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LAFAYETTE PARISH
COMMUNICATION DISTRICT
ANNUAL FINANCIAL REPORT
YEAR ENDED OCTOBER 31, 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, 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 APR 05 2000

LAFAYETTE PARISH COMMUNICATION DISTRICT

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INDEPENDENT AUDITORS' REPORT

* A PROFESSIONAL CORPORATION

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

We have audited the accompanying general purpose financial statements and the combining and individual fund and account group financial statements of Lafayette Parish Communication District, as of October 31, 1999, and for the year then ended. These financial statements are the responsibility of the Lafayette Parish Communication District management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, 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, 1999, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report dated January 26, 2000, 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*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, L.L.C.
Lafayette, Louisiana

January 26, 2000

WMDDH

LAFAYETTE PARISH COMMUNICATION DISTRICT

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 OCTOBER 31, 1999
 WITH COMPARATIVE TOTALS AS OF OCTOBER 31, 1998

	GOVERNMENTAL	PROPRIETARY	ACCOUNT GROUPS		TOTALS	
	FUND TYPE	FUND TYPE	GENERAL	GENERAL	MEMORANDUM	ONLY
	SPECIAL REVENUE	ENTERPRISE	FIXED ASSETS	LONG-TERM DEBT	1999	1998
ASSETS						
Cash	\$82,845	\$1,162,941	\$ -	\$ -	\$1,245,786	\$ 804,953
Telephone Tax Receivable	-	292,027	-	-	292,027	290,066
Due From 911 Fund	-	-	-	-	-	42
Due From State of Louisiana	10,941	-	-	-	10,941	10,941
Prepaid Maintenance Contract	-	2,028	-	-	2,028	4,502
Prepaid Lease	-	20,917	-	-	20,917	21,170
Property and Equipment (Net of Depreciation)	-	2,902,702	268,664	-	3,171,366	3,145,919
Amount Available for Payment of Long-Term Debt	-	-	-	2,733	2,733	3,499
TOTAL ASSETS	<u>\$93,786</u>	<u>\$4,380,615</u>	<u>\$268,664</u>	<u>\$ 2,733</u>	<u>\$4,745,798</u>	<u>\$4,281,092</u>

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, 1999
 WITH COMPARATIVE TOTALS AS OF OCTOBER 31, 1998

	GOVERNMENTAL	PROPRIETARY	ACCOUNT GROUPS		TOTALS	
	FUND TYPE	FUND TYPE	GENERAL	GENERAL	MEMORANDUM ONLY	
	SPECIAL REVENUE	ENTERPRISE	FIXED ASSETS	LONG-TERM DEBT	1999	1998
LIABILITIES AND FUND EQUITY						
LIABILITIES						
Accounts Payable	\$ 2,754	\$ 179,340	\$ -	\$ -	\$ 182,094	\$ 54,453
Salaries Payable	3,185	19,782	-	-	22,967	21,518
Lease Payments Due in One Year	-	173,244	-	-	173,244	163,995
Deferred Revenue	36,789	-	-	-	36,789	32,699
Due to City/Parish of Lafayette	51,058	-	-	-	51,058	31,581
Due to Office of Emergency Preparedness Fund	-	-	-	-	-	42
Capital Lease Obligations	-	580,593	-	-	580,593	753,837
Accrued Interest Payable	-	35,430	-	-	35,430	51,766
Accrued Compensated Absences	-	13,691	-	2,733	16,424	15,012
TOTAL LIABILITIES	<u>93,786</u>	<u>1,002,080</u>	<u>-</u>	<u>2,733</u>	<u>1,098,599</u>	<u>1,124,903</u>
FUND EQUITY						
Investment in General Fixed Assets	-	-	268,664	-	268,664	267,739
Retained Earnings - Unreserved	-	3,378,535	-	-	3,378,535	2,888,450
TOTAL FUND EQUITY	<u>-</u>	<u>3,378,535</u>	<u>268,664</u>	<u>-</u>	<u>3,647,199</u>	<u>3,156,189</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$93,786</u>	<u>\$4,380,615</u>	<u>\$268,664</u>	<u>\$ 2,733</u>	<u>\$4,745,798</u>	<u>\$4,281,092</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, 1999
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 1998

