

**CHEATHAM COUNTY E-911 EMERGENCY  
COMMUNICATIONS DISTRICT  
JUNE 30, 2015**

**TAMARA L. BECKMAN  
CERTIFIED PUBLIC ACCOUNTANT**



**TAMARA L. BECKMAN, CPA**  
CERTIFIED PUBLIC ACCOUNTANT

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of the  
Cheatham County E-911 Emergency Communications District  
Ashland City, Tennessee

**Report on the Financial Statements**

I have audited the accompanying financial statements of Cheatham County E-911 Emergency Communications District, a component unit of Cheatham County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Cheatham County E-911 Emergency Communications District's basic financial statements, as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Cheatham County E-911 Emergency Communications District, a component unit of Cheatham County, as of June 30, 2015, and the respective changes in financial position, and, where applicable,

cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

**Required Supplementary Information**

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historic context. The auditor's opinion on the basic financial statements is not affected by this missing information.

**Supplementary Information**

My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Cheatham County E-911 Emergency Communications District's basic financial statements. The Budget and Actual schedule and the schedule of 911 Board Members on pages 9-11 are presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Budget and Actual schedule and the schedule of 911 Board Members are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the Budget and Actual schedule and the schedule of 911 Board Members are fairly stated in all material respects in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, I have also issued my report dated December 17, 2015 on my consideration of Cheatham 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 of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cheatham County E-911 Emergency Communications District's internal control over financial reporting and compliance.

December 17, 2015  
Cookeville, Tennessee

*Tamara L. Beckman, CPA*

**CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2015**

**ASSETS**

**Current Assets**

|  |                  |                      |
|--|------------------|----------------------|
| Cash and Cash Equivalents                | \$ 548,116.83    |                      |
| Investments - Government Investment Pool | 9,685.72         |                      |
| Accounts Receivable                      | -                |                      |
| Due from State Emerg. Comm. Board        | -                |                      |
| Prepaid Expenses                         | <u>25,328.34</u> |                      |
| <b><u>Total Current Assets</u></b>       |                  | <b>\$ 583,130.89</b> |

**Capital Assets**

|                                    |                    |                          |
|------------------------------------|--------------------|--------------------------|
| Land                               | 2,958.40           |                          |
| Leasehold Improvements             | 32,699.20          |                          |
| Less: A/D - Leasehold Improvements | (6,176.87)         |                          |
| Furniture & Fixtures               | 59,270.28          |                          |
| Less: A/D - Furniture & Fixtures   | (17,639.96)        |                          |
| Communications Equipment           | 935,931.61         |                          |
| Less: A/D-Communications Equipment | (248,101.02)       |                          |
| Vehicle                            | 40,126.29          |                          |
| Less: A/D-Vehicle                  | <u>(38,026.33)</u> |                          |
| <b><u>Total Capital Assets</u></b> |                    | <b><u>761,041.60</u></b> |

**Total Assets** **\$ 1,344,172.49**

**LIABILITIES**

**Current Liabilities**

|   |               |                         |
|---|---------------|-------------------------|
| Accounts Payable                        | 57,345.29     |                         |
| Credit Card Payable                     | <u>138.57</u> |                         |
| <b><u>Total Current Liabilities</u></b> |               | <b><u>57,483.86</u></b> |

**Total Liabilities** **57,483.86**

**Net Position**

|                              |                   |  |
|------------------------------|-------------------|--|
| Investment in Capital Assets | 761,041.60        |  |
| Unrestricted Net Position    | <u>525,647.03</u> |  |

**Total Net Position** **\$ 1,286,688.63**

The accompanying notes are in integral part of the financial statements

**CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED JUNE 30, 2015**

Operating Revenues

|  |              |                      |
|--|--------------|----------------------|
| Emergency Telephone Service Charges          | \$ 54,543.15 |                      |
| State – Wireless Charges                     | 36,936.30    |                      |
| State – Operational Funding Program          | 65,288.86    |                      |
| State - Reimbursement of Lost Charter Income | 15,896.77    |                      |
| TECB Distribution of 911 Surcharges          | 242,301.00   |                      |
| Other Operating Revenue                      | 61.00        |                      |
| <b>Total Operating Revenue</b>               |              | <b>\$ 415,027.08</b> |

