

**INDEPENDENT  
ACCOUNTANT'S AUDIT REPORT**

**ALTUS JACKSON COUNTY E-911  
REGIONAL TRUST AUTHORITY**

**JUNE 30, 2023**

BY



**Altus Jackson County E-911 Regional Trust Authority**  
**Altus, Oklahoma**  
**Year Ended June 30, 2023**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Altus Jackson County E-911 Regional Trust Authority  
509 S. Main Street  
Altus, Oklahoma

### Opinion

We have audited the accompanying financial statements of Altus Jackson County E-911 Regional Trust Authority (a public trust), which comprise the statement of financial position as of June 30, 2023, and the related statements of receipts, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Altus Jackson County E-911 Regional Trust Authority as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Altus Jackson County E-911 Regional Trust Authority, Altus, Oklahoma and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Responsibilities of Management 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Altus Jackson County E-911 Regional Trust Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Altus Jackson County E-911 Regional Trust Authority, Altus, Oklahoma's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Altus Jackson County E-911 Regional Trust Authority, Altus, Oklahoma's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

## **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to

be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 8, 2024, on our consideration of the 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 the District's internal control over financial reporting and compliance.

*Furrh & Associates, PC*

FURRH & ASSOCIATES, PC

Lawton, Oklahoma

February 8, 2024

# Altus Jackson County E-911 Regional Trust Authority

Altus, Oklahoma

## Statement of Financial Position

Year Ended June 30, 2023

### Assets

#### Current Assets

Cash in Banks	\$	105,589	
Accounts Receivable		2,111	
Prepaid Expenses		<u>1,764</u>	
Total Current Assets			\$ 109,464

#### Fixed Assets

Property & Equipment		449,817	
Accumulated Depreciation		<u>(210,962)</u>	
Total Fixed Assets			<u>238,855</u>

Total Assets			<u><u>\$ 348,319</u></u>
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### Liabilities

#### Current Liabilities

Accounts Payable	\$	9,333	
Accrued Interest		4,241	
Notes Payable - Current Portion		<u>45,413</u>	
Total Current Liabilities			\$ 58,987

#### Long Term Liabilities

Notes Payment - Motorola		<u>46,338</u>	
Total Long Term Liabilities			<u>46,338</u>

Total Liabilities			105,325
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### Net Position

Invested in Property, net of related debt		147,104	
Unrestricted Net Position		<u>95,890</u>	
Total Net Position			<u>242,994</u>

Total Liabilities and Net Position			<u><u>\$ 348,319</u></u>
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Please see accompanying notes to the financial statements.

# **Altus Jackson County E-911 Regional Trust Authority**

## **Altus, Oklahoma**

### **Statement of Receipts, Expenses, and Changes in Net Position**

**For Year Ended June 30, 2023**

#### **Operating Revenue**

Enhanced 911 Assessments	\$	256,906	
Sales Tax Revenue		<u>10,768</u>	
Total Operating Revenue	\$		267,674

#### **Operating Expenditures**

Contracted Services	143,974	
Telephone Expenses	91,081	
Depreciation	16,493	
Administrative Fees	7,200	
Maintenance	6,868	
Audit Expenses	4,650	
Mapping and Addressing	<u>3,303</u>	
Total Operating Expenditures		<u>273,569</u>

Total Gross Profit (5,895)

#### **Non-Operating Income / (Expenditures)**

Interest Income	310	
Interest Expense	<u>(4,241)</u>	
Total Non-Operating Income / (Expenditures)		<u>(3,931)</u>

Changes in Net Position (9,826)

Net Position, June 30, 2022 252,820

Net Position, June 30, 2023 \$ 242,994

Please see accompanying notes to the financial statements.

# Altus Jackson County E-911 Regional Trust Authority

Altus, Oklahoma

## Statement of Cash Flows

Year Ended June 30, 2023

### Cash Flow from Operating Activities

Cash Received from Operating Revenue	\$ 267,674
Cash Paid to Vendors	<u>(250,693)</u>

Net Cash Provided by Operating Activities \$ 16,981

### Cash Flow from Investing Activities

Interest Received from Investments	<u>310</u>
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Net Cash Provided by Investing Activities 310

### Cash Flow from Financing Activities

Principal Paid on Note Payable	(45,269)
Interest Expense	<u>(4,241)</u>

Net Cash Used by Financing Activities (49,510)

Net Increase (Decrease) in Cash and Cash Equivalents (32,219)

Cash and Cash Equivalents, Beginning of Period 137,808

Cash and Cash Equivalents, End of Period \$ 105,589

### Reconciliation of Operating Income to Net Cash Provided by Operating Activities

Net Operating Revenue	\$ (5,895)
Add Depreciation	16,493
(Increase) Decrease in Current Assets:	
Decrease in Accounts Receivable	2,571
Increase (Decrease) in Current Liabilities:	
Increase in Accounts Payable	<u>3,812</u>

Net Cash Provided by Operating Activities \$ 16,981

Please see accompanying notes to the financial statements.



**Altus Jackson County E-911 Regional Trust Authority**  
**Altus, Oklahoma**  
**Notes to Financial Statements**  
**Year Ended June 30, 2023**

**Note 1 – Organization and Brief History**

The Altus Jackson County E-911 Regional Trust Authority is a public trust organized and operated under the provisions of Title 60, Oklahoma Statutes. The trust was organized on November 1, 1996. Jackson County, Oklahoma is the beneficiary of the trust. The governing body consists of members of the governing body of Jackson County, Oklahoma and the City of Altus, Oklahoma.

