

**COFFEE COUNTY E-911 EMERGENCY
COMMUNICATIONS DISTRICT
JUNE 30, 2009**

**TAMARA L. BECKMAN
CERTIFIED PUBLIC ACCOUNTANT**

**COFFEE COUNTY E-911
EMERGENCY COMMUNICATIONS DISTRICT
JUNE 30, 2009**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Coffee County E-911 Emergency Communications District
Manchester, Tennessee

I have audited the accompanying financial statements of the Coffee County E-911 Emergency Communications District, a component unit of Coffee County, as of and for the year ended June 30, 2009, as listed in the table of contents. These financial statements are the responsibility of the Coffee County E-911 Emergency Communications 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 the standards applicable to financial audits contained in *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 Coffee County E-911 Emergency Communications District, as of June 30, 2009, and the respective changes in financial position and 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 December 1, 2009, on my consideration of the Coffee County E-911 Emergency Communications District's internal control over financial reporting and on 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 and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of the audit performed in accordance with

Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.

GASB Statement No. 34 provides guidance on Management's Discussion and Analysis, which is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board; however, management has chosen to exclude this information.

My audit was conducted for the purpose of forming an opinion on the financial statements of Coffee County E-911 Emergency Communications District, taken as a whole. The accompanying supplementary financial information is presented for the purposes of additional analysis and is not a required part of the financial statement of Coffee County E-911 Emergency Communications District. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

December 1, 2009
Cookeville, Tennessee

Tamara L. Beckman, CPA

**COFFEE COUNTY E-911
EMERGENCY COMMUNICATIONS DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2009**

ASSETS

Current Assets

Cash and Cash Equivalents	\$ 238,241.18	
Investments - Certificate of Deposit	843,846.00	
Accounts Receivable	17,192.76	
Due from State Emer. Comm. Board	65,731.29	
Interest Receivable	4,254.32	
Prepaid Expenses	<u>15,892.51</u>	
<u>Total Current Assets</u>		\$ 1,185,158.06

Non-Current Assets

Building & Improvements	117,427.40	
Accum. Deprec-Build. & Improv	(80,979.85)	
Office Equipment	45,318.39	
Accum. Deprec-Office Equipment	(30,611.91)	
Furniture & Fixtures	42,902.95	
Accum. Deprec.-Furn. & Fixtures	(29,003.02)	
Communications Equipment	747,865.54	
Accum. Deprec-Comm. Equipment	(442,165.18)	
Construction in Progress	<u>50,572.50</u>	
<u>Total Non-Current Assets</u>		<u>421,326.82</u>

<u>Total Assets</u>		1,606,484.88
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LIABILITIES AND NET ASSETS

Liabilities

Accounts Payable	1,201.88	
Payroll Tax Payable	<u>39.00</u>	
Total Liabilities		<u>1,240.88</u>

Net Assets

Invested in Capital Assets	421,326.82	
Unrestricted Net Assets	<u>1,183,917.18</u>	
<u>Total Net Assets</u>		<u>\$ 1,605,244.00</u>

The accompanying notes are in integral part of the financial statements

**COFFEE COUNTY E-911
EMERGENCY COMMUNICATIONS DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2009**

Operating Revenues

Emergency Telephone Service Charges	\$ 233,455.33	
State – Wireless Charges	125,992.65	
State – Operational Funding Program	120,040.80	
Other Operating Revenue	24.42	
Total Operating Revenue		\$ 479,513.20

Operating Expense

Salaries & Wages

Part-Time Personnel		36,960.52
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Employee Benefits

Social Security	\$ 2,280.26	
Medicare	532.57	
Unemployment	137.09	
Total Employee Benefits		2,949.92