	COMMUNICATION SYSTEM <u>MANAGEMENT</u>	OFFICE OF EMERGENCY <u>PREPAREDNESS</u>	TOTALS	
			<u>MEMORANDUM ONLY</u> 1999	1998
REVENUE				
State of Louisiana	\$ -	\$ 32,823	\$ 32,823	\$ 32,842
City/Parish of Lafayette Appropriation	125,625	124,000	249,625	236,514
Interest Earnings	4,335	1,923	6,258	6,729
Miscellaneous Revenues	<u>-</u>	<u>231</u>	<u>231</u>	<u>6</u>
Total Revenue	<u>129,960</u>	<u>158,977</u>	<u>288,937</u>	<u>276,091</u>
EXPENDITURES				
Current:				
Dues and Licenses	165	340	505	362
Duplicating Expense	56	159	215	266
Insurance	-	16,870	16,870	15,528
Interest	-	-	-	20
Miscellaneous	-	1,860	1,860	1,774
Postage	-	210	210	146
Printing	274	244	518	-
Professional Fees	544	823	1,367	1,643
Publication and Recordings	10	20	30	762
Repairs and Maintenance	60,387	6,657	67,044	66,695
Retirement and Medicare	-	6,732	6,732	6,232
Salaries	-	86,840	86,840	79,028
Supplies and Materials	1,663	2,052	3,715	7,671
Telecommunications	11,527	15,636	27,163	27,663
Tower Rentals	14,184	-	14,184	14,184
Training	-	2,182	2,182	1,812
Transportation	-	3,049	3,049	3,789
Travel and Meetings	-	85	85	1,014
Utilities	4,385	-	4,385	4,474
Capital Outlay: Equipment	<u>-</u>	<u>925</u>	<u>925</u>	<u>11,447</u>
Total Expenditures	<u>93,195</u>	<u>144,684</u>	<u>237,879</u>	<u>244,510</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 36,765</u>	<u>\$ 14,293</u>	<u>\$ 51,058</u>	<u>\$ 31,581</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, 1999
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED OCTOBER 31, 1998

	COMMUNICATION SYSTEM MANAGEMENT	OFFICE OF EMERGENCY PREPAREDNESS	TOTALS MEMORANDUM ONLY	
			1999	1998
EXCESS OF REVENUE OVER EXPENDITURES (BROUGHT FORWARD)	\$ <u>36,765</u>	\$ <u>14,293</u>	\$ <u>51,058</u>	\$ <u>31,581</u>
OTHER FINANCING USES				
Reimbursement of Excess Funds: City/Parish of Lafayette	<u>(36,765)</u>	<u>(14,293)</u>	<u>(51,058)</u>	<u>(31,581)</u>
Total Other Financing Uses	<u>(36,765)</u>	<u>(14,293)</u>	<u>(51,058)</u>	<u>(31,581)</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES AND OTHER 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, 1999
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 1998

