

**Metro Emergency Operations Center
Finance Committee/Executive Board
December 11, 2018
Minutes**

Present: Jennifer Herral
Keith Vititoe, for Kent Carper
Sheriff Mike Rutherford
Grant Gunnoe (11:24)
Derek Johnson
Chuck Boggs

Staff: John Rutherford
Russell Emrick
Rick McElhaney
Lindsay White
Amy Larch
Joanna Edwards

Guests: Chris Lambert
Sarah Crouse

Jennifer Herral called the meeting to order at 11:02 a.m., roll call was noted.

Motion was made to approve the Executive Board minutes from September 25, 2018.

Motion: M. Rutherford

Second: Johnson

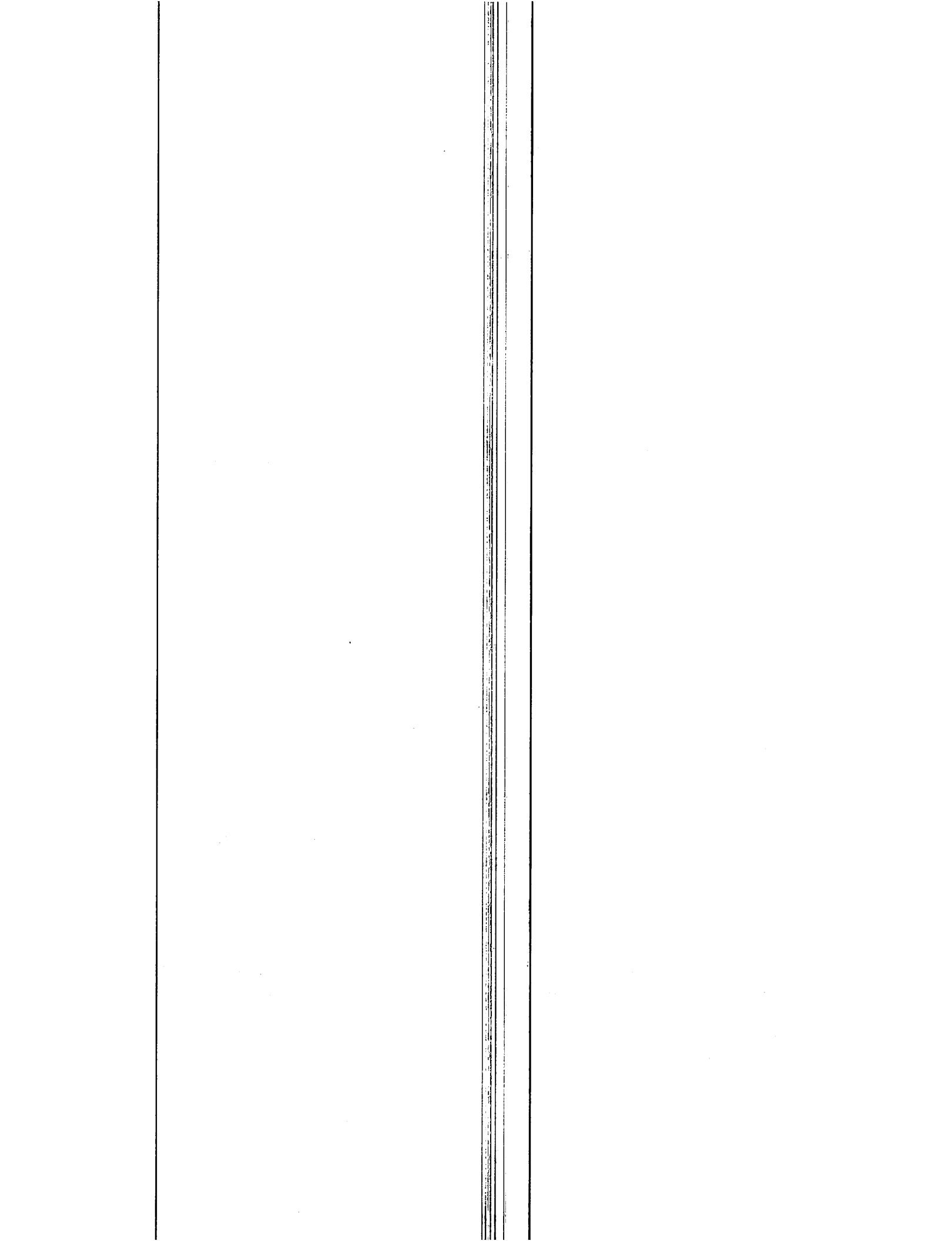
The motion carried unanimously.

