METROPOLITAN EMERGENCY SERVICES BOARD
BOARD MEETING AGENDA

May 8, 2019, 10:00 a.m.

1. **Call to Order** – Board Chair, Commissioner Fran Miron

2. **Approval of Agenda** – Commissioner Miron

3. **Consent Agenda** – Rohret **(page 3)**
   A. Approval: March 13, 2019 Meeting Minutes
   B. Approval: February 2019 Treasurer's Report
   C. Approval of Amendments to Metro Standard 1.5.3 – Waivers & Variances
   D. Approval of Amendments to Metro Standard 6.5.0 – Prioritizing Capital Spending
   E. Approval of Amendments to Metro Standard 6.3.0 – Site Leases & Utilities
   F. Correspondence

4. **Acceptance of 2018 Audit** – Jill Rohret/Peggy Moeller, Redpath & Co. **(page 29)**

5. **Radio Items** – Tracey Fredrick, Radio Services Coordinator
   A. Approval of ARMER Lease with Pointe Condominiums **(page 85)**
   B. Approval of Amendment to ARMER Lease with Anoka County **(page 97)**
   C. Approval of Amendments to Univ. of Minnesota ARMER Participation Plan **(page 105)**

6. **9-1-1 Items** – Pete Eggimann, Director of 9-1-1 Services
   A. Approval of Amendment to State 9-1-1 Contract with CenturyLink **(page 107)**

7. **EMS Items** – Ron Robinson, EMS Coordinator
   A. Approval of Submittal for FY2020-2021 Regional EMSRB Grants **(page 115)**

8. **Administrative Items** – Jill Rohret, Executive Director – None

9. **Reports**
   A. Legislative Report – Margaret Vesel/Matthew Bergeron
   B. Statewide Emergency Communications Board (SECB) Reports:
      1) Finance – Commissioner Huffman/Rohret
      2) Legislative – Commissioner Egan/Rohret – cancelled
      3) Steering – Rohret/Fredrick
      4) Other SECB Committees – Eggimann/Fredrick
      5) Board – Commissioner Miron/Rohret

10. **Old Business** – None

11. **New Business** – None

12. **Adjourn**

METROPOLITAN EMERGENCY SERVICES BOARD
BOARD MEETING AGENDA

May 8, 2019, 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*

City of Minneapolis
- Council Member Andrew Johnson*

Dakota County
- Commissioner Tom Egan* (2019 Secretary)
- Commissioner Mary Holberg

Hennepin County
- Commissioner Irene Fernando* (2019 Treasurer)
- Commissioner Jeff Johnson

Isanti County
- Commissioner Greg Anderson*

Ramsey County
- Commissioner Blake Huffman* (2019 Vice Chair)
- Commissioner Trista MatasCastillo

Scott County
- Commissioner Dave Beer
- Commissioner Tom Wolf*

Sherburne County
- Commissioner Felix Schmiesing*

Washington County
- Commissioner Wayne Johnson
- Commissioner Fran Miron* (2019 Chair)

*Denotes Executive Committee member

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **3. Consent Agenda**
Presenter: **Rohret**

A. **Minutes** – The minutes of the March 13, 2019 meeting of the Board are attached for review and approval.

B. **February 2019 Treasurer's Report** – The Treasurer has reviewed the February 2019 financial statements and has given her approval of the report.

C. **Approval of Amendments to Metro ARMER Standard 1.5.3** – Metro ARMER Standard 1.5.3 – Variances & Waivers is being amended to clarify that the Radio TOC will review such requests prior to review at the Statewide Emergency Communications Board, as well as other minor amendments.

D. **Approval of Amendments to Metro ARMER Standard 6.5.0** – Metro ARMER Standard 6.5.0 – Prioritizing Capital Spending was reviewed; no changes are being made except to update the review date on the standard.

E. **Approval of Amendments to Metro ARMER Standard 6.3.0** – Metro ARMER Standard 6.3.0 – Site Lease & Utilities is being amended to clarify language related to metro region use, update statutory references and update the month in which the MESB budget is approved.

F. **Correspondence** – Correspondence includes a letter to the House Health and Human Services Finance Division in support of HF154, providing for increased grant funding to regional EMS programs.

G. **Informational Only** – Draft minutes of the April 10, 2019 MESB Executive Committee meeting.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Minutes
March 13, 2019

Commissioners Present:
Greg Anderson, Isanti County
Dave Beers, Scott County
Julie Braastad, Anoka County-**absent**
Gayle Degler, Carver County
Tom Egan, Dakota County
Irene Fernando, Hennepin County
Mary Liz Holberg, Dakota County
Blake Huffman, Ramsey County
Jim Ische, Carver, County
Andrew Johnson, City of Minneapolis-**absent**
Jeff Johnson, Hennepin County
Wayne Johnson, Washington County
Trista MatasCastillo, Ramsey County
George McMahon, Chisago County-**absent**
Fran Miron, Washington County
Felix Schmiesing, Sherburne County
Rhonda Sivarajah, Anoka County
Tom Wolf, Scott County

Staff Present: Jill Rohret; Tracey Fredrick; Kelli Jackson; and Martha Ziese.

Others Present: Jay Arneson, MESB Board Counsel; Matthew Bergeron, Larkin Hoffman; Caroline Kuennen, Metro Mobility; Nick Thompson, Metropolitan Council; Scott Haas, Scott County; and Jake Thompson, Anoka County.

1. Call to Order
The meeting was called to order at 10:00 a.m. by the MESB Chair, Commissioner Fran Miron.

2. Approval of March 13, 2019 Agenda
Commissioner Miron asked to move agenda item 10 – Discussion of Metro Mobility's Usage on the ARMER system to be the first item of discussion.

Motion by Commissioner Egan, seconded by Commissioner Wolf to approve the March 13, 2019 agenda as amended. Motion carried.

3. Approval of Consent Agenda
Motion by Commissioner Degler, seconded by Commissioner Wolf to approve the March 13, 2019 Consent Agenda. Motion carried.

4. Metro Mobility Usage of ARMER System
Nick Thompson and Christine Kuennen of Metro Mobility gave a presentation on Metro Mobility's ARMER system usage.

Commissioner Sivarajah said that the conversation about Metro Mobility's overuse of ARMER air time has been going on for over seven years. The ARMER system is an essential system for all public safety. Each time this conversation with Metro Mobility has occurred, its behavior does not change. She noted that Metro Mobility's usage will drop during close monitoring, but always increases again. The system does not have the capacity to take this kind of abuse. The usage goal is to be no more than 500 minutes and it is actually running at 1200 minutes. Perhaps the Board should look at an upcharge or fees and fines. Perhaps a separate system is the solution.

Nick Thompson said that each radio is being monitored at an individual level. The pressure is on the growth of the Metro Mobility network which is growing by 6-9% each year.

Commissioner Sivarajah said if emergency responders cannot get through because the usage of one entity then the whole system does not work. The Board could look at what other regions of the country are doing in these types of situations. Clearly the steps taken so far have not worked.

Commissioner Fernando said if a system has a specific capacity, then the conversation needs to be had about commensurate financial commitment. She noted that Metro Mobility seems to be mirroring more of an EMS structure rather than a metro transit entity.

Thompson said that Metro Mobility is a public transit service, but one that has unique needs. Every day there are eight thousand routes created on the fly.

Commissioner Fernando said that people are calling Uber instead of 9-1-1 because of cost, and this angle needs to be examined.

Thompson replied that Metro Mobility is researching including that type of service into its model. Using these other services might impact usage if there is a reduction of customers or fleet.

Christine Kuennen said that the solution being implemented will create a significant reduction of airtime.

Commissioner Miron asked for Metro Mobility representatives to return in six months with an update for the MESB.

Commissioner Holberg asked when their contract would be up for renewal.

Jill Rohret said there is no renewal of the ARMER agreement. There are guidelines related to usage and a grievance process in MESB standards.

Commissioner Miron said that Rohret would be sending out the Metro Mobility presentation to Board members. When Metro Mobility returns in September the topic of reviewing its ARMER agreement could be discussed.

5. Radio Items

A. Approval of ARMER Lease with Metropolitan Airports Commission

Tracey Fredrick said the MESB entered into a lease agreement with the Metropolitan Airport Commission (MAC) for an ARMER site at the MSP Airport in 2006. This lease did not include an option to renew with the same terms and has expired, though it has been operating as if it were on a month-to-month lease. MESB staff and counsel have agreed to terms on a new month-to-month lease with the MAC. There are no anticipated changes to the current financial impact of this site to the MESB. Fredrick said the Executive Committee recommends approval of the lease with the Metropolitan Airports Commission for the ARMER site at the airport.

Motion made by Commissioner Jeff Johnson, seconded by Commissioner Huffman to approve a new ARMER lease with Metropolitan Airports Commission. Motion carried.

B. Approval of ARMER Lease Amendment with City of St. Paul Park

Fredrick said the Metropolitan Radio Board entered into a lease agreement with the City of St. Paul Park for an ARMER tower site at St. Paul Park City Hall in April 1999. The original agreement included an option to renew the lease for an additional ten years. The MESB executed option in April 2009. The lease renewal ends on March 31, 2019. The Executive Committee recommends approval of the lease amendment with the City of St. Paul Park for the St. Paul Park ARMER site to continue through March 31, 2029.

Commissioner Degler asked why the lease includes a dollar amount increase instead of a percentage increase.

Rohret said that the original lease included that provision.

Motion made by Commissioner Ische, seconded by Commissioner Egan to approve the lease ARMER amendment with the City of St. Paul Park. Motion carried.

C. Approval of ARMER Lease Amendment with Mobile Radio Engineering
Fredrick said the Metropolitan Radio Board entered into a sublease agreement with Mobile Radio Engineering, Inc. for an ARMER tower site in Denmark Township in Washington County in April 1999. The term of this lease was ten years with an option to renew for an additional ten years, which was exercised in 2009. The lease renewal ends on March 31, 2019. MESB staff and counsel worked with Mobile Radio Engineering on the terms of the sublease amendment. The term of the proposed amendment is an additional ten years, includes the same terms and conditions are the original lease. The lease amendment will take effect on April 1, 2019. The Executive Committee recommends approval of the lease amendment with the Mobile Radio Engineering, Inc. for the Basswood Grove ARMER site to continue through March 31, 2029.

Motion made by Commissioner Degler, seconded by Commissioner Wolf to approve the ARMER lease amendment with Mobile Radio Engineering. Motion carried.

D. Approval of Amendments to Hennepin County's ARMER Participation Plan
Fredrick said that in 2014 Hennepin County constructed a new emergency communications facility in Plymouth. Sheriff's office staff, including the PSAP, moved into the building in December 2014. At that time, the County chose to keep its back-up PSAP at its Golden Valley location, though it was known it would be a temporary solution. The County would like to amend its ARMER participation plan to move its back-up PSAP location from Golden Valley to downtown Minneapolis. The Executive Committee recommends the Board approve the amendment to Hennepin County's ARMER participation plan.

Motion made by Commissioner Johnson, seconded by Commissioner Degler to approve amendment to Hennepin County's ARMER participation plan. Motion carried.

E. Acceptance of FY2018 SHSP Grant
Fredrick said in February 2019 the Statewide Emergency Communications Board (SECB) approved a grant to each of the seven regions using 2018 SHSP grant funds. Each region will receive approximately $32,000 to be used for training and exercises. The MESB will use $15,586.85 for Motorola radio technical training, $15,586.86 for vendor-provided resiliency training for 9-1-1 telecommunicators, and $1,000 for Communications Response Task Force (CRTF) training and exercises. She said that the grant funds must be spent and financial statement reports (FSR) submitted by December 1, 2019.

Motion made by Commissioner Egan, seconded by Commissioner Ische to accept the 2018 State Homeland Security Grant to the MESB in the amount of $32,173.71. Motion carried.

F. Approval of Dakota County's Request for Bi-Directional Amplifier
Fredrick said that Dakota County would like to install two bi-directional amplifiers (BDAs) at its Northern Service Center in West St. Paul and at its Law Enforcement Center in Hastings. The first unit at the Northern Services Center will enhance coverage for the point of entry system for the courts. The unit at the Law Enforcement Center will provide coverage to the tunnel area from the jail to the courts. The BDA equipment will not be directly connected to the ARMER system, so it will not

take up any ARMER resources. Each new unit will be tuned to the Dakota County frequency list. Dakota County is currently in process of registering the new units with the FCC.

The MESB approved sub-granting some funds from the 2019 SECB grant to Dakota County for this project. Because this request is for the purchase of equipment, a 50% local match is required. The total cost of this project is $30,800.00. Because this grant requires a 50% local match, the grant will cover 50% of the project in the amount of $15,400.00, and Dakota County will pay $15,400.00.

The Radio TOC recommends the Board approve Dakota County's request to add bi-directional amplifiers.

Motion made by Commissioner Egan, seconded by Commissioner Wolf to approve Dakota County request for bi-directional amplifier. Motion carried.

6. 9-1-1 Items

A. Approval of the 2019 – 2020 Strategic Plan for the NG9-1-1 Transition

Rohret said transitioning from the Enhanced 9-1-1 (E9-1-1) analog system to a digital Next Generation (NG9-1-1) system is underway. The 2019-2020 Strategic Plan documents the progress that has been made during the transition, as well as the focus of MESB staff for 2019-2020. Plan updates will be made to the board every two years.

The first goal is to complete the synchronization of local MSAGs with local GIS data and automatic location information records in the next two years. She noted that metro data exceeds the required 98% accuracy rate.

MESB staff is currently working with the state on an RFP for a portion of the 9-1-1 system, the ingress coming in from telecommunications carriers. This would be compliant with design standards for NG9-1-1 and would be primarily IP-based. Some of the carriers may be re-homed so they can provide full IP to IP connectivity instead of converting traffic to analog.

Staff is trying to identify GIS requirements that would allow for location-based routing of wireless 9-1-1 calls. 80% of the region's 9-1-1 calls come from wireless devices. The address initially received is that of the tower the call hits. The issue is to get the information in a timely matter so that the call can be correctly routed based on where the caller actually is. The MESB has polygons prepared so calls could be routed based on the caller's location. PSAPs are better able to identify a caller's location now but they receive the location outside of the 9-1-1 call, so that it does not help with routing. Location-based routing will eliminate the need to constantly review carriers' cellular sectors, which is time consuming staff. There are national discussions going on as to the wireless carrier's requirements.

Ongoing, the MESB is always evaluating the system to identify PSAPs needs. There could be some applications that aren't traditional 9-1-1 but related to 9-1-1 response. The MESB is always looking at what other areas of the country are doing as well as coordinating efforts with the State 91-1 Program. The Executive Committee recommends approval of the 2019-2020 Strategic Plan.

Motion made by Commissioner Ische, seconded by Commissioner Wolf to approve the 2019-2020 Strategic Plan for the NG9-1-1 Transition. Motion carried.

7. EMS Items – None

8. Administrative Items

A. Approval of Amendments to MESB Bylaws

Rohret said staff suggested three amendments to the MESB bylaws. They were last amended in January 2018. The 2019 proposed changes are: In Article 1, Section 1, adding Sherburne County as a MESB member. The second change is language added in Article II, Section 3, stating mileage reimbursements are allowed where permitted by law and in accordance with City/County policy. The third amendment is in Article III, Section 5, where language associated with the Treasurer's duties was updated to reflect current practices. Additionally, a minor change was made in Article II, Section 3 that strikes out the word checks, as the MESB no longer issues checks. Reference to the Finance Committee was also struck, as it is no longer an MESB committee.

Members were provided 15 days' notice prior to this meeting. Changes to bylaws requires 2/3 affirmative vote. The Executive Committee recommends approval of the amendments to the MESB Bylaws.

Motion made by Commissioner Sivarajah, seconded by Commissioner Egan to approve amendments to the MESB bylaws. Motion carried.

B. Approval of Amendments to MESB Policy 030 – Purchasing

Rohret said this proposal was brought before the board in January 2019. Commissioner Holberg requested that language be added stating that the Board will be notified if micro-threshold is adjusted. If the Board were to not follow the Uniform Guidance, it will pass a resolution to approve a different amount. Board counsel has reviewed all of the amendments to the policy. The Executive Committee recommends approval of the amendments to MESB Policy 030 – Purchasing.

Motion made by Commissioner Holberg, seconded by Commissioner Sivarajah to approve the amendments to MESB Policy 030 – Purchasing. Motion carried.