	1999		VARIANCE	1998
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUE				
State of Louisiana	\$ 32,000	\$ 32,823	\$ 823	\$ 32,842
City/Parish of Lafayette Appropriation	239,400	249,625	10,225	236,514
Interest Earnings	1,700	6,258	4,558	6,729
Miscellaneous Revenues	-	231	231	6
Total Revenue	273,100	288,937	15,837	276,091
EXPENDITURES				
Current:				
Dues and Licenses	900	505	395	362
Duplicating Expense	300	215	85	266
Insurance	17,550	16,870	680	15,528
Interest	50	-	50	20
Miscellaneous	2,000	1,860	140	1,774
Postage	500	210	290	146
Printing	800	518	282	-
Professional Fees	1,400	1,367	33	1,643
Publication and Recordings	300	30	270	762
Repairs and Maintenance	81,450	67,044	14,406	66,695
Retirement and Medicare	8,000	6,732	1,268	6,232
Salaries	90,300	86,840	3,460	79,028
Supplies and Materials	6,550	3,715	2,835	7,671
Telecommunications	34,200	27,163	7,037	27,663
Tower Rentals	15,800	14,184	1,616	14,184
Training	3,000	2,182	818	1,812
Transportation	3,800	3,049	751	3,789
Travel and Meetings	400	85	315	1,014
Utilities	4,800	4,385	415	4,474
Capital Outlay				
Equipment	1,000	925	75	11,447
Total Expenditures	273,100	237,879	35,221	244,510
EXCESS OF REVENUE OVER EXPENDITURE	\$ -	\$ 51,058	\$ 51,058	\$ 31,581

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, 1999
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
EXCESS OF REVENUE OVER EXPENDITURES (BROUGHT FORWARD)	\$ <u>-</u>	\$ <u>51,058</u>	\$ <u>51,058</u>	\$ <u>31,581</u>
OTHER FINANCING USES				
Reimbursement of Excess Funds: City/Parish of Lafayette	<u>-</u>	<u>(51,058)</u>	<u>(51,058)</u>	<u>(31,581)</u>
Total Other Financing Uses	<u>-</u>	<u>(51,058)</u>	<u>(51,058)</u>	<u>(31,581)</u>
DEFICIENCY OF REVENUE OVER EXPENDITURES AND OTHER FINANCING USES	-	-	-	-
FUND BALANCE, BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, ENDING	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

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, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
OPERATING REVENUE		
Telephone Tax	\$2,190,463	\$1,797,897
OPERATING EXPENSES		
Contractual Services	2,538	-
Depreciation	647,947	333,298
Dues and Subscriptions	475	124
Duplicating Expense	300	483
Insurance	76,504	76,582
Land Lease	253	253
Miscellaneous	4,320	4,116
Office and Postage	429	353
Printing	533	474
Professional Fees	12,870	18,691
Publication and Recordings	1,276	770
Repairs and Maintenance	79,187	85,526
Retirement and Medicare	44,856	43,360
Salaries	517,246	500,080
Supplies and Materials	16,362	11,148
Telecommunications	249,905	274,580
Training	23,100	14,443
Transportation	5,159	4,494
Travel and Meetings	882	662
Uniforms	<u>458</u>	<u>2,478</u>
Total Operating Expenses	<u>1,684,600</u>	<u>1,371,915</u>
OPERATING INCOME	<u>505,863</u>	<u>425,982</u>
NON-OPERATING REVENUES (EXPENSES)		
Miscellaneous Revenue	4,517	319
Interest Earnings	44,661	41,769
Interest Expense	(35,475)	(112,307)
Loss on Fixed Asset Disposal	<u>(29,481)</u>	<u>(93)</u>
Total Non-Operating Expense	<u>(15,778)</u>	<u>(70,312)</u>
NET INCOME	490,085	355,670
RETAINED EARNINGS, BEGINNING	<u>2,888,450</u>	<u>2,532,780</u>
RETAINED EARNINGS, ENDING	<u>\$3,378,535</u>	<u>\$2,888,450</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, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating Income	\$ 505,863	\$ 425,982
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	647,947	333,298
Land Lease Amortization	253	253
Miscellaneous Revenue	4,517	319
Changes in Assets and Liabilities:		
Telephone Tax Receivable	(1,961)	(167,189)
Prepaid Expenses	2,474	13,697
Accounts Payable	132,128	43,017
Salaries Payable	1,218	1,228
Office of Emergency Preparedness Fund	(42)	42
Lafayette Areawide		
Planning Commission	-	-
Accrued Compensated Absences	<u>2,178</u>	<u>3,044</u>
Net Cash Provided by Operating Activities	<u>1,294,575</u>	<u>653,691</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	(701,950)	(594,031)
Interest on Investments	<u>44,661</u>	<u>41,769</u>
Net Cash Used In Investing Activities	<u>(657,289)</u>	<u>(552,262)</u>
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES		
Interest Paid	(51,811)	(60,541)
Principal Payment on Capital Lease Obligation	<u>(163,995)</u>	<u>(155,239)</u>
Net Cash Used in Capital and Financing Activities	<u>(215,806)</u>	<u>(215,780)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	421,480	(114,351)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>741,461</u>	<u>855,812</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$1,162,941</u>	<u>\$ 741,461</u>

