

**WILLIAMSON COUNTY EMERGENCY  
COMMUNICATIONS DISTRICT  
(A COMPONENT UNIT OF  
WILLIAMSON COUNTY, TENNESSEE)**

**FRANKLIN, TENNESSEE**

**AUDITED FINANCIAL STATEMENTS  
AND OTHER FINANCIAL INFORMATION**

**JUNE 30, 2015**

# CONTENTS

<b>I.</b>	<b>INTRODUCTORY SECTION –</b>	
	Board of Directors. . . . .	i
<b>II.</b>	<b>FINANCIAL SECTION -</b>	
	Independent Auditor's Report . . . . .	Page 1-2
	Statement of Net Position . . . . .	3
	Statement of Revenues, Expenses and Changes in Fund Net Position. . . . .	4
	Statement of Cash Flows . . . . .	5
	Notes to Financial Statements. . . . .	6-10
	Supplementary Information –	
	Comparison of Modified-Cash Receipts and Disbursements to Modified-Cash Budget. . . . .	11
<b>III.</b>	<b>INTERNAL CONTROL AND COMPLIANCE SECTION -</b>	
	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance With <i>Government Auditing Standards</i> . . . . .	12-13
	Schedule of Audit Findings and Responses . . . . .	14
	Summary Schedule of Prior Audit Findings . . . . .	15

**INTRODUCTORY SECTION**

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Board of Directors (unaudited)**

**June 30, 2015**

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Ken Brison, Chairman

Presley Hughes, Vice Chairman

Greg Galfano, Secretary-Treasurer

Tom Feuerborn

Allen Lovett

Houston Naron, Jr.

Robert Ring

Jim Smith

**FINANCIAL SECTION**



# **JOBE, HASTINGS & ASSOCIATES**

*Certified Public Accountants*

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James R. Jobe, CPA

Joel H. Jobe (1944 – 2006)

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## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors  
Williamson County Emergency Communications District  
Franklin, Tennessee

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Williamson County Emergency Communications District, a component unit of Williamson County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Williamson County 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 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 the financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

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 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, we 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Williamson County Emergency Communications District as of June 30, 2015, and the respective changes in financial position and 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 historical context. Our opinion on the basic financial statements is not affected by this missing information.

***Other Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Williamson County Emergency Communications District's basic financial statements. The introductory section and the comparison of modified-cash receipts and disbursements to modified-cash budget statement are presented for purposes of additional analysis and are not a required part of the financial statements.

The introductory and the supplementary information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2015 on our consideration of Williamson County Emergency Communications District's internal control over financial reporting and on 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 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 Williamson County Emergency Communications District's internal control over financial reporting and compliance.



Certified Public Accountants

Murfreesboro, Tennessee  
October 20, 2015

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Statement of Net Position**

**June 30, 2015**

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**ASSETS**

Current Assets -		
Cash	\$	805,892
Certificates of deposit		<u>1,000,000</u>
	TOTAL CURRENT ASSETS	\$ <u>1,805,892</u>
Noncurrent Assets -		
Capital Assets -		
Communications equipment	\$	2,071,260
Office furniture and equipment		<u>69,510</u>
		\$ <u>2,140,770</u>
Less: accumulated depreciation		<u>2,051,204</u>
		\$ <u>89,566</u>
Construction in progress		<u>203,672</u>
		\$ <u>293,238</u>
	TOTAL ASSETS	\$ <u>2,099,130</u>

**LIABILITIES**

Current Liabilities -		
Accounts payable	\$	13,801
Due to others		<u>8,717</u>
	TOTAL CURRENT LIABILITIES	\$ <u>22,518</u>

**NET POSITION**

Investment in capital assets	\$	293,238
Unrestricted net position		<u>1,783,374</u>
	TOTAL NET POSITION	\$ <u>2,076,612</u>
	TOTAL LIABILITIES AND NET POSITION	\$ <u>2,099,130</u>

See notes to financial statements.

