

**Robertson County Emergency
Communications District
(A Component Unit)
Financial Statements
June 30, 2008**

**Robertson County Emergency Communications District
(A Component Unit)
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**Robertson County Emergency Communications District
(A Component Unit)
Board of Directors
June 30, 2008**

Name

Jackie W. Wilkerson, Chairman
1010 Kamber Leigh Dr.
Cedar Hill, TN 37032

Elvis Wilson, Vice-Chairman
6007 Wayman Dunn Rd.
Springfield, TN 37172

Gwen Martin, Secretary/Treasurer
132 Eagle Tr.
Springfield, TN 37172

Ron Gallagher, Member
2201 Masters Drive
Springfield, TN 37172

Bruce Dean, Member
2201 Memorial Blvd.
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Gene Bollinger, Member
5971 Brown Rd.
Springfield TN 37172

Nancy Johnson, Member
8078 Clay Gregory Rd.
Orlinda, TN 37141

R. L. Douglas, Member
103 Corbitt Ln.
Springfield, TN 37172

Kathy Spears, Member
P.O. Box 727
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Gillette, Henderson & Co., PLLC

CERTIFIED PUBLIC ACCOUNTANTS

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To the Board of Directors
Robertson County Emergency Communications District
Springfield, TN 37172

Independent Auditors' Report

We have audited the accompanying basic financial statements of the Robertson County Emergency Communications District, a component unit of Robertson County, TN, as of and for the year ended June 30, 2008, as listed in the table of contents. These financial statements are the responsibility of the entity's management. Our responsibility is to express an opinion 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 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. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Robertson County Emergency Communications District as of June 30, 2008, and the changes in 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, we have also issued a report dated January 23, 2009, on our consideration of Robertson County Emergency Communications District's internal control over financial reporting and on tests of its compliance with certain provisions of laws, regulations and contracts. The purpose of that report is 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 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 our audit.

The Robertson County Emergency Communications District has not presented the Management Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

The Schedule of Funding Progress on page 18 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. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The supplementary information on pages 16 and 17 is presented for purposes of additional analysis as required by the Accounting and Financial Reporting Manual for Tennessee Emergency Communications Districts and is not a required part of the basic financial statements. The budgetary comparison schedule on page 16 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The schedule of information required by the Tennessee Emergency Communications Board on page 17, which is of a non-accounting nature, has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we express no opinion on it.

Gillette, Henderson & Co., PLLC

Gillette, Henderson & Co., PLLC
Hermitage, Tennessee
January 23, 2009

Robertson County Emergency Communications District
(A Component Unit)
Statement of Net Assets
June 30, 2008

ASSETS

Current Assets	
Cash	\$ 220,820
Investments	359,685
Accounts Receivable	39,588
Due from State ECB	21,905
Prepaid Expenses	6,566
Total Current Assets	<u>648,564</u>
Property and Equipment	
Building and Improvements	448,807
Furniture and Fixtures	98,395
Property and Equipment	<u>1,299,063</u>
Total Property and Equipment	1,846,265
Less: Accumulated Depreciation	<u>(782,322)</u>
Net Property and Equipment	<u>1,063,943</u>
Total Assets	<u><u>\$ 1,712,507</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Compensated Absences Payable	\$ 18,463
Other Current Liabilities - Retainage	7,500
Total Current Liabilities	<u>25,963</u>
Total Liabilities	<u>25,963</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	1,063,943
Unrestricted Net Assets	<u>622,601</u>
Total Net Assets	<u>1,686,544</u>
Total Liabilities and Net Assets	<u><u>\$ 1,712,507</u></u>

Robertson County Emergency Communications District
(A Component Unit)
Statement of Revenues, Expenses and Changes in Net Assets
For the Year Ended June 30, 2008