The Accompanying Notes are an Integral Part of These Statements

LAFAYETTE PARISH COMMUNICATION DISTRICT

NOTES TO FINANCIAL STATEMENTS

OCTOBER 31, 1999

(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. 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 - continued

OCTOBER 31, 1999

(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 - This account group is used to account for long-term obligations to be financed from government funds.

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 - continued

OCTOBER 31, 1999

(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, 1999, accrued compensated absences in the "911" Fund amounted to \$13,691. 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 \$2,733 on October 31, 1999. 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.

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.

LAFAYETTE PARISH COMMUNICATION DISTRICT

NOTES TO FINANCIAL STATEMENTS - continued

OCTOBER 31, 1999

(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, 1999.

(C) TELEPHONE TAX RECEIVABLE

The telephone tax is received by the "911" Fund from South Central Bell and Century Telephone from amounts billed to their customers. At October 31, 1999, the telephone tax receivable for the month of October was \$292,027. 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, 1999, follows:

	BEGINNING	ADDITIONS	RETIREMENTS	ENDING
Equipment	<u>\$267,739</u>	<u>\$ 925</u>	<u>\$ -</u>	<u>\$268,664</u>

Proprietary Fund Type

A summary of changes in proprietary fund type fixed assets for the year ended October 31, 1999, follows:

	<u>BEGINNING</u>	<u>ADDITIONS</u>	<u>RETIREMENTS</u>	<u>ENDING</u>
Property & Equipment	\$ 4,072,680	\$ 637,307	\$ (42,424)	\$ 4,667,563
Construction in Progress	249,152	313,795	(249,152)	313,795
Accumulated Depreciation	<u>(1,443,652)</u>	<u>(647,947)</u>	<u>12,943</u>	<u>(2,078,656)</u>
Net Property & Equipment	<u>\$ 2,878,180</u>	<u>\$ 303,155</u>	<u>\$(278,633)</u>	<u>\$ 2,902,702</u>

LAFAYETTE PARISH COMMUNICATION DISTRICT

NOTES TO FINANCIAL STATEMENTS - continued

OCTOBER 31, 1999

(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 for all employees hired after 1986. The amount contributed to the retirement system and for Medicare for the year ended October 31, 1999, was \$51,588.

(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 thirty (30) day written notice. The lease term runs from March 27, 1999 through March 26, 2000 with monthly lease payments of \$2,440 per month for the first year of the contract. Future minimum lease payments at October 31, 2000, were \$12,200.

The District also has a lease for tower space from Bowen-Smith Corp. 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 October 1 through September 30 with monthly lease payments of \$1,182. Future minimum lease payments at October 31, 1999, were \$14,184.