Contracted Services

Addressing & Mapping	48.00	
Audit Services	2,000.00	
Accounting Services	75.00	
Admin. Fees/Service Charges	6.25	
Contract with Government Agencies	80,000.00	
Legal Service	12,600.00	
Mapping & Database Consultants	368.68	
NCIC / TBI / TIES Expense	7,270.00	
Pest Control	400.00	
Contract Labor	11,271.61	
<u>Leases / Rentals</u>		
BellSouth DataBase	80,677.01	
<u>Maintenance & Repairs</u>		
Radio Equipment	7,130.00	
Building/Landscaping	5,131.03	
Office Equipment	6,388.49	
Language Line	105.75	
Generator Maintenance	4,899.80	
Total Contracted Services		218,371.62

Supplies & Materials

Office Supplies	5,487.16	
Custodial Supplies	462.81	
Data Process Supplies	2,287.26	
Postage	27.30	
Small Equipment	2,059.61	
Uniforms	2,157.11	

*COFFEE COUNTY E-911
EMERGENCY COMMUNICATIONS DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS CONT'D
FOR THE YEAR ENDED JUNE 30, 2009*

<u>Utilities</u>		
Electric	11,825.10	
Gas	830.86	
Water	736.11	
Telephone	11,709.43	
Cell Phones & Pagers	<u>436.56</u>	
Total Supplies & Materials		38,019.31
<u>Other Charges</u>		
Bank Charges	125.03	
Board Meetings	1,608.15	
Dues & Memberships	800.00	
Employee Testing	234.00	
<u>Insurance</u>		
Liability	5,068.98	
Building & Content	4,089.00	
Equipment	4,258.94	
Vehicle Insurance	365.92	
Legal Notice	454.84	
Surety Bonds	975.83	
Public Education	1,604.47	
Service Awards	865.40	
Training	3,744.83	
Travel	20,705.87	
Internet/Cable	1,090.04	
Printing	<u>225.00</u>	
Total Other Charges		46,216.30
Depreciation		<u>78,585.01</u>
Total Operating Expenses		<u>421,102.68</u>
Net Operating Income		58,410.52
<u>Non-Operating Revenue and Expense</u>		
Investment Income		33,522.88
Interest Income		1,994.61
State of TN ECB-Grants/Reimb		22,871.35
Sale of Map Books		<u>800.46</u>
Total Non-Operating Revenue & Expense		59,189.30
<u>Capital Contributions</u>		
Capital Contributions from other Governments & Agencies		<u>61,032.45</u>
Increase in Net Assets		178,632.27
Total Net Assets, July 1, 2008		<u>1,426,611.73</u>
Total Net Assets, June 30, 2009		<u>\$ 1,605,244.00</u>

The Accompanying notes are in integral part of the financial statements

**COFFEE COUNTY E-911
EMERGENCY COMMUNICATIONS DISTRICT
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2009**

<u>Cash Flows From Operating Activities</u>		
Cash Received from Operations	\$ 435,647.76	
Cash Payments to/for Employees	(39,910.44)	
Cash Payments for Goods and Services	<u>(301,968.03)</u>	
Net Cash Provided by Operating Activities		\$ 93,769.29
<u>Cash Flows from Non-Capital Financing Activities</u>		
State of TN ECB - Grants & Reimbursements	22,871.35	
Sale of Mapbooks	<u>800.46</u>	
Net Cash Provided by Non-Capital Financing Activities		23,671.81
<u>Cash Flows from Capital & Related Financing Activities</u>		
Acquisition of New Assets	(89,077.99)	
Construction in Progress	(50,572.50)	
Capital Contributions from other Governments	<u>61,032.45</u>	
Net Cash Used by Capital & Related Financing Activities		(78,618.04)
<u>Cash Flows from Investing Activities</u>		
Interest/Investment Income Received	34,218.68	
Transfer To CD	<u>(58,808.44)</u>	
Net Cash Used by Investing Activities		<u>(24,589.76)</u>
Net Increase in Cash and Cash Equivalents		14,233.30
Cash and Cash Equivalent at 6-30-08		<u>224,007.88</u>
Cash and Cash Equivalent at 6-30-09		<u>\$ 238,241.18</u>
<u>Reconciliation of Net Operating Income to Net Cash</u>		
<u>Provided by Operating Activities</u>		
Net Operating Income	\$ 58,410.52	
Depreciation	78,585.01	
Decrease in Accounts Receivable	3,575.48	
Increase in Due from State ECB	(47,440.92)	
Decrease in Prepaid Expense	1,433.24	
Decrease in Accounts Payable	(784.30)	
Decrease in Payroll Tax Payable	<u>(9.74)</u>	
Net Cash Provided by Operating Activities		<u>\$ 93,769.29</u>
<u>Noncash Capital & Related Financing Activities</u>		
Fixed Assets Disposed		<u>\$ 4,941.55</u>

