regulatory Board (EMSRB). The EMS Fund revenues can only be used for the EMS Program in accordance with the grant parameters as approved by the EMSRB when the grant is awarded. EMS Grant funds are accounted for separately from MESB's General, 911 or Radio Fund. Interest accrued on EMS funds is applied to the EMS Fund.
- The EMS Grant reimburses MESB for the Metro Region EMS Program costs of proportional rent, office supplies, office indirect and insurance.
- MESB's reserve funds are invested with Hennepin County and grow through interest income. The interest income is applied on a quarterly basis and allocated back to the Reserve Fund.
- By contract and statute, MnDOT owns and operates the radio system. MESB does not own any infrastructure or equipment associated with the radio system except for a few subscriber units. MnDOT maintains all regional sites and equipment; locals are responsible for their own equipment and infrastructure. Operational costs such as rent and utilities at tower sites are allocated by the MESB to equipment owners based on the percentage of equipment at each site. The MESB pays these costs up-front, but is reimbursed by local entities. MnDOT pays MESB for its portion of the costs at the beginning of each quarter.

Reporting MESB's Funds

The fund financial statements (Statements 3 and 4) provide detailed information by fund. MESB's four funds are considered to be governmental-type and use the following accounting approach:

- *Government funds* – focus on how money flows into and out of these funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and

Management's Discussion and Analysis

other *financial assets* that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of MESB's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance MESB's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation at the bottom of Statement 3 and also Statement 5.

Financial Analysis of MESB as a Whole

MESB's assets exceeded liabilities by \$2,740,178. Our analysis below focuses on the net position and changes in net position of MESB's governmental activities.

NET POSITION

	December 31,	
	2017	2016
Current and other assets	\$3,353,831	\$3,297,707
Capital assets	441,619	537,091
Total assets	<u>\$3,795,450</u>	<u>\$3,834,798</u>
Deferred outflows of resources related to pensions	<u>\$162,966</u>	<u>\$329,096</u>
Current liabilities	\$258,008	\$276,456
Long-term liabilities	820,867	1,000,079
Total liabilities	<u>\$1,078,875</u>	<u>\$1,276,535</u>
Deferred inflows of resources related to pensions	<u>\$139,363</u>	<u>\$125,217</u>
Net position:		
Net investment in capital assets	\$441,619	\$537,091
Restricted	356,999	351,724
Unrestricted	<u>1,941,560</u>	<u>1,873,327</u>
Total net position	<u>\$2,740,178</u>	<u>\$2,762,142</u>

Net position was negatively impacted by \$608,376 at December 31, 2017 due to the change in the defined benefit pension plan. Pension-related amounts included in the above schedule related to the standard are as follows:

Deferred outflows of resources	(\$162,996)
Deferred inflows of resources	139,363
Net pension liability	<u>632,009</u>
Total	<u>\$608,376</u>

Management's Discussion and Analysis

Of the total net position at December 31, 2017, \$441,619 (16.1%) reflects MESB's net investment in capital assets. These assets are not available for future spending. An additional \$356,999 (13.0%) of MESB's net position represents resources that are subject to external restrictions (for EMS Relief) on how they might be used.

CHANGES IN NET POSITION

	December 31,	
	2017	2016
Revenues:		
Program revenues:		
Charges for services	\$1,979,238	\$1,990,739
Operating grants and contributions	305,011	672,784
General revenues:		
Unrestricted investment earnings	43,517	33,867
Other	10,030	7,987
Total revenues	<u>2,337,796</u>	<u>2,705,377</u>
Expenses:		
General	476,771	470,262
911 telephone system	538,056	549,344
Emergency medical services system	294,208	407,256
Radio	1,050,725	1,333,182
Total expenses	<u>2,359,760</u>	<u>2,760,044</u>
Increase (decrease) in net position	(21,964)	(54,667)
Net position - January 1	<u>2,762,142</u>	<u>2,816,809</u>
Net position - December 31	<u>\$2,740,178</u>	<u>\$2,762,142</u>

MESB's net position decreased by \$21,964 (0.80%). In 2017, the MESB experienced depreciation in the value of assets, decreased valuation of OPEB liabilities, as well as a decrease in pension liability.

MESB's Funds

General Fund

Beginning in 2011 to satisfy a new accounting standard (GASB 54), MESB's Administrative Fund was renamed General Fund and the Hennepin County Investment Fund is now reported within the General Fund.

The General Fund functions of MESB are supported primarily through member assessment revenues.

The General Fund includes expenditures for operations of MESB which do not fall into any specific other fund but are for the general activities of the administration of MESB itself. Salaries and related benefits for staff whose time is spent strictly on administration of the whole

Management's Discussion and Analysis

organization, telephone, office supplies, postage, etc. are typical line items from this Fund. Any activity of MESB that is overarching to its total mission is considered to be General.

With the 2009 budget MESB eliminated the Service Manager position allocating salary/benefits budgeted funds for this position to the contract services line item. This move helped MESB to move forward with Next Generation planning using contractors in different fields for assistance. In the future this may need to be re-evaluated and funds may need to shift back once it is clear where the needs of MESB are.

911 Fund

The 911 Fund, which supports the 911, 911 data management, and GIS functions of MESB, authorized in the Joint Powers Agreement, is supported primarily by assessments made to JPA members. In 2017 the MESB made staffing changes in the 911 area. Previously, there were three positions, two permanent and one temporary. The positions were 911 Coordinator, GIS Coordinator (both permanent) and GIS Specialist (temporary). In spring 2017, the MESB filled a newly created 911 Data Coordinator position, which combined the 911 and GIS Coordinator positions, as well as made permanent the GIS Specialist position. As a result of these staffing changes, the MESB saved funds by having only two positions, rather than three.

Article VI: Funding; Section 3 of Metropolitan Emergency Services Board Joint Powers Agreement provides an Assessment Formula:

Section 3: Assessment Formula. All assessments authorized to be made by this Agreement shall be made in the same proportion as the ratio of the population the county bears to the population of the metropolitan area as defined in Article II, Section 2.E, as measured by the most recent and available population figures of the State Demographic Center. If MESB incurs any liability for damages arising from any of its activities under this Agreement, the amount of damages shall be assessed against each county in the same manner as in the assessment formula described in this section; provided that any assessment against Hennepin County shall be reduced by the amount attributable to the population of the City of Minneapolis and shall be assessed against the City of Minneapolis. Nothing herein shall be construed as a waiver or modification of the limitations, defenses and immunities of liability contained in Minnesota Statutes, Chapter 466, or other applicable law.

Annual budget calculations are prepared and sources of funds are gathered. Assessments are determined in accordance with the formula adopted in the Joint Powers Agreement.

MESB does not receive the direct appropriation of state 911 fees.

Management's Discussion and Analysis

Radio Fund

The Radio Fund was established to identify and fund those activities which were specific to the roles, responsibilities, duties and functions of MESB related to the statewide ARMER radio system.

Radio. When acting in its capacity as a regional radio board and as the successor to the Metropolitan Radio Board, MESB has the powers necessary and convenient to discharge the duties imposed on it by law, including the duty to implement, maintain, and operate regional and local improvements to the statewide, shared, trunked radio and communication system provided for in Minnesota Statutes, Section 403.36. MESB shall also have the powers of a regional radio board provided by Minnesota Statutes, Section 403.39.

By contract and statute, MnDOT owns and operates the radio system. MESB does not own any infrastructure or equipment associated with the radio system except for a few subscriber units. MnDOT maintains all regional sites and equipment; locals are responsible for their own equipment and infrastructure. Operational costs such as rent and utilities at tower sites are allocated by the MESB to equipment owners based on the percentage of equipment at each site. The MESB pays these costs up-front, but is reimbursed by local entities. MnDOT pays MESB for its portion of the costs at the beginning of each quarter.

EMS Fund

The EMS Fund is an independent fund separate from the 911, General or Radio funds whose revenues finance the Metro Region EMS Systems Program as recommended by the EMS Technical Operations Committee and approved by MESB. The source of the EMS Fund is primarily through a regional grant for EMS programming awarded through the EMSRB. The metro region grant is governed by Minnesota Statute 144E Sections 50 and 52. The EMSRB manages the state funding of the regional programs by providing grant dollars and disbursing the funds from seat belt fines which also funds the eight regional programs.

Another source of funds known as EMS Relief funds which represent seat belt fine revenues are also awarded to the metro region program by the EMSRB. The EMS Fund revenues (both grant and seat belt revenues) can only be used for metro region EMS Program in accordance with the grant parameters as approved by the EMSRB when the grant is awarded. The MESB entered into a new two-year grant contract for FY 2016 – 2017. The Metro Region EMS Systems Program received a grant extension in 2017 for FY 2018-2019. For the FY 2018 grant beginning July 1, 2017, the approved program budget is \$146,250.

The EMS position will become a MESB staff position fully funded by assessment funds in 2018. The EMS salary and benefits expense started to slowly migrate over to MESB with being partially funded by grants, investment and assessment funds beginning in 2013.

Financial Analysis of MESB's Funds

As of the end of the current fiscal year, MESB's governmental funds reported combined ending fund balances of \$3,104,916 an increase of \$75,585 in comparison with the prior year. The increase in fund balance is primarily due to staffing issues. The 2017 MESB budget included

Management's Discussion and Analysis

funding for three positions, but staffing changes were made which resulted in eliminating one of the three positions.

Budgetary Highlights

The General Fund and 911 Fund did not have any budget amendments throughout the year.

Capital Asset and Debt Administration

Capital Assets

At the end of 2017, MESB had \$441,619 net investment in capital assets, which consists of equipment as detailed below.

CAPITAL ASSETS AT YEAR END

	December 31,	
	2017	2016
Equipment	\$1,636,555	\$1,623,620
Accumulated depreciation	(1,194,936)	(1,086,529)
Net capital assets	<u>\$441,619</u>	<u>\$537,091</u>

MESB has not incurred any long-term debt to acquire these capital assets.

Noncurrent Liabilities

MESB does not have any long-term debt issues; however, it does record long-term compensated absences, OPEB, and net pension liability as follows:

NONCURRENT LIABILITIES AT YEAR END

	Compensated Absences	OPEB	Net Pension Liability
December 31, 2017	\$95,922	\$92,936	\$632,009
December 31, 2016	<u>101,244</u>	<u>111,243</u>	<u>787,592</u>
Increase (decrease)	<u>(\$5,322)</u>	<u>(\$18,307)</u>	<u>(\$155,583)</u>

Economic Factors and Next Year's Budget

Total expenditures budgeted for all funds in 2017 total \$2,058,950 compared to budgeted expenditures of \$2,033,472 for 2018. The decrease in budgeted expenditures from 2017 to 2018 is largely due to the staff changes implemented in 2017, resulting in the elimination of a position, as well as a change in how much funds are available for contingency events.

Management's Discussion and Analysis

Contacting MESB's Financial Management

This financial report is designed to provide our constituents and members with a general overview of MESB's finances and to show MESB's accountability for the money it receives. If you have questions about this report or need additional information, contact Jill Rohret, MESB Executive Director, or Kelli Jackson, MESB Financial Services Specialist.

BASIC FINANCIAL STATEMENTS

METROPOLITAN EMERGENCY SERVICES BOARD

STATEMENT OF NET POSITION

Statement 1

December 31, 2017

With Comparative Totals For December 31, 2016

	Governmental Activities	
	2017	2016
Assets:		
Cash and investments	\$3,046,839	\$3,070,591
Accounts receivable	499	62,490
Due from other governments	233,862	96,034
Prepaid items	72,631	68,592
Capital assets (net of accumulated depreciation)	441,619	537,091
Total assets	<u>3,795,450</u>	<u>3,834,798</u>
Deferred outflows of resources:		
Related to pensions	<u>162,966</u>	<u>329,096</u>
Liabilities:		
Accounts payable	38,254	63,395
Accrued salaries	18,540	15,419
Funds held for others	31,450	10,536
Due to other governments	141,212	129,397
Unearned revenue	19,459	49,629
Compensated absences:		
Due within one year	9,093	8,080
Due in more than one year	95,922	101,244
OPEB - due in more than one year	92,936	111,243
Net pension liability - due in more than one year	632,009	787,592
Total liabilities	<u>1,078,875</u>	<u>1,276,535</u>
Deferred inflows of resources:		
Related to pensions	<u>139,363</u>	<u>125,217</u>
Net position:		
Net investment in capital assets	441,619	537,091
Restricted for EMS relief	356,999	351,724
Unrestricted	1,941,560	1,873,327
Total net position	<u>\$2,740,178</u>	<u>\$2,762,142</u>

The accompanying notes are an integral part of these financial statements.

