



COMMISSION ON STATE EMERGENCY COMMUNICATIONS

THE AUTHORITY ON EMERGENCY COMMUNICATIONS IN TEXAS

333 Guadalupe Street * Suite 2-212 * Austin * Texas 78701-3942

November 12, 2014

Honorable Rick Perry, Governor
Honorable Susan Combs, Texas Comptroller
Ursula Parks, Director, Legislative Budget Board
John Keel, CPA, State Auditor

Ladies and Gentlemen:

We are pleased to submit the annual financial report of the Commission on State Emergency Communications for the year ended August 31, 2014, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Mr. Brian P. Millington, Director of Operations at 512.305.6923.

Sincerely,

Kelli Merriweather
Executive Director

Commission on State Emergency Communications

2014 Annual Financial Report

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(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit I - Combined Balance Sheet/Statement of Net Assets - Governmental Funds
For Fiscal Year Ended August 31, 2014

	Governmental Fund Types		Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Net Assets
	General Funds	Special Revenue Funds				
ASSETS						
Current Assets:						
<u>Cash & Temporary Investments:</u>						
Cash in State Treasury	\$194,348,238.49	\$9,552,472.80	\$203,900,711.29	\$0.00	\$0.00	\$203,900,711.29
Consumable Inventories	\$2,450.00		\$2,450.00	\$0.00	\$0.00	\$2,450.00
TOTAL CURRENT ASSETS	\$194,350,688.49	\$9,552,472.80	\$203,903,161.29	\$0.00	\$0.00	\$203,903,161.29
Non-Current Assets						
Capital Assets - Depreciable						
Furniture and Equipment	\$0.00	\$0.00	\$0.00	\$72,081.91	\$0.00	\$72,081.91
Less: Accumulated Depreciation	\$0.00	\$0.00	\$0.00	-\$72,081.91	\$0.00	-\$72,081.91
TOTAL NON-CURRENT ASSETS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL ASSETS	\$194,350,688.49	\$9,552,472.80	\$203,903,161.29	\$0.00	\$0.00	\$203,903,161.29
LIABILITIES AND FUND BALANCES						
<u>Current Liabilities</u>						
Payables from:						
Accounts	\$2,377,869.23	\$0.00	\$2,377,869.23	\$0.00	\$0.00	\$2,377,869.23
Payroll	\$162,714.05	\$0.00	\$162,714.05	\$0.00	\$0.00	\$162,714.05
Due to Other Agencies	\$1,636,393.87	\$0.00	\$1,636,393.87	\$0.00	\$0.00	\$1,636,393.87
Employees Compensable Leave	\$0.00	\$0.00	\$0.00	\$0.00	\$86,587.86	\$86,587.86
Total Current Liabilities	\$4,176,977.15	\$0.00	\$4,176,977.15	\$0.00	\$86,587.86	\$4,263,565.01
<u>Non-Current Liabilities</u>						
Employees Compensable Leave	\$0.00	\$0.00	\$0.00	\$0.00	\$39,032.12	\$39,032.12
Total Non Current Liabilities	\$0.00	\$0.00	\$0.00	\$0.00	\$39,032.12	\$39,032.12
Total Liabilities	\$4,176,977.15	\$0.00	\$4,176,977.15	\$0.00	\$125,619.98	\$4,302,597.13
Fund Financial Statement						
<u>Fund Balances (Deficits) Reserved For:</u>						
Inventories	\$2,450.00	\$0.00	\$2,450.00	\$0.00	\$0.00	\$2,450.00
Restricted	\$0.00	-\$348,807.99	-\$348,807.99	\$0.00	\$0.00	-\$348,807.99
Committed	\$187,151,455.43	\$9,901,280.79	\$197,052,736.22	\$0.00	\$0.00	\$197,052,736.22
Unassigned	\$3,019,805.91	\$0.00	\$3,019,805.91	\$0.00	\$0.00	\$3,019,805.91
Total Fund Balances	\$190,173,711.34	\$9,552,472.80	\$199,726,184.14	\$0.00	\$0.00	\$199,726,184.14
Total Liabilities and Fund Balances	\$194,350,688.49	\$9,552,472.80	\$203,903,161.29	\$0.00	\$125,619.98	\$204,028,781.27
Government-Wide Statement of Net Assets						
Invested in Capital Assets, net of Retained Debt				\$0.00	\$0.00	\$0.00
Unrestricted				\$0.00	-\$125,619.98	-\$125,619.98
Total Net Assets				\$0.00	\$0.00	\$203,903,161.29