C. Approval of Executive Director Travel Request

Rohret said the Executive Director seeks approval for travel to the 2019 Association of Public-Safety Communications Officials (APCO) annual conference and the 2019 Motorola Trunked Users Group (MTUG) national meeting.

Motion made by Commissioner Huffman, seconded by Commissioner Wolf to approve Executive Director travel request to attend the 2019 APCO/MTUG conferences.

D. Approval of Draft MESB Policy 032 – Executive Director Performance Review

Rohret said after the Executive Director's review in November 2018, the Board requested that a process be developed to conduct the Executive Director's annual performance review consistently. Policy 32 was drafted by Board counsel and Ray Kennedy of Dakota County Employee Relations.

Annually, the Executive Director will develop annual goals. Progress on the goals will be submitted annually in September to the Board Chair, with a copy to the Vice-Chair. The review will be online via Survey Monkey and will be available to MESB Board Members and MESB staff. Dakota County Employee Relations will be more involved in the process. The results will be presented at the October Executive Committee meeting, which will make a recommendation to the full Board. The Executive Committee recommends approval of draft MESB Policy 032 – Executive Director Performance Review.

Commissioner Holberg said there is not a continuity of culture between Dakota County and the MESB. Perhaps an addendum could be included that delineates some of scoring processes used by Dakota County.

Jay Arneson said that Dakota County Employee Relations would be involved in the process and could speak to give some context to the policy.

Commissioner Egan said the culture of Dakota County is not necessarily the same as the MESB's culture, therefore the compensation is not necessarily the same.

Commissioner Fernando said Ray Kennedy said that the distinction between merit performance and compensation reviews are two different things. Kennedy was very confident of the compensation amounts being correct for the MESB and noted that the MESB, like Dakota County, only receives merit compensation increases, not automatic step increases.

Motion made by Commissioner Egan, seconded by Commissioner Fernando to approve draft MESB Policy 032 – Executive Director Performance Review. Motion carried.

Commissioner Miron asked members to look over the goals that Rohret has presented to the Board.

Rohret said the first goal is coordinating an RFP with the state for NG9-1-1 services to be awarded by the end of the year. The second goal is to implement a change to the MESB's website by the end of second quarter 2019. Third is to continue to develop her leadership skills by taking classes on leadership. The fourth goal is to develop a plan to spatially route wireless 9-1-1 calls, so that when it is available the MESB is ready to do so. Finally, she developed an employee recognition program and will continue with that program; additionally, she will work with staff, particularly those staff members that do not regularly attend conferences, to further their professional development.

Commissioner Miron said that the policy reviews and amendment updates, which have now been completed, could also have been listed for this year as a goal.

Commissioner Fernando said that it is important that there are some measures of progress. We don't want your ambition to penalize you for having vision, nor do we want to reward vision alone. We want to make sure there are deliverables either by or quarterly reports.

E. Discussion – Dakota County Merit Compensation Plan
Commissioner Egan said he is familiar with the Dakota County Merit Compensation Plan and supports it.

Commissioner Jeff Johnson said he felt the increase numbers are very high compared to other counties.

Commissioner Egan agreed and said they do appear high but that is what he meant by stating there would be differences because of the different cultures of the MESB and counties.

Rohret noted that Dakota County does not have step increases, therefore higher increases make up for the lack of step increases.

Commissioner Miron said the compensation plan works within the constraints of the MESB budget.

Commissioner Ische said Carver County is similar to Dakota County; step increases were eliminated, and the County went to a pay for performance type of system.

9. Reports
A. Legislative Report
Matthew Bergeron of Larkin Hoffman gave the legislative report.

B. Statewide Emergency Communications Board (SECB) Reports
Finance
Rohret said the Finance Committee approved the grant allocations for the FY2018 SHSP at the February meeting.

Legislative
Commissioner Egan said the Legislative Committee discussed: Minnesota Statute 403 changes; the CPR training bill; a request from the Medical Resource Control Centers for an additional $600,000 in funding; a funding request from Sibley County for an ARMER tower; and the Governor's Department Public Safety budget.

Rohret said the MRCC and Sibley County issues are related to the 9-1-1 fee and how statute dictates the fee to be used.

Steering – meeting was cancelled.

Other Committees
Fredrick said there are a lot of name changes within the SECB committees to reflect more of what the committees actually do. OTC will change their name to Land Mobile Radio (LMR). The LMR Committee reviewed and approved the Hennepin County ARMER plan amendments as well as an interoperability plan for Worth County, Iowa.

The Interoperable Data Committee met in February and has no major updates. The committee is also considering a name change. Two workgroups for applications and standards will be formed under this committee.

Commissioner Miron attended the SECB in January with Rohret. Rohret attended the February meeting. Rohret said the Hennepin County request and the grant allocation were approved. The SECB discussed the committee name changes ECN gave an update on the Motorola support contract negotiations, which, when finalized, will be approved by the SECB.

10. Adjournment
The meeting adjourned at 11:26 a.m.

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: Hennepin County Commissioner Irene Fernando, MESB Treasurer

RE: Treasurer's Report – February 2019

DATE: March 25, 2019

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 22, 2019.

Sincerely,

Irene Fernando, Commissioner
Hennepin County
Treasurer, Metropolitan Emergency Services Board

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **5B. Approval of Amendments to Metro Standard 1.5.3**
Presenter: **Fredrick**

RECOMMENDATION
The Executive Committee recommends approval of amendments to Metro Radio Standard 1.5.3 – Variances and Waivers.

BACKGROUND
The Metropolitan Emergency Services Board has established 43 standards for operating the ARMER system in the Metro Region. These standards range from how utilities are billed to how to request changes on the system. Several standards were updated after the merger of the 9-1-1 and Radio Boards and the creation of the MESB but have not had language or content changes for over ten years.

ISSUES & CONCERNS
Metro Radio Standards are in process of being reviewed for content and language changes.

Metro Standard 1.5.3 – Variances and Waivers includes changes to update the revision date, and language added to clarify that each variance & waiver request will be reviewed by the Radio TOC prior to being reviewed at the Statewide Emergency Communications Board (SECB). Review by the Radio TOC will ensure that variance and waiver requests don't create undue burdens on the region. Lastly, inclusive language for designation of authority is being added.

All standards will be made ADA compliant at the end of the review period. Only content and language changes are being requested at this time.

FINANCIAL IMPACT
None to MESB.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

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

Document Section: Sub-Section: Procedure Title:	**1 – Management of System** **METRO 1.5.3** **Variances & Waivers**	Radio TOC Recommendation Date: 5/24/01
Date Established: Replaces Document Dated: Date Revised:	**3/19/01** **5/19/01** **~~5/24/01~~ 3/27/19**	MESB Approval - Signature: Date: 06/01/01

1. Purpose or Objective

The purpose of this section is to set forth the process by which variances or waivers to these standards, protocols and procedures will be granted to a requesting agency.

- **Variance** is defined as an allowed divergence from full adherence to an adopted standard, protocol or procedure.
- **Waiver** is defined as a complete release from an adopted standard, protocol or procedure.

2. Technical Background:

- **Capabilities N/A**
- **Constraints N/A**

3. Operational Context:

The Metropolitan Emergency Services Board (MESB) is charged with setting standards and determining protocols and procedures for the smoothest possible operations between and among the users of the shared region-wide 800 MHz digital trunked public safety radio system.

The users fall into two groups:

- Full participants in the shared infrastructure
- Conventional users who will have access to the regional system by utilizing interoperability equipment that has been designed into the system.

The ability to communicate between these two groups is possible due to the interoperational hardware and software installed on the region-wide system. The improper use of this equipment can have minor to grave consequences. These standards, policies and procedures have been set forth by teams consisting of radio users and managers from both groups so as to maximize service to the citizens of the metropolitan area and minimize potential negative consequences. Therefore, variances and waivers must not compromise the integrity of the Regional Public Safety system or any of its participants.

4. Recommended Protocol/ Standard:

- Each request for variance or waiver from the adopted standards, policies and/or procedures must be made in writing to the MESB.
- Each request for variance or waiver will be reviewed by the Radio Technical Operations Committee prior to being reviewed by the State.

5. Recommended Procedure:

1. A written request for the variance and/or waiver must be sent to the MESB and include:
   - A full description of the desired variance or waiver including section and sub-section references,
   - The reason for the variance or waiver (including the potential consequences if the request is not approved),
   - A preliminary assessment on the other regional system users, and an estimate of any associated costs.

2. At their discretion the MESB may act on the request, but will generally forward requests to the Radio Technical Operations Committee (TOC) for review, analysis and/or recommendation.
   - The Executive Director, or his/her designee, in consultation with the affected system manager, may approve a temporary variance or waiver until the official process is completed.
   - Emergency deviations from the standards must be communicated to all affected parties.

3. An assessment will be conducted by the Radio TOC and will address:
   - Technical impact to current and future system performance including which system or subsystem will be or may be affected.
   - Operational including capacity impact to current and future system performance including which system or subsystem will be or may be affected.
   - The degree of conformance with MESB plan and standards.
   - Cost impact to the MESB and current participants
   - Potential alternative solutions

4. The Radio TOC will forward the completed assessment to the MESB along with recommendations including ways to mitigate negative impact if appropriate.

5. The MESB will advise all affected agencies of all requests along with potential impact and invite their comment.

6. The MESB may approve, disapprove or modify the request. The Board will notify all affected parties of their decision.

7. If approved or modified, the MESB will set forth operational and/or financial responsibility as appropriate and notify all affected parties.

6. Management

The Executive Director and staff of the Metropolitan Emergency Services Board, acting on behalf of the board, will manage this process.

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **5B. Approval of Amendments to Metro Standard 6.5.0**
Presenter: **Fredrick**

RECOMMENDATION
The Executive Committee recommends approval of amendments to Metro Radio Standard 6.5.0 – Prioritizing Capital Spending.

BACKGROUND
The Metropolitan Emergency Services Board has established 43 standards for operating the ARMER system in the Metro Region. These standards range from how utilities are billed to how to request changes on the system. Several standards were updated after the merger of the 9-1-1 and Radio Boards and the creation of the MESB but have not had language or content changes for over ten years.

ISSUES & CONCERNS
Metro Radio Standards are in process of being reviewed for content and language changes.

Metro Standard 6.5.0 – Prioritizing Capital Spending was reviewed. The only change to the standard is to update the review date to February 11, 2019

All standards will be made ADA compliant at the end of the review period. Only content and language changes are being requested at this time.

FINANCIAL IMPACT
None to MESB.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

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

Document Section:	**6—Financial Policies & Procedures**	Radio TOC Approval – Signature:
Sub-Section:	**METRO 6.5.0**	Date: 5/28/03
Procedure Title:	**Prioritizing Capital Spending**	
Date Established:	**4/9/03**	
Replaces Document Dated:		MESB Approval - Signature:
Date Revised:	**2/11/19**	6/6/03

1. Purpose or Objective
To establish a policy that will provide criteria and a process for determining how the Metropolitan Emergency Services Board (MESB) spends its capital funds for the metropolitan region portion of the ARMER system.

2. Technical Background:
- **Capabilities**

  Capabilities are based on the current state of the art.

- **Constraints**

  Subject to vendor availability of products and resources and the availability of capital funds.

3. Operational Context:
The MESB is empowered by statute to set its budget for capital improvements to the system. This standard provides a methodology for the Radio Technical Operations Committee (Radio TOC) to make recommendations to the MESB in determining priorities and timing for such expenditures.

4. Recommended Protocol/ Standard:
The proposal for determining capital spending is composed of three main evaluations and three check "valves." The first evaluation is a series of questions regarding the effect on the system. In this evaluation projects pass, fail or are given a deferred result. The second evaluation determines criticality and will put projects in one of four levels. The check valves determine whether funding is available, the vendor is able to accomplish the project, and if other prerequisites are met, such as dependencies, system upgrades and frequencies are available. The last evaluation determines the timing of the project and placing it on the timeline. It should be noted that the Radio TOC will recommend to the MESB the level of criticality and the timing of the projects.

5. Recommended Procedure:

Evaluation #1—Pass/Fail/Deferred

In the first evaluation, a project must receive a "yes" answer to one of the following questions. If no "yes" is received, the project fails and would need to go to the Radio TOC for further consideration. The exception to this is a deferred project. For example, it is likely that at some time in the future a county subsystem will move to join the system. It is fairly certain that once they submit a plan it will be accepted. At this point, without any specifics, the county's subsystem would fail. However the Radio TOC members know that this will need to be done, so they will give it a deferred rating. Deferred project skip evaluation #2 and go straight to the deferred section of the timeline. Once the project meets one of the below questions, it will then go through evaluation #2 and be repositioned on the timeline.

Questions:

- Does the project add needed capacity to the system?
- Does the project add needed coverage to the system?
- Is the project a required system change (as required by the Legislature or vendor)?
- Does the project improve an identified system degradation?
- Does the project provide improved system reliability?
- Is the project an approved subsystem plan?
- Does the project provide needed interoperability?
- Has the project been requested by the Radio TOC?

Evaluation #2—Criticality

At this stage, projects are placed by the Radio TOC into one of four criticality levels:

- **Critical**—addresses system limitations that have a direct and/or imminent impact on users' ability to effectively use the system.
- **Priority**—required by law or to maintain industry support *or* is needed to *maintain* system availability, reliability and performance.
- **Needed System Improvement**—*improves* system availability, reliability and performance.
- **System Enhancement**—provides desired feature sets *or* improves for operational efficiency or cost effectiveness.

Evaluation #3—Dependencies

These check valves are yes/no questions. They do not prevent a project from going onto the timeline (see Evaluation #4 for further explanation).

1: Is funding available?
2: Does the vendor have the capability to provide the product or meet deadline?
3: Are all prerequisites met (ex. are frequencies available, are software upgrades required, resources available, other standards and other dependencies)?
4: If applicable, does MnDOT approve of the impact on the backbone?

Evaluation #4—Timeline

The timeline spreadsheet will have four blocks where projects will be located. The blocks correspond to the four criticality levels. The timeline will include a fifth block for the deferred projects.

Depending upon the results from the check valves, the projects will be color-coded: if a project passes all three it will be green; if funding is not available for the project it will be blue; if the vendor cannot support it, it will be orange; and if all prerequisites are not met it will be red. All deferred projects will be black.

All projects that are not "green" will have footnotes attached to the project timeline spreadsheet identifying the dependencies and other pertinent information.

6. Management

The staff of the Metropolitan Emergency Services Board shall manage the administration of the plan. The Radio TOC will rank projects and instruct MESB staff to place projects on the timeline.

This policy shall be reviewed for possible revision or cancellation within two years of its adoption date.

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: May 8, 2019
Agenda Item: 3E. Approval of Amendments to Metro Standard 6.3.0
Presenter: Fredrick

RECOMMENDATION
The Radio Technical Operations Committee recommends approval of amendments to Metro Radio Standard 6.3.0 – Site Lease and Utilities.

BACKGROUND
The Metropolitan Emergency Services Board has established 43 standards for operating the ARMER system in the Metro Region. These standards range from how utilities are billed to how to request changes on the system. Several standards were updated after the merger of the 9-1-1 and Radio Boards and the creation of the MESB but have not had language or content changes for over ten years.

ISSUES & CONCERNS
Metro Radio Standards are in process of being reviewed for content and language changes.

Metro Standard 6.3.0 includes changes to update the revision date, add clarifying language for the metro region use, update of the Minnesota Statute which references the ARMER system, and the MESB meeting month which budgets are prepared.

All standards will be made ADA compliant at the end of the review period. Only content and language changes are being requested at this time.

FINANCIAL IMPACT
None to MESB.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

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

Document Section:	**6 – Financial Policies & Procedures**	Radio TOC Approval – Signature:
Sub-Section:	**METRO 6.3.0**	
Procedure Title:	**Site Lease, Property Insurance, and Utilities Costs**	
Date Established:	**08/27/01**	
Replaces Document Dated:	**08/27/01**	MESB Approval - Signature:
Date Revised:	**4/24/19**	09/07/01

1. Purpose or Objective

The purpose of this standard is to outline a procedure for determining costs of site leases and utilities for operation of the ~~first phase backbone~~ metropolitan region of the ARMER system and for billing each agency its prorated share. The standard is governed by Minnesota Statutes ~~473.902~~ 403.31, which ~~grants the Metropolitan Emergency Services Board (MESB) the power to spread costs~~ allows for operating costs to be spread across the users of the system, and by the various cooperative agreements between the Board and the governmental entities who are full participants in the ~~region-wide~~ metropolitan region of the ARMER system.

