

**LAFAYETTE PARISH
COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED
GOVERNMENT OF LAFAYETTE, LOUISIANA**

FINANCIAL REPORT

Year Ended October 31, 2025

LAFAYETTE PARISH COMMUNICATION DISTRICT

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Lafayette Parish Communication District, A Component Unit of the Consolidated Government of Lafayette, Louisiana as of and for the year ended October 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of October 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Lafayette Parish Communication District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Lafayette Parish Communication District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Lafayette Parish Communication District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Lafayette Parish Communication District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and other required schedules on pages 4 through 10 and 50 through 51 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Lafayette Parish Communication District's basic financial statements. The schedule of wireless 911 revenues and expenditures, and the schedule of compensation, benefits and other payments are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 3, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lafayette Parish Communication District's internal control over financial reporting and compliance.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana
April 3, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

Lafayette Parish Communication District

Lafayette, Louisiana

Management's Discussion and Analysis

Within this section of the Lafayette Parish Communication District's (the District) annual financial report, the District's management is pleased to provide this narrative discussion and analysis of the financial activities of the District for the fiscal year ended October 31, 2025. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

FINANCIAL HIGHLIGHTS

The District's assets and deferred outflows of resources exceed its liabilities and deferred inflows of resources by \$23,468,434 and \$844,608 (net position) for its business-type and governmental activities, respectively, for the fiscal year ended October 31, 2025. This is a change over fiscal year ended 2024, when the District's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$24,341,739 and \$1,034,049 (net position) for its business-type and governmental activities, respectively.

Total net position is comprised of the following:

- Net invested in capital assets of \$13,824,574 includes property and equipment, net of accumulated depreciation, and construction in progress, reduced for outstanding debt related to the acquisition of capital assets. The District had no outstanding debt relating to its capital assets at fiscal year-end. This balance represents a decrease of \$583,344 from 2024, primarily attributable to current-year depreciation expense.
- Unrestricted net position of \$10,488,468, represents the portion of net position available to support the District's ongoing obligations to citizens and creditors.

By the nature of the District's agreement with the Parish and City of Lafayette, its governmental funds report no fund balance at the end of the fiscal period. Rather, any excess funding is reimbursed to the respective governmental body and recorded as a liability in the fund financial statements. The District's proprietary fund reported total ending net position of \$23,468,434 this year. This compares to the prior year ending net position of \$24,341,739, showing a decrease of \$873,305 during the current year.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) required supplementary information. The District also includes in this report additional information to supplement the basic financial statements. Comparative data for the prior year is also presented for comparative purposes.

Government-Wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

Lafayette Parish Communication District
Lafayette, Louisiana

Management's Discussion and Analysis

Government-Wide Financial Statements - Continued

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the District's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating.

The second government-wide statement is the *Statement of Activities*, which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on specific revenues.

Both of the Government-wide Financial Statements distinguish functions of the District that are principally supported by intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through charges (business-type activities).

The governmental activities of the District include public safety operations in maintaining The Office of Homeland Security and Emergency Preparedness and the administration of the City of Lafayette's 800 Megahertz Radio System. Both of these funds are special revenue funds.

Included in the business-type activities are charges to telephone companies for the operations of the local emergency telephone response service for the Parish of Lafayette.

The government-wide financial statements are presented on pages 13 - 15 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds - Governmental funds are reported in the fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds, including object classifications. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Because the focus of governmental funds is narrower than that of the Government-Wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-Wide Financial Statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Lafayette Parish Communication District
Lafayette, Louisiana

Management's Discussion and Analysis

Governmental Funds – Continued - The District maintained two individual governmental funds, both are special revenue funds. Information is presented by fund in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances. The funds are the Communications System Management Fund and the Office of Homeland Security and Emergency Preparedness Fund, both are considered non-major funds.

The basic governmental fund financial statements are presented on pages 17- 21 of this report.

Proprietary Fund – When the District receives 911 surcharges from the various telephone service providers for use in providing 911 emergency services, these services are generally reported in a proprietary fund. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the District's enterprise fund (the "911" Fund) is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for the proprietary fund. The "911" Fund is considered by the District to be a major fund. The Proprietary Fund financial statements are presented on pages 22 – 26 of this report.

Notes to the basic financial statements:

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 27 of this report.

Other information:

In addition to the basic financial statements and accompanying notes, this report also presents other supplementary information concerning the District's budget presentations. Budgetary comparison statements are included as "other required supplementary information" for the major funds, which is the proprietary fund. These statements demonstrate compliance with the District's adopted and final revised budget. This information is on pages 49-53 of this report.

Other required supplementary information included in this report are the required supplementary information relating to the pension disclosures and the post-employment benefit plan. This information can be found on pages 54-58.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the District as a whole. The District's net position at fiscal year-end is \$24,313,042 as compared to the prior fiscal year end balance which was \$25,375,788. Approximately 43% of the net position is unrestricted which may be used to meet the District's ongoing obligation to citizens and creditors.

Lafayette Parish Communication District
Lafayette, Louisiana

Management's Discussion and Analysis

The following table provides a summary of the District's net position:

	Governmental Activities		Business-type Activities		Total Government	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 72,978	\$ 127,008	\$ 11,176,139	\$ 11,977,946	\$ 11,249,117	\$ 12,104,954
Capital Assets	844,608	1,034,049	12,814,380	13,162,284	13,658,988	14,196,333
Total assets	<u>917,586</u>	<u>1,161,057</u>	<u>23,990,519</u>	<u>25,140,230</u>	<u>24,908,105</u>	<u>26,301,287</u>
Deferred Outflows						
Pension/OPEB Related	-	-	461,349	755,942	461,349	755,942
Current liabilities	72,978	127,008	263,606	498,171	336,584	625,179
Non-current liabilities	-	-	583,345	1,148,279	583,345	1,148,279
Total liabilities	<u>72,978</u>	<u>127,008</u>	<u>846,951</u>	<u>1,646,450</u>	<u>919,929</u>	<u>1,773,458</u>
Deferred Inflows						
Pension/OPEB Related	-	-	302,069	119,568	302,069	119,568
Net position:						
Invested in capital assets	844,608	1,034,049	12,979,966	13,373,869	13,824,574	14,407,918
Unrestricted (deficit)	-	-	10,488,468	10,967,870	10,488,468	10,967,870
Total net position	<u>\$ 844,608</u>	<u>\$ 1,034,049</u>	<u>\$ 23,468,434</u>	<u>\$ 24,341,739</u>	<u>\$ 24,313,042</u>	<u>\$ 25,375,788</u>

The unrestricted governmental net position remained unchanged. By the nature of the governmental funds, any excess of revenues over expenditures at the fund level is reimbursed to the City/Parish Government and the funds have no fund balance.

During 2025, current assets decreased in the governmental activities primarily due to a reduction in receivables compared to the prior year. In the business-type activities, the decrease in current assets was driven mainly by a reduction in cash and investments. Capital assets declined in both governmental and business-type activities as a result of current-year depreciation expense.

Net position from business-type activities decreased by \$873,305, or 4%, in 2025, compared to a decrease of less than 1% in 2024. This decline is primarily attributable to increases in operating expenses, including higher employee-related costs and repairs and maintenance expenses.

Lafayette Parish Communication District
Lafayette, Louisiana

Management's Discussion and Analysis

The following table provides a summary of the District's changes in net position:

	Governmental Activities		Business-type Activities		Total Government	
	2025	2024	2025	2024	2025	2024
Revenues						
<u>Program revenues:</u>						
Charges for services	\$ -	\$ -	\$ 4,823,645	\$ 4,840,781	\$ 4,823,645	\$ 4,840,781
Operating grants	78,932	599,001	-	-	78,932	599,001
Capital grants	6,768	222,864	-	-	6,768	222,864
<u>General revenues:</u>						
Investment earnings	4,865	6,211	448,627	557,244	453,492	563,455
Gain/Loss on disposal of assets	-	-	(15,949)	(20,382)	(15,949)	(20,382)
Other general revenues	1,448	-	42,101	14,528	43,549	14,528
Nonemployer pension contributions	-	-	30,864	27,567	30,864	27,567
Total revenues	<u>92,013</u>	<u>828,076</u>	<u>5,329,288</u>	<u>5,419,738</u>	<u>5,421,301</u>	<u>6,247,814</u>
<u>Program expenses:</u>						
Public safety	<u>281,454</u>	<u>386,335</u>	<u>6,202,593</u>	<u>5,557,514</u>	<u>6,484,047</u>	<u>5,943,849</u>
Total expenses	<u>281,454</u>	<u>386,335</u>	<u>6,202,593</u>	<u>5,557,514</u>	<u>6,484,047</u>	<u>5,943,849</u>
Changes in net position	<u>\$ (189,441)</u>	<u>\$ 441,741</u>	<u>\$ (873,305)</u>	<u>\$ (137,776)</u>	<u>\$ (1,062,746)</u>	<u>\$ 303,965</u>

Governmental Activities:

The governmental funds of the District are funded in the most part by appropriations from the City and Parish of Lafayette governments. As previously discussed, any excess or deficiency of revenues over expenditures in these funds is required to be reimbursed to/recovered from the respective government in the subsequent year. The only function of the District is public safety activities. Capital grants and operating grants decreased this year as expected due to the transition of these activities back to Lafayette Consolidated Government. The grants in the current year are the wind-down of prior year grants and no new grants are expected in these funds.

