Statewide 911 Board

Financial Statements
with
Additional Information

Years Ended June 30, 2021 and 2020

STATEWIDE 911 BOARD

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CPAS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Statewide 911 Board

We have audited the accompanying financial statements of the Statewide 911 Board, which comprise of the statements of net position as of June 30, 2021 and 2020, and the related statements of revenues, expenditures, changes in net position, and cash flows for the years 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.

Auditors' 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 significant accounting estimates made by management as well as evaluating the overall presentation of financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Statewide 911 Board as of June 30, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Statewide 911 Board collects, disburses and uses the Statewide 911 fee assessed under Indiana Code Title 36, Article 8, Chapter 16.7, Section 37. Our opinion is not modified with respect the Statewide 911 Board's compliance with this state statute.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Management has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of American 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.

The additional information (pages 17-18) is presented for the purpose of additional analysis and although it is not a part of the basic financial statements, it 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the financial statements. Such information has not been subject 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 it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2021 on our consideration of Statewide 911 Board'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 solely 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 the effectiveness of Statewide 911 Board's 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 Statewide 911 Board's internal control over financial reporting and compliance.

LWG CPAs & Advisors

LWG CPAs & Advisors
Indianapolis, Indiana
December 14, 2021

STATEWIDE 911 BOARD

STATEMENTS OF NET POSITION

June 30, 2021 and 2020

	2021	2020
ASSETS		
Cash	$ 35,611,850	$ 35,776,646
Accounts receivable	8,875,145	8,756,483
Prepaid expenses	87,745	83,361
Other receivables	632,558	1,768,932
Capital assets	31,243	38,400
TOTAL ASSETS	45,238,541	46,423,822
DEFERRED OUTFLOWS		
Pension expense - outflow	65,826	78,002
TOTAL DEFERRED OUTFLOWS	65,826	78,002
LIABILITIES		
Accounts payable	4,771,162	1,519,014
Accrued Hold Harmless distributions	10,129,683	10,129,683
Accrued 90/10 distributions	11,438,438	16,281,049
Net pension liability	137,428	176,821
TOTAL LIABILITIES	26,476,711	28,106,567
DEFERRED INFLOWS		
Pension expense - inflow	58,176	39,233
TOTAL DEFERRED INFLOWS	58,176	39,233
NET POSITION		
Restricted	18,769,480	18,356,024
TOTAL NET POSITION	$ 18,769,480	$ 18,356,024

The accompanying notes are an integral part of these statements.

STATEWIDE 911 BOARD

STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION

Years Ended June 30, 2021 and 2020

	Amount		Percent	
	2021	2020	2021	2020
OPERATING REVENUES				
Wireless fees	$ 55,539,892	$ 54,836,900	60.2	60.4
Landline fees	9,702,305	10,760,024	10.5	11.9
VOIP fees	9,852,518	9,672,207	10.7	10.7
Prepaid fees	15,594,148	14,941,811	16.9	16.5
Lifeline fees	10,548	27,114	0.0	0.0
Grant income	1,584,218	498,764	1.7	0.5
TOTAL OPERATING REVENUES	92,283,629	90,736,820	100.0	100.0
OPERATING EXPENSES				
Hold harmless distribution	60,778,104	60,778,104	65.9	67.0
90/10 distribution	11,438,438	16,281,049	12.4	18.0
Operating expense	18,069,734	13,439,865	19.6	14.8
Grant expense	1,584,218	498,764	1.7	0.5
Depreciation and amortization expense	8,516	8,605	0.0	0.0
TOTAL OPERATING EXPENSES	91,879,010	91,006,387	99.6	100.3
OPERATING INCOME (LOSS)	404,619	(269,567)	0.4	(0.3)
OTHER INCOME / (EXPENSE)				
Other income/expense	103	313	0.0	0.0
Interest income	8,734	335,015	0.0	0.4
TOTAL OTHER INCOME	8,837	335,328	0.0	0.4
CHANGE IN NET POSITION	413,456	65,761	0.4	0.1
NET POSITION, BEGINNING OF YEAR	18,356,024	18,290,263		
NET POSITION, END OF YEAR	$ 18,769,480	$ 18,356,024		

The accompanying notes are an integral part of these statements.