(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, 1999 are as follows:

<u>Year Ending October 31</u>	
2000	\$ 215,760.50
2001	215,760.50
2002	215,760.50
2003	<u>215,760.50</u>
Total Minimum Lease Payments	\$ 863,042.00
Less: Amount Representing Interest	<u>(109,205.00)</u>
Present Value of Minimum Lease Payments	<u>\$ 753,837.00</u>

LAFAYETTE PARISH COMMUNICATION DISTRICT

NOTES TO FINANCIAL STATEMENTS - continued

OCTOBER 31, 1999

(H) CONSTRUCTION IN PROGRESS

Included in property and equipment of the "911" Fund is construction in progress of \$313,795 on the Automatic Vehicle Locator 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. The judge granted an Exception of Prescription filed by the District in the favor of the District dismissing the Plaintiffs' claims. However, this decision was reversed by the Third Circuit Court of Appeals. Currently, a Motion for Summary Judgment has been filed on behalf of the District on the basis that the District was not negligent. 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, 1999

WITH COMPARATIVE TOTALS FOR OCTOBER 31, 1998

	COMMUNICATION SYSTEM MANAGEMENT	OFFICE OF EMERGENCY PREPAREDNESS	TOTALS	
			1999	1998
ASSETS				
Cash	\$76,236	\$ 6,609	\$82,845	\$63,492
Due from 911 Fund	-	-	-	42
Due from State of Louisiana	-	10,941	10,941	10,941
TOTAL ASSETS	<u>\$76,236</u>	<u>\$17,550</u>	<u>\$93,786</u>	<u>\$74,475</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts Payable	\$ 2,682	\$ 72	\$ 2,754	\$ 7,241
Salaries Payable	-	3,185	3,185	2,954
Due to City/Parish of Lafayette	36,765	14,293	51,058	31,581
Deferred Revenue	36,789	-	36,789	32,699
TOTAL LIABILITIES	<u>76,236</u>	<u>17,550</u>	<u>93,786</u>	<u>74,475</u>
FUND BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$76,236</u>	<u>\$17,550</u>	<u>\$93,786</u>	<u>\$74,475</u>

The Accompanying Notes are an Integral Part of These Statements

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
 FOR THE YEAR ENDED OCTOBER 31, 1999
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 1998

	1999		VARIANCE	1998
	BUDGET	ACTUAL	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUE				
City/Parish of Lafayette Appropriation	\$ 115,400	\$125,625	\$ 10,225	\$112,514
Interest Earnings	-	4,335	4,335	3,820
Miscellaneous Revenues	-	-	-	-
TOTAL REVENUE	<u>115,400</u>	<u>129,960</u>	<u>14,560</u>	<u>116,334</u>
EXPENDITURES				
Current:				
Dues and Licenses	400	165	235	113
Duplicating Expense	100	56	44	46
Insurance	-	-	-	-
Postage	50	-	50	-
Publication and Recordation	100	10	90	305
Printing	300	274	26	-
Professional Fees	550	544	6	645
Repairs and Maintenance	74,650	60,387	14,263	60,526
Supplies and Materials	3,550	1,663	1,887	2,037
Telecommunications	15,000	11,527	3,473	13,985
Tower Rentals	15,800	14,184	1,616	14,184
Travel and Meetings	100	-	100	884
Utilities	<u>4,800</u>	<u>4,385</u>	<u>415</u>	<u>4,474</u>
TOTAL EXPENDITURES	<u>115,400</u>	<u>93,195</u>	<u>22,205</u>	<u>97,199</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>-</u>	<u>36,765</u>	<u>36,765</u>	<u>19,135</u>
OTHER FINANCING USES				
Reimbursement of Excess Funds	<u>-</u>	<u>(36,765)</u>	<u>(36,765)</u>	<u>(19,135)</u>
EXCESS OF REVENUE OVER EXPENDITURES AND OTHER FINANCING USES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
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

SPECIAL REVENUE FUND

OFFICE OF EMERGENCY PREPAREDNESS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL

