MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEAR ENDED JUNE 30, 2008

D. GREGORY JOHNSON
CERTIFIED PUBLIC ACCOUNTANT

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2008

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Maury County Emergency Communications District
Columbia, Tennessee

I have audited the accompanying statement of net assets of the Maury County Emergency Communications District, a component unit of Maury County, Tennessee as of June 30, 2008, and the related statement of revenues, expenses and changes in net assets, and statement of cash flows for the year then ended. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Maury County Emergency Communications District as of June 30, 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated January 27, 2009, on my consideration of the Maury County Emergency Communications District's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and important for assessing the results of my audit.

The management's discussion and analysis on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Maury County Emergency Communications District's basic financial statements. The budgetary comparison schedule, schedule of operating expenses and the information relative to operations on pages 17 through 23 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

D. Gregory Johnson, CPA

January 27, 2009

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
ROSTER OF MANAGEMENT AND BOARD OF DIRECTORS
YEAR ENDED JUNE 30, 2008

Management Officials

Freddie W. Rich, Director

Ann Hargrove, Administrative Assistant

Board of Directors

Danny Fleming, Board Chairman

Tim Potts, Vice Chairman

Thelma Sharp, Secretary/Treasurer

Neil Clark, Member

Enoch George, Member

Edward Harlan, Member

Tom Wilson, Member

Mark Blackwood, Member

Donald Martin, Member

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2008

As management of the Maury County Emergency Communications District, we offer readers of the District's financial statements this narrative overview and analysis of the District's performance during the fiscal year ending June 30, 2008. Please read it in conjunction with the District's financial statements, which follow this section.

Overview of the Financial Statements

This annual report includes the management's discussion and analysis report, the independent auditor's report and the basic financial statements of the District. The financial statements also include notes that explain in more detail some of the information in the financial statements.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer both short-term and long-term financial information about its activities. The Statement of Net Assets includes all of the District's assets and liabilities and provides information about where the District has invested its resources (assets) and the obligations to the District's creditors (liabilities).

All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Assets. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through surcharges and fees.

The final required financial statement is the Statement of Cash Flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in the cash balance during the reporting period.

Financial Analysis of the District

One of the most important questions asked about the District's finances is "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the District's activities in a way that will help answer this question. These two statements report the net assets of the District and the changes in them. One can think of the District's net assets – the difference between assets and liabilities – as one way to measure financial health or financial position. Over time, increases or decreases in the District's net assets are one indicator of whether its financial health is improving or deteriorating. The District is providing condensed financial information for fiscal 2008 and 2007 for comparative analysis. A summary of the District's net assets and changes in them is presented on the following page.

SUMMARIZED FINANCIAL INFORMATION
YEARS ENDED JUNE 30

NET ASSETS

	2008	2007	Dollar Change	Percentage Change
Current assets	$ 442,164	$ 555,821	$ (113,657)	-20.4%
Capital assets	913,256	942,608	(29,352)	-3.1%
Total assets	1,355,420	1,498,429	(143,009)	-9.5%
Current liabilities	76,078	80,850	(4,772)	-5.9%
Long term debt	87,965	326,780	(238,815)	-73.1%
Total liabilities	164,043	407,630	(243,587)	-59.8%
Net Assets	$ 1,191,377	$ 1,090,799	$ 100,578	9.2%
Summary of net assets-				
Invested in capital assets, net of debt	$ 793,933	$ 558,435	$ 235,498	42.2%
Undesignated	397,444	532,364	(134,920)	-25.3%
	$ 1,191,377	$ 1,090,799	$ 100,578	9.2%

CHANGES IN NET ASSETS

Revenues	$ 1,087,128	$ 1,058,936	$ 28,192	2.7%
Operating expenses	995,722	921,075	74,647	8.1%
Operating income (loss)	91,406	137,861	(46,455)	-33.7%
Nonoperating revenues net of expenses	9,172	(72,428)	81,600	112.7%
Changes in net assets	100,578	65,433	35,145	53.7%
Net assets, beginning of year	1,090,799	1,025,366	65,433	6.4%
Net assets, end of year	$ 1,191,377	$ 1,090,799	$ 100,578	9.2%

Analysis of Financial Position and Results of Operations

As can be seen from the summarized financial information on the previous page, the District's total assets have decreased $143,009 during the year ended June 30, 2008, due to early payoff of the Motorola equipment note in the amount of $119,248 and an extra $100,000 principal payment on the building note at First Farmers & Merchants Bank. Net capital assets decreased $29,352 as a result of net additions to depreciation of $42,712 with net additions to fixed assets of $13,360. Net assets increased $100,578 for the year ended June 30, 2008. In the current year, the District's total revenue increased by 2.7% due mainly to the increases in shared wireless income by the Tennessee Emergency Communications Board and other competing local exchange carriers. Total expenses for the District increased 8.1% due to an increase in insurance costs and scheduled salary and employee benefit increases. The District joined the Tennessee Consolidated Retirement System effective October 1, 2005. Retirement expenses for the year ended June 30, 2008, totaled $39,996.