Presentation of the FY18 Audit Report

Lindsay White stated this was year two of a three-year contract with Suttle & Stalnaker.

Sarah Crouse commended Lindsay White, Joanna Edwards, and the rest of the financial team for their organization and collaboration.

Sarah Crouse explained Metro's Balance Sheet. Crouse stated that Metro had received an Unmodified Opinion on the Independent Auditor's Report, which is the best opinion you can receive. Crouse stated that Metro's Cash and Cash Equivalents had increased by \$1.1 million, largely due to the landline increase a few years ago. Crouse stated that pre-paid assets increased by \$219,000 due to three new Frontier contracts. Crouse stated that Metro's Deferred Loss on Debt Refunding shows a consistent balance, but other Deferred Outflows of Resources have fluctuated due to GASB68's release in 2015. Under Liabilities, Crouse stated that Metro's Accounts Payable had increased by around \$400,000, related primarily to the timing of a phone upgrade and some radio projects. Crouse stated that there was a new line of around \$100,000 under Unearned Revenue due to inflated remittances that Metro had received during the year. Crouse stated that



Metro's current portion of Capital Lease Payable had decreased by \$103,000 to \$0 due to paying off capital leases. Crouse stated that in Non-Current Liabilities, Metro had normal bond payments that helped decrease non-current portion of Bonds Payable by \$313,000 by making normally scheduled payments on bonds. Crouse stated that Metro's Net Pension Liability decreased by a little over \$1 million and Deferred Inflows had significant variances, both also related to GASB68. Crouse stated Metro did not control these numbers, but they were provided and must be included in the financial statements. Crouse stated that under Net Position, there was not a big change in Net Investment in Capital Assets, but there was a significant change in Unrestricted Net Position, primarily related to income from unrestricted sources.

Sarah Crouse stated that several numbers on the Income Statement were consistent year-to-year. Crouse stated that Telephone Fees were down about \$250,000, primarily related to landline usage, although there was still a buildup of Metro's cash over prior year. Crouse stated that in Operating Expenses, Metro had an increase of around \$230,000 in Wages and Related Benefits due to more employees, full-time raises, and a \$500/year increase across the board. Crouse stated under Non-Operating Income and Expenses, Investment Income increased by \$37,000 from Metro's investment with IMB accruing interest. Crouse stated there was other income that had increased by \$63,000, due to a retainage credit from Frontier and county mapping fees. Crouse stated that Operating Income and Income before Capital Grants and Contributions were both down. Crouse stated the Intergovernmental Grants and Contributions were primarily due to vehicle donations. Crouse stated that Metro's Net Income was \$1.1 million and End of Year Net Position of almost \$7.2 million.