Operating Revenue	
Emergency Telephone Service Charge	543,145
State Emergency Communication Board	124,534
Other Operating Revenues	<u>120,041</u>
Total Operating Revenues	<u>787,720</u>
Operating Expenses	
Administrative Personnel	109,546
Employee Benefits	38,289
Advertising Expense	1,214
Auditing Services	9,150
Accounting Services	8,085
Depreciation Expense	78,455
Dues and Memberships	1,028
Legal and Professional Services	8,196
Maintenance and Repairs	24,283
Office Supplies	12,916
Travel Expense	2,975
Utilities-Electric and Water	1,800
Utilities-Telephone	96,569
Training Expense	1,065
Insurance	8,686
Administrative Fees	<u>10,301</u>
Total Operating Expenses	<u>412,558</u>
Income (Loss) from Operations	<u>375,162</u>
Non-Operating Revenue and (Expense)	
Interest Income	15,607
Interest Expense	<u>(9,232)</u>
Total Non-Operating Revenue and (Expense)	<u>6,375</u>
Net Income (Loss)	381,537
Net Assets, Beginning of Year	<u>1,305,007</u>
Net Assets, End of Year	<u>1,686,544</u>

Robertson County Emergency Communications District
(A Component Unit)
Statement of Cash Flows - Direct Method
For the Year Ended June 30, 2008

Cash Flows From Operating Activities	
Cash received from providers	\$ 551,187
Cash received from State Emergency Communications Board	123,804
Tennessee Operational Funding	120,041
Cash paid for operating goods and services	(205,265)
Cash paid to employees	(120,164)
Taxes and other fees paid	(7,900)
Net Cash Provided (Used) by Operating Activities	<u>461,703</u>
Cash Flows From Capital and Related Financing Activities	
Proceeds from short-term debt	300,000
Repayment of short-term debt	(300,000)
Interest paid	(9,232)
Purchases of fixed assets	(574,400)
Net Cash Provided (Used) by Capital and Related Financing	<u>(583,632)</u>
Cash Flows From Investing Activities	
Cash paid for the certificates of deposit	(100,000)
Interest received on investments	15,607
Reinvested interest earned on investments	(5,137)
Net Cash Provided (Used) by Investing Activities	<u>(89,530)</u>
Net Increase (Decrease) In Cash	(211,459)
Cash at Beginning of Year	<u>432,279</u>
Cash at End of Year	<u>\$ 220,820</u>

Robertson County Emergency Communications District
(A Component Unit)
Statement of Cash Flows - Direct Method
For the Year Ended June 30, 2008

Reconciliation of Net Income (Loss) from Operations to Net Cash Provided (Used) by Operating Activities	
Net income (loss) from Operations	\$ 375,162
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities	
Depreciation	78,455
(Increase) decrease in accounts receivable	8,042
(Increase) decrease due from Emergency Communications Board	(730)
(Increase) decrease in prepaid assets	(2,741)
Increase (decrease) in accounts payable	(3,000)
Increase (decrease) in accrued vacation	6,515
Total adjustments	86,541
Net Cash Provided (Used) by Operating Activities	\$ 461,703

Supplemental Disclosures

Cash Paid During the Year for:

Interest	\$ 9,232
Income taxes	-

Non-Cash Transactions

\$ -

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 1 - Summary of Significant Accounting Policies

Organization

Robertson County Emergency Communications District (the District) was created as a "Municipality" or public corporation on January 31, 1987 under the authority of the provisions of Chapter 867 of the Tennessee Public Acts of 1984, as approved by the voters of Robertson County, Tennessee. The powers of the District are vested in and exercised by a majority of the members of the Board of Directors, who are appointed by the County Court. The Board consists of nine members. The District is considered a political subdivision and is exempt from Federal and State income tax.

The District is considered a component unit of Robertson County since the County Court appoints the Board of Directors, and therefore, may indirectly impose its will on the District. Furthermore, the county provides office space at a nominal fee to cover utilities and dispatchers through the Sheriff's Department; therefore, the county provides a substantial financial benefit to the District.