Total expenses of the governmental activities decreased as compared to 2024 due to an overall decrease in expenses.

Business-type Activities:

The majority of revenues from the District's business-type activities are derived from telephone taxes collected by and remitted from various telephone service providers operating within the parish. The District also earns interest income on its investments. Charges for services remained consistent with 2024; however, total expenses increased by 11.6% during the year. Investment earnings and unrealized gains declined by \$108,617, or 16%. The largest expense categories for business-type activities were salaries and benefits, which accounted for 45.6% of total expenses in 2025, and repairs and maintenance, which represented 12.6%. The overall decrease in net position is largely attributable to increased costs in these two areas.

Lafayette Parish Communication District
Lafayette, Louisiana

Management's Discussion and Analysis

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds:

As discussed above, governmental funds are reported in the fund financial statements using a short-term focus on the inflows and outflows of spendable resources. This information is useful in assessing the District's resources available at year-end in relation to its near-term financing requirements. Due to the nature of the District's governmental funds, fund balances do not carry forward; instead, year-end amounts are reported as liabilities payable to the appropriate funding authority.

Proprietary Fund:

The District's major fund is its Proprietary Fund (the "911 Fund"), which functions as the District's primary operating fund. The principal revenue source of the 911 Fund is telephone taxes collected by and received from various telephone service providers operating within the area, and it represents the largest source of funding for the District's day-to-day service delivery. The 911 Fund's net position decreased by \$873,305 during 2025, compared to a decrease of \$137,776 in 2024. This decline is primarily attributable to increased salaries and benefits, as well as higher repairs and maintenance costs.

BUDGETARY HIGHLIGHTS

Proprietary Fund

The Proprietary Fund's original budget for fiscal year 2025 was developed based on actual results from fiscal year 2024. While final budgeted revenues remained unchanged from the original budget, budgeted expenditures were increased to reflect actual expense trends. Overall, budgeted expenditures for fiscal year 2025 increased by approximately \$725,000 compared to 2024, primarily due to higher employment-related costs and increased repairs and maintenance expenses.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of October 31, 2025, the District's net investment in capital assets totaled \$13,824,574, compared to \$14,407,918 at October 31, 2024, representing a decrease of 4.05%. This decrease is primarily attributable to current-year depreciation expense. The District's investment in capital assets consists of buildings and improvements, equipment, furniture, and construction in progress, as applicable.

Lafayette Parish Communication District
Lafayette, Louisiana

Management’s Discussion and Analysis

See Note 8 for additional information about changes in capital assets during the fiscal year.

Capital Assets at Year-End, Net of Depreciation

	Governmental Activities		Business-type Activities		Total Government	
	2025	2024	2025	2024	2025	2024
Buildings and Improvements	\$ 219,275	\$ 263,130	\$ 9,520,471	\$ 9,808,429	\$ 9,739,746	\$ 10,071,559
Furniture and Equipment	625,333	770,919	3,293,909	3,353,855	3,919,242	4,124,774
Construction in Progress	-	-	165,586	211,585	165,586	211,585
Totals	<u>\$ 844,608</u>	<u>\$ 1,034,049</u>	<u>\$ 12,979,966</u>	<u>\$ 13,373,869</u>	<u>\$ 13,824,574</u>	<u>\$ 14,407,918</u>

Long-Term Liabilities

At the end of the fiscal year, the District reported long-term liabilities related to Other Post-Employment Benefits (OPEB) and compensated absences. The total balance of these liabilities at October 31, 2025, was \$583,345, compared to \$1,148,279 at October 31, 2024. The decrease is attributable to several factors.

During fiscal year 2025, the District’s Net Pension Liability transitioned to a Net Pension Asset based on updated actuarial valuations, resulting in a reduction of long-term liabilities of \$265,422. OPEB liabilities increased slightly by \$2,720 at year-end. In addition, compensated absences decreased by \$302,232, primarily due to employee retirements during the year.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

The fiscal year 2025–2026 budgets for both the proprietary and governmental fund types were developed based on actual results from fiscal year 2024–2025. The proprietary fund budget anticipates revenues to remain stable, with a modest increase in expenditures primarily related to employee compensation and benefit cost increases. The governmental fund budget does not anticipate any changes in revenues or expenditures for fiscal year 2025–2026.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the District’s finances, comply with finance-related laws and regulations, and demonstrate the District's commitment to public accountability. If you have questions about this report or would like to request additional information, contact Craig Stansbury, Director, Lafayette Parish Communication District, 1810 W. Willow Street, Scott, Louisiana 70583.

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS (GWFS)**

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF NET POSITION
OCTOBER 31, 2025**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS- TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Current Assets			
Cash	\$ 9,828	\$ 1,413,790	\$ 1,423,618
Investments	62,475	8,984,060	9,046,535
Telephone Tax Receivable	-	323,994	323,994
Other Receivable	675	102,555	103,230
Prepaid Expense	<u>-</u>	<u>54,500</u>	<u>54,500</u>
Total Current Assets	<u>72,978</u>	<u>10,878,899</u>	<u>10,951,877</u>
Noncurrent Assets:			
Property and Equipment (Net)	844,608	12,814,380	13,658,988
Net Pension Asset	-	297,240	297,240
Construction in Progress	<u>-</u>	<u>165,586</u>	<u>165,586</u>
Total Noncurrent Assets	<u>844,608</u>	<u>13,277,206</u>	<u>14,121,814</u>
TOTAL ASSETS	<u>\$ 917,586</u>	<u>\$ 24,156,105</u>	<u>\$25,073,691</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources - Pension	\$ -	\$ 409,372	\$ 409,372
Deferred Outflows of Resources - OPEB	<u>-</u>	<u>51,977</u>	<u>51,977</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>461,349</u>	<u>461,349</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCE	<u>\$ 917,586</u>	<u>\$ 24,617,454</u>	<u>\$25,535,040</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF NET POSITION
OCTOBER 31, 2025**

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS- TYPE ACTIVITIES</u>	<u>TOTAL</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 2,172	\$ 103,330	\$ 105,502
Salaries Payable	-	42,121	42,121
Accrued Compensated Absences - Current	-	118,155	118,155
Due to City/Parish of Lafayette	47,514	-	47,514
Unearned Revenue	<u>23,292</u>	<u>-</u>	<u>23,292</u>
Total Current Liabilities	<u>72,978</u>	<u>263,606</u>	<u>336,584</u>
Noncurrent Liabilities			
Accrued Compensated Absences	-	413,117	413,117
Other Post Employment Benefits	<u>-</u>	<u>170,228</u>	<u>170,228</u>
Total Noncurrent Liabilities	<u>-</u>	<u>583,345</u>	<u>583,345</u>
TOTAL LIABILITIES	<u><u>\$ 72,978</u></u>	<u><u>\$ 846,951</u></u>	<u><u>\$ 919,929</u></u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources - Pension	\$ -	\$ 266,151	\$ 266,151
Deferred Inflows of Resources - OPEB	<u>-</u>	<u>35,918</u>	<u>35,918</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u><u>\$ -</u></u>	<u><u>\$ 302,069</u></u>	<u><u>\$ 302,069</u></u>
NET POSITION			
Net Investment in Capital Assets	\$ 844,608	\$ 12,979,966	\$ 13,824,574
Unrestricted (Deficit)	<u>-</u>	<u>10,488,468</u>	<u>10,488,468</u>
TOTAL NET POSITION	<u><u>\$ 844,608</u></u>	<u><u>\$ 23,468,434</u></u>	<u><u>\$ 24,313,042</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u><u>\$ 917,586</u></u>	<u><u>\$ 24,617,454</u></u>	<u><u>\$ 25,535,040</u></u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2025**