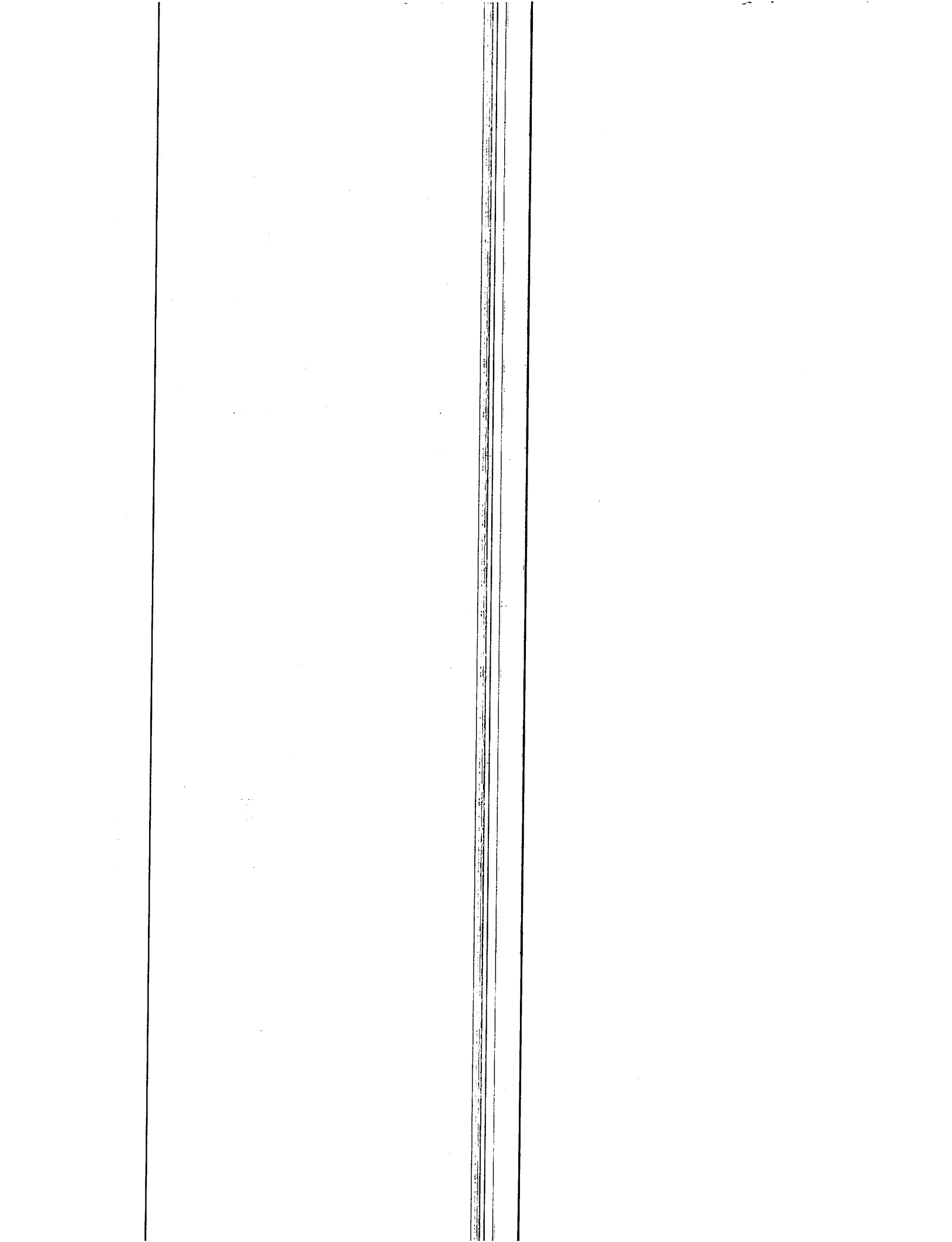
Lindsay White and Sarah Crouse gave an explanation of the GASB68 standard and how it affects Metro's financial statements.

Sarah Crouse stated there were no material problems found within internal control during the audit and explained various documents within the audit packets. Crouse stated that all Metro's financial notes and disclosures had been neutral, consistent, and clear, and there were no difficulties encountered while performing the audit, including disagreements with management. Crouse stated that the only Reported Audit Adjustment, or journal entry, was to take OPEB off the books due to the county agreeing to put it on their books moving forward, and Metro should not expect to see this in the future. Crouse stated there were no uncorrected misstatements.