METROPOLITAN EMERGENCY SERVICES BOARD

STATEMENT OF ACTIVITIES

Statement 2

For The Year Ended December 31, 2017

With Comparative Totals For The Year Ended December 31, 2016

<u>Functions/Programs:</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position Governmental Activities</u>		
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>2017</u>	<u>2016</u>
Governmental activities:						
General	\$476,771	\$407,041	\$229	\$ -	(\$69,501)	(\$69,340)
911 telephone system	538,056	622,653	-	-	84,597	54,959
Emergency medical services program	294,208	148	224,212	-	(69,848)	(82,444)
Radio	1,050,725	949,396	80,570	-	(20,759)	304
Total governmental activities	<u>\$2,359,760</u>	<u>\$1,979,238</u>	<u>\$305,011</u>	<u>\$0</u>	<u>(75,511)</u>	<u>(96,521)</u>
General revenues:						
Unrestricted investment earnings					43,517	33,867
Other					10,030	7,987
Total general revenues					<u>53,547</u>	<u>41,854</u>
Change in net position					(21,964)	(54,667)
Net position - January 1					<u>2,762,142</u>	<u>2,816,809</u>
Net position - December 31					<u>\$2,740,178</u>	<u>\$2,762,142</u>

The accompanying notes are an integral part of these financial statements.

METROPOLITAN EMERGENCY SERVICES BOARD

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2017

With Comparative Totals For December 31, 2016

Statement 3

	General Fund	911 Fund	EMS Fund	Radio Fund	Total	
					2017	2016
Assets:						
Cash and investments	\$2,123,824	\$368,409	\$317,063	\$237,543	\$3,046,839	\$3,070,591
Accounts receivable	-	-	-	499	499	62,490
Due from other governments	1,690	18,676	69,793	143,703	233,862	96,034
Prepaid items	-	7,800	-	64,831	72,631	68,592
Total assets	\$2,125,514	\$394,885	\$386,856	\$446,576	\$3,353,831	\$3,297,707
Liabilities and Fund Balance						
Liabilities:						
Accounts payable	\$2,541	\$1,300	\$19,531	\$14,882	\$38,254	\$63,395
Accrued salaries	8,751	7,643	-	2,146	18,540	15,419
Due to other governments	35,696	58,056	10,113	37,347	141,212	129,397
Funds held for others	-	31,450	-	-	31,450	10,536
Unearned revenue	-	-	-	19,459	19,459	49,629
Total liabilities	46,988	98,449	29,644	73,834	248,915	268,376
Fund balance:						
Nonspendable	-	7,800	-	64,831	72,631	68,592
Restricted	-	-	347,581	-	347,581	344,408
Committed	-	288,636	9,631	307,911	606,178	1,012,433
Assigned	1,976,660	-	-	-	1,976,660	1,450,974
Unassigned	101,866	-	-	-	101,866	152,924
Total fund balance	2,078,526	296,436	357,212	372,742	3,104,916	3,029,331
Total liabilities and fund balance	\$2,125,514	\$394,885	\$386,856	\$446,576	\$3,353,831	\$3,297,707
Fund balance reported above					\$3,104,916	\$3,029,331
Amounts reported for governmental activities in the statement of net position are different because:						
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.					441,619	537,091
Deferred outflows of resources-pension related are not current financial resources and, therefore, are not reported in the funds.					162,966	329,096
Deferred inflows of resources-pension related are associated with long-term liabilities that are not due and payable in the current period and, therefore, are not reported in the funds.					(139,363)	(125,217)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:						
Compensated absences payable					(105,015)	(109,324)
OPEB					(92,936)	(111,243)
Net pension liability					(632,009)	(787,592)
Net position of governmental activities					\$2,740,178	\$2,762,142

The accompanying notes are an integral part of these financial statements.

METROPOLITAN EMERGENCY SERVICES BOARD

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

Statement 4

For The Year Ended December 31, 2017

With Comparative Totals For The Year Ended December 31, 2016

	General Fund	911 Fund	EMS Fund	Radio Fund	Total	
					2017	2016
Revenues:						
Member assessments	\$405,321	\$622,616	\$ -	\$237,252	\$1,265,189	\$1,232,002
User fees	-	-	-	367,460	367,460	401,001
Reimbursement revenue	1,720	37	148	344,684	346,589	357,736
Intergovernmental:						
Local	-	-	9,309	-	9,309	-
State	-	-	164,903	47,054	211,957	368,544
Federal	-	-	50,000	33,516	83,516	301,181
Interest	28,377	7,374	3,190	4,576	43,517	33,867
Other	5,040	-	-	4,990	10,030	7,987
Total revenues	<u>440,458</u>	<u>630,027</u>	<u>227,550</u>	<u>1,039,532</u>	<u>2,337,567</u>	<u>2,702,318</u>
Expenditures:						
Current:						
Personal services	375,199	329,780	25,951	113,737	844,667	771,053
Rent and site leases	9,960	7,470	3,735	395,152	416,317	420,650
Equipment and maintenance upgrades	10,654	19,921	6,726	86,310	123,611	88,499
Other grant expenditures	-	-	169,475	80,569	250,044	619,125
Other services and charges	72,383	184,791	-	357,235	614,409	677,029
Capital outlay	12,934	-	-	-	12,934	25,610
Total expenditures	<u>481,130</u>	<u>541,962</u>	<u>205,887</u>	<u>1,033,003</u>	<u>2,261,982</u>	<u>2,601,966</u>
Revenues over (under) expenditures	(40,672)	88,065	21,663	6,529	75,585	100,352
Other financing sources (uses):						
Transfer in	515,300	-	-	-	515,300	15,883
Transfer out	-	(200,000)	(15,300)	(300,000)	(515,300)	(15,883)
Total other financing sources (uses)	<u>515,300</u>	<u>(200,000)</u>	<u>(15,300)</u>	<u>(300,000)</u>	<u>0</u>	<u>0</u>
Net change in fund balance	474,628	(111,935)	6,363	(293,471)	75,585	100,352
Fund balance - January 1	<u>1,603,898</u>	<u>408,371</u>	<u>350,849</u>	<u>666,213</u>	<u>3,029,331</u>	<u>2,928,979</u>
Fund balance - December 31	<u>\$2,078,526</u>	<u>\$296,436</u>	<u>\$357,212</u>	<u>\$372,742</u>	<u>\$3,104,916</u>	<u>\$3,029,331</u>

The accompanying notes are an integral part of these financial statements.

METROPOLITAN EMERGENCY SERVICES BOARD
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS
For The Year Ended December 31, 2017
With Comparative Amounts For The Year Ended December 31, 2016

Statement 5

	<u>2017</u>	<u>2016</u>
Amounts reported for governmental activities in the Statement of Activities are different because:		
Net changes in fund balance - total governmental funds (Statement 4)	\$75,585	\$100,352
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:		
Depreciation	(108,406)	(134,498)
Capital outlay	12,934	25,610
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Expenses reported in the Statement of Activities include the effects of the changes in these expense accruals as follows:		
Change in compensated absences payable	4,309	(7,046)
Change in OPEB payable	18,307	(8)
Governmental funds report pension contributions as expenditures, however, pension expense is reported in the Statement of Activities. This is the amount by which pension expense exceeded pension contributions:		
Pension contributions	\$46,603	
Pension expense	(71,296)	(39,077)
	<u>(24,693)</u>	<u>(39,077)</u>
Change in net position of governmental activities (Statement 2)	<u>(\$21,964)</u>	<u>(\$54,667)</u>

The accompanying notes are an integral part of these financial statements.

Note 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. FINANCIAL REPORTING ENTITY

The Metropolitan Emergency Services Board (MESB) is a joint powers organization founded by the seven Minneapolis-St. Paul metropolitan counties to implement and administer a regional 911 telephone system, regional Emergency Medical Services (EMS) programs, and, beginning in 2005, regional radio services in the metropolitan area. As required by generally accepted accounting principles in the United States of America, the financial statements of the reporting entity include those of the MESB (the primary government) and its component units. MESB does not have any component units.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are normally supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or business-type activity. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, MESB considers all revenues, except reimbursement grants, to be available if they are collected within 60 days of the end of the current fiscal period. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Intergovernmental revenues, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by MESB.

MESB reports the following major governmental funds:

The *General Fund* is used to account for the administrative functions of MESB and investments held by Hennepin County. These funds are available for MESB as a whole.

The *911 Fund* is used to account for revenues and expenditures in connection with 911 and GIS operations.

The *EMS Fund* accounts for revenues and expenditures of the Emergency Medical Services Grant and the EMS Relief Account, administered by the Board of the Minneapolis-St. Paul metropolitan area.

The *Radio Fund* accounts for revenues and expenditures of the regional 800 MHz radio system for the metropolitan area.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are transactions that would be treated as revenues, expenditures or expenses if they involved external organizations, such as buying goods and services or payments in lieu of taxes, are similarly treated when they involve other funds of MESB. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

D. BUDGETS

MESB adopts annual budgets on a basis consistent with generally accepted accounting principles (GAAP) for the General and 911 Funds. Budgeted expenditure appropriations lapse at year end. The Radio and EMS Funds do not have complete annual GAAP-basis budgets. Grant-specific budgets and other data are used for internal monitoring of these funds.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the appropriation, is not employed by MESB because it is, at present, not considered necessary to assure effective budgetary control or to facilitate effective cash management.

Expenditures exceeded budget appropriations by \$52,309 in the General Fund.

E. CASH AND INVESTMENTS

In accordance with applicable Minnesota Statutes, MESB maintains deposits at depository banks and governmental authorities authorized by the Board of Directors.

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Minnesota Statutes require that all deposits be protected by insurance, surety bond, or collateral. If collateral is pledged as protection for the deposits, the market value of the collateral must, at a minimum, be 110% of the deposits not covered by insurance or bonds.

F. RECEIVABLES AND PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Temporary interfund loans, if any, are classified as “due to/from other funds” and are planned to be eliminated in the upcoming year.

MESB considers all receivables to be fully collectible and thus no allowance is recorded.

G. PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are reported using the consumption method and recorded as expenditures/expenses at the time of consumption.

H. CAPITAL ASSETS

Capital assets, which include property, plant, equipment and intangibles, are reported in the government-wide financial statements. Capital assets are defined by MESB as those assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Equipment of MESB is depreciated using the straight-line method over estimated useful lives ranging from 3 to 20 years.

I. COMPENSATED ABSENCES

A liability is recognized for vacation and sick leave earned by employees at the balance sheet date if it is probable the benefit will be paid as time off or at separation of service.

A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. REIMBURSEMENT REVENUE

Reimbursement revenue includes billings to participating regions that MESB in-turn remits to the provider. This activity has some attributes of pass through/agency transactions; however, management believes it has more attributes of an exchange transaction and accordingly records the activity as revenue and expenditures.

K. FUND BALANCE CLASSIFICATIONS

In the fund financial statements, governmental funds report fund balance in classifications that disclose constraints for which amounts in those funds can be spent. These classifications are as follows:

Nonspendable - consists of amounts that are not in spendable form, such as prepaid items.

Restricted - consists of amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - consists of internally imposed constraints. These constraints are established by Resolution of the Board.

Assigned - consists of internally imposed constraints. These constraints reflect the specific purpose for which it is the Board's intended use. These constraints are established by the Board and/or management.

Unassigned - is the residual classification for the general fund and also reflects negative residual amounts in other funds.

