



Alabama Department of Examiners of Public Accounts

Report on the **City of Midfield Emergency Communications District Jefferson County, Alabama**

October 1, 2020 through September 30, 2022

Filed: August 9, 2024

Rachel Laurie Riddle, Chief Examiner



State of Alabama
Department of
Examiners of Public Accounts

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Rachel Laurie Riddle
Chief Examiner

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

Dear Madam:

An examination was conducted on the City of Midfield Emergency Communications District, Jefferson County, Alabama, for the period of October 1, 2020 through September 30, 2022. 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,

Corey Bearden
Examiner of Public Accounts

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Table of Contents

	<i>Page</i>
Examiner's Summary	A
Contains items pertaining to the purpose, scope and results of the examination.	
Agency Overview	B
Contains information pertaining to the organization and operation of the Emergency Communications District.	
Schedule of State and Local Compliance and Other Findings	C
Contains detailed information about findings pertaining to state and local legal compliance and other findings.	
Financial Information	1
Exhibit #1 Summary of Receipts, Disbursements and Cash Balances	2
Additional Information	3
Exhibit #2 Board Members	4



Department of
Examiners of Public Accounts

EXAMINER'S SUMMARY

**City of Midfield Emergency Communications District
Jefferson County, Alabama
October 1, 2020 through September 30, 2022**

This report presents the results of an examination of the Emergency Communications District (hereinafter referred to as 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).

The Agency Overview contained in this report provides information on the District's operating authority. The District's financial information for the examination period is contained in Exhibit 1.

RESULTS OF THE EXAMINATION

An instance of noncompliance with state and local laws and regulations and other matters was found during the examination as shown on the Schedule of State and Local Compliance and Other Findings and it is summarized below.

FINDING

- ◆ 2022-001: The District failed to reconcile bank accounts and maintain an accurate cashbook in which all receipts and disbursements were recorded.

EXIT CONFERENCE

Board members, as reflected on Exhibit 2, were invited to an exit conference to discuss the results of this examination. Individuals in attendance were Chairman Gary Richardson; and Board Members Terry Adams, Janice Anderson, Velma Johnson, and James Reasor. Representing the Department of Examiners of Public Accounts was Audit Manager Amanda Hensley.



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AGENCY OVERVIEW

**City of Midfield Emergency Communications District
Jefferson County, Alabama
October 1, 2020 through September 30, 2022**

The City of Midfield Emergency Communications District (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 Midfield. 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.

*Schedule of State and Local
Compliance and Other Findings*

Schedule of State and Local Compliance and Other Findings

October 1, 2020 through September 30, 2022

Ref. No.	Finding/Noncompliance
2022-001	<p><u>Finding:</u></p> <p>Pursuant to the <i>Code of Alabama 1975</i>, Section 11-98-5.2, a statewide 911 fund was created to account for all revenues derived from the service charge levied on voice communications service providers and the distribution of these funds. The <i>Code of Alabama 1975</i>, Section 11-98-6, requires the local emergency communication district to be responsible for the administration of the funds received from the distributions of the statewide 911 fund. The adequate administration of these funds requires appropriate policies and procedures to be established to ensure a cashbook is maintained in which all receipts and disbursements are recorded and the balance of funds on hand is properly reflected. In addition, monthly bank reconciliations should be performed to detect and correct errors on the bank statements or those that may occur in the cashbook. Tests performed during the examination indicated that bank reconciliations were not performed and a cashbook was not properly maintained that reflected all receipts, disbursements and the cash balance for all accounts. Policies and procedures were not in place to ensure bank reconciliations were performed or a cashbook was properly maintained. Therefore, the City of Midfield Emergency Communications District failed to comply with the <i>Code of Alabama 1975</i>, Section 11-98-5.2 and Section 11-98-6, which require the local emergency communication district to be responsible for the administration of their funds.</p> <p><u>Recommendation:</u></p> <p>All receipts and disbursements should be accurately recorded in the cashbook. These transactions should be posted to the cashbook on a timely basis and the balance should be reconciled with the bank account monthly.</p>

Financial Information

Summary of Receipts, Disbursements and Cash Balances
October 1, 2020 through September 30, 2022

	Fiscal Year 2021	Fiscal Year 2022	Total
<u>Receipts</u>			
911 Revenue	\$ 113,188.35	\$ 131,533.40	\$ 244,721.75
Legacy Reimbursement		86,361.00	86,361.00
Local Revenue	5,098.53		5,098.53
State Grants		10,320.00	10,320.00
Total Receipts	118,286.88	228,214.40	346,501.28
<u>Disbursements</u>			
911 Related Expenses	90,892.21	131,070.08	221,962.29
Office Expense		524.37	524.37
Equipment	1,548.24		1,548.24
Training and Education Expenses	9,017.54		9,017.54
Other	185.89	291.34	477.23
Total Disbursements	101,643.88	131,885.79	233,529.67
Excess (Deficit) of Receipts Over Disbursements	16,643.00	96,328.61	112,971.61
Cash Balances - Beginning of Year	80,325.99	96,968.99	80,325.99
Cash Balances - End of Year	\$ 96,968.99	\$ 193,297.60	\$ 193,297.60

Additional Information

Board Members
October 1, 2020 through September 30, 2022

<u>Board Members</u>		<u>Term Expires</u>
Hon. Gary Richardson	Chairman	2025
Hon. Janice Anderson	Member	2025
Hon. Terry Adams	Member	2025
Hon. James Reasor	Member	2025
Hon. Velma Johnson	Member	2025
Hon. Wendy Merriweather	Member	2025