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-type Activities	Total
Governmental Activities							
Public Safety	\$ 281,454	\$ -	\$ 78,932	\$ 6,768	\$ (195,754)	\$ -	\$ (195,754)
Total Governmental Activities	<u>281,454</u>	<u>-</u>	<u>78,932</u>	<u>6,768</u>	<u>(195,754)</u>	<u>-</u>	<u>(195,754)</u>
Business-type Activities							
Public Safety	6,202,593	4,823,645	-	-	-	(1,378,948)	(1,378,948)
Total Business-Type Activities	<u>6,202,593</u>	<u>4,823,645</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,378,948)</u>	<u>(1,378,948)</u>
Total Primary Government	<u>\$ 6,484,047</u>	<u>\$ 4,823,645</u>	<u>\$ 78,932</u>	<u>\$ 6,768</u>	<u>(195,754)</u>	<u>(1,378,948)</u>	<u>(1,574,702)</u>
General Revenues:							
Interest and Investment Earnings					4,865	448,627	453,492
Gain (Loss) on Disposal of Assets					-	(15,949)	(15,949)
Other General Revenues					1,448	42,101	43,549
Nonemployer Pension Contributions					-	30,864	30,864
Total General Revenues					<u>6,313</u>	<u>505,643</u>	<u>511,956</u>
Change in Net Position					(189,441)	(873,305)	(1,062,746)
Net Position-Beginning					<u>1,034,049</u>	<u>24,341,739</u>	<u>25,375,788</u>
Net Position-Ending					<u>\$ 844,608</u>	<u>\$ 23,468,434</u>	<u>\$ 24,313,042</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

FUND FINANCIAL STATEMENTS (FFS)

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**BALANCE SHEET - GOVERNMENTAL FUNDS
OCTOBER 31, 2025**

	<u>Office of Homeland Security and Emergency Preparedness</u>	<u>Communication System Management</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash	\$ 61	\$ 9,767	\$ 9,828
Investments	386	62,089	62,475
Other Receivables	<u>4</u>	<u>671</u>	<u>675</u>
 TOTAL ASSETS	 <u>\$ 451</u>	 <u>\$ 72,527</u>	 <u>\$ 72,978</u>
 LIABILITIES			
Accounts Payable	\$ -	\$ 2,172	\$ 2,172
Due to City/Parish of Lafayette	451	47,063	47,514
Unearned Revenue	<u>-</u>	<u>23,292</u>	<u>23,292</u>
 TOTAL LIABILITIES	 451	 72,527	 72,978
 FUND BALANCE	 <u>-</u>	 <u>-</u>	 <u>-</u>
 TOTAL LIABILITIES AND FUND BALANCE	 <u>\$ 451</u>	 <u>\$ 72,527</u>	 <u>\$ 72,978</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCE
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
OCTOBER 31, 2025**

Total Governmental Fund Balances	\$ -
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<u>844,608</u>
<i>Net Position of Governmental Activities</i>	<u>\$ 844,608</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED OCTOBER 31, 2025**

	Office of Homeland Security and Emergency Preparedness	Communication System Management	Total Governmental Funds
REVENUE			
Governmental Appropriations	\$ 16,073	\$ 110,373	\$ 126,446
Grant Revenue	6,768	-	6,768
Investment Earnings	563	4,302	4,865
Total Revenue	23,404	116,123	139,527
EXPENDITURES			
Current:			
Non-Capital Expenses	698	-	698
Professional Fees	-	500	500
Repairs and Maintenance	-	27,162	27,162
Supplies and Materials	-	884	884
Telecommunications	-	18,906	18,906
Tower Rentals	-	17,376	17,376
Transportation	111	-	111
Utilities	-	4,232	4,232
Capital Outlay:			
Equipment	22,144	-	22,144
Total Expenditures	22,953	69,060	92,013

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
YEAR ENDED OCTOBER 31, 2025**

	Office of Homeland Security and Emergency Preparedness	Communication System Management	Total Governmental Funds
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 451	\$ 47,063	\$ 47,514
OTHER FINANCING SOURCES (USES):			
Reimbursement of Excess Funds:			
City/Parish of Lafayette	(451)	(47,063)	(47,514)
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	-	-	-
FUND BALANCE, BEGINNING	-	-	-
FUND BALANCE, ENDING	\$ -	\$ -	\$ -

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED OCTOBER 31, 2025**

Net Change in Fund Balance - Total Governmental Funds	\$	-
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*Amounts reported for governmental activities in the
Statement of Activities are different because:*

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital Outlay	\$ 22,144		
Depreciation	<u>(211,585)</u>	<u>(189,441)</u>	

<i>Change in Net Position of Governmental Activities</i>	\$	<u>(189,441)</u>
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The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF NET POSITION
PROPRIETARY FUND - "911" FUND
OCTOBER 31, 2025**

ASSETS

CURRENT ASSETS

Cash	\$ 1,413,790
Investments	8,984,060
Telephone Tax Receivable	323,994
Other Receivables	102,555
Prepaid Expense	<u>54,500</u>
Total Current Assets	<u>10,878,899</u>

PROPERTY AND EQUIPMENT

Building and Improvements	11,918,772
Furniture and Equipment	9,760,953
Construction in Progress	<u>165,586</u>
Total	21,845,311
Less: Accumulated Depreciation	<u>(8,865,345)</u>
Net Property and Equipment	<u>12,979,966</u>

TOTAL ASSETS	\$ <u>23,858,865</u>
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DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows of Resources - Pension	\$ 409,372
Deferred Outflows of Resources - OPEB	<u>51,977</u>
Total Deferred Outflows of Resources	<u>\$ 461,349</u>

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ <u>24,320,214</u>
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The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF NET POSITION
PROPRIETARY FUND - "911" FUND
OCTOBER 31, 2025**

LIABILITIES

CURRENT LIABILITIES

Accounts Payable	\$ 103,330
Salaries Payable	42,121
Accrued Compensated Absences- Current Portion	118,155
Due to Others	<u>-</u>
Total Current Liabilities	<u>263,606</u>

NON-CURRENT LIABILITIES

Accrued Compensated Absences	413,117
Net Pension Liability (Asset)	(297,240)
Postemployment Benefit Obligation Payable	<u>170,228</u>
Total Non-Current Liabilities	<u>286,105</u>

TOTAL LIABILITIES	<u>\$ 549,711</u>
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DEFERRED INFLOWS OF RESOURCES

Deferred Inflows of Resources - Pension	\$ 266,151
Deferred Inflows of Resources - OPEB	<u>35,918</u>
Total Deferred Inflows of Resources	<u>\$ 302,069</u>

NET POSITION

Net Investment in Capital Assets	\$ 12,979,966
Unrestricted	<u>10,488,468</u>

TOTAL NET POSITION	<u>\$ 23,468,434</u>
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TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 24,320,214</u>
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The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND - "911" FUND
FOR THE YEAR ENDED OCTOBER 31, 2025**

OPERATING REVENUE	
Telephone Tax	\$ 4,823,645
Total Operating Revenue	<u>4,823,645</u>
OPERATING EXPENSES	
Contractual Services	296,415
Depreciation	993,835
Dues and Subscriptions	2,103
Duplicating Expense	3,664
Engineering Services	23,060
Insurance	437,001
Janitorial Services	26,710
Miscellaneous	21,012
Office and Postage	380
Other Post Employment Benefits	8,292
Printing	199
Professional Fees	26,025
Publication and Recordings	1,696
Rent	15,867
Repairs and Maintenance	782,058
Retirement and Medicare	250,025
Salaries	2,570,761
Supplies and Materials	112,481
Telecommunications	514,393
Training	37,898
Transportation	18,289
Travel and Meetings	1,750
Uniforms	922
Utilities	<u>57,757</u>
Total Operating Expenses	<u>6,202,593</u>
OPERATING INCOME (LOSS)	<u>(1,378,948)</u>
NON-OPERATING REVENUES (EXPENSES)	
Investment Earnings	448,627
Miscellaneous Revenue	42,101
Gain (Loss) on Disposal of Assets	(15,949)
Nonemployer Pension Contribution	<u>30,864</u>
Total Non-Operating Revenues (Expenses)	<u>505,643</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUND - "911" FUND
FOR THE YEAR ENDED OCTOBER 31, 2025**

DECREASE IN NET POSITION	\$ (873,305)
NET POSITION, BEGINNING	<u>24,341,739</u>
NET POSITION, ENDING	<u>\$ 23,468,434</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF CASH FLOWS
PROPRIETARY FUND - "911" FUND
FOR THE YEAR ENDED OCTOBER 31, 2025**

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received From Providing Services	\$ 4,872,018
Cash Paid to Suppliers	(2,670,892)
Cash Paid to Employees	<u>(3,145,767)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>(944,641)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Purchases and Construction of Property and Equipment	<u>(615,881)</u>
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(615,881)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Cash Received from Others	<u>(18,350)</u>
NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES	<u>(18,350)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of Investments	<u>602,812</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>602,812</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(976,060)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,389,850</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,413,790</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Loss	\$ (1,378,948)
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation	993,835
Miscellaneous Revenue	42,101
Provision for Net Pension Liability, Net	(38,045)
Changes in Assets and Liabilities:	
Telephone Tax Receivable	26,289
Prepaid Expenses	(37,471)
Other Receivables	(20,017)
Accounts Payable	(253,741)
Salaries Payable	(80,628)
Accrued Compensated Absences	(184,077)
Other Post Employment Benefits	<u>(13,939)</u>
Net Cash Provided by Operating Activities	<u>\$ (944,641)</u>

The Accompanying Notes are an Integral Part of the Basic Financial Statements.

