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**LAFAYETTE PARISH  
COMMUNICATION DISTRICT  
ANNUAL FINANCIAL REPORT  
YEAR ENDED OCTOBER 31, 2001**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 3/13/02

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

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# WRIGHT, MOORE, DeHART, DUPUIS & HUTCHINSON, L.L.C.

Certified Public Accountants

100 Petroleum Drive, 70508

P. O. Box 80569 • Lafayette, Louisiana 70598-0569

(337) 232-3637 • FAX (337) 235-8557

www.wmddh.com

JOHN W. WRIGHT, CPA\*  
M. TROY MOORE, CPA\*  
MICHAEL G. DeHART, CPA, CVA, MBA\* †  
JAMES H. DUPUIS, CPA\*  
JOE D. HUTCHINSON, CPA\*  
JAN H. COWEN, CPA\*  
LANCE E. CRAPPELL, CPA\*  
PAT BAHAM DOUGHT, CPA\*  
MICAHA R. VIDRINE, CPA\*

TRAVIS M. BRINSKO, CPA  
CHRISTINE R. DUNN, CPA  
ANDRÉ D. BROUSSARD, CPA  
MARY PATRICIA KEELEY, CPA  
KRISTIE C. BOUDREAUX, CPA

\* A PROFESSIONAL CORPORATION  
† RETIRED

## INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners  
Lafayette Parish Communication District  
Lafayette, Louisiana

We have audited the accompanying general purpose financial statements of the Lafayette Parish Communication District, as of and for the year ended October 31, 2001. These general purpose financial statements are the responsibility of the Lafayette Parish Communication District management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, Government Auditing Standards, issued by the Comptroller General of the United States and the provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred above present fairly, in all material respects, the financial position of Lafayette Parish Communication District, as of October 31, 2001, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The supplementary information is presented for purposes of additional analysis. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

In accordance with Government Auditing Standards, we have also issued our report dated January 17, 2002, on our consideration of the Lafayette Parish Communication District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

*Wright, Moore, DeHart,  
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,  
DUPUIS & HUTCHINSON, L.L.C.  
Certified Public Accountants

January 17, 2002

**WMDDH**

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

**OCTOBER 31, 2001**

**WITH COMPARATIVE TOTALS AS OF OCTOBER 31, 2000**

|   | Governmental<br>Fund Type | Proprietary<br>Fund Type | Account Groups    |                   | Totals              |                     |
|---|---------------------------|--------------------------|-------------------|-------------------|---------------------|---------------------|
|   |                           |                          | General           | General           | Memorandum Only     |                     |
|   |                           |                          | Fixed<br>Assets   | Long-Term<br>Debt | 2001                | 2000                |
| <b>ASSETS</b>                                     |                           |                          |                   |                   |                     |                     |
| Cash  | \$ 121,501                | \$ 2,252,366             | \$ -              | \$ -              | \$ 2,373,867        | \$ 1,614,873        |
| Telephone Tax Receivable                          | -                         | 361,982                  | -                 | -                 | 361,982             | 178,440             |
| Due From State of Louisiana                       | 12,697                    | -                        | -                 | -                 | 12,697              | 10,882              |
| Prepaid Expense                                   | -                         | -                        | -                 | -                 | -                   | 1,776               |
| Prepaid Maintenance Contract                      | -                         | 23,164                   | -                 | -                 | 23,164              | 20,695              |
| Prepaid Lease                                     | -                         | 20,412                   | -                 | -                 | 20,412              | 20,665              |
| Property and Equipment (Net of<br>Depreciation)   | -                         | 2,064,388                | 291,140           | -                 | 2,355,528           | 2,996,126           |
| Amount Available for Payment of<br>Long-Term Debt | -                         | -                        | -                 | 2,143             | 2,143               | 754                 |
| <b>TOTAL ASSETS</b>                               | <b>\$ 134,198</b>         | <b>\$ 4,722,312</b>      | <b>\$ 291,140</b> | <b>\$ 2,143</b>   | <b>\$ 5,149,793</b> | <b>\$ 4,844,211</b> |

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

**OCTOBER 31, 2001**

**WITH COMPARATIVE TOTALS AS OF OCTOBER 31, 2000**

|  | Governmental<br>Fund Type | Proprietary<br>Fund Type | Account Groups             |                              | Totals              |                     |
|--|---------------------------|--------------------------|----------------------------|------------------------------|---------------------|---------------------|
|  | Special<br>Revenue        | Enterprise               | General<br>Fixed<br>Assets | General<br>Long-Term<br>Debt | Memorandum Only     |                     |
|  |                           |                          |                            |                              | 2001                | 2000                |
| <b>LIABILITIES AND<br/>FUND EQUITY</b>       |                           |                          |                            |                              |                     |                     |
| <b>LIABILITIES</b>                           |                           |                          |                            |                              |                     |                     |
| Accounts Payable                             | \$ 15,992                 | \$ 53,652                | \$ -                       | \$ -                         | \$ 69,644           | \$ 69,070           |
| Salaries Payable                             | 3,050                     | 30,058                   | -                          | -                            | 33,108              | 28,694              |
| Lease Payments Due in One Year               | -                         | 193,337                  | -                          | -                            | 193,337             | 183,015             |
| Deferred Revenue                             | 38,077                    | -                        | -                          | -                            | 38,077              | 15,335              |
| Due to City/Parish of Lafayette              | 77,079                    | 33                       | -                          | -                            | 77,112              | 82,404              |
| Capital Lease Obligations                    | -                         | 204,241                  | -                          | -                            | 204,241             | 397,578             |
| Accrued Interest Payable                     | -                         | 18,686                   | -                          | -                            | 18,686              | 27,288              |
| Accrued Compensated Absences                 | -                         | 19,172                   | -                          | 2,143                        | 21,315              | 15,292              |
| <b>TOTAL LIABILITIES</b>                     | <u>134,198</u>            | <u>519,179</u>           | <u>-</u>                   | <u>2,143</u>                 | <u>655,520</u>      | <u>818,676</u>      |
| <b>FUND EQUITY</b>                           |                           |                          |                            |                              |                     |                     |
| Investment in General<br>Fixed Assets        | -                         | -                        | 291,140                    | -                            | 291,140             | 279,769             |
| Retained Earnings-Unreserved                 | -                         | 4,203,133                | -                          | -                            | 4,203,133           | 3,745,766           |
| <b>TOTAL FUND EQUITY</b>                     | <u>-</u>                  | <u>4,203,133</u>         | <u>291,140</u>             | <u>-</u>                     | <u>4,494,273</u>    | <u>4,025,535</u>    |
| <b>TOTAL LIABILITIES<br/>AND FUND EQUITY</b> | <u>\$ 134,198</u>         | <u>\$ 4,722,312</u>      | <u>\$ 291,140</u>          | <u>\$ 2,143</u>              | <u>\$ 5,149,793</u> | <u>\$ 4,844,211</u> |

