

DYER COUNTY E911  
EMERGENCY COMMUNICATION DISTRICT  
FINANCIAL STATEMENTS AND AUDITOR'S REPORT  
Year Ended June 30, 2010

DYER COUNTY E911  
Dyersburg, Tennessee  
FINANCIAL STATEMENTS AND AUDITOR'S REPORT  
June 30, 2010

ROSTER OF BOARD OF DIRECTORS

Thomas White

Jeff Holt

Bob Williamson

James Medling

Bart Williams

Jeff Burns

Kris Kent

Benny Spain

Thomas Reasons

DYER COUNTY E911  
Dyersburg, Tennessee  
FINANCIAL STATEMENTS AND AUDITOR'S REPORT  
June 30, 2010

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American Institute of Certified Public Accountants  
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CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Dyer County E911 Emergency Communication District  
Dyersburg, Tennessee

We have audited the accompanying statement of net assets of Dyer County E911 Emergency Communication District, a component unit of Dyer County, Tennessee, as of June 30, 2010 and the related statements of revenues, expenses, and changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Dyer County E911 Emergency Communication District at June 30, 2010, the results of its operations and its cash flows for the year then ended in conformity with accounting principles as generally accepted in the United States of America.

Government Accounting Standard Board Statement No. 34 requires the inclusion of a Management Discussion and Analysis Letter, however the management of Dyer County E911 has decided not to include this letter in the June 30, 2010 report.

In accordance with Government Auditing Standards, we have also issued our report dated July 30, 2011, on our consideration of Dyer County E911 Emergency Communication District's internal control over financial reporting and our 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 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 should be considered in assessing the results of our audit.

Board of Directors  
Dyer County E911 Emergency Communication District  
Dyersburg, Tennessee  
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Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying financial information is presented for purposes of additional analysis and is not a required part of the basic financial statements of Dyer County E911 Emergency Communication District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Dyersburg, Tennessee  
July 30, 2011

A handwritten signature in black ink that reads "Joe M. Enoch & Associates". The signature is written in a cursive, flowing style.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
STATEMENT OF NET ASSETS  
June 30, 2010

ASSETS

<u>Current Assets</u>		
Cash		\$ 504,835
Certificates of deposit		444,290
Accounts receivable		15,608
Prepaid expenses		6,073
Accrued interest receivable		249
Total Current Assets		<u>971,055</u>
 <u>Fixed Assets</u>		
Land	\$ 10,930	
Equipment	1,326,600	
Less: Accumulated depreciation	<u>(579,070)</u>	
Net Fixed Assets		<u>758,460</u>
 TOTAL ASSETS		 <u><u>\$ 1,729,515</u></u>

LIABILITIES AND NET ASSETS

<u>Net Assets</u>		
Invested in capital assets		\$ 758,460
Unrestricted net assets		971,055
Total Net Assets		<u>1,729,515</u>
 TOTAL LIABILITIES AND NET ASSETS		 <u><u>\$ 1,729,515</u></u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
For the Year Ended June 30, 2010

<u>Operating Revenue</u>	
Emergency service charges	\$ 390,783
Total Operating Revenue	<u>390,783</u>
 <u>Operating Expenses</u>	
Advertising	79
Audit services	2,200
Accounting services	1,500
Contracts with government agencies	17,600
Contracts with private agencies	5,808
Data processing supplies	2,040
Language line	43
Legal services	3,025
Maintenance agreements	33,465
Maintenance and repairs - communications	796
Maintenance and repairs - vehicles	1,542
Communications equipment - lease payments	47,957
Office supplies and postage	1,092
Dues and memberships	317
Insurance - liability	7,303
Insurance - equipment	139
Insurance - vehicles	3,019
Premiums on surety bonds	1,110
Training	7,842
Travel	9,541
Other charges	131
Depreciation - equipment	140,777
Total Operating Expense	<u>287,326</u>
 OPERATING INCOME (LOSS)	 <u>103,457</u>
 <u>Non-operating Revenue</u>	
State Emergency Communications Board - reimbursement	42,000
Interest income	10,336
Total Non-operating Revenue	<u>52,336</u>
 <u>Non-operating Expense</u>	
Loss on disposal of equipment	350
Total Non-operating Expense	<u>350</u>
 INCREASE IN NET ASSETS	 155,443
 Net Assets, July 1, 2009	 <u>1,574,072</u>
 Net Assets, June 30, 2010	 <u>\$ 1,729,515</u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
STATEMENT OF CASH FLOWS  
For the Year Ended June 30, 2010