The Accompanying notes are in integral part of the financial statements

**COFFEE COUNTY E-911
EMERGENCY COMMUNICATIONS DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2009**

Note 1 – Summary of Significant Accounting Policies

The Coffee County E-911 Emergency Communication District was established on April 4, 1987 for the purpose of providing an enhanced level of 911 service to the Coffee County citizens by acquiring certain types of equipment that enable emergency service providers to respond more rapidly and more effectively due to increased speed in the transmittal of critical information and improved reliability of address and information. It is a component unit of Coffee County. The Coffee County E-911 Emergency Communications District is run by a board of directors, which is appointed by Coffee County. The District must file a budget with Coffee County each year. Any bond issued by the district is subject to approval by Coffee County.

The District uses the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled *Audits of State and Local Governmental Units* and by the Financial Accounting Standards Board. As allowed in Section P80 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, the Board has elected not to apply to its proprietary activities Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the Committee of Accounting Procedures issued after November 30, 1989.

Depreciation – Depreciation is computed at rates designed to amortize the cost of the individual assets over their useful lives using the straight-line method. Depreciation begins when the fixed assets are placed in service. Depreciation is summarized as follows:

	<u>Method</u>	<u>Estimated Useful Life</u>	<u>2009 Depreciation</u>
Building/Improvements	S/L	10-30 Years	\$ 3,843.62
Office Equipment	S/L	5,7 & 10 Years	5,057.42
Furniture & Fixtures	S/L	5,7 & 10 Years	5,546.77
Communications Equipment	S/L	5,7,10 & 20 Years	<u>64,137.20</u>
Total			<u>\$ 78,585.01</u>

Major Source of Revenue

The major source of operating revenue is emergency telephone and wireless surcharges. The District's non-operating revenue consists of a grant, contributions from other governments & agencies, insurance proceeds, interest/investment income and sales of map books.

Note 2 – Cash and cash investments

The following is a schedule of bank accounts at June 30, 2009:

Checking – First National Bank	\$ 87,113.68
Money Market – American City Bank	151,077.16
Investment Account – AEDC	50.34
Certificates of Deposit – Coffee County Bank	482,693.08
Certificates of Deposit – Peoples Bank	150,000.00
Certificates of Deposit – First National Bank	<u>211,152.92</u>
Total	<u>\$1,082,087.18</u>

At June 30, 2009, the carrying amount of the Coffee County E – 911 Emergency Communications District’s cash deposits was \$1,082,087.18. The District’s deposit accounts are covered up to \$250,000 by the Federal Deposit Insurance Corporation. Any amounts over \$250,000 are covered by collateralization held by First National Bank and Coffee County Bank in the District’s name. Peoples Bank and American City Bank are members of the Government Collateralization Pool. The District is authorized to deposit and invest funds according to the provisions of Section 5-8-301 of the Tennessee Code Annotated. [Acts 1992, ch. 891, section 10].

Note 3 – Bonding & Insurance

Coffee County E-911 Emergency Communications District has a bond covering certain members of the board at June 30, 2009. The District has liability insurance covering the building and its contents. The policy also insures employees automobiles used in the counsel of business. The District had no settlements that exceeded the coverage for the past three years.