2. Technical Background:

- **Capabilities**: None
- ~~N/A~~

- **Constraints**: None
- ~~N/A~~

3. Operational Context:

~~Minnesota statues provide for the MESB to assess each fully participating entity a fee to cover the ongoing costs of operating and maintaining the system. The MESB's Policy with regard to site lease costs, property insurance costs, and utilities costs as adopted by resolution on June 1, 2001 states: **Whereas,** The Board incurs recurring costs for space leased in and on various buildings and towers to accommodate equipment for the first phase system; and **Whereas,** Minnesota Statutes and the cooperative agreements between the Board and each local entity entitle the Board to charge back a pro rated share of those costs to each local unit of government or participating entity, **Whereas** the Board has obtained insurance coverage for property damage and liability for the system as a whole, and **Whereas,** the sites are used jointly by the several participants in~~

~~the region-wide network, **Therefore**, the Board shall begin charging such fees, to be billed quarterly, effective January 1, 2002. Until that date, the Board shall pay its share of those costs from its capital accounts, and **Therefore**, the Board shall begin charging local entities pro-rated shares of the cost of insurance coverage effective with the date of coverage, to be billed quarterly.~~

In 2007, the Minnesota Legislature approved funding for the operating costs of the ARMER system backbone, which became effective July 1, 2007. Prior to that, the metropolitan region was responsible to pay for 46.4% of the backbone operating costs; funds to pay these costs were raised via user fees charged by the Metropolitan Radio Board and later, the Metropolitan Emergency Services Board (MESB). Effective July 1, 2007, the MESB ceased charging user fees to metro ARMER system users. Local ARMER subsystem owners are only responsible to pay the operating costs of their local enhancements to the system, which are billing quarterly in accordance with cooperative agreements.

4. Recommended Protocol/ Standard:

The standard is governed by the cooperative agreement among the parties.

5. Recommended Procedure:

Each year, during the MESB's annual budgeting process, MESB staff shall prepare an estimate of the projected lease and utilities costs to be covered for the upcoming calendar year. This procedure shall be accomplished by the regular ~~June~~ July meeting of the Board. Lease and utilities costs are the actual costs incurred by the Board and shall be billed quarterly within 30 days following each calendar quarter beginning with the first quarter of 2002.

Each entity shall be informed of the amount projected to be charged for the following calendar year no later than August 1st of the year preceding the budget year.

6. Management

The Executive Director of the Board is responsible for managing this procedure.

METROPOLITAN
EMERGENCY SERVICES BOARD

2099 UNIVERSITY AVENUE WEST
SAINT PAUL, MINNESOTA
55104-3431

PHONE 651-643-8395
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March 11, 2019

RE: Support for HF154 – Appropriating Money for Grants to Regional EMS Programs

Chair Tina Liebling and Members of the House Health and Human Services Finance Division:

The Metropolitan Emergency Services Board writes in support of HF154, which provides increased grant funding to regional EMS programs.

The eight Minnesota regional EMS systems serve in a role that impacts the health and welfare of Minnesota citizens and are vital to the integrity of the state's Emergency Medical Services (EMS) system. In 1985, the Minnesota Legislature responded to the need for coordination and improvement of the EMS system through the passage of the Minnesota EMS System Support Act.

Through the EMS System Support Act, the EMS regions receive funding to fulfill the seven statutory obligations outlined in §144E.50, Subd. 2. However, the funding support supplied by the Minnesota EMS System Support Act has not kept up with the costs of operating a regional system to meet statutory obligations. Though there have been some highs and lows in funding availability since the 1980s, the general trend is a decreasing value in the funding available to the regional EMS systems. For example, in 1989, each EMS region annually received $115,000; in 2018, each EMS region received $79,931.

As funding continues to dwindle, the regional EMS systems must make cuts to programs which reduces the breadth and reach of the dollars. Fewer agencies are reimbursed, fewer individuals have access to training and the availability of regional personnel as a resource continues to decrease. The regional systems make every effort possible to meet the request to do more with less, but without an increase to the EMS support fund, the regional support system for EMS agencies, and the personnel that deliver care to Minnesotans in a time of need is at risk.

The Metropolitan Emergency Services Board urges the Division to support HF154.

Thank you for your time and consideration.

Sincerely,

Jill Rohret
Executive Director

METROPOLITAN EMERGENCY SERVICES BOARD

EXECUTIVE COMMITTEE MEETING MINUTES
April 10, 2019

Commissioners Present:

Greg Anderson, Isanti County
Barbara Burandt, Sherburne County Alternate
Tom Egan, Dakota County
Debbie Goettel, Hennepin County
Blake Huffman, Ramsey County
Jim Ische, Carver County
Andrew Johnson, City of Minneapolis
George McMahon, Chisago County-**absent**
Fran Miron, Washington County-**absent**
Rhonda Sivarajah, Anoka County
Tom Wolf, Scott County

Staff Present: Jill Rohret; Pete Eggimann; Tracey Fredrick; Kelli Jackson; Ron Robinson; and Martha Ziese.

Others Present: Jay Arneson, MESB Board Counsel; and Jon Eckel, Chisago County.

1. Call to Order
The meeting was called to order at 10:00 a.m. by MESB Vice-Chair, Commissioner Blake Huffman.

2. Approval of April 10, 2019 Agenda
Motion by Commissioner Ische, seconded by Commissioner Wolf to approve the April 10, 2019 Executive Committee agenda. Motion carried.

3. Approval of February 13, 2019 Executive Committee Minutes
Motion by Commissioner Egan, seconded by Commissioner Wolf to accept the February 13, 2019 Executive Committee minutes. Motion carried.

4. Radio Items
A. Approval of Amendments to Metro Standards
i. Standard 1.5.3 – Waivers and Variances
Tracey Fredrick said the changes to Metro Standard 1.5.3 included updating the revision date, adding language to clarify that each variance and waiver request be reviewed by the Radio TOC prior to review by the SECB, and adding language regarding designation of authority.

Motion made by Commissioner Wolf, seconded by Commissioner Anderson to approve amendments to Standard 1.5.3 – Waivers and Variances. Motion carried.

ii. Standard 6.5.0 – Prioritizing Capital Spending
Fredrick said the only change to Standard 6.5.0 was to update the review date to February 11, 2019.

Motion made by Commissioner Fernando, seconded by Commissioner Anderson to approve amendments to Standard 6.5.0 – Prioritizing Capital Spending. Motion carried.

B. Approval of ARMER Lease with Pointe Condominiums
Jill Rohret said a new ten-year lease is effective April 1, 2019. The rent is increasing from $2,497.00 to $3,500.00. Past lease agreements for this site have always required the MESB to pay utilities. In 2018, electrical work was done at this site and it was discovered that either the sub-meter was never installed or never hooked up. This means that since the first lease executed in 1999 to present, the MESB has not paid for utilities. A second lease was signed in 2009. Pointe Condominiums has asked to be reimbursed for the ARMER system's electrical usage from 2009-2019. The amount requested is $113,750.00, which is an amount based on the ARMER system's usage at similar/comparable sites. The MESB will bill MnDOT, Ramsey County, Metro Transit, and Allina EMS for their share of the ten-year utility charge, as well as the on-going monthly utility charge amount.

Jay Arneson said that it is undisputed that the MESB does owe for the last twenty years, so it is felt that this is a reasonable settlement.

Commissioner Fernando asked if it was known that the MESB was obligated to pay utilities, why were utilities at this site not included in the budget. Will the payments be made according to a payment schedule?

Rohret responded that when the MESB took over the leases from the Metropolitan Radio Board in 2005 and followed the budgeting practice of that board for the radio system rent and utilities; the MRB did not include utilities at that site in its radio system operations budget. She said that once the lease is approved by the Board, staff will bill the owners of the equipment at the site; the MESB does not own any equipment. The MESB will pay entirety of the outstanding utility payment at once. Radio system operational expenses are pass-through expenses for the MESB; the MESB bills radio system owners for their share of actual operational expenses.

Commissioner Fernando said it would be a good idea for the full board to be aware of this distinction since it will show up in the financials.

Motion made by Commissioner Sivarajah, seconded by Commissioner Egan to approve ARMER lease with Pointe Condominiums. Motion carried.

5. 9-1-1 Items – None

6. EMS Items
A. Update – EMSRB FY2020-2021 Regional Grant Process
Ron Robinson said that the MESB's grant agreement with the Emergency Medical Services Regulatory Board (EMSRB) terminates on June 30, 2019. The EMSRB offers an RFP for the Emergency Relief and Support Fund grants; these grants are typically two years in duration. At its March meeting the EMSRB announced it would have an RFP out in early April with a quick turnaround. At this time, the RFP has not been released. The timeline allows for only two weeks for EMSRB staff to evaluate proposals prior to the May 16, 2019 EMSRB meeting. Robinson said that MESB staff intends to submit a work plan that follows the region's current work plan, where grant funds are used for training, equipment upgrades, mass casualty response equipment, EMS MACC and Ambulance Strike Team operations, protective equipment purchases and research. He noted that the amount of funds available is currently unknown; because of the uncertainty, the grant application will be written so that the region can expand or contract its work plan based on the level of funding received.

Rohret said that staff wanted to provide an update to the Executive Committee and will have the Board approve the application, budget and work plan at the May 2019 Board meeting.

Commissioner Fernando said that updates and/or requests for engagements from the board would be appreciated.

Commissioner Huffman confirmed with Rohret that the last time the MESB approved this work plan was 2016.

7. Administrative Items
A. Discussion – 2020 MESB Budget
i. Amount of Merit Increase for Salaries
Rohret said that MESB staff is preparing the 2020 operational budget and the 2020-2024 capital budget. Staff seeks for input from the Executive Committee on the amount which should be included

for staff salary merit performance increases. Traditionally that line item has included a 3% increase. At the time of employee review, the Executive Director determines the level of increase for each staff member in accordance with the Dakota County Merit Compensation Plan. The 2019 merit compensation plan provides a 4.5% salary increase at the Meets Expectations level. She asked whether a three or four percent (3 or 4%) increase should be included in the 2020 operational budget. She reminded the committee that Dakota County does not have step increases.

Commissioner Sivarajah said that it is important that the Dakota County Merit Compensation Plan is followed if that is what is being used. The MESB should not pick and choose what procedures to follow. Commissioners Huffman and Egan agreed.

ii. Unspent Prior Year Budget Funds
Rohret said that staff seeks direction on how to handle unspent budget funds from a previous year. Every effort is being made to bring the budget into close alignment with actual expenditures, but unforeseen circumstances could mean the MESB will have unspent funds. This could be considered as over-payment by MESB members. Staff has developed several options for handling these funds. The first option is to transfer unspent funds to the MESB's Hennepin County Investment Fund, which is used for future capital projects. This fund only grows due to accrued interest. The second option is to keep the unspent funds and reduce the next year's assessments. The third option is to refund any unspent budget funds to MESB member entities.

Commissioner Sivarajah said that Anoka County takes overage funds and sets them aside in an asset preservation account to be used for future one-time capital expenditures. Moving unspent funds to the Hennepin County Investment Fund is a good way to build that fund; it does not make sense to refund the monies.

Commissioner Ische agreed and asked what the least amount of work for MESB staff would be.

Commissioner Fernando asked if there were requirements for what has to be done for the funds. She also asked if the Hennepin County Investment fund was similar to the Anoka fund.

Rohret said there are no established rules. In the past staff would transfer monies to the Hennepin County fund to earn more interest than the operational account. She said the MESB's Hennepin County Investment Fund is similar to the fund described by Commissioner Sivarajah.

Commissioner Egan said Dakota County calls its fund the Levy Maintenance account. It is the account that holds money that comes from undesignated sources and is used to keep levies down.

Commissioner Huffman said that Ramsey County has a similar account as well.

Commissioner Fernando inquired as to the amount of funds being discussed.

Kelli Jackson said that it could vary from year to year. According to the MESB's 2017 audit, there was $70,000 remaining from the 2017 operational budget.

8. Old Business – None

9. New Business – None

10. Adjournment
Meeting adjourned at 10:30 a.m.

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **4. Acceptance of 2018 MESB Financial Audit**
Presenter: **Rohret/Peggy Moeller, Redpath & Co.**

RECOMMENDATION
The Executive Director recommends acceptance of the 2018 MESB financial audit.

BACKGROUND
The Metropolitan Emergency Services Board hires an auditing firm to conduct its annual financial audits. The firm which conducted the 2018 audit is Redpath and Company. The audit report must be accepted by the Board.

ISSUES & CONCERNS
The 2018 audit is a clean audit with one internal control finding. Please refer to the supporting documentation for this agenda item for more complete information and opinions from the auditors.

The internal control item relates to Agenda Item 5A.

FINANCIAL IMPACT
None. The expense for the annual audit is included in the MESB's operational budget.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

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, 2018. 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 16, 2019. 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. As described in Note 7 to the financial statements, MESB changed accounting polices related to Other Postemployment Benefits by adopting Statement of Governmental Accounting Standards (GASB Statement) No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* in 2018. Accordingly, the cumulative effect of the accounting change as of the beginning of the year is reported in the Statement of Net Position. We noted no transactions entered into by 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. 75 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 actuarial valuation report under GASB Statement 75. 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 disclosures affecting the financial statements are Note 6 – Defined Benefit Pension Plans, and Note 7 – Other postemployment Benefits.

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 identified during the audit. The following material misstatements detected as a result of audit procedures were corrected by management:

- Prior period adjustment for utility costs for years prior to 2018 in the amount of $100,068 and related due from other government/accounts receivable.

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 30, 2019.

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 schedule of changes in total OPEB liability and related ratio's, 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 30, 2019

REDPATH AND COMPANY

To: Metropolitan Emergency Services Board

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

Date: April 30, 2019

Re: Summary of Audit for the Year Ended December 31, 2018

GENERAL COMMENTS

Audit reports have been completed and dated April 30, 2019.

We have been invited to the MESB Board Meeting on May 8, 2019. 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 one finding in internal control and none in compliance.

For 2018, 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. 7-15)

The fund balance for all funds increased by $123,569 in 2018. The General Fund had an increase of $98,265. The 911 Fund had an increase of $21,740, the EMS Fund had an increase of $6,568 and the Radio Fund had a decrease of $3,004.

Governmental Accounting Standards Board (GASB) Statement No. 45 provided guidance on Accounting and Financial Reporting by Employers for Post-employment Benefits other than pensions. GASB 45 allowed 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 replaced Statement No. 45 for calendar year 2018. MESB had an actuarial report prepared to calculate the OPEB liability under the new guidance. The OPEB liability under GASB 75 at December 31, 2018 is $259,758.

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 $549,211, deferred outflows of resources of $97,174 (will increase pension expense in future years) and deferred inflows of resources of $142,586, (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, 2018

METROPOLITAN EMERGENCY SERVICES BOARD
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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, 2018, 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, 2018, 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.

Emphasis of matter

As described in Notes 7 and 15 to the financial statements, Metropolitan Emergency Services Board adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* in 2018. Our opinion is not modified with respect to this matter.

Report on Summarized Comparative Information

We have previously audited Metropolitan Emergency Services Board's 2017 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 18, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 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, schedule of changes in the total OPEB liability and related ratios and pension information on pages 7 - 15 and 44 - 49 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 30, 2019, 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 30, 2019

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, 2018. 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, 2018 by $2,641,414 (net position). Of this amount, $2,002,297 (unrestricted net position) may be used to meet MESB's ongoing obligations.
- MESB's total net position increased by $54,971. In 2018, in accordance with GASB Statement No. 75 requirements, the MESB had an actuarial study to assist in the determination of OPEB liabilities. This is the first actuarial study conducted for the MESB. As a result of the study, the total OPEB-related liability was higher than previously calculated, but that was anticipated for a couple of reasons. First, the actuarial study included a higher discount rate and an implicit rate subsidy which had not been included in previous calculations, as they had been deemed a immaterial. Second, through the course of the study MESB staff understanding of the OPEB benefit was refined. It had been previously thought that OPEB benefits terminated at age 65 for OPEB-eligible employees; during the course of the study it was clarified that OPEB-eligible employees would receive the benefit for their lifetime.
- As of December 31, 2018, MESB's governmental funds reported combined ending fund balances of $3,228,485, which is a $123,569 increase from the prior year. The increase in fund balance is primarily due to staffing issues and higher than anticipated revenues from interest. The 2018 budget only included $9,000 in revenue from interest from the Washington County operational account due to years of low interest revenues; the actual amount of interest the MESB earned for that account was $26,900. Interest revenue received from the Hennepin County Investment Account was not factored in to the 2018 budget; the interest received from that account was $36,633. The other major factor was staffing issues. In December 2017, the MESB hired someone who had been a contractor for the MESB, and at the time the 2018 budget was created in July 2017, had been anticipated to remain a contractor. Additionally, there was a change in staff for the Radio Coordinator position, resulting in a lower starting salary for the new employee, as well as that position being vacant for three months in 2018.