NOTES TO FINANCIAL STATEMENTS

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to accounting principles generally accepted in the United States as applicable to governments. The following is a summary of the significant policies.

Basis of Presentation – The Lafayette Parish Communication District’s financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The *Governmental Accounting Standards Board* (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Financial Reporting Entity –The Lafayette Parish Communication District is governed by an appointed board of commissioners and consists of the “911” Fund, the Office of Homeland Security and 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 Homeland Security and Emergency Preparedness Fund (OHSEP) was consolidated with the Lafayette Parish Communication District on November 1, 1984. Funding for OHSEP is provided by the State of Louisiana Office of Homeland Security and Emergency Preparedness, the City of Lafayette and the Parish of Lafayette. Any revenues in excess of expenditures are 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 other agencies 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.

The accompanying financial statements present the District’s funds and activities. As required by GAAP, these financial statements present the District as a component unit of the Consolidated Government of Lafayette, Louisiana.

Government-Wide Financial Statements (GWFS) - The Statement of Net Position and the Statement of Activities display information about the District as a whole. These statements include all the financial activities of the District. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB’s *Codification*, Section N50. The statement of activities presents a comparison between direct expenses and program revenues for each of the functions of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Government-Wide Financial Statements (GWFS) – continued - Program revenues include (a) fees and charges paid by the recipients of services offered by the District, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (FFS) – The financial transactions of the Lafayette Parish Communication District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenses or expenditures. The various funds are reported by generic classification within the financial statements.

The following fund types are used by the Lafayette Parish Communication District:

Governmental Funds –

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 –

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary fund of the District:

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 emphasis on fund financial statements is on major funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the District or its total assets, liabilities, revenues, or expenditures of the individual fund type is at least ten percent of the corresponding total for all of that fund type, or if management and officials consider a fund to be particularly important. Non-major funds by category are summarized into a single column. The non-major funds are combined in a column in the fund financial statements. The Proprietary Fund – “911” Fund is the operating fund of the District and is considered a major fund. The Office of Homeland Security and Emergency Preparedness Fund and the Communication System Management Fund are reported as non-major funds for the year ended October 31, 2025.

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.

Accrual

Governmental activities in the government-wide financial statements and the proprietary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred. 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.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Modified Accrual

The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year-end. Intergovernmental revenues and fees, charges and commissions for services are recorded when the District is entitled to the funds. Interest on interest-bearing deposits is recorded or accrued as revenues when earned. Substantially all other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred, if measurable.

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.

Cash and Interest-Bearing Deposits – Cash and interest-bearing deposits are stated at cost, which approximates market.

Unearned Revenue – Unearned 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.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets – Capital assets purchased or acquired with an original cost of \$1,000 or more are reported at historical cost or estimated cost if historical cost is not available. The District’s capitalization policy matches that of the City/Parish of Lafayette, its fiscal agent. Contributed assets are recorded as capital assets at their estimated fair market value at the date of donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Building and improvements	20 – 40 years
Vehicles	5 years
Equipment and Furniture	5 -10 years

Right-of-Use Assets - Right-of-use assets are recorded for leases and contracts for information technology subscriptions in accordance with GASB Statement No. 87, *Leases* and 96 *Subscription-Based Information Technology Arrangements (SBITAs)*, respectively. The right-of-use asset is initially measured at the initial amount of the lease or contract liability, adjusted for payments made at or before the commencement of the lease or contract date, plus certain indirect costs. Subsequently, the right-of-use asset is amortized on a straight-line basis over its contract or lease term.

Compensated Absences – Employees earn annual and sick leave in accordance with personnel policies. A liability for compensated absences is recorded when leave is earned and is more likely than not to be paid upon separation from service. The liability is measured using employees’ pay rates in effect at the financial statement date, including applicable employer-paid benefits.

In accordance with GASB Statement No. 101, *Compensated Absences*, the District classifies compensated absences as current or long-term based on the amount that is more likely than not to be settled within one year of the financial statement date. Management evaluates historical leave usage trends, earned versus used leave patterns, and retirement and payout provisions in making this determination.

Based on historical experience, active employees have consistently earned more leave than they have used, and leave expected to be taken in the subsequent year is anticipated to be offset by leave earned during that period. Accordingly, compensated absences attributable to active employees are reported as long-term liabilities. Accrued annual leave balances related to employees who retired subsequent to year-end or who were eligible to retire as of year-end are considered more likely than not to be settled within one year and are therefore reported as current liabilities

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 regular or disability retirement, death, or upon permanent layoff of an employee with 15 years or more of employment provided an offer of employment in a position of equal or greater pay was not refused and will not be paid upon any other type of separation from service.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimated accrued compensated absences resulting from unused vacation and sick leave at the end of the fiscal year are recorded in the financial statements in accordance with the entity's leave policies. At October 31, 2025, the total liability for compensated absences was \$531,272, of which \$118,155 has been classified as a current liability and \$413,117 has been classified as a long term liability in the statements of net position.

Prepaid Items – Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items.

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

Interfund Transactions – Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Equity Classifications – In the government-wide statement of net position, equity is classified as net position and displayed in three components:

- a. Net investments in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those net assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District has no restricted net assets at October 31, 2025.
- c. Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

In the fund financial statements, governmental equity is classified as fund balance. However, due to the nature of the governmental funds, there is no fund balance reported in these funds at the end of the fiscal year.

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

**LAFAYETTE PARISH COMMUNICATION DISTRICT
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NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources - In some instances, the GASB requires a government to delay recognition of decreases in net position as expenditures until a future period. In other instances, governments are required to delay recognition of increases in net position as revenues in a future period. In these circumstances, deferred outflows of resources and deferred inflows of resources result from the delayed recognition of expenditures or revenues, respectively.

NOTE 2 CASH AND INVESTMENTS

The District's cash and investments are included in the Consolidated Government of Lafayette Parish's (LCG) Cash Management Fund, which is pooled with LCG's other investments. Interest earned from the pooled cash management fund is apportioned to each fund based on its average daily cash balance. LCG's investments are categorized to give an indication of the level of risk assumed by LCG at year-end.

Category 1 includes investments that are insured or registered or for which the securities are held by LCG or its agent in LCG's name. All funds are considered Category 1 at October 31, 2025.

Cash and investments include bank balances and investments that at the balance sheet date Cash balances are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. The District has no custodial credit risk associated with these deposits.

As a component unit of the Consolidated Government of Lafayette, Louisiana, the District follows the Cash Management Rules and Guidelines of the Lafayette City-Parish Consolidated Government. Following are the risks associated with these rules and guidelines.

Interest Rate Risk: As a means of limiting its exposure to fair-value losses arising from rising interest rates, the District's investment policy limits the investment portfolio to "money market instruments", which are defined as very creditworthy, highly liquid investments with maturities of one year or less. Although there may be certain circumstances in which longer-term securities are utilized, the general use of long-term securities shall be avoided.

Credit Risk: The District's Investment Policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies.

Concentration of Credit Risk: The District's investment policy limits the District's investment instruments to: 1) Certificates of Deposit; 2) Certain direct obligations of the US Government; 3) Other "direct obligations" of the U.S. Government; and, 4) Obligations of certain US Government Agencies.