Measurement Focus/ Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

District operations are accounted for on a cost of service measurement focus using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

The accounts of the District are organized as a proprietary governmental fund. A proprietary fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs of providing services to the general public covered by the District are financed through user charges. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's ongoing operations. The principle operating revenues are E-911 service charges, state operational funding and tariffs. Operating expenses for enterprise funds include the communication expenses, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Proprietary funds have the option of consistently following or not following FASB pronouncements issued subsequent to November 30, 1989. The District, considering the requirements of the Office of the Comptroller of the Treasury, will only follow GASB guidance issued after November 1989, and not follow any FASB guidance subsequent to November 1989.

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 1 - Summary of Significant Accounting Policies (continued)
Measurement Focus/ Basis of Accounting (continued)

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

Cash and Cash Equivalents

For the purposes of the statement of cash flows, the District considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The cash flow statement is prepared in accordance with GASB statement No. 9 as the organization is considered a component of the County. Cash deposits and investments in CD's are reported at carrying amounts which approximates fair value.

Accounts Receivable/Due from State Emergency Communications Board

The District has receivables due from communication service providers and the State ECB for service charges and tariffs. Based on the nature of the revenues there will always be at least one month's receivable at the end of the year. There has been no allowance for doubtful accounts recorded because the probability of non-payment is low. Accounts receivable are recorded when incurred.

Accounts Receivable is concentrated with two vendors. Both vendors are pass-thru entities that collect and forward wireless and land line collections from customers in Robertson County.

Property, Plant and Equipment

Property, plant and equipment are carried at cost. Depreciation is computed using the straight-line and double declining methods over the estimated useful lives of the respective assets. The District capitalizes all significant purchases with a useful life greater than one year.

Budgets and Budgetary Accounting

The District's annual budget is required by state law and assists its users in analyzing financial activity for the fiscal year ended June 30, 2008. The District's board of directors formally approves the budget. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States. The budget was amended during the year by vote of the Board of Directors. The budget may also be amended at the discretion of the director when necessary.

Budgeted amounts lapse at the end of the fiscal year and no unexpended balances are carried to the subsequent year.

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 1 - Summary of Significant Accounting Policies (continued)

Risk Management

The District is exposed to various risks of loss from theft of, damage to, and destruction of assets; errors and omissions; employee injuries and illnesses; natural disasters; tort; medical malpractice claims and judgments; and employee health and accident benefits. Commercial insurance has been purchased for claims arising from such matters. The District has had no settled claims in any of three preceding years.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of 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 - Service Arrangement Contract and Economic Dependence

In 1987 Robertson County Emergency Communications District negotiated a service application with AT&T, formerly known as BellSouth, for the installation and service of an Enhanced 911 Emergency Service System. AT&T furnishes equipment and service sufficient to operate the system for an initial installation fee and a monthly fee based upon the number of telephone stations and access lines served by the System. At June 30, 2008, the monthly fee is one percent of the subscriber fees billed to customers.

Note 3 - Occupancy In-Kind and Related Party Transactions

Robertson County provides free office space and dispatch service for the District operations. No provision has been made to recognize this item in the financial statements Robertson County Emergency Communications District because the amount cannot be reasonably determined. The District pays \$150 per month to Robertson County to cover the cost of utilities. The District is also liable for an accounting fee of one percent of net revenues (gross revenues less uncollectibles) totaling \$8,085 which is paid to the Robertson County Finance office for accounting services.

Note 4 – Board Designated Net Assets

The Board of Directors has designated \$492,114 of their net assets for anticipated additional equipment and unexpected costs related to Homeland Security requirements and a complete radio upgrade.

Note 5 – Contingent Land Donation

As of June 30, 2006, the City of Springfield has dedicated land to the Robertson County Emergency Communications District to be donated for the building of a new Central Communications Center. However, the deed will not be transferred to the County until groundbreaking begins on the Center.