The District's Net Assets

The District completed the year with net assets of $1,191,377, which is $100,578 more than the prior year's ending net assets of $1,090,799. The net assets at June 30, 2008, consist of $793,933 invested in capital assets, and $397,444 unrestricted and undesignated.

Budgetary Highlights

The District adopts an annual operating budget which includes proposed expenses and the means for paying these expenses. As conditions change during the year, the budget may be amended to prevent budget overruns.

Income from residential and business phone lines decreased 4.61% from the previous year. Normal state shared wireless income also increased 10.13% during the year. However, on November 2, 2006, the Tennessee Emergency Communications Board approved new operational funding from which the District received $176,619. This brought the total income from wireless sources to $334,687. There is proposed legislation that will change the ratio remitted to local districts. Other landline income and voice over internet protocol income increased by $27,109 during the year. Overall, operating revenue was $21,751 over the final budgeted amount.

Total expenditures in most budget categories remained in line with a few exceptions. Salaries and wages were $14,573 less than final budgeted amounts. Employee benefit costs were $9,119 less than budgeted amounts. Repairs and maintenance for the building and communications equipment were in line with budgeted amounts.

Capital Assets

The District's current investment in capital assets amounts to $1,061,862 with accumulated depreciation of $148,606. Capital assets include the building, communications equipment, and a vehicle as well as office furniture and office equipment.

Economic Factors and Future Needs

The main economic factor facing the Maury County Emergency Communications District is the decrease in revenue generated from landline telephones. Many residences now use cell phones for their residential lines. While the increase in cell phone use is generating revenue, only a portion of that revenue has been returned to each 911 district under the current system being used by the state for distributing shared wireless fees. A new source of telephone service, voice over internet protocol, may further reduce the number of land lines and cell phone usage. The future impact on revenue of this new service has not been determined, but current year remittances from these new carriers increased $27,109.

On August 28, 2008, officials and board members met with the Tennessee Emergency Communications Board (TECB) to discuss the District's request for an increase in the rates charged for residential and business lines. The TECB voted unanimously to increase the District's rate for residential lines from $1.00 to $1.50 and increase business line rates from $2.35 to $3.00. These funds will be used to maintain current operations and fund needs for additional dispatch positions.

Request for Information

This financial report is designed to provide a general overview of the Maury County Emergency Communications District's finances for those interested parties. If you have questions about this report or need additional information, contact the Director, Maury County Emergency Communications District, P.O. Box 1171, Columbia, Tennessee 38402-1171.

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2008

ASSETS

Current assets	
Cash and equivalents	$ 255,918
Certificate of deposit	150,000
Accounts receivable	36,246
Total current assets	442,164
Capital assets	
Land	74,380
Buildings	493,082
Office equipment	22,155
Furniture and fixtures	3,482
Communications equipment	442,516
Vehicles	26,247
	1,061,862
Less accumulated depreciation	(148,606)
Total capital assets	913,256
Total assets	$ 1,355,420

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable	$ 8,274
Accrued expenses	36,446
Current portion of long term debt	31,358
Total current liabilities	76,078
Long-term debt less current portion shown above	87,965
Total liabilities	164,043
Net assets	
Invested in capital assets, net of related debt	793,933
Unrestricted net assets	397,444
Total net assets	1,191,377
Total liabilities and net assets	$ 1,355,420

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

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2008

Operating revenue	
Emergency telephone service charges	$ 443,608
State emergency communications board - shared wireless	158,068
State emergency communications board - operational funding	176,619
Emergency support services	220,328
Other income	88,505
Total revenue	1,087,128
Operating expenses	
Salaries and wages	573,014
Employee benefits	174,596
Contracted services	119,057
Supplies and materials	39,139
Other charges	27,172
Depreciation	62,744
Total operating expenses	995,722
Net operating income	91,406
Nonoperating revenue (expense)	
Interest income	8,778
Grants and reimbursements	20,000
Interest expense	(19,606)
Net nonoperating income	9,172
Increase in net assets	100,578
Net assets, beginning of year	1,090,799
Net assets, end of year	$ 1,191,377