STATEWIDE 911 BOARD

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 92,164,967	$ 90,333,083
Cash paid for PSAP distributions and operations	(92,337,241)	(89,749,557)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(172,274)	583,526
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(1,358)	-
Other receipts and payments - nonoperating	8,837	335,328
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	7,479	335,328
NET INCREASE (DECREASE) IN CASH	(164,795)	918,854
CASH, BEGINNING OF YEAR	35,776,646	34,857,792
CASH, END OF YEAR	$ 35,611,851	$ 35,776,646
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income	$ 404,619	$ (269,567)
Non-cash items		
Depreciation and amortization	8,516	8,605
Decrease (increase) in assets		
Accounts receivable	(118,662)	(403,737)
Prepaid expenses	(4,384)	(75,117)
Other receivables	1,136,374	(1,711,499)
Increase (decrease) in liabilities		
Net pension liability	(39,393)	24,294
Net deferred inflow (outflow)	31,119	(21,159)
Accounts payable and accrued expenses	3,252,148	462,799
PSAP distributions payable	(4,842,611)	2,568,907
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (172,274)	$ 583,526

The accompanying notes are an integral part of these statements.

STATEWIDE 911 BOARD

NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2021 and 2020

(1) Summary of significant accounting policies

The significant policies followed by the Statewide 911 Board ("the Board") are summarized as follows:

Organization – The Board was created under the applicable State of Indiana statutes. It exists as a separate body constituting an instrumentality for public purposes set forth in the statutes.

Nature of operations – The purpose of the Statewide 911 Board is to insure the safekeeping of funds to be used in the implementation of Statewide 911 Services.

Fees – Communication Services Providers who are authorized to offer communication services to customers and/or users of the service in the State of Indiana are required to charge each customer/user a monthly fee for 911 services. IC 36-8-16.7-32(a) and IC 36-8-16.6-11 states the fee for all communication services used by the customer/user are billed one dollar, ($1.00) per month. Providers and/or retailers are permitted to retain a percentage of the fee collected for administrative purposes. The remaining amount must be remitted to the Board for deposit into the fund. Prepaid fees are remitted by the retailer to the Indiana Department of Revenue and subsequently transferred to the Board.

Cash – The Board considers cash to be cash on hand and in demand accounts. Cash is held by PNC Bank. At times, such cash may be in excess of the FDIC insurance limit. However, additional coverage is provided by the Indiana Public Deposit Insurance Fund for funds that exceed the FDIC limits. The cash balance is held in a demand checking account.

Accounts receivable – The Board accounts for fees earned through year end, but not yet collected in the accounts receivable account. There is no allowance for doubtful accounts as all accounts are considered collectable as of June 30, 2021 and 2020.

Other receivables – Other receivables consist of a Federal grant awarded to the Board in 2019. See Note 3 for further details. In addition, other receivables consist of an amount due from a carrier for the purpose of reconciling a shortfall in fees paid to the Board for the period July 1, 2015 to December 31, 2019. Both amounts have been subsequently collected after the fiscal year end.

Prepaid expenses – Prepaid expenses consists of expenditures for assets that have not yet been fully utilized. The Board amortizes these expenses over the expected life of assets.

Capital assets – Additions to capital assets are capitalized at cost. The cost of maintenance and repairs are charged to operations as incurred. Depreciation of capital assets is computed by the straight-line method of depreciation using the following useful lives: computer equipment and website design – 3 years; furniture – 6 years, and vehicles – 9 years.

Accrued hold harmless distributions – The Board accounts for monthly PSAP distributions not yet disbursed. Additionally, the non-compliant reserve for any county that had not consolidated its PSAPs in compliance with IC 36-8-16.7-47 has its distributions held in reserve until such time that it is in compliance.

(1) Summary of significant accounting policies (continued)

Accrued 90/10 distributions – If any fees remain in the fund after distributions according to IC 36-8-16.7-37(2) shall be distributed in compliance with IC 36-8-16.7-37(3). Ninety percent (90%) of the fees shall be distributed to the counties based upon each county's percentage of the state's population. Ten percent (10%) of the fees shall be distributed equally among the counties.

Revenue recognition – The Board accounts for its operations on an accrual basis where fees earned and expenditures incurred are recorded in the period earned and incurred. Operating revenue consist of fees collected for all communication services used by the customer/user as described in IC 36-8-16.7-32(a) and IC 36-8-16.6-11. All other items are considered nonoperating.