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 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 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 $2,641,414. Our analysis below focuses on the net position and changes in net position of MESB's governmental activities.

NET POSITION

	December 31,	
	2018	2017
Current and other assets	$3,574,546	$3,353,831
Capital assets	374,806	441,619
Total assets	$3,949,352	$3,795,450
Deferred outflows of resources related to pensions	$103,159	$162,966
Current liabilities	353,928	258,008
Long-term liabilities	914,583	820,867
Total liabilities	$1,268,511	$1,078,875
Deferred inflows of resources related to pensions	$142,586	$139,363
Net position:		
Net investment in capital assets	374,806	441,619
Restricted	264,311	356,999
Unrestricted	2,002,297	1,941,560
Total net position	$2,641,414	$2,740,178

Net position was negatively impacted by $594,623 at December 31, 2018 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	($97,174)
Deferred inflows of resources	142,586
Net pension liability	549,211
Total	$594,623

Of the total net position at December 31, 2018, $374,806 (14%) reflects MESB's net investment in capital assets. These assets are not available for future spending. An additional $264,311 (10%) 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,	
	2018	2017
Revenues:		
Program revenues:		
Charges for services	$2,026,461	$1,979,238
Operating grants and contributions	540,504	305,011
General revenues:		
Unrestricted investment earnings	63,532	43,517
Other	4,380	10,030
Total revenues	2,634,877	2,337,796
Expenses:		
General	517,854	476,771
911 telephone system	480,703	538,056
Emergency medical services system	374,550	294,208
Radio	1,206,799	1,050,725
Total expenses	2,579,906	2,359,760
Increase (decrease) in net position	54,971	(21,964)
Net position - January 1	2,740,178	2,762,142
Prior period adjustment	(153,735)	-
Prior period adjustment	100,068	-
Prior period adjustment	(100,068)	-
Net position - December 31	$2,641,414	$2,740,178

MESB's net position increased by $54,971 (2.01%). In 2018, the MESB experienced depreciation in the value of assets, increased valuation of OPEB liabilities, as well as a decrease in pension liability.

MESB implemented GASB Statement No. 75 as of year-end that had a negative impact on prior year of $153,735. This standard established new accounting and reporting requirements for governments whose employees are provided OPEB. The standards require MESB to record actuarial accrued liability relating to OPEB, as well as any corresponding deferred outflows and inflows of resources. See Note 7 for further information.

MESB also entered into a settlement with a lessor subsequent to year-end that required MESB to pay a utility costs incurred at one of their tower leases for the past ten years. The settlement in total was $113,750 for years 2019-2009. This has a zero effect on net assets due to expense being reimbursed by other entities. See Note 15 for further information.

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 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.

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 a direct appropriation of state 911 fees.

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 2019 grant beginning July 1, 2017, the approved program budget is $214,750

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 $3,228,485 an increase of $123,569 in comparison with the prior year. The increase in fund balance is primarily due to staffing related issues and actual interest revenue. The 2018 MESB budget included funding for three positions, but staffing changes were made which resulted in eliminating one of the three positions. Additionally, personnel changed for the Radio Coordinator position resulting in lower than budgeted salary and benefits for that position, along with the position being vacant for three months.

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 2018, MESB had $374,806 net investment in capital assets, which consists of equipment as detailed below.

CAPITAL ASSETS AT YEAR END

	December 31,	
	2018	2017
Equipment	$1,673,875	$1,636,555
Accumulated depreciation	(1,299,069)	(1,194,936)
Net capital assets	$374,806	$441,619

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, 2018	$113,481	$259,758	$549,211
December 31, 2017	105,015	92,936	632,009
Increase (decrease)	$8,466	$166,822	($82,798)

Economic Factors and Next Year's Budget

Total expenditures budgeted for all funds in 2018 total $2,033,472 compared to budgeted expenditures of $2,055,054 for 2019. The increase in budgeted expenditures from 2018 to 2019 is largely due to an increase in costs related to personnel costs.

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.

METROPOLITAN EMERGENCY SERVICES BOARD
STATEMENT OF NET POSITION
December 31, 2018

Statement 1

	Governmental Activities 2018
Assets:	
Cash and investments	$3,254,542
Accounts receivable	6,836
Due from other governments	241,237
Prepaid items	71,931
Capital assets (net of accumulated depreciation)	374,806
Total assets	3,949,352
Deferred outflows of resources:	
Related to pensions	97,174
Related to OPEB	5,985
Total deferred outflows of resources	103,159
Liabilities:	
Accounts payable	142,356
Accrued salaries	22,753
Funds held for others	57,453
Due to other governments	102,316
Unearned revenue	21,183
Compensated absences:	
Due within one year	7,867
Due in more than one year	105,614
OPEB liability - due in more than one year	259,758
Net pension liability - due in more than one year	549,211
Total liabilities	1,268,511
Deferred inflows of resources:	
Related to pensions	142,586
Net position:	
Net investment in capital assets	374,806
Restricted for EMS relief	264,311
Unrestricted	2,002,297
Total net position	$2,641,414

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

METROPOLITAN EMERGENCY SERVICES BOARD
STATEMENT OF ACTIVITIES
For The Year Ended December 31, 2018

Statement 2

Functions/Programs:	Expenses	Program Revenues: Charges For Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position Governmental Activities 2018
Governmental activities:					
General	$517,854	$536,711	$4,191	$ -	$23,048
911 telephone system	480,703	484,364	-	-	3,661
Emergency medical services program	374,550	1,540	304,990	-	(68,020)
Radio	1,206,799	1,003,846	231,323	-	28,370
Total governmental activities	$2,579,906	$2,026,461	$540,504	$0	(12,941)
General revenues:					
Unrestricted investment earnings					63,532
Other					4,380
Total general revenues					67,912
Change in net position					54,971
Net position - January 1, as previously reported					2,740,178
Prior period adjustment					(153,735)
Prior period adjustment					100,068
Prior period adjustment					(100,068)
Net position - January 1, as restated					2,586,443
Net position - December 31					$2,641,414

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

METROPOLITAN EMERGENCY SERVICES BOARD
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

Statement 3

	General Fund	911 Fund	EMS Fund	Radio Fund	Total 2018
Assets:					
Cash and investments	$2,225,651	$412,181	$328,735	$287,975	$3,254,542
Accounts receivable	-	-	-	6,836	6,836
Due from other governments	-	16,551	37,906	186,780	241,237
Prepaid items	-	6,042	-	65,889	71,931
Total assets	$2,225,651	$434,774	$366,641	$547,480	$3,574,546
Liabilities and Fund Balance					
Liabilities:					
Accounts payable	$3,397	$3,567	$2,861	$132,531	$142,356
Accrued salaries	12,709	8,061	-	1,983	22,753
Due to other governments	32,754	47,517	-	22,045	102,316
Funds held for others	-	57,453	-	-	57,453
Unearned revenue	-	-	-	21,183	21,183
Total liabilities	48,860	116,598	2,861	177,742	346,061
Fund balance:					
Nonspendable	-	6,042	-	65,889	71,931
Restricted	-	-	349,122	-	349,122
Committed	-	312,134	14,658	303,849	630,641
Assigned	2,010,516	-	-	-	2,010,516
Unassigned	166,275	-	-	-	166,275
Total fund balance	2,176,791	318,176	363,780	369,738	3,228,485
Total liabilities and fund balance	$2,225,651	$434,774	$366,641	$547,480	$3,574,546

Fund balance reported above	$3,228,485
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.	374,806
Deferred outflows of resources-pension related are not current financial resources and, therefore, are not reported in the funds.	97,174
Deferred outflows of resources-OPEB related are not current financial resources and, therefore, are not reported in the funds.	5,985
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.	(142,586)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Compensated absences payable	(113,481)
OPEB liability	(259,758)
Net pension liability	(549,211)
Net position of governmental activities	$2,641,414

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
For The Year Ended December 31, 2018

Statement 4

	General Fund	911 Fund	EMS Fund	Radio Fund	Total 2018
Revenues:					
Member assessments	$533,997	$484,339	$ -	$234,026	$1,252,362
User fees	-	-	-	410,228	410,228
Reimbursement revenue	2,714	25	1,540	359,592	363,871
Intergovernmental:					
State	-	-	229,990	205,324	435,314
Federal	-	-	75,000	25,999	100,999
Interest	40,362	10,503	5,027	7,640	63,532
Other	4,375	-	-	5	4,380
Total revenues	581,448	494,867	311,557	1,242,814	2,630,686
Expenditures:					
Current:					
Personal services	414,638	376,529	450	106,153	897,770
Rent and site leases	9,960	7,470	3,735	395,527	416,692
Equipment and maintenance upgrades	3,181	13,351	8,716	83,725	108,973
Other grant expenditures	-	-	276,645	231,324	507,969
Other services and charges	80,459	75,777	193	372,236	528,665
Capital outlay	5,195	-	-	41,853	47,048
Total expenditures	513,433	473,127	289,739	1,230,818	2,507,117
Revenues over (under) expenditures	68,015	21,740	21,818	11,996	123,569
Other financing sources (uses):					
Transfer in	30,250	-	-	-	30,250
Transfer out	-	-	(15,250)	(15,000)	(30,250)
Total other financing sources (uses)	30,250	0	(15,250)	(15,000)	0
Net change in fund balance	98,265	21,740	6,568	(3,004)	123,569
Fund balance - January 1, as previously report	2,078,526	296,436	357,212	372,742	3,104,916
Prior period adjustment	-	-	-	100,068	100,068
Prior period adjustment	-	-	-	(100,068)	(100,068)
Fund balance - January 1, as restated	2,078,526	296,436	357,212	372,742	3,104,916
Fund balance - December 31	$2,176,791	$318,176	$363,780	$369,738	$3,228,485

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, 2018

Statement 5

		2018
Amounts reported for governmental activities in the Statement of Activities are different because:		
Net changes in fund balance - total governmental funds (Statement 4)		$123,569
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		(113,861)
Capital outlay		47,048
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		(8,466)
Governmental funds report pension and OPEB contributions as expenditures, however, pension and OPEB expense is reported in the Statement of Activities. This is the amount by which pension and OPEB expense differed from pension and OPEB. contributions:		
Pension contributions	$49,873	
Pension expense	(36,090)	
OPEB contributions	9,826	
OPEB expense	(16,928)	6,681
Change in net position of governmental activities (Statement 2)		$54,971

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.

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.

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.

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 two items

that qualifies for reporting in this category. It is the pension and OPEB 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, 2017, 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, 2018 is as follows:

Cash and investments pooled with Washington County at fair value	$1,079,125
Cash and investments pooled with Hennepin County at fair value	2,175,417
Total	$3,254,542

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, 2018, 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, 2018 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, 2018 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets being depreciated:				
Equipment	$1,636,554	$47,048	($9,727)	$1,673,875
Less accumulated depreciation for:				
Equipment	1,194,935	113,861	(9,727)	1,299,069
Capital assets - net	$441,619	($66,813)	$0	$374,806

Depreciation expense was charged to programs as follows:

General	$2,571
911 telephone system	5,118
EMS system	85,741
Radio board	20,431
Total depreciation expense	$113,861

Note 5 NONCURRENT LIABILITIES

Noncurrent liability activity for the year ended December 31, 2018, is as follows:

	Balance 01/01/2018	Additions	Deletions	Balance 12/31/2018	Estimated Amount Due Within One Year
Compensated absences	$105,015	$17,992	($9,526)	$113,481	$7,867

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 the Coordinated Plan. Coordinated Plan members are covered by Social Security.

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. 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 Plan members. Members hired prior to July 1, 1989, receive the higher of Method 1 or Method 2 formulas. Only Method 2 is used for members hired after June 30, 1989. Under Method 1, the accrual rate for Coordinated Plan members is 1.2 percent for each of the first ten years of service and 1.7% for each additional year. Under Method 2, the accrual rate for Coordinated Plan members is 1.7% for all years of service. The accrual rates for former Minneapolis Employees Retirement Fund (MERF) members is 2.0% for each of the first 10 years of service and 2.5% for each additional year. 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.

Beginning January 1, 2019, benefit recipients will receive a future annual increase equal to 50 percent of the Social Security Cost of Living Adjustment, not less than 1.0 percent and not more than 1.5 percent. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches Normal Retirement Age (not applicable to Rule of 90 retirees, disability benefit recipients, or survivors). A benefit recipient who has been receiving a benefit for at least 12 full months as of June 30 will receive a full increase. Members receiving benefits for at least one month but less than 12 full months as of June 30 will receive a pro rata increase.

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

Coordinated Plan members were required to contribute 6.50% of their annual covered salary in fiscal year 2018; MESB was required to contribute 7.50% for Coordinated Plan members. MESB's

contributions to the GERF for the year ended December 31, 2018, were $49,873. MESB's contributions were equal to the required contributions as set by state statute.

D. PENSION COSTS

GERF Pension Costs

At December 31, 2018, MESB reported a liability of $549,211 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 $16 million to the fund in 2018. 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 $17,972. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. MESB's proportion of the net pension liability was based on MESB's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2017, through June 30, 2018, relative to the total employer contributions received from all of PERA's participating employers. At June 30, 2018, MESB's proportion was .0099%, which was equal to its proportion measured as of June 30, 2017.

Post-retirement benefit increases were changed from 1.0% per year with a provision to increase to 2.5% upon attainment of 90% funding ratio to 50% of the Social Security Cost of Living Adjustment, not less than 1.0% and not more than 1.5%, beginning January 1, 2019.

For the year ended December 31, 2018, MESB recognized pension expense of $36,090 for its proportionate share of the GERF's pension expense. In addition, MESB recognized an additional $4,191 as a pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of $16 million to the General Employees Fund.

At December 31, 2018, MESB reported its proportionate share of the GERF's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$14,537	$16,017
Changes in actuarial assumptions	52,463	61,709
Difference between projected and actual investment earnings	-	56,038
Changes in proportion	5,841	8,822
Contributions paid to PERA subsequent to the measurement date	24,333	-
Total	$97,174	$142,586

$24,333 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, 2019. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Pension Expense Amount
2019	$13,067
2020	(26,787)
2021	(44,562)
2022	(11,463)
Thereafter	-

E. ACTUARIAL ASSUMPTIONS

The total pension liability in the June 30, 2018, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50% per year
Salary Growth	3.25% per year after 26 years of service
Investment Rate of Return	7.50%

The total pension liability for each of the defined benefit cost-sharing plans was determined by an actuarial valuation as of June 30, 2018, using the entry age normal actuarial cost method. Inflation is assumed to be 2.50 percent for the General Employees Plan. Salary growth assumptions in the General Employees Plan decrease in annual increments from 11.25 percent after one year of service, to 3.25 percent after 26 years of service.

Mortality rates for all plans are based on RP-2014 mortality tables. The tables are adjusted slightly to fit PERA's experience. Actuarial assumptions for the General Employees Plan are reviewed every four to six years. The most recent six-year experience study for the General Employees Plan was completed in 2015.

The following changes in actuarial assumptions occurred in 2018:

General Employees Fund
- The mortality projection scale was changed from MP-2015 to MP-2017.
- The assumed benefit increase was changed from 1.0 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

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	36%	5.10%
International Stocks	17%	5.30%
Bonds (Fixed Income)	20%	0.75%
Alternative Assets (Private Markets)	25%	5.90%
Cash	2%	0.00%
Total	100%	

F. DISCOUNT RATE

The discount rate used to measure the total pension liability in 2018 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 GERF 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 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 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	$892,539	$549,211	$265,804

Pension liability is liquidated by the General, EMS and Radio funds.