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

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2008

Cash flows from operating activities	
Receipts from surcharges	$ 780,285
Receipts from emergency support services	219,998
Payments to suppliers	(179,356)
Payments to employees	(732,359)
Other receipts (payments)	88,505
Net cash provided by operating activities	177,073
Cash flows from noncapital financing activities	
Proceeds from grants and reimbursements	20,000
Cash flows from capital and related financing activities	
Purchase of capital assets	(33,392)
Principal paid on notes payable	(264,850)
Interest paid on note payable	(19,606)
Net cash used by capital and related financing activities	(317,848)
Cash flows from investing activities	
Interest income	8,778
Net decrease in cash	(111,997)
Cash and equivalents, beginning of year	367,915
Cash and equivalents, end of year	$ 255,918
Reconciliation of operating income to net cash flows from operating activities	
Net operating income	$ 91,406
Adjustments to reconcile net operating income to net cash provided by operating activities	
Depreciation	62,744
Decrease in accounts receivable	1,660
Increase in accounts payable	6,012
Increase in accrued expenses	15,251
Net cash provided by operating activities	$ 177,073

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

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Maury County Emergency Communications District is a nonprofit organization, established under Tennessee law. The District was organized to provide Emergency 911 service to the residents of Maury County. While 911 has been in use for several years for emergency services, the Enhanced 911 was adopted for Maury County by public referendum on August 4, 1988. The voters of Maury County voted for E911 with an approval majority of 92%. Although the District is considered a municipality under its enabling legislation, it cannot levy or collect taxes and the charges for services shall not be considered or classified as taxes. The District is managed by a volunteer board of directors who are appointed by the District's primary government.

The District is a discretely presented component unit of Maury County, Tennessee, and the financial statements are presented in both the District's separate financial report and within the Maury County, Tennessee financial report. The District is considered a discretely presented component unit of Maury County as defined under the criteria set forth in Governmental Accounting Standards Board Statement 14, because the district would be unable to issue debt without going through Maury County, Tennessee.

Basis of Accounting and Financial Statement Presentation

The term basis of accounting is used to determine when a transaction or event is recognized on the District's operating statement. The District uses the full accrual basis of accounting. Under this basis, revenues are recorded when earned and expenses are recorded when incurred, even though actual payment or receipt may not occur until after the period ends.

The Governmental Accounting Standards Board (GASB) exercises jurisdiction over accounting and financial reporting for governments. The Financial Accounting Standards Board (FASB) exercises jurisdiction over private enterprises and nonprofits. The Office of the Comptroller of the Treasury requires Tennessee emergency communications districts to follow option one of GASB Statement No. 20. This option requires the District to follow only GASB guidance after November 30, 1989, and not follow any FASB guidance after that date.

Use of Estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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 A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

For purposes of the statement of net assets and the statement of cash flows, Maury County Emergency Communications District considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Capital Assets

Capital assets are defined by the District as assets with an initial cost of more than $500 and an estimated useful life in excess of one year. Additions to capital assets are recorded at acquisition cost or estimated market value at the date of donation in the case of donated property. Depreciation and amortization are provided for in amounts sufficient to relate the cost of the assets to operations over their estimated service lives using the straight-line method of depreciation. Estimated useful lives, in years, for depreciable assets are as follows:

Building and improvements	10-40 years
Furniture and fixtures	7 years
Office equipment	5 - 10 years
Communications equipment	5 - 10 years
Vehicles	5 years

Income Taxes

Maury County Emergency Communications District is a tax-exempt organization under Section 115 of the Internal Revenue Code and, accordingly, no provision for federal income taxes has been made.

Operating Revenues and Expenses

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a District's principal ongoing operations. The principal operating revenues of the District are emergency telephone service charges to residents for providing emergency 911 services. Operating expenses include payroll expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budgetary Data

The District is required by state statute to adopt an annual budget. The annual budget is prepared on the basis in which current available funds must be sufficient to meet current expenditures. The District utilizes cash basis accounting for the budget as depreciation is not budgeted, and outlays for capital items are budgeted as expenses. Therefore the budget is not intended to be presented in accordance with generally accepted accounting principles. The budget may be amended by the Board as conditions warrant throughout the year.

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

It is the policy of the District that unused leave at the end of a fiscal year does not carry over to the next year. Vacation and sick leave expenditures are recognized when paid. Therefore, no accrual for accumulated unpaid leave is necessary.

