

State of Minnesota



Office of the State Auditor

Julie Blaha
State Auditor

Audit Practice Division

Central Minnesota Emergency Medical Services Region St. Cloud, Minnesota

Annual Financial Report and
Management and Compliance Report

Year Ended December 31, 2024

Central Minnesota Emergency Medical Services Region St. Cloud, Minnesota

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Introductory Section

Central Minnesota Emergency Medical Services Region St. Cloud, Minnesota

Organization
December 31, 2024

| Name | Representing | Position |
|----------------|-------------------|------------|
| Board Members | | |
| Jared Gapinski | Benton County | |
| Neal Gaalswyk | Cass County | |
| Steve Barrows | Crow Wing County | Chair |
| Wendy Caswell | Kanabec County | |
| Genny Reynolds | Mille Lacs County | |
| Jeff Jelinski | Morrison County | |
| Matt Ludwig | Pine County | |
| Steve Notch | Stearns County | |
| Barb Becker | Todd County | |
| Ron Noon | Wadena County | Vice Chair |
| Tina Diedrick | Wright County | Secretary |
| Coordinator | | |
| Marion Larson | | |

Financial Section



Independent Auditor's Report

Joint Powers Board
Central Minnesota Emergency Medical Services Region
St. Cloud, Minnesota

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the General Fund of the Central Minnesota Emergency Medical Services Region as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Region's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Central Minnesota Emergency Medical Services Region as of December 31, 2024, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Region, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Region's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee

that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- obtain an understanding of internal control relevant to the audit 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 Region's internal control. Accordingly, no such opinion is expressed;
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; and
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Region's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 Information

Management is responsible for the other information included in the Annual Financial Report. The other information comprises the Introductory Section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

/s/Julie Blaha

Julie Blaha
State Auditor

April 23, 2025

/s/Chad Struss

Chad Struss, CPA
Deputy State Auditor

Management's Discussion and Analysis

Central Minnesota Emergency Medical Services Region St. Cloud, Minnesota

Management's Discussion and Analysis December 31, 2024 (Unaudited)

The Central Minnesota Emergency Medical Services Region Joint Powers Board's discussion and analysis provides an overview of the Region's financial activities for the fiscal year ended December 31, 2024. Since this information is designed to focus on the current year's activities, resulting changes, and currently known facts, it should be read in conjunction with the Region's financial statements.

Financial Highlights

- Total net position is \$241,602. The net position increased by \$16,339 for the year ended December 31, 2024.
- The variability of the dollars received from the Emergency Medical Services (EMS) relief account (Seat Belt Grant funding) continues. The Region continues to budget the revenues based on the projection received from the Minnesota Emergency Medical Services Regulatory Board. In addition, the Region continues to look for additional funding to fill the gap.
- The contract for the Support Grant, renamed to the Emergency Medical Services fund by the legislature, was renewed in July 2023 and ends June 30, 2025. The funding for this grant is \$164,406 annually, and the Region anticipates that this amount will stay flat for the foreseeable future.
- In 2020 the Region was awarded a \$452,000 federal grant from the Minnesota Department of Health for the Treatment Linkage to Care Program. The grant started on May 1, 2020, and ended on June 30, 2024.

Overview of the Financial Statements

This Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the basic financial statements. The Region's basic financial statements consist of two statements, which combine government-wide financial statements and fund financial statements, and notes to the financial statements. The MD&A (this section) is required to accompany the basic financial statements, and therefore, is included as required supplementary information.

There are two financial statements. The first column of each statement presents governmental fund data, which focuses on how money flows in and out and the balances left at year-end that are available for spending. These columns are reported using modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. This column provides a detailed short-term view of the Region's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the Region's programs. We reconcile the relationship (or differences) between governmental funds and governmental activities (reported in the third column) in the center column of each statement.