The accompanying notes to the financial statements are an integral part for this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

EXHIBIT II - Combined Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities - Governmental Funds
For Fiscal Year Ended August 31, 2014

	General Funds	Special Revenue Funds	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Activities
REVENUES						
License, Fees & Permits	\$31,874,289.90	\$129,502,335.05	\$161,376,624.95	\$0.00	\$0.00	\$161,376,624.95
Federal Revenues	\$8,974.35	\$0.00	\$8,974.35	\$0.00	\$0.00	\$8,974.35
Interest	\$0.00	\$40,041.05	\$40,041.05	\$0.00	\$0.00	\$40,041.05
Other	\$8,522.85	\$4,404.51	\$12,927.36	\$0.00	\$0.00	\$12,927.36
Total Revenues	\$31,891,787.10	\$129,546,780.61	\$161,438,567.71	\$0.00	\$0.00	\$161,438,567.71
EXPENDITURES						
Salaries & Wages	\$1,473,990.63	\$0.00	\$1,473,990.63	\$0.00	\$10,575.32	\$1,484,565.95
Payroll Related Costs	\$434,017.56	\$0.00	\$434,017.56	\$0.00	\$0.00	\$434,017.56
Professional Fees	\$400,540.45	\$0.00	\$400,540.45	\$0.00	\$0.00	\$400,540.45
Travel	\$46,819.60	\$0.00	\$46,819.60	\$0.00	\$0.00	\$46,819.60
Supplies	\$383,823.98	\$0.00	\$383,823.98	\$0.00	\$0.00	\$383,823.98
Communications	\$355,731.10	\$0.00	\$355,731.10	\$0.00	\$0.00	\$355,731.10
Repairs & Maintenance	\$277,728.33	\$0.00	\$277,728.33	\$0.00	\$0.00	\$277,728.33
Employees Compensable Leave	\$7,848.47	\$0.00	\$7,848.47	\$0.00	\$0.00	\$7,848.47
Printing and Reproduction	\$2,642.85	\$0.00	\$2,642.85	\$0.00	\$0.00	\$2,642.85
State Grant Pass-Through Expenditures	\$2,279,780.80	\$0.00	\$2,279,780.80	\$0.00	\$0.00	\$2,279,780.80
Intergovernmental Payments	\$56,041,672.25	\$94,528,324.70	\$150,569,996.95	\$0.00	\$0.00	\$150,569,996.95
Public Assistance Payments	\$857,654.54	\$0.00	\$857,654.54	\$0.00	\$0.00	\$857,654.54
Other Expenditures	\$95,758.49	\$187,342.99	\$283,101.48	\$0.00	\$0.00	\$283,101.48
Depreciation Expense	\$0.00	\$0.00	\$0.00	\$816.10	\$0.00	\$816.10
Total Expenditures	\$62,658,009.05	\$94,715,667.69	\$157,373,676.74	\$816.10	\$10,575.32	\$157,385,068.16
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	-\$30,766,221.95	\$34,831,112.92	\$4,064,890.97	-\$816.10	-\$10,575.32	\$4,053,499.55
OTHER FINANCING SOURCES (USES):						
Operating Transfers In	\$227,303,432.78	\$0.00	\$227,303,432.78	\$0.00	\$0.00	\$227,303,432.78
Operating Transfers Out	-\$193,517,404.92	-\$35,179,920.91	-\$228,697,325.83	\$0.00	\$0.00	-\$228,697,325.83
Total Other Financing Sources (Uses):	\$33,786,027.86	-\$35,179,920.91	-\$1,393,893.05	\$0.00	\$0.00	-\$1,393,893.05
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	\$3,019,805.91	-\$348,807.99	\$2,670,997.92			\$2,659,606.50
Fund Financial Statement - Fund Balances						
FUND BALANCE - Beginning	\$187,153,905.43	\$9,901,280.79	\$197,055,186.22			\$197,055,186.22
Restatements	\$0.00	\$0.00	\$0.00			\$0.00
FUND BALANCE - September 1, 2013	\$187,153,905.43	\$9,901,280.79	\$197,055,186.22			\$197,055,186.22
FUND BALANCE - August 31, 2014	\$190,173,711.34	\$9,552,472.80	\$199,726,184.14			\$199,714,792.72
Government Wide Statement of Net Assets						
Net Assets, September 1, 2013			\$197,055,186.22	\$816.10	-\$115,044.66	\$196,940,957.66
Restatements				\$0.00	\$0.00	
Adjusted Net Assets, September 1, 2013				\$816.10	-\$115,044.66	
Net Assets as of August 31, 2014			\$199,726,184.14	\$0.00	-\$125,619.98	\$199,600,564.16

The accompanying notes to the financial statements are an integral part to this statement.