When both restricted and unrestricted resources are available for use, it is MESB's policy to first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned or unassigned resources are available for use, it is MESB's policy to use resources in the following order: 1) committed 2) assigned and 3) unassigned.

L. INTERFUND TRANSACTIONS

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. Interfund loans are reported as an interfund loan receivable or payable which offsets the movement of cash between funds. All other interfund transactions are reported as transfers.

M. USE OF ESTIMATES

The preparation of financial statements in accordance with GAAP requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

N. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. MESB has one item that

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

qualifies for reporting in this category. It is the pension related deferred outflows reported in the government-wide Statement of Net Position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. MESB has pension related deferred inflows of resources reported in the government-wide Statement of Net Position.

O. COMPARATIVE TOTALS

The basic financial statements and required supplementary information include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with MESB's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

P. RECLASSIFICATIONS

Certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Q. DEFINED BENEFIT PENSION PLAN

Pensions. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 2 DEPOSITS AND INVESTMENTS

A. INVESTMENTS

MESB invests all funds with Hennepin County and Washington County. These funds are pooled with the Counties' other deposits and investments.

The carrying amount of MESB's cash and investments at December 31, 2017 is as follows:

Cash and investments pooled with Washington County at fair value	\$908,055
Cash and investments pooled with Hennepin County at fair value	<u>2,138,784</u>
Total	<u><u>\$3,046,839</u></u>

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
 December 31, 2017

MESB categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The hierarchy has three levels. Level 1 investments are valued using inputs that are based on quoted prices in active markets for identical assets. Level 2 investments are valued using inputs that are based on quoted prices for similar assets or inputs that are observable, either directly or indirectly. Level 3 investments are valued using inputs that are unobservable. At December 31, 2017, the MESB does not have any applicable investments.

B. INVESTMENT RISKS

Investments are subject to risks such as interest rate risk, credit risk and concentration of credit risk. MESB invests all funds with Hennepin and Washington Counties' investment pools, which basically function as fully-liquid investments. The Counties' pools are subject to State Statutes that help mitigate investment risks. MESB does not have any specific investment policy that further limits investment risks.

Note 3 RECEIVABLES

All receivables at December 31, 2017 are expected to be collected within one year.

Governmental funds report deferred inflow of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period ("unavailable"). Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned ("unearned").

Note 4 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 is as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Equipment	\$1,623,620	\$12,934	\$ -	\$1,636,554
Less accumulated depreciation for:				
Equipment	<u>1,086,529</u>	<u>108,406</u>	<u>-</u>	<u>1,194,935</u>
Capital assets - net	<u><u>\$537,091</u></u>	<u><u>(\$95,472)</u></u>	<u><u>\$0</u></u>	<u><u>\$441,619</u></u>

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Depreciation expense was charged to programs as follows:

General	\$2,571
911 telephone system	4,124
EMS system	88,108
Radio Board	13,603
Total depreciation expense	<u>\$108,406</u>

Note 5 NONCURRENT LIABILITIES

Noncurrent liability activity for the year ended December 31, 2017, is as follows:

	Balance 01/01/2017	Additions	Deletions	Balance 12/31/2017	Estimated Amount Due Within One Year
Compensated absences	<u>\$109,324</u>	<u>\$5,595</u>	<u>(\$9,904)</u>	<u>\$105,015</u>	<u>\$9,093</u>

Compensated absences are liquidated by each of the four funds.

Note 6 DEFINED BENEFIT PENSION PLANS

A. PLAN DESCRIPTION

MESB participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). PERA's defined benefit pension plans are established and administered in accordance with Minnesota Statutes, Chapters 353 and 356. PERA's defined benefit pension plans are tax qualified plans under Section 401 (a) of the Internal Revenue Code.

General Employees Retirement Fund (GERF)

All full-time and certain part-time employees of MESB are covered by the General Employees Retirement Fund (GERF). GERF members belong to either the Coordinated Plan or the Basic Plan. Coordinated Plan members are covered by Social Security and Basic Plan members are not. The Basic Plan was closed to new members in 1967. All new members must participate in the Coordinated Plan.

B. BENEFITS PROVIDED

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state legislature.

Benefit increases are provided to benefit recipients each January. Increases are related to the funding ratio of the plan. Members in plans that are at least 90 percent funded for two consecutive

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

years are given 2.5% increases. Members in plans that have not exceeded 90% funded, or have fallen below 80%, are given 1% increases.

The benefit provisions stated in the following paragraphs of this section are current provisions and apply to active plan participants. Vested, terminated employees who are entitled to benefits but are not receiving them yet are bound by the provisions in effect at the time they last terminated their public service.

GERF Benefits

Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for PERA's Coordinated and Basic Plan members. The retiring member receives the higher of a step-rate benefit accrual formula (Method 1) or a level accrual formula (Method 2). Under Method 1, the annuity accrual rate for a Basic Plan member is 2.2% of average salary for each of the first ten years of service and 2.7% for each remaining year. The annuity accrual rate for a Coordinated Plan member is 1.2% of average salary for each of the first ten years and 1.7% for each remaining year. Under Method 2, the annuity accrual rate is 2.7% of average salary for Basic Plan members and 1.7% for Coordinated Plan members for each year of service. For members hired prior to July 1, 1989, a full annuity is available when age plus years of service equal 90 and normal retirement age is 65. For members hired on or after July 1, 1989, normal retirement age is the age for unreduced Social Security benefits capped at 66.

C. CONTRIBUTIONS

Minnesota Statutes Chapter 353 sets the rates for employer and employee contributions. Contribution rates can only be modified by the state legislature.

GERF Contributions

Basic Plan members and Coordinated Plan members were required to contribute 9.1% and 6.50%, respectively, of their annual covered salary in calendar year 2017. The MESB was required to contribute 11.78% of pay for Basic Plan members and 7.50% for Coordinated Plan members in calendar year 2017. The MESB's contributions to the GERF for the year ended December 31, 2017, were \$46,603. The MESB's contributions were equal to the required contributions as set by state statute.

D. PENSION COSTS

GERF Pension Costs

At December 31, 2017, the MESB reported a liability of \$632,009 for its proportionate share of the GERF's net pension liability. MESB's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$6 million to the fund in 2017. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with MESB totaled \$7,941. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

actuarial valuation as of that date. The MESB's proportion of the net pension liability was based on the MESB's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2016, through June 30, 2017, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2017, the MESB's proportion was .0099%, which was an increase of .0002% from its proportion measured as of June 30, 2016.

For the year ended December 31, 2017, the MESB recognized pension expense of \$71,296 for its proportionate share of the GERS' pension expense. In addition, MESB recognized an additional \$229 as a pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$6 million to the General Employees Fund.

At December 31, 2017, the MESB reported its proportionate share of the GERS' deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual economic experience	\$20,829	\$40,746
Changes in actuarial assumptions	104,927	63,359
Difference between projected and actual investment earnings	4,246	-
Changes in proportion	8,762	35,258
Contributions paid to PERA subsequent to the measurement date	24,202	-
Total	<u>\$162,966</u>	<u>\$139,363</u>

\$24,202 reported as deferred outflows of resources related to pensions resulting from MESB contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Pension Expense Amount</u>
2018	\$4,475
2019	30,803
2020	(9,051)
2021	(26,826)
Thereafter	-

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Active Member Payroll Growth	3.25% per year
Investment Rate of Return	7.50%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, survivors and disabilitants were based on RP-2014 tables for males or females, as appropriate, with slight adjustments to fit PERA’s experience. Cost of living benefit increases for retirees are assumed to be 1% per year through 2044 and then 2.5% thereafter.

Actuarial assumptions used in the June 30, 2017, valuation were based on the results of actuarial experience studies. The most recent four-year experience study in the GERP was completed in 2015.

The following changes in actuarial assumptions occurred in 2017:

General Employees Fund

- The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability.
- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

The long-term expected rate of return on pension plan investments is 7.5%. The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Stocks	39%	5.10%
International Stocks	19%	5.30%
Bonds	20%	0.75%
Alternative Assets	20%	5.90%
Cash	2%	0.00%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2017 was 7.5%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates specified in Minnesota Statutes. Based on that assumption, the fiduciary net position of the GEF was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

G. PENSION LIABILITY SENSITIVITY

The following presents the MESB’s proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the MESB’s proportionate share of the net pension liability would be if it were calculated using a discount rate 1 percentage point lower or 1 percentage point higher than the current discount rate:

	1% Decrease in in Discount Rate (6.5%)	Discount Rate (7.5%)	1% Increase in Discount Rate (8.5%)
MESB's proportionate share of the GERF net pension liability	\$980,294	\$632,009	\$346,876

H. PENSION PLAN FIDUCIARY NET POSITION

Detailed information about each pension plan’s fiduciary net position is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at www.mnpera.org.

Note 7 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

In 2014, MESB retroactively (calculation period started January 1, 2000) implemented the requirement of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. Prior to 2014, the liability was determined to be immaterial and was not reported.

A. PLAN DESCRIPTION

In addition to providing the pension benefits described in Note 6, MESB provides post-employment health care benefits (as defined in paragraph B) for retired employees, through a single-employer defined benefit plan. The OPEB plan is administered by MESB. The authority to provide these benefits is established in Minnesota Statutes Sections 471.61. The benefits, benefit levels, employee contributions and employer contributions are governed by MESB and can be amended by MESB through its personnel manual and collective bargaining agreements with employee groups. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The Plan does not issue a separate report.

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
 December 31, 2017

B. BENEFITS PROVIDED

MESB provides OPEB benefits that mirror the policies of Anoka County (for retired employees) and Dakota County (for all other employees). After meeting certain eligibility requirements, employees hired prior to January 6, 2007 may be eligible to receive certain post-employment medical insurance payments. Currently, MESB has one former employee who meets the eligibility requirements and is receiving benefits, and two current employees who could potentially receive benefits in the future if all requirements are met. Benefits are being funded on a pay-as-you-go basis.

For the one former employee receiving benefits, MESB is obligated to pay one-half of this person's monthly single contribution for active employees' health insurance until the person becomes eligible for Medicare. Once eligible for Medicare, MESB is obligated to pay the amount Anoka County pays for Medicare supplement plan. The monthly benefit amount is adjusted annually. Total benefits paid in 2017 were \$3,841.

C. PARTICIPANTS

The GASB 45 *Alternative Measurement Method* was used to value the OPEB for the years ended December 31, 2017:

Retirees and beneficiaries currently receiving health insurance benefits through MESB	1
Active employees	<u>2</u>
Total	<u><u>3</u></u>
Participating employers	<u><u>1</u></u>

D. FUNDING POLICY

OPEB is currently funded on a pay-as-you-go basis. The MESB Board may change the funding policy at any time.

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

E. ANNUAL OPEB COSTS AND NET OPEB OBLIGATION

MESB’s annual other post-employment benefit (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The net OPEB obligation as of December 31, 2017, was calculated as follows:

Annual required contribution (ARC)	\$5,247
Interest on net OPEB obligation	227
Adjustment to ARC	<u>(19,940)</u>
Annual OPEB cost	(14,466)
Contributions made during the year	<u>(3,841)</u>
Increase (decrease) in net OPEB obligation	(18,307)
Net OPEB obligation - beginning of year	<u>111,243</u>
Net OPEB obligation - end of year	<u><u>\$92,936</u></u>

Other post-employment benefits are generally liquidated through the General Fund, 911 Fund and the Radio Fund.

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2017	(\$14,466)	\$3,841	N/A	\$92,936
December 31, 2016	3,694	3,686	99.8%	111,243
December 31, 2015	7,873	3,704	47.0%	111,235

F. FUNDED STATUS AND FUNDING PROGRESS

MESB currently has no assets that have been irrevocably deposited in a trust for future health benefits; therefore, the actuarial value of assets is zero. The funded status of the plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL)* (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
January 1, 2017	\$ -	\$92,936	\$92,936	0.0%	\$242,669	38.3%

*Using the entry age actuarial cost method.