Lindsay White, Joanna Edwards, and Amy Larch were commended by John Rutherford and other board members for their work on Metro's financials.

Finance Update

FY19 F/S YTD – Lindsay White stated Metro's Current Assets Including Prepaid Expenses were \$6.2 million as of the end of October. White stated the Long-Term Debt balance, which now just included bonds, was right at \$1 million with a pay-off date of three years. White stated the Landline Revenues were down compared to budget year-to-date



by 1.7%, or approximately \$30,000, and down 5.3% from the previous year. White stated the Wireless Revenues were up by 10%, or \$110,000, compared to budget and previous year-to-date. White stated the Wages and Benefits Expense was down 3% compared to budget and up 1.3% to the previous year. White stated Operating Expenses were down by 5% to budget and up by the same to the previous year.

Lindsay White stated that Metro had completed the Homeland Security Grant requirements, which Russell Emrick and Rick McElhaney would speak to, and had received the \$200,000 reimbursement for it.

Purchasing

Conduit Leak – John Rutherford stated that Metro had a leak that was causing water to enter the building and it had been difficult to stop due to Metro's position on the hillside. Rutherford stated that Metro had spent approximately \$15,000 in attempts to get it repaired and would be requesting a motion from the Board to allow him to spend what funds were necessary to move forward with repairs, with updates being provided to the Board President and Finance Chair. Rick McElhaney and Grant Gunnoe gave a brief explanation of how the conduit leak was discovered, what the vendor's course of action would be to fix it permanently, and how it would affect operations at Metro.

Chuck Boggs inquired about replacing the conduits and only using one instead of six. Rick McElhaney stated that Metro had received a quote that replacing them completely would be over \$60,000 and it would be approximately 2-3 weeks of work.

Motion was made to give Director Rutherford authority to move forward with the costs associated to fixing the conduit leak, with updates being provided to Jennifer Herrald and Grant Gunnoe.

Motion: Vititoe

Second: Boggs

The motion carried unanimously.