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 2018, MESB implemented the requirement of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.*

A. PLAN DESCRIPTION

In addition to providing the pension benefits described in Note 6, MESB provides post-employment health care and life insurance benefits, as defined in paragraph B, for retired employees through its group health insurance and life insurance plans. The plan is a single-employer defined benefit OPEB plan 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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. OPEB is currently funded on a pay-as-you-go basis. The Plan does not issue a separate report.

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 December 13, 2016 may be eligible to receive certain post-employment medical insurance and life insurance benefits. 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. This portion of the OPEB Plan is closed to new entrants. 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 up to the amount Anoka County pays for Medicare supplement plan. The monthly benefit amount is adjusted annually. Total benefits paid in 2018 were $3,867.

- In addition, MESB pays the premium for $2,000 life insurance policy.

For the two current employees who could potentially receive benefits, MESB would be obligated to pay one-half of their monthly single contribution for health insurance should they retire with 10-15 years of service or all of their monthly single contributions should they retire with 16 or greater years of service, until the pension becomes eligible for Medicare. Once eligible for Medicare, MESB is obligated to pay up to the amount Anoka County pays for Medicare supplement plan. The monthly benefit amount is adjusted annually.

- In addition, MESB pays the premium for $2,000 life insurance policy.

MESB is required by State Statute to allow retirees to continue participation in MESB's group health insurance plan if the individual terminates service with MESB through service retirement or disability retirement. Active employees who retire from MESB may continue coverage with respect to both themselves and their eligible dependent(s) under the MESB's health benefits program until age 65.

All health care coverage is provided through MESB's group health insurance plans. The retiree is required to pay 100% of their premium cost for the MESB sponsored group health insurance plan in which they participate. The premium is a blended rate determined on the entire active and retiree

population. Since the projected claims costs for retirees exceed the blended premium paid by retirees, the retirees are receiving an implicit rate subsidy (benefit). The coverage levels are the same as those afforded to active employees. Upon a retiree reaching age 65, Medicare becomes the primary insurer and the MESB's plan becomes secondary.

C. PARTICIPANTS

As of the January 1, 2018 actuarial valuation, participants of the plan consisted of:

Active employees	8
Inactive employees and beneficiaries currently receiving benefits	1
Total	9

D. TOTAL OPEB LIABILITY AND CHANGES IN TOTAL OPEB LIABILITY

MESB's total OPEB liability of $259,758 was measured as of January 1, 2018 and was determined by an actuarial valuation as of January 1, 2018. Changes in the total OPEB liability during 2018 were:

Balance - beginning of year	$246,671
Changes for the year:	
Service cost	8,568
Interest	8,360
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments	(3,841)
Net changes	13,087
Balance - end of year	$259,758

OPEB liability is liquidated by each of the four funds.

E. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary increases	3.00%
Discount rate	3.30%
Investment rate of return	2.85%
Healthcare cost trend rates	6.50% for 2018, decreasing over 6 years to an ultimate rate of 5.00%
Post-65 Healthcare trend rate	4.00%

Since the plan is funded on a pay-as-you-go basis, both the discount rate and the investment rate of return was based on the 20 year AA rated municipal bond rate as of January 1, 2018 based on a tax-exempt, high-quality 20-year Municipal bond index.

Mortality rates were based on the RP-2014 White Collar Mortality tables with MP-2017 Generational Improvement Scale.

Based on past experience of the plan, 100% of future retirees with pre-65 subsidy availability are assumed to continue medical coverage. 50% of without Pre-65 Subsidy employees are assumed to continue medical coverage until age 65. Assumed retirement rates are as follows:

Attained Age	Retirement % Rule of 90	Retirement % Not Rule of 90
55	20%	5%
56	15%	5%
57	15%	5%
58	15%	6%
59	15%	7%
60	50%	8%
61	50%	10%
62	50%	20%
63	50%	20%
64	50%	25%
65+	100%	100%

F. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE DISCOUNT RATE

The following presents the total OPEB liability of MESB, as well as what MESB's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.30%) or 1% higher (4.30%) than the current discount rate:

	1% Decrease (2.30%)	Discount Rate (3.30%)	1% Increase (4.30%)
Total OPEB liability	$306,899	$259,758	$222,271

G. SENSITIVITY OF THE TOTAL OPEB LIABILITY TO CHANGES IN THE HEALTHCARE COST TREND RATES

The following presents the total OPEB liability of MESB, as well as what MESB's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.5% decreasing to 4%) or 1% higher (7.5% decreasing to 6%) than the current healthcare cost trend rates:

	1% Decrease (5.5% decreasing to 4%)	Healthcare Cost Trend Rates (6.5% decreasing to 5.0%)	1% Increase (7.5% decreasing to 6.0%)
Total OPEB liability	$219,747	$259,758	$311,061

H. OPEB EXPENSE AND DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES RELATED TO OPEB

For the year ended December 31, 2018, MESB recognized $16,928 of OPEB expense. At December 31, 2018, MESB reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date.	$5,985	$ -

$5,985 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2019.

Note 8 COMMITMENTS

LEASES

MESB leases its office premises, including use of phones, under an agreement which was renewed on November 26, 2018 and is effective through December 31, 2020 with monthly lease payments of $2,137. Rent expense under this lease totaled $24,900 for 2018.

Future minimum lease payments are as follows:

2019	$25,644
2020	25,644
Total	$51,288

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:

Year Ended	
2019	$203,551
2020	86,329
2021	78,467
2022	60,381
2023	52,350
2024-2028	73,654
2029-2033	17,500
2034-2036	8,167
Total	$580,399

Rent expense under these leases for the year ended December 31, 2018 totaled $391,752.

COMMITTED CONTRACTS

MESB had no committed contracts as of December 31, 2018.

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, 2018, a summary of the governmental fund balance classifications are listed below. Definitions for the classifications are included in Note 1.

	General	911 Fund	EMS Fund	Radio Fund	Total
Nonspendable:					
Prepaid items	$ -	$6,042	$ -	$65,889	$71,931
Restricted to:					
Emergency services	-	-	349,122	-	349,122
Committed to:					
Emergency services	-	312,134	14,658	303,849	630,641
Assigned to:					
Future projects	2,010,516	-	-	-	2,010,516
Unassigned	166,275	-	-	-	166,275
Total	$2,176,791	$318,176	$363,780	$369,738	$3,228,485

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	2018	Balance
Receipts (cash basis):				
7/1/17 - 6/30/19	$214,750	$15,300	$91,400	$108,050
Grant revenue/expenditures (accrual basis):				
7/1/17 - 6/30/19	$214,750	$25,413	$105,090	$84,247

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

Note 13 INTERFUND TRANSFERS

	Transfers In General Fund
Transfers out:	
EMS Fund	$15,250
Radio Fund	15,000
Total transfers	$30,250

Transfers were for EMS expenses paid by the General Fund and for management fees paid to the General Fund from the Radio Fund.

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. 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. 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.

Statement No. 89 *Accounting for Interest Cost Incurred before the End of the Construction Periods*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2019.

Statement No. 90 *Majority Equity Interests*. The provisions of this Statement are effective for reporting periods beginning after December 15, 2018

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

Note 15 CHANGE IN ACCOUNTING PRINCIPLE & CORRECTION OF AN ERROR

For the year ended December 31, 2018, MESB implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 established new accounting and financial reporting requirements for governments whose employees are provided OPEB. The standard requires MESB to record the actuarial Accrual Liability related to OPEB, as well as any correspondence deferred outflows and inflows of resources. See Note 7 for further information.

The standard required retroactive implementation which resulted in a restatement of net position for governmental activities as of December 31, 2017. Certain amounts necessary to fully restate 2017 financial statements are not determinable, therefore, prior year comparative amounts are not presented in the financial statements.

MESB rents a portion of a roof, mechanical room, and penthouse of a building in which they have paid for the rent expense associated with this rental agreement for the past twenty years. MESB was contacted by the lessor informing MESB that they also needed to pay for the utilities as required by their lease agreement. MESB and the lessor agreed to an amount of $113,750 for the past ten years ($2,537 relating to 2019, $11,145 relating to 2018, and $100,068 relating to remaining years). The remaining 10 years were forgiven based on this agreement. This expense is fully reimbursable through other organization; therefore there is no net effect on net assets. The portion relating to years prior to 2018 were reported as a prior period adjustment.

Details of the prior period adjustments are as follows:

	Governmental Activities	Major Governmental Funds Radio Fund
Net position - January 1, 2018, as previously reported	$2,740,178	$372,742
Prior period adjustment:		
Effect of implementing GASB Statement No. 75	(153,735)	-
Effect of recognizing reimbursement revenue associated with utility costs of a lease	100,068	100,068
Effect of recognizing expense associated with utility costs of a lease	(100,068)	(100,068)
Net position - January 1, 2018, as restated	$2,586,443	$372,742

Note 16 SUBSEQUENT EVENTS

Subsequent to year-end, MESB renewed four of their radio tower leases. Lease terms range from five to ten years and together will require future minimum monthly payments of $16,537. Since these leases were not signed as of December 31, 2018, these payments are not included in the future minimum lease payments as disclosed in Note 8.

METROPOLITAN EMERGENCY SERVICES BOARD
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For The Year Ended December 31, 2018
With Comparative Actual Amounts For The Year Ended December 31, 2017

Statement 6

	Budgeted Amounts		2018 Actual Amounts	Variance with Final Budget - Over (Under)	2017 Actual Amounts
	Original	Final			
Revenues:					
Member assessments	$533,997	$533,997	$533,997	$ -	$405,321
Reimbursement revenue	-	-	2,714	2,714	1,720
Interest	2,000	2,000	40,362	38,362	28,377
Other	4,000	4,000	4,375	375	5,040
Total revenues	539,997	539,997	581,448	41,451	440,458
Expenditures:					
Current:					
Personal services	469,621	469,621	414,638	(54,983)	375,199
Rent and site leases	9,576	9,576	9,960	384	9,960
Equipment and maintenance upgrades	15,800	15,800	3,181	(12,619)	10,654
Other services and charges	75,000	75,000	80,459	5,459	72,383
Capital outlay	-	-	5,195	5,195	12,934
Total expenditures	569,997	569,997	513,433	(56,564)	481,130
Revenues over (under) expenditures	(30,000)	(30,000)	68,015	98,015	(40,672)
Other financing sources (uses):					
Transfer in	30,000	30,000	30,250	250	515,300
Total other financing sources (uses)	30,000	30,000	30,250	250	515,300
Net change in fund balance	$0	$0	98,265	$98,265	474,628
Fund balance - January 1			2,078,526		1,603,898
Fund balance - December 31			$2,176,791		$2,078,526

METROPOLITAN EMERGENCY SERVICES BOARD
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE - 911 FUND
For The Year Ended December 31, 2018
With Comparative Actual Amounts For The Year Ended December 31, 2017

Statement 7

	Budgeted Amounts		2018 Actual Amounts	Variance with Final Budget - Over (Under)	2017 Actual Amounts
	Original	Final			
Revenues:					
Member assessments	$484,337	$484,337	$484,339	$2	$622,616
Reimbursement revenue	-	-	25	25	37
Interest	4,000	4,000	10,503	6,503	7,374
Total revenues	488,337	488,337	494,867	6,530	630,027
Expenditures:					
Current:					
Personal services	343,091	343,091	376,529	33,438	329,780
Rent and site leases	9,576	9,576	7,470	(2,106)	7,470
Equipment and maintenance upgrades	12,200	12,200	13,351	1,151	19,921
Other services and charges	123,470	123,470	75,777	(47,693)	184,791
Total expenditures	488,337	488,337	473,127	(15,210)	541,962
Revenues over (under) expenditures	0	0	21,740	21,740	88,065
Other financing sources (uses):					
Transfer out	-	-	-	-	(200,000)
Total other financing sources (uses)	0	0	0	0	(200,000)
Net change in fund balance	$0	$0	21,740	$21,740	(111,935)
Fund balance - January 1			296,436		408,371
Fund balance - December 31			$318,176		$296,436

METROPOLITAN EMERGENCY SERVICES BOARD
REQUIRED SUPPLEMENTARY INFORMATION **Statement 8**
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND RELATED RATIOS
For The Year Ended December 31, 2018

	2018
Total OPEB liability:	
Service cost	$8,568
Interest	8,360
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions	-
Benefit payments	(3,841)
Net change in total OPEB liability	13,087
Total OPEB liability - beginning	246,671
Total OPEB liability - ending	$259,758
Covered-employee payroll	$681,564
Total OPEB liability as a percentage of covered-employee payroll	38.1%

The schedule is provided prospectively beginning with MESB's fiscal year ended December 31, 2018 and is intended to show a ten year trend. Additional years will be added as they become available.

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, 2018

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%
2018	2018	0.0099%	549,211	17,972	567,183	663,226	85.5%	79.5%

* 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 **Statement 10**
SCHEDULE OF PENSION CONTRIBUTIONS* - GENERAL EMPLOYEES RETIREMENT FUND
For The Year Ended December 31, 2018

Fiscal Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	Covered-Employee Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
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%
December 31, 2018	49,873	49,873	-	664,973	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.

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 OPEB INFORMATION

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Note C PENSION INFORMATION

PERA – General Employees Retirement Fund

2018 Changes
Changes in Actuarial Assumptions:
- The mortality projection scale was changed from MP-2015 to MP-2017.

- The assumed benefit increase was changed from 1.0 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

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 form 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.

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, 2018, 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 30, 2019.

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 and therefore, material

weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2018-001 that we considered to be a material weakness.

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*.

Metropolitan Emergency Services Board's Response to Finding

Metropolitan Emergency Services Board's response to the finding identified in our audit is described in the accompanying schedule of findings and responses. Metropolitan Emergency Service Board's response was not subjected to the auditing procedures applied in the audit of financial statements and, accordingly, we express no opinion on it.

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 30, 2019

2018-001 Prior Period Adjustment

Criteria: Adjustments for prior period misstatements are considered to be a deficiency in internal control as defined by auditing standards.

Condition: Management identified during 2018 that utility costs related to certain leases had not been billed to, nor paid by Metropolitan Emergency Services Board in the amount of $100,068 for years prior to 2018. The utility costs are fully reimbursable from other organizations.

Cause: Metropolitan Emergency Services Board did not receive a bill for utility costs.

Effect: Prior period adjustments in the amount of $100,068 were recorded for the utility costs payable and related receivable for years prior to 2018.

Recommendation: We recommend that MESB continue efforts to assure that all adjustments are identified during the year-end closing process.

Management Response: At the beginning of each calendar year, MESB staff will review all radio system leases to determine if/when rent increases in accordance with the lease agreements. For those sites where the MESB creates the monthly rent invoice, the invoices for the year will reflect rent increases in the appropriate month.

At the end of each quarter, staff reviews all radio system expenses. The review will include checks to determine if, for sites where the lessor generates a payment invoice, the lease increased at the appropriate time. If it did not, staff will contact the lessor request a correction.

For utility payments, invoices are received from utility companies for most sites, though a couple of sites are billed through a county. For the leased site in question, as part of the lease renewal, a pre-determined utility amount will be determined and the amount will be paid monthly along with the rent. The lessor will true-up the amount due at the end of each year.

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, 2018, 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 30, 2019.

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 30, 2019

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **5A. Approval of ARMER Lease with Pointe Condominiums**
Presenter: **Rohret**

RECOMMENDATION
The Executive Committee recommends approval of the new ARMER lease with Pointe Condominiums.

BACKGROUND
The Metropolitan Radio Board entered into a ten-year lease agreement with Pointe Condominiums for an ARMER tower site on the condominium building in downtown St. Paul in April 1999. Another ten-year lease was renegotiated in 2009, which expired on March 31, 2019. Both the 1999 and 2009 leases required the MESB to pay for utility use at the site. The MESB never received a utility invoice from Pointe Condominiums. MnDOT believed it had installed an electricity sub-meter at the Pointe Condominium location.

ISSUES & CONCERNS
The new lease, effective April 1, 2019 is a ten-year lease, with rent increasing from $2,497.00 per month to $3,500.00 per month for the length of the lease term. MESB will pay utilities at the site; the monthly rental amount will be based on 30 days' use of electricity at the site, with annual adjustments based on actual use.