G. ACTUARIAL METHODS AND ASSUMPTIONS

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions (ARC) of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the January 1, 2017 actuarial valuation, the entity age cost method (alternative measurement method) was used. The actuarial assumptions included a 5.5% investment rate of return (net of administrative expenses) and an initial annual health care cost trend rate of 2% for 2018 through 2020 and 5.6% for 2021 and later. The actuarial value of assets was \$0. The plan's unfunded actuarial accrued liability is being amortized using the level percentage of payroll method over 30 years on a closed basis. The remaining amortization period at December 31, 2017, was 21 years.

Note 8 COMMITMENTS

LEASES

MESB leases its office premises including use of phones under an agreement which was renewed on November 28, 2016. The MESB lease is effective January 1, 2017 through December 31, 2018 with monthly lease payments of \$2,075. Rent expense under this lease totaled \$24,900 for 2017.

Future minimum lease payments are as follows:

2018	<u>\$24,900</u>
	<u><u>\$24,900</u></u>

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

MESB has multiple leases for radio towers it assumed from the former Metropolitan Radio Board. The lease terms expire at various times through 2036. Minimum annual rentals are estimated as follows:

<u>Year Ended</u>	
2018	\$389,801
2019	249,973
2020	83,462
2021	78,258
2022	58,393
2023-2027	112,002
2028-2032	32,507
2033-2036	14,000
Total	<u><u>\$1,018,396</u></u>

Rent expense under these leases for the year ended December 31, 2017 totaled \$391,417.

COMMITTED CONTRACTS

MESB had no committed contracts as of December 31, 2017.

LITIGATION

Management is not aware of any existing or pending lawsuits, claims or other actions in which MESB is a defendant.

Note 9 FUND BALANCE

CLASSIFICATIONS

At December 31, 2017, a summary of the governmental fund balance classifications are listed below. Definitions for the classifications are included in Note 1.

	<u>General</u>	<u>911 Fund</u>	<u>EMS Fund</u>	<u>Radio Fund</u>	<u>Total</u>
Nonspendable:					
Prepaid items	\$ -	\$7,800	\$ -	\$64,831	\$72,631
Restricted	-	-	347,581	-	347,581
Committed to:					
Emergency services	-	288,636	9,631	307,911	606,178
Assigned to:					
Future projects	1,976,660	-	-	-	1,976,660
Unassigned	101,866	-	-	-	101,866
Total	<u><u>\$2,078,526</u></u>	<u><u>\$296,436</u></u>	<u><u>\$357,212</u></u>	<u><u>\$372,742</u></u>	<u><u>\$3,104,916</u></u>

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

Note 10 FEDERAL AND STATE FUNDS

Amounts received or receivable from federal and state agencies are subject to agency audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of funds which may be disallowed by the agencies cannot be determined at this time although MESB management expects such amounts, if any, to be immaterial.

Note 11 RISK MANAGEMENT

MESB is exposed to various risks of loss related to torts, theft of, damage to or destruction of assets, errors and omissions, injuries to employees, and natural disasters. MESB manages these various risks through membership in a joint powers agreement forming the Minnesota Counties Insurance Trust for the purpose of developing and administering a risk management service program. Insurance coverage obtained through the Trust includes workers' compensation, property, commercial general liability and public official's liability. According to the Trust's joint powers agreement, any liabilities of the Trust in excess of assets shall be assessed to the appropriate members of the Trust in a manner determined by the Trust's Board. Alternatively, if the Trust's assets are determined to be more than sufficient to meet liabilities and maintain reserves, such surplus assets may be returned to members in a manner to be determined by the Trust Board.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three years.

Note 12 EMERGENCY MEDICAL SERVICES FUNDS

EMS funds consist of both grants and EMS Relief Funds. Relief Funds are based on seat belt fines collected by the State. Relief Fund revenue is recognized in the period in which the related expenditures are incurred. Grant revenue is also recognized in the period in which the related expenditures are incurred.

EMS Grant funds received, expended and recognized as revenue are as follows:

Grant Period	Budget	Prior Years	2017	Balance
Receipts (cash basis):				
7/1/15 - 6/30/17	\$146,250	\$95,743	\$50,507	\$ -
7/1/17 - 6/30/19	214,750	-	15,300	199,450
Total receipts	\$361,000	\$95,743	\$65,807	\$199,450
Grant revenue/expenditures (accrual basis):				
7/1/15 - 6/30/17	\$146,250	\$131,147	\$15,103	\$ -
7/1/17 - 6/30/19	214,750	-	25,413	189,337
Total grant revenues/expenses	\$361,000	\$131,147	\$40,516	\$189,337

Differences between receipts and revenue/expenditures are recorded as grant receivable and/or unearned revenue, as appropriate.

METROPOLITAN EMERGENCY SERVICES BOARD
NOTES TO FINANCIAL STATEMENTS
 December 31, 2017

Note 13 INTERFUND TRANSFERS

	<u>Transfers In</u> <u>General Fund</u>
Transfers out:	
911 Fund	\$200,000
EMS Fund	15,300
Radio Fund	<u>300,000</u>
Total transfers	<u><u>\$515,300</u></u>

Transfers were for EMS expenses paid by the General Fund. Transfers for Radio and 911 were moving amounts to the investment account.

Note 14 RECENTLY ISSUED ACCOUNTING STANDARDS

The Governmental Accounting Standards Boards (GASB) recently approved the following statements which were not implemented for these financial statements:

Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The provisions in Statement 75 are effective for fiscal years beginning after June 15, 2017.

Statement No. 83 *Certain Asset Retirement Obligations*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2018.

Statement No. 84 *Fiduciary Activities*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2018.

Statement No. 85 *Omnibus 2017*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2017.

Statement No. 86 *Certain Debt Extinguishment Issues*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2017.

Statement No. 87 *Leases*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

Statement No. 88 *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. The provisions of this Statement are effective for reporting periods beginning after June 15, 2018.

The effect these standards may have on future financial statements is not determinable at this time, but it is expected that Statements No. 75 and No. 87 may have a material impact.

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REQUIRED SUPPLEMENTARY INFORMATION

METROPOLITAN EMERGENCY SERVICES BOARD
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2017
With Comparative Actual Amounts For The Year Ended December 31, 2016

Statement 6

	Budgeted Amounts		2017 Actual Amounts	Variance with Final Budget - Over (Under)	2016 Actual Amounts
	Original	Final			
Revenues:					
Member assessments	\$405,321	\$405,321	\$405,321	\$ -	\$393,186
Reimbursement revenue	-	-	1,720	1,720	4,677
Interest	5,000	5,000	28,377	23,377	22,445
Other	3,000	3,000	5,040	2,040	4,779
Total revenues	413,321	413,321	440,458	27,137	425,087
Expenditures:					
Current:					
Personal services	328,265	328,265	375,199	46,934	341,096
Rent and site leases	9,576	9,576	9,960	384	9,576
Equipment and maintenance upgrades	12,200	12,200	10,654	(1,546)	6,011
Other services and charges	78,780	78,780	72,383	(6,397)	77,444
Capital outlay	-	-	12,934	12,934	6,889
Total expenditures	428,821	428,821	481,130	52,309	441,016
Revenues over (under) expenditures	(15,500)	(15,500)	(40,672)	(25,172)	(15,929)
Other financing sources (uses):					
Transfer in	15,500	15,500	515,300	499,800	15,883
Total other financing sources (uses)	15,500	15,500	515,300	499,800	15,883
Net change in fund balance	<u>\$0</u>	<u>\$0</u>	474,628	<u>\$474,628</u>	(46)
Fund balance - January 1			<u>1,603,898</u>		<u>1,603,944</u>
Fund balance - December 31			<u><u>\$2,078,526</u></u>		<u><u>\$1,603,898</u></u>

METROPOLITAN EMERGENCY SERVICES BOARD

REQUIRED SUPPLEMENTARY INFORMATION

Statement 7

BUDGETARY COMPARISON SCHEDULE - 911 FUND

For The Year Ended December 31, 2017

With Comparative Actual Amounts For The Year Ended December 31, 2016

	Budgeted Amounts		2017 Actual Amounts	Variance with Final Budget - Over (Under)	2016 Actual Amounts
	Original	Final			
Revenues:					
Member assessments	\$622,616	\$622,616	\$622,616	\$ -	\$604,303
Reimbursement revenue	-	-	37	37	-
Interest	7,000	7,000	7,374	374	5,504
Total revenues	<u>629,616</u>	<u>629,616</u>	<u>630,027</u>	<u>411</u>	<u>609,807</u>
Expenditures:					
Current:					
Personal services	479,670	479,670	329,780	(149,890)	278,749
Rent and site leases	9,576	9,576	7,470	(2,106)	7,164
Equipment and maintenance upgrades	15,800	15,800	19,921	4,121	8,460
Other services and charges	124,570	124,570	184,791	60,221	241,050
Total expenditures	<u>629,616</u>	<u>629,616</u>	<u>541,962</u>	<u>(87,654)</u>	<u>535,423</u>
Revenues over (under) expenditures	<u>0</u>	<u>0</u>	<u>88,065</u>	<u>88,065</u>	<u>74,384</u>
Other financing sources (uses):					
Transfer out	-	-	(200,000)	(200,000)	-
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>0</u>
Net change in fund balance	<u>\$0</u>	<u>\$0</u>	<u>(111,935)</u>	<u>(\$111,935)</u>	<u>74,384</u>
Fund balance - January 1			<u>408,371</u>		<u>333,987</u>
Fund balance - December 31			<u>\$296,436</u>		<u>\$408,371</u>

METROPOLITAN EMERGENCY SERVICES BOARD
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN
For The Year Ended December 31, 2017

Statement 8

	(1)	(2)	(3)	(4)	(5)	(6)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Funded Ratio (1) / (2)	Unfunded Actuarial Accrued Liability (UAAL) (2) - (1)	Active Members Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
January 1, 2015	\$ -	\$111,235	0.00%	\$111,235	\$296,279	37.5%
January 1, 2016	-	111,243	0.00%	111,243	310,689	35.8%
January 1, 2017	-	92,936	0.00%	92,936	242,669	38.3%

METROPOLITAN EMERGENCY SERVICES BOARD
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY* -
 GENERAL EMPLOYEES RETIREMENT FUND
 For The Year Ended December 31, 2017

Statement 9

Measurement Date June 30	Fiscal Year Ending December 31	MESB's Proportionate Share (Percentage) of the Net Pension Liability	MESB's Proportionate Share (Amount) of the Net Pension Liability (a)	State's Proportionate Share (Amount) of the Net Pension Liability Associated with MESB (b)	MESB's Proportionate Share of the Net Pension Liability and the State's Proportionate Share of the Net Pension Liability Associated with MESB (a+b)	Covered Payroll (c)	MESB's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll ((a+b)/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	2015	0.0104%	\$538,982	\$ -	\$538,982	\$625,308	86.2%	78.2%
2016	2016	0.0097%	787,592	10,258	797,850	603,010	132.3%	68.9%
2017	2017	0.0099%	632,009	7,941	639,950	637,297	100.4%	75.9%

* The schedule is provided prospectively beginning with the Board's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

METROPOLITAN EMERGENCY SERVICES BOARD

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF PENSION CONTRIBUTIONS* - GENERAL EMPLOYEES RETIREMENT FUND

For The Year Ended December 31, 2017

Statement 10

<u>Fiscal Year Ending</u>	<u>Statutorily Required Contribution (a)</u>	<u>Contributions in Relation to the Statutorily Required Contribution (b)</u>	<u>Contribution Deficiency (Excess) (a-b)</u>	<u>Covered- Employee Payroll (c)</u>	<u>Contributions as a Percentage of Covered Payroll (b/c)</u>
December 31, 2015	\$46,755	\$46,755	\$ -	\$623,400	7.5%
December 31, 2016	47,216	47,216	-	629,550	7.5%
December 31, 2017	46,603	46,603	-	621,373	7.5%

* The schedule is provided prospectively beginning with the Board's fiscal year ended December 31, 2015 and is intended to show a ten year trend. Additional years will be reported as they become available.

METROPOLITAN EMERGENCY SERVICES BOARD
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO RSI
December 31, 2017

Note A LEGAL COMPLIANCE – BUDGETS

The General and 911 Funds budgets are legally adopted on an annual basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level for these funds.