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NOTES TO FINANCIAL STATEMENTS

NOTE 3 INVESTMENTS

As of October 31, 2025, the Government's investments were as follows:

<u>Primary Government:</u>			<u>Maturities</u>	
Investment Type:	<u>% of Portfolio</u>	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>1 - 5 Years</u>
LAMP	1.18%	\$ 740	\$ 740	\$ -
U.S. Treasuries	73.09%	45,665	31,023	14,642
U.S. Instrumentalities	25.72%	16,070	10,828	5,242
Total investments	<u>99.99%</u>	<u>\$ 62,475</u>	<u>\$ 42,591</u>	<u>\$ 19,884</u>

<u>Proprietary Fund:</u>			<u>Maturities</u>	
Investment Type:	<u>% of Portfolio</u>	<u>Fair Value</u>	<u>Less than 1 Year</u>	<u>1 - 5 Years</u>
LAMP	1.19%	\$ 106,517	\$ 106,517	\$ -
U.S. Treasuries	73.09%	6,566,601	4,461,188	2,105,413
U.S. Instrumentalities	25.72%	2,310,942	1,557,159	753,783
Total investments	<u>100.00%</u>	<u>\$ 8,984,060</u>	<u>\$ 6,124,864</u>	<u>\$ 2,859,196</u>

The following provides information about interest rate risk associated with the Government's investments:

Credit rate risk: The risks are managed by restricting investments to those authorized by R.S. 33:5162. The Government's Investment Policy limits investments to fully insured and/or fully-collateralized certificates of deposits and direct and indirect obligations of U.S. government agencies. The Government's investments in U.S. Treasuries and U.S. Instrumentalities were rated AA+ and A-1+ by Standard and Poor's and repurchase agreements were not rated.

Concentration of credit risk: R.S. 33:2955 provides that all fixed income investments be appropriately diversified by maturity, security, sector, and credit quality. At October 31, 2025, no more than 5 percent of the Government's total investments were invested in any single issue.

Custodial Credit Risk - In the event of the failure of the counterparty, the Government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Government's investment policy requires all investments to be in the Government's name and all ownership securities to be evidenced by an acceptable safekeeping receipt issued by a third-party financial institution which is acceptable to the Government. Accordingly, the Government had no custodial credit risk related to its investments.

In accordance with GASB Statement No. 31, the Government recognized a net increase in the fair value of investments in the amount of \$14 and \$2,561 for Governmental Funds and Proprietary funds, respectively. This amount takes into account all changes in fair value that occurred during the year. The unrealized loss on investments held at October 31, 2025 was \$14 and \$2,561 for Governmental Funds and Proprietary funds, respectively.

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NOTES TO FINANCIAL STATEMENTS

NOTE 4 TELEPHONE TAX RECEIVABLE

The telephone tax is received by the “911” Fund from AT&T Mobility, Inc., Cox Louisiana Telecom, LLC, BellSouth Telecommunications, Inc., the Louisiana Department of Revenue and various other vendors from amounts billed to their customers. At October 31, 2025, the telephone tax receivable was \$323,994. 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.

NOTE 5 PENSION PLAN

During the year ended October 31, 2015, the District adopted the provisions of Governmental Accounting Statement No. 68 – *Accounting and Financial Reporting for Pensions*. The Parochial Employees’ Retirement System of Louisiana prepare their employer schedules in accordance with Governmental Accounting Statement No. 68 - *Accounting and Financial Reporting for Pensions* – an amendment of GASB Statement No. 27. GASB Statement No. 68 establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources and expenses/expenditures. It provides methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value and attribute that present value to periods of employee service. It also provides methods to calculate participating employer’s proportionate share of net pension liability, deferred inflows, deferred outflows, pension expense and amortization periods for deferred inflows and deferred outflows.

The employer pension schedules for the Parochial Employees’ Retirement System of Louisiana are prepared using the accrual basis of accounting. Members’ earnable compensation, for which the employer allocations are based, is recognized in the period in which the employee is compensated for services performed. The member’s earnable compensation is attributed to the employer for which the member is employed as of October 31, 2025.

Substantially all of the District’s employees are covered under the Parochial Employees’ Retirement System of Louisiana. Details concerning the plan are:

Plan Description:

The Parochial Employees’ Retirement System of Louisiana (the System) is a cost-sharing multiple-employer defined benefit pension plan established by Act 205 of the 1952 regular session of the Legislature of the State of Louisiana to provide retirement benefits to all employees of any parish in the state of Louisiana or any governing body or a parish which employs and pays persons serving the parish.

Act 765 of the year 1979, established by the Legislature of the State of Louisiana, revised the System to create Plan A and Plan B to replace the “regular plan” and the “supplemental plan”. Plan A was designated for employers out of Social Security. Plan B was designated for those employers that remained in Social Security on the revision date. Employees of the District are members of Plan A.

The Parochial Employees’ Retirement System of Louisiana issues a stand-alone report on their financial statements. Access to the report can be found on the Louisiana Legislative Auditor’s website, www.la.la.gov.

The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to these appropriate statutes for more complete information.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

Eligibility Requirements:

All permanent parish government employees (except those employed by Orleans, Lafourche and East Baton Rouge Parishes) who work at least 28 hours a week shall become members on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate.

As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

Retirement Benefits:

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service.
2. Age 55 with twenty-five (25) years of creditable service.
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service.
2. Age 62 with 10 years of service.
3. Age 67 with 7 years of service.

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to 3% of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits:

Upon the death of any member of Plan A with five (5) or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes.

Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

Deferred Retirement Option Plan:

Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the Retirement System. DROP is an option for that member who is eligible for normal retirement.

In lieu of terminating employment and accepting a service retirement, any member of Plan A or B who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable, but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For individuals who become eligible to participate in the Deferred Retirement Option Plan on or after January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in the Plan will be placed in liquid asset money market investments at the discretion of the Board of Trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts.

The participant in the self-directed portion of this Plan must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any returns and other rights of the Plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits:

For Plan A, a member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, if not eligible for normal retirement, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to three percent of the member's final average compensation multiplied by his years of service, not to be less than fifteen, or 3% multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

Cost of Living Increases:

The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

Cost of Living Increases (Continued):

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age sixty-five equal to 2% of the member's benefit paid on October 1, 1977, (or the member's retirement date, if later). Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. (RS 11:1937). Lastly, Act 270 of 2009 provided for further reduced actuarial payments to provide an annual 2.5% cost of living adjustment commencing at age 55.

Employer Contributions:

According to state statute, contributions for all employers are actuarially determined each year. For the years ended December 31, 2024, and 2023, the actuarially determined contribution rate was 7.34% and 7.49%, respectively, of member's compensation for Plan A. The actual contribution rate for each of the fiscal years ending December 31, 2024, and 2023 was 11.50% and 11.50% respectively for Plan A.

According to state statute, the System also receives $\frac{1}{4}$ of 1% of ad valorem taxes collected within the respective parishes, except for Orleans and East Baton Rouge parishes. The System also receives revenue sharing funds each year as appropriated by the Legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities.

Employer Allocations:

The schedule of employer allocations reports the historical employer contributions, in addition to the employer allocation percentage for each participating employer. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the plan during the fiscal year ended December 31, 2024 as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2024.

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

At October 31, 2025, the District reported a pension asset of \$297,240 for its proportionate share of the net pension asset, of which \$0 and \$297,240 was reported in the governmental activities and business-type activities, respectively. The net pension asset was measured as of December 31, 2024, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The District's proportion of the net pension asset was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2024, the District's proportion was .30%, which was an increase of .02% from its proportion measured as of December 31, 2023.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

For the year ended October 31, 2025, the District recognized pension expense of \$249,409 adjusted for the employer's amortization of change in proportionate share and differences between employer contributions and proportionate share of contributions of \$0.

At October 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Business-Type Activities</u>	
	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Differences between expected and actual experience	\$ 181,392	\$ 25,838
Changes in assumptions	-	32,708
Difference between projected and actual earnings on pension plan investments	-	195,732
Difference between employer contributions and proportionate share of contributions	-	11,873
Changes in proportion	-	-
Employer contributions subsequent to measurement date	<u>227,980</u>	<u>-</u>
Total	<u>\$ 409,372</u>	<u>\$ 266,151</u>

Deferred outflows of resources of \$227,980 related to pensions resulting from the District's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended October 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31:</u>	
2025	\$ 103,606
2026	262,785
2027	(303,651)
2028	<u>(147,499)</u>
Totals	<u>\$ (84,759)</u>

Actuarial Methods and Assumptions:

The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions (continued):

The components of the net pension liability/asset of the System's employers as of December 31, 2025, are as follows:

	<u>PLAN A</u>
Total Pension Liability	\$5,103,465,936
Plan Fiduciary Net Position	5,204,028,719
Total Net Pension Liability (Asset)	<u>\$(100,562,783)</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2024, are as follows:

Valuation Date	December 31, 2024
Actuarial Cost Method	Plan A – Entry Age Normal
Investment Rate of Return	6.40% net of investment expense, including inflation
Expected Remaining Service lives	4 years
Projected Salary Increases	Plan A – 4.75%
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2021 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale. Pub-2010 Public Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale for disabled annuitants.
Inflation Rate	2.30%

The discount rate used to measure the total pension liability was 6.40% for Plan A. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

Based on those assumptions, the System’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the capital asset pricing model (top-down), a treasury yield curve approach (bottom-up) and an equity building-block model (bottom-up). Risk return and correlations are projected on a forward-looking basis in equilibrium, in which best estimates of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These rates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.13% for the year ended December 31, 2024.