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 6 - Cash Deposits and Investments

The District is allowed to invest idle funds in a manner as defined in Tennessee Code Annotated Section 5-8-301(b) and (c). Cash, cash equivalents and certificates of deposit at June 30, 2008 are included on the balance sheet as follows:

	Carrying Amount	Bank Balance
Farmers and Merchants		
Insured FDIC	\$ 200,000	\$ 200,000
Insured with pledged securities	52,180	64,170
Uninsured	-	-
Total	<u>252,180</u>	<u>264,170</u>
Commerce Union		
Insured FDIC	100,000	100,000
Insured with pledged securities	78,766	78,766
Uninsured	-	-
Total	<u>178,766</u>	<u>178,766</u>
Regions Bank		
Insured FDIC	100,000	100,000
Insured with pledged securities	-	-
Uninsured	-	-
Total	<u>100,000</u>	<u>100,000</u>
The Credit Union for Robertson County		
Insured NCUA	49,559	49,888
Insured with pledged securities	-	-
Uninsured	-	-
Total	<u>49,559</u>	<u>49,888</u>
Total Cash and Investments	<u>\$ 580,505</u>	<u>\$ 592,824</u>

Note 7 – Subsequent Events

The Robertson County ECD is in the process of applying for USDA funding for the building of a new Central Communications Center (CCC). As of June 30, 2008, a bid has not been accepted on the building.

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 8 – Property and Equipment

Property and Equipment consisted of the following at June 30, 2008:

	<i>Balance</i> <u>6/30/2007</u>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <u>6/30/2008</u>
Furniture and Fixtures	\$ 7,543	\$ 90,852	\$ -	\$ 98,395
Equipment	845,512	453,551	-	1,299,063
Buildings and Improvements	418,807	30,000	-	448,807
Less Accumulated Depreciation - F&F	(696,867)	(70,285)	-	(767,152)
Less Accumulated Depreciation - Equip	(7,000)	(8,170)	-	(15,170)
Less Accumulated Depreciation - B&I	-	-	-	-
Net Property, Plant and Equipment	<u>\$ 567,995</u>	<u>\$ 495,948</u>	<u>\$ -</u>	<u>\$ 1,063,943</u>

Assets are valued at cost of purchase and depreciated using the straight-line and double-declining balance methods over their useful lives. Assets reported as Building and Improvements are not yet in service, and therefore, are not being depreciated.

Note 9 – Compensated Absences

Upon termination, the employee is paid for all vacation accrued up to 240 hours. Any excess vacation hours are reclassified as sick time. Then the terminated employee would also receive 25 percent of all sick time accrued. If 25 percent of sick time exceeds 240 hours, the remainder is used as credit to increase service years in TCRS.

Note 10 – Detail of Employee Benefits

The breakdown of Employee Benefits listed on the Statement of Revenues, Expenses and Changes in Net Assets is as follows:

Social Security	\$6,402
Medicare	1,497
Retirement Contributions	10,618
Medical Insurance	13,257
Other Fringe Benefits - Vacation/Sick Pay	<u>6,515</u>
	<u>\$38,289</u>

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 11 – Retirement Plan

PLAN DESCRIPTION

Employees of Robertson County 911 Emergency Communications District are members of the Political Subdivision Pension Plan (PSPP), an agent multiple-employer defined benefit pension plan administered by the Tennessee Consolidated Retirement System (TCRS).

TCRS provides retirement benefits as well as death and disability benefits. Benefits are determined by a formula using the member's high five-year average salary and years of service. Members become eligible to retire at the age of 60 with five years of service or at any age with 30 years of service. A reduced retirement benefit is available to vested members at the age of 55. Disability benefits are available to active members with five years of service who become disabled and cannot engage in gainful employment. There is no service requirement for disability that is the result of an accident or injury occurring while the member was in the performance of duty. Members joining the system after July 1, 1979 become vested after five years of service and members joining prior to July 1, 1979 were vested after four years of service. Benefit provisions are established in state statute found in Title 8, Chapter 34-37 of the Tennessee Code Annotated (TCA). State statutes are amended by the Tennessee General Assembly. Political subdivisions such as Robertson County 911 Emergency Communications District participate in the TCRS as individual entities and are liable for all costs associated with the operation and administration of their plan. Benefit improvements are not applicable to a political subdivision unless approved by the chief governing body.