Note B PENSION INFORMATION

PERA – General Employees Retirement Fund

2017 Changes

Changes in Actuarial Assumptions:

- The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability.

- The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 Changes

Changes in Actuarial Assumptions:

- The assumed post-retirement benefit increase rate was changed from 1.0% per year through 2035 and 2.5% per year thereafter to 1.0% per year for all future years.

- The assumed investment return was changed from 7.9% to 7.5%. The single discount rate was changed from 7.9% to 7.5%.

- Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth, and inflation were decreased by 0.25% to 3.25% for payroll growth and 2.5% for inflation.

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OTHER REPORTS

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors and Management
Metropolitan Emergency Services Board
St. Paul, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Metropolitan Emergency Services Board as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Metropolitan Emergency Services Board's basic financial statements, and have issued our report thereon dated April 18, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Metropolitan Emergency Services Board's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Metropolitan Emergency Services Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Metropolitan Emergency Services Board's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during

our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Metropolitan Emergency Services Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Redpath and Company, Ltd.

REDPATH AND COMPANY, LTD.
St. Paul, Minnesota

April 18, 2018



MINNESOTA LEGAL COMPLIANCE REPORT

To the Board of Directors
Metropolitan Emergency Services Board
St. Paul, Minnesota

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities and each major fund of Metropolitan Emergency Services Board, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Metropolitan Emergency Services Board's basic financial statements, and have issued our report thereon dated April 18, 2018.

The *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, contains six categories of compliance to be tested: contracting and bidding, deposits and investments, conflicts of interest, claims and disbursements, miscellaneous provisions, and tax increment financing. Our audit considered all of the listed categories, except that we did not test for compliance with the provisions for tax increment financing because Metropolitan Emergency Services Board has no tax increment financing districts.

In connection with our audit, nothing came to our attention that caused us to believe that Metropolitan Emergency Services Board failed to comply with the provisions of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Metropolitan Emergency Services Board's noncompliance with the above referenced provisions.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

Redpath and Company, Ltd.

REDPATH AND COMPANY, LTD.
St. Paul, Minnesota

April 18, 2018

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Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Tretter	AGENDA NUMBER: 5A. Approval of Amendments to Radio TOC Bylaws
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RECOMMENDATION

The Executive Committee recommends the Board approve the amendments to the Radio TOC bylaws.

BACKGROUND

The Radio TOC was established by the MESB to advise the Board on matters relating to the ARMER system. The membership established under the former Metropolitan Radio Board was altered in 2005 when the MESB was formed. After the 2005 bylaws amendments, the committee’s membership included a member from each party to the JPA, plus members from Metro Region EMS, Minnesota State Fire Chiefs Association, Minnesota Chiefs of Police Association, Metropolitan Council, Metropolitan Airports Commission, MnDOT, and an at-large user representative.

ISSUES & CONCERNS

In February 2018, the Radio TOC reviewed the committee’s bylaws for needed updates and recommended some amendments. The committee recommended two changes to its membership; the first change was to remove the seat for MnDOT, which has never opted to appoint a representative, and the second change was to remove the seat for the Minnesota Chiefs of Police Association (MCPA), as it has not made an appointment since 2013. Staff has made multiple inquiries to MCPA in the past, which have not been answered.

In addition to the membership changes in Section 1, language was added to make the appointment process more flexible as not all agencies require governing body appointment of representatives.

Other suggested amendments include deleting the last sentence of the paragraph under Section 2, to reflect current practice, and adding other minor wording changes on page 2.

FINANCIAL IMPACT

None to the MESB.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		

BY-LAWS
OF THE
METROPOLITAN EMERGENCY SERVICES BOARD
RADIO TECHNICAL OPERATIONS COMMITTEE

SECTION 1. COMPOSITION

There shall be a Radio Technical Operations Committee composed of one representative from each party to the Agreement. Additional seats will be awarded to:

~~The Minnesota Department of Transportation.~~
The Metropolitan Council.
The Metropolitan Airports Commission.
~~The Minnesota Chiefs of Police Association.~~
The Minnesota State Fire Chiefs Association.
Metro Region EMS.

Further, there will be an additional member designated by the board to represent other system users, but are not represented by the one of the entities listed above.

The governing body of each member to this Agreement, by resolution, and the organizations/association listed above shall appoint its representatives and alternates to the Radio Technical Operations Committee [or the governing body of each party to the agreement shall, by resolution designate an appointing authority to make representative appointments.](#) Alternates shall have the same voting rights as the representative for whom they are appointed to serve as an alternate.

SECTION 2. CHAIR

The Radio Technical Operations Committee shall recommend to the Chair of the Board at the annual organizational meeting of the Board a Chair of Radio Technical Operations Committee. The Chair of the Board shall appoint the Chair of Radio Technical Operations Committee subject to the approval of the Board. The Chair shall preside at all meetings of the Radio Technical Operations Committee and perform the usual duties of a Chair. ~~The Chair shall attend all the meetings of the Board and upon resolution of the Board may be reimbursed, if not otherwise compensated, for expenses, if any, per diem, for such attendance.~~

SECTION 3. VICE CHAIR

The Radio Technical Operations Committee shall recommend to the Chair of the Board at the annual organizational meeting of the Board a Vice Chair of the

Committee. The Chair of the Board shall appoint the Vice Chair of the Radio Technical Operations Committee, subject to the approval of the Board. The Vice Chair shall perform the duties of the Chair in the absence of the Chair or in the event of his or her inability or refusal to act.

SECTION 4. POWER AND DUTIES

The Radio Technical Operations Committee shall have the following powers and duties:

a. Present to the Board plans, standards, studies, and reports, prepared for the Board purposes and action and recommend to the Board, for adoption, such measures as are deemed necessary to enforce or carry out the powers and duties of the Board.

b. Monitor the installation and operations of metropolitan region of the ARMER system as required by the Board.

c. Prepare and submit to the ~~Administrative Officer~~Executive Director by ~~June~~May 1st of each year its recommendations for items to be included in the budget request to the Board the following year.

d. Perform other such duties as may be prescribed by the Board.

SECTION 5. VOTING

Each member of the Radio Technical Operations Committee may cast one vote on any motion before the Radio Technical Operations Committee. A simple majority vote of the members present shall be required to pass any motion. Voting can be either by voice or roll call provided that a roll call vote may be called for by any member of the Radio Technical Operations Committee. Absentee or ~~Proxy~~proxy voting is not permitted.

SECTION 6. MEETINGS

The Radio Technical Operations Committee may provide, by resolution, the time and place for holding regular meetings of the Radio Technical Operations Committee. Notice of regular meetings of the Radio Technical Operations Committee shall be given to each member of the Radio Technical Operations Committee at least five (5) days prior to such meeting, and, in all respects, shall comply with the provisions of the open meeting law. Special meetings of the Radio Technical Operations Committee may be called by the Chair provided that at least three (3) days notice be given to each member of the Radio Technical Operations Committee and otherwise comply with the provisions of open meeting law.

SECTION 7. QUORUM

The majority of the members designated by the appointing authorities shall constitute a quorum.

SECTION 8. ATTENDANCE

Radio Technical Operations Committee members or their alternates must attend no less than seventy-five percent (75%) of all meetings held in one (1) calendar year. Any agency whose member does not abide by the minimum meeting requirements will be asked to appoint another representative to the Radio Technical Operations Committee.

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Tretter	AGENDA NUMBER: 5B. Approval of Washington County Request for Use of Excess T1 Capacity
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RECOMMENDATION

The Executive Committee recommends the Board approve Washington County’s request for use of excess ARMER T1 capacity at St. Paul Park and Scandia sites.

BACKGROUND

ARMER Standard 1.12.0 – Excess Capacity Allocation states that MnDOT administers the allocation of excess capacity upon the ARMER backbone, though requests must be approved by the Statewide Emergency Communications Board and endorsed by the region of origin.

ARMER towers that are grouped together into one system are referred to as simulcast sites. Simulcast sites have network connectivity to the prime site, generally T1’s then connect to the other ARMER towers in the simulcast via microwave links, generally called a loop or a spur.

ISSUES & CONCERNS

Washington County requests the use of excess ARMER microwave capacity to the St. Paul Park and Scandia sites for its VHF paging system.

Washington County is in the process of converting its sub-system to IP-based simulcast which results in changes to microwave links which reduce the complexity of the sub-system. The changes result in the reduction of county microwave links to the MnDOT-owned sites of St. Paul Park and Scandia.

Washington County uses ARMER sites to support its VHF paging system. The reduction in microwave links to St. Paul Park and Scandia result in no county connectivity to its VHF paging equipment at the sites, thereby creating the need to use excess ARMER microwave capacity.

FINANCIAL IMPACT

None to the MESB.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		



Office of the Sheriff

Commitment to Excellence



Dan Starry
Sheriff

Brian R. Mueller
Chief Deputy

3/13/2018

Metro Technical and Operations Committee
Chair Scott Haas
301 Fuller Street South
Shakopee, MN 55379

Dear Mr. Haas,

Washington County and MnDot will be converting the Washington County simulcast from circuit to IP transport this spring. Washington County maintains a simulcast VHF paging network for fire paging and weather sirens. These transmitters are collocated on the majority of the system subsites. Due to the older age of these stations, circuit based connections will need to be maintained to them.

Current connections on these stations are packed into site links. To reduce the complexity of the IP transport to these sites, we plan to move all paging to dedicated T1 links. Washington County internal microwave will be able to handle all the connections with the exception of two sites:

- MnDot site in St. Paul Park. No county link to this site. MnDot has capacity on their network. The route will be Newport (Washington County site) to Water's Edge to St. Paul Park (South Loop)
- MnDot site at Citation (Scandia). No county link to this site. MnDot has capacity on their network. The route will be King Stack (Washington County network presence) to Citation (North Loop)

Our plan is to begin converting to the new paging network as soon as possible. Having paging cut over before IP simulcast conversion will greatly reduce the complexity of the IP transition and will allow for reduced down times of both subsites and paging.

MnDot fully supports this excess capacity request. **This request was approved (contingent on TOC approval) by the OTC meeting on 3/13/2018.**

Sincerely,

Nathan Timm
Radio Systems Manager
Washington County Sheriff's Office
651-430-7863

Nate.timm@co.washington.mn.us

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Tretter	AGENDA NUMBER: 5C. Approval of Dakota County Participation Plan Amendment for VHF Paging
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RECOMMENDATION

The Radio Technical Operations Committee (RTOC) recommends the board approve amendments to Dakota County’s ARMER participation plan for VHF paging.

BACKGROUND

Dakota County uses VHF paging for fire departments within the county. Paging systems require tower sites and microwave use, as is done in the ARMER system.

ARMER standards require approval by regional radio boards and the Statewide Emergency Communications Board for equipment or applications which touch or interface with the ARMER system.

Per ARMER standard 1.12.0, Excess Capacity Allocation, “As the owners and operators of the ARMER backbone, MnDOT shall continue to administer the allocation of excess capacity upon the ARMER backbone.”

Similar requests have been submitted for Hennepin County and Washington County.

ISSUES & CONCERNS

Dakota County is upgrading its VHF paging system to a simulcast paging system, which can be controlled via the ARMER system. Adding the paging system to the ARMER zone controller would provide the best functionality for control of the paging system. Dakota County will install the system at the following ARMER sites: Arbor Point, Buck, Cannon Falls, Empire, Fairfield, Hastings, Palomino, Sperry, Verizon, and Welch.

The paging system being added by Dakota County is similar to that which the Board approved for Hennepin County in March 2018. This addition will occur within the Zone 1 master site at MnDOT Water’s Edge.

Dakota County is also requesting use of excess capacity on ARMER microwave links for this paging system. The County would like to use two T1s from MnDOT Water’s Edge to Empire; one T1 from Hastings to Empire; and one T1 from Welch to Cannon Falls to Empire.