The third column in each statement presents the Statement of Net Position and the Statement of Activities, which provides information about the activities of the Region as a whole and presents a longer-term view of the Region's finances. These columns tell how these services were financed in the short-term as well as what remains for future spending.

The Region as a Whole

The Region’s combined net position increased from \$225,263 to \$241,602. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Region’s governmental activities.

Table 1 – Statement of Net Position

| | 2024 | 2023 |
|------------------------------------|-------------------|-------------------|
| Assets | | |
| Cash and pooled investments | \$ 240,282 | \$ 122,582 |
| Due from other governments | 11,106 | 160,023 |
| Total Assets | \$ 251,388 | \$ 282,605 |
| Liabilities | | |
| Current liabilities | | |
| Accounts payable | \$ 30 | \$ 18,312 |
| Due to other governments | - | 9,993 |
| Unearned revenue | 9,756 | 29,037 |
| Total Liabilities | \$ 9,786 | \$ 57,342 |
| Net Position – Unrestricted | \$ 241,602 | \$ 225,263 |

The net position of the Region increased 7.3 percent. Unrestricted net position—the part of net position that can be used to finance day-to-day operations without constraints established by enabling legislation or other legal requirements—changed from a \$225,263 surplus at December 31, 2023, to \$241,602 at December 31, 2024.

Table 2 – Changes in Net Position

| | 2024 | 2023 |
|--|-------------------|-------------------|
| Revenues | | |
| Program revenues | | |
| Emergency medical and seat belt grants | \$ 237,486 | \$ 217,954 |
| Volunteer training funds | 29,633 | 50,435 |
| Opiate Antagonist Grant | 4,010 | 14,811 |
| Treatment Linkage to Care Grant | 79,209 | 161,358 |
| Local Government Revenue | 16,568 | 16,032 |
| Miscellaneous | 25 | 31 |
| Total Revenues | \$ 366,931 | \$ 460,621 |
| Expenses | | |
| Program expenses | | |
| Health | | |
| EMS systems management | \$ 163,986 | \$ 214,664 |
| EMS devices and supplies | 120,468 | 125,045 |
| Public safety involvement | 66,138 | 117,460 |
| Total Expenses | \$ 350,592 | \$ 457,169 |
| Increase (Decrease) in Net Position | \$ 16,339 | \$ 3,452 |
| Net Position, Beginning | 225,263 | 221,811 |
| Net Position, Ending | \$ 241,602 | \$ 225,263 |

The Region’s General Fund

As the Region completed the year, its General Fund (as presented in the first column of the statements) reported

a fund balance of \$241,602, which is more than last year's fund balance of \$143,494, an increase of 68.4 percent. The Region has adopted grant budgets for the various grant periods. These budgets may be amended or modified as additional grants are received. A comparison of budgeted revenues and expenditures to actual has not been presented in the financial statements because the budgets are not adopted on an annual fiscal-period basis.

Economic Factors and Next Year's Grant Budgets and Rates

The Region's officials have considered many factors when planning for the calendar year ending December 31, 2025.

- The Region is awarded the EMS Fund grant on a two-year basis. The grant funding was renewed in July 2023 for another two-year period. The current grant cycle ends June 30, 2025. The funding for this grant is \$164,406, and the Region anticipates that it will remain at this level.
- The Region continues to see variability of the dollars received from the EMS relief account (Seat Belt Grant funding) and budgets the revenues based on the projection received from the Minnesota Emergency Medical Services Regulatory Board. In addition, the Region continues to review revenues and expenditures to determine if changes are needed as the year progresses. The agreement with the EMSRB for the Relief Grant was changed to encompass a 5-year time frame.
- In 2020 the Region was awarded a \$452,000 federal grant from the Minnesota Department of Health for the Treatment Linkage to Care Program. The grant started on May 1, 2020, ended on June 30, 2024, and was not renewed.
- The Region was awarded additional funding for the July 2021-June 2023 biennium of \$95,000 each year from the state legislature. This funding was not renewed; instead, the legislature created the EMS Fund to replace the Support Act. The EMS Fund amount was increased by \$95,000.