The TCRS issues a publicly available financial report that includes financial statements and required supplementary information for the PSPP. That report may be obtained by writing to Tennessee Treasury Department, Consolidated Retirement System, 10th Floor Andrew Jackson Building, Nashville, TN 37243-0230 or can be accessed at <http://www.treasury.state.tn.us/tcrs/PS/>.

FUNDING POLICY

Robertson County 911 Emergency Communications District has adopted a noncontributory retirement plan for its employees by assuming employee contributions up to five percent of annual covered payroll.

Robertson County 911 Emergency Communications District is required to contribute at an actuarially determined rate; the rate for the fiscal year ending June 30, 2008 was 9.98 percent of annual covered payroll. The contribution requirement of plan members is set by state statute. The contribution requirement for Robertson County 911 Emergency Communications District is established and may be amended by the TCRS Board of Trustees.

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 11 – Retirement Plan (continued)
ANNUAL PENSION COST

For the year ending June 30, 2008, Robertson County 911 Emergency Communications District's annual pension cost of \$10,618 to TCRS was equal to Robertson County 911 Emergency Communications District's required and actual contributions. The required contribution was determined as part of the July 1, 2005 actuarial valuation using the frozen entry age actuarial cost method. Significant actuarial assumptions used in the valuation include (a) rate of return on investment of present and future assets of 7.5 percent a year compounded annually, (b) projected salary increases of 4.75 percent (graded) annual rate (no explicit assumption is made regarding the portion attributable to the effects of inflation on salaries), (c) projected 3.5 percent annual increase in the Social Security wage base, and (d) projected post retirement increases of 3.0 percent annually. The actuarial value of assets was determined using techniques that smooth the effect of short-term volatility in the market value of total investments over a five-year period. Robertson County 911 Emergency Communications District's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at July 1, 2005 was 15 years. An actuarial valuation was performed as of July 1, 2007, which established contribution rates effective July 1, 2008.

<i>Fiscal Year Ending</i>	<i>Annual Pension Cost (APC)</i>	<i>Trend Information Percentage of APC Contributed</i>	<i>Net Pension Obligation</i>
June 30, 2008	\$10,618	100.00%	\$0.00
June 30, 2007	\$10,112	100.00%	\$0.00
June 30, 2006	\$ 1,491	100.00%	\$0.00

FUNDED STATUS AND FUNDING PROGRESS

As of July 1, 2007, the most recent actuarial valuation date, the plan was 73.41 % percent funded. The actuarial accrued liability for benefits was \$0.14 million, and the actuarial value of assets was \$0.11 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$0.04 million. The covered payroll (annual payroll of active employees covered by the plan) was \$0.10 million, and the ratio of the UAAL to the covered payroll was 38.01 % percent.

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

The annual required contribution (ARC) was calculated using the aggregate actuarial cost method. Since the aggregate actuarial cost method does not identify or separately

**Robertson County Emergency Communications District
(A Component Unit)
Notes to Financial Statements**

Note 11 – Retirement Plan (continued)

FUNDED STATUS AND FUNDING PROGRESS (continued)

amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and this information is intended to serve as a surrogate for the funded status and funding progress of the plan.

(Dollar amounts in thousands)

<i>Actuarial Valuation Date</i>	<i>Actuarial Value of Plan Assets</i>	<i>Actuarial Accrued Liability (AAL) Entry Age</i>	<i>Unfunded AAL (UAAL)</i>	<i>Funded Ratio</i>	<i>Covered Payroll</i>	<i>UAAL as a Percentage of Covered Payroll</i>
	(a)	(b)	(b)-(a)	(a/b)	(c)	((b-a)/c)
7/1/2007	\$106	\$144	\$38	73.41%	\$101	38.01%

Note 12 – Other Commitments

On April 2, 2003, the Robertson County Emergency Communications District entered into a 5 year Special Service Agreement with BellSouth Communications to provide approximately 1/3 of the funding necessary to provide Sumner County with additional Public Safety Answering Position equipment and software. In exchange, Sumner County has agreed to service calls initiated from a city situated across both counties. A onetime charge of \$6,905 was paid in the year of the contract, and subsequent monthly payments of \$1,854 will be made for 60 months from the date of the contract and included as a component of communications expense.