Estimates – The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the amount of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

Restricted net position - The Board's resources are classified for accounting and financial reporting purposes as restricted for distribution to county government for operation of PSAP and to accomplish board responsibilities. Board expenses are to administer the chapter and develop, operate, and maintain a statewide 911 system.

Subsequent events – Subsequent events have been evaluated through the date of the Independent Auditors' Report, the date of which the financial statements were available for distribution.

(2) Pension plan

The Statewide 911 Board contributed to the Public Employees' Retirement Fund (PERF), which is administered by INPRS as a cost-sharing, multiple-employer defined benefit plan. PERF was established to provide retirement, disability, and survivor benefits to full-time employees of the State of Indiana not covered by another plan, those political subdivisions that elect to participate in the retirement plan, and certain INPRS employees. Political subdivisions mean a county, city, town, or township, political body corporate, public school corporation, public library, public utility, of a county, city, town, or township, and any department of, or associated with, a county, city, town, or township, which department receives revenue independently of, or in addition to, funds obtained from taxation. There are two tiers to PERF. The first is the Public Employees' Defined Benefit Plan (PERF Hybrid Plan) and the second is the My Choice Retirement Savings Plan for Public Employees (My Choice). The Statewide 911 Board does not participate in My Choice.

The PERF Hybrid Plan was established by the Indiana Legislature in 1945 and is governed by the INPRS Board of Trustees in accordance with IC 5-10.2, IC 5-10.3, and IC 5-10.5. There are two aspects to the PERF Hybrid Plan defined benefit structure. The first portion is the monthly defined benefit pension that is funded by the employer. The second portion of the PERF Hybrid Plan benefit structure is the annuity savings account (ASA) that supplements the defined benefit at retirement.

(2) Pension plan (continued)

The PERF ASA Only Plan was established by the Indiana Legislature in 2011, and is governed by the INPRS Board of Trustees in accordance with IC 5-10.3-12 and IC 5-10.5. This plan is funded by an employer and a member for the use of the member, or the member's beneficiaries or survivors, after the member's retirement. The PERF ASA Only Plan members are full-time employees of the State of Indiana (as defined in IC 5-10.3-7- 1(d)), who are in a position eligible for membership in the PERF Hybrid Plan and who elect to become members of the PERF ASA Only Plan. The PERF ASA Only Plan membership does not include individuals who: (1) before March 1, 2013; were members of the PERF Hybrid Plan or (2) on or after March 1, 2013, do not elect to participate in the PERF ASA Only Plan. Any government agency that pays employees through the Auditor of the State is a mandatory participant in the PERF ASA Only Plan and must offer eligible employees the PERF ASA Only Plan option. Quasi-government agencies and State educational institutions may choose to offer the PERF ASA Only Plan as an option to their employees. Since inception, 395 members have selected the PERF ASA Only Plan, or approximately 9% of eligible new hires of the State.

Members are required to participate in the ASA. The ASA consists of the member's contributions, set by statute at 3% of compensation as defined by IC 5-10.2-3-2 for PERF, plus the interest/earnings or losses credited to the member's account. The employer may elect to make contributions on behalf of the member. In addition, under certain conditions, members may elect to make additional voluntary contributions of up to 10% of their compensation into their ASA. A member's contributions and interest credits belong to the member and do not belong to the State or political subdivision.

Investments in the member's ASA are individually directed and controlled by plan participants who direct the investment of their account balances among eight (8) investment options, with varying degrees of risk and return potential. All contributions made to a member's account (member contribution subaccount and employer contribution subaccount) are invested as a combined total according to the member's investment elections. Members may make changes to their investment directions daily and investments are reported at fair value.

The PERF Hybrid Plan consists of the sum of a defined pension benefit provided by employer contributions plus the amount credited to the member's ASA. Pension benefits (non ASA) vest after 10 years of creditable service. The vesting period is eight (8) years for certain elected officials. Members are immediately vested in their ASAs. At retirement, a member may choose to receive a lump sum payment of the amount credited to the member's ASA, receive the amount as an annuity, or leave the contributions invested with INPRS. Vested PERF members leaving a covered position, who wait 30 days after termination may withdraw their ASAs and will not forfeit creditable service or a full retirement benefit. However, if a member is eligible for a full retirement at the time of the withdrawal request, he/she will have to begin drawing his/her pension benefit in order to withdraw the ASA. A non-vested member who terminates employment prior to retirement may withdraw his/her ASA after 30 days, but by doing so, forfeits his/her creditable service.