Contacting the Region's Financial Management

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Region's finances and to show the Region's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Central Minnesota Emergency Medical Services Region Coordinator, 807 Courthouse Square, St. Cloud, Minnesota 56303.

Basic Financial Statements

**Central Minnesota Emergency Medical Services Region
St. Cloud, Minnesota**

Exhibit 1

**General Fund Balance Sheet and
Statement of Net Position of Governmental Activities
December 31, 2024**

| | General Fund Balance Sheet | Adjustments | Governmental Activities Statement of Net Position |
|--|----------------------------------|-------------|--|
| <u>Assets</u> | | | |
| Current assets | | | |
| Cash and investments pooled with Stearns County | \$ 240,282 | \$ - | \$ 240,282 |
| Due from other governments | 11,106 | - | 11,106 |
| Total Assets | \$ 251,388 | \$ - | \$ 251,388 |
| <u>Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position</u> | | | |
| Liabilities | | | |
| Current liabilities | | | |
| Accounts payable | \$ 30 | \$ - | \$ 30 |
| Unearned revenue | 9,756 | - | 9,756 |
| Total Liabilities | \$ 9,786 | \$ - | \$ 9,786 |
| Fund Balance | | | |
| Unassigned | 241,602 | (241,602) | |
| Net Position | | | |
| Unrestricted | | 241,602 | 241,602 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position | \$ 251,388 | \$ - | \$ 251,388 |
| Reconciliation of the General Fund Balance to Net Position | | | |
| Fund Balance – General Fund | | | \$ 241,602 |
| Net Position – Governmental Activities | | | \$ 241,602 |

**Central Minnesota Emergency Medical Services Region
St. Cloud, Minnesota**

Exhibit 2

**General Fund Revenues, Expenditures, and Changes in Fund Balance and
Statement of Activities of Governmental Activities
For the Year Ended December 31, 2024**

| | General Fund Revenues, Expenditures, and Changes in Fund Balance | Adjustments | Governmental Activities Statement of Activities |
|---|--|--------------------|--|
| Revenues | | | |
| State sources | | | |
| Emergency Medical Services (EMS) Grant | \$ 290,532 | \$ (57,948) | \$ 232,584 |
| Seat Belt Grant | 4,964 | (62) | 4,902 |
| Volunteer Training Funds | 29,633 | - | 29,633 |
| Federal sources | | | |
| Opiate Antagonist Grant | 16,715 | (12,705) | 4,010 |
| Treatment Linkage to Care Grant | 90,263 | (11,054) | 79,209 |
| Local Government Revenue | 16,568 | - | 16,568 |
| Miscellaneous | 25 | - | 25 |
| Total Revenues | \$ 448,700 | \$ (81,769) | \$ 366,931 |
| Expenditures/Expenses | | | |
| Current | | | |
| Health | | | |
| EMS systems management | \$ 163,986 | \$ - | \$ 163,986 |
| EMS devices and supplies | 120,468 | - | 120,468 |
| Public safety involvement | 66,138 | - | 66,138 |
| Total Expenditures/Expenses | \$ 350,592 | \$ - | \$ 350,592 |
| Net Change in Fund Balance/Net Position | \$ 98,108 | \$ (81,769) | \$ 16,339 |
| Fund Balance/Net Position – January 1 | 143,494 | 81,769 | 225,263 |
| Fund Balance/Net Position – December 31 | \$ 241,602 | \$ - | \$ 241,602 |
| Reconciliation of the Statement of General Fund Revenues, Expenditures, and Changes in Fund Balance to the Statement of Activities | | | |
| Net Change in Fund Balance | | | \$ 98,108 |
| In the General Fund, under the modified accrual basis, receivables not available for expenditure are deferred. In the statement of activities, those revenues are recognized when earned. The adjustment to revenue between the General Fund statement and the statement of activities is the increase or decrease in or decrease in unavailable revenue. | | | |
| Unavailable revenue – December 31 | | | - |
| Unavailable revenue – January 1 | | | (81,769) |
| Change in Net Position of Governmental Activities | | | \$ 16,339 |