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED OCTOBER 31, 2001  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 2000**

|  | Communication<br>System<br>Management | Office of<br>Emergency<br>Preparedness | Totals<br>Memorandum Only |                    |
|--|---------------------------------------|--|---------------------------|--------------------|
|  |                                       |  | 2001                      | 2000               |
| <b>REVENUE</b>                             |                                       |  |                           |                    |
| State of Louisiana                         | \$ -                                  | \$ 37,314                              | \$ 37,314                 | \$ 36,114          |
| City /Parish of Lafayette Appropriation    | 139,303                               | 108,000                                | 247,303                   | 245,298            |
| Interest Earnings                          | 6,435                                 | 2,229                                  | 8,664                     | 7,081              |
| Miscellaneous Revenues                     | <u>-</u>                              | <u>-</u>                               | <u>-</u>                  | <u>1,076</u>       |
| <br>Total Revenue                          | <br><u>145,738</u>                    | <br><u>147,543</u>                     | <br><u>293,281</u>        | <br><u>289,569</u> |
| <b>EXPENDITURES</b>                        |                                       |  |                           |                    |
| Current:                                   |                                       |  |                           |                    |
| Dues and Licenses                          | 165                                   | 415                                    | 580                       | 555                |
| Duplicating Expense                        | 27                                    | 148                                    | 175                       | 477                |
| Insurance                                  | -                                     | 13,216                                 | 13,216                    | 14,274             |
| Miscellaneous                              | -                                     | 1,884                                  | 1,884                     | 1,980              |
| Postage                                    | -                                     | 179                                    | 179                       | 382                |
| Printing                                   | -                                     | 9                                      | 9                         | 105                |
| Professional Fees                          | 740                                   | 520                                    | 1,260                     | 1,385              |
| Publication and Recordings                 | 156                                   | 78                                     | 234                       | 194                |
| Repairs and Maintenance                    | 45,948                                | 8,906                                  | 54,854                    | 66,711             |
| Retirement and Medicare                    | -                                     | 5,517                                  | 5,517                     | 4,781              |
| Salaries                                   | -                                     | 64,209                                 | 64,209                    | 60,868             |
| Supplies and Materials                     | 2,467                                 | 3,850                                  | 6,317                     | 8,135              |
| Telcommunications                          | 14,395                                | 13,636                                 | 28,031                    | 29,604             |
| Tower Rentals                              | 16,239                                | -                                      | 16,239                    | 15,177             |
| Training                                   | -                                     | 5,869                                  | 5,869                     | 762                |
| Transportation                             | -                                     | 4,682                                  | 4,682                     | 5,661              |
| Travel and Meetings                        | 1,437                                 | 45                                     | 1,482                     | 1,572              |
| Uniforms                                   | -                                     | 258                                    | 258                       | -                  |
| Utilities                                  | 3,736                                 | -                                      | 3,736                     | 3,227              |
| Capital Outlay:                            |                                       |  |                           |                    |
| Equipment                                  | <u>-</u>                              | <u>7,504</u>                           | <u>7,504</u>              | <u>12,729</u>      |
| Total Expenditures                         | <u>85,310</u>                         | <u>130,925</u>                         | <u>216,235</u>            | <u>228,579</u>     |
| <br>EXCESS OF REVENUE<br>OVER EXPENDITURES | <br><u>60,428</u>                     | <br><u>16,618</u>                      | <br><u>77,046</u>         | <br><u>60,990</u>  |

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - ALL GOVERNMENTAL FUND TYPES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2001  
WITH COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 2000**

|  | <u>Communication<br/>System<br/>Management</u> | <u>Office of<br/>Emergency<br/>Preparedness</u> | <u>Totals<br/>Memorandum Only</u> |                 |
|--|--|---|-----------------------------------|-----------------|
|  |  |   | <u>2001</u>                       | <u>2000</u>     |
| EXCESS OF REVENUE OVER<br>EXPENDITURES (BROUGHT FORWARD)           | \$ 60,428                                      | \$ 16,618                                       | \$ 77,046                         | \$ 60,990       |
| <b>OTHER FINANCING USES</b>  |  |   |                                   |                 |
| Reimbursement of Excess Funds:                                     |  |   |                                   |                 |
| City/Parish of Lafayette   | <u>(60,428)</u>                                | <u>(16,618)</u>                                 | <u>(77,046)</u>                   | <u>(60,990)</u> |
| EXCESS OF REVENUE OVER<br>EXPENDITURES AND OTHER<br>FINANCING USES | -  | -   | -                                 | -               |
| FUND BALANCE, BEGINNING  | <u>-</u>                                       | <u>-</u>  | <u>-</u>                          | <u>-</u>        |
| FUND BALANCE, ENDING   | <u>\$ -</u>                                    | <u>\$ -</u>                                     | <u>\$ -</u>                       | <u>\$ -</u>     |

The Accompanying Notes are an Integral Part of These Statements

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL - SPECIAL REVENUE FUND TYPES  
FOR THE YEAR ENDED OCTOBER 31, 2001  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 2000**