Operating Expense

Contracted Services

|   |             |            |
|---|-------------|------------|
| Addressing/Mapping/Database Consultants | \$ 3,200.00 |            |
| Audit Services                          | 2,750.00    |            |
| Accounting/Bookkeeping Services         | 9,000.00    |            |
| Contracts with Govt. Agencies           | 186,547.27  |            |
| Fees Paid to Service Providers          | 27,766.39   |            |
| Legal Services                          | 7,479.47    |            |
| Maintenance Agreements                  | 55,886.82   |            |
| NCIC / TBI / TIES                       | 2,680.00    |            |
| Total Contracted Services               |             | 295,309.95 |

Supplies, Materials & Maintenance

|  |           |  |
|--|-----------|--|
| Office Supplies                          | 6,197.00  |  |
| Janitorial Supplies                      | 162.30    |  |
| Postage                                  | 610.08    |  |
| Equipment Purchases Not Capitalized      | 18,769.07 |  |
| Uniforms & Shirts                        | 1,129.44  |  |
| <u>Utilities</u>                         |           |  |
| Electric                                 | 7,654.46  |  |
| General Telephone - Administrative Lines | 6,589.27  |  |
| Cell Phones & Pagers                     | 1,335.36  |  |
| Cable/Internet Charges                   | 949.20    |  |
| M&R - Communication Equipment            | 25,866.06 |  |
| M&R - Building/Facilities                | 1,737.79  |  |

The Accompanying notes are in integral part of the financial statements

*CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
STATEMENT OF REVENUES, EXPENSES,  
AND CHANGES IN FUND NET POSITION CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2015*

|  |                  |                        |
|--|------------------|------------------------|
| M&R - Office Equipment                       | 4,383.99         |                        |
| M&R - Vehicle                                | 154.69           |                        |
| Fuel - Gasoline & Diesel                     | <u>1,204.71</u>  |                        |
| Total Supplies & Materials                   |                  | 76,743.42              |
| <br><u>Other Charges</u>                     |                  |                        |
| Board Meeting Expenses                       | 1,615.06         |                        |
| Dues & Memberships                           | 937.00           |                        |
| Employee Testing and Exams                   | 1,200.00         |                        |
| <u>Insurance</u>                             |                  |                        |
| Liability                                    | 16,530.00        |                        |
| Legal Notices                                | 1,388.86         |                        |
| Licenses & Fees                              | 700.00           |                        |
| Premium on Surety Bonds                      | 615.00           |                        |
| Training Expenses                            | 7,496.00         |                        |
| Travel Expenses                              | <u>528.68</u>    |                        |
| Total Other Charges                          |                  | 31,010.60              |
| <br><u>Depreciation</u>                      |                  | <br><u>95,199.78</u>   |
| <br><b>Total Operating Expenses</b>          |                  | <br><u>498,263.75</u>  |
| Net Operating Income (Loss)                  |                  | (83,236.67)            |
| <br><u>Non-Operating Revenue and Expense</u> |                  |                        |
| Interest Income                              | 267.04           |                        |
| Contributions from Other Governments         | 7,200.00         |                        |
| TECB Reimbursements and/or Grants            | <u>83,607.00</u> |                        |
| Total Non-Operating Revenue & Expense        |                  | <u>91,074.04</u>       |
| <br><b>Increase in Net Position</b>          |                  | <br>7,837.37           |
| Total Net Position, July 1, 2014             |                  | 1,335,148.40           |
| Prior Period Adjustment                      |                  | <u>(56,297.14)</u>     |
| Total Net Position, June 30, 2015            |                  | <u>\$ 1,286,688.63</u> |