A member who returns to covered service and works no less than six months in a covered position may reclaim his/her forfeited creditable service. A member who has reached age 65 and has at

(2) Pension plan (continued)

least 10 years of creditable service is eligible for normal retirement and, as such, is entitled to 100 percent of the pension benefit component. This annual pension benefit is equal to 1.1% times the average annual compensation times the number of years of creditable service. The average annual compensation in this calculation uses the highest 20 calendar quarters of salary in a covered position. All 20 calendar quarters do not need to be continuous, but they must be in groups of four (4) consecutive calendar quarters. The same calendar quarter may not be included in two (2) different groups. For PERF members who serve as an elected official, the highest one (1) year (total of four (4) consecutive quarters) of annual compensation is used. Member contributions paid by the employer on behalf of the member and severance pay, up to $2,000, are included as part of the member's annual compensation.

A member who has reached age 60 and has at least 15 years of creditable service is eligible for normal retirement and, as such, is entitled to 100% of the pension benefit. A member who is at least 55 years old and whose age plus number of years of creditable service is at least 85 is entitled to 100% of the benefits as described above.

A member who has reached age 50 and has at least 15 years of creditable service is eligible for early retirement with a reduced pension. A member retiring early receives a percentage of the normal annual pension benefit. The percentage of the pension benefit at retirement remains the same for the member's lifetime. For age 59, the early retirement percentage of the normal annual pension benefit is 89%. The amount is reduced five percentage points per year (e.g. age 58 is 84 percent) to age 50 being 44%.

The monthly pension benefits for members in pay status may be increased periodically as cost of living adjustments (COLA). Such increases are not guaranteed by statute and have historically been provided on an "ad hoc" basis and can only be granted by the Indiana General Assembly. There was no COLA for the year ended June 30, 2018; however, eligible members received a one-time check (a.k.a. 13th check) in September 2018. The amount of the one-time check ranged from $150 to $450, depending upon a member's years of service, and was for a member who retired or was disabled on or before December 1, 2016, and who was entitled to receive a monthly benefit on July 1, 2017.

The PERF Hybrid Plan also provides disability and survivor benefits. A member who has at least five (5) years of creditable service and becomes disabled while in active service, on FMLA leave, receiving workers' compensation benefits, or receiving employer-provided disability insurance benefits may retire for the duration of the disability, if the member has qualified for social security disability benefits and has furnished proof of the qualification. The disability benefit is calculated the same as that for a normal retirement without reduction for early retirement. The minimum benefit is $180 per month, or the actuarial equivalent.

Upon the death in service of a member with 15 or more years or creditable service as of January 1, 2007, a survivor benefit may be paid to the surviving spouse to whom the member has been married for two or more years, or surviving dependent children under the age of 18. This payment is equal to the benefit which would have been payable to a beneficiary if the member had retired at

(2) Pension plan (continued)

age 50 or at death, whichever is later, under an effective election of the joint and survivor option available for retirement benefits. A surviving spouse or surviving dependent children are also entitled to a survivor benefit upon the death, in service after January 1, 2007, of a member who was at least 65 years of age and had at last 10 but not more than 14 years of creditable service.

INPRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained at https://www.inprs.gov/. Detailed information about the Plan's fiduciary net position is included in the INPRS financial report.