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Statement of Revenues, Expenses and Changes in Fund Net Position**

**For the Year Ended June 30, 2015**

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Operating Revenues -		
Emergency telephone service charge	\$	1,218,602
Tennessee Emergency Communications Board - shared wireless charge		136,865
Tennessee Emergency Communications Board - operational funding		172,575
Revenue from contracted services		26,000
Other operating revenue		13
	\$	<u>1,554,055</u>
Operating Expenses -		
Contracted Services -		
Audit services	\$	8,600
Administrative fees-service charge		13,920
Contracts with government agencies		1,195,818
Fees paid to service providers		216,218
Legal services		3,520
Maintenance agreements		8,405
Maintenance and repairs - communications equipment		10,122
Maintenance and repairs - office equipment		2,000
	\$	<u>1,458,603</u>
Supplies and Materials -		
Office supplies	\$	599
Small equipment purchases		22,696
	\$	<u>23,295</u>
Other Charges -		
Dues and memberships	\$	1,500
Insurance - equipment		18
Legal notices		132
Training expenses		28,560
	\$	<u>30,210</u>
Depreciation expense	\$	55,190
	\$	<u>1,567,298</u>
	OPERATING LOSS	<u>\$ (13,243)</u>
Nonoperating Revenues (Expenses) -		
Interest income	\$	8,794
Contributions from primary government		100,000
Contributions to primary government		(1,000,000)
Tennessee Emergency Communications Board-grants and reimbursements		149,379
	\$	<u>(741,827)</u>
	CHANGE IN NET POSITION	<u>\$ (755,070)</u>
Net position, July 1, 2014		<u>2,831,682</u>
	NET POSITION, JUNE 30, 2015	<u><u>\$ 2,076,612</u></u>

See notes to financial statements.

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Statement of Cash Flows**

**For the Year Ended June 30, 2015**

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Cash Flows From Operating Activities -		
Cash received from surcharges and other revenues	\$	1,721,405
Cash payments to suppliers for goods and services		(1,500,881)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$	<u>220,524</u>
Cash Flows From Noncapital Financing Activities -		
Grants and reimbursements	\$	149,379
Contributions from primary government		100,000
Contributions to primary government		(1,000,000)
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES	\$	<u>(750,621)</u>
Cash Flows From Capital and Related Financing Activities -		
Acquisition and construction of capital assets	\$	(42,624)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	\$	<u>(42,624)</u>
Cash Flows from Investing Activities -		
Interest income received	\$	8,794
Purchase of a certificate of deposit		(250,000)
NET CASH USED BY INVESTING ACTIVITIES	\$	<u>(241,206)</u>
	NET DECREASE IN CASH	\$ (813,927)
Cash, July 1, 2014		1,619,819
	CASH, JUNE 30, 2015	<u>\$ 805,892</u>
Reconciliation of Operating Loss to Net		
Cash Provided by Operating Activities -		
Operating loss	\$	(13,243)
Adjustments to reconcile operating loss to net cash		
provided by operating activities -		
Depreciation		55,190
Decrease in accounts receivable		104,010
Decrease in due from Tennessee Emergency Communications Board		63,340
Increase in accounts payable		11,227
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$	<u>220,524</u>

See notes to financial statements.

# WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT

Franklin, Tennessee

## Notes to the Financial Statements

June 30, 2015

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information - On May 15, 1984, the Tennessee state legislature approved the "Tennessee Emergency Communications District Law" (Acts 1984, ch. 867) which enables a county, upon approval by voters, to create a district to provide local emergency telephone service. Subsequently, on March 11, 1988, the county legislative body of Williamson County, Tennessee approved resolution number 3-88-7, which established a district for their county, the Williamson County Emergency Communications District (the "District"). As provided by the Act, the District operates as a governmental organization through the directives of a seven-member board of directors and provides enhanced 9-1-1 emergency telephone service for its service area. The Williamson County Commission at its February 14, 2005 meeting added an eighth representative seat with the new director to be appointed from within the corporate limits of Franklin. The directors serve without compensation for terms of four years.