The Altus Jackson County E-911 Regional Trust Authority is organized to provide enhanced emergency 911 services and encourage cooperation of all emergency services, including but not limited to police, fire, and ambulance services in the City of Altus, Oklahoma and Jackson County, Oklahoma.

**Note 2 – Accounting Policies**

**Basis of Accounting**

The Altus Jackson County E-911 Regional Trust Authority reports net position and activities using accounting principles generally accepted in the United States. The statement of net position and the statement of activities use the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchanges transactions are reported in accordance with Statement 33, 24, 34 and 36 of the Governmental Accounting Standards Board. Accounting principles generally accepted in the United States of America include all relevant Governmental Accounting Standards Board (GASB) pronouncements. In these financial statements for a proprietary fund, Financial Accounting Standards Board (FASB) and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, have been applied, to the extent they are applicable to the accrual basis of accounting, unless those pronouncements conflict with or contradict GASB pronouncements, in which case GASB prevails.

**Statement of Cash Flow**

For the purpose of the statement of cash flows, the Trust Authority considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

**Net Position** – Net Position is divided into three components:

- a) *Net Investment in Capital Assets* – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributed to the acquisition, construction, or improvements of those assets.

**Altus Jackson County E-911 Regional Trust Authority**  
**Altus, Oklahoma**  
**Notes to Financial Statements**  
**Year Ended June 30, 2023**

- b) *Restricted Net Position* – Consists of net assets with constraints placed on the use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c) *Unrestricted Net Position* - All other net assets that do not meet the definition of “restricted” or “net investments in capital assets.”

Use of Estimates

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

**Note 3 – Cash and Cash Equivalents**

The Trust Authority’s bank accounts as of June 30, 2023 are as follows:

Mid First Bank	\$ 43,248
Red River Federal Credit Union	38,149
Cash in Bank - held at the County	24,192
Total	<u>\$ 105,589</u>

The Trust Authority’s cash, deposits, and investments are classified in the following categories:

- A. Insured or collateralized with securities held by the entity or by its agent in the entity’s name.
- B. Collateralized with securities held by the pledging financial institution’s trust department or agent in the entity’s name.
- C. Uncollateralized.

	<u>A</u>	<u>B</u>	<u>C</u>	<u>Total</u>
Cash	<u>\$ 105,589</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 105,589</u>

**Altus Jackson County E-911 Regional Trust Authority**  
**Altus, Oklahoma**  
**Notes to Financial Statements**  
**Year Ended June 30, 2023**

**Note 4 – Accounts Receivable**

Accounts receivable at June 30, 2023 are comprised of the following:

E911 Assessments      \$    2,111

All accounts are considered collectible. Therefore, no allowance for doubtful accounts has been made.

**Note 5 – Prepaid Expenses**

Prepaid expenses include the unamortized portion of the annual expenses for the following:

Prepaid Maintenance      \$       1,764

**Note 6 – Fixed Assets**

Property and equipment in excess of \$500 and any repairs or maintenance that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or if donated at the approximate fair market value as of the date of the donation.

Depreciation is computed using the straight-line method based on the following estimated useful lives:

E-911 Equipment	20 years
Radio Equipment	10 years
Furniture & Fixtures	5 years

	Balance 6/30/2022	Additions	Disposals	Balance 6/30/2023
<u>Assets</u>				
Phone System	\$ 308,026	\$ 0	\$ 0	\$ 308,026
Intangibles	84,985	0	0	84,985
Fixtures and Equipment	34,964	0	0	34,964
Recording System	21,842	0	0	21,842
Total	<u>\$ 449,817</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 449,817</u>

**Altus Jackson County E-911 Regional Trust Authority**  
**Altus, Oklahoma**  
**Notes to Financial Statements**  
**Year Ended June 30, 2023**

Accumulated Depreciation

Phone System	\$ 73,155	\$ 15,401	\$ 0	\$ 88,556
Intangibles	84,985	0	0	84,985
Fixtures and Equipment	34,964	0	0	34,964
Recording System	1,365	1,092	0	2,457
Total	<u>\$ 194,469</u>	<u>\$ 16,493</u>	<u>\$ 0</u>	<u>\$ 210,962</u>
Net Fixed Assets	<u>\$ 255,348</u>			<u>\$ 238,855</u>

**Note 7 – Notes Payable**

The Trust Authority entered into a long-term lease for new telephone equipment for \$308,026 on September 30, 2017. The terms of the lease call for an annual payment of \$49,441 for 7 years at 4.07%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ended June 30, 2024	\$ 45,413	\$ 4,028	\$ 49,441
Year Ended June 30, 2025	46,338	3,103	49,441
Total	<u>\$ 91,751</u>	<u>\$ 7,131</u>	<u>\$ 98,882</u>

**Note 8 – Related Party Transactions**

The City of Altus, Oklahoma, provides financial support to the Trust Authority by providing personnel to operate the emergency 911 service as well as by furnishing the office and building operating expenses, including utilities, and building and contents insurance, for the operation of the E911 center. The Authority is dependent upon this related party support as part of its operational costs.

**Note 9 – Subsequent Events**

Management has evaluated subsequent events through February 8, 2024, the date which the financial statements were available to be issued.



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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  
Altus Jackson County E-911 Regional Trust Authority  
509 S. Main Street  
Altus, Oklahoma

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 Altus Jackson County E-911 Regional Trust Authority (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 8, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Altus Jackson County E-911 Regional Trust Authority'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 Altus Jackson County E-911 Regional Trust Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Altus Jackson County E-911 Regional Trust Authority'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*.

## **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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Furrh & Associates, PC*

FURRH & ASSOCIATES, PC

Lawton, Oklahoma

February 8, 2024