Commission on State Emergency Communications (477) - Unaudited

NOTE 1: Summary Of Significant Accounting Policies

Entity

The Commission on State Emergency Communications (CSEC) is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' *Reporting Requirements for State Agencies and Universities*.

The Commission on State Emergency Communications serves the state by:

- Statewide enhanced 9-1-1 emergency telephone service provided by local governments. Funding is provided through the 9-1-1 Service Fee and 9-1-1 Equalization Surcharge. The agency all serves as administrator for the Wireless Service Fee Trust Fund which is collected from wireless telecommunication providers in Texas, and distributed to jurisdictions providing 9-1-1 services in the state.
- Statewide Poison Control Center communication network serving six regional answer centers for responding to poisonings. Funding is provided through the Poison Control Surcharge.

Due to the statewide requirements embedded in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements of this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Blended Component Units

The CSEC does not have any blended component units.

Discretely Presented Component Units

The CSEC does not have any discretely presented component units.

Fund Structure

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Governmental Fund Types & Government-wide Adjustment Fund Types

General Revenue Funds

The Equalization Surcharge Fund (Fund 5007) – This fund is established for the administration and implementation of statewide 9-1-1 service and the operations of regional poison control centers. Revenues are obtained from a surcharge on telecommunication local exchange lines and wireless telecommunication connections.

The 9-1-1 Service Fee Fund (Fund 5050) – This fund is established for the administration and implementation of statewide 9-1-1 service. Revenues are obtained from service fees on landline and wireless telecommunications.

Commission on State Emergency Communications (477) - Unaudited

NOTE 1: Summary Of Significant Accounting Policies - Continued

Special Revenue Funds

The Wireless Service Fee Fund (Fund 0875) is a trust fund for collection of service fees from wireless telecommunication service providers. The agency is responsible for administration of the trust fund, which primarily consists of distributions to 9-1-1 Districts and transfers to State Treasury Fund 5050.

Capital Assets Adjustment Fund Type

The Capital Assets Adjustment Fund will be used to convert governmental fund types' capital assets from modified accrual to full accrual.

Long Term Liabilities Adjustment Fund Type

Long-Term Liabilities Adjustment fund type will be used to convert governmental fund types' debt from modified accrual to full accrual.

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual method basis of accounting. Under the modified accrual, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end.

The State of Texas considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year for Fund Financial Statements prepared on the modified basis of accrual. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual basis of accounting. The following activities are recognized in these fund types:

- Capital assets
- Accumulated depreciation
- Unpaid employee compensable leave
- The unmatured debt service (principal and interest) on general long-term liabilities
- Long-term capital leases
- Long-term claims and judgments
- Full accrual revenues and expenses

Budgets and Budgetary Accounting

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

Commission on State Emergency Communications (477) - Unaudited

NOTE 1: Summary Of Significant Accounting Policies - Continued

Assets, Liabilities, And Fund Balances/Net Assets

ASSETS

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Inventories

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally utilizing the last-in, first-out method. Inventories for governmental fund types are the purchase method of accounting. The consumption method of accounting is used to account for inventories that appear in the proprietary fund types and the government-wide statements. The cost of these items is expensed when the items are consumed.

Capital Assets

Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year are capitalized. These assets are capitalized at cost or, if purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets, such as works of art and historical treasures, are not depreciated. Road and highway infrastructure is reported on the modified accrual basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

LIABILITIES

Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Employees Compensable Leave Balances

Employees' Compensable Leave Balances represent the liability that become "due" upon the occurrence of relevant events such as resignations, retirements, and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net assets. These obligations are normally paid from the same funding source from which each employee's salary or wage compensation was paid.

Commission on State Emergency Communications (477) - Unaudited

NOTE 1: Summary Of Significant Accounting Policies - Continued

Fund Balance/Net Position

"Fund balance" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide, proprietary and fiduciary fund statements.