FINANCIAL IMPACT

None to the MESB.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		



MEMO

To: Chair Scott Haas, Metro TOC members

From: Ron Jansen \ Dakota County

Date: 05 April 2018

RE: Participation Plan Amendment

Dakota County would like to amend its ARMER participation plan to reflect an upgrade in its VHF Paging system. Dakota County is currently working with Motorola to update its existing simulcast VHF paging system to the current hardware revision. This will include replacing the Quantar repeaters to the GTR version as well as the SCSI controller to the MLC8000 comparator. The new configuration would also require 2 additional T1 circuits from Watersedge to the Empire Tower site. The existing T1 circuit's to\from the Hastings and Welch Tower sites will need to be broken out to their own T1 circuits. These changes will allow Motorola Network Monitoring Organization (NMO) to remotely monitor the Dakota County Paging infrastructure for hardware issues.

Dakota County and the DCC are aware this will require the hardware to be maintained at the current ARMER system revision levels.

We have discussed this proposal with MnDot and there were no issues with the proposed changes.

Thank you for your consideration on this request.

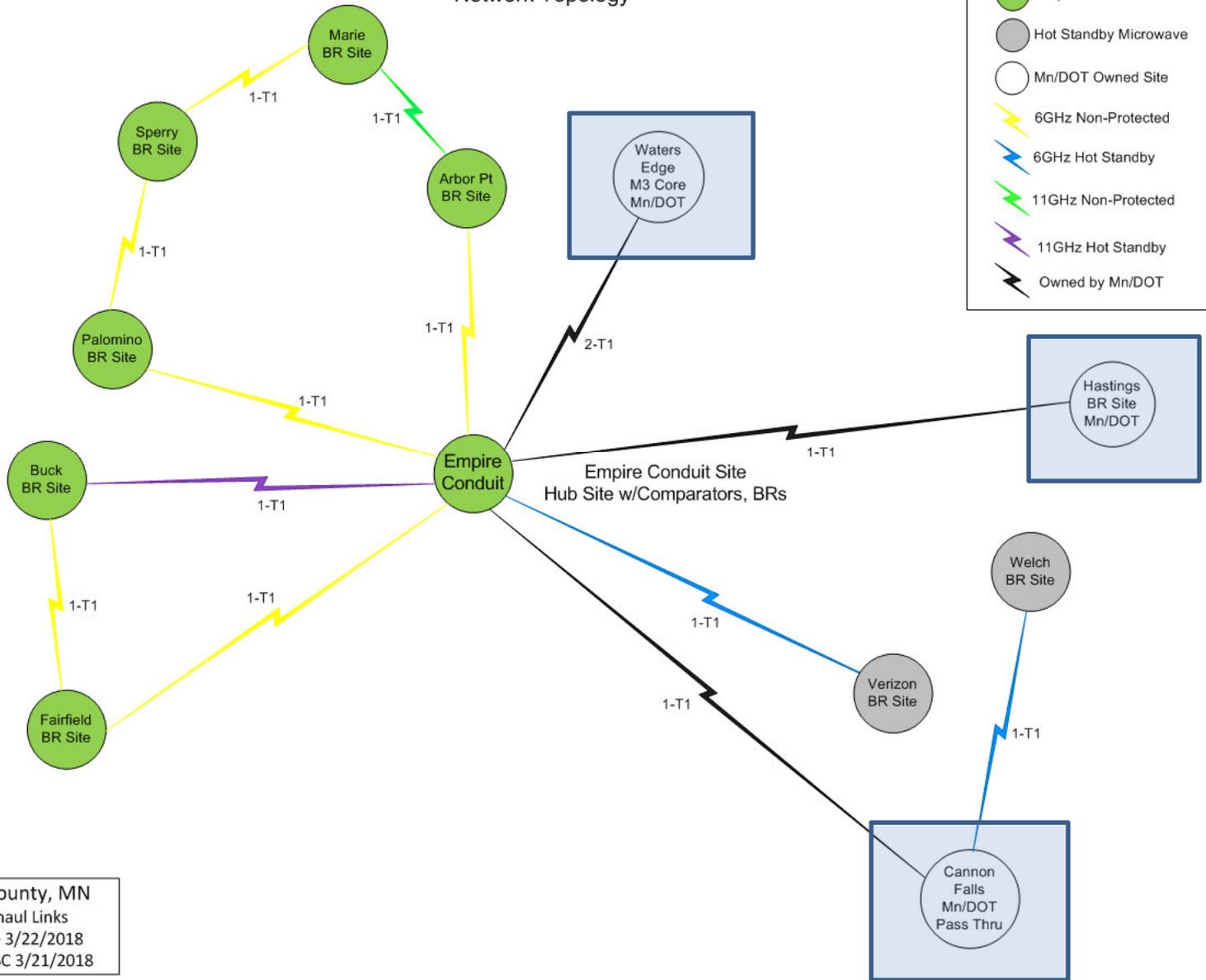
Best Regards,

Ron

Dakota Communications Center VHF Analog Paging System Requirements - Waters Edge Master Site

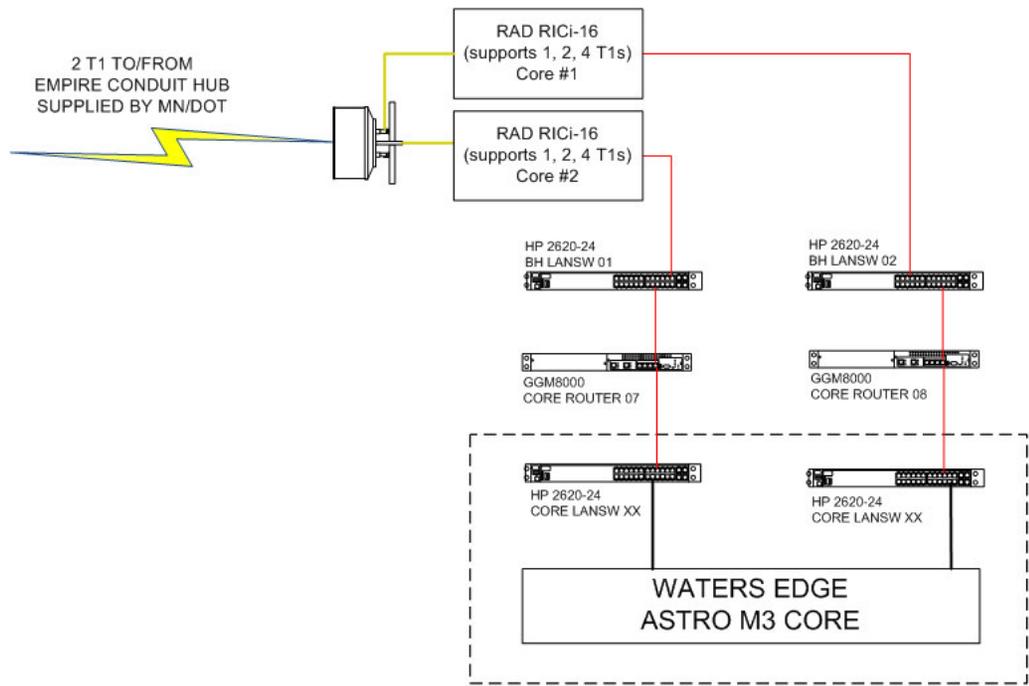
- Add Core Routers #7 and #8 at Waters Edge (MSI-provided, GGM8000)
- Add Core Backhaul Switches (2) at Waters Edge (MSI-provided, HP2620)
- Add T1 to Ethernet conversion at Waters Edge (DCC-provided, RAD RICi)
- Use existing Core LAN switches at Waters Edge
- Need two (2) full T1 circuits from Waters Edge to Empire
- Need one (1) full T1 pass-through from Welch through Cannon Falls for transport to Empire
- Need one (1) full T1 from Hastings to Empire.

Dakota County, MN
DCC Analog Conventional IP Simulcast Paging Overlay
Network Topology



Dakota County, MN
T1 Backhaul Links
S. Wiegele 3/22/2018
J. Nelson PSC 3/21/2018

4/1/2018



Legend

- 4W
- Ethernet
- T1
- GPS Ref
- - - - RX Line - - - -
- TX Line —
- [Existing]

MOTOROLA SOLUTIONS	
DAKOTA COUNTY, MN WATERS EDGE ASTRO M3 CORE IP VHF CONVENTIONAL SIMULCAST	
ENGINEER: Susie Wiegele/Dave Theis	
	DATE: 3/22/2018

4/1/2018

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Tretter	AGENDA NUMBER: 5D. Approval of Amendments to Metro Standard 3.17.4 – Event and Exercise Communication Planning
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RECOMMENDATION

The Radio Technical Operations Committee (RTOC) recommends the Board approve amendments to Metro ARMER Standard 3.17.4 – Event and Exercise Communication Planning.

BACKGROUND

Metro ARMER Standard 3.17.4 establishes protocols and procedures to be used for planning communication for large planned events or exercises that effect multiple agencies or jurisdictions.

This standard was established in 2011, and last reviewed in 2014. Since 2014, items that were not covered in the standard are widely considered best practices and generally taken into consideration for event and exercise planning. Following the Super Bowl, lessons were learned by those involved in the communication plan, that the best practices should be included in standard.

ISSUES & CONCERNS

The RTOC wished to update Metro ARMER Standard 3.17.4 to include best practices for event and exercise communication planning. Additionally, the committee considered lessons learned from Super Bowl LII and incorporated them into the standard. The RTOC recommends the following changes:

Section 4, Recommended Procedure:

- Addition of language of when an Incident Communications Plan (ICS 205) should be created and shared with the region.
- Addition of language to ensure that patched resources should be included on the communion plan when the plan is required.
- Addition of language to utilize the status board program when utilizing shared ARMER resources.
- Addition of language to involve event planners and radio system managers in the development process of the ICS205.

Section 6, Management:

- Changes to the language regarding the review of incident communication plans (ICS 205s) and reporting of findings to the RTOC.

FINANCIAL IMPACT

None to the MESB.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		

METRO REGION 800 MHz Trunked Regional Public Safety Radio System Standards, Protocols, Procedures

Document/ Section:	3. Interoperability Guidelines	Radio TOC Recommendation
Sub-Section:	METRO 3.17.4	Date: 1/25/2012
Procedure Title:	Event & Exercise Communications Planning	
Date Established:	12/5/2011	MESB Approval - Signature:
Replaces Document	12/5/2011 10/8/2014	
Dated:		
Date Revised:	1/25/2012 4/18/2018	Date: 3/14/2012

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1. Purpose and Objective:

The intent of this standard is to establish protocols and procedures to be used for planning communication for large planned events or exercises that effect multiple agencies or jurisdictions.

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2. Operational Background:

During large scale events, communications among multiple jurisdictions and disciplines, including emergency medical, fire, and law enforcement services, is essential. Unfortunately, the absence of on-scene communications coordination has often compromised critical operations. To ensure this gap is covered, an All-Hazards Type III COML should be used to establish a communication plan.

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COML responsibilities include developing plans for the effective use of incident communications equipment and facilities, managing the distribution of communications equipment to incident personnel, and coordinating the installation and testing of communications equipment.

3. Operational Context Recommended Protocol / Standard:

Planned events and exercises can include complex communications issues. In addition, there is also a potential for the event to grow quickly into a ~~large scale~~**large-scale** incident. It is imperative that all disciplines are aware and prepared to communicate effectively.

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A COML can also ensure that the event does not inadvertently affect normal daily operational needs by over-utilization and/or over-loading of ARMER system resources.

4. Recommended Procedure:

During large scale events, communications among multiple jurisdictions and disciplines, including emergency medical, fire, and law enforcement services, is essential. An individual that has completed official COML training and is a recognized COML(t) or Minnesota Certified COML should be utilized to complete an ICS 205 Communication Plan.

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When more than one regional interoperability talkgroup is used, the ICS 205 must be sent to the MESB Radio Coordinator for distribution to the region.

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An agency desiring to implement a patch for a pre-planned event where an ICS 205 is required, the resources to be patched shall be included on the ICS 205.

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The StatusBoard calendar schedule feature must be utilized. When the exercise or event is planned farther out than seven days, the requested resource will be reserved on the StatusBoard at least one week in advance.