The Accompanying notes are in integral part of the financial statements

**CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
STATEMENT OF CASH FLOW  
FOR THE YEAR ENDED JUNE 30, 2015**

|  |                     |                      |
|--|---------------------|----------------------|
| <u>Cash Flows From Operating Activities</u>                          |                     |                      |
| Cash Received from Operations  | \$ 472,188.66       |                      |
| Cash Payments for Goods and Services                                 | <u>(402,216.47)</u> |                      |
| Net Cash Provided (Used) by Operating Activities                     |                     | \$ 69,972.19         |
| <br><u>Cash Flows from Capital and Related Financing Activities</u>  |                     |                      |
| Capital Assets Purchased   | <u>(13,239.92)</u>  |                      |
| Net Cash Provided (Used) by Capital and Related Financing Activities |                     | (13,239.92)          |
| <br><u>Cash Flows from Non-Capital Financing Activities</u>          |                     |                      |
| Contributions from Other Governments                                 | 7,200.00            |                      |
| Grants/Reimbursements Received-State of TN ECB                       | <u>83,607.00</u>    |                      |
| Net Cash Provided (Used) by Non-Capital Financing Activities         |                     | 90,807.00            |
| <br><u>Cash Flows from Investing Activities</u>                      |                     |                      |
| Interest Received on CDs & Savings                                   | 267.04              |                      |
| Transfer to LGIP   | <u>(8.36)</u>       |                      |
| Net Cash Provided by Investing Activities                            |                     | <u>258.68</u>        |
| Net Increase in Cash and Cash Equivalents                            |                     | 147,797.95           |
| Cash and Cash Equivalent at 6-30-14                                  |                     | <u>400,318.88</u>    |
| Cash and Cash Equivalent at 6-30-15                                  |                     | <u>\$ 548,116.83</u> |
| <br><u>Reconciliation of Net Operating Income (Loss) to Net Cash</u> |                     |                      |
| <u>Provided (Used) by Operating Activities</u>                       |                     |                      |
| Net Operating Income (Loss)  | \$ (83,236.67)      |                      |
| Depreciation   | 95,199.78           |                      |
| Decrease in Accounts Receivable                                      | 8,725.52            |                      |
| Decrease in Due from State ECB                                       | 48,436.06           |                      |
| Increase in Prepaid Expense  | (620.53)            |                      |
| Increase in Accounts Payable   | 1,392.55            |                      |
| Increase in Credit Card Payable                                      | <u>75.48</u>        |                      |
| <u>Net Cash Provided (Used) by Operating Activities</u>              |                     | <u>\$ 69,972.19</u>  |

The Accompanying notes are in integral part of the financial statements

**CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2015**

Note 1 – General Statement and Summary of Significant Accounting Policies

The Cheatham County E–911 Emergency Communication District was established for the purpose of providing an enhanced level of 911 service for the Cheatham 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 and proprietary fund of Cheatham County. The Cheatham County E–911 Emergency Communications District is run by a board of directors, which is appointed by Cheatham County. The District must file a budget with Cheatham County each year. Any bond issued by the district is subject to approval by Cheatham County.

Summary of significant accounting policies

The Cheatham County E–911 Emergency Communications district presents its financial statements on the accrual basis of accounting and the economic resources measurement focus. Capital assets are recorded at cost and depreciated over their useful lives of 5 to 10 years using the straight-line method. All equipment purchases under \$5,000 are expensed. The dispatchers are paid through the county government. The Budget is compiled and brought before the board for approval. Revenues are recognized when earned and expenses are recognized when incurred.

Cash and cash equivalents

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

Major Sources of Revenue

The major sources of operating revenue are emergency telephone charges collected from telephone companies, wireless surcharges and operational funding from the state. Non-operating revenues consist of interest income, contributions from other governments, and grants and reimbursements from the State of Tennessee.

Occupancy and Personnel In-Kind

Cheatham County provides space for the District operations and provides for dispatcher costs and some utilities. No provision has been made to recognize these items in the financial statements.

Note 2 – Cash and Cash Investments

The Tennessee Government Code requires Tennessee banks and savings and loan associations to secure a governmental entity’s deposits by pledging government securities as collateral. The market value of pledged securities must equal 105% of the entity’s deposits. The entity may waive collateral requirements for deposits that are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

The following is a schedule of bank accounts at June 30, 2015:

|   |                     |
|---|---------------------|
| Checking – Prime Trust Bank             | \$368,215.02        |
| Money Market – Prime Trust Bank         | 179,901.81          |
| Local Government Investment Pool (LGIP) | <u>9,685.72</u>     |
| Total                                   | <u>\$557,802.55</u> |

At June 30, 2015, the carrying amount of the Cheatham County E–911 Emergency Communications District’s cash deposits was \$557,802.55. 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 the government collateralization pool of which Prime Trust Bank is a member. 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, sct 10].

Note 3 – Bonding

Cheatham County E-911 Emergency Communications District has insurance coverage for commercial liability, automobile, management and surety bonds covering the treasurer and other members of the board and the coordinator, in the amount of \$51,600.00 each at June 30, 2015. There have been no losses or settlements that exceeded this coverage during the past three years.

