

Report on the

City of Fairfield Emergency Communications District

Jefferson County, Alabama

October 1, 2018 through September 30, 2020

Filed: September 10, 2021



Department of Examiners of Public Accounts

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Honorable Rachel Laurie Riddle
Chief Examiner of Public Accounts
Montgomery, Alabama 36130

Dear Madam:

An examination was conducted on the City of Fairfield Emergency Communications District, Jefferson County, Alabama, for the period of October 1, 2018 through September 30, 2020. Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I hereby swear to and submit this report to you on the results of the examination.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Roderick Edwards'.

Roderick Edwards
Examiner of Public Accounts

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Department of
Examiners of Public Accounts

SUMMARY

**City of Fairfield Emergency Communications District
Jefferson County, Alabama
October 1, 2018 through September 30, 2020**

The City of Fairfield Emergency Communications District, Jefferson County, Alabama, (hereinafter referred to as the “District”) was established pursuant to the *Code of Alabama 1975*, Section 11-98-2, and is responsible for providing emergency communication services in the City of Fairfield. This includes the operation and administration of duties for which they were elected or appointed, which includes, but is not limited to: (1) To establish, operate, maintain, and replace an emergency communication system; (2) To establish a common addressing and location identification program; and (3) To establish the emergency service number data base to facilitate efficient operation of the system.

This report presents the results of an examination of the District and a review of the District’s compliance with applicable laws and regulations of the State of Alabama in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12, and the *Code of Alabama 1975*, Section 11-98-6(e).

Effective October 4, 2019, the operations of the District were consolidated with the Jefferson County Emergency Communications District. After the consolidation, the District did not receive any additional E911 revenues, but continued to disburse funds on hand through the end of the examination period and beyond.

FINDINGS

Instances of noncompliance with state and local laws and regulations and other matters that were presented in prior examinations have not been resolved as shown on the Schedule of State and Local Compliance and Other Findings, and they are summarized below.

- ◆ 2020-001 relates to the District’s failure to ensure members were adequately bonded. This finding was previously reported as Finding 2016-002 and Finding 2018-001.
- ◆ 2020-002 relates to receipts and disbursements not being accurately reported in the accounting records. This finding was previously reported as Finding 2016-001 and Finding 2018-003.

- ◆ 2020-003 relates to the District's failure to submit financial information as required by the *Code of Alabama 1975*, Section 11-98-13.1. This finding was previously reported as Finding 2014-001 and Finding 2018-004.

EXIT CONFERENCE

Board members, as reflected on Exhibit 2, were invited to discuss the results of the examination. Individuals in attendance were: Mayor: Eddie J. Penny; President: John Hackett, Jr.; and Board Members: Barakas N. Taylor and Susan J. Parks. Also in attendance were representatives from the Department of Examiners of Public Accounts: Amanda Hensley, Audit Manager; and Roderick Edwards, Examiner.

*Schedule of State and Local
Compliance and Other Findings*

Schedule of State and Local Compliance and Other Findings
October 1, 2018 through September 30, 2020

Ref. No.	Finding/Noncompliance
2020-001	<p><u>Finding:</u> In accordance with <i>Code of Alabama 1975</i>, Section 11-98-4(i), each member of the board of commissioners of an emergency communications district is to be bonded in an amount equal to one-half of one percent of the total funds received by the District in the prior fiscal year but not less than \$10,000 nor exceed \$50,000. The District members were not bonded during the examination period. Procedures were not in place to ensure that District members were adequately bonded. As a result, the District was exposed to possible loss. This finding was previously reported as Finding 2016-002 and Finding 2018-001.</p> <p><u>Recommendation:</u> The District should obtain bonds as required by the <i>Code of Alabama 1975</i>, Section 11-98-4(i).</p>
2020-002	<p><u>Finding:</u> The <i>Code of Alabama 1975</i>, Section 11-98-6, gives the District the authority to use money received to establish, operate, maintain and replace an emergency communication system. In order to ensure money received is used for these purposes, it is incumbent upon the District to establish, implement and maintain policies and procedures to require revenues and expenditures to be accurately recorded in the accounting records. The District did not post all revenues and expenditures in the accounting records for the fiscal year ended September 30, 2019 or September 30, 2020. Controls were not in place to ensure the maintenance of accurate and complete accounting records. As a result, the District was unable to provide complete records for all revenues and disbursements and records had to be manually compiled during the examination.</p> <p>This finding was previously reported as Finding 2016-001 and Finding 2018-003.</p> <p><u>Recommendation:</u> The District should ensure that procedures are in place to ensure that revenues and disbursements are correctly posted to the accounting records.</p>

Schedule of State and Local Compliance and Other Findings
October 1, 2018 through September 30, 2020

Ref. No.	Finding/Noncompliance
2020-003	<p><u>Finding:</u> The <i>Code of Alabama 1975</i>, Section 11-98-13.1, requires each Communications District to submit annually, in a format prescribed by the Department of Examiners of Public Accounts, certain financial information. The District did not submit required information relating to receipts, disbursements and cash balances required to be reported for fiscal years ending September 30, 2019 or September 30, 2020. The District did not have procedures in place to ensure the required financial information was submitted as required. As a result, the District failed to comply with the <i>Code of Alabama 1975</i>, Section 11-98-13.1.</p> <p>This finding was previously reported as Finding 2014-001 and Finding 2018-004.</p> <p><u>Recommendation:</u> The District should submit required information to the Examiners of Public Accounts in accordance with the <i>Code of Alabama 1975</i>, Section 11-98-13.1.</p>

Financial Information

***Summary of Receipts, Disbursements and Cash Balances
October 1, 2018 through September 30, 2020***

	Fiscal Year 2019	Fiscal Year 2020	Total
<u>Receipts</u>			
911 Revenue	\$ 153,497.96	\$ 56,561.02	\$ 210,058.98
Local Revenue	11,134.96		11,134.96
Total Receipts	<u>164,632.92</u>	<u>56,561.02</u>	<u>221,193.94</u>
<u>Disbursements</u>			
911 Related Expenses	27,954.45	64,424.09	92,378.54
Training/Travel	4,733.50	1,798.96	6,532.46
Personnel Costs	96,995.59	40,000.00	136,995.59
Equipment	47,476.00		47,476.00
Total Disbursements	<u>177,159.54</u>	<u>106,223.05</u>	<u>283,382.59</u>
Excess (Deficit) of Receipts Over Disbursements	(12,526.62)	(49,662.03)	(62,188.65)
Cash Balances - Beginning of Year	<u>73,305.51</u>	<u>60,778.89</u>	<u>73,305.51</u>
Cash Balances - End of Year	<u>\$ 60,778.89</u>	<u>\$ 11,116.86</u>	<u>\$ 11,116.86</u>

Additional Information

Board Members
October 1, 2018 through September 30, 2020

Board Members		Term Expires
Hon Edward May	Mayor	2018
Hon Eddie J. Penny	Mayor	2020
Hon. John Hackett, Jr.	President	2020
Hon. Barakas N. Taylor	Member	2020
Hon. Herman A. Carnes	Member	2020
Hon. Susan J. Parks	Member	2020
Hon. Willie Hardley, Jr.	Member	2020
Hon. Cynthia T. McDowell	Member	2020
Hon. Cedric Norman	Member	2020