

**INDEPENDENT  
ACCOUNTANT'S AUDIT REPORT**

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

**JUNE 30, 2016**

BY



**Altus Jackson County E-911 Regional Trust Authority**  
**Year Ended**  
**June 30, 2016**

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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

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

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, 2016, 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.

### **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 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 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, 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 financial position of Altus Jackson County E-911 Regional Trust Authority as of June 30, 2016, 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.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2016, on our consideration of Altus Jackson County E-911 Regional Trust Authority'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 Organization's internal control over financial reporting and compliance.

*Furrh & Associates, PC*

**FURRH & ASSOCIATES, PC**

Lawton, Oklahoma

December 8, 2016

**Altus Jackson County E-911 Regional Trust Authority**  
**Statement of Financial Position**  
**Year Ended June 30, 2016**

**Assets**

Current Assets		
Cash in Banks	\$ 101,701	
Accounts Receivable	14,512	
Total Current Assets		\$ 116,213
Fixed Assets		
Property & Equipment	350,303	
Accumulated Depreciation	(322,036)	
Total Fixed Assets		28,267
Total Assets		\$ 144,480

**Liabilities**

Current Liabilities		
Total Current Liabilities	\$ 0	\$ 0
Total Liabilities		0

**Net Position**

Invested in Property, net of related debt	28,267	
Unrestricted Net Assets	116,213	
Total Net Position		144,480
Total Liabilities and Net Position		\$ 144,480

Please see accompanying notes to the financial statements.

# Altus Jackson County E-911 Regional Trust Authority

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

For Year Ended June 30, 2016

### Operating Revenue

Enhanced 911 Assessments	\$ 217,212
Interest Earned	90

Total Revenue 217,302

### Operating Expenditures

Contracted Services	140,374
Telephone Expenses	88,177
Depreciation	6,527
Administrative Fees	6,000
Annual Maintenance Agreement	3,313
Audit Expenses	1,800
Mapping and Addressing	995
Bank Service Charges	60

Total Expenses 247,246

Changes in Net Position (29,944)

Net Assets, June 30, 2015 174,424

Net Assets, June 30, 2016 \$ 144,480

Please see accompanying notes to the financial statements.

**Altus Jackson County E-911 Regional Trust Authority**  
**Statement of Cash Flows**  
**Year Ended June 30, 2016**

<b><u>Cash Flow from Operating Activities</u></b>		
Cash Received from Tax Revenue	\$ 220,019	
Cash Received from Other Sources	90	
Cash Paid to Vendors	<u>(240,719)</u>	
Net Cash Provided by Operating Activities		\$ (20,610)
<b><u>Cash Flow from Investing Activities</u></b>		
Cash Used for Investing Activities	<u>0</u>	
<b><u>Cash Flow from Financing Activities</u></b>		
Cash Used for Financing Activities	<u>0</u>	
Net Cash Provided by Financing Activities		<u>0</u>
<u>Net Increase (Decrease) in Cash and Cash Equivalents</u>		(20,610)
<u>Cash and Cash Equivalents, Beginning of Period</u>		<u>122,311</u>
<u>Cash and Cash Equivalents, End of Period</u>		<u><u>\$ 101,701</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Net Operating Revenue	\$ (29,944)	
Add Depreciation	6,527	
(Increase) Decrease in Current Assets:		
Accounts Receivable	<u>2,807</u>	
Net Cash Provided by Operating Activities		<u><u>\$ (20,610)</u></u>

Please see accompanying notes to the financial statements.

**Altus Jackson County E-911 Regional Trust Authority**  
**Notes to Financial Statements**  
**Year Ended June 30, 2016**

**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.

**Capitalization of 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.

**Altus Jackson County E-911 Regional Trust Authority**  
**Notes to Financial Statements**  
**Year Ended June 30, 2016**

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

Restricted and Unrestricted Revenues

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of the revenue source or purpose.

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 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.

	A	B	C	Total
Cash	\$ 101,701	\$ 0	\$ 0	\$ 101,701

**Altus Jackson County E-911 Regional Trust Authority**  
**Notes to Financial Statements**  
**Year Ended June 30, 2016**

**Note 4 – Accounts Receivable**

Accounts receivable at June 30, 2016 are comprised of the following:

E911 Assessments	<u>\$ 14,512</u>
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All accounts are considered collectible. Therefore no allowance for doubtful accounts has been made.

**Note 5 – Subsequent Events**

Management has evaluated subsequent events through October 19, 2016, the date which the financial statements were available to be issued.



**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, 2016, 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 December 8, 2016.

**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.

### **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

December 8, 2016