NOTE B – CASH AND DEPOSITORY COLLATERAL

The District's current policies limit deposit of funds to accounts with commercial banks which are required to pledge securities as collateral for the deposits should they be in excess of Federal Deposit Insurance Corporation (FDIC) coverage. The financial institution used by the District is a participant in the Tennessee Collateral Pool, which was established to provide security for public funds deposits in excess of FDIC coverage.

At year-end the District's deposits of cash and certificates of deposit were fully insured by the FDIC or collateralized by the Tennessee Collateral Pool.

NOTE C – CERTIFICATE OF DEPOSIT

At June 30, 2008, the certificate of deposit is as follows:

First Farmers & Merchants Bank, 2.30% maturing November 7, 2008	$ 150,000

NOTE D – ACCOUNTS RECEIVABLE

The following schedule reflects the components of accounts receivable as of June 30, 2008:

Emergency telephone surcharges	$ 35,916
Emergency support services	330
	$ 36,246

NOTE E – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2008, is presented below:

	Balance July 1, 2007	Increases	Decreases	Balance June 30, 2008
Land	$ 74,380	$ -	$ -	$ 74,380
Buildings	492,395	687	-	493,082
Office equipment	18,526	3,629	-	22,155
Furniture and fixtures	3,482	-	-	3,482
Communications equipment	439,687	2,829	-	442,516
Vehicles	20,032	26,247	(20,032)	26,247
Total cost	1,048,502	33,392	(20,032)	1,061,862
Less accumulated depreciation for:				
Buildings	(11,606)	(12,324)	-	(23,930)
Office equipment	(955)	(1,128)	-	(2,083)
Furniture and fixtures	(306)	(292)	-	(598)
Communications equipment	(72,995)	(44,511)	-	(117,506)
Vehicles	(20,032)	(4,489)	20,032	(4,489)
Total accumulated depreciation	(105,894)	(62,744)	20,032	(148,606)
Capital assets, net	$ 942,608	$ (29,352)	$ -	$ 913,256

Depreciation charged to expense for the current year amounted to $62,744.

In the current year, the District donated a fully depreciated vehicle with an original cost of $20,032 to the Maury County Rural Fire and Rescue.

NOTE F – ACCRUED EXPENSES

Accrued expenses at June 30, 2008, consist of the following:

Accrued payroll	$ 33,082
Accrued payroll taxes	2,530
Employee withholdings	834
	$ 36,446

NOTE G – NOTES PAYABLE

Notes payable activity for the current year was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
First Farmers & Merchants Bank	$ 242,551	$ -	$ (123,228)	$ 119,323
Motorola Credit Corporation	141,622	-	(141,622)	-
	$ 384,173	$ -	$ (264,850)	$ 119,323

	Amounts Due Within One Year
First Farmers & Merchants Bank	$ 31,358
Motorola Credit Corporation	-
	31,358

At June 30, 2008, notes payable consist of the following:

Original mortgage with First Farmers & Merchants Bank of $280,000 for the new building on 2907 Cayce Lane, Columbia, Tennessee, payable at 6.1% interest and monthly payments of $3,135, maturing December 20, 2011.	$ 119,323

Current principal and interest payments for fiscal years ending June 30th are as follows:

Year	Principal	Interest
2009	$ 31,358	$ 6,260
2010	33,169	4,449
2011	35,250	2,369
2012	19,546	363
	$ 119,323	$ 13,441

NOTE H – MAJOR REVENUE SOURCE

Revenue for operation and maintenance of the Maury County Emergency Communications District is generated by a surcharge placed on residential and business phone lines. The surcharge is collected by AT&T Telephone Company and remitted to the District monthly less a 1% administrative fee. In fiscal year 2000, the District began collecting revenue generated by wireless phone users. The Tennessee Emergency Communications Board collects the revenue and distributes 25% of the funds to the Emergency Communications Districts based on the proportion of the population of each district to that of the state, according to the latest census.

NOTE I – RETIREMENT PLAN

The District has elected to participate in the Tennessee Consolidated Retirement System. The District assumed the employer and employee liability for five years of prior service for each person who was employed full-time on the date of participation. The District also elected to provide cost-of-living increases to retirees. The initial contribution rate for the District is 9.24%. Current year contributions amounted to $39,996.

NOTE J – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For the year ended June 30, 2008, the District was insured against potential losses associated with these risks through the purchase of commercial insurance for management liability and through a blanket general liability policy purchased by Maury County. There have been no losses in excess of insurance coverage during the last three years.