<u>Cash Flows From Operating Activities</u>		
Receipts from emergency service charges		\$ 426,656
Payments to suppliers		<u>(147,038)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		279,618
<u>Cash Flows From Capital and Related</u>		
<u>Financing Activities</u>		
Purchase of equipment	\$ (39,360)	
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES		(39,360)
<u>Cash Flows From Noncapital</u>		
<u>Financing Activities</u>		
Reimbursements from State Communications Board	<u>42,000</u>	
NET CASH PROVIDED IN NONCAPITAL FINANCING ACTIVITIES		42,000
<u>Cash Flows From Investing Activities</u>		
Purchase of certificates of deposit	(7,178)	
Interest paid on investments	<u>11,916</u>	
NET CASH USED BY INVESTING ACTIVITIES		<u>4,738</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		286,996
Cash and Cash Equivalents, July 1, 2009		<u>217,839</u>
CASH AND CASH EQUIVALENTS, June 30, 2010		<u><u>\$ 504,835</u></u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
STATEMENT OF CASH FLOWS (CONTINUED)  
For the Year Ended June 30, 2010

<u>Reconciliation of Operating Income (Loss) to Net Cash</u> <u>Provided (Used) by Operating Activities</u>	
Operating income	\$ 103,457
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation - equipment	140,777
Changes in current assets and current liabilities:	
Decrease in accounts receivable	35,874
Increase in prepaid expenses	<u>(490)</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 <u>\$ 279,618</u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
NOTES TO FINANCIAL STATEMENTS  
For the Year Ended June 30, 2010

Note 1 - Significant Accounting Policies

The Dyer County E911 Emergency Communication District (the "District"), a component unit of Dyer County, was formed under the provisions of the "Emergency Communication District Law" of the State of Tennessee. The District has a board of directors appointed by the Dyer County legislative body.

The District provides a uniform emergency number to shorten the time required for a citizen to request and receive emergency aid.

The District's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, unless these pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails. Although the District has the option to apply FASB pronouncements issued after November 30, 1989, it has chosen not to do so.

Reporting Entity

The District includes only the funds relevant to the operation of the Dyer County E911 Emergency Communication District. Dyer County E911 is a component unit of the primary government of Dyer County. Therefore, the financial statements of the District include only those funds controlled and administered by the District and the governing board of directors. Control is determined on the basis of budget adoption, taxing authority, funding and appointing of the governing board. The Dyer County Legislative body must approve issuance of debt for the District. They also have the ability to adjust the service charges of the District.

Cash and Cash Equivalents

For purposes of the statement of cash flows, only investments with original maturities of less than three months are considered to be cash equivalents.

Basis of Accounting

The books and records of Dyer County E911 Emergency Communication District are maintained on a full accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
For the Year Ended June 30, 2010

Note 1 - Significant Accounting Policies (Continued)

Property and Equipment

Fixed assets, including infrastructure assets, are recorded at cost and depreciation is computed using the straight-line method over the estimated useful lives of the assets. Any construction period interest is added to the cost of the related asset.

The following is a summary of fixed assets at June 30, 2009 and 2010.