Significant Actuarial Assumptions

The total pension liability is determined by the INPRS actuaries in accordance with the GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g. salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g. mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

The accompanying Schedule of Contributions in the Required Supplementary Information presents trend information about the amounts contributed to the plan by employers and a non-employer contributing entity in comparison to the Actuarially Determined Contribution (ADC). The ADC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost for each year and the amortization of any unfunded actuarial accrued liability (or funding excess). Projections of benefits for financial reporting purposes are based on the substantive plan (the plan understood by employers and plan members) and include types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projections of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly-hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

(2) Pension plan (continued)

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuations are presented below:

Asset valuation date:	June 30, 2020
Liability valuation date and method:	June 30, 2019 – member census date as of June 30, 2019, was used in the valuation and adjusted, where appropriate, to reflect changes between June 30, 2019, and June 30, 2020. Standard actuarial roll forward techniques were then used to project the liability computed as of June 30, 2019, to the June 30, 2020, measurement date.
Actuarial cost method:	Entry age normal – level percent of payroll
Experience study date:	Period of five years ended June 30, 2019
Investment rate of return:	6.75% includes inflation and net of investment expenses
COLA:	The Plan assumes that COLA will be replaced by a 13th check for 2020 and 2021. The COLA assumption thereafter would be 0.4% beginning January 1, 2022, changing to 0.5% beginning January 1, 2034, and 0.6% beginning January 1, 2039.
Future salary increases, including inflation:	2.75% - 8.75%
Inflation:	2.25%
Mortality – Healthy	PubG-2010
Mortality – Disabled	PubG-2010

The long-term return expectation for the defined benefit retirement plan has been determined by using a building-block approach and assumes a time horizon, as defined in the INPRS Investment Policy Statement. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating a weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from the rebalancing uncorrelated asset classes.

(2) Pension plan (continued)

	Target Asset Allocation	Geometric Basis Long-Term Expected Real Rate of Return 2020	2019
Public equity	22.0%	4.4%	4.9%
Private equity	14.0%	7.6%	7.0%
Fixed income - Ex inflation-linked	20.0%	1.9%	2.5%
Fixed income - Inflation-linked	7.0%	0.5%	1.3%
Commodities	8.0%	1.6%	2.0%
Real estate	7.0%	5.8%	6.7%
Absolute return	10.0%	2.9%	2.9%

Total pension liability for the Plan was calculated using the discount rate of 6.75%. The projection of cash flows used to determine the discount rate assumed the contributions from employers and where applicable from the members, would at the minimum be made at the actuarially determined required rates computed in accordance with the current funding policy adopted by the INPRS Board and contributions required by the State (the non-employer contributing entity) would be made as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (6.75%). Based on those assumptions, the Plan's fiduciary net position were projected to be available to make all projected future benefit payments of current Plan members; therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability for the Plan.

Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact, the following table presents what the net pension liability would be if it were calculated using a discount rate 6.75%, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%), or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current (6.75%)	1% Increase (7.75%)
Board's proportionate share of the net pension liability	$ 224,054	$ 137,428	$ 64,871

Investment Valuation and Benefit Payment Policies

The pooled and non-pooled investments are reported at fair value by INPRS.

Pension, disability, special death benefits, and distributions of contributions and interest are recognized when due and payable to members or beneficiaries. Benefits are paid once the retirement or survivor applications have been processed and approved. Distributions of contributions and interest are distributions from inactive, non-vested members' annuity savings

(2) Pension plan (continued)

accounts. These distributions may be requested by members or auto-distributed by the fund when certain criteria are met.

Funding Policy

The State is obligated by statute to make contributions to the PERF Hybrid Plan or My Choice. Any political subdivision that elects to participate in the PERF Hybrid Plan is obligated by statute to make contributions to the plan. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 5-10.2-2-11. The contributions to the plan. The required contributions are determined by the INPRS Board of Trustees based on actuarial investigation and valuation in accordance with IC 5-10.2-2-11. The funding policy provides for periodic employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are sufficient to fund the pension benefits when they become due. As PERF is a cost-sharing plan, all risks and costs, including benefit costs, are shared proportionately by the participating employers. During fiscal year 2018, all participating employers were required to contribute 11.2% of covered payroll for members employed by the State and for political subdivisions.

For My Choice, the State was also required to contribute 11.2% of covered payroll. In accordance with IC 5-10.3-12-24, the amount credited from the employer's contribution rate to the member's account shall not be less than three percent and not be greater than the normal cost of the fund and any amount not credited to the member's account shall be applies to the pooled assets of PERF Hybrid Plan.