SUPPLEMENTARY INFORMATION

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
SCHEDULE OF OPERATING EXPENSES
YEAR ENDED JUNE 30, 2008

Salaries and Wages	
Director	$ 59,961
Administrative personnel	78,495
Telecommunicators	427,331
Longevity	7,227
	573,014
Employee Benefits	
Social security	35,527
Medicare	8,309
Life insurance	2,190
Medical insurance	76,524
Medical reimbursement plan	11,815
Unemployment compensation	235
Retirement contributions	39,996
	174,596
Contracted Services	
Audit services	2,300
Accounting services	1,650
Janitorial services	4,845
Legal services	75
Maintenance agreements	32,878
Data base maintenance	54,192
NCIC/TBI expenses	8,420
Other consultants	1,995
Pest control	1,380
Copier lease	1,408
Repairs - communications equipment	2,220
Repairs - building	3,063
Repairs - office equipment	1,501
Vehicle operation/maintenance	3,130
	119,057
Supplies and Materials	
Office supplies	6,149
Postage	246
Small equipment purchases	410
Uniforms & shirts	2,050
Utilities	
Electric and water	12,014
General telephone	14,159
Cell phones and pagers	4,111
	39,139

See auditor's report.

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
SCHEDULE OF OPERATING EXPENSES (CONTINUED)
YEAR ENDED JUNE 30, 2008

Other Charges	
Dues and memberships	1,166
Employee testing	465
Insurance	
Workers' compensation	2,818
Liability	4,669
Buildings and contents	7,183
Vehicles	1,288
Public education	1,243
Training	7,651
Travel	689
	27,172
Depreciation	62,744
	$ 995,722

See auditor's report.

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2008

	Original Budget	Final Budget	Actual (Cash Basis)	Variance With Final Favorable (Unfavorable)
Operating revenue				
Emergency telephone service charges	$ 464,991	$ 464,991	$ 445,599	$ (19,392)
State emergency communications board - shared wireless	145,100	145,100	158,068	12,968
State emergency communications board - operational funding	176,619	176,619	176,619	-
Emergency support service	220,328	220,328	219,998	(330)
Other income	60,000	60,000	88,505	28,505
	1,067,038	1,067,038	1,088,789	21,751
Operating expenses				
Salaries and wages				
Director	59,001	59,001	56,872	2,129
Administrative personnel	80,824	80,824	75,254	5,570
Telecommunicators	426,030	426,030	419,229	6,801
Longevity	7,300	7,300	7,227	73
	573,155	573,155	558,582	14,573
Employee benefits				
Social security	35,536	35,536	34,632	904
Medicare	8,310	8,310	8,099	211
Life insurance	2,496	2,496	2,190	306
Medical insurance	84,475	77,475	76,524	951
Medical reimbursement plan	14,000	13,100	11,027	2,073
Unemployment compensation	-	-	235	(235)
Retirement contributions	44,905	44,905	39,996	4,909
	189,722	181,822	172,703	9,119
Contracted services				
Audit services	2,300	2,300	2,300	-
Accounting services	2,000	1,900	1,800	100
Janitorial services	4,000	4,900	4,845	55
Legal services	-	100	75	25
Maintenance agreements	34,590	33,390	32,878	512
Data base maintenance	55,440	52,440	49,902	2,538
NCIC/TBI expenses	8,355	8,355	8,420	(65)
Other consultants	2,500	2,500	1,995	505
Pest control	240	1,440	1,360	80
Copier lease	1,500	1,500	1,408	92
Repairs - communications equipment	1,000	2,300	2,220	80
Repairs - building	1,500	3,200	3,063	137
Repairs - office equipment	1,500	1,500	1,501	(1)
Vehicle operation/maintenance	3,500	3,500	3,041	459
	118,425	119,325	114,808	4,517

See auditor's report.