	<u>Balance</u> <u>6/30/2009</u>	<u>Additions</u>	<u>Retirements</u> <u>and Transfers</u>	<u>Balance</u> <u>6/30/2010</u>
Land	\$ -	\$ 10,930	\$ -	\$ 10,930
Equipment	1,306,521	28,430	8,351	1,326,600
Total	1,306,521	39,360	8,351	1,337,530
Accumulated depreciation	446,293	140,777	8,000	579,070
Net Fixed Assets	<u>\$ 860,228</u>	<u>\$ (101,417)</u>	<u>\$ (351)</u>	<u>\$ 758,460</u>

Investments

Investments of the District consist of certificates of deposit at banks. Investments are valued at cost. The District is allowed to invest in the following: bonds, notes, or treasury bills of the United States; nonconvertible debt securities of the Federal Home Loan Bank, Federal National Mortgage Association, Federal Farm Credit Bank, and Student Loan Marketing Association; and other obligations which are guaranteed as to principal and interest by the United States or any of its agencies; certificate of deposit at state and federal chartered banks and savings and loans.

Collateralization of Deposits

The District is mandated by law to require that the financial institutions in which they maintain deposits pledge securities to collateralize deposits which are in excess of the amount covered by federal insurance. At June 30, 2010 the District's carrying amount of deposits was \$949,126 and the bank balance was \$954,794. Of the bank balance, \$569,069 was covered by federal depository insurance and \$385,725 was covered by collateral held by the District's agent in the District's name.

Budget

The District is required by state law to adopt an annual budget that is approved by the Board of Directors. The budget is adopted on a basis consistent with generally accepted accounting principles and once approved, it can be amended only by a majority vote of the Board of Directors. All annual appropriations lapse at fiscal year end.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
For the Year Ended June 30, 2010

Note 1 - Significant Accounting Policies (Continued)

Events Occurring After Reporting Date

The District has evaluated events and transactions that occurred between June 30, 2010 and July 30, 2011, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

In July 2010, the District paid the first installment of \$99,946, to purchase equipment that will be required to interface into the new Next Generation 911 network system. The total cost of this equipment upgrade is approximately \$399,795. This system will capitalize on advances in information and communications technologies, and will enable quicker and more robust information as the result of making a 9-1-1 call. It will also transfer 9-1-1 calls between geographically dispersed public safety answering points (PSAP's) if necessary, increase aggregation and sharing of data, resources, procedures, and standards to improve emergency response, and maximize public capital and operating cost savings for emergency communications services. The district received a grant in the amount of \$204,396 from the State of Tennessee to aid in this required equipment purchase.

During the fiscal year ending June 30, 2010, the District purchased a plat of land adjacent to the Communications Center for the construction of a building to house the Mobile PSAP. Construction on the building began in August 2010 and was completed in November 2010. The total construction costs of this building are expected to amount to just over \$200,000.

Note 2 - Concentration of Credit Risk

The District bills all telephone customers within its boundaries by a surcharge on the telephone bills. The telephone companies then remit the collections on a regular basis to the District. At June 30, 2010, these telephone companies are indebted to the District in the amount of \$15,608. There is no collateral or bonds securing these debts.

Note 3 - Revenue Recognition

Revenue is recorded at the time earned.

Note 4 - Operating Lease

The E911 District obtained an operating lease of some emergency telephone equipment from Bell South. There is no pre-arranged lease term on this lease. The E911 District is required to make monthly lease payments using an established rate for as long as the equipment is used by the E911 District. At any time, the E911 District may return the equipment to Bell South and thus terminate the operating lease.

Note 5 - Net Working Capital

At June 30, 2010, net working capital is \$971,055.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
For the Year Ended June 30, 2010

Note 6 - Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Note 7 - Risk Management

The District manages the various types of risk that apply through the use of commercial insurance. The District insures against the risk of loss of property and director's misappropriation of funds. There were no settlements in excess of insurance coverage in any of the past three years.

Note 8 -Contracts With Government Agencies

The District entered into an agreement with a local government entity whereby the local government provides technical consulting and mapping/addressing services to the District. \$17,600 was paid for these services during the year ending June 30, 2010.