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Exercise or event planners will include the local city or county radio system manager in the exercise development process from the beginning so local system resources are properly utilized.

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METRO 3.17.4 – Event & Exercise
Communications Planning

2

METRO 3.17.4

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5. Recommended Procedure:

When it becomes apparent that interagency coordination of personnel from different agencies or disciplines will be needed, a COML or COML(t) should be requested by the event or exercise planner or planning team to coordinate and document communications for the event.

The event or exercise planner or planning team may utilize COML(t) or COML personnel from an agency that is participating in the event/exercise. It is recommended that the lead agency COML be utilized and work in conjunction with other agency COML's as appropriate and necessary.

If the event or exercise COML is a COML(t), the communications plan should be reviewed by a COML.

If the event or exercise planner does not have access to a COML, they will contact the MESB Radio Coordinator, who will utilize CRTF resources to assist.

6. Management:

The system managers, administrators and users will be responsible to see that this policy is implemented as defined.

The Metro Region Communications Response Taskforce (CRTF) Steering Workgroup will review all metro region ICS205 documents for adherence to both state and metro standards, policies and best practice, and provide feedback as needed to the COML that created or approved the document. This review and feedback is to be done after the fact and is not considered an approval, rather, it is a mechanism to ensure shared resources and regional communications operations are used and impacted appropriately, applied uniformly, and issues can be addressed in a timely and efficient manner to mitigate problems.

The CRTF Steering Workgroup will create a report summary of its reviews and will submit report it to the Interoperability Subcommittee-Radio Technical Operations Committee.

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Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Eggimann	AGENDA NUMBER: 6A. Approval of Amendments to 9-1-1 TOC Bylaws
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TOC RECOMMENDATION

The Executive Committee recommends the Board approve amendments to the 9-1-1 Technical Operations Committee (TOC) bylaws.

BACKGROUND

The 9-1-1 TOC was originally established by the Metropolitan 9-1-1 Board as a way for county PSAP Managers to provide input to the board regarding the metro area 9-1-1 system. The bylaws permitted up to two representatives from each of the original seven metro counties, appointed by the county board, to serve on the 9-1-1 TOC. When the 9-1-1 Board became the Metropolitan Emergency Services Board, the bylaws were amended to include language regarding membership which allowed “up to two representatives from each party to the Agreement [JPA].” This allowed representatives from the City of Minneapolis, Chisago County, and Isanti County. The option of appointing alternate representatives was also added.

ISSUES & CONCERNS.

In January 2018, the MESB received a request from the Metropolitan Airports Commission to consider amending the 9-1-1 TOC bylaws to include all PSAPs. The request noted that such a change would bring the 9-1-1 TOC membership in line with the EMS and Radio TOC memberships, both of which included a wider range of agencies than those who are parties to the JPA. After discussion, the 9-1-1 TOC decided to propose amendments to its bylaws to make the committee more inclusive. The committee noted that NG9-1-1 will bring operational changes to PSAPs and it is imperative that all PSAPs have a voice in the process. Additionally, the PSAPs of Bloomington, Eden Prairie, Edina, Metropolitan Airports Commission, St. Louis Park, and the University of Minnesota, as well as the secondary PSAPs of Allina Health EMS, Hennepin EMS, North Memorial Ambulance, and Ridgeview EMS all participate in workgroup activities of the committee.

The amendments allow for one representative and one alternate from each PSAP in the metro region; this change allows for representation from municipal and secondary PSAPs, as well as the Metropolitan Airports Commission and the University of Minnesota. The amendments also include representation for each of the secondary PSAPs.

Amendments were also made to make the appointment process more flexible, as not all agencies require approval of governing bodies to make appointments.

The amendments to the bylaws were reviewed by Board counsel.

FINANCIAL IMPACT

None to the MESB.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		

BY- LAWS
OF THE
METROPOLITAN EMERGENCY SERVICES
BOARD

ARTICLE I.

9-1-1 TECHNICAL OPERATIONS COMMITTEE

SECTION 1: COMPOSITION

There shall be a 9-1-1 Technical Operations Committee composed of no more than ~~two~~ one representatives and ~~two~~ one designated alternate representatives from each primary and secondary county and one representative and one alternate from any city that is party to the Agreement ~~Public Safety Answering Point (PSAP) in the metropolitan region.~~ The governing body of each ~~party to the Agreement~~ PSAP, by resolution, shall appoint its representatives to the 9-1-1 Technical Operations Committee or the governing body of each PSAP shall, by resolution, designate an appointing authority to make representative appointments. The governing body or appointing authority may also choose to appoint an alternate representatives. If alternate representatives are appointed, they shall have the same voting rights as the representative for whom they are appointed to serve as an alternate.

SECTION 2. CHAIR

The 9-1-1 Technical Operations Committee shall recommend to the Chair of the Board at the annual organizational meeting of the Board a Chair of the 9-1-1 Technical Operations Committee. The Chair of the Board shall appoint the Chair of the 9-1-1 Technical Operations Committee subject to the approval of the Board. The Chair shall preside at all meetings of the 911 Technical Operations Committee and perform the usual duties of a Chair.

SECTION 3. VICE CHAIR

The 9-1-1 Technical Operations Committee shall recommend to the Chair of the Board at the annual organizational meeting of the Board a Vice Chair of the Committee. The Chair of the Board shall appoint the Vice Chair of the 9-1-1 Technical Operations Committee, subject to the approval of the Board. The Vice Chair shall perform the duties of the Chair in the absence of the Chair or in the event of his or her inability or refusal to act.

SECTION 4. POWER AND DUTIES

The 9-1-1 Technical Operations Committee shall have the following powers and duties:

a. Present to the Board plans, operating standards, studies, and reports, prepared for the Board purposes and action and recommend to the Board, for adoption, such measures as are deemed necessary to enforce or carry out the powers and duties of the Board.

b. Monitor the installation and operations of the ~~Regional-regional~~ 9-1-1 ~~System-system~~ as required by the Board.

c. Prepare and submit to the Executive Director by ~~June-May~~ 1st of each year its recommendations for items to be included in the budget request to the Board ~~for~~ the following year.

d. Perform other such duties as may be prescribed by the Board.

SECTION 5. VOTING

Each member of the 9-1-1 Technical Operations Committee may cast one vote on any motion before the 9-1-1 Technical Operations Committee. A simple majority vote of the members present shall be required to pass any motion, provided there is a quorum. Voting can be either by voice or roll call provided that a roll call vote may be called for by any member of the 9-1-1 Technical Operations Committee. Absentee or ~~Proxy-proxy~~ voting is not permitted.

SECTION 6. MEETINGS

The 9-1-1 Technical Operations Committee may provide, by resolution, the time and place for holding regular meetings of the 9-1-1 Technical Operations Committee. Notice of regular meetings of the 9-1-1 Technical Operations Committee shall be given to each member of the 9-1-1 Technical Operations Committee at least five (5) days prior to such meeting, and, in all respects, shall comply with the provisions of the open meeting law. Special meetings of the 9-1-1 Technical Operations Committee may be called by the Chair provided that at least three (3) days notice be given to each member of the 9-1-1 Technical Operations Committee and otherwise comply with the provisions of open meeting law.

SECTION 7. QUORUM

The majority of the members designated by the appointing authorities shall constitute a quorum.

SECTION 8. ATTENDANCE

9-1-1 Technical Operations Committee members or their alternates are expected to regularly attend the meetings. In the event that either a regular member, or their designated alternate representative, fails to attend at least 75% of the regular committee meetings held in any calendar year, that member's appointing authority will be notified and given an opportunity to appoint a new member and/or designated alternate.

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Rohret	AGENDA NUMBER: 8A. Approval of Amendments to MESB Bylaws
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RECOMMENDATION

The Executive Committee recommends approval of amendments the MESB Bylaws.

BACKGROUND

The Metropolitan Emergency Services Board has bylaws for the Board. The bylaws were last updated in January 2016. Upon staff review, it was deemed that updates to the bylaws needed be made.

ISSUES & CONCERNS

The changes are found on page three, in the sections detailing the roles and duties of the Secretary and Treasurer. The changes in each of those paragraphs are meant to reflect actual, current roles and duties.

In the Secretary section, language stating “with approval of the Board” was deleted from the last sentence. The change is intended to reflect current practice.

In the Treasurer paragraph, shall is changed to may in the first sentence, as many past Treasurer’s do not meet regularly with MESB staff to review bank statements and reports. This language change makes these meetings voluntary and reflects current practice.

The change to the Treasurer section was discussed at both the December 2017 Executive Committee and the January 2018 Board meeting. The change to the Secretary section was suggested at the January 2018 meeting; this change was not what has included in the noticed packet. Because of that, it is being sent back through the Executive Committee/Board process so that proper notice of the change can be provided.

Board counsel reviewed the amendments and did not find issue with them.

Note the changes to the bylaws were distributed on April 18, 2018 to meet the bylaws requirement of 15 days’ notice to amend the bylaws.

FINANCIAL IMPACT

None to the MESB.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		

BYLAWS
OF THE
METROPOLITAN EMERGENCY SERVICES BOARD

ARTICLE I.

DEFINITIONS

For the purpose of these Bylaws, the terms shall have the meaning as provided within these Sections.

SECTION 1.

"Agreement" means the Joint Powers Agreement for Metropolitan Emergency Services Board entered into by the Counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Ramsey, Scott and Washington, and the City of Minneapolis.

SECTION 2.

"Board" means collectively the individual representatives on the Metropolitan Emergency Services Board as created by the Agreement and as appointed by their respective Counties and City.

ARTICLE II.

BOARD

SECTION 1. APPOINTMENT AND TERMS OF OFFICE.

At the organizational meeting of the Board each January all representatives present shall be administered the oath of office. Representatives not present at the organizational meeting and alternates shall be administered the oath when they first appear at a Board meeting.

SECTION 2. VOTING.

The act of a majority of the representatives present at a meeting at which a quorum is present shall be the act of the Board, unless a greater number is required by law, the Agreement, or by these Bylaws. The Voting Rules attached hereto are incorporated herein.

SECTION 3. PER DIEM AND MILEAGE.

Representatives shall not receive any salary for their services, but, by resolution of the Board, expense reimbursement or per diem may be allowed to the extent permitted by law for attendance at each regular or special meeting of the Board, or executive committee meetings thereof. Mileage may be paid to representatives for attending any meetings of the Board or its committees.

SECTION 4. MEETINGS.

The Board may provide the time and place, by resolution, for holding regular meetings of the Board. Such resolution shall provide for adequate and timely notice in compliance with open meeting law requirements. Special meetings of the Board may be called by or at the request of the Chair, or in the Chair's absence, the Vice Chair, or any two representatives from different members to the Agreement, and shall likewise comply with the Minnesota open meeting law. Board meetings may be cancelled at the discretion of the Chair.

SECTION 5. ADJOURNMENT.

A majority of the representatives present, even if less than a quorum, may adjourn the meeting.

ARTICLE III.

OFFICERS

SECTION 1. EXECUTIVE COMMITTEE.

The Chair, Vice Chair, Secretary, Treasurer and one representative from each of the members not represented by an executive officer shall constitute an Executive Committee. Any member of the Executive Committee who is unable to attend a scheduled meeting of the Executive Committee may designate an alternate for said meeting. The Executive Committee shall have the authority to act in those circumstances and on those matters as directed by the Board. The Executive Committee shall have the authority to authorize the Chair to sign any contracts which require approval prior to the holding of a Board meeting; provided that said approval is subject to ratification by the Board, and provided that the full membership of the Board is notified prior to any meeting at which the Executive Committee authorizes the Chair to sign a contract.

SECTION 2. CHAIR.

The Chair shall preside at all meetings of the Board and perform the usual duties of a chair. The Chair, alone or together with such other officer or officers as the Board may designate by resolution, may sign any deeds, mortgages, contracts or other instruments which the Board has authorized to be executed, including checks; and, in general, the Chair shall perform all duties incident to the office of Chair and such other duties as may be described by the Board from time to time.