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2008

	Original Budget	Final Budget	Actual (Cash Basis)	Variance With Final Favorable (Unfavorable)
Supplies and materials				
Office supplies	6,000	6,000	6,506	(506)
Postage	300	300	246	54
Small equipment purchases	3,000	3,000	410	2,590
Uniforms & shirts	2,000	2,000	2,050	(50)
Utilities				
Electric and water	9,000	12,000	11,927	73
General telephone	9,600	13,600	13,263	337
Cell phones and pagers	4,000	4,000	4,139	(139)
	33,900	40,900	38,541	2,359
Other charges				
Dues and memberships	1,000	1,000	1,166	(166)
Employee testing	1,000	1,000	90	910
Insurance				
Workers' compensation	2,680	2,680	2,818	(138)
Liability	4,263	4,263	4,669	(406)
Buildings and contents	7,537	7,537	7,183	354
Vehicles	856	856	1,288	(432)
Public education	1,000	1,000	1,243	(243)
Training	8,000	8,000	7,651	349
Travel	2,500	2,500	689	1,811
	28,836	28,836	26,797	2,039
Total operating expenses	944,038	944,038	911,431	32,607
Operating revenues in excess of expenses	123,000	123,000	177,358	54,358
Nonoperating revenue (expenses)				
Interest income	11,170	11,170	8,778	(2,392)
Grants & reimbursements	10,000	10,000	20,000	10,000
Debt service	(80,176)	(80,176)	(284,456)	(204,280)
Total nonoperating revenue (expense)	(59,006)	(59,006)	(255,678)	(196,672)
Increase (decrease) in budgetary net assets	63,994	63,994	(78,320)	(142,314)
Budgetary net assets, beginning of year	1,090,799	1,090,799	1,090,799	-
Budgetary net assets, end of year	$ 1,154,793	$ 1,154,793	$ 1,012,479	$ (142,314)

See auditor's report.

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
BUDGET AND ACTUAL (CONTINUED)
YEAR ENDED JUNE 30, 2008

Budget to Actual Reconciliation

Decrease in budgetary net assets	$ (78,320)
Principal paid on debt	264,850
Depreciation not budgeted	(62,744)
Accrual adjustment for accounts receivable	(1,660)
Accrual adjustment for accounts payable	(6,012)
Accrual adjustment for accrued payroll	(15,536)
Actual increase in net assets	$ 100,578

See auditor's report.

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2008

	Amount Received
State emergency communications board - grants & reimbursements	$ 20,000

See auditor's report.

MAURY COUNTY EMERGENCY COMMUNICATIONS DISTRICT
SCHEDULE OF INFORMATION REQUIRED BY THE TENNESSEE EMERGENCY COMMUNICATIONS BOARD
YEAR ENDED JUNE 30, 2008

A. The District has one public safety answering point (PSAP).

B. The address of Maury County's PSAP is 2907 Cayce Lane, Columbia, TN 38401.

C. The District used a Motorola Plant Vesta/CML system with the A T & T database.

D. The director of Maury County Emergency Communications District is:

Freddie W. Rich
2907 Cayce Lane
Columbia, TN 38401
Phone: 931-381-3190
Fax: 931-381-1828

E. The chairman of the Board of Directors for the Maury County Emergency Communications District is:

Danny Fleming
Maury County Ambulance Service
1212 Tradewinds Drive
Columbia, TN 38401
Phone: 931-388-1434
Fax: 931-490-4652

See auditor's report.

D. GREGORY JOHNSON
CERTIFIED PUBLIC ACCOUNTANT

514-B NORTH GARDEN STREET
COLUMBIA, TENNESSEE 38401

TELEPHONE 931-381-7010
FAX 931-381-3752

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
Maury County Emergency Communications District
Columbia, Tennessee

I have audited the financial statements of the Maury County Emergency Communications District as of and for the year ended June 30, 2008, and have issued my report thereon dated January 27, 2009. I conducted my audit in accordance with auditing standards general 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Maury County Emergency Communications District's, internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Maury County Emergency Communications District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Maury County Emergency Communications District's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Maury County Emergency Communications District's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the Maury County Emergency Communications District's financial statements that is more than inconsequential will not be prevented or detected by the Maury County Emergency Communications District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material misstatement of the financial statements will not be prevented or detected by the Maury County Emergency Communications District's internal control.

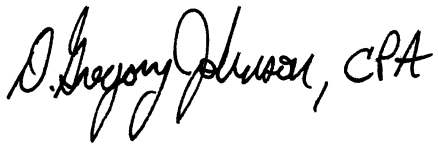
MEMBER
AMERICAN INSTITUTE OF CPA'S • TENNESSEE SOCIETY OF CPA'S

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Maury County Emergency Communications District's financial statements are free of material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* .

This report is intended solely for the information and use of the management, board of directors of the Maury County Emergency Communications District, and Comptroller of the Treasury of the State of Tennessee and is not intended to be and should not be used by anyone other than these specified parties.



D. Gregory Johnson, CPA
Columbia, Tennessee
January 27, 2009