Note 9 – Non-operating Revenue

The District received a reimbursement from the State Communications Board of \$10,000 for mapping and related expenditures to enhance wireless 911 service and \$32,000 for dispatcher training.

DYER COUNTY E911 EMERGENCY

COMMUNICATION DISTRICT

OTHER FINANCIAL INFORMATION

Year Ended June 30, 2010

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
BUDGETARY COMPARISON SCHEDULE  
For the Year Ended June 30, 2010

	Original Budget	Final Budget	Actual	Variance- Favorable (Unfavorable)
<u>Operating Revenue</u>				
Emergency telephone service charge	\$ 150,000	\$ 159,834	\$ 160,940	\$ 1,106
TECB-operational funding distribution		104,081	135,617	31,536
TECB-shared wireless charge	163,000	172,742	94,226	(78,516)
Total Operating Revenue	<u>313,000</u>	<u>436,657</u>	<u>390,783</u>	<u>(45,874)</u>
<u>Operating Expenses</u>				
Advertising	-	-	79	(79)
Audit services	2,250	2,250	2,200	50
Accounting services	1,500	1,500	1,500	-
Contracts with government agencies	19,200	19,200	17,600	1,600
Contracts with private agencies	5,440	5,808	5,808	-
Maintenance agreements	35,000	35,000	33,463	1,537
Communications equipment - lease payments	67,000	55,559	47,365	8,194
Communications equipment - maintenance and repair	5,000	5,000	797	4,203
Office equipment - lease/rental	-	592	592	-
Vehicle repairs	2,500	2,500	1,542	958
Legal services	0	3,025	3,025	-
Language line	100	100	43	57
Other contract services	1,000	-	-	-
Supplies and materials	1,000	-	-	-
Office supplies	-	2,004	1,004	1,000
Data processing supplies	-	2,400	2,040	360
Postage	200	200	88	112
Small equipment purchases	5,000	9,000	-	9,000
Electric	5,000	5,000	-	5,000
Water	1,500	1,500	-	1,500
Dues and memberships	500	500	317	183
Insurance-liability	7,200	7,503	7,303	200
Insurance-equipment	5,000	5,000	3,158	1,842
Premiums on surety bonds	1,500	1,500	1,110	390
Public education	1,500	1,500	-	1,500
Service awards	250	250	-	250
Training	12,000	12,000	7,842	4,158
Travel expenses	10,000	10,000	9,541	459
Other charges-safe deposit box	115	210	130	80
Depreciation- equipment	176,000	176,000	140,777	35,223
Total Operating Expenses	<u>365,755</u>	<u>365,101</u>	<u>287,324</u>	<u>77,777</u>
OPERATING INCOME (LOSS)	<u>(52,755)</u>	<u>71,556</u>	<u>103,459</u>	<u>31,903</u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
BUDGETARY COMPARISON SCHEDULE (CONTINUED)  
For the Year Ended June 30, 2010

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>Non-operating Revenue</u>				
Interest Income	\$ 400	\$ 7,615	\$ 10,336	\$ 2,721
State Communications Board-reimbursement		32,000	42,000	10,000
Total Non-operating Revenue	<u>400</u>	<u>39,615</u>	<u>52,336</u>	<u>12,721</u>
<u>Non-operating Expense</u>				
Loss on disposal of equipment			351	(351)
Total Non-operating Expense			<u>351</u>	<u>(351)</u>
 INCREASE/ (DECREASE) IN NET ASSETS	 (52,355)	 111,172	 155,443	 44,271
Net Assets, July 1, 2009	<u>1,627,011</u>	<u>1,652,314</u>	<u>1,574,072</u>	
Net Assets, June 30, 2010	<u>\$ 1,574,656</u>	<u>\$ 1,763,486</u>	<u>\$ 1,729,515</u>	<u>\$ (33,971)</u>
Budget basis		\$ 111,172		
Revenue accruals		35,874		
Expenditure accruals		(490)		
Depreciation		<u>(140,777)</u>		
GAAP basis		<u>\$ 5,779</u>		