Best estimates of arithmetic real rates of return for each major asset class included in the System’s target asset allocation as of December 31, 2024 are summarized in the following table:

	Target Asset Allocation	Long-Term Expected Portfolio Real -1820011
Fixed Income	37%	1.08%
Equity	47%	2.82%
Alternatives	15%	0.76%
Real Assets	1%	0.07%
Totals	100%	4.73%
Inflation		2.40%
Expected Arithmetic Nominal Return		7.13%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2018 through December 31, 2022. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality. As a result of this study, mortality for employees was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. In addition, mortality for annuitants and beneficiaries was set equal to the Pub-2010 Public Retirement Plans Mortality Table for Healthy Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale. For disabled annuitants, mortality was set equal to the Pub-2010 Public Retirement Plans Mortality Table for General Disables Retirees multiplied by 130% for males and 125% for females, each with full generational projection using the MP2021 scale.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

Sensitivity to Changes in Discount Rate:

The following presents the net pension liability/asset of the participating employers as of December 31, 2024 calculated using the discount rate of 6.40%, as well as what the employers' net pension liability would be if it were calculated using a discount rate that is one percentage point lower 5.40% or one percentage point higher 7.40% than the current rate.

	Plan A - Changes in Discount Rate		
	1.0% Decrease	Current Discount	1.0% Increase
	5.4%	Rate of 6.4%	7.4%
Net Pension Liability (Asset)	\$ 1,516,913	\$ (297,240)	\$ (1,820,011)

Change in Net Pension Liability:

The changes in the net pension liability for the year ended October 31, 2025 were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience:

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred inflow of resources in the amount of \$25,838 and a deferred outflow of resources in the amount of \$181,392 for Plan A for the year ended October 31, 2025.

Differences between Projected and Actual Investment Earnings:

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred inflow of resources in the amounts of \$195,732 and a deferred outflow of resources in the amount of \$0 for Plan A for the year ended October 31, 2025.

Change in Assumptions:

The changes in assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The change in assumptions or other inputs resulted in deferred inflows of \$32,708 and outflows of resources in the amount of \$0 for Plan A, for the year ended October 31, 2025.

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NOTES TO FINANCIAL STATEMENTS

NOTE 5 PENSION PLAN (CONTINUED)

Change in Proportion:

Changes in the employer's proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense/(benefit) using a the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. The change in proportion resulted in a deferred inflow of resources in the amount of \$11,873 and a deferred outflow of resources in the amount of \$0 for Plan A, for the year ended October 31, 2025.

Contributions – Proportionate Share:

Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense/(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

NOTE 6 POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

General Information about the OPEB Plan

Plan description – The LPCD provides certain continuing health care and life insurance benefits for its retired employees. The LPCD's OPEB Plan (the OPEB Plan) is a single-employer defined benefit OPEB plan administered by the LPCD. The authority to establish and/or amend the obligation of the employer, employees and retirees rests with the LPCD. No assets are accumulated in a trust that meets the criteria in Governmental Accounting Standards Board (GASB).

Benefits Provided – Medical benefits are provided through insured programs. The plan provisions are contained in the official plan documents. Employees are covered by Plan A of Parochial Employees Retirement System (PERS), whose retirement eligibility (D.R.O.P. entry) provisions are as follows: for active members hired before January 1, 2007: 30 years of service at any age; age 55 and 25 years of service; age 60 and 10 years of service; or, age 65 and 7 years of service; for active members hired on and after January 1, 2007: age 55 and 30 years of service; age 62 and 10 years of service; or, age 67 and 7 years of service.

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NOTES TO FINANCIAL STATEMENTS

NOTE 6 POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Employees covered by benefit terms – As of the measurement date October 31, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	31
	33

Total OPEB Liability

The LPCD’s total OPEB liability of \$170,228 was measured as of October 31, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the October 31, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.5%
Salary increases	4.0%, including inflation
Discount rate	4.16% annually (Beginning of Year to Determine ADC) 4.74%, annually (As of End of Year Measurement Date)
Healthcare cost trend rates	5.5% annually for 10 years, 4.5% thereafter
Mortality	SOA RP-2000 Table

The discount rate was based on the average of the Bond Buyers' 20 Year General Obligation municipal bond index as of October 31, 2025, the end of the applicable measurement period.

The actuarial assumptions used in the October 31, 2025 valuation were based on the results of ongoing evaluations of the assumptions from November 1, 2009 to October 31, 2024.

Changes in the Total OPEB Liability

Balance at October 31, 2024	\$ 167,508
Changes for the Year:	
Service Cost	4,777
Interest	6,841
Difference between Expected and Actual	9,554
Changes in Assumptions	(12,320)
Benefit Payments and Net Transfers	(6,132)
Net Changes	2,720
Balance at October 31, 2025	\$ 170,228

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 6 POSTEMPLOYMENT HEALTH CARE AND LIFE INSURANCE BENEFITS (CONTINUED)

Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the LPCD, as well as what the LPCD’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.74%) or 1-percentage-point higher (5.74%) than the current discount rate:

	1.0% Decrease (3.74%)	Current Discount Rate (4.74%)	1.0% Increase (5.74%)
Total OPEB liability	\$ 206,510	\$ 170,228	\$ 142,163

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the LPCD, as well as what the LPCD’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.5%) or 1-percentage-point higher (6.5%) than the current healthcare trend rates:

	1.0% Decrease (4.5%)	Current Trend (5.5%)	1.0% Increase (6.5%)
Total OPEB liability	\$ 145,355	\$ 170,228	\$ 202,613

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended October 31, 2025, the LPCD recognized OPEB expense of \$8,292. At October 31, 2025 the LPCD reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 35,501	\$ (3,076)
Changes in assumptions	16,476	(32,842)
Total	\$ 51,977	\$ (35,918)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending October 31:	
2026	\$ 2,806
2027	2,806
2028	(1,208)
2029	2,263
2030	2,263
Thereafter	7,148
	\$ 16,078

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 7 LEASES

The District has entered into a lease with AT&T 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 current lease term runs from June 1, 2025, through May 31, 2026. Monthly lease payments were \$9,240 through May 31, 2025 then \$7,200 for the new lease term. Future minimum lease payments at October 31, 2025, were \$50,400.

In June 2004, the District entered into an Intergovernmental Agreement with the City of Carencro to lease a parcel of land for construction of the Mobile Operations Center Garage. The initial term of the lease is fifty years, scheduled to be up for renewal in June 2054. After the initial term, the City has the option to continue the lease on a month-to-month basis. There is no cost to the District for this lease.