Note 4 – Fixed Assets

The following is a schedule of equipment at June 30, 2009:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
<u>Non-Depreciable Assets</u>			
Construction in Progress	\$ <u>50,572.50</u>	\$ <u>--</u>	\$ <u>50,572.50</u>
<u>Depreciable Assets</u>			
Building/Improvements	117,427.40	80,979.85	36,447.55
Office Equipment	45,318.34	30,611.86	14,706.48
Furniture & Fixtures	42,902.95	29,003.02	13,899.93
Comm. Equipment	<u>747,865.54</u>	<u>442,165.18</u>	<u>305,700.36</u>
Subtotal	<u>953,514.23</u>	<u>582,759.91</u>	<u>370,754.32</u>
Total Fixed Assets	<u>\$1,004,086.73</u>	<u>\$582,759.91</u>	<u>\$421,326.82</u>

	<u>Balance</u> <u>6/30/08</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>6/30/09</u>
<u>Non-Depreciable Assets</u>				
Construction in Progress	\$ --	\$ 50,572.50	\$ --	\$ 50,572.50
<u>Depreciable Assets</u>				
Building/Improvements	112,927.40	4,500.00	--	117,427.40
Office Equipment	48,861.89	--	<3,543.55>	45,318.34
Furniture & Fixtures	41,954.95	2,346.00	<1,398.00>	42,902.95
Communications Equip.	<u>665,633.55</u>	<u>82,231.99</u>	--	<u>747,865.54</u>
Subtotal	<u>869,377.79</u>	<u>89,077.99</u>	<u><4,941.55></u>	<u>953,514.23</u>
Total Fixed Assets	<u>\$869,377.79</u>	<u>\$139,650.49</u>	<u>\$<4,941.55></u>	<u>\$1,004,086.73</u>

Note 5 – Cash and cash equivalents

Cash and cash equivalents consist of demand deposits with original maturities of three months or less with local financial institutions.

Note 6 – Accounts Receivable/Due from State Emergency Communications Board

The amounts due to the District from subscriber services and wireless charges include the following:

AT&T	\$ 13,767.99
Ben Lomand	1,419.74
Miscellaneous Telephone Companies	<u>2,005.03</u>
Subtotal	17,192.76
State Emergency Communications Board	<u>65,731.29</u>
Total	<u>\$ 82,924.05</u>

Note 7 – Compensated Absences

There were no compensated absences as of June 30, 2009.

Note 8 – Salaries & Wages

The District has a contract with Coffee County for the County to provide the director and dispatcher labor to the E-911 District. These costs are disclosed under “Salaries & Wages” in the Statement of Revenues, Expenses and Changes in Fund Net Assets.

Note 9 – Calculation of Invested in Capital Assets

Net Book Value	\$421,326.82
Current & Non-Current Debt	< -0 - >
Invested in Capital Assets	<u>\$421,326.82</u>

Note 10 – Budgetary Information

As stated in Note 1, the District must file a budget with Coffee County each year which must be legally adopted by the County. The budget is prepared on the accrual basis of accounting. Compliance with the legally adopted is required at the program level as well as the object level.

**COFFEE COUNTY E-911
EMERGENCY COMMUNICATIONS DISTRICT
BUDGET AND ACTUAL (GAAP Basis)
FOR THE YEAR ENDED JUNE 30, 2009**