Note 13 – Short-Term Debt

Short-term debt of \$300,000 was obtained to purchase equipment. The debt was repaid when one of the certificates of deposit matured.

End of Notes

SUPPLEMENTARY INFORMATION
AND
SCHEDULES

Robertson County Emergency Communications District
(A Component Unit)
Budgetary Comparison Schedule
For the Year Ended June 30, 2008

	ORIGINAL BUDGET	AMENDED BUDGET	ACTUAL	VARIANCE
Revenue				
Emergency Telephone Service Charge	\$ 499,820	\$ 499,820	\$ 543,145	\$ 43,325
State Emergency Communication Board- shared wireless charge	101,000	101,000	124,534	23,534
Other State Revenues	330,041	330,041	120,041	(210,000)
Total Revenues	<u>930,861</u>	<u>930,861</u>	<u>787,720</u>	<u>(143,141)</u>
Operating Expenses				
Salaries and Wages	111,479	116,394	109,546	6,848
Employee Benefits	44,523	44,523	38,289	6,234
Advertising Expense	6,461	6,461	1,214	5,247
Auditing Services	10,000	15,000	9,150	5,850
Accounting Services	9,309	9,309	8,085	1,224
Depreciation Expense	140,964	140,964	78,455	62,509
Dues and Memberships	3,000	3,000	1,028	1,972
Legal and Professional Services	17,600	17,696	8,196	9,500
Maintenance and Repairs	41,853	35,539	24,283	11,256
Office Supplies	74,315	75,315	12,916	62,399
Travel Expense	19,508	19,508	2,975	16,533
Utilities-Electric and Water	2,500	2,500	1,800	700
Utilities-Telephone	271,500	271,500	96,569	174,931
Training Expense	11,576	5,576	1,065	4,511
Insurance	9,314	9,814	8,686	1,128
Administrative Fees	9,749	10,552	10,301	251
Total Operating Expenses	<u>783,651</u>	<u>783,651</u>	<u>412,558</u>	<u>371,093</u>
Income (Loss) from Operations	<u>147,210</u>	<u>147,210</u>	<u>375,162</u>	<u>227,952</u>
Other Income and (Expense)				
Interest Income	-	-	15,607	15,607
Interest Expense	-	(12,500)	(9,232)	3,268
Total Other Income and (Expense)	<u>-</u>	<u>(12,500)</u>	<u>6,375</u>	<u>18,875</u>
Net Income	<u>\$ 147,210</u>	<u>\$ 134,710</u>	<u>\$ 381,537</u>	<u>\$ 246,827</u>

**Robertson County Emergency Communications District
(A Component Unit)
Schedule of Information Required by the
Tennessee Emergency Communications Board
June 30, 2008**

1. There are two Public Safety Answering Points.
2. One Public Safety Answering Point with five consoles is located at the following:

Robertson County Sheriff's Office
Central Dispatch
507 South Brown Street
Springfield, TN 37172

One Public Safety Answering Point with three consoles is located at the following:

Springfield Police Department
802 South Willow
Springfield, TN 37172

3. The Public Service Answering Points use Positron Equipment by AT&T, formerly known as BellSouth. The Data Base is a computer aided dispatch system by Archonix software.
4. Chairman of the Robertson County Emergency Communications Board can be located at the following:

Jackie W. Wilkerson
1305 Hill Street
Springfield, TN 37172
Phone (615) 384-2186
Fax (615) 384-1293
wilkerson@robertsonems.org