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**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 8 CAPITAL ASSETS

Capital asset activity for the year ended October 31, 2025 was as follows:

	<u>Balance 10/31/2024</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Balance 10/31/2025</u>
<u>Governmental Activities:</u>				
Capital assets, being depreciated				
Buildings	\$ 885,759	\$ -	\$ -	\$ 885,759
Furniture and equipment	<u>4,230,930</u>	<u>22,144</u>	<u>-</u>	<u>4,253,074</u>
Total capital assets being depreciated	<u>5,116,689</u>	<u>22,144</u>	<u>-</u>	<u>5,138,833</u>
Less: Accumulated depreciation for:				
Buildings	(622,629)	(43,855)	-	(666,484)
Furniture and equipment	<u>(3,460,011)</u>	<u>(167,730)</u>	<u>-</u>	<u>(3,627,741)</u>
Total accumulated depreciation	<u>(4,082,640)</u>	<u>(211,585)</u>	<u>-</u>	<u>(4,294,225)</u>
 Total capital assets being depreciated, net	<u>1,034,049</u>	<u>(189,441)</u>	<u>-</u>	<u>844,608</u>
Governmental activities capital assets, net	<u>\$ 1,034,049</u>	<u>\$ (189,441)</u>	<u>\$ -</u>	<u>\$ 844,608</u>
 <u>Business-type Activities:</u>				
Capital assets, being depreciated				
Buildings	\$ 11,918,772	\$ -	\$ -	\$ 11,918,772
Furniture and equipment	<u>9,153,207</u>	<u>661,880</u>	<u>(54,134)</u>	<u>9,760,953</u>
Total capital assets being depreciated	<u>21,071,979</u>	<u>661,880</u>	<u>(54,134)</u>	<u>21,679,725</u>
Less: Accumulated depreciation for:				
Buildings	(2,110,343)	(287,958)	-	(2,398,301)
Furniture and equipment	<u>(5,799,352)</u>	<u>(705,877)</u>	<u>38,185</u>	<u>(6,467,044)</u>
Total accumulated depreciation	<u>(7,909,695)</u>	<u>(993,835)</u>	<u>38,185</u>	<u>(8,865,345)</u>
 Total capital assets being depreciated, net	<u>13,162,284</u>	<u>(331,955)</u>	<u>(15,949)</u>	<u>12,814,380</u>
 Construction in progress	<u>211,585</u>	<u>499,812</u>	<u>(545,811)</u>	<u>165,586</u>
Business-type activities capital assets, net	<u>\$ 13,373,869</u>	<u>\$ 167,857</u>	<u>\$ (561,760)</u>	<u>\$ 12,979,966</u>

Depreciation expense for the year ended October 31, 2025 was charged as direct expense to programs of the government as follows:

Governmental Activities – Public Safety	<u>\$ 211,585</u>
Business-Type Activities – Public Safety	<u>\$ 993,835</u>

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 9 BOARD COMPENSATION

The Board of Commissioners serve without compensation or per diem.

NOTE 10 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; error and omissions; and natural disasters. The District is insured to reduce the exposure to these risks.

NOTE 11 LITIGATION

From time to time, the District is exposed to risk of loss related to claims against the District, arising in the normal course of operations. Management believes that the District's insurance coverage is sufficient for potential liabilities, if any. Therefore, no amounts were recorded in these financial statements.

NOTE 12 COMMITMENTS – SUBSCRIPTION COSTS

In February 2021, the District entered into an agreement with Motorola Solutions for the equipment and installation of a Command Central Aware system and Situational Awareness custom interface. The project and installation were completed during 2023. The agreement also includes a cancellable four year subscription for licensing, maintenance and technical support at an annual cost of \$39,560. Based on the terms and types of services provided, management does not believe the subscription meets the requirements under Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. Related subscription costs for the year ended October 31, 2025 were \$39,560. Future payments required under the agreement are as follows:

Year ending October 31:	
<u>2026</u>	<u>\$ 39,560</u>
Total	<u><u>\$ 39,560</u></u>

NOTE 13 COMMITMENTS – CONSTRUCTION CONTRACT

At October 31, 2025, the District had entered into a construction contract for the Water Booster Pump Project with a total contract price of \$159,500. Because the project had not commenced as of year-end, no costs had been incurred under the contract through October 31, 2025, and the District's remaining contractual commitment at October 31, 2025 was \$159,500.

Subsequent to year end, the District approved change orders related to this project, including Change Order No. 1 dated January 22, 2026 in the amount of \$10,538 and Change Order No. 2 dated February 5, 2026 in the amount of \$2,500, increasing the total authorized contract amount to \$172,538.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

NOTES TO FINANCIAL STATEMENTS

NOTE 14 NEW ACCOUNTING PRONOUNCEMENTS

Effective November 1, 2024, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. GASB Statement No. 101 updates the guidance related to the recognition and measurement of liabilities for compensated absences and replaces GASB Statement No. 16. The new standard requires a government to recognize a liability for compensated absences that are attributable to services already rendered, accumulate, and are more likely than not to be settled through a cash payment or other means. In addition, GASB Statement No. 101 requires governments to evaluate and separately classify the current portion of compensated absences based on the amount that is more likely than not to be settled within one year of the financial statement date.

As part of implementation, management evaluated the District's compensated absences policies and historical usage patterns, including earned and used leave trends, retirement eligibility, and payout provisions. Management also evaluated the classification of accrued leave between current and long-term portions in accordance with the requirements of GASB Statement No. 101.

The implementation of GASB Statement No. 101 did not result in a material change to the District's previously reported compensated absences liability as of November 1, 2024. Accordingly, no restatement of beginning net position for the prior fiscal year was required.

NOTE 15 SUBSEQUENT EVENTS

The District has evaluated subsequent events through April 3, 2026, the date which these financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET (GAAP BASIS) AND ACTUAL
ENTERPRISE FUND - PROPRIETARY FUND
FOR THE YEAR ENDED OCTOBER 31, 2025**

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUE				
Telephone Tax	\$ 4,600,000	\$ 4,600,000	\$ 4,823,645	\$ 223,645
Miscellaneous Revenue	10,000	10,000	42,101	32,101
Investment Earnings	240,000	240,000	448,627	208,627
Gain (Loss) on Fixed Asset Disposal	(50,000)	(50,000)	(15,949)	34,051
Nonemployer Pension Contribution	-	-	30,864	30,864
Total Revenue	4,800,000	4,800,000	5,329,288	529,288
EXPENSES				
Current:				
Contractual Services	50,000	300,000	296,415	3,585
Depreciation	900,000	900,000	993,835	(93,835)
Dues and Subscriptions	3,000	3,000	2,103	897
Duplicating Expense	4,000	4,000	3,664	336
Engineering Services	-	50,000	23,060	26,940
Insurance	442,000	454,800	437,001	17,799
Janitorial Services	35,000	35,000	26,710	8,290
Miscellaneous	28,000	30,000	21,012	8,988
Office and Postage	1,500	1,500	380	1,120
Other Post Employment Benefits	75,000	75,000	8,292	66,708
Printing	1,000	1,000	199	801
Professional Fees	41,000	41,000	26,025	14,975
Publication and Recordings	1,500	1,500	1,696	(196)
Rent	-	-	15,867	(15,867)
Repairs and Maintenance	740,000	815,000	782,058	32,942
Retirement and Medicare	660,360	660,360	250,025	410,335
Salaries	2,772,000	2,772,000	2,570,761	201,239
Supplies and Materials	250,000	246,200	112,481	133,719
Telecommunications	460,000	460,000	514,393	(54,393)
Training	40,000	40,000	37,898	2,102
Transportation	18,000	18,000	18,289	(289)
Travel and Meetings	3,000	3,000	1,750	1,250
Uniforms	4,000	4,000	922	3,078
Utilities	70,000	70,000	57,757	12,243
Total Expenses	\$ 6,599,360	\$ 6,985,360	\$ 6,202,593	\$ 782,767
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(1,799,360)	(2,185,360)	(873,305)	(253,479)

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET (GAAP BASIS) AND ACTUAL
ENTERPRISE FUND - PROPRIETARY FUND
FOR THE YEAR ENDED OCTOBER 31, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES (BROUGHT FORWARD)	\$ (1,799,360)	\$ (2,185,360)	\$ (873,305)	\$ 132,521
NET POSITION, BEGINNING	<u>24,341,739</u>	<u>24,341,739</u>	<u>24,341,739</u>	<u>-</u>
NET POSITION, ENDING	<u>\$22,542,379</u>	<u>\$ 22,156,379</u>	<u>\$ 23,468,434</u>	<u>\$ 132,521</u>