Central Minnesota Emergency Medical Services Region St. Cloud, Minnesota

Notes to the Financial Statements As of and for the Year Ended December 31, 2024

Note 1 – Summary of Significant Accounting Policies

The Central Minnesota Emergency Medical Services Region’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as of and for the year ended December 31, 2024. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). The more significant accounting policies established in GAAP and used by the Region are discussed below.

Financial Reporting Entity

The Region was established in 2001 under Minn. Stat. § 471.59. It was established under a joint powers agreement between 14 counties in Central Minnesota to improve the planning, coordination, and implementation of emergency medical services within the member counties. On January 1, 2013, two counties left the Region, leaving 12 member counties. On January 1, 2019, one county moved to the Metro Region, leaving 11 member counties in the Central Region. The Region provides training primarily for law enforcement, fire, first responder and ambulance personnel in emergency medical procedures, and also assists in purchasing equipment.

The Region has established a Board which has general supervision over the Region’s activities. The Board consists of 11 County Commissioners, one from each of the member counties. The Board elects a chair, vice chair, and secretary/treasurer from its members. The Board has adopted bylaws and operating rules and policies as it has deemed necessary.

The Region is a separate entity independent of the counties that formed it. In accordance with GAAP, the Region’s financial statements are not included in any member county’s financial statements. However, Stearns County, as fiscal agent, accounts for all transactions of the Region and reports the Region as a custodial fund in its financial statements. No single member county retains control over the operations or is financially accountable for the Region.

Basic Financial Statements

The financial statements combine fund level financial statements and government-wide financial statements (the Statement of Net Position and the Statement of Activities columns). These statements include the financial activities of the overall Joint Powers Board.

The government-wide columns are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Region’s net position is unrestricted.

Measurement Focus and Basis of Accounting

The governmental-wide columns are reported using the economic resources measurement focus and the full 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Central Minnesota Emergency Medical Services Region

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Governmental fund columns (General Fund) 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. The Region considers all revenues as available if collected within 60 days after the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments, which are recognized as expenditures to the extent that they have matured. When both restricted and unrestricted resources are available for use, it is the Region's policy to use restricted resources first and then unrestricted resources as needed.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Equity

Cash and Pooled Investments

The Region's cash and pooled investments are held with Stearns County. Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits will not be returned to it. To cover its custodial credit risk, the County obtains collateral to cover deposits in excess of insurance coverage.

Capital Assets

The Region defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased. Donated capital assets are recorded at acquisition value at the date of donation. The Region currently holds no capital assets over the \$5,000 capitalization threshold.

Deferred Outflows/Inflows of Resources and Unearned Revenue

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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. Currently, the Region has no items that qualify for reporting in this category.

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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources until that time. Currently, the Region has no items that qualify for reporting in this category.

The General Fund and government-wide financial statements report unearned revenue in connection with resources that have been received, but not yet earned.

Classification of Net Position

Net position in the government-wide financial statements is classified in the following categories:

Net investment in capital assets – the amount of net position representing capital assets, net of accumulated depreciation, and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets.

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St. Cloud, Minnesota

Restricted – amounts for which external restrictions have been imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted – amounts that do not meet the definition of restricted or net investment in capital assets.

Classification of Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the Region is bound to observe constraints imposed upon the use of the resources in the General Fund. The classifications are as follows:

Nonspendable – amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

Restricted – amounts for which constraints have been placed on the use of resources either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation.