Financial Reporting Entity - Component Unit - The District is a component unit of the primary government of Williamson County, Tennessee. The District reports its financial information separately from Williamson County; however, the County in its financial report also presents the District's financial information.

Legally, the District is a separate governmental entity that has considerable legal, financial and administrative autonomy. However, as the governing board is not elected but instead is entirely appointed by the Williamson County mayor and approved by the Williamson County commission, the District cannot be a primary government. Instead it qualifies as a component unit according to the directives of Government Accounting Standards Board (GASB).

The GASB specifies that component units must be legally separate organizations which have financial accountability to a primary government. Financial accountability exists prima facie if a special-purpose government is not fiscally independent. GASB states that to be fiscally independent, the government has to have the authority to do all of three activities. Two of these are to issue bonded debt without approval by another government and to levy taxes or set rates or charges without approval by another government. By Tennessee Code Annotated 7-86-114, before issuing negotiable bonds, the District must have approval of the legislative body of a county wherein a district is established. It also must have approval before making purchase contracts, lease agreements, and notes payable of over five years' duration. In addition, the Williamson County commission has the ability to adjust the District's service charges. Because the District is both a legal entity and financially accountable to the primary government of Williamson County as the County Commission approves all members of the governing board and by the nature of its fiscal dependence on Williamson County as described above, it is a component unit of Williamson County.

At June 30, 2015, there were no related receivables or payables between Williamson County and the District. The District did not engage in any activities that were subject to the approval of Williamson County.

Basis of Presentation - The financial statements are presented on the full accrual basis of accounting and conform to accounting principles generally accepted in the United States of America.

As a component unit of Williamson County, the accounts of the District are organized on the basis of a proprietary fund type, specifically an enterprise fund. The activities of this fund are accounted for with a separate set of self-balancing accounts that comprise the District's assets, liabilities, net position, revenues and expenses. Enterprise funds account for activities (i) that are financed with debt that is secured by a pledge of the net revenues from fees and charges of the activity, or (ii) that are required by laws or regulations that the activity's costs of providing services, including capital costs (such as depreciation or debt service), be recovered with fees and charges, rather than with taxes or similar revenues; or (iii) that the pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs (such as depreciation or debt service).

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Notes to the Financial Statements (continued)**

**June 30, 2015**

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The District does not have the authority to levy or collect taxes but is supported instead by the fees collected from telephone subscribers who benefit from the availability of its service. It recovers the cost of providing its services from its customers. Consequently, the District functions in a manner similar to a private business enterprise and utilizes the accrual method of accounting. Income is recognized as it is earned and expenses are recognized as they are incurred whether or not cash is received or paid out at that time.

The accounting and financial reporting treatment applied to the District is determined by its measurement focus. The transactions of the District are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations are included on the statement of net position. Net position (i.e., total assets plus net deferred outflows net of total liabilities and net deferred inflows) is segregated into net investment in capital assets, restricted for capital projects, and unrestricted components. As of June 30, 2015, the District had no debt that related to the aforementioned categories.

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

Cash Flow - Cash and Cash Equivalents - The District presents its cash flow statement using the direct method. For purposes of cash flow presentation, the District considers cash in operating bank accounts, cash on hand, and certificates of deposit with an original maturity of 90 days or less to be cash and cash equivalents. At June 30, 2015, there were no certificates of deposit that qualified as cash equivalents.

Budgetary Law and Practice - The treasurer of the District files an annual budget with the mayor of Williamson County in accordance with the Tennessee Code Annotated, Title 7, Chapter 86, Part 1. In March of each year, the treasurer presents a preliminary budget to the board of directors, which is then discussed and amended as necessary for approval by the board.