|  | 2001           |                | Variance<br>Favorable<br>(Unfavorable) | 2000<br>Actual |
|--|----------------|----------------|--|----------------|
|  | Budget         | Actual         |  |                |
| <b>REVENUE</b>                                 |                |                |  |                |
| State of Louisiana                             | \$ 32,000      | \$ 37,314      | \$ 5,314                               | \$ 36,114      |
| City /Parish of Lafayette Appropriation        | 236,000        | 247,303        | 11,303                                 | 245,298        |
| Interest Earnings                              | 1,000          | 8,664          | 7,664                                  | 7,081          |
| Miscellaneous Revenues                         | -              | -              | -                                      | 1,076          |
| <b>Total Revenue</b>                           | <u>269,000</u> | <u>293,281</u> | <u>24,281</u>                          | <u>289,569</u> |
| <b>EXPENDITURES</b>                            |                |                |  |                |
| Current:                                       |                |                |  |                |
| Dues and Licenses                              | 1,050          | 580            | 470                                    | 555            |
| Duplicating Expense                            | 500            | 175            | 325                                    | 477            |
| Insurance                                      | 14,300         | 13,216         | 1,084                                  | 14,274         |
| Interest                                       | 50             | -              | 50                                     | -              |
| Miscellaneous                                  | 2,150          | 1,884          | 266                                    | 1,980          |
| Postage  | 450            | 179            | 271                                    | 382            |
| Printing                                       | 600            | 9              | 591                                    | 105            |
| Professional Fees                              | 1,350          | 1,260          | 90                                     | 1,385          |
| Publication and Recordings                     | 800            | 234            | 566                                    | 194            |
| Repairs and Maintenance                        | 92,350         | 54,854         | 37,496                                 | 66,711         |
| Retirement and Medicare                        | 6,200          | 5,517          | 683                                    | 4,781          |
| Salaries                                       | 65,900         | 64,209         | 1,691                                  | 60,868         |
| Supplies and Materials                         | 8,700          | 6,317          | 2,383                                  | 8,135          |
| Telecommunications                             | 30,900         | 28,031         | 2,869                                  | 29,604         |
| Tower Rentals                                  | 16,500         | 16,239         | 261                                    | 15,177         |
| Training                                       | 6,500          | 5,869          | 631                                    | 762            |
| Transportation                                 | 5,300          | 4,682          | 618                                    | 5,661          |
| Travel and Meetings                            | 1,900          | 1,482          | 418                                    | 1,572          |
| Uniforms                                       | 300            | 258            | 42                                     | -              |
| Utilities                                      | 5,300          | 3,736          | 1,564                                  | 3,227          |
| Capital Outlay :                               |                |                |  |                |
| Equipment                                      | 7,900          | 7,504          | 396                                    | 12,729         |
| <b>Total Expenditures</b>                      | <u>269,000</u> | <u>216,235</u> | <u>52,765</u>                          | <u>228,579</u> |
| <b>EXCESS OF REVENUE<br/>OVER EXPENDITURES</b> | <u>-</u>       | <u>77,046</u>  | <u>77,046</u>                          | <u>60,990</u>  |

The Accompanying Notes are an Integral Part of These Statements

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL - SPECIAL REVENUE FUND TYPES (CONTINUED)  
FOR THE YEAR ENDED OCTOBER 31, 2001  
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 2000**

|   | 2001   |           | Variance<br>Favorable<br>(Unfavorable) | 2000<br>Actual |
|---|--------|-----------|--|----------------|
|   | Budget | Actual    |  |                |
| EXCESS OF REVENUE OVER<br>EXPENDITURES (BROUGHT<br>FORWARD)                               | \$ -   | \$ 77,046 | \$ 77,046                              | \$ 60,990      |
| <b>OTHER FINANCING USES</b><br>Reimbursement of Excess Funds:<br>City/Parish of Lafayette | -      | (77,046)  | (77,046)                               | (60,990)       |
| EXCESS OF REVENUE OVER<br>EXPENDITURES AND OTHER<br>FINANCING USES                        | -      | -         | -                                      | -              |
| FUND BALANCE, BEGINNING   | -      | -         | -                                      | -              |
| FUND BALANCE, ENDING  | \$ -   | \$ -      | \$ -                                   | \$ -           |

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN RETAINED EARNINGS-PROPRIETARY FUND TYPE**  
**"911" FUND**  
**FOR THE YEARS ENDED OCTOBER 31, 2001 AND 2000**

|  | <u>2001</u>         | <u>2000</u>         |
|--|---------------------|---------------------|
| <b>OPERATING REVENUE</b>                       |                     |                     |
| Telephone Tax                                  | \$ 2,556,688        | \$ 2,332,488        |
| <b>OPERATING EXPENSES</b>                      |                     |                     |
| Contractual Services                           | 585                 | 5,268               |
| Depreciation                                   | 794,730             | 723,346             |
| Dues and Subscriptions                         | 635                 | 175                 |
| Duplicating Expense                            | 308                 | 653                 |
| Engineering Services                           | 90,791              | -                   |
| Insurance                                      | 121,323             | 104,492             |
| Land Lease                                     | 253                 | 253                 |
| Miscellaneous                                  | 5,913               | 4,950               |
| Office and Postage                             | 403                 | 502                 |
| Printing                                       | 465                 | 303                 |
| Professional Fees                              | 11,334              | 12,503              |
| Publication and Recordings                     | 1,645               | 1,448               |
| Repairs and Maintenance                        | 70,851              | 74,244              |
| Retirement and Medicare                        | 59,169              | 50,006              |
| Salaries                                       | 656,567             | 580,451             |
| Supplies and Materials                         | 28,619              | 23,256              |
| Telecommunications                             | 323,041             | 402,198             |
| Training                                       | 22,979              | 13,116              |
| Transportation                                 | 3,181               | 3,967               |
| Travel and Meetings                            | 2,606               | 1,337               |
| Uniforms                                       | 1,075               | 212                 |
| <b>Total Operating Expenses</b>                | <u>2,196,473</u>    | <u>2,002,680</u>    |
| <b>OPERATING INCOME</b>                        | <u>360,215</u>      | <u>329,808</u>      |
| <b>NON-OPERATING REVENUES (EXPENSES)</b>       |                     |                     |
| Miscellaneous Revenue                          | 6,647               | 952                 |
| Interest Earnings                              | 103,588             | 70,845              |
| Interest Expense                               | (24,144)            | (34,374)            |
| Gain on Fixed Asset Disposal                   | 11,061              | -                   |
| <b>Total Non-Operating Revenues (Expenses)</b> | <u>97,152</u>       | <u>37,423</u>       |
| <b>NET INCOME</b>                              | 457,367             | 367,231             |
| <b>RETAINED EARNINGS, BEGINNING</b>            | <u>3,745,766</u>    | <u>3,378,535</u>    |
| <b>RETAINED EARNINGS, ENDING</b>               | <u>\$ 4,203,133</u> | <u>\$ 3,745,766</u> |