Note 4 - Capital Assets

The following is a schedule of equipment, current year depreciation expense and accumulated depreciation at June 30, 2015:

| <u>Capital Assets</u>                | <u>Cost</u>                   | <u>Depreciation Expense</u> | <u>Accumulated Depreciation</u> |
|--------------------------------------|-------------------------------|-----------------------------|---------------------------------|
| <b><u>Non-Depreciable Assets</u></b> |                               |                             |                                 |
| Land                                 | \$ 2,958.40                   | \$ -                        | \$ -                            |
| <b><u>Depreciable Assets</u></b>     |                               |                             |                                 |
| Leasehold Improvements               | 32,699.20                     | 3,269.92                    | 6,176.87                        |
| Furniture & Fixtures                 | 59,270.28                     | 8,467.18                    | 17,639.96                       |
| Communications Equip.                | 935,931.61                    | 77,162.79                   | 248,101.02                      |
| Vehicles                             | 40,126.29                     | 6,299.89                    | 38,026.33                       |
| Total Depreciable Assets             | <u>1,068,027.38</u>           | <u>95,199.78</u>            | <u>309,944.18</u>               |
| <b>Total Capital Assets</b>          | <b><u>\$ 1,070,985.78</u></b> | <b><u>\$ 95,199.78</u></b>  | <b><u>\$ 309,944.18</u></b>     |

Changes in property and equipment during the year are as follows:

| <u>Capital Assets</u>                | <u>Balance 6/30/2014</u>      | <u>Additions</u>           | <u>Reclass/ Disposal</u> | <u>Balance 6/30/2015</u>      |
|--------------------------------------|-------------------------------|----------------------------|--------------------------|-------------------------------|
| <b><u>Non-Depreciable Assets</u></b> |                               |                            |                          |                               |
| Land                                 | \$ 2,958.40                   | \$ -                       | \$ -                     | \$ 2,958.40                   |
| <b><u>Depreciable Assets</u></b>     |                               |                            |                          |                               |
| Leasehold Improvements               | 32,699.20                     | -                          | -                        | 32,699.20                     |
| Furniture & Fixtures                 | 59,270.28                     | -                          | -                        | 59,270.28                     |
| Communications Equip.                | 922,691.69                    | 13,239.92                  | -                        | 935,931.61                    |
| Vehicle                              | 40,126.29                     | -                          | -                        | 40,126.29                     |
| Total Depreciable Assets             | <u>1,054,787.46</u>           | <u>13,239.92</u>           | <u>-</u>                 | <u>1,068,027.38</u>           |
| <b>Total Capital Assets</b>          | <b><u>\$ 1,057,745.86</u></b> | <b><u>\$ 13,239.92</u></b> | <b><u>\$ -</u></b>       | <b><u>\$ 1,070,985.78</u></b> |

Note 5 – Contracts with Government Agencies

Cheatham County E-911 Emergency Communications District pays the Cheatham County Government for contract labor. The District has no employees of its own at June 30, 2015.

Note 6 – Compensated Absences

The District does not have any employees; therefore, no compensated absence liability has been recorded.

Note 7 – Budgetary Information

As stated in Note 1, the District must file a budget with Cheatham County each year which must be adopted by the Board of Directors. The budget is prepared on the accrual basis of accounting. Compliance with the adopted budget is required at the line-item level.

Note 8 – Subsequent Events

The District has evaluated subsequent events through December 17, 2015, the date in which the financial statements were available to be issued.

Note 9 – Prior Period Adjustment

A prior period adjustment in the amount of \$56,297.14 was made to correct an understatement of Accumulated Depreciation – Communications Equipment in a prior year.

**CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
BUDGET AND ACTUAL  
FOR THE YEAR ENDED JUNE 30, 2015**

|  | <u>Budget</u>        | <u>Actual</u>        | <u>Variance</u>       |
|--|----------------------|----------------------|-----------------------|
| <u>Operating Revenue</u>                     |                      |                      |                       |
| Emergency Telephone Service Charges          | \$ 160,000.00        | \$ 54,543.15         | \$ (105,456.85)       |
| State ECB-Shared Wireless                    | 188,000.00           | 36,936.30            | (151,063.70)          |
| State ECB-Operational Funding Program        | 132,000.00           | 65,288.86            | (66,711.14)           |
| State - Reimbursement of Lost Charter Inc.   | -                    | 15,896.77            | 15,896.77             |
| TECB Distribution of 911 Surcharges          | -                    | 242,301.00           | 242,301.00            |
| Other Operating Revenue                      | -                    | 61.00                | 61.00                 |
| <u>Total Operating Revenue</u>               | <u>\$ 480,000.00</u> | <u>\$ 415,027.08</u> | <u>\$ (64,972.92)</u> |
| <u>Operating Expenses</u>                    |                      |                      |                       |
| <u>Contracted Services</u>                   |                      |                      |                       |
| Addressing/Mapping/Database Expense          | 6,100.00             | 3,200.00             | 2,900.00              |
| Audit Services                               | 3,000.00             | 2,750.00             | 250.00                |
| Accounting/Bookkeeping Services              | 9,000.00             | 9,000.00             | -                     |
| Contracts with Govt. Agencies                | 213,316.22           | 186,547.27           | 26,768.95             |
| Fees Paid to Service Providers               | 28,000.00            | 27,766.39            | 233.61                |
| Legal Services                               | 8,100.00             | 7,479.47             | 620.53                |
| Maintenance Agreements                       | 56,000.00            | 55,886.82            | 113.18                |
| NCIC / TBI / TIES Expenses                   | 2,700.00             | 2,680.00             | 20.00                 |
| <u>Total Contracted Services</u>             | <u>\$ 326,216.22</u> | <u>\$ 295,309.95</u> | <u>\$ 30,906.27</u>   |
| <u>Supplies, Materials &amp; Maintenance</u> |                      |                      |                       |
| Office Supplies                              | 6,200.00             | 6,197.00             | 3.00                  |
| Janitorial Supplies                          | 1,000.00             | 162.30               | 837.70                |
| Postage                                      | 700.00               | 610.08               | 89.92                 |
| Equipment Purchases Not Capitalized          | 20,300.00            | 18,769.07            | 1,530.93              |
| Uniforms & Shirts                            | 2,000.00             | 1,129.44             | 870.56                |
| Utilities-Electric                           | 7,700.00             | 7,654.46             | 45.54                 |
| Utilities-Gas                                | 800.00               | -                    | 800.00                |
| Utilities-General Telephone - Admin. Lines   | 7,000.00             | 6,589.27             | 410.73                |
| Utilities-Cell Phones & Pagers               | 3,000.00             | 1,335.36             | 1,664.64              |
| Cable/Internet Charges                       | 1,000.00             | 949.20               | 50.80                 |
| R&M-Communications Equipment                 | 26,000.00            | 25,866.06            | 133.94                |
| R&M-Building & Facility                      | 2,000.00             | 1,737.79             | 262.21                |
| R&M-Office Equipment                         | 4,500.00             | 4,383.99             | 116.01                |
| R&M-Vehicle                                  | 1,200.00             | 154.69               | 1,045.31              |
| Fuel - Gasoline & Diesel                     | 2,500.00             | 1,204.71             | 1,295.29              |
| <u>Total Supplies &amp; Materials</u>        | <u>\$ 85,900.00</u>  | <u>\$ 76,743.42</u>  | <u>\$ 9,156.58</u>    |

**CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
BUDGET AND ACTUAL CONTINUED  
FOR THE YEAR ENDED JUNE 30, 2015**

Other Charges

|                            |           |           |          |
|----------------------------|-----------|-----------|----------|
| Bank Charges               | 100.00    | -         | 100.00   |
| Board Meeting Expense      | 1,700.00  | 1,615.06  | 84.94    |
| Dues & Memberships         | 1,500.00  | 937.00    | 563.00   |
| Employee Testing and Exams | 1,200.00  | 1,200.00  | -        |
| Insurance-Liability        | 17,000.00 | 16,530.00 | 470.00   |
| Legal Notices              | 1,500.00  | 1,388.86  | 111.14   |
| Licenses & Fees            | 1,300.00  | 700.00    | 600.00   |
| Premiums on Surety Bonds   | 1,000.00  | 615.00    | 385.00   |
| Public Education           | 300.00    | -         | 300.00   |
| Service Awards             | -         | -         | -        |
| Training Expenses          | 10,000.00 | 7,496.00  | 2,504.00 |
| Travel Expenses            | 5,000.00  | 528.68    | 4,471.32 |
| Advertising                | -         | -         | -        |