The budget for operations is prepared on the modified-cash receipts and disbursements basis by line item accounts. Revenues are budgeted in the year receipt is expected and disbursements are budgeted in the year that the disbursement is expected to occur.

Equipment - Equipment is stated at cost or estimated historical cost if actual cost is not available and depreciated from two to ten years by the straight-line method of depreciation. The District defines capital assets as assets with an initial, individual cost of more than \$10,000 and an estimated useful life in excess of one year. Maintenance and repairs are charged to operations when incurred. Major renewals and betterments are capitalized. When items of property are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included as non-operating revenue or loss.

Use of Estimates - The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Use of Facilities - The District conducts its operations in the Williamson County Government's office building at no cost to the District. The measurement of the contribution from Williamson County is not considered material for disclosure as in-kind support and as expense in the accompanying statements of revenue, expenses, and changes in net position.

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Notes to the Financial Statements (continued)**

**June 30, 2015**

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating Revenues and Expenses – The District’s operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its principal ongoing operations. All other revenues and expenses are reported as non-operating revenues and expenses and consist of those revenues and expenses that are related to financing and investing type of activities and result from nonexchange transactions or ancillary activities.

NOTE B - CASH AND CERTIFICATES OF DEPOSIT INVESTMENTS

The District is authorized to make investments in bonds, notes or treasury bills of the United States, Federal Land Bank bonds, Federal Home Loan Bank notes and bonds, Federal National Mortgage Association notes and debentures, banks for cooperative debentures, or any of its other agencies, or obligations guaranteed as to principal and interest by the United States or any of its agencies with a maturity not greater than one year, or in the pooled investment fund established under Tennessee law. During the year ended June 30, 2015 the board of directors chose to limit the investment of funds to certificates of deposit at banks. Cash reserves for operations were held in bank checking and savings accounts.

Cash - At June 30, 2015, the carrying amount of cash deposits and cash on hand was \$805,892 and the bank balance was \$1,026,216 as listed below. At June 30, 2015, the entire bank balance was covered by federal depository insurance, or by collateral held in the Tennessee Bank Collateral Pool. The Tennessee Bank Collateral Pool (the pool) is a multiple financial institution collateral pool to which member financial institutions holding public funds pledge collateral securities. In the event any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. The pool also has the ability to make additional assessments on a pro rata basis to the members of the pool if the value of collateral is inadequate to cover a loss.

<u>Cash Accounts</u>	<u>Interest Rate</u>	<u>June 30, 2015</u>	
		<u>Carrying Amount</u>	<u>Bank Balance</u>
Franklin Synergy Bank checking	.09%	\$ 777,383	\$ 997,707
Franklin Synergy Bank money market	.42%	<u>28,509</u>	<u>28,509</u>
		\$ <u>805,892</u>	\$ <u>1,026,216</u>

Certificates of Deposit – At June 30, 2015 the District held the following certificates of deposit:

<u>Bank</u>	<u>Maturity</u>	<u>Interest</u>	<u>Amount</u>
Franklin Synergy Bank	12/9/15	.70%	\$ 250,000
Franklin Synergy Bank	12/9/15	.70%	250,000
Franklin Synergy Bank	12/9/15	.70%	250,000
Franklin Synergy Bank	12/9/15	.70%	<u>250,000</u>
			\$ <u>1,000,000</u>

The certificates of deposit are insured by the Federal Deposit Insurance Corporation or the Tennessee Bank Collateral Pool and are shown at their fair value.