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND TYPE**  
**"911" FUND**  
**FOR THE YEARS ENDED OCTOBER 31, 2001 AND 2000**

|   | 2001                | 2000                |
|---|---------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                     |                     |
| Operating Income  | \$ 360,215          | \$ 329,808          |
| Adjustment to Reconcile Operating Income to<br>Net Cash Provided by Operating Activities: |                     |                     |
| Depreciation  | 794,730             | 723,346             |
| Land Lease Amortization   | 253                 | 253                 |
| Miscellaneous Revenue   | 6,647               | 952                 |
| Changes in Assets and Liabilities:  |                     |                     |
| Telephone Tax Receivable  | (183,542)           | 113,587             |
| Prepaid Expenses  | (2,469)             | (18,668)            |
| Accounts Payable  | (5,600)             | (120,088)           |
| Salaries Payable  | 3,579               | 6,697               |
| Due to City of Lafayette  | (19,811)            | 19,844              |
| Accrued Compensated Absences  | 4,634               | 847                 |
| <b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  | <b>958,636</b>      | <b>1,056,578</b>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                     |                     |
| Purchases of Property and Equipment   | (143,626)           | (537,001)           |
| Interest on Investments   | 103,588             | 70,845              |
| Cash Received on Sale of Assets   | 11,926              | -                   |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>  | <b>(28,112)</b>     | <b>(466,156)</b>    |
| <b>CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES</b>                                   |                     |                     |
| Interest Paid   | (32,746)            | (42,516)            |
| Principal Payment on Capital Lease Obligations  | (183,015)           | (173,244)           |
| <b>NET CASH USED IN CAPITAL AND FINANCING ACTIVITIES</b>                                  | <b>(215,761)</b>    | <b>(215,760)</b>    |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>  | <b>714,763</b>      | <b>374,662</b>      |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>                                     | <b>1,537,603</b>    | <b>1,162,941</b>    |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>   | <b>\$ 2,252,366</b> | <b>\$ 1,537,603</b> |

The Accompanying Notes are an Integral Part of These Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2001**

**(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Business** - The Lafayette Parish Communication District consists of the "911" Fund, the Office of Emergency Preparedness Fund and The Communication System Management Fund.

The "911" Fund was created by House Bill No. 480, Act No. 788 and signed into law July 18, 1979 for the purpose of establishing a local emergency telephone response service for Lafayette Parish.

The Office of Emergency Preparedness Fund (OEP) was consolidated with the Lafayette Parish Communication District on November 1, 1984. Funding for OEP is provided by the State of Louisiana Office of Emergency Preparedness, the City of Lafayette and the Parish of Lafayette. Any revenues in excess of expenditures is refunded proportionately to the City and Parish of Lafayette at the end of each fiscal year.

The Communication System Management Fund (CSMF) was established on November 1, 1986 to administer the City of Lafayette's 800 Megahertz Radio System. CSMF charges the Lafayette Utilities System and surrounding communities a rental fee for radio tower usage. The City of Lafayette reimburses CSMF for excess expenditures over revenues received from tower rentals.

**Reporting Entity** - The "911" Fund, the Office of Emergency Preparedness Fund and the Communication System Management Fund are presented with the Lafayette Parish Communication District in this report.

**Fund Accounting** - The accounts of the Lafayette Parish Communication District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund or account group are summarized by providing a separate set of self-balancing accounts which include its assets, liabilities, fund equity, revenues and expenses or expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The following funds and groups of accounts are presented in this report:

Governmental Fund Types

**Special Revenue Funds** - These funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Proprietary Fund Type

**Enterprise Fund** - This type of fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing emergency telephone response services to the general public on a continuing basis is financed through user charges.

The District applies all applicable FASB pronouncements in accounting and reporting for its proprietary operations.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2001**

**(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

Account Groups

**General Fixed Assets Account Group** - This account group is used in governmental fund type operations for control purposes. All fixed assets are recorded at historical cost in the General Fixed Assets Account Group and recorded as an expenditure in the governmental funds when purchased. No depreciation is recorded on general fixed assets.

**General Long-Term Debt Account Group** - Long-term obligations expected to be financed from governmental funds are accounted for in this account group.

The two account groups are not funds. They are concerned only with the measurement of financial position and do not involve measurement of results of operations.

**Measurement Focus/Basis of Accounting** - Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The governmental fund types use a financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Their revenues are recognized when susceptible to accrual (i.e., when they become measurable and available as net current assets.)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, if measurable. The proprietary fund type is accounted for on a cost of service measurement focus using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when the related liabilities are incurred.

**Budgets and Budgetary Accounting** - The Lafayette Parish Communication District is required to adopt annual budgets for each fund. Each budget is presented on the modified accrual basis of accounting which is consistent with generally accepted accounting principles ("GAAP").

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

- a. Each year, prior to November 1, the District prepares a budget for the next succeeding fiscal year and submits it to the Board of Commissioners. The operating budget includes proposed expenditures and the means of financing them.
- b. The Lafayette Parish Communication District adopts the budget by a resolution of the Board of Commissioners.
- c. The budget must be revised and approved by the Commissioners for any increase in budgetary expenditures.
- d. All budgetary appropriations lapse at the end of each fiscal year.

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2001**

**(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**Property and Equipment** - Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group.

Property and equipment acquired for the Proprietary Fund is capitalized at cost.

Depreciation of fixed assets used by the Proprietary Fund is charged as an expense against operations, and accumulated depreciation is reported on the Proprietary Fund's Balance Sheet. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

**Deferred Revenue** - Deferred revenue in the Communication System Management Fund represents rental fees for future radio tower usage. Rental revenue is recognized on a pro-rata basis as radio tower service is provided.

**Compensated Absences** - Annual leave is a paid leave of absence from regularly scheduled work hours granted to regular employees for the purpose of rest and recreation or to attend to personal affairs. Annual leave is earned by all regular full and part-time employees based on their years of service ranging from eight to sixteen hours per month beginning after six months of service. Excess leave shall be added to the employee's sick leave balance. Sick leave is earned by all full-time employees at the rate of eight hours per month and part-time employees at a pro-rata amount based on their usual work schedule for each completed month of employment.

Sick leave is carried forward from year to year. An employee shall be paid for all accumulated hours of sick leave at their regular rate of pay upon retirement or death and will not be paid upon any other type of separation from service. In accordance with Government Accounting Standards Board-16, no accrual is made for paid sick leave earned.

On October 31, 2001, accrued compensated absences in the "911" Fund amounted to \$19,172. The portion of accrued compensated absences attributed to the OEP Fund are reported in the General Long-Term Debt Account Group in the amount of \$2,143 on October 31, 2001. All accruals are for annual leave.

**Comparative Data** - Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations.

**Total Columns on Combined Statements** - Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation.

LAFAYETTE PARISH COMMUNICATION DISTRICT

NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2001

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

**Cash and Cash Equivalents** - For purposes of the Statement of Cash Flows, the District considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

(B) CASH AND INVESTMENTS

The District's cash and investments are included in the City of Lafayette's Cash Management Fund which is pooled with the City's other investments. Interest earned from the pooled cash management fund is apportioned to each fund based on its average daily cash balance. The City's investments are categorized to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. All funds are considered Category 1 at October 31, 2001.