- **Restricted fund balance** includes those resources that have constraints placed on their use through external parties, such as creditors, grantors, contributors, laws or regulations of other governments, or by law through constitutional provisions.
- **Committed fund balance** can be used only for specific purposes pursuant to constraints imposed by a formal action of the Texas Legislature, the state's highest level of decision making authority.
- **Unassigned fund balance** is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Commission on State Emergency Communications (477) - Unaudited

NOTE 2: Capital Assets

Revenue received from the sale of surplus property has been transferred to Unappropriated General Revenue in accordance with HB7, Sec. 20

	Beginning Balance	Adjustments	Completed CIP	Inc- Int'agy Trans	Dec- Int'agy Trans	Additions	Deletions	Ending Balance
Depreciable Assets								
Furniture and Equipment	<u>\$72,081.91</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$72,081.91</u>
Total Depreciable Assets at Historical Cost:	<u>\$72,081.91</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$72,081.91</u>
Less: Accumulated Depreciation for:								
Furniture and Equipment	<u>(\$71,265.81)</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>(\$816.10)</u>	<u>\$0.00</u>	<u>(\$72,081.91)</u>
Total Accumulated Depreciation:	<u>(\$71,265.81)</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>(\$816.10)</u>	<u>\$0.00</u>	<u>(\$72,081.91)</u>
Depreciable Assets, Net	<u>\$816.10</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>(\$816.10)</u>	<u>\$0.00</u>	<u>\$0.00</u>

NOTE 3: Deposits, Investments, and Repurchase Agreements

Not Applicable

NOTE 4: Short Term Debt

Not Applicable

NOTE 5: Long Term Liabilities

Changes In Long-Term Liabilities

The following changes occurred in liabilities during the year ended August 31, 2014:

Governmental Activities	Balance 9-1-13	Additions	Reductions	Balance 8-31-14	Amounts Due Within One Year	Amounts Due Thereafter
Employees Compensable Leave	\$115,044.66	129,356.26	118,780.94	125,619.98	86,587.86	39,032.12
Total Governmental Activities	\$115,044.66	129,356.26	118,780.94	125,619.98	86,587.86	39,032.12

Commission on State Emergency Communications (477) - Unaudited

Employee's Compensable Leave

If a state employee had continuous employment with the state for at least six months, the state employee is entitled to be paid for all unused vacation time accrued in the event of the employee's resignation, dismissal or separation from state employment.

Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the statement of net position. Both an expense and a liability for business-type activities are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting employees accumulating rights to receive sick pay benefits. This obligation is usually paid from the same funding source(s) from which the employee's salary or wage compensation was paid.

NOTE 6: Bonded Indebtedness

Not Applicable

NOTE 7: Derivative Instruments

Not Applicable

NOTE 8: Leases

Not Applicable

NOTE 9: Pension Plans

Not Applicable

NOTE 10: Deferred Compensation

Not Applicable

NOTE 11: Post Employment Health Care and Life Insurance Benefits

Not Applicable

NOTE 12: Interfund Activity and Transactions

Not Applicable

NOTE 13: Continuance Subject to Review

Under the Texas Sunset Act, the Agency will be abolished effective September 1, 2023, unless continued in existence as provided by the Act. If abolished, the agency may continue until September 1, 2024 to close out its operations.

NOTE 14: Adjustments to Fund Balances and Net Position

Not Applicable

NOTE 15: Contingencies and Commitments

Not Applicable

NOTE 16: Subsequent Events

Not Applicable

Commission on State Emergency Communications (477) - Unaudited

NOTE 17: Risk Management

Not Applicable

NOTE 18: Management's Discussion and Analysis

Not Applicable

NOTE 19: The Financial Reporting Entity

Not Applicable

NOTE 20: Stewardship, Compliance, and Accountability

Not Applicable

NOTE 21: N/A

Not Applicable

NOTE 22: Donor Restricted Endowments

Not Applicable

NOTE 23: Extraordinary and Special Items

Not Applicable

NOTE 24: Disaggregation of Receivable and Payable Balances

Not Applicable

NOTE 25: Termination Benefits

Not Applicable

NOTE 26: Segment Information

Not Applicable

NOTE 27: Service Concession Arrangements

Not Applicable

NOTE 28: Deferred Outflows of Resources and Deferred Inflows of Resources

Not Applicable

NOTE 29: Troubled Debt Restructuring

Not Applicable

NOTE 30: Non-Exchange Financial Guarantees

Not Applicable

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit A-1 - Combining Balance Sheet - All General and Consolidated Funds