SECTION 3. VICE CHAIR.

In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice Chair shall perform the duties of Chair.

SECTION 4. SECRETARY.

The Secretary shall be responsible for preserving the minutes of the meeting of the Board and all other books and records in connection with the business of the Board, and shall attend all meetings of the Board. The Secretary shall give all notices required by statute, agreement, these Bylaws or any resolution of the Board. The Secretary shall perform all duties incident to the office and such other duties as may be delegated by the Board. The Secretary, ~~with approval of the Board,~~ may assign duties in connection with the office to the Executive Director or other appropriate person.

SECTION 5. TREASURER.

The Treasurer ~~shall~~ may meet with the Executive Director monthly to review invoices, bills, bank statements and financial reports, and shall submit a monthly report to the Board at its regular meeting. The Treasurer shall sign, in the name of the Board, all checks which exceed the delegated authority of the Executive Director, and all checks payable to the Executive Director. The Treasurer shall review and sign a monthly memo prepared by the Executive Director summarizing all payments made on behalf of the Board. The Treasurer shall perform all duties incident to the office and such other duties as may be delegated by the Board, and may assign, with approval by the Board, duties in connection with the office to the Executive Director or other appropriate person.

The Treasurer, or his or her designee as approved by the Board, shall chair the Finance Committee.

ARTICLE IV.

EXECUTIVE DIRECTOR

The Executive Director shall prepare and submit to the Board the annual budget and such other financial information as the Board may request at its regular meetings. The Executive Director shall have the authority to hire staff to fill vacancies in positions authorized by the Board. The Executive Director shall supervise staff and is authorized to discipline staff and terminate employment when appropriate.

ARTICLE V.

COMMITTEES

The committees of the Board shall include the Executive Committee,

911 Technical Operations Committee, Radio Technical Operations Committee, EMS Technical Operations Committee, and any other committees appointed by the Board. The Board shall review and approve bylaws for each committee that adopts bylaws. Committees shall report to the Executive Committee.

ARTICLE VI.

CHECKS, DEPOSITS AND FUNDS

SECTION 1. CHECKS.

All checks, drafts or orders for payment of money, notes or any other evidence of indebtedness issued in the name of the Board shall be authorized by the Treasurer alone, or the Chair alone, or by such other person or persons as the Board may, by resolution, designate and in such manner as shall be prescribed and determined by resolution of the Board.

SECTION 2. DEPOSITS.

All funds of the Board shall be deposited from time to time to the credit of the Board in such banks, trust companies or other depositories as the Board may select.

SECTION 3. FUNDS.

Any funds which may come to the Board or be subject to its control, for its use in furthering and promoting the aims and purposes of the Agreement or the policies of the Board; shall be received, disbursed, controlled and accounted for by the Treasurer.

SECTION 4. AUDITS.

The Board shall, at least once in each year, cause its books and accounts to be audited by an independent C.P.A. firm to the extent that is required by its audit plan and shall comply with the requirements of State and Federal law with respect to audits and shall make the results of such audit available to each of the members which are signatory to the Agreement.

SECTION 5. BONDS.

The Board by resolution may require that any or all officers provide a bond conditioned on the faithful performance of their duties. The Board shall reimburse the officer for the cost of such bond. In addition to, or in lieu of a bond, the Board may obtain fidelity insurance or other insurance to protect the Board in the event of embezzlement or other wrongful acts committed by an officer or an employee of the Board.

SECTION 6. FISCAL YEAR.

The Board's fiscal year is the calendar year commencing on January 1.

ARTICLE VII.

AMENDMENTS

SECTION 1.

Amendments to these Bylaws may be proposed by any representative on the Board.

SECTION 2.

All proposed amendments shall be submitted in writing to each representative on the Board at least fifteen (15) days prior to a meeting of the Board, at which time the amendment is to be considered. A statement explaining the purpose and effect of the proposed amendment shall be attached to the proposed amendment.

SECTION 3.

Amendments shall be considered at a regular meeting of the Board. A two-thirds affirmative vote of the full membership of the Board is required for approval of an amendment.

ARTICLE VIII.

PROCEDURE

The rules of parliamentary procedure and practice contained in Robert's Rules of Orders, Newly Revised, to the extent they are not inconsistent with these Bylaws or the Agreement, shall be the rules of procedure governing the Board.

ARTICLE IX.

CONSTRUCTION

In the event there is any conflict between these Bylaws and the terms of the Agreement, the Agreement shall govern.

VOTING RULES

BOARD MEETINGS

Anoka, Carver, Dakota, Scott and Washington Counties and City of Minneapolis:

- Each member organization is entitled to two votes.
- Each member organization may appoint one or two representatives to MESB Board.
- If only one representative is appointed he/she has two votes.
- If two representatives are appointed each has one vote.
- If two representatives are appointed and only one is present at a meeting he/she can only cast one vote.
- If a member organization has by resolution appointed an alternate, the alternate is entitled to cast the same number of votes as the representative he/she is replacing.

Chisago and Isanti County:

- Entitled to one representative who has one vote.
- May appoint an alternate.

Hennepin and Ramsey County:

- Each member organization is entitled to four votes.
- Each member organization may appoint two, three or four representatives.
- The appointing resolutions shall state the number of votes allocated to each representative.
- Representatives are not entitled to cast votes for absent representatives.
- If a member organization has by resolution appointed an alternate, the alternate is entitled to cast the same number of votes as the representative he/she is replacing.

EXECUTIVE COMMITTEE MEETINGS

- The four executive officers and a representative designated by each of the member organizations not represented by an executive officer constitute the Executive Committee.
- Weighted voting does not apply to Executive Committee meetings.
- Representatives may designate alternates.

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Rohret	AGENDA NUMBER: 8B. Approval of MESB Resolution 2018-01 Approving Membership of Sherburne County on MESB
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RECOMMENDATION

The Executive Committee recommends the Board approve of the resolution approving Sherburne County membership on the Metropolitan Emergency Services Board with two representatives to the Board, effective January 1, 2019.

BACKGROUND

Article IX, Section 3 of the Joint Powers Agreement of the Metropolitan Emergency Services Board allows for new members to be added to the Board. The language specifically states, “Additional members may become parties to this Agreement by resolution of the governing bodies and unanimous agreement of the representatives of the existing members.”

In 2006, Chisago County joined the MESB via this clause; Isanti County joined in 2010.

MESB staff (Rohret) met with Sherburne County Sheriff Joel Brott and staff at their request in October 2017. They were provided copies of the current MESB JPA and bylaws. Rohret discussed the three areas of the MESB and what services are provided for 911, Radio and EMS. Rohret also provided copies of the 2018 MESB budget, and included what assessments Sherburne would have to pay according to that budget.

In early November 2017, the Sherburne County Board passed a resolution showing its intent to join the MESB. The county passed a resolution in December 2017 formally withdrawing from the Central Minnesota Emergency Services Board (CMESB), effective December 31, 2018. Sherburne County was required to provide one years’ notice to withdraw from that JPA. The county was aware that another resolution would be required, containing language required by the MESB.

ISSUES & CONCERNS

Since December 2017, staff has provided verbal updates at Executive Committee and Board meetings. During a discussion at the December Executive Committee meeting, the Executive Committee passed a motion to allocate two seats on the Board to Sherburne County, because its population is similar to that of Carver County, which has two seats.

On March 13, 2018, Sherburne County passed its resolution approving its membership with the MESB, using the language required by the MESB (see attached). The MESB must pass, with unanimous vote of those present, a corresponding resolution (also attached).

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		

Metropolitan Emergency Services Board

MEETING DATE: May 9, 2018	PRESENTED BY: Rohret	AGENDA NUMBER: 8B. Approval of MESB Resolution 2018-01 Approving Membership of Sherburne County on MESB
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The MESB must pass make its determination on this issue in May 2018, in order for Sherburne County to be included in the 2019 budget/assessment process.

FINANCIAL IMPACT

The addition of Sherburne County will not cause an increase in the MESB’s operational budget. Sherburne County will be assessed in accordance with the formula described in the JPA.

MOTION BY:	SECONDED BY:	MOTION APPROVED: ___ YES ___ NO
MOTION:		

RESOLUTION 2018-01
RESOLUTION APPROVING MEMBERSHIP OF SHERBURNE COUNTY
ON THE METROPOLITAN EMERGENCY SERVICES BOARD

WHEREAS, the County Board of Commissioners of Sherburne County on March 13, 2018, adopted a resolution authorizing Sherburne County to become a member of the Metropolitan Emergency Services Board (MESB); and

WHEREAS, the Joint Powers Agreement of the MESB allows for a county to join the MESB by resolution of the county and by unanimous vote of the representatives of the MESB; and

WHEREAS, Sherburne County and the MESB agree that certain terms should be provided in the authorizing resolutions of each of the parties; and

WHEREAS, the parties agree that:

1. The effective date of Sherburne County's membership on the MESB shall be January 1, 2019;
2. Sherburne County shall appoint two representatives to the MESB, and may appoint alternates;
3. Sherburne County's representatives shall each have one vote;
4. One of Sherburne County's representatives shall serve on the MESB's Executive Committee;
5. Sherburne County shall appoint one representative to the Radio Technical Operations Committee and may appoint one alternate;
6. Sherburne County shall appoint either one or two representatives to the 9-1-1 Technical Operations Committee and may appoint one or two alternates;
7. Sherburne County shall appoint one representative to the EMS Technical Operations Committee and may appoint one alternate;
8. Sherburne County shall pay an assessment for calendar year 2019 based on the formula specified in Article VI of the Joint Powers Agreement;
9. Sherburne County shall, by the end of March 2019, or as soon as mutually agreed upon thereafter, connect to the regional 9-1-1 system initially with one wireless 9-1-1 trunk and one wireline 9-1-1 trunk to the Minneapolis selective router, and one wireless 9-1-1 trunk and one wireline 9-1-1 trunk to the St. Paul selective router, utilizing diverse paths whenever possible;
10. Sherburne County shall adopt and fully comply with the MESB Network and Database Service Standards;
11. All wireless routing completed by the MESB in Sherburne County shall be subject to prior approval by Sherburne County;

12. Sherburne County reserves the right to make any changes to its own wireless routing plans within Sherburne County, as deemed necessary; these changes may be made without approval of the MESB, however Sherburne County agrees to process routing changes through the MESB so that coordination and notification to wireless companies, the 9-1-1 service provider and their agents can be properly made, tracked and implemented;
13. Sherburne County shall receive full copies of all CLEC testing and CLEC 9-1-1 Plans with the right to reject and/or modify the plans or testing prior to MESB approval of the same. All comments submitted to the Minnesota Public Utilities Commission shall come from the MESB representing all members; and
14. Sherburne County shall be incorporated into the metro region's Consolidated 9-1-1 Plan and all 9-1-1 connection changes within Sherburne County shall be subject to the MESB's approval process.

WHEREAS, the parties agree that through the adoption of their respective resolutions Sherburne County shall become a member of the MESB and shall be subject to the terms and conditions of its Joint Powers Agreement, which became effective January 1, 2017, and which continues in force until December 31, 2021.

WHEREAS, all references in the Joint Powers Agreement to a nine-county metropolitan area will be regarded to reference a ten-county metropolitan area, which includes Sherburne County.

NOW, THEREFORE BE IT RESOLVED, that Sherburne County will become a member of the Metropolitan Emergency Services Board effective January 1, 2019, in accordance with the recitals set forth above.

	<u>AYE</u>	<u>NAY</u>	<u>ABSENT</u>
Anderson	_____	_____	_____
Braastad	_____	_____	_____
Degler	_____	_____	_____
Egan	_____	_____	_____
Goettel	_____	_____	_____
Holberg	_____	_____	_____
Huffman	_____	_____	_____
Ische	_____	_____	_____
Johnson, A.	_____	_____	_____
Johnson, J.	_____	_____	_____
McMahon	_____	_____	_____
Miron	_____	_____	_____
Rettman	_____	_____	_____
Sivarajah	_____	_____	_____
Weckman Brekke	_____	_____	_____
Wolf	_____	_____	_____