(C) TELEPHONE TAX RECEIVABLE

The telephone tax is received by the "911" Fund from Bell South Telecommunications, Inc., Century Telephone and various other small vendors from amounts billed to their customers. At October 31, 2001, the telephone tax receivable was \$361,982. The responsibility of collecting the tax rests with the telephone companies and the receivable is reported net of any uncollected amounts, therefore, no allowance for uncollectible taxes is deemed necessary.

(D) PROPERTY AND EQUIPMENT

The District's capitalization policy matches that of the City/Parish of Lafayette, its fiscal agent. Under this policy, the District capitalizes only those fixed asset purchases which equal or exceed \$500.

General Fixed Assets

A summary of changes in general fixed assets for the year ended October 31, 2001, follows:

|           | <u>Beginning</u> | <u>Additions</u> | <u>Retirements</u> | <u>Ending</u>    |
|-----------|------------------|------------------|--------------------|------------------|
| Equipment | <u>\$279,769</u> | <u>\$ 16,748</u> | <u>\$(5,377)</u>   | <u>\$291,140</u> |

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2001**

**(D) PROPERTY AND EQUIPMENT - Continued**

Proprietary Fund Type

A summary of changes in proprietary fund type fixed assets for the year ended October 31, 2001, follows:

|                                 | <u>Beginning</u>        | <u>Additions</u>       | <u>Retirements</u>    | <u>Ending</u>           |
|---------------------------------|-------------------------|------------------------|-----------------------|-------------------------|
| Property & Equipment            | \$ 5,393,392            | \$ 199,163             | \$(20,330)            | \$ 5,572,225            |
| Construction in Progress        | 123,918                 | 19,231                 | (74,768)              | 68,381                  |
| Accumulated Depreciation        | <u>(2,800,953)</u>      | <u>(794,730)</u>       | <u>19,465</u>         | <u>(3,576,218)</u>      |
| <br>Net Property<br>& Equipment | <br><u>\$ 2,716,357</u> | <br><u>\$(576,336)</u> | <br><u>\$(75,633)</u> | <br><u>\$ 2,064,388</u> |

**(E) PENSION PLAN**

All full-time employees of the District are eligible and participating in the Parochial Employee's Retirement System of Louisiana. The District contributed 7.75 percent of each employee's gross wages to the retirement system for the fiscal year. Also included in the expense for retirement is the required Medicare contribution of 1.45 percent of each employee's wages. The amount contributed to the retirement system and for Medicare for the year ended October 31, 2001, was \$64,686.

**(F) LEASES**

On September 1, 1983, the District entered into and prepaid a ninety-nine year lease with the City of Lafayette for land for future construction of a permanent facility. The prepaid amount is amortized over the term of the lease in the amount of \$253 per year.

The District has entered into a lease with Bell South Business Systems, Inc. for an Automatic Location Identification (ALI) system. The ALI system is used within the 911 Fund. The lease term is for one year and renews annually unless either party gives a one hundred eighty (180) day written notice. The lease term runs from March 27, 2001 through March 26, 2002 with monthly lease payments of \$16,605. Future minimum lease payments at October 31, 2001, were \$83,025.

The District also entered into a thirty-six (36) month lease with Bell South for equipment and software related to the E911 program. The lease term is May 1, 2001 through April 30, 2004, with monthly lease payments of \$2,595.

Future minimum lease payments relating to above lease as of October 31, 2001 are as follows:

|                              |                 |
|------------------------------|-----------------|
| Year Ending October 31       |                 |
| 2002                         | \$31,140        |
| 2003                         | 31,140          |
| 2004                         | <u>15,570</u>   |
| Total Minimum Lease Payments | <u>\$77,850</u> |

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**NOTES TO FINANCIAL STATEMENTS  
OCTOBER 31, 2001**

**(F) LEASES - Continued**

The District also has a lease for tower space from American Tower Corporation. The leased tower space is used within the CSM Fund. The lease automatically renews annually unless either party gives a ninety (90) day written notice. The lease term runs from November 1 through October 31 with monthly lease payments of \$1,353 for the year ended October 31, 2001, and \$1,448 beginning November 1, 2001. Total lease expense for the year ended October 31, 2001 was \$16,236. Future minimum lease payments at October 31, 2001, were \$17,376.

**(G) CAPITAL LEASES**

The District has entered into a capital lease with Motorola, Inc. for 287 Mobile Data Terminals. The asset and liability recorded under this capital lease are recorded at \$1,588,832, which is the lower of the present value of the minimum lease payments or the fair value of the asset.

Minimum future lease payments under this capital lease as of October 31, 2001 are as follows:

| <u>Year Ending October 31</u>           |                  |
|---|------------------|
| 2002                                    | \$215,761        |
| 2003                                    | <u>215,760</u>   |
| Total Minimum Lease Payments            | 431,521          |
| Less: Amount Representing Interest      | <u>(33,943)</u>  |
| Present Value of Minimum Lease Payments | <u>\$397,578</u> |

**(H) CONSTRUCTION IN PROGRESS**

Included in property and equipment of the "911" Fund is construction in progress of \$68,381. This consists of \$49,150 on the Automatic Vehicle Locator Project and \$19,231 on the Netclock Project.

**(I) CLAIMS AND JUDGMENTS**

The District was the defendant in a suit filed in the Fifteenth Judicial Court, Lafayette Parish, Louisiana. The suit includes allegations against the District for failure to respond timely to calls made through the District dispatch to the Lafayette City Police Department. Currently, a Motion for Summary Judgment has been granted on behalf of the District on the basis that the District was not negligent. The City of Lafayette, for the Police Department, has filed a new Third Party Demand for Contribution and Indemnity. The District is responding to this litigation by vigorously contesting the allegations therein. The District and its legal counsel expect the District to obtain a favorable outcome.

**(J) BOARD COMPENSATION**

The Board of Commissioners serve without compensation or per diem.

**FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS**

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET**

**OCTOBER 31, 2001**

**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 2000**

|  | Communication<br>System<br>Management | Office of<br>Emergency<br>Preparedness | Totals            |                  |
|--|---------------------------------------|--|-------------------|------------------|
|  |                                       |  | <u>2001</u>       | <u>2000</u>      |
| <b>ASSETS</b>                                |                                       |  |                   |                  |
| Cash   | \$ 102,744                            | \$ 18,757                              | \$ 121,501        | \$ 77,270        |
| Due From State of Louisiana                  | -                                     | 12,697                                 | 12,697            | 10,882           |
| Prepaid Expenses                             | <u>-</u>                              | <u>-</u>                               | <u>-</u>          | <u>1,776</u>     |
| <b>TOTAL ASSETS</b>                          | <u>\$ 102,744</u>                     | <u>\$ 31,454</u>                       | <u>\$ 134,198</u> | <u>\$ 89,928</u> |
| <br><b>LIABILITIES AND FUND EQUITY</b>       |                                       |  |                   |                  |
| <b>LIABILITIES</b>                           |                                       |  |                   |                  |
| Accounts Payable                             | \$ 4,239                              | \$ 11,753                              | \$ 15,992         | \$ 9,818         |
| Salaries Payable                             | -                                     | 3,050                                  | 3,050             | 2,215            |
| Due to City/Parish of Lafayette              | 60,428                                | 16,651                                 | 77,079            | 62,560           |
| Deferred Revenue                             | <u>38,077</u>                         | <u>-</u>                               | <u>38,077</u>     | <u>15,335</u>    |
| <b>TOTAL LIABILITIES</b>                     | <u>102,744</u>                        | <u>31,454</u>                          | <u>134,198</u>    | <u>89,928</u>    |
| <b>FUND BALANCE</b>                          | <u>-</u>                              | <u>-</u>                               | <u>-</u>          | <u>-</u>         |
| <b>TOTAL LIABILITIES AND<br/>FUND EQUITY</b> | <u>\$ 102,744</u>                     | <u>\$ 31,454</u>                       | <u>\$ 134,198</u> | <u>\$ 89,928</u> |

See Accountants' Report

LAFAYETTE PARISH COMMUNICATION DISTRICT

SPECIAL REVENUE FUND  
 COMMUNICATION SYSTEM MANAGEMENT  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET (GAAP BASIS) AND ACTUAL - SPECIAL REVENUE FUND TYPES  
 FOR THE YEAR ENDED OCTOBER 31, 2001  
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 2000

|   | 2001           |                 | Variance<br>Favorable<br>(Unfavorable) | 2000<br>Actual  |
|---|----------------|-----------------|--|-----------------|
|   | Budget         | Actual          |  |                 |
| <b>REVENUE</b>  |                |                 |  |                 |
| City /Parish of Lafayette Appropriation                                     | \$ 128,000     | \$ 139,303      | \$ 11,303                              | \$ 137,298      |
| Interest Earnings   | -              | 6,435           | 6,435                                  | 5,230           |
| Miscellaneous Revenues  | -              | -               | -                                      | -               |
| Total Revenue   | <u>128,000</u> | <u>145,738</u>  | <u>17,738</u>                          | <u>142,528</u>  |
| <b>EXPENDITURES</b>   |                |                 |  |                 |
| Current:  |                |                 |  |                 |
| Dues and Licenses   | 400            | 165             | 235                                    | 165             |
| Duplicating Expense   | 300            | 27              | 273                                    | 32              |
| Postage   | 100            | -               | 100                                    | 15              |
| Printing  | 300            | -               | 300                                    | -               |
| Professional Fees   | 800            | 740             | 60                                     | 543             |
| Publication and Recordation   | 500            | 156             | 344                                    | -               |
| Repairs and Maintenance   | 82,200         | 45,948          | 36,252                                 | 57,368          |
| Supplies and Materials  | 3,800          | 2,467           | 1,333                                  | 2,004           |
| Telecommunications  | 16,000         | 14,395          | 1,605                                  | 14,547          |
| Tower Rentals   | 16,500         | 16,239          | 261                                    | 15,177          |
| Travel and Meetings   | 1,800          | 1,437           | 363                                    | 1,198           |
| Utilities   | 5,300          | 3,736           | 1,564                                  | 3,227           |
| Total Expenditures  | <u>128,000</u> | <u>85,310</u>   | <u>42,690</u>                          | <u>94,276</u>   |
| <b>EXCESS OF REVENUE<br/>OVER EXPENDITURES</b>                              | <u>-</u>       | <u>60,428</u>   | <u>60,428</u>                          | <u>48,252</u>   |
| <b>OTHER FINANCING USES</b>   |                |                 |  |                 |
| Reimbursement of Excess Funds:<br>City/Parish of Lafayette                  | <u>-</u>       | <u>(60,428)</u> | <u>(60,428)</u>                        | <u>(48,252)</u> |
| <b>EXCESS OF REVENUE OVER<br/>EXPENDITURES AND OTHER<br/>FINANCING USES</b> | <u>-</u>       | <u>-</u>        | <u>-</u>                               | <u>-</u>        |
| <b>FUND BALANCE, BEGINNING</b>  | <u>-</u>       | <u>-</u>        | <u>-</u>                               | <u>-</u>        |
| <b>FUND BALANCE, ENDING</b>   | <u>\$ -</u>    | <u>\$ -</u>     | <u>\$ -</u>                            | <u>\$ -</u>     |