Due to electrical issues which occurred in the building in 2018, Pointe Condominiums had electrical work done in 2018-2019. During that time, it was discovered that either the installed sub-meter was never hooked up, or that no sub-meter was ever installed. Pointe Condominiums asked to be reimbursed for the ARMER system's electrical utility usage from 2009 – 2019, and agreed upon an amount of $113,750.00, which is an amount based on the ARMER system's usage at similar/comparable sites.

The MESB will bill equipment owners at the Pointe Condominiums site (MnDOT, Ramsey County, Metro Transit, and Allina EMS) for their proportionate share of the 2009 – 2019 utility usage amount.

A sub-meter is being installed by Pointe Condominium's electrical contractors, and the bill for the work will be sent to the MESB for payment. MnDOT has agreed to reimburse the MESB for the sub-meter invoice.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **5A. Approval of ARMER Lease with Pointe Condominiums**
Presenter: **Rohret**

FINANCIAL IMPACT

The MESB will pay $113,750.00 in utility charges to the Board once the lease agreement is approved and will pay the electrical contractor's invoice. These will be pass-through charges. MESB will bill the appropriate parties for their share of the ten-year utility charge, as well as the on-going monthly utility charge amount. This charge, like all ARMER operational charges, are pass-through charges for the MESB. The MESB pays the invoices but recoups the funds from equipment owners.

This event will skew the 2019 financial reports as this was not a budgeted expense. Pointe utilities will be added to the 2020 radio system budget.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

METROPOLITAN EMERGENCY SERVICES BOARD

LEASE

Lease No. _____

THIS LEASE AGREEMENT is made by and between **THE POINTE OF SAINT PAUL CONDOMINIUM ASSOCIATION**, ("LESSOR"), and the **METROPOLITAN EMERGENCY SERVICES BOARD** ("LESSEE"), a public corporation and political subdivision of the State of Minnesota, or its successors or assigns, as provided by law, 2099 University Avenue West, St. Paul, Minnesota 55104; and

WHEREAS, LESSEE governs a region-wide public safety radio communication system as set forth in Minnesota Statutes Sections 403.20 to 403.40 ("public safety radio communication system"); and

WHEREAS, LESSEE and the State of Minnesota, through the Commissioner of Transportation, have entered into a cooperative agreement whereby LESSEE will lease space for the public safety radio communication system as the sole lessee while the Department of Transportation ("MnDOT") will own, operate, and maintain the public safety radio communication system; and

WHEREAS, the public safety radio communication system is used by multiple governmental entities; and

WHEREAS, LESSEE requires a site for the public safety communication system in the City of St. Paul, Minnesota and the public safety radio communication system has occupied space at 78 East 10th Street, St. Paul, Minnesota since April 1999; and

WHEREAS, LESSOR owns and maintains a desirable transmitting and receiving site at 78 East 10th Street, St. Paul, Minnesota; and

WHEREAS, LESSOR and LESSEE are currently parties to a written Lease which expires March 31, 2019, under the terms of which, in addition to the payment of monthly Rent, as defined therein, LESSEE has been obligated to pay for all electricity it consumes from use of its equipment; and

WHEREAS, in connection with negotiation of this Lease, the parties discovered that LESSOR has paid for all electricity used and consumed by LESSEE during the 10-year term of the existing Lease, and have agreed to address this issue by installing a submeter to measure the electricity used and consumed by LESSEE's use if its equipment on LESSOR's property; and

WHEREAS, LESSOR and LESSEE have agreed that LESSEE shall pay an estimated amount for electricity consumed by its installations during the 10-year term of the existing Lease, by lump sum payment to be made by LESSEE to LESSOR on the date of execution of this Lease; and

WHEREAS, in order to avoid a similar problem arising in the future, LESSOR and LESSEE have agreed to a procedure for the determination and payment of electricity expenses properly chargeable to LESSEE during the Term;

WHEREAS, LESSOR has an interest in facilitating the public safety radio communication system; and

WHEREAS, in order to clarify the various understandings between the parties as to the extent of the facilities and operations thereof, this Agreement is formulated and executed:

NOW THEREFORE, in consideration of the mutual promises and covenants established in this Agreement, it is hereby agreed by and between LESSOR and LESSEE as follows:

1. LEASED PREMISES

LESSOR grants and LESSEE accepts a lease of the following described Leased Premises located in the City of St. Paul, County of Ramsey, Minnesota, to-wit:

> A portion of the roof, mechanical room, and penthouse of the building located at 78 East 10th Street, St. Paul, Minnesota 55104, as shown in the Exhibit A attached hereto.

Any alteration of the equipment installed by LESSEE on the roof, in the mechanical room or penthouse of the building or to its configuration as shown on Exhibit "A," shall be subject to the reasonable approval of LESSOR prior to installation thereof.

2. TERM

The term of this Agreement is ten (10) years, commencing on April 1, 2019, and continuing through March 31, 2029.

3. TERMINATION

3.1 This Agreement may be terminated by either party for any reason upon giving other party twelve (12) months written notice of intent to cancel.

4. RENT AND OTHER FEES

4.1 As rent for the Leased Premises and in consideration for all covenants, representations and conditions of this Agreement, LESSEE agrees to pay LESSOR the total sum of Four Hundred Twenty Thousand and 00/100 dollars ($420,000.00) for the term of this Agreement, such amount to be paid in the following manner: Three Thousand Five Hundred and 00/100 dollars ($3,500.00) per month, each monthly payment to become due and payable at the end of each calendar month.

4.2 In order to compensate LESSOR for electricity consumed by LESSEE under the existing Lease which this Lease replaces, LESSEE has made a cash payment in the amount of One Hundred Thirteen Thousand Seven Hundred Fifty and 00/100 Dollars ($113,750.00) to LESSOR on the date hereof, the receipt of which is hereby acknowledged by LESSOR. LESSEE shall pay directly to M&T Electric the cost of the installation of the meter that has now been installed to measure the consumption of electricity by LESSEE and its equipment as installed. LESSEE

shall pay an estimated amount monthly for such electrical consumption based on an initial 30-day measuring period. At the end of 12 months, LESSEE's actual consumption of electricity and the charges paid by LESSOR therefor shall be reconciled and any underpayment shall be paid by LESSEE to LESSOR, and any overpayment shall be credited by LESSOR to LESSEE against the next month's electrical charges. The same estimate and reconciliation process will be followed during each year of the Term. In the alternative, the parties may cause the electrical meter to be read every month and the actual cost thereof shall be paid by LESSEE to LESSOR based upon such reading.

4.3 LESSOR represents and warrants that it is solely entitled to all rents payable under the term of this Agreement.

5. USE

5.1 LESSOR and LESSEE agree that MnDOT may use and occupy the Leased Premises for the purposes of installing, removing, replacing, operating and maintaining the public safety radio communication system.

5.2 LESSOR shall provide MnDOT with twenty-four (24) hour, seven (7) days a week, year-round access to the Leased Premises. MnDOT, its agents or contractors, are hereby granted the right, at MnDOT's sole cost and expense, to enter upon the Leased Premises to build, construct, study, test, evaluate, maintain, and operate the public safety radio communication system. However, none of said activities shall interrupt or interfere with LESSOR's, or its residents' use and enjoyment of LESSOR's property, nor shall it prevent LESSOR from making repairs, improvements, additions or replacements to LESSOR's property. Further, LESSEE acknowledges that the Leased Premises are located upon the roof of a residential condominium and can be accessed only by means of an internal stairwell. LESSEE shall comply with LESSOR's security protocols which are in place from time to time during the Term. Subject to these security protocols, LESSEE's access to the Leased Premises shall be at no additional charge and otherwise unimpeded.

6. ADDITIONAL USERS

Additional users may be added to this Agreement without LESSOR's consent if they participate in the region-wide public safety radio communication system as set forth in Minnesota Statutes Sections 403.20 to 403.30. All terms and conditions of this Agreement and any subsequent attachments shall apply to any and all new users unless specifically modified by written addendum.

7. INTERFERENCE

7.1 MnDOT's use of the Leased Premises shall not interfere with LESSOR's use of the property and LESSEE agrees to instruct MnDOT to cease all such actions which unreasonably and materially interfere with LESSOR's use thereof (in LESSOR's sole opinion).

7.2 LESSOR agrees not to grant a future lease in or on the Leased Premises to any party whose use can reasonably be anticipated to interfere with MnDOT's operation of its antenna facilities. LESSOR further agrees that in placing any future lease in or on the Leased Premises, LESSOR shall require any lessee whose use can reasonably be anticipated to interfere with MnDOT's operations to provide LESSEE with assurances against interference that are acceptable to LESSEE. LESSOR shall have the obligation to eliminate any interference with MnDOT's operations caused by such subsequent lessee.

8. LESSOR DUTIES

LESSOR agrees to maintain the Property in accordance with its current management practices, which to the best of LESSOR's knowledge it believes to be in accordance with all local, state and federal rules and regulations and shall comply with all applicable laws in exercising its management responsibilities of the Property. This may include, but is not limited to, building code, zoning, tower lighting and lighting alarm system, lighting monitoring and any other Federal Communications Commission ("FCC") or Federal Aviation Administration ("FAA") requirements; provided however that LESSOR shall not be required to make any improvements or expend any funds as a result of any equipment or improvements installed by LESSEE. Furthermore, it is agreed that any such improvements resulting from LESSEE's installation of its equipment, are the sole responsibility of LESSEE.

9. LESSEE DUTIES

9.1 All MnDOT radio communications equipment placed on the Leased Premises shall be installed, operated and maintained in accordance with all applicable rules and regulations established by the FCC.

9.2 Except as otherwise provided herein, MnDOT shall furnish all materials and services required for its use of the Leased Premises, and shall maintain the Leased Premises in a reasonably good condition and state of repair during the continuance of its tenancy, and shall surrender the Leased Premises to LESSOR at the termination of such tenancy in such condition as the same are in at the commencement of such tenancy, reasonable wear and damage by the elements excepted.

9.3 LESSEE shall perform all installation and maintenance services of the Leased Premises and the equipment therein in a good and workmanlike manner, free of liens and without causing any damage or injury to the roof or the building. LESSEE shall indemnify and hold LESSOR harmless from any claims, liabilities or injuries arising out of or relating to LESSEE's use of the Leased Premises in accordance with the terms hereof.

10. LESSEE-INSTALLED PROPERTY

Any equipment or fixtures installed by MnDOT and/or attached to the Leased Premises by MnDOT, shall remain the property of MnDOT. MnDOT shall remove the above equipment or fixtures at the expiration or termination of this Lease Agreement or any extension thereof, even though said equipment or fixtures are attached to the Leased Premises, provide that surfaces are reasonably restored to the satisfaction of LESSOR.

11. INDEPENDENT CONTRACTORS

LESSEE shall select the means, method, and manner of performing the services herein. Nothing is intended or should be construed in any manner as creating or establishing the relationship of co-partners between the parties hereto or as constituting LESSEE as the agent, representative, or employee of LESSOR for any purpose or in any manner whatsoever. LESSEE is to be and shall remain an independent contractor with respect to all services performed under this Agreement. LESSEE represents that it will secure at its own expense all personnel required in performing services under this Agreement. Any and all personnel of LESSEE or other persons engaged in the performance of any work or services required by LESSEE under this Agreement shall have no contractual relationship with LESSOR, and shall not be considered employees of LESSOR. Any and all claims that may or might arise under the Unemployment Insurance Law or the Workers' Compensation Act of the State of Minnesota on behalf of said personnel, arising out of employment or alleged employment, including, without limitation, claims of discrimination against LESSEE, its officers, agents, contractors, or employees shall in no way be the responsibility of LESSOR. Unless caused by LESSOR's negligence, or willful misconduct, LESSEE shall defend, indemnify, and hold LESSOR, its officers, agents, and employees harmless from any and all such claims. Such personnel or other persons shall neither require nor be entitled to any compensation, rights, or benefits of any kind whatsoever from LESSOR, including, without limitation, tenure rights, medical and hospital care, sick and vacation leave, Worker's Compensation, Unemployment Insurance, disability, severance pay, and Public Employees Retirement Association benefits.

12. DAMAGE TO SITE

If the Leased Premises is damaged or destroyed by acts of nature, fire or other casualty and MnDOT's equipment becomes inoperable as a result thereof, or access to the Leased Premises for purposes of required repair, maintenance, replacement, removal, installation, change, etc., is unavailable due to said acts of nature, fire or other casualty, LESSOR may elect to:

a. Terminate this Agreement upon thirty (30) days' notice to LESSEE; or

b. To repair, restore, or rehabilitate the Leased Premises at no expense to LESSEE; or

c. In the case of such destruction of or damage to the Leased Premises, LESSEE shall also have the right to terminate this Agreement upon thirty (30) days' notice to LESSOR.

LESSOR shall not be responsible to LESSEE for damage or destruction of MnDOT's equipment or other personal property in, on, or about the Leased Premises, unless caused by negligent or willful acts of LESSOR, its agents, contractors or employees.

13. INSURANCE

13.1 It shall be the duty of LESSOR and LESSEE to maintain insurance or self-insurance on their own property, both real and personal. LESSOR and LESSEE hereby release one another, their respective partners, officers, and employees from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for loss or damage covered by said insurance, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible. Notwithstanding the foregoing, the party responsible for causing any loss or damage covered by its insurance shall be entitled to be paid the deductible under such policy by the responsible party.

13.2 LESSOR and LESSEE agree that each party will be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the results thereof. MnDOT's liability shall be governed by the Minnesota Tort Claims Act, Minnesota Statutes Section 3.736, and by other applicable laws. LESSEE's liability shall be governed by Minnesota Statutes Section 466, and by other applicable laws.

14. NEW SUBLESSOR

In the event that the Leased Premises or the tower of which the same is a part shall be sold, conveyed, transferred, assigned, leased or sublet, of if LESSOR shall sell, convey, transfer, or assign this Agreement or Rents due under this Agreement, or if for any reason there shall be a change in the manner in which the rental reserved hereunder, if any, shall be paid to LESSOR proper written notice of such change must be delivered to LESSEE as promptly as possible.

15. LESSOR DEFAULT

If LESSOR shall default in the performance of any of the terms or provisions of this Agreement, LESSEE shall promptly so notify LESSOR in writing. If LESSOR shall fail to cure such default within thirty (30) days after receipt of such notice, or if the default is of such character as to require more than thirty (30) days to cure, and LESSOR shall fail to commence to do so within thirty (30) days after receipt of such notice and thereafter diligently proceed to cure such default, then in either event, LESSEE may cure such default and any reasonable and actual expenses paid by LESSEE shall be paid by LESSOR to LESSEE within ten (10) days after statement therefore is rendered. LESSEE shall have a specific right to set-off any such amounts against any rent payments or other

amounts due under this Agreement. In lieu of curing said default, LESSEE shall have the specific right to set-off against any rent payments or other amounts due under this Agreement any damages incurred through LESSOR's breach.

16. LESSEE DEFAULT

If LESSEE defaults in the performance of the terms or provisions of this Agreement, LESSOR shall promptly notify LESSEE in writing. If LESSEE shall fail to cure such default within thirty (30) days after receipt of notice, or if the default is of such character as to require more than thirty (30) days to cure, and LESSEE shall fail to commence to do so within thirty (30) days after receipt of such notice and thereafter diligently proceed to cure such default, then in either event, LESSOR may (a) terminate this Agreement and LESSEE shall immediately remove its equipment and fixtures (as provided in this Agreement) and pay to LESSOR all amounts due LESSOR under the terms of this Agreement; or (b) charge LESSEE any reasonable and actual expenses incurred by LESSOR as a direct consequence of such default, the amount of which shall be paid by LESSEE to LESSOR within 10 days after statement therefor is rendered.

17. MERGER AND MODIFICATION

17.1 It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. All items referred to in this Agreement are incorporated or attached and are deemed to be part of this Agreement.

17.2 Any alterations, variations, modifications, or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement signed by the parties hereto.

17.3 LESSEE's or LESSOR's failure to insist upon strict performance of any provision or to exercise any right under this Agreement shall not be deemed a relinquishment or waiver of the same, or a modification of this Agreement, unless consented to in writing. Such consent shall not constitute a general waiver or relinquishment throughout the entire term of the Agreement, unless specifically so stated, consistent with terms and conditions of this paragraph.