Upcoming Procurement

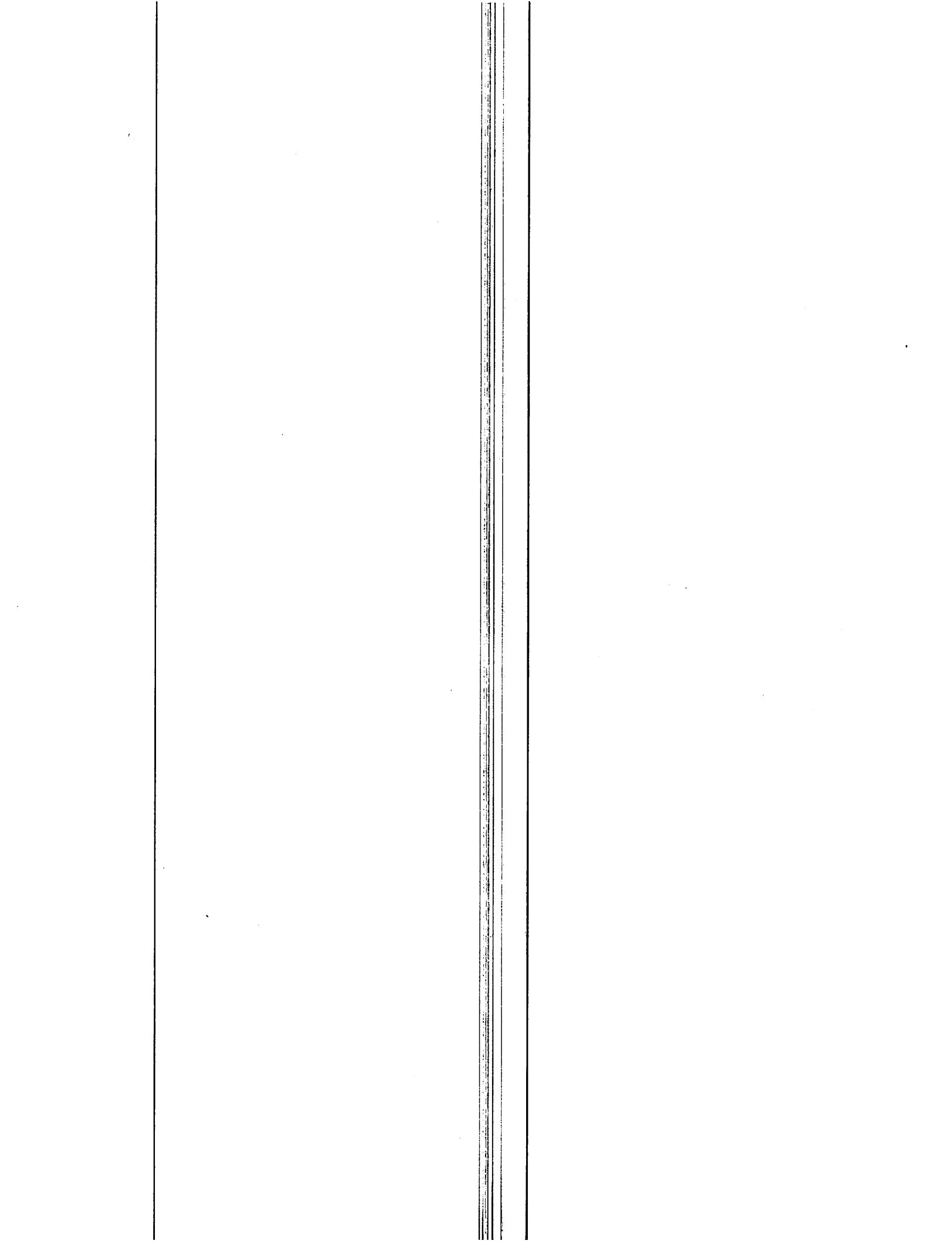
IT Procurement – Russell Emrick stated Metro had received quotes from Dell for two different types of IT hardware maintenance. Emrick stated that one quote was for three years of maintenance at \$8,883.30 and one was for end of life maintenance for one year at \$3,346.20, both of which were sole source because they were for maintenance on Dell products. Emrick stated that Metro was requesting approval for the combined total of the two quotes, which was \$12,229.50.

Motion was made to approve Dell quotes for 3-year maintenance at \$8,883.30 and 1-year maintenance at \$3,346.20.

Motion: Herrald

Second: Vititoe

The motion carried unanimously.



Russell Emrick stated that Metro only had two quotes for VMWare at this time, so they would be requesting up to the amount of the lower of the two while pursuing a third quote.

Motion was made to approve the purchase of VMWare maintenance and software updates up to the amount of \$8,172.84, and an add-on license for the Alternate PSAP in the amount of \$6,793.43, totaling \$14,966.27.

Motion: Johnson

Second: Gunnoe

The motion carried unanimously.

Radio Procurement-Radio Tower Repair – Russell Emrick stated that the purchase orders for phases one and two of the radio project had been issued, and Jim Mangus was waiting on coordination from NPR and the (National) Weather Service and better weather before moving forward. Emrick stated that the purchase order for the Metro tower repair had been issued as well, and Mangus was hoping to get it scheduled for the spring.

Legislative Actions

John Rutherford stated the main goal was to keep 911 funds within Metro. Rutherford stated that administration was also pushing for 20-year retirement from Metro due to the stress of the job causing so few telecommunicators to be able to have long careers here. Rutherford stated that Metro had been in contact directly with Senator Takubo about this matter, and he was in support of it.