Committed – amounts that can be used only for the specific purposes imposed by formal action (resolution) of the Region’s Board. Those committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned – amounts in the assigned fund balance classification are for the amounts the Region intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned – the residual classification for the General Fund and includes all spendable amounts not contained in the other fund balance classifications.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 – Stewardship, Compliance, and Accountability

The Region did not approve a General Fund budget for fiscal year 2024, and therefore, a budget to actual statement is not presented.

Central Minnesota Emergency Medical Services Region

St. Cloud, Minnesota

Note 3 – Detailed Notes

Assets

Deposits

As of December 31, 2024, the Region had \$240,282 on deposit with Stearns County. The fair value of the investment is the fair value per share of the underlying portfolio. Authorization to deposit cash in financial institutions is provided by Minn. Stat. § 118A.02. The County may invest in the types of investments authorized by Minn. Stat. §§ 118A.04 and 118A.05. Minnesota statutes require that all County deposits be covered by insurance, surety bond, or collateral.

Due From Other Governments

At December 31, 2024, the Region had \$11,106 due from other governments. This represents the amount due from the State of Minnesota for Emergency Medical Services Grants and the Seat Belt Grant.

Liabilities

Accounts Payable

At December 31, 2024, the Region had a \$30 balance in accounts payable.

Unearned Revenue

At December 31, 2024, the Region had a \$9,756 balance in unearned revenue. This represents a grant from CentraCare for the Region to conduct training exercises.

Expenditures

Contracted Services

The Region contracts with Stearns County for administrative services to support the functions of the Region's activities.

Emergency Medical Services Devices and Supplies

The Region funds expenditures for the purchase of emergency medical equipment and supplies, such as defibrillators and radios, provided largely to other agencies.

Note 4 – Risk Management

The Region is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. The Region has entered into a joint powers agreement with Minnesota counties to form the Minnesota Counties Intergovernmental Trust (MCIT) to protect against

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liabilities from workers' compensation and property and casualty. There were no significant reductions in insurance from the prior year or settlements in excess of insurance coverage for the past three years.

The Workers' Compensation Division of MCIT is self-sustaining based on the contributions charged, so that total contributions plus compounded earnings on these contributions will equal the amount needed to satisfy claims liabilities and other expenses. MCIT participates in the Workers' Compensation Reinsurance Association with coverage at \$500,000 per claim in 2024 and \$1 million per claim in 2025. Should MCIT Workers' Compensation Division liabilities exceed assets, MCIT may assess the Region, through Stearns County, in a method and amount to be determined by MCIT.

The Property and Casualty Division of MCIT is self-sustaining, and the Region pays an annual premium to cover current and future losses. MCIT carries reinsurance for its property lines to protect against catastrophic losses. Should MCIT Property and Casualty Division liabilities exceed assets, MCIT may assess the Region in a method and amount to be determined by MCIT.

Note 5 – Summary of Significant Contingencies and Other Items

Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures that may be disallowed by the grantor cannot be determined at this time, although the Region expects such amounts, if any, to be immaterial.

Management and Compliance Section



**Independent Auditor's Report on
Minnesota Legal Compliance**

Joint Powers Board
Central Minnesota Emergency Medical Services Region
St. Cloud, Minnesota

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the financial statements of the governmental activities and the General Fund of the Central Minnesota Emergency Medical Services Region, as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Region's basic financial statements, and have issued our report thereon dated April 23, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that the Central Minnesota Emergency Medical Services Region failed to comply with the provisions of the depositories of public funds and public investments, conflicts of interest, claims and disbursements, and miscellaneous provisions sections of the *Minnesota Legal Compliance Audit Guide for Other Political Subdivisions*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. 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 the Region's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Joint Powers Board and management of the Central Minnesota Emergency Medical Services Region and the State Auditor, and is not intended to be, and should not be, used by anyone other than those specified parties.

/s/Julie Blaha

Julie Blaha
State Auditor

April 23, 2025

/s/Chad Struss

Chad Struss, CPA
Deputy State Auditor