For Fiscal Year Ended August 31, 2014

	Consolidated Accounts		Total
	Fund 1	Fund 2	
	5007	5050	
	U/F (5007)	U/F (5050)	
Cash in Bank			
Current Assets:			
Cash & Cash Equivalents:			
Cash in State Treasury	\$32,730,470.67	\$161,617,767.82	\$194,348,238.49
Consumable Inventories	\$2,450.00	\$0.00	\$2,450.00
TOTAL CURRENT ASSETS	\$32,732,920.67	\$161,617,767.82	\$194,350,688.49
TOTAL ASSETS	\$32,732,920.67	\$161,617,767.82	\$194,350,688.49
LIABILITIES			
Current Liabilities:			
Payables:			
Accounts	\$1,180,423.24	\$1,197,445.99	\$2,377,869.23
Payroll	\$50,172.44	\$112,541.61	\$162,714.05
Due to Other Agencies	\$1,636,393.87	\$0.00	\$1,636,393.87
TOTAL CURRENT LIABILITIES	\$2,866,989.55	\$1,309,987.60	\$4,176,977.15
TOTAL LIABILITIES	\$2,866,989.55	\$1,309,987.60	\$4,176,977.15
FUND EQUITY			
Fund Balances (Deficits):			
Reserved For:			
Inventories	\$2,450.00	\$0.00	\$2,450.00
Committed	\$30,347,332.87	\$156,804,122.56	\$187,151,455.43
Unassigned	-\$483,851.75	\$3,503,657.66	\$3,019,805.91
TOTAL FUND EQUITY	\$29,865,931.12	\$160,307,780.22	\$190,173,711.34
TOTAL LIABILITIES AND FUND EQUITY	\$32,732,920.67	\$161,617,767.82	\$194,350,688.49

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit A-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - All General and Consolidated Funds

For Fiscal Year Ended August 31, 2014

	Consolidated Accounts		Totals
	Fund 1	Fund 2	
	5007	5050	
	<u>U/F (5007)</u>	<u>U/F (5050)</u>	
REVENUES			
License, Fees & Permits	\$19,125,431.37	\$12,748,858.53	\$31,874,289.90
Federal Revenues	\$8,974.35	\$0.00	\$8,974.35
Interest	\$0.00	\$0.00	\$0.00
Other	\$0.00	\$8,522.85	\$8,522.85
Total Revenues	<u>\$19,134,405.72</u>	<u>\$12,757,381.38</u>	<u>\$31,891,787.10</u>
EXPENDITURES			
Employees Compensable Leave	\$351,312.40	\$1,122,678.23	\$1,473,990.63
Payroll Related Costs	\$157,137.31	\$276,880.25	\$434,017.56
Professional Fees	\$21,451.20	\$379,089.25	\$400,540.45
Travel	\$10,674.94	\$36,144.66	\$46,819.60
Supplies	\$368,690.07	\$15,133.91	\$383,823.98
Communications	\$346,419.82	\$9,311.28	\$355,731.10
Repairs & Maintenance	\$241,955.44	\$35,772.89	\$277,728.33
Rentals & Leases	\$2,632.63	\$5,215.84	\$7,848.47
Printing and Reproduction	\$2,601.27	\$41.58	\$2,642.85
State Grant Pass-Through Expenditures	\$2,279,780.80	\$0.00	\$2,279,780.80
Intergovernmental Payments	\$13,544,304.54	\$42,497,367.71	\$56,041,672.25
Public Assistance Payments	\$857,654.54	\$0.00	\$857,654.54
<u>Other Expenditures</u>	<u>\$39,749.46</u>	<u>\$56,009.03</u>	<u>\$95,758.49</u>
Total Expenditures	<u>\$18,224,364.42</u>	<u>\$44,433,644.63</u>	<u>\$62,658,009.05</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	<u>\$910,041.30</u>	<u>-\$31,676,263.25</u>	<u>-\$30,766,221.95</u>
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	\$197,709.24	\$227,105,723.54	\$227,303,432.78
<u>Operating Transfers Out</u>	<u>-\$1,591,602.29</u>	<u>-\$191,925,802.63</u>	<u>-\$193,517,404.92</u>
Total Other Financing Sources (Uses):	<u>-\$1,393,893.05</u>	<u>\$35,179,920.91</u>	<u>\$33,786,027.86</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	<u>-\$483,851.75</u>	<u>\$3,503,657.66</u>	<u>\$3,019,805.91</u>
FUND BALANCE - September 1, 2013	<u>\$30,349,782.87</u>	<u>\$156,804,122.56</u>	<u>\$187,153,905.43</u>
FUND BALANCE - August 31, 2014	<u>\$29,865,931.12</u>	<u>\$160,307,780.22</u>	<u>\$190,173,711.34</u>