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Notes to the Financial Statements (continued)**

**June 30, 2015**

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NOTE C - CAPITAL ASSETS

Capital assets are summarized as follows:

	<u>June 30,</u> <u>2014</u>	<u>Additions</u>	<u>Dispositions</u>	<u>June 30,</u> <u>2015</u>
<u>Capital assets, being depreciated -</u>				
Communications equipment	\$ 2,061,137	\$ 10,123		\$ 2,071,260
Office furniture and equipment	<u>69,510</u>			<u>69,510</u>
Subtotal	\$ <u>2,130,647</u>	\$ <u>10,123</u>		\$ <u>2,140,770</u>
<u>Less accumulated depreciation -</u>				
Communications equipment	\$ (1,927,844)	\$ (54,899)		\$ (1,982,743)
Office furniture and equipment	<u>( 68,170)</u>	<u>( 291)</u>		<u>( 68,461)</u>
Subtotal	\$ <u>(1,996,014)</u>	\$ <u>(55,190)</u>		\$ <u>(2,051,204)</u>
Capital assets, being depreciated, net	\$ <u>134,633</u>	\$ <u>(45,067)</u>		\$ <u>89,566</u>
<u>Capital assets, not being depreciated -</u>				
Construction in progress	\$ <u>171,171</u>	\$ <u>32,501</u>		\$ <u>203,672</u>
Capital assets, net	\$ <u>305,804</u>	\$ <u>(12,566)</u>		\$ <u>293,238</u>

NOTE D - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District is covered under insurance policies maintained by Williamson County. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE E - ACCOUNTS PAYABLE

Accounts payable include the following:

Fees paid to service providers      \$ 13,801

NOTE F - DUE TO OTHERS

During the year ended June 30, 2012, the District was notified by a telephone company that the District was overpaid for emergency telephone fees in the amount of \$8,717. The balance as of June 30, 2015 was \$8,717.

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Notes to the Financial Statements (continued)**

**June 30, 2015**

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**NOTE G - RELATED PARTY TRANSACTIONS**

Williamson County, TN, the County, provides dispatch employees and certain services to the District. The District and the County signed an interlocal contract effective from July 1, 1998 to June 30, 1999 that automatically renews each year unless one party notifies the other in writing within 60 days prior to the commencement of the new fiscal year. The expenses, which are primarily salaries, employee benefits, and services, are billed to the District quarterly and are included in the statement of revenues, expenses and changes in fund net position as contracts with government agencies. Amounts paid or payable to the County for the fiscal year ended June 30, 2015 totaled \$1,195,818. A contribution in the amount of \$100,000 was remitted back to the District from the County. In addition, the District reimbursed the County for training in the amount of \$18,690. During the year, the District contributed \$1,000,000 for the emergency communications department center constructed by Williamson County.

**NOTE H - COMMITMENTS**

The District entered into a contract dated February 11, 2014 with a vendor to purchase a NG CAD system in the amount of \$220,102. As of June 30, 2015, \$203,672 had been remitted to the vendor with the remaining \$16,430 due upon installation of the equipment and acceptance of the system.

**SUPPLEMENTARY INFORMATION**

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Comparison of Modified-Cash Receipts and Disbursements to Modified-Cash Budget (unaudited)**