	Original <u>Budget</u>	Amended <u>Budget</u>	<u>Actual</u>
<u>Operating Revenue</u>			
Emergency Telephone Service Charges	\$ 240,000.00	\$ 217,000.00	\$ 233,455.33
State-Shared Wireless Charges	100,000.00	110,000.00	125,992.65
State-Operational Funding	120,000.00	120,000.00	120,040.80
Other Operating Revenue	-	-	24.42
<u>Total Operating Revenue</u>	<u>\$ 460,000.00</u>	<u>\$ 447,000.00</u>	<u>\$ 479,513.20</u>
<u>Expenditures</u>			
<u>Salaries & Wages</u>			
Part-Time Personnel	40,000.00	37,000.00	36,960.52
<u>Employee Benefits</u>			
Social Security	3,000.00	2,500.00	2,280.26
Medicare	800.00	600.00	532.57
Unemployment (State)	800.00	500.00	137.09
<u>Total Employee Benefits</u>	<u>\$ 44,600.00</u>	<u>\$ 40,600.00</u>	<u>\$ 39,910.44</u>
<u>Contracted Services</u>			
Addressing/Mapping	2,000.00	2,000.00	48.00
Audit Services	1,500.00	2,000.00	2,000.00
Accounting Services	150.00	150.00	75.00
Admin. Fees/ Services Charges	100.00	100.00	6.25
Contract with Government Agency	80,000.00	80,000.00	80,000.00
Legal Services	14,000.00	14,000.00	12,600.00
Mapping & Database Consultants	2,000.00	2,000.00	368.68
NCIC/TBI/TIES Expense	8,500.00	8,000.00	7,270.00
Pest Control	750.00	750.00	400.00
Contract Labor	22,000.00	16,000.00	11,271.61
Lease/Rental-Communications Equipment	100,000.00	100,000.00	80,677.01
Communications Equipment Maintenance	16,500.00	14,500.00	7,130.00
Building & Facilities Maintenance	7,500.00	7,500.00	5,131.03
Office Equipment Maintenance	5,000.00	6,750.00	6,388.49
Language Line	1,000.00	1,000.00	105.75
Generator Maintenance	3,000.00	5,500.00	4,899.80
<u>Total Contracted Services</u>	<u>\$ 264,000.00</u>	<u>\$ 260,250.00</u>	<u>\$ 218,371.62</u>
<u>Supplies & Materials</u>			
Office Supplies	5,000.00	6,000.00	5,487.16
Custodial Supplies	1,000.00	500.00	462.81
Data Processing Supplies	4,000.00	3,000.00	2,287.26
Postage	500.00	500.00	27.30
Small Equipment Purchases	1,400.00	2,400.00	2,059.61
Uniforms	2,000.00	2,500.00	2,157.11

Utilities-Electric	10,000.00	12,000.00	11,825.10
Utilities-Gas	1,000.00	1,000.00	830.86
Utilities-Water	1,000.00	1,000.00	736.11
Telephone Expenses	12,000.00	14,000.00	11,709.43
Cell Phones & Pagers	750.00	750.00	436.56
<u>Total Supplies & Materials</u>	<u>\$ 38,650.00</u>	<u>\$ 43,650.00</u>	<u>\$ 38,019.31</u>
<u>Other Charges</u>			
Bank Charges	200.00	200.00	125.03
Board Meeting Expenses	1,200.00	2,000.00	1,608.15
Dues & Memberships	2,000.00	1,500.00	800.00
Employee Testing	2,000.00	1,000.00	234.00
Liability Insurance	5,500.00	6,000.00	5,068.98
Building & Contents Insurance	5,000.00	5,000.00	4,089.00
Equipment Insurance	4,000.00	4,500.00	4,258.94
Vehicle Insurance	500.00	500.00	365.92
Legal Notices	500.00	700.00	454.84
Premiums on Surety Bonds	1,000.00	1,000.00	975.83
Public Education	4,450.00	4,450.00	1,604.47
Service Awards	2,000.00	1,000.00	865.40
Training Expenses	2,000.00	4,000.00	3,744.83
Travel Expenses	34,000.00	34,000.00	20,705.87
Internet/Cable	1,000.00	1,500.00	1,090.04
Printing	1,000.00	1,000.00	225.00
<u>Total Other Charges</u>	<u>\$ 66,350.00</u>	<u>\$ 68,350.00</u>	<u>\$ 46,216.30</u>
Depreciation Expense	\$ -	\$ -	\$ 78,585.01
<u>Total Operating Expenses</u>	<u>\$ 413,600.00</u>	<u>\$ 412,850.00</u>	<u>\$ 421,102.68</u>
<u>Operating Income</u>	<u>\$ 46,400.00</u>	<u>\$ 34,150.00</u>	<u>\$ 58,410.52</u>
<u>Nonoperating Revenue and (Expenses)</u>			
Investment Income	24,000.00	26,000.00	33,522.88
Interest Income	200.00	200.00	1,994.61
State-Grants & Reimbursements	10,000.00	10,000.00	22,871.35
Sale of Map Books	800.00	600.00	800.46
<u>Total Nonoperating Revenue and (Expenses)</u>	<u>\$ 35,000.00</u>	<u>\$ 36,800.00</u>	<u>\$ 59,189.30</u>
Capital Contributions from other Governments	\$ -	\$ 200,000.00	\$ 61,032.45
Increase (Decrease) in Net Assets	\$ 81,400.00	\$ 270,950.00	\$ 178,632.27
Net Assets - July 1, 2008	\$ 1,426,611.73	\$ 1,426,611.73	\$ 1,426,611.73
Net Assets - June 30, 2009	\$ 1,508,011.73	\$ 1,697,561.73	\$ 1,605,244.00