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED OCTOBER 31, 2025**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability								
Service cost	\$ 4,777	\$ 4,136	\$ 4,066	\$ 5,140	\$ 4,493	\$ 3,631	\$ 2,803	\$ 3,131
Interest	6,841	6,421	5,784	3,447	2,856	3,673	5,069	5,352
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	9,554	2,601	7,013	13,992	29,246	(12,298)	8,152	2,838
Changes of assumptions	(12,320)	-	2,022	(38,290)	1,824	8,894	20,410	(10,136)
Benefit payments	<u>(6,132)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,460)</u>	<u>(14,654)</u>	<u>(30,714)</u>	<u>(29,113)</u>
Net change in total OPEB liability	2,720	13,158	18,885	(15,711)	22,959	(10,754)	5,720	(27,928)
Total OPEB liability - beginning	<u>167,508</u>	<u>154,350</u>	<u>135,465</u>	<u>151,176</u>	<u>128,217</u>	<u>138,971</u>	<u>133,251</u>	<u>161,179</u>
Total OPEB liability - ending	<u>\$ 170,228</u>	<u>\$ 167,508</u>	<u>\$ 154,350</u>	<u>\$ 135,465</u>	<u>\$ 151,176</u>	<u>\$ 128,217</u>	<u>\$ 138,971</u>	<u>\$ 133,251</u>
Covered-employee payroll	<u>\$ 2,339,817</u>	<u>\$ 2,249,824</u>	<u>\$ 1,860,936</u>	<u>\$ 1,789,362</u>	<u>\$ 1,669,060</u>	<u>\$ 1,693,359</u>	<u>\$ 1,498,849</u>	<u>\$ 1,484,009</u>
Net OPEB liability as a percentage of covered-employee payroll	<u>7.28%</u>	<u>7.45%</u>	<u>8.29%</u>	<u>7.57%</u>	<u>9.06%</u>	<u>7.57%</u>	<u>9.27%</u>	<u>8.98%</u>
Notes to Schedule:								
Benefit Change	None	None	None	None	None	None	None	None
Changes of Assumptions:								
Discount Rate	4.74%	4.16%	4.16%	4.27%	2.28%	2.37%	2.79%	2.37%

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS - OPEB
FOR THE YEAR ENDED OCTOBER 31, 2024**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 14,653	\$ 13,236	\$ 12,159	\$ 12,153	\$ 10,513	\$ 10,530	\$ 10,792	\$ 12,060
Contributions in relation to the actuarially determined contribution								
Employer contributions to trust	-	-	-	-	-	-	-	-
Employer-paid retiree premiums	(6,132)	-	-	-	(15,460)	(14,654)	(30,714)	(29,113)
Contribution deficiency (excess)	<u>\$ 8,521</u>	<u>\$ 13,236</u>	<u>\$ 12,159</u>	<u>\$ 12,153</u>	<u>\$ (4,947)</u>	<u>\$ (4,124)</u>	<u>\$ (19,922)</u>	<u>\$ (17,053)</u>
Covered annual payroll	<u>\$ 2,339,817</u>	<u>\$ 2,249,824</u>	<u>\$ 1,860,936</u>	<u>\$ 1,789,362</u>	<u>\$ 1,669,060</u>	<u>\$ 1,693,359</u>	<u>\$ 1,498,849</u>	<u>\$ 1,484,009</u>
Contributions as a percentage of covered employee payroll	<u>0.36%</u>	<u>0.59%</u>	<u>0.65%</u>	<u>0.68%</u>	<u>-0.30%</u>	<u>-0.24%</u>	<u>-1.33%</u>	<u>-1.15%</u>

This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY
FOR THE YEAR ENDED OCTOBER 31, 2025**

Year ended October 31,	Employer Proportion of the Net Pension Liability (Asset)	Employer Proportionate Share of the Net Pension Liability (Asset)	Employer's Covered Employee Payroll	Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2016	0.229240%	\$ 603,427	\$ 1,412,214	42.7%	92.23%
2017	0.2369997%	\$ 488,104	\$ 1,411,574	34.6%	94.15%
2018	0.225874%	\$ (167,654)	\$ 1,580,812	-10.6%	101.98%
2019	0.246655%	\$ 1,094,262	\$ 1,643,375	66.6%	88.86%
2020	0.259891%	\$ 12,234	\$ 1,772,885	0.7%	99.89%
2021	0.263322%	\$ (468,241)	\$ 1,787,213	-26.2%	104.00%
2022	0.250317%	\$ (1,179,104)	\$ 1,895,939	-62.2%	90.53%
2023	0.290863%	\$ 1,119,469	\$ 2,265,332	49.4%	109.00%
2024	0.278594%	\$ 265,422	\$ 2,284,755	11.6%	98.03%
2025	0.295577%	\$ (297,240)	\$ 2,775,986	-10.7%	101.97%

* - The amounts presented have a measurement date of December 31.

This schedule is intended to show information for 10 years.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION
FOR THE YEAR ENDED OCTOBER 31, 2025**

Year ended October 31,	Contractually Required Contribution	Contributions in Relation to Contractual Required Contribution	Contribution Deficiency (Excess)	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2016	\$ 204,771	\$ 192,689	\$ 12,082	\$ 1,412,214	13.64%
2017	\$ 183,505	\$ 179,245	\$ 4,260	\$ 1,411,574	12.70%
2018	\$ 197,602	\$ 176,057	\$ 21,545	\$ 1,580,812	11.14%
2019	\$ 188,988	\$ 177,570	\$ 11,418	\$ 1,643,375	10.81%
2020	\$ 203,882	\$ 187,501	\$ 16,381	\$ 1,772,885	10.58%
2021	\$ 205,529	\$ 205,161	\$ 368	\$ 1,787,213	11.48%
2022	\$ 232,253	\$ 218,660	\$ 13,593	\$ 1,895,939	11.53%
2023	\$ 260,513	\$ 232,762	\$ 27,751	\$ 2,265,332	10.27%
2024	\$ 262,747	\$ 210,630	\$ 52,117	\$ 2,284,755	9.22%
2025	\$ 319,238	\$ 227,980	\$ 91,258	\$ 2,775,986	8.21%

This schedule is intended to show information for 10 years.

**LAFAYETTE PAISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED OCTOBER 31, 2025**

NOTE 1 PENSION PLAN

Benefit Changes – There were no changes of benefit terms for the year ended October 31, 2025.

Changes in Assumptions – Changes of assumptions about future economic or demographic factors or of other inputs were recognized in pension expense using the straight-line method of amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. These assumptions include the rate of investment return, mortality of plan members, rate of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan.

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS

Benefit Changes – There were no changes of benefit terms for the year ended October 31, 2025.

Change of Assumptions – The discount rate as of October 31, 2024 was 4.16% and changed to 4.74% as of October 31, 2025.

OTHER SUPPLEMENTARY INFORMATION

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF WIRELESS 911 REVENUES AND EXPENDITURES
FOR THE YEAR ENDED OCTOBER 31, 2025**

REVENUES

AT&T (Lafayette MSA)	\$	2,100,321
Verizon Wireless/CELLCO		516,714
T-Mobile Central		355,330
State of Louisiana - Department of Revenue		320,658
Acadian Cellular		124,320
Consumer Cellular		83,092
T-Mobile West		30,471
Other wireless companies		100,071
TOTAL REVENUES		\$ 3,630,977

NOTE:

The collection of the Wireless 911 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 and Phase II 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. All Phase I and Phase II system implementation requirements are complete.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
FOR THE YEAR ENDED OCTOBER 31, 2025**

Agency Head Name: James C. Stansbury

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 169,758
Benefits - Insurance, Retirement, Medicare, etc.	27,989
Vehicle Subsidy Leases	120
Per Diem	338
Travel	2,061
Registration Fees	200
Transportation	310
	<u>\$ 200,776</u>

See Independent Auditors' Report.

COMPLIANCE AND INTERNAL CONTROL

Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance with
Government Auditing Standards

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and the major funds of Lafayette Parish Communication District, A Component Unit of the Consolidated Government of Lafayette, Louisiana, as of and for the year ended October 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated April 3, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Lafayette Parish Communication District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Lafayette Parish Communication District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Lafayette Parish Communication District's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor of the State of Louisiana as a public document.

Darnall, Sikes & Frederick

(A Corporation of Certified Public Accountants)

Lafayette, Louisiana

April 3, 2026

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED OCTOBER 31, 2025**

We have audited the financial statements of the Lafayette Parish Communication District as of and for the year ended October 31, 2025 and have issued our report thereon dated April 3, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of October 31, 2025 resulted in an unmodified opinion.

Section I - Summary of Auditors' Reports

A. FINANCIAL STATEMENTS

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses	_____ Yes	_____ No
Significant Deficiency	_____ Yes	_____ No

Compliance

Compliance Material to Financial Statements	_____ Yes	_____ No
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B. FEDERAL AWARDS

This section is not applicable for the fiscal year ended October 31, 2025.

Section II - Financial Statement Findings

The audit did not disclose any findings required to be reported.

Section III - Federal Award Findings and Questioned Costs

This section is not applicable for the fiscal year ended October 31, 2025.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED OCTOBER 31, 2025**

There were no prior year findings.

**LAFAYETTE PARISH COMMUNICATION DISTRICT
A COMPONENT UNIT OF THE CONSOLIDATED GOVERNMENT
OF LAFAYETTE, LOUISIANA**

**MANAGEMENT'S CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED OCTOBER 31, 2025**

No current year findings were noted, therefore, no response is deemed necessary.