18. NOTICES

All notices or communications between LESSOR and LESSEE shall be deemed sufficiently given or rendered if in writing and delivered to the other parties personally or sent by registered or certified mail addressed as follows:

LESSOR: The Pointe of Saint Paul Condominium Association
c/o FirstService Residential
Attn: Andy Gittleman
1801 American Boulevard East, Suite 21
Bloomington, Minnesota 55425

After May 1, 2019:

c/o FirstService Residential
Attn: Andy Gittleman
8900 Old Cedar Avenue
Bloomington, Minnesota 55425

LESSEE: Metropolitan Emergency Services Board
Attn: Executive Director
2099 University Avenue West, Suite 201
St. Paul, Minnesota 55104

19. AUDIT

Pursuant to Minnesota Statutes Section 16C.05, Subdivision 5, the books, records, documents and accounting procedures and practices of LESSOR relevant to this Agreement shall be subject to examination by the State and/or Legislative Auditor during normal business hours and after reasonable notice to LESSOR.

20. MINNESOTA LAW GOVERNS

The laws of the State of Minnesota shall govern all questions and interpretations concerning the validity and construction of this Agreement and the legal relations between the herein parties and performance under it.

21. RELOCATION

LESSOR must provide LESSEE at least 60-days' written notice of any repairs, maintenance or other work (the "Work") during the Term of the Lease which may require the temporary relocation of any portion of LESSEE's equipment. LESSOR agrees that the Work will not interfere with or alter the quality of the services provided by LESSEE from the Leased Premises. LESSEE shall be responsible for all expenses incurred by LESSEE that are required to accommodate the Work.

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

THE POINTE OF SAINT PAUL
CONDOMINIUM ASSOCIATON

By:_____

Title:_____

Date:_____

METROPOLITAN EMERGENCY
SERVICES BOARD

By:_____

Title:_____

Date:_____

Reviewed by MESB Board Counsel:

By:_____

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **5B. Approval of Anoka County Government Center ARMER Lease Amendment**
Presenter: **Fredrick**

RECOMMENDATION
Staff recommends approval of the lease amendment with Anoka County for the Anoka County Government Center ARMER site to continue through March 31, 2029.

BACKGROUND
The Metropolitan Radio Board entered into a lease agreement with Anoka County for an ARMER tower site at the Anoka County Government Center in April 1999. The original agreement included the right for one option to renew the lease for an additional ten years. The MESB executed that renewal option in April 2009. The lease renewal ended on March 31, 2019.

ISSUES & CONCERNS
MESB staff and counsel worked with Anoka County on the terms of the lease amendment. The term of the proposed amendment is an additional ten years, with an option to renew for an additional ten years and follows most of the same terms and conditions as the original lease, with minor updates to language, contacts and statutory references. The lease amendment will take effect backdated to April 1, 2019, upon Board approval.

FINANCIAL IMPACT
None to the MESB. This is a no-cost lease agreement.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

AMENDMENT NO. 1 TO LEASE OF OPEN SPACE FOR THE PUBLIC SAFETY RADIO COMMUNICATION SYSTEM

THIS LEASE AGREEMENT ("Agreement") is made by and between the COUNTY OF ANOKA a political subdivision of the State of Minnesota, Anoka County Government Center, 2100 Third Avenue, Anoka, Minnesota 55303 (hereinafter referred to as "COUNTY") and the METROPOLITAN EMERGENCY SERVICES BOARD, a public corporation and political subdivision of the State of Minnesota, or its successors or assigns, as provided by law, 2099 University Ave. W., St. Paul, Minnesota 55104 (hereinafter referred to as "BOARD").

RECITALS

A. WHEREAS, BOARD is implementing the Statewide Allied Radio Matrix for Emergency Responders (hereinafter referred to as "ARMER") radio system as set forth in Minnesota Statutes 403.20 to 403.40; and

B. WHEREAS, BOARD is authorized by Minnesota Statutes Section 403.39 to contract for the construction, ownership, operation, maintenance, and enhancement of the ARMER radio system; and

C. WHEREAS, BOARD and the State of Minnesota, through the Commissioner of Transportation, have entered into a cooperative agreement whereby the BOARD will lease space for the public safety radio communication system as the sole lessee while the Department of Transportation ("MN/DOT") will own, operate, and maintain the public safety radio communication system; and

D. WHEREAS, the ARMER radio system anticipates the use of the communications system by other governmental entities; and

E. WHEREAS, BOARD requires a transmitting and receiving site for the ARMER radio system in the City of Anoka, County of Anoka, State of Minnesota; and

F. WHEREAS, COUNTY'S Government Center is a desirable transmitting and receiving site; and

G. WHEREAS, COUNTY has an interest in facilitating the ARMER radio system;

NOW THEREFORE, in consideration of the mutual promises and covenants established in this Agreement, it is hereby agreed by and between COUNTY and BOARD as follows:

AGREEMENT

1. LEASED PREMISES

1.1 COUNTY hereby leases to BOARD and BOARD hereby leases from COUNTY, for the term and upon the conditions hereinafter provided, a portion of the ARMER radio system penthouse located on the roof of COUNTY'S Government Center which is located at 2100 Third Avenue, Anoka, Minnesota, which property is more

particularly described in Exhibits A and B, which are attached hereto and incorporated herein by reference (hereinafter referred to as the "Leased Premises").

1.2 BOARD agrees that this lease for the Leased Premises is non-exclusive and that COUNTY reserves the right to use the Leased Premises for any purpose which is not incompatible with BOARD'S use of the Leased Premises as provided for herein.

2. TERM AND COMENCEMENT

The term of this Agreement shall be for ten (10) years commencing on April 1, 2019 and continuing through March 31, 2029.

3. OPTION TO RENEW

BOARD shall have the right to one option to renew this Agreement for a period of ten (10) years at the same terms and conditions as this Agreement. To exercise the above noted option, BOARD must indicate in writing its intent to exercise said option Sixty (60) days prior to the expiration date of this Agreement.

4. TERMINATION

This Agreement may be terminated by either party for any reason upon giving the other party sixty (60) days' written notice of intent to terminate. Prior to the effective date of the termination, unless otherwise agreed to in writing by the COUNTY, BOARD and its sublessees shall remove all property and equipment and debris and restore any and all damage to the Leased Premises caused by such removal.

5. USE

5.1. Subject to the terms and conditions contained herein, BOARD may use and occupy the Leased Premises for the purposes of installing, removing, replacing, operating and maintaining the ARMER radio system.

5.2. Upon prior written approval by COUNTY, BOARD may add antennas and equipment to the Leased Premises.

5.3. Upon prior written approval by COUNTY, BOARD may temporarily store equipment, materials, or supplies on the Leased Premises in order to facilitate the use of the Leased Premises as provided for herein.

6. ACCESS TO LEASED PREMISES

Subject to reasonable rules and regulations established by COUNTY, BOARD, and its sublessees, shall have twenty-four (24) hour, seven (7) day a week, year-round access to the Leased Premises During normal business hours, access to the Leased Premises shall be arranged through COUNTY'S Property Management Department. During non-business hours, access shall be arranged through COUNTY'S Central Communications Department.

7. ASSIGNMENT AND SUBLETTING

7.1. BOARD shall not assign, transfer, mortgage or encumber the Leased Premises without COUNTY'S prior written consent.

7.2. Subject to the terms and conditions of this Agreement, and subject to COUNTY'S approval, BOARD may sublease a portion of the Leased Premises to another governmental entity for the purpose of installing, maintaining and operating the

ARMER radio system.

8. INSTALLATION OF ARMER EQUIPMENT

8.1. Prior to installation of any equipment on the Leased Premises, BOARD and any of its sublessees shall submit to COUNTY all technical site plans and specification, including but not limited to equipment placement drawings, frequency and antenna wind load calculations. All technical site plans and specifications shall be approved by COUNTY in writing prior to the installation of any such equipment. Neither BOARD nor any of its sublessees shall make any material modifications or changes to its equipment without COUNTY'S prior written approval. Material modifications shall be defined as an increase in the equipment or any attachments, or an increase in the number of antennae, or an increase in the antenna wind loading, or an increase in the total effective radiated power, or changes in the operating frequencies of the equipment located on the Leased Premises.

8.2. All ARMER radio system equipment located, installed, operated, and maintained on the Leased Premises shall be done in accordance with all applicable rules and regulations established by the Federal Communications Commission.

9. PRIORITY OF USE

COUNTY and BOARD agree that the following priorities of use, in descending order, shall apply in the event of a communication interference or other conflict, while this Agreement is in effect, and BOARD'S and its sublessees use of the Leased Property shall be subordinate accordingly:

a. COUNTY

b. BOARD, Public safety agencies, including law enforcement, fire, and ambulance services.

c. Other governmental agencies where use is not related to public safety.

d. Government-regulated fee-for-service entities, including long distance and cellular telephone firms.

e. Other, including radio and television broadcasters and cable television distributors.

10. INTERFERENCE

10.1. Interference with the Property

BOARD'S use of the Leased Premises shall not interfere with COUNTY'S use of the Property - including the Leased Premises - and BOARD agrees to cease all such actions which unreasonably and materially interfere with COUNTY'S use thereof no later than three (3) business days after receipt of written notice from COUNTY of the existence of interference, except for intermittent testing. In the event that such cessation frustrates BOARD'S use of the Leased Premises, BOARD shall have the immediate right to terminate this Agreement.

10.2. Interference with Higher Priority Users

In the event that BOARD'S antenna facilities cause impermissible interference with higher priority users as set forth under Clause 11 of this Agreement, BOARD shall take all measures necessary to correct and eliminate the interference. If the interference cannot be eliminated within 48 hours after receiving COUNTY'S written notice of

interference, BOARD shall immediately cease operating its antenna facilities and shall not reactivate operation, except intermittent operation for the purpose of testing, until the interference has been eliminated. In the event that the interference cannot be eliminated within 90 days of BOARD'S receipt of COUNTY'S written notice of interference, COUNTY may, at COUNTY'S option, immediately terminate this Agreement.

10.3. Interference Study, New Occupants

Upon written notice from COUNTY that COUNTY has a bona fide request from any third party to lease antenna space in close proximity to the Leased Premises, BOARD agrees to provide COUNTY, within 60 days, the radio frequencies currently in operation, or to be in operation in the near future, on the Leased Premises. COUNTY may, at COUNTY'S sole discretion and at COUNTY'S or the prospective lessee's expense, have an independent, registered Professional Engineer perform such interference studies as are necessary to determine if the prospective lessee's frequencies will cause harmful radio interference to BOARD.

10.4. Interference, New Occupants

COUNTY shall not grant a future lease in or on the Property to any party who is of equal or lower priority to BOARD if such party's use is reasonably anticipated to interfere with BOARD'S operation of its antenna facilities. COUNTY further agrees that in placing any future lessee in or on the Property, COUNTY shall require any subsequent lessee of lower priority to BOARD to provide BOARD with assurances against interference that are acceptable to BOARD. COUNTY shall have the obligation to eliminate any interference with BOARD'S operations caused by such subsequent lessee. If such interference is created and not eliminated within 48 hours of BOARD giving notice of interference to COUNTY, BOARD shall have the right to terminate this Lease Agreement or seek injunctive relief against the interfering party, at COUNTY'S expense.

10.5. Sublessee Contractual Provisions

County and BOARD agree that any sublease that either party may enter into shall contain provisions obligating any sublessee to comply with the provisions of this lease.

11. FIRE OR OTHER CASUALTY

If the Leased Premises is partially damaged by fire or other cause, COUNTY shall, at its option, either (a) undertake to restore such damage to the Leased Premises to the condition it was in prior to such casualty with all due diligence; or (b) in the event the Leased Premises is damaged by fire or other cause to such extent that damage cannot, in COUNTY'S sole judgment, be economically repaired within ninety (90) days after the date of such damage (taking into account the time necessary to effectuate a satisfactory settlement with any insurance company and using normal construction methods without overtime or other premium), terminate this Agreement, by notice given to BOARD within sixty (60) days after the date of the damage. In the case of damage to the Leased Premises, BOARD shall also have the right to terminate this Agreement upon sixty (60) days' notice to COUNTY. If COUNTY elects to restore, COUNTY shall not be obligated to restore any improvements in the Leased Premises which were not owned and constructed by COUNTY.

This Agreement shall, unless terminated by the COUNTY pursuant to the provisions herein, remain in full force and effect following such damage, and, in the case of damage to the Leased Premises, the rent shall be prorated to the extent that the Leased Premises is rendered untenantable, and shall be equitably abated until such repairs are completed.

12. INSURANCE

12.1. BOARD agrees to purchase in advance and to carry in full force and effect "All Risk"

property insurance covering the full replacement value of all of the BOARD'S leasehold improvement trade fixtures, and personal property within the Leased Premises. BOARD'S sublessees shall also purchase in advance and carry in full force and effect "All Risk" property insurance covering the full replacement value of all of the leasehold improvements, trade fixtures, and personal property within the Leased Premises.

12.2. COUNTY agrees to purchase in advance and to carry in full force and effect "All Risk" property insurance coverage on the Leased Premises, exclusive of the BOARD'S leasehold improvements, in such amount as the COUNTY deems prudent.

13. INDEMNIFICATION AND LIABILITY

Subject to exceptions and limitations provided by law, including but not limited to those contained in Minnesota Statutes, Chapter 466, the BOARD and COUNTY agree to indemnify, save, and hold each other harmless, including their respective elected officials, officers, agents, volunteers and employees, from any and all claims, losses, costs, expenses or damages of any nature resulting from the acts or omissions of their respective officers, agents, or employees relating to activities conducted under this Agreement.

14. WAIVER OF CLAIMS AND SUBROGATION

Notwithstanding any other provision in this Agreement to the contrary, COUNTY, BOARD, and BOARD' sublessees hereby release one another from any and all liability or responsibility (to the other or anyone claiming through or under them by way of subrogation or otherwise) for any loss or damage covered by property insurance or coverable by a customary policy of the insurance required herein, even if such loss or damage shall have been caused by the fault or negligence of the other party, o anyone for whom such party may be responsible.

15. SURRENDER; HOLDING OVER

Upon the expiration of this Agreement or the earlier termination of BOARD'S right to possession, BOARD shall immediately vacate the Leased Premises and cause any of its sublessees to vacate the Leased Premises and remove all of its and/or sublessee's property therefrom and leave the Leased Premises in the condition required by this Agreement. Should BOARD continue to occupy the Leased Premises or any part thereof, after the expiration or termination of this Agreement, whether with or without the consent of COUNTY, such tenancy shall be from month-to-month and BOARD shall pay COUNTY the rent/operating costs as provided for herein. If BOARD'S holdover is without the consent of COUNTY, neither this Section nor the acceptance of any rent hereunder shall prevent COUNTY from exercising any remedy to regain immediate possession of the Leased Premises.

16. MERGER AND MODIFICATION

16.1. It is understood and agreed that the entire Agreement between the parties is contained herein and that this Agreement supersedes any previous written agreements, all oral agreements, and all negotiations between the parties relating to the subject matter hereof. All items referred to in this Agreement are incorporated or attached and are deemed to be part of this Agreement.

16.2. Any alterations, variations, modifications, or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing as an amendment to this Agreement signed by the parties hereto.

16.3. BOARD or COUNTY'S failure to insist upon strict performance of any provision or to exercise any right under this Agreement shall not be deemed a relinquishment or waiver of the same or a modification of this Agreement, unless consented to in writing. Such consent shall not constitute a general waiver or relinquishment throughout the entire term of the Agreement, unless specifically so stated, consistent with terms and conditions of this paragraph.

17. NOTICES

All notices or communications between COUNTY and BOARD shall be deemed sufficiently given or rendered if in writing and delivered to the other parties personally or sent by registered or certified mail addressed as follows:

COUNTY: Anoka County
Attn: Central Communications Manager
Central Communications-911
2100 Third Avenue
Anoka, Minnesota 55303

BOARD: Metropolitan Emergency Services Board
Attn: Executive Director
2099 University Ave W
St. Paul, Minnesota 55104

IN WITNESS WHEREOF, the parties have set their hands on the date(s) indicated below intending to be bound thereby.

COUNTY OF ANOKA

By: _____
Jerry Soma
County Administrator

Dated: _____

By: _____
Valerie Sprynczynatyk
Central Communications Manager

Dated: _____

APPROVED AS TO FORM

By: _____
Bryan Frantz
Assistant County Attorney

Dated: _____

METROPOLITAN EMERGENCY SERVICES BOARD

By: _____
Fran Miron
Board Chair

Dated: _____

APPROVED AS TO FORM

By: _____

Its: _Board Counsel_____

Dated: _____

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: May 8, 2019
Agenda Item: 5C. Approval of Amendments to Univ. of Minnesota ARMER Participation Plan
Presenter: Fredrick

RECOMMENDATION
The Radio Technical Operations Committee recommends the Board approve the amendments to the University of Minnesota's ARMER participation plan.