**For the Year Ended June 30, 2015**

	<u>Modified Cash Receipts and Disbursements</u>	<u>Modified Cash Budget</u>	<u>(Over) Under Budget</u>
Cash Receipts -			
Emergency telephone service charge	\$ 1,288,117	\$ 1,287,894	\$ (223)
Tennessee Emergency Communications Board - shared wireless charge	200,206	200,206	-
Tennessee Emergency Communications Board - operational funding	172,575	172,575	-
Revenue from contracted services	44,000	44,000	-
Other operating revenue	27,573	27,573	-
Interest income	8,794	7,494	(1,300)
Contributions from primary government	100,000	100,000	-
Tennessee Emergency Communications Board - grants and reimbursements	121,806	82,404	(39,402)
Tennessee Emergency Communications Board - capital grant		694,213	694,213
Miscellaneous income	13		(13)
Total Cash Basis Receipts	<u>\$ 1,963,084</u>	<u>\$ 2,616,359</u>	<u>\$ 653,275</u>
Cash Disbursements -			
Depreciation expense	<u>\$ 55,190</u>	<u>\$ 100,000</u>	<u>\$ 44,810</u>
Contracted services -			
Audit services	\$ 8,600	\$ 10,000	\$ 1,400
Administrative fees - service charge	105	220	115
Contracts with government agencies	1,195,818	1,324,000	128,182
Fees paid to service providers	202,417	225,000	22,583
Legal services	3,520	7,000	3,480
Maintenance agreements	8,405	8,440	35
Maintenance and repairs-communications equipment	10,122	11,000	878
Maintenance and repairs-office equipment	2,000	2,000	-
	<u>\$ 1,430,987</u>	<u>\$ 1,587,660</u>	<u>\$ 156,673</u>
Supplies and materials -			
Office supplies	\$ 494	\$ 2,000	\$ 1,506
Small equipment purchases	11,678	21,000	9,322
	<u>\$ 12,172</u>	<u>\$ 23,000</u>	<u>\$ 10,828</u>
Other charges -			
Dues and memberships	\$ 1,500	\$ 1,600	\$ 100
Insurance - equipment	18	1,100	1,082
Legal notices	132	150	18
Training expense	28,560	76,000	47,440
Travel expenses	-	1,000	1,000
Capital purchase-building and improvements	1,000,000	1,000,000	-
Capital purchase-communications equipment	53,642	723,284	669,642
	<u>\$ 1,083,852</u>	<u>\$ 1,803,134</u>	<u>\$ 719,282</u>
Total Cash Basis Disbursements	<u>\$ 2,582,201</u>	<u>\$ 3,513,794</u>	<u>\$ 931,593</u>
Disbursements (Over) Under Receipts	<u>\$ (619,117)</u>	<u>\$ (897,435)</u>	<u>\$ 278,318</u>
Reconciliation of Cash Basis to Accrual Basis -			
Decrease in current receivables	\$ (167,350)		
Increase in accounts payable	(11,227)		
Fixed assets capitalized	42,624		
Net Reconciliation Cash to Accrual	<u>\$ (135,953)</u>		
CHANGE IN NET POSITION (ACCRUAL)	<u>\$ (755,070)</u>		
Net position, July 1, 2014	2,831,682		
NET POSITION, JUNE 30, 2015	<u>\$ 2,076,612</u>		

**INTERNAL CONTROL AND COMPLIANCE SECTION**



# JOB, HASTINGS & ASSOCIATES

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James R. Jobe, CPA

Joel H. Jobe (1944 – 2006)

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**INDEPENDENT AUDITOR'S 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  
Williamson County Emergency Communications District  
Franklin, Tennessee

We have audited, in accordance with the 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, the financial statements of Williamson County Emergency Communications District, a component unit of Williamson County, Tennessee, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Williamson County Emergency Communications District's basic financial statements, and have issued our report thereon dated October 20, 2015.

### **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Williamson County Emergency Communications District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances 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. Accordingly, we do not express an opinion on the effectiveness of Williamson County 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.

Our 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 our audit we did not identify any deficiencies in internal control that we 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 Williamson County Emergency Communications District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Board of Directors  
Franklin, Tennessee

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our 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.

*John Hastings & Associates*  
Certified Public Accountants

Murfreesboro, Tennessee  
October 20, 2015

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Schedule of Audit Findings and Responses**

**June 30, 2015**

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**A - FINDINGS - FINANCIAL STATEMENT AUDIT**

None

**WILLIAMSON COUNTY EMERGENCY COMMUNICATIONS DISTRICT**

**Franklin, Tennessee**

**Summary Schedule of Prior Audit Findings**

**June 30, 2015**

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**PRIOR YEAR FINDINGS - FINANCIAL STATEMENT AUDIT**

**2014-1 Completeness and accuracy of account balances**

**Three day deposit compliance**

*Current Status:* The finding was corrected in the current fiscal year.

**2014-2 Expenses exceeded budget**

*Current Status:* The finding was corrected in the current fiscal year.