See Accountants' Report

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**SPECIAL REVENUE FUND**

**OFFICE OF EMERGENCY PREPAREDNESS**

**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**

**BUDGET (GAAP BASIS) AND ACTUAL**

**FOR THE YEAR ENDED OCTOBER 31, 2001**

**WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 2000**

|  | 2001           |                | Variance<br>Favorable<br>(Unfavorable) | 2000<br>Actual |
|--|----------------|----------------|--|----------------|
|  | Budget         | Actual         |  |                |
| <b>REVENUE</b>                                 |                |                |  |                |
| State of Louisiana                             | \$ 32,000      | \$ 37,314      | \$ 5,314                               | \$ 36,114      |
| City /Parish of Lafayette Appropriation        | 108,000        | 108,000        | -                                      | 108,000        |
| Interest Earnings                              | 1,000          | 2,229          | 1,229                                  | 1,851          |
| Miscellaneous Revenues                         | -              | -              | -                                      | 1,076          |
| <b>Total Revenue</b>                           | <u>141,000</u> | <u>147,543</u> | <u>6,543</u>                           | <u>147,041</u> |
| <b>EXPENDITURES</b>                            |                |                |  |                |
| Current:                                       |                |                |  |                |
| Dues and Subscriptions                         | 650            | 415            | 235                                    | 390            |
| Duplicating Expense                            | 200            | 148            | 52                                     | 445            |
| Insurance                                      | 14,300         | 13,216         | 1,084                                  | 14,274         |
| Interest                                       | 50             | -              | 50                                     | -              |
| Miscellaneous                                  | 2,150          | 1,884          | 266                                    | 1,980          |
| Postage  | 350            | 179            | 171                                    | 367            |
| Printing                                       | 300            | 9              | 291                                    | 105            |
| Professional Fees                              | 550            | 520            | 30                                     | 842            |
| Publication and Recordings                     | 300            | 78             | 222                                    | 194            |
| Repairs and Maintenance                        | 10,150         | 8,906          | 1,244                                  | 9,343          |
| Retirement and Medicare                        | 6,200          | 5,517          | 683                                    | 4,781          |
| Salaries                                       | 65,900         | 64,209         | 1,691                                  | 60,868         |
| Supplies and Materials                         | 4,900          | 3,850          | 1,050                                  | 6,131          |
| Telecommunications                             | 14,900         | 13,636         | 1,264                                  | 15,057         |
| Training                                       | 6,500          | 5,869          | 631                                    | 762            |
| Transportation                                 | 5,300          | 4,682          | 618                                    | 5,661          |
| Travel and Meetings                            | 100            | 45             | 55                                     | 374            |
| Uniforms                                       | 300            | 258            | 42                                     | -              |
| Capital Outlay :                               |                |                |  |                |
| Equipment                                      | 7,900          | 7,504          | 396                                    | 12,729         |
| <b>Total Expenditures</b>                      | <u>141,000</u> | <u>130,925</u> | <u>10,075</u>                          | <u>134,303</u> |
| <b>EXCESS OF REVENUE<br/>OVER EXPENDITURES</b> | <u>-</u>       | <u>16,618</u>  | <u>16,618</u>                          | <u>12,738</u>  |

See Accountants' Report

LAFAYETTE PARISH COMMUNICATION DISTRICT

SPECIAL REVENUE FUND

OFFICE OF EMERGENCY PREPAREDNESS

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL (CONTINUED)

FOR THE YEAR ENDED OCTOBER 31, 2001

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 2000

|  | 2001   |           | Variance<br>Favorable<br>(Unfavorable) | 2000<br>Actual |
|--|--------|-----------|--|----------------|
|  | Budget | Actual    |  |                |
| EXCESS OF REVENUE OVER<br>EXPENDITURES (BROUGHT FORWARD)           | \$ -   | \$ 16,618 | \$ 16,618                              | \$ 12,738      |
| <b>OTHER FINANCING USES</b>  |        |           |  |                |
| Reimbursement of Excess Funds:                                     |        |           |  |                |
| City/Parish of Lafayette   | -      | (16,618)  | (16,618)                               | (12,738)       |
| EXCESS OF REVENUE OVER<br>EXPENDITURES AND OTHER<br>FINANCING USES | -      | -         | -                                      | -              |
| FUND BALANCE, BEGINNING  | -      | -         | -                                      | -              |
| FUND BALANCE, ENDING   | \$ -   | \$ -      | \$ -                                   | \$ -           |

See Accountants' Report

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**ENTERPRISE FUND  
"911" FUND  
COMPARATIVE BALANCE SHEET  
OCTOBER 31, 2001 AND 2000**

|   | <u>2001</u>         | <u>2000</u>         |
|---|---------------------|---------------------|
| <b>ASSETS</b>                                     |                     |                     |
| <b>CURRENT ASSETS</b>                             |                     |                     |
| Cash  | \$ 2,252,366        | \$ 1,537,603        |
| Telephone Tax Receivable                          | 361,982             | 178,440             |
| Prepaid Maintenance Contracts - Current Portion   | 23,164              | 10,347              |
| Prepaid Lease - Current Portion                   | 253                 | 253                 |
| Total Current Assets                              | <u>2,637,765</u>    | <u>1,726,643</u>    |
| <b>PROPERTY AND EQUIPMENT</b>                     |                     |                     |
| Property and Equipment                            | 5,572,225           | 5,393,392           |
| Construction in Progress                          | 68,381              | 123,918             |
| Less: Accumulated Depreciation                    | <u>(3,576,218)</u>  | <u>(2,800,953)</u>  |
| Net Total Property and Equipment                  | <u>2,064,388</u>    | <u>2,716,357</u>    |
| <b>OTHER ASSETS</b>                               |                     |                     |
| Prepaid Lease - Long-Term Portion                 | 20,159              | 20,412              |
| Prepaid Maintenance Contracts - Long-Term Portion | -                   | 10,348              |
| Total Other Assets                                | <u>20,159</u>       | <u>30,760</u>       |
| <b>TOTAL ASSETS</b>                               | <u>\$ 4,722,312</u> | <u>\$ 4,473,760</u> |
| <b>LIABILITIES AND FUND EQUITY</b>                |                     |                     |
| <b>CURRENT LIABILITIES</b>                        |                     |                     |
| Accounts Payable                                  | \$ 53,652           | \$ 59,252           |
| Salaries Payable                                  | 30,058              | 26,479              |
| Due to City of Lafayette                          | 33                  | 19,844              |
| Lease Payments Due in One Year                    | 193,337             | 183,015             |
| Accrued Interest Payable                          | 18,686              | 27,288              |
| Total Current Liabilities                         | <u>295,766</u>      | <u>315,878</u>      |
| <b>LONG-TERM LIABILITIES</b>                      |                     |                     |
| Accrued Compensated Absences                      | 19,172              | 14,538              |
| Capital Lease Obligations                         | 204,241             | 397,578             |
| Total Long-Term Liabilities                       | <u>223,413</u>      | <u>412,116</u>      |
| <b>TOTAL LIABILITIES</b>                          | <u>519,179</u>      | <u>727,994</u>      |
| <b>FUND EQUITY</b>                                |                     |                     |
| Retained Earnings - Unreserved                    | <u>4,203,133</u>    | <u>3,745,766</u>    |
| <b>TOTAL LIABILITIES AND FUND EQUITY</b>          | <u>\$ 4,722,312</u> | <u>\$ 4,473,760</u> |