BACKGROUND
The University of Minnesota received approval of its original ARMER participation plan from the Metropolitan Radio Board in May 2004 and its Cooperative Agreement with the Board and MnDOT was executed in March 2005.

ISSUES & CONCERNS
The University of Minnesota requests approval of amendments to its ARMER participation plan to add Console Alias Manager (CAM) and a network management client PC to its plan.

CAM allows dispatchers to modify radio aliases directly from the console, which allows for flexibility and timeliness in emergency situations.

The network management client PC will allow the University's ARMER system administrator to make modifications quickly in software and allow remote access to the system. The University's ARMER system administrator has completed the necessary training to allow access to the network management client.

FINANCIAL IMPACT
None to the MESB.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

UNIVERSITY OF MINNESOTA

Twin Cities Campus

Department of Public Safety
Emergency Communications

University Office Plaza – Suite 123
2221 University Avenue S.E.
Minneapolis, MN 55414
Office: (612)624-7828

April 17th, 2019

Tracey Fredrick
Metropolitan Emergency Services Board
2099 University Avenue W.
St. Paul, MN 55104

Dear Tracey,

The University of Minnesota PSAP would like to submit a formal request for modification to our agency's participation plan for ARMER.

The University is seeking to add a Console Alias Manager (CAM) server to allow our dispatchers the ability to modify radio aliases directly from the console. Our agency frequently utilizes part-time officers to support large events and provides portable radios to those officers. The ability to modify the radio alias from the console will assist with quickly identifying the personnel in possession of the radio, should an emergency occur. It will also be helpful for circumstances where our officers are using resources other than the ones assigned to them.

We would also like to submit a request to add a Network Manager PC. I have recently completed the ARMER Level 2 System Administrator training required by standard. This PC will allow me the ability to make any necessary modifications to the University's resources in Provisioning Manager. It could also serve to provide other administrators who have completed the training with remote access to the system.

The University appreciates your consideration.

Sincerely,

Jeff Lessard, Director
University of Minnesota
Department of Public Safety
Emergency Communications Center

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **6A. Approval of Amendment to State/ CenturyLink/MESB 9-1-1 Contract**
Presenter: **Eggimann**

RECOMMENDATION
Staff recommend the Board approve the amendment to the State/CenturyLink/MESB 9-1-1 contract.

BACKGROUND
At the November 9, 2016 meeting, the MESB approved a contract between the State of Minnesota, CenturyLink and MESB for the 9-1-1 system in the state. The MESB approved a one-year extension of the agreement in November 2018.

ISSUES & CONCERNS
CenturyLink and the State of Minnesota wish to amend the 9-1-1 system contract to reflect the addition of network resources to support a hosted call handling system provided by Motorola Solutions (Vesta) for 14 PSAPs in greater Minnesota. The contract amendment will clarify pricing for this change.

At the time of this writing, the contract was received by MESB staff, but has not been reviewed by MESB counsel. Such review should occur prior to the May 8, 2019 MESB meeting, as both the State of Minnesota and CenturyLink are aware that any delay will delay MESB approval of the amendment until July 2019.

FINANCIAL IMPACT
None to the MESB.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

Office of State Procurement
112 Administration Building
50 Sherburne Avenue
St. Paul, MN 55155
Voice: 651.296.2600
Fax: 651.297.3996

April 30, 2019

Rhonda Kriss
Qwest Communications Company, LLC
d/b/a CenturyLink QCC
200 South 5th Street, Floor 20
Minneapolis, MN 55402

Dear Ms. Kriss:

The following documents are enclosed for you to complete and return:

- Amendment No. 03 to SWIFT Contract No 116669, Release No. T-730.

Please sign and return all sets of documents, electronically to matt.hassenstab@state.mn.mn by **May 07, 2019**.

If the Amendment is not properly executed it will be returned to you. Upon receipt of the properly executed document, and after signatures are obtained from the appropriate State authorities, a copy of the completed Amendment will be sent to your company.

If you have any questions, please feel free to contact me.

Sincerely,

Matt Hassenstab
Buyer III

Enclosures

INSTRUCTIONS

Return the signed sets of documents to the OSP office.

REQUIRED SIGNATURES:

- The documents must be signed by an **officer** of your company, e.g., president, vice president, assistant vice president, corporate secretary, assistant corporate secretary, treasurer, or assistant treasurer.
- If your company is a corporation, the signature of one corporate officer is binding. If your company is a partnership, the signature of one partner is binding.

  If someone other than the corporate officers listed above signs the document (e.g., manager, sales manager, executive assistant, etc.), evidence of his or her authority to do so must accompany the document. The evidence can be either:

  → A corporate power of attorney, or

  → A **certified copy** of a board resolution authorizing the alternate signature with a letter attached and signed by a corporate officer stating the resolution is in force and effective.

AMENDMENT NO. 03 TO CONTRACT NO. 116669 RELEASE NO. T-730

THIS AMENDMENT is by and between the State of Minnesota, acting through its commissioner of Administration ("State"), and Qwest Communications Company, LLC, d/b/a CenturyLink QCC, 200 South 5th Street, Floor 20, Minneapolis, MN 55402 ("Contract Vendor").

WHEREAS, the State has a Contract with the Contract Vendor identified as Contract No. 116669, November 30, 2016 through November 30, 2019 ("Contract"), to provide Telecom: Next Gen 911 Network; and

WHEREAS, Minn. Stat. § 16C.03, subd. 5, affords the commissioner of Administration, or delegate pursuant to Minn. Stat. § 16C.03, subd. 16, the authority to amend contracts; and

WHEREAS, the terms of the Contract allow the State to amend the Contract as specified herein, upon the mutual agreement of the Office of State Procurement and the Contract Vendor in a fully executed amendment to the Contract.

NOW, THEREFORE, it is agreed by the parties to amend the Contract as follows:

1. That CenturyLink Communications LLC will perform services detailed in Exhibit A for the prices listed. The contract terms and conditions remain the same.

2. That as long as the State is in compliance with its obligations under this Amendment, the State will receive a one-time Credit in the amount of $12,000 (the "Credit"). The Credit will appear on the 3rd invoice after the Amendment Effective Date. CenturyLink will carry any excess Credit over to the next monthly billing period(s) until fully applied to the State's invoices. If the Amendment is terminated by the State for Convenience or by CenturyLink for Cause prior to the conclusion of the Term, CenturyLink may charge Customer an amount equal to the Credit Customer received under this section.

This Amendment is effective beginning May 01, 2019 or upon the date that the final required signatures are obtained, whichever occurs later, and shall remain in effect through contract expiration, or until the Contract is canceled, whichever occurs first.

Except as herein amended, the provisions of the Contract between the parties hereto are expressly reaffirmed and remain in full force and effect.

Remainder of this page left intentionally blank.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed intending to be bound thereby.

1. CENTURYLINK COMMUNICATIONS, LLC.
The Contractor certifies that the appropriate person(s) have executed this Amendment on behalf of the Contractor as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

2. ATTORNEY FOR METROPOLITAN EMERGENCY SERVICES BOARD
Attorney: Approved as to form.

By: _____

Title: _____

Date: _____

3. METROPOLITAN EMERGENCY SERVICES BOARD

By: _____

Title: _____

Date: _____

4. DEPARTMENT OF PUBLIC SAFETY ENCUMBRANCE VERIFICATION
Individual certifies that funds have been encumbered as required by Minn. Stat. §§ 16A.15 and 16C.05.

Signed:_____

Date: _____ Order No._____

5. DEPARTMENT OF PUBLIC SAFETY

By: _____

Title: _____

Date: _____

6. OFFICE OF STATE PROCUREMENT
In accordance with Minn. Stat. ' 16C.03, Subd. 3.

By: _____

Title: Acquisition Management Specialist_____

Date: _____

7. COMMISSIONER OF ADMINISTRATION
Or delegated representative.

By: _____

Date: _____

EXHIBIT A

Product	Type	Qty	Location	Service Address	Service Details	Service Attributes	Term (Months)	MRC	NRC	Waived NRC
IQ Networking	New	1		419 HARRISON ST BLDG SIBLEY GAYLORD MN 55334	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		419 HARRISON ST BLDG SIBLEY GAYLORD MN 55334	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$593.00	$600.00	$600.00
IQ Networking	New	1		415 JEFFERSON ST S BLDG WADENA WADENA MN 56482	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		415 JEFFERSON ST S BLDG WADENA WADENA MN 56482	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$253.00	$600.00	$600.00
IQ Networking	New	1		600 BRUCE ST BLDG POLK CROOKSTON MN 56716	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		600 BRUCE ST BLDG POLK CROOKSTON MN 56716	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$648.00	$600.00	$600.00
IQ Networking	New	1		311 N MAIN ST BLDG MAHNOMEN MAHNOMEN MN 56557	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		311 N MAIN ST BLDG MAHNOMEN MAHNOMEN MN 56557	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$253.00	$600.00	$600.00
IQ Networking	New	1		440 NE 1ST AVE BLDG ITASCA GRAND RAPIDS MN 55744	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		440 NE 1ST AVE BLDG ITASCA GRAND RAPIDS MN 55744	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$423.00	$600.00	$600.00
IQ Networking	New	1		216 7TH AVE W BLDG DOUGLAS ALEXANDRIA MN 56308	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		216 7TH AVE W BLDG DOUGLAS ALEXANDRIA MN 56308	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$313.00	$600.00	$600.00
IQ Networking	New	1		115 3RD ST S BLDG TODD LONG PRAIRIE MN 56347	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		115 3RD ST S BLDG TODD LONG PRAIRIE	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$503.00	$600.00	$600.00

IQ Networking	New	1		417 S COURT ST BLDG OTTER TAIL FERGUS FALLS MN 56537	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		417 S COURT ST BLDG OTTER TAIL FERGUS FALLS MN 56537	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$253.00	$600.00	$600.00
IQ Networking	New	1		400 COLORADO AVE BLDG STEVENS MORRIS MN 56267	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		400 COLORADO AVE BLDG STEVENS MORRIS MN 56267	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$593.00	$600.00	$600.00
IQ Networking	New	1		130 E MINNESOTA AVE BLDG POPE GLENWOOD MN 56334	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		130 E MINNESOTA AVE BLDG POPE GLENWOOD MN 56334	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$383.00	$600.00	$600.00
IQ Networking	New	1		401 BIELENBERG DR WOODBURY MN 55125	IQ Networking Port - Private	Tiered 1000BT 1000 Mbps	30 Months	$1,230.00	$325.00	$325.00
Local Access	New	1		401 BIELENBERG DR WOODBURY MN 55125	ELA Native Single-CoS High	CenturyLink (CLPA) GIG E 1G	30 Months	$1,000.00	$600.00	$600.00
IQ Networking	New	1		2201 23RD ST NE WILLMAR MN 56201	IQ Networking Port - Private	Tiered 1000BT 1000 Mbps	30 Months	$1,230.00	$325.00	$325.00
Local Access	New	1		2201 23RD ST NE WILLMAR MN 56201	ELA Native Single-CoS High	CenturyLink (CLPA) GIG E 1G	30 Months	$1,000.00	$600.00	$600.00
IQ Networking	New	1		401 CARVER RD BLDG BLUE EARTH MANKATO MN 56001	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		401 CARVER RD BLDG BLUE EARTH MANKATO MN 56001	ELA Native Single-CoS Low	CenturyLink (CLPA) Fast E 10M	30 Months	$303.00	$500.00	$500.00
IQ Networking	New	1		102 2ND ST NW ELBOW LAKE MN 56531	IQ Networking Port - Private	Flat 3XDS1 4.5 Mbps	30 Months	$214.00	$325.00	$325.00
Local Access	New	1		102 2ND ST NW ELBOW LAKE MN 56531	Special Access	CenturyLink (CLPA) 4.5M	30 Months	$2,256.00	$1,308.00	$1,308.00
IQ Networking	New	1		102 1ST ST W THIEF RIVER FALLS MN 56701	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00

Local Access	New	1		102 1ST ST W THIEF RIVER FALLS MN 56701	ELA Native Single-CoS High	CenturyLink (CLPA) Fast E 10M	30 Months	$383.00	$600.00	$600.00
IQ Networking	New	1		15 S WASHINGTON ST BLDG BROWN NEW ULM MN 56073	IQ Networking Port - Private	Tiered 10BT 10 Mbps	30 Months	$217.00	$325.00	$325.00
Local Access	New	1		15 S WASHINGTON ST BLDG BROWN NEW ULM MN 56073	ELA Native Single-CoS Low	CenturyLink (CLPA) Fast E 10M	30 Months	$233.00	$0.00	
							Service Sub Total:	**$14,885.00**	**$0.00**	

Service(s) Total		
	Monthly Recurring Charges ($)	**Non-Recurring Charges ($)**
Total	$14,885.00	$0.00

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **7A. Approval of FY2020-2021 EMSRB Grant Proposal**
Presenter: **Robinson**

RECOMMENDATION
Staff recommend the Board approve the grant proposal for the FY2020-2021 Emergency Medical Services Regulatory Board (EMSRB) Emergency Medical Services Fund and Emergency Medical Services Relief Account Grants.

BACKGROUND
The EMSRB provides two grants to each of the eight EMS regions on a bi-annual basis, the EMS System Support Grant and the EMS Relief Account Grant. The Relief Account Grant provides funds derived from seatbelt fines. The regional EMS grants are authorized in Minnesota Statutes 144E.50. These grants are awarded based on the responses to an EMSRB request for proposal.

ISSUES & CONCERNS
The EMSRB announced the Request for Proposals (RFP) for the regional EMS systems grants April 15, 2019. The deadline for submission is Monday, May 15, 2019. The EMSRB will evaluate the proposals and award grant during its June meeting.

MESB staff and the EMS TOC developed a two-year work plan for the grants. The work plan includes:
PERSONNEL TRAINING

- Provide Incident Command System classes.
- Provide leadership classes.
- Provide Advanced Medical Life Support classes.
- Provide Advanced trauma care classes.
- Provide Wellness and peer support classes.
- Provide Ambulance strike team classes.

METRO EMS SYSTEM COORDINATION

- Maintain the EMS Multi-Agency Coordination Center (EMSMACC).
- Support regional EMS surge activities such as exercises.

PUBLIC SAFETY COOPERATION

- Provide 3ECHO trainings support.
- Coordinate first responder naloxone programs.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL

METROPOLITAN EMERGENCY SERVICES BOARD

Meeting Date: **May 8, 2019**
Agenda Item: **7A. Approval of FY2020-2021 EMSRB Grant Proposal**
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- Involve other public safety disciplines in MESB EMS trainings.
- Continue funding support of the Metro Critical Incident Stress Management (CISM) team.

HEALTHCARE FACILITIES INVOLVEMENT
- Coordinate the Mn Metro Regional Trauma Advisory Council (MMRTAC).
- Continue EMS leadership role and participation Metro Region Healthcare Coalition.
- Ensure EMS participation in regional and statewide planning and exercises.

COMMUNICATION SYSTEMS
- Maintain EMS radio cache and communication trailer.

PUBLIC INVOLVEMENT
- Maintain Public side of website.
- Provide regional EMS agencies with materials for outreach programs such as telephone first aid flip charts, pertinent information regarding regional health emergencies such as pandemic outbreaks, and emergency health care preparedness.

EQUIPMENT
- Maintain the Multiple Casualty Incident (MCI) response bus.
- Maintain ambulance strike team assets- shelters, generators, and patient care cache.
- Replace dated computers.
- Remodel equipment under-carriage storage compartment on MCI bus.
- Update displays in EMSMACC.

A draft work plan and budget will be made available at the Board meeting.

FINANCIAL IMPACT
The amount of grant funds available via these two grants are strictly forecasted based upon FY2018-2019 funds. There are efforts at the Legislature to increase the amount of funding available via the EMS System Support Grant; as of this writing, it appears that an increase has been included in omnibus spending bills. Because the amount of funds available is currently unknown, the grant is written to be scalable in case additional funding is secured.

MOTION BY:
SECONDED BY:
MOTION:

PASS/FAIL