Old Business – Lindsay White stated that Metro needed to ask for a couple budget amendments, which were as follows: a \$400 increase to postage, a \$28,000 increase each to 1. KC-1 and EOC expense and 2. Intergovernmental income*, a \$20,000 increase to M&R grounds expense**, a \$1,500 increase to building expense and decrease to supplies (janitorial expense)***, and a \$20,400 increase to wireless fees revenue.

**These items were presented in the cash flow projection at net \$0.00, or cancelling each other out, instead of each at gross. The bottom line effect is zero.*

***This increase was due to the unforeseen expenses of the conduit leak repairs.*

****Increase was due to the installation of hand dryers in all Metro bathrooms, and decrease was due to the estimated related savings in janitorial supplies.*

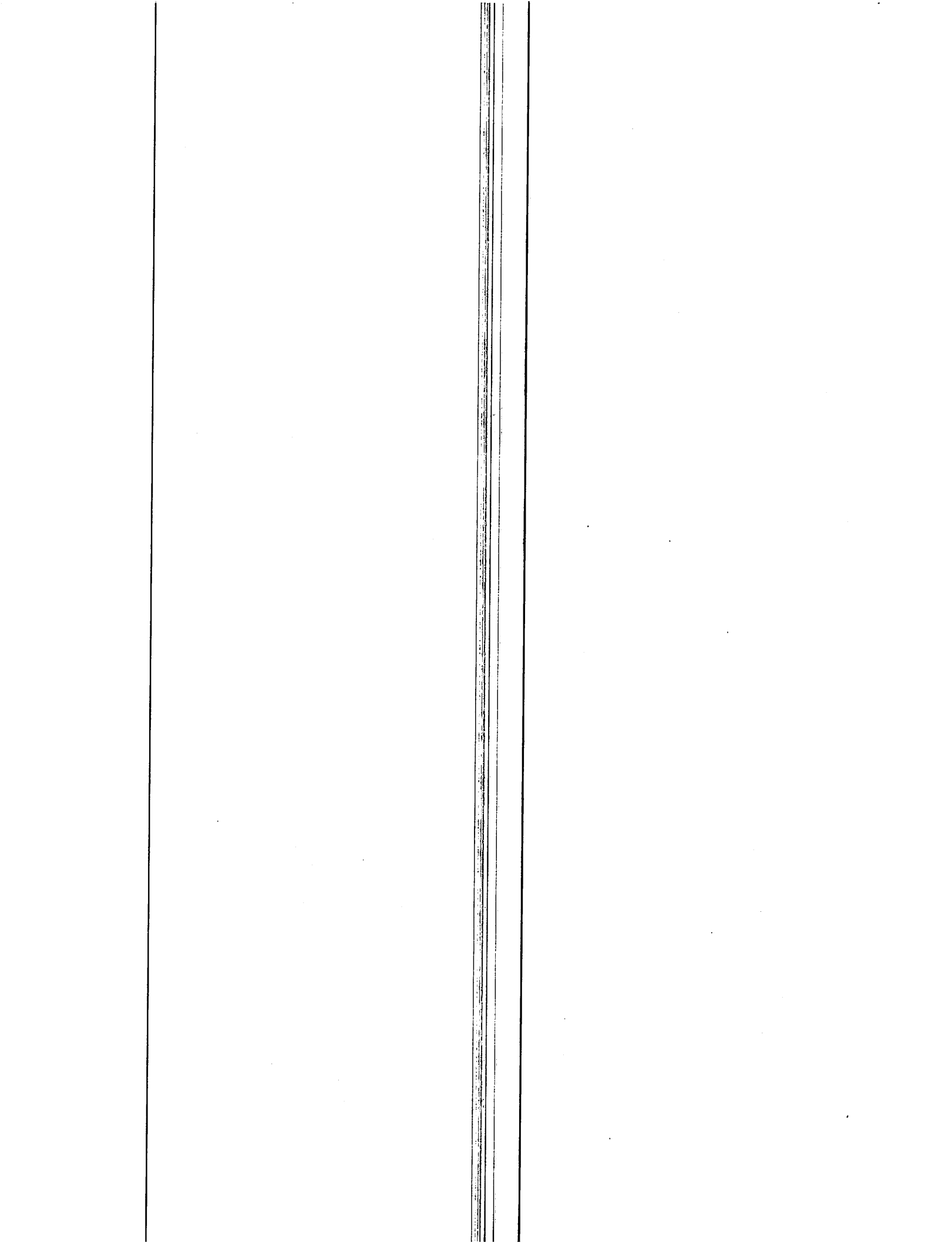
Motion was made to approve the FY19 requested budget amendments for postage, KC-1 and EOC expense,