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS
Exhibit B-1 - Combining Balance Sheet - Special Revenue Funds
For Fiscal Year Ended August 31, 2014

	Consolidated Accounts		Total
	Fund 1	Fund 2	
	0875	8875	
	U/F (0875)	U/F (0875)	
Cash in Bank			
Current Assets:			
Cash & Cash Equivalents:			
Cash in State Treasury	\$7,616,066.47	\$1,936,406.33	\$9,552,472.80
TOTAL CURRENT ASSETS	<u>\$7,616,066.47</u>	<u>\$1,936,406.33</u>	<u>\$9,552,472.80</u>
TOTAL ASSETS	<u>\$7,616,066.47</u>	<u>\$1,936,406.33</u>	<u>\$9,552,472.80</u>
LIABILITIES			
TOTAL CURRENT LIABILITIES	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
TOTAL LIABILITIES	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>
FUND EQUITY			
Fund Balances (Deficits):			
Restricted	-\$488,569.49	\$139,761.50	-\$348,807.99
Committed	\$8,104,635.96	\$1,796,644.83	\$9,901,280.79
TOTAL FUND EQUITY	<u>\$7,616,066.47</u>	<u>\$1,936,406.33</u>	<u>\$9,552,472.80</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$7,616,066.47</u>	<u>\$1,936,406.33</u>	<u>\$9,552,472.80</u>

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit B-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Funds

For Fiscal Year Ended August 31, 2014

	Consolidated Accounts		Totals
	Fund 1	Fund 2	
	0875	8875	
	<u>U/F (0875)</u>	<u>U/F (0875)</u>	
REVENUES			
License, Fees & Permits	\$129,502,335.05	\$0.00	\$129,502,335.05
Interest	\$0.00	\$40,041.05	\$40,041.05
Total Revenues	<u>\$129,506,739.56</u>	<u>\$40,041.05</u>	<u>\$129,546,780.61</u>
EXPENDITURES			
Intergovernmental Payments	\$94,528,324.70	\$0.00	\$94,528,324.70
Other Expenditures	\$187,342.99	\$0.00	\$187,342.99
Total Expenditures	<u>\$94,715,667.69</u>	<u>\$0.00</u>	<u>\$94,715,667.69</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	<u>\$34,791,071.87</u>	<u>\$40,041.05</u>	<u>\$34,831,112.92</u>
OTHER FINANCING SOURCES (USES):			
Operating Transfers Out	<u>-\$35,179,920.91</u>	<u>\$0.00</u>	<u>-\$35,179,920.91</u>
Total Other Financing Sources (Uses):	<u>-\$35,179,920.91</u>	<u>\$0.00</u>	<u>-\$35,179,920.91</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	<u>-\$388,849.04</u>	<u>\$40,041.05</u>	<u>-\$348,807.99</u>
FUND BALANCE - September 1, 2013	<u>\$8,004,915.51</u>	<u>\$1,896,365.28</u>	<u>\$9,901,280.79</u>
FUND BALANCE - August 31, 2014	<u>\$7,616,066.47</u>	<u>\$1,936,406.33</u>	<u>\$9,552,472.80</u>

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS
Schedule 1B - Schedule of State Grant Pass Throughs From/To State Agencies
For Fiscal Year Ended August 31, 2014

<u>Pass Through To:</u>	<u>Grant ID</u>	<u>Agency Number</u>	<u>Amount</u>
Poison Control Centers	477.0001		
University of Texas Medical Branch at Galveston		723	\$658,148.12
Texas Tech University Health Science Center		739	\$594,397.29
University of Texas Health Science Center at San Antonio		745	\$1,027,235.39
Total Pass Through to Other Agencies (Exh II)			<u><u>\$2,279,780.80</u></u>