The PERF Hybrid Plan and My Choice members contribute three percent of covered payroll to their annuity savings account, which is not used to fund the defined benefit pension for PERF Hybrid Plan. For the PERF Hybrid Plan, the employer may elect to make the contributions on behalf of the member. The State pays the member's contributions on behalf of the member employed by the State that participate in My Choice. Political subdivisions may choose to pay part or all of the member's contributions on behalf of the member for My Choice. In addition, members of PERF Hybrid and My Choice may elect to make additional voluntary contributions, under certain criteria, of up to 10 percent of their compensation into their annuity savings accounts. Political subdivisions that participate in My Choice may elect to match voluntary contributions at a rate of 50 percent.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Board reported a liability of $137,428 and $176,821 as of June 30, 2021 and 2020, respectively, for its proportionate share of the net pension liability. The Board's proportionate share of the net pension liability was based on a projection of long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021 and 2020, the Board's proportion was 0.0000455 and 0.0000535, respectively.

STATEWIDE 911 BOARD

NOTES TO THE FINANCIAL STATEMENTS

Years Ended June 30, 2021 and 2020

(2) Pension plan (continued)

For the year ended June 30, 2021 and 2020, the Board recognized pension expense of $30,409 and $42,691, respectively. At June 30, 2021, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between employer contributions and proportionate share of contributions	$ 16,024	$ 27,697
Differences between expected and actual experience	2,435	1,845
Net difference of projected and actual investment earnings	11,762	-
Change of assumptions	-	28,634
Contribution subsequent to the measurement date	35,605	-
Total	$ 65,826	$ 58,176

At June 30, 2020, the Board reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between employer contributions and proportionate share of contributions	$ 25,368	$ 11,653
Differences between expected and actual experience	4,682	-
Net difference of projected and actual investment earnings	-	8,358
Change of assumptions	39	19,222
Contribution subsequent to the measurement date	47,913	-
Total	$ 78,002	$ 39,233

Amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense (income) as follows:

Fiscal Year Ending June 30:

2021	$ (18,619)
2022	(5,628)
2023	(8,705)
2024	4,997
Total	$ (27,955)

(3) Federal grant

On August 9, 2019, the Board was awarded a Federal Grant of $2,800,000 through the National Highway Traffic Safety Administration. The funds which will be distributed to PSAPs in the State for qualifying projects. The funding will provide basic improvements such as providing digital and IP network capabilities to 911 emergency call centers and will assist implementation of advanced mapping systems that will make it easier to identify a 911 caller's location. NG911 will help 911 call centers manage call overload, as call-takers will be able to transfer calls, messages and data between public safety answering points that are interconnected to the IP network. The 911 Grant Program also provides funding for training costs directly related to NG911 implementation.

During the year ended June 30, 2021, grant income amounted to $1,584,218 and grant expenses amounted to $1,584,218.

REQUIRED SUPPLEMENTARY INFORMATION

STATEWIDE 911 BOARD

Retirement Plan Schedule of Proportionate Share of Pension Liability

Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	$ 27,481	$ 31,199	$ 25,674	$ 28,389	$ 22,367	$ 16,150	$ 14,805
Contributions in relation to the statutorily required contribution	27,481	31,199	25,674	28,389	22,367	16,150	14,805
Deficit (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board's covered-employee payroll	$ 245,370	$ 278,561	$ 229,231	$ 253,469	$ 199,707	$ 144,185	$ 132,177
Contributions as a percentage of covered-employee payroll	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%	11.2%

* The effect and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2015 for GASB Statement No. 68 purposes.

STATEWIDE 911 BOARD

Retirement Plan Schedule of Contributions

Last 10 Fiscal Years*

	2021	2020	2019	2018	2017	2016	2015
Board's proportion of the net pension liability	0.0000455	0.0000535	0.0000449	0.0000511	0.0000417	0.0000301	0.0000271
Board's proportionate share of the net pension liability	$ 137,428	$ 176,821	$ 152,527	$ 227,985	$ 189,253	$ 122,594	$ 71,217
Board's covered-employee payroll	$ 245,370	$ 278,561	$ 229,231	$ 253,469	$ 199,707	$ 144,185	$ 132,177
Board's proportionate share of the net pension liability as a percentage of its covered-employee payroll	56.0%	63.5%	66.5%	89.9%	94.8%	85.0%	53.9%
Plan fiduciary net position as a percentage of the total pension liability	81.4%	80.1%	78.9%	76.6%	75.3%	77.4%	77.4%

* The effect and cost to re-create financial statement information for 10 years was not practical. Information was prepared prospectively from June 30, 2015 for GASB Statement No. 68 purposes.