|                            |                     |                     |                    |
|----------------------------|---------------------|---------------------|--------------------|
| <u>Total Other Charges</u> | <u>\$ 40,600.00</u> | <u>\$ 31,010.60</u> | <u>\$ 9,589.40</u> |
|----------------------------|---------------------|---------------------|--------------------|

|                     |                     |                     |                       |
|---------------------|---------------------|---------------------|-----------------------|
| <u>Depreciation</u> | <u>\$ 51,654.00</u> | <u>\$ 95,199.78</u> | <u>\$ (43,545.78)</u> |
|---------------------|---------------------|---------------------|-----------------------|

|                                 |                      |                      |                    |
|---------------------------------|----------------------|----------------------|--------------------|
| <u>Total Operating Expenses</u> | <u>\$ 504,370.22</u> | <u>\$ 498,263.75</u> | <u>\$ 6,106.47</u> |
|---------------------------------|----------------------|----------------------|--------------------|

|                         |                       |                       |                       |
|-------------------------|-----------------------|-----------------------|-----------------------|
| <u>Operating Income</u> | <u>\$ (24,370.22)</u> | <u>\$ (83,236.67)</u> | <u>\$ (58,866.45)</u> |
|-------------------------|-----------------------|-----------------------|-----------------------|

Nonoperating Revenues & (Expenses)

|   |                     |                     |                     |
|---|---------------------|---------------------|---------------------|
| Interest Income                                     | -                   | 267.04              | 267.04              |
| Contributions from Other Governments                | -                   | 7,200.00            | 7,200.00            |
| TECB Reimbursements and/or Grants                   | 43,600.00           | 83,607.00           | 40,007.00           |
| <u>Total Nonoperating Revenues &amp; (Expenses)</u> | <u>\$ 43,600.00</u> | <u>\$ 91,074.04</u> | <u>\$ 47,474.04</u> |

|                                   |                     |                    |                       |
|-----------------------------------|---------------------|--------------------|-----------------------|
| Increase (Decrease) in Net Assets | <u>\$ 19,229.78</u> | <u>\$ 7,837.37</u> | <u>\$ (11,392.41)</u> |
|-----------------------------------|---------------------|--------------------|-----------------------|

|                                |                     |                     |          |
|--------------------------------|---------------------|---------------------|----------|
| Net Assets-Beginning of Period | <u>1,335,148.40</u> | <u>1,335,148.40</u> | <u>-</u> |
|--------------------------------|---------------------|---------------------|----------|

|                         |          |                    |                  |
|-------------------------|----------|--------------------|------------------|
| Prior Period Adjustment | <u>-</u> | <u>(56,297.14)</u> | <u>56,297.14</u> |
|-------------------------|----------|--------------------|------------------|

|                          |                               |                               |                            |
|--------------------------|-------------------------------|-------------------------------|----------------------------|
| Net Assets-End of Period | <u><u>\$ 1,354,378.18</u></u> | <u><u>\$ 1,286,688.63</u></u> | <u><u>\$ 44,904.73</u></u> |
|--------------------------|-------------------------------|-------------------------------|----------------------------|

**CHEATHAM COUNTY E-911  
EMERGENCY COMMUNICATIONS DISTRICT  
911 BOARD MEMBERS  
JUNE 30, 2015**

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Linda Nichols, Director

**TAMARA L. BECKMAN, CPA**  
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**

*Independent Auditor's Report*

To the Board of Directors of the  
Cheatham County E-911 Emergency Communications District  
Ashland City, Tennessee

I have audited, in accordance with the auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Cheatham County E-911 Emergency Communications District, a component unit of Cheatham County, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Cheatham County E-911 Emergency Communications District's basic financial statements, and have issued my report thereon dated December 17, 2015

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Cheatham County E-911 Emergency Communications District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cheatham County E-911 Emergency Communications District's internal control. Accordingly, I do not express an opinion on the effectiveness of Cheatham County E-911 Emergency Communications District's internal control.

*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 a 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. *A significant deficiency* is a deficiency, or a 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.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cheatham County E-911 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*.

### Purpose of Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

December 17, 2015  
Cookeville, Tennessee

*Tamara L. Beckman, CPA*