**COFFEE COUNTY E-911
EMERGENCY COMMUNICATION DISTRICT**

**SCHEDULE OF INFORMATION REQUIRED BY THE TENNESSEE
EMERGENCY COMMUNICATION BOARD
JUNE 30, 2009**

Number of public safety answering points: 1

Address: 911 Jack Welch Dr.
Manchester, TN 37355

Type of system/equipment: Positron 911/Interact Cad System/Motorola Radio
Type of Database: SCC/Bell South

Director: Steve Deford
911 Jack Welch Drive
Manchester, TN 37355
Work: (931) 454-0996
Fax: (931) 723-2914

Chairman: Jimmy Bradford
515 E. Roosevelt St.
Tullahoma, TN 37388
Work: (931) 454-6941
Fax: (931) 454-7403

**COFFEE COUNTY E – 911
EMERGENCY COMMUNICATIONS DISTRICT
911 BOARD MEMBERS
JUNE 30, 2009**

Jimmy Bradford, Chairman
515 S. Roosevelt St.
Tullahoma, TN 37388
Home: (931) 461-9169

Chief J.C. Ferrell, Member
Tullahoma Police Dept.
123 N. Jackson St.
Work: (931) 455-3411

Joe Hinch, Vice-Chairman
901 Clover Lane
Manchester, TN 37355
Home: (931) 728-6642

Paul Hogan, Member
4274 New Manchester Hwy.
Tullahoma, TN 37388
Home: (931) 455-9453

Chief Ross Simmons, Treasurer
Manchester Police Dept.
200 W. Fort St.
Manchester, TN 37355
Work: (931) 728-2099

Sheriff Steve Graves, Member
Coffee Co. Sheriff's Dept
300 Hillsboro Blvd.
Manchester, TN 37355
Work: (931) 723-3021

Det.Captain Mark Yother, Secretary
Manchester Police Dept.
200 W. Fort St.
Manchester, TN 37355
Work: (931) 728-2099

Lonnie Norman, Member
715 Emerson St.
Manchester, TN 37355
(931) 728-0326

Tildon Stubblefield, Member
507 S. Roosevelt St.
Tullahoma, TN 37388
Home: (931) 455-4166

TAMARA L. BECKMAN
CERTIFIED PUBLIC ACCOUNTANT

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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**

To the Board of Directors of the
Coffee County E-911 Emergency Communications District
Manchester, Tennessee

I have audited the financial statements of Coffee County Emergency Communications District as of and for the year ended June 30, 2009, and have issued my report thereon dated December 1, 2009. I conducted my 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 my audit, I considered Coffee County Emergency Communications District's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing my opinion on the effectiveness of Coffee County Emergency Communications District's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of Coffee 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 Coffee 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 Coffee County Emergency Communications District's financial statements that is more than inconsequential will not be prevented or detected by Coffee 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 a material misstatement of the financial statements will not be prevented or detected by Coffee County Emergency Communications District's internal control.

My consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not be necessarily identify all deficiencies in the 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 Coffee 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 for the information of the management and federal awarding agencies and pass-through entities and the State of Tennessee Comptroller of the Treasury and is not intended to be and should not be used by anyone other than these specified parties.

December 1, 2009
Cookeville, Tennessee

Tamara L. Beckman, CPA