5. The Officer Administrator/ Manager of the Robertson County Emergency Communications District can be located at the following:

Cathy C. Lowe
517 South Brown Street
Springfield, TN 37172
Phone (615) 384-0099
Fax (615) 384-9379
robts911@bellsouth.net

REQUIRED SUPPLEMENTARY INFORMATION

**Robertson County Emergency Communications District
(A Component Unit)
Required Supplementary Information
June 30, 2008**

Schedule of Funding Progress for ROBERTSON CO 911 EMERG COMM DIST 88492

(Dollar amounts in thousands)

<i>Actuarial Valuation Date</i>	<i>Actuarial Value of Plan Assets</i>	<i>Actuarial Accrued Liability (AAL) Entry Age</i>	<i>Unfunded AAL (UAAL)</i>	<i>Funded Ratio</i>	<i>Covered Payroll</i>	<i>UAAL as a Percentage of Covered Payroll</i>
	<u>(a)</u>	<u>(b)</u>	<u>(b)-(a)</u>	<u>(a/b)</u>	<u>(c)</u>	<u>((b-a)/c)</u>
7/1/2007	\$106	\$144	\$38	73.41%	\$101	38.01%
7/1/2005	\$84	\$85	\$2	98.01%	\$91	1.86%
7/1/2003	\$73	\$75	\$2	97.33%	\$57	3.51%

Gillette, Henderson & Co., PLLC

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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

January 23, 2009

To the Board of Directors
Robertson County Emergency Communications District
Springfield, TN 37172

We have audited the basic financial statements of Robertson County Emergency Communications District ("The District" - a component unit of Robertson County) as of and for the year ended June 30, 2008 and have issued our report thereon dated January 23, 2009. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures 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 District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Robertson County Emergency Communication District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

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 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 District's financial statements that is more than inconsequential will not be prevented or detected by the District's internal control. We consider the deficiencies described in the accompanying schedule of findings and

responses to be significant deficiencies in internal control over financial reporting: Finding 2008-1 and Finding 2008-2.

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

Our consideration of the 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 the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, of the significant deficiencies described above, we consider item 2008-1 to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of 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.

Robertson County Emergency Communication District's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit the District's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the management of Robertson County Emergency Communications District, the Tennessee Emergency Communications Board, Tennessee State Comptroller's Office and other regulatory bodies and is not intended to be and should not be used by anyone other than these specified parties.

Gillette, Henderson & Co., PLLC

Gillette, Henderson & Co., PLLC
Hermitage, Tennessee

**Roberson County Emergency Communications District
(A Component Unit)
Schedule of Findings and Responses
June 30, 2008**

Finding 2008-1 Accuracy of Depreciation Schedule

Condition: There was a lack of internal control in the area of fixed assets. During the year under audit some costs for a large furniture build-out project were expensed, primarily because the amount of the individual item did not appear to be a capital item.

Criteria: Costs for a large project must be aggregated to ensure the capitalization of the entire cost of the project. Controls should be in place to insure that all such costs are capitalized and depreciated appropriately.

Effect: In this instance, a material amount was expensed to the income statement distorting the net income. If interim financial statements are materially distorted, management cannot make informed financial decisions.

Recommendation: We recommend that financial statements be reviewed by finance personnel familiar with generally accepted accounting principles prior to issuance of the financial statements.

Response: Management agrees and appropriate personnel will be notified.

Finding 2008-2 Vacation Policy

Condition: There was insufficient internal control in the area of compensated absence accrual. The vacation policy has been applied incorrectly for several years when calculating the compensated absences.

Criteria: It is important that management be aware of all personnel policies. Controls should be in place to insure that all accruals are accurately calculated.

Effect: The effect was an immaterial adjustment to the financial statements.

Recommendation: We recommend that the calculation be verified by someone other than the person maintaining the records.

Response: Management agrees, and an interoffice person, other than the one maintaining the vacation and sick balances, will periodically review the calculation.