See Accountants' Report

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**STATEMENT OF REVENUES AND EXPENSES  
BUDGET (GAAP BASIS) AND ACTUAL  
ENTERPRISE FUND  
FOR THE YEAR ENDED OCTOBER 31, 2001**

|   | <u>Budget</u>       | <u>Actual</u>     | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|---|---------------------|-------------------|---|
| <b>REVENUE</b>  |                     |                   |   |
| Telephone Tax   | \$ 2,225,000        | \$ 2,556,688      | \$ 331,688                                      |
| Miscellaneous Revenue                                   | -                   | 6,647             | 6,647   |
| Interest Earnings                                       | 50,000              | 103,588           | 53,588  |
| Gain on Fixed Asset Disposal                            | -                   | 11,061            | 11,061  |
|   | <u>2,275,000</u>    | <u>2,677,984</u>  | <u>402,984</u>                                  |
| <b>EXPENSES</b>   |                     |                   |   |
| Current:  |                     |                   |   |
| Contractual Services                                    | 2,000               | 585               | 1,415   |
| Depreciation  | 900,000             | 794,730           | 105,270   |
| Dues and Subscriptions                                  | 1,100               | 635               | 465   |
| Duplicating Expense                                     | 1,000               | 308               | 692   |
| Engineering Services                                    | 140,000             | 90,791            | 49,209  |
| Expense Reimbursement                                   | 100                 | -                 | 100   |
| Insurance   | 140,000             | 121,323           | 18,677  |
| Interest  | 216,100             | 24,144            | 191,956   |
| Land Lease  | 300                 | 253               | 47  |
| Miscellaneous   | 7,000               | 5,913             | 1,087   |
| Office and Postage                                      | 700                 | 403               | 297   |
| Printing  | 800                 | 465               | 335   |
| Professional Fees                                       | 21,500              | 11,334            | 10,166  |
| Publication and Recordings                              | 2,000               | 1,645             | 355   |
| Repairs and Maintenance                                 | 148,500             | 70,851            | 77,649  |
| Retirement and Medicare                                 | 70,000              | 59,169            | 10,831  |
| Salaries  | 730,000             | 656,567           | 73,433  |
| Supplies and Materials                                  | 35,000              | 28,619            | 6,381   |
| Telecommunications                                      | 568,000             | 323,041           | 244,959   |
| Training  | 30,000              | 22,979            | 7,021   |
| Transportation  | 7,500               | 3,181             | 4,319   |
| Travel and Meetings                                     | 4,500               | 2,606             | 1,894   |
| Uniforms  | 1,500               | 1,075             | 425   |
|   | <u>3,027,600</u>    | <u>2,220,617</u>  | <u>806,983</u>                                  |
| <b>EXCESS (DEFICIENCY) OF REVENUE<br/>OVER EXPENSES</b> | <u>\$ (752,600)</u> | <u>\$ 457,367</u> | <u>\$ 1,209,967</u>                             |

See Accountants' Report

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**SCHEDULE OF WIRELESS E911 REVENUES AND EXPENDITURES  
FOR THE YEAR ENDED OCTOBER 31, 2001**

**REVENUES**

|                                 |                         |
|---------------------------------|-------------------------|
| Nextel                          | \$ 32,901               |
| Cingular Wireless               | 455,438                 |
| Centennial Cellular Corporation | 171,200                 |
| Louisiana Unwired, LLC          | 7,149                   |
| Sprint PCS                      | 147,000                 |
| Telecorp                        | 32,139                  |
| Tracfone Wireless, Inc.         | 6,024                   |
| Unwired Telecom Corporation     | 36,002                  |
| Verizon Wireless                | <u>431</u>              |
| <b>TOTAL REVENUES</b>           | <b><u>\$888,284</u></b> |

NOTE: The collection of the Wireless E911 tax is authorized by Louisiana Revised Statute 33:9109. According to the statute, the District is to collect the tax from the providers of wireless communications. The proceeds of the tax are restricted in use for payment of service suppliers' and the District's costs associated with the implementation of Phase I enhancements required by the FCC. Once these expenditures have been made and the system implementation is complete, the proceeds become unrestricted and may be used for any lawful purpose of the District. The District incurred \$59,173 of expenditures during the year ended October 31, 2001, and all service providers had successfully completed implementation of the system as of that date.

# WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

Certified Public Accountants

100 Petroleum Drive, 70508

P. O. Box 80569 • Lafayette, Louisiana 70598-0569

(337) 232-3637 • FAX (337) 235-8557

www.wmddh.com

JOHN W. WRIGHT, CPA\*  
M. TROY MOORE, CPA\*  
MICHAEL G. DeHART, CPA, CVA, MBA\* †  
JAMES H. DUPUIS, CPA\*  
JOE D. HUTCHINSON, CPA\*  
JAN H. COWEN, CPA\*  
LANCE E. CRAPPELL, CPA\*  
PAT BAHAM DOUGHT, CPA\*  
MICAHA R. VIDRINE, CPA\*

TRAVIS M. BRINSKO, CPA  
CHRISTINE R. DUNN, CPA  
ANDRÉ D. BROUSSARD, CPA  
MARY PATRICIA KEELEY, CPA  
KRISTIE C. BOUDREAUX, CPA

\* A PROFESSIONAL CORPORATION  
† RETIRED

## REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Commissioners  
Lafayette Parish Communication District  
Lafayette, Louisiana

We have audited the general purpose financial statements of the Lafayette Parish Communication District for the year ended October 31, 2001, and have issued our report thereon dated January 17, 2002. We conducted our audit 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 provisions of Louisiana Revised Statutes 24:513 and the Louisiana Governmental Audit Guide.

### Compliance

As part of obtaining reasonable assurance about whether Lafayette Parish Communication District's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Lafayette Parish Communication District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of Lafayette Parish Communication District and the Legislative Auditor of the State of Louisiana. However, this report is a matter of public record and its distribution is not limited.

*Wright, Moore, DeHart,  
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,  
DUPUIS & HUTCHINSON, L.L.C.  
Certified Public Accountants

January 17, 2002

**WMDDH**

**LAFAYETTE PARISH COMMUNICATION DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED OCTOBER 31, 2001**

We have audited the financial statements of the Lafayette Parish Communication District as of and for the year ended October 31, 2001 and have issued our report thereon dated January 17, 2002. 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 Comptroller General of the United States. Our audit of the financial statements of October 31, 2001 resulted in an unqualified opinion.

*Section I Summary of Auditors' Reports*

a. *Report on Internal Control and Compliance Material to the Financial Statements*

Internal Control

Material Weaknesses             Yes             No  
Reportable Conditions         Yes             No

Compliance

Compliance Material to Financial Statements     Yes             No

*Section II Financial Statement Findings*

None

**Section III Federal Award Findings and Questioned Costs**

None

**LAFAYETTE PARISH COMMUNICATION DISTRICT**

**SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED OCTOBER 31, 2001**

|   |  |
|---|--|
| <b>SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL<br/>TO THE FINANCIAL STATEMENTS</b> |  |
| No prior year findings.   |  |
| <b>SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS</b>              |  |
| No prior year findings.   |  |
| <b>SECTION III MANAGEMENT LETTER</b>  |  |
| No prior year findings.   |  |
|   |  |