CPAS ▲ ADVISORS

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*

To the Board of Directors
of Statewide 911 Board

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of Statewide 911 Board, a component unit of the State of Indiana, which comprise the statements of net position as of June 30, 2021, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, and have issue our report thereon dated December 14, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Statewide 911 Board'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, not for the purpose of expressing an opinion on the effectiveness of the Board's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2021-001, that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Statewide 911 Board's financial statements are free of 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 the 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 Governmental Auditing Standards in considering the entity's internal control and compliance. Accordingly, the communication is not suitable for any other purpose.

LWG CPAs & Advisors

LWG CPAs & Advisors
Indianapolis, Indiana
December 14, 2021

CPAS ▲ ADVISORS

REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Statewide 911 Board

Report on Compliance for Major Federal Programs

We have audited Statewide 911 Board's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on Statewide 911 Board's major federal program for the year ended June 30, 2021. Statewide 911 Board's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for Statewide 911 Board's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Statewide 911 Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of Statewide 911 Board's compliance.

Opinion on Major Federal Program

In our opinion, Statewide 911 Board complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Statewide 911 Board is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Statewide 911 Board's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Statewide 911 Board's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2021-001, that we consider to be significant deficiencies.

Statewide 911 Board's response to the internal control over compliance findings identified in our audit is described in the accompanying correct action plan. Statewide 911 Board's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of Statewide 911 Board as of and for the year ended June 30, 2021, and have issued our report thereon dated December 14, 2021, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (the Uniform Guidance) and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respected, in relation to the financial statements as a whole.

LWG CPAs & Advisors

LWG CPAs & Advisors
Indianapolis, Indiana
December 14, 2021

STATEWIDE 911 BOARD

SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS

Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Passed Through	Pass-Through Entity's Identifying Number	Passed Through to Subrecipient	Federal Expenditures
Department of Transportation (DOT)					
Direct Program					
911 Grant Program	20.615			$ 1,584,218	$ 1,584,218

STATEWIDE 911 BOARD

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2021

1. Basis of presentation

The accompanying schedule of expenditures of federal awards (Schedule) includes the federal grant activity of Statewide 911 Board under programs of the federal government for the year ended June 30, 2021. Expenditures reported on the Schedule are reported on the same basis of accounting as the financial statements, although the basis for determining when federal awards are expended is presented in accordance with the requirements of the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used, in the preparation of the financial statements.

Because the Schedule presents only a selected portion of the operations of Statewide 911 Board, it is not intended to, and does not present the balance sheet, statements of revenue, changes in members' equity or cash flows of Statewide 911 Board.

2. Summary of significant accounting policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting, which is described in Note 1 to Statewide 911 Board's financial statements. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

3. Indirect cost rate

Statewide 911 Board has not elected to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

STATEWIDE 911 BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

Section I – Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: UNMODIFIED

Internal control over financial reporting:

Are any material weaknesses identified?	____ yes	X no
Are any significant deficiencies identified?	____ yes	X no
Is any noncompliance material to financial statements noted?	____ yes	X no

Federal Awards

Internal control over major program:

Are any material weaknesses identified?	____ yes	X no
Are any significant deficiencies identified?	X yes	____ None reported
Type of auditor's report issued on compliance for major federal programs:	UNMODIFIED	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	X yes	____ no
Identification of major federal programs:		
Federal CFDA Number	Name of Federal Program or Cluster	
20.615	911 Grant Program	
Dollar threshold used to distinguish between type A and type B programs:	$ 750,000	
Auditee qualified as a low-risk auditee?	____ yes	X no

STATEWIDE 911 BOARD

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2021

Section II – Financial Statement Findings

There were no matters reported.

Section III – Federal Award Findings and Questioned Costs

Finding Number: 2021–001; Documentation of internal control

Federal Agency/Program: National Highway Traffic Safety Administration (NHTSA)

Federal Program Title: 911 Grant Program

CFDA Number: 20.615

Type of Finding: Significant Deficiency in Internal Control over Major Program

Criteria or specific requirement – Internal control over the major program should be properly documented to ensure proper execution of internal controls.