FOR THE YEAR ENDED OCTOBER 31, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
REVENUE				
State of Louisiana	\$ 32,000	\$ 32,823	\$ 823	\$ 32,842
City/Parish of Lafayette				
Appropriation	124,000	124,000	-	124,000
Interest Earnings	1,700	1,923	223	2,909
Miscellaneous Revenues	-	231	231	6
TOTAL REVENUE	<u>157,700</u>	<u>158,977</u>	<u>1,277</u>	<u>159,757</u>
EXPENDITURES				
Current:				
Dues and Subscriptions	500	340	160	249
Duplicating Expenses	200	159	41	220
Insurance	17,550	16,870	680	15,528
Interest	50	-	50	20
Miscellaneous	2,000	1,860	140	1,774
Postage	450	210	240	146
Printing	500	244	256	-
Professional Fees	850	823	27	998
Publication and Recordings	200	20	180	456
Repairs and Maintenance	6,800	6,657	143	6,169
Retirement and Medicare	8,000	6,732	1,268	6,232
Salaries	90,300	86,840	3,460	79,028
Supplies and Materials	3,000	2,052	948	5,634
Telecommunications	19,200	15,636	3,564	13,678
Training	3,000	2,182	818	1,812
Transportation	3,800	3,049	751	3,789
Travel and Meetings	300	85	215	125
Capital Outlay:				
Equipment	<u>1,000</u>	<u>925</u>	<u>75</u>	<u>11,447</u>
TOTAL EXPENDITURES	<u>157,700</u>	<u>144,684</u>	<u>13,016</u>	<u>147,305</u>
EXCESS OF REVENUE OVER EXPENDITURES	\$ <u>-</u>	\$ <u>14,293</u>	\$ <u>14,293</u>	\$ <u>12,452</u>

The Accompanying Notes are an Integral Part of These Statements

LAFAYETTE PARISH COMMUNICATION DISTRICT

SPECIAL REVENUE FUND

OFFICE OF EMERGENCY PREPAREDNESS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET (GAAP BASIS) AND ACTUAL (CONTINUED)

FOR THE YEAR ENDED OCTOBER 31, 1999

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED OCTOBER 31, 1998

	1999		VARIANCE FAVORABLE (UNFAVORABLE)	1998 ACTUAL
	BUDGET	ACTUAL		
EXCESS OF REVENUE OVER EXPENDITURES (BROUGHT FORWARD)	\$ -	\$ 14,293	\$ 14,293	\$ 12,452
OTHER FINANCING USES				
Reimbursement of Excess Funds: City/Parish of Lafayette	-	(14,293)	(14,293)	(12,452)
TOTAL OTHER FINANCING USES	-	(14,293)	(14,293)	(12,452)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES AND OTHER FINANCING USES	-	-	-	-
FUND BALANCE, BEGINNING	-	-	-	-
FUND BALANCE, ENDING	\$ -	\$ -	\$ -	\$ -

The Accompanying Notes are an Integral Part of These Statements

LAFAYETTE PARISH COMMUNICATION DISTRICT

ENTERPRISE FUND
 "911" FUND
 COMPARATIVE BALANCE SHEET
 OCTOBER 31, 1999 AND 1998

	<u>1999</u>	<u>1998</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,162,941	\$ 741,461
Telephone Tax Receivable	292,027	290,066
Prepaid Maintenance Contracts - Current Portion	2,028	3,430
Prepaid Lease - Current Portion	<u>253</u>	<u>253</u>
Total Current Assets	<u>1,457,249</u>	<u>1,035,210</u>
PROPERTY AND EQUIPMENT		
Property and Equipment	4,667,563	4,072,680
Construction in Progress	313,795	249,152
Less: Accumulated Depreciation	<u>(2,078,656)</u>	<u>(1,443,652)</u>
Net Total Property and Equipment	<u>2,902,702</u>	<u>2,878,180</u>
OTHER ASSETS		
Prepaid Lease - Long-Term Portion	20,664	20,917
Prepaid Maintenance Contracts - Long-Term Portion	<u>-</u>	<u>1,072</u>
Total Other Assets	<u>20,664</u>	<u>21,989</u>
TOTAL ASSETS:	<u>\$ 4,380,615</u>	<u>\$ 3,935,379</u>
LIABILITIES AND FUND EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 179,340	\$ 47,212
Salaries Payable	19,782	18,564
Due to Lafayette Areawide Planning Commission	-	-
Due to Office of Emergency Preparedness Fund	-	42
Lease Payments Due In One Year	173,244	163,995
Accrued Interest Payable	<u>35,430</u>	<u>51,766</u>
Total Current Liabilities	<u>407,796</u>	<u>229,813</u>
LONG-TERM LIABILITIES		
Accrued Compensated Absences	13,691	11,513
Capital Lease Obligations	<u>580,593</u>	<u>753,837</u>
Total Long-Term Liabilities	<u>594,284</u>	<u>817,116</u>
TOTAL LIABILITIES	<u>1,002,080</u>	<u>1,046,929</u>
FUND EQUITY		
Retained Earnings - Unreserved	<u>3,378,535</u>	<u>2,888,450</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$4,380,615</u>	<u>\$3,935,379</u>