Motion: Gunnoe

Second: Vititoe

The motion carried unanimously.

New Business – Sheriff Mike Rutherford asked if anyone knew of grant funding that may be available for the replacement of KC-1, due to the vehicle's age. Jennifer Herrald stated that applications had been put in with Homeland Security and Fire Act Grant, and had thus far been turned down, but it is something that is on the project list.



Lindsay White asked the Board if there was any information that they were not receiving from Metro that they would like to. There was not.

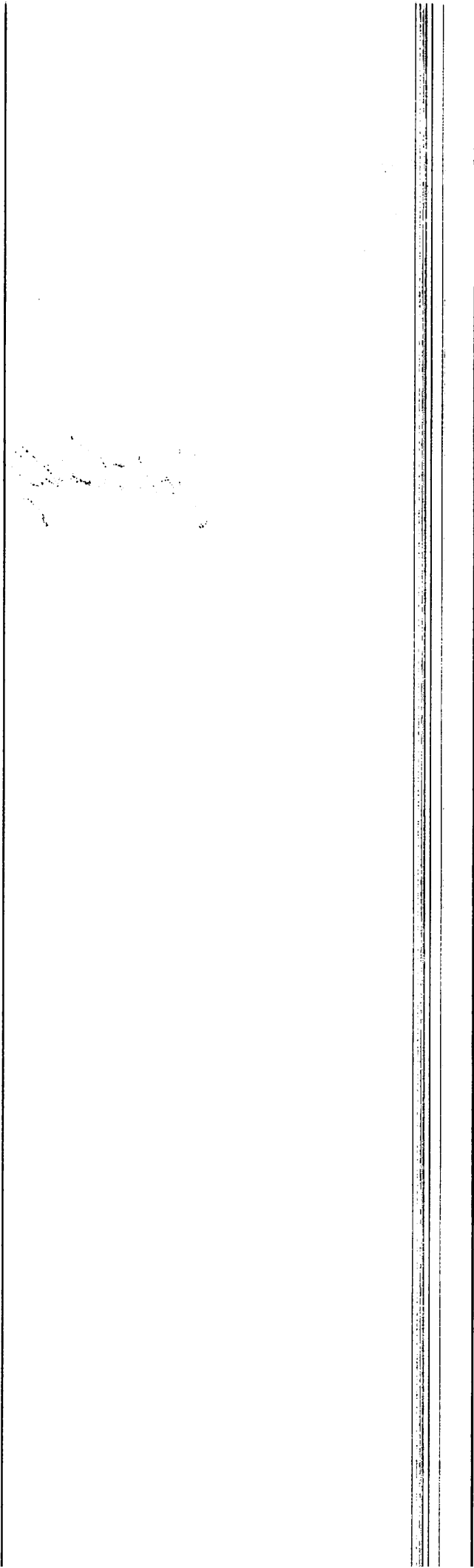
Public Comment – None.

Announcements – Jennifer Herrald stated that the next meeting would be March 26.

Motion made to adjourn by Sheriff Rutherford at 11:47 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Joel Rutherford". The signature is written in a cursive style with a long horizontal flourish extending to the right.



Handwritten scribbles or marks on the left side of the page, possibly representing a signature or initials.