Condition – Statewide 911 Board did not have proper documentation on the internal controls over the major program.

Questioned costs – None.

Context – While performing our audit procedures, it was noted that there was no audit evidence that internal controls over the 911 Grant Program were completed.

Cause – This significant deficiency was caused by a lack of a system to properly document internal controls.

Effect – Lack of internal control documentation could lead to situations where employees are unsure if, when, or by whom the internal control step was completed.

Recommendation – We recommend management implement a system to document the internal controls in place to ensure controls are being properly executed. This includes notation of who and when the internal control was performed.

Responsible Official's Response – The 2021 Audit by London Witte Group recommended creating a written checklist for the Federal Grant process. This additional documentation would support the current process in place. The financial statements were not affected by this missing information.

The Statewide 911 Board shall use the checklist to document the Federal Grant reimbursement process going forward.

CPAS ADVISORS

December 14, 2021

Statewide 911 Board
10 West Market Street, Suite 2420
Indianapolis, IN 46204

To the Board of Directors of the
Statewide 911 Board

We have audited the financial statements of the Statewide 911 Board for the year ended June 30, 2021, and have issued our report thereon dated December 14, 2021. As part of our reporting requirements, the Indiana State Board of Accounts (SBOA) has requested that we make the following certification regarding the Statewide 911 Board's compliance with Indiana Code Title 36, Article 8, Chapter 16.7, Section 37, as defined below:

1) The Board retained 19.6% of fees collected during the fiscal year, which represented the operating expenses necessary to develop, operate, and maintain the statewide 911 system. The fees retained by the Board were in excess of the 10% limit, as allowed by Indiana Code Title 36, Article 8, Chapter 16.7, Section 37, Subsection B, which permits the Board to retain fees in a manner that does not impair the ability of the Board to fulfill its management and administrative obligations.
2) The Board distributed, to the Indiana counties, distributions as defined in Indiana Code Title 36, Article 8, Chapter 16.7, Section 37.
3) The Board did distribute, to the Indiana counties, a portion of the remaining 911 fees in 2021, after the Board's administrative expense and distribution. Ninety percent of this disbursement was paid based upon each counties percentage of the state's population. Ten percent of this disbursement was paid in an equal payment. The Board will accumulate the surplus for the year in a reserve fund.

This letter is supplementary information that is included as part of the financial statements and notes of the Statewide 911 Board. It is intended solely for the use of management and the Indiana State Board of Accounts, and should not be used for any other purposes.

LWG CPAs & Advisors

LWG CPAs & Advisors

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December 14, 2021

Board of Directors
Indiana Statewide 911 Board
10 West Market Street, Suite 2420
Indianapolis, IN 46204

We have audited the financial statements of the Indiana Statewide 911 Board for the year ended June 30, 2021 and have issued our report thereon dated December 14, 2021. Professional standards require that we provide you with the following information related to our audit.

<u>Our Responsibility under Auditing Standards Generally Accepted in the United States and *Government Auditing Standards*</u>

As communicated in our engagement letter dated September 28, 2021, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.

Our responsibility as prescribed by professional standards, is to plan and perform the audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial statement. Accordingly, as part of our audit, we considered the internal control of the Statewide 911 Board solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. In addition, as part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we assessed the risk that noncompliance with certain provisions of laws, regulations, contracts, and grants could cause the financial statements to be materially misstated. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding significant control deficiencies and other matters noted during our audit in a separate letter to you dated December 14, 2021.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Statewide 911 Board is included in Note 1 to the financial statements. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected financial statement misstatements whose effects in the current and prior periods, as determined by management, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no misstatements detected as a result of audit procedures were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For the purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the Statewide 911 Board's financial statements or the auditor's report. We are pleased to report that no such disagreement arose during the course of our audit.

Representations Requested from Management

We have requested certain written representations from management that are included in the attached letter dated December 14, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultation with other accountants regarding auditing and accounting matters.

Other Significant Findings or Issues

In the normal course of our professional association with the Statewide 911 Board, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted on a condition to our retention as Statewide 911 Board's auditors.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

This information is intended solely for the use of the board of directors and management of the Statewide 911 Board, and is not intended to be and should not be used by anyone other than these specified parties.

LWG CPAs & Advisors

LWG CPAs & Advisors