The Accompanying Notes are an Integral Part of These Statements

LAFAYETTE PARISH COMMUNICATION DISTRICT

STATEMENT OF REVENUES AND EXPENSES
 BUDGET (GAAP BASIS) AND ACTUAL
 ENTERPRISE FUND
 FOR THE YEAR ENDED OCTOBER 31, 1999

	<u>BUDGET</u>	<u>ACTUAL</u>	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUE			
Telephone Tax	\$1,980,000	\$2,190,463	\$ 210,463
Miscellaneous Revenue	200	4,517	4,317
Interest Earnings	<u>15,500</u>	<u>44,661</u>	<u>29,161</u>
Total Revenue	<u>1,995,700</u>	<u>2,239,641</u>	<u>243,941</u>
EXPENSES			
Current:			
Contractual Services	6,000	2,538	3,462
Depreciation	250,000	647,947	(397,947)
Dues and Subscriptions	600	475	125
Duplicating Expense	700	300	400
Expense Reimbursement	100	-	100
Insurance	90,700	76,504	14,196
Interest	216,100	35,475	180,625
Land Lease	253	253	-
Loss on Disposal of Assets	-	29,481	(29,481)
Miscellaneous	5,100	4,320	780
Office and Postage	500	429	71
Printing	800	533	267
Professional Fees	14,000	12,870	1,130
Publication and Recordings	1,700	1,276	424
Repairs and Maintenance	136,700	79,187	57,513
Retirement and Medicare	53,000	44,856	8,144
Salaries	560,000	517,246	42,754
Supplies and Materials	18,000	16,362	1,638
Telecommunications	501,800	249,905	251,895
Training	29,000	23,100	5,900
Transportation	6,000	5,159	841
Travel and Meetings	1,500	882	618
Uniforms	<u>1,500</u>	<u>458</u>	<u>1,042</u>
Total Expenses	<u>1,894,053</u>	<u>1,749,556</u>	<u>144,497</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ 101,647</u>	<u>\$ 490,085</u>	<u>\$ 388,438</u>

The Accompanying Notes are an Integral Part of These Statements

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

Certified Public Accountants

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* A PROFESSIONAL CORPORATION

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 and the combining and individual fund and account group financial statements of Lafayette Parish Communication District as of and for the year ended October 31, 1999, and have issued our report thereon dated January 26, 2000. We conducted our audit in accordance with generally accepted auditing standards, 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 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.

WMDDH

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*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON
Certified Public Accountants

January 26, 2000

LAFAYETTE PARISH COMMUNICATION DISTRICT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED OCTOBER 31, 1999

We have audited the financial statements of the Lafayette Parish Communication District as of and for the year ended October 31, 1999, and have issued our report thereon dated January 26, 2000. We conducted our audit in accordance with generally accepted auditing standards 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, 1999 resulted in an unqualified opinion.

Section I Summary of Auditor's 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, 1999

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS	
No prior year findings.	
SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS	
No prior year findings.	
SECTION III MANAGEMENT LETTER	
No prior year findings.	