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
SCHEDULE OF STATE AWARDS  
For the Year Ended June 30, 2010

<u>CFDA Number</u>	<u>Programs</u>	<u>Balance 7/1/2009</u>	<u>Cash Receipts</u>	<u>Expenditures</u>	<u>Balance 6/30/10</u>
<u>Tennessee Department of Commerce and Insurance</u>					
	GIS Mapping Maintence Grant	\$ -	\$ 10,000	\$ 10,000	\$ -
	Dispatcher Training Grant		32,000	32,000	-
	Total	<u>\$ -</u>	<u>\$ 42,000</u>	<u>\$ 42,000</u>	<u>\$ -</u>

See accompanying notes and accountant's report.

DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
SCHEDULE OF INFORMATION REQUIRED BY  
THE TENNESSEE EMERGENCY COMMUNICATION BOARD  
June 30, 2010

Address of each public safety answering points

Dyersburg Communication Center (EOC)  
1165 Harrell Avenue  
Dyersburg, TN 38024

Dyer County Sheriff Department  
401 E Cedar  
Dyersburg, TN 38024

Newbern Police Department  
121 E Main Street  
Newbern, Tn 38059

Type of system/equipment and data base used by each public safety answering point

The equipment is Plant/CML with a Motorola data base.

Name, address, telephone number and fax number of the director of the emergency communication district

The district is board managed. Mark Grant, Dyersburg 911 Center Director, is the point of contact for District and equipment issues.

Name, address, telephone number and fax number of the chairman of the emergency communication district

Benny Spain  
225 Auburn Ave.  
Dyersburg, TN 38024  
(731) 287-7937 office  
(731) 286-8006 fax

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Members

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Private Companies Practice Section

CERTIFIED PUBLIC ACCOUNTANTS

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

Board of Directors  
Dyer County E911 Emergency Communication District  
Dyersburg, Tennessee

We have audited the accompanying financial statements of Dyer County E911 Emergency Communication District as of and for the year ended June 30, 2010, and have issued our report thereon dated July 30, 2011. 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 Dyer County E911 Emergency Communication District internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion 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 the District's internal control over financial reporting.

*A deficiency in internal control* 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 and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the Schedule of Findings, Recommendations and Responses that we consider to be significant deficiencies in internal control over financial reporting. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Board of Directors  
Dyer County E911 Emergency Communication District  
Page 2

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Dyer County E911 Emergency Communication 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 that are required to be reported under Government Auditing Standards.

The Dyer County E911 Emergency Communication District's responses to the findings identified in our audit are described in the accompanying Schedule of Findings, Recommendations 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 management, the audit committee, the board of commissioners, specified legislative or regulatory bodies, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Dyersburg, Tennessee  
July 30, 2011



DYER COUNTY E911 EMERGENCY COMMUNICATION DISTRICT  
Dyersburg, Tennessee  
SCHEDULE OF FINDINGS, RECOMMENDATIONS AND RESPONSES  
June 30, 2010

Prior Year Findings Not Implemented

2009-1 Finding

Due to practical limitations in the size of the District, adequate segregation of duties is not present in the District's internal control structure. However, during the year the Board took an active interest in the financial transactions of the organization by reviewing detail transactions on a regular basis.

Recommendation

Management and the Board need to continue their efforts in complying with the control procedures that are in place to insure that transactions are properly documented and approved. The Board should continue to take an active interest in the financial transactions of the organization by reviewing detail transactions on a regular basis.

Management Response

We concur.

2009-2 Finding

Some of the balance sheet accounts and depreciation are not adjusted to the accrual basis at the end of the year.

Recommendation

An effort should be made to make accrual adjustments to the accounts at the end of the year.

Management Response

We agree, however we prefer those adjustments be made during the audit process with the approval and review of our bookkeeper.