

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**For The Year Ended  
December 31, 2014**

**The Consolidated Government  
of the City of Baton Rouge and  
Parish of East Baton Rouge,  
Louisiana**

**Prepared by  
Finance Department  
Marsha J. Hanlon, Director**



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
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## Department of Finance

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Parish of East Baton Rouge

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June 24, 2015

The Honorable Mayor-President  
and Members of the Metropolitan Council  
City of Baton Rouge  
Parish of East Baton Rouge  
Baton Rouge, Louisiana 70802

Dear Mayor-President and Council Members:

Pursuant to Louisiana State Statutes and The Plan of Government, I hereby issue the Comprehensive Annual Financial Report (CAFR) for the consolidated government of the City of Baton Rouge and Parish of East Baton Rouge (City-Parish) for the fiscal year ended December 31, 2014. The Accounting Division of the City-Parish Finance Department prepared this report in accordance with Generally Accepted Accounting Principles (GAAP). We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and results of operations of the City-Parish as measured by the financial activities of its various funds and the entity-wide presentation; and that disclosures necessary to enable readers to gain an understanding of City-Parish financial affairs have been included. Responsibility for the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the local government.

The City-Parish financial statements have been audited by Postlethwaite & Netterville, APAC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Consolidated Government of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, financial statements for the fiscal year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first document of the financial section of this report.

The City-Parish is required to undergo an annual single audit in conformance with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the auditors' reports on the internal control structure and compliance with applicable laws and regulations, is presented immediately following the Statistical Section of this publication.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of *Management's Discussion and Analysis (MD&A)*. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City-Parish's MD&A can be found immediately following the report of the independent auditors.

**Profile of the Government**



The Parish of East Baton Rouge was established as a division of government of the *West Florida Republic* in 1810. The Parish later became a local governmental unit of the State of Louisiana and the United States when Louisiana was admitted to the Union in 1812. The City of Baton Rouge was incorporated as a municipality on July 6, 1817. These two government entities operated as separate local government units until January 1, 1949. At an election on August 12, 1947, the voters of both the parish and the city adopted the current Plan of Government (as amended) which consolidated the administration of most local government services for the city and the parish. Baton Rouge was one of the first consolidated forms of local government established in the United States. The elected Mayor-President serves as the leader of the executive branch of City-Parish government. The legislative branch is the elected Metropolitan Council, which is composed of 12 district representatives.

The City-Parish provides a full range of services to the general public, including police and fire protection, emergency medical services, public works, social services, public transportation, planning and zoning, economic development, an airport, a convention center, construction and maintenance of streets and infrastructure, libraries, courts, general administrative services, sewage treatment, and solid waste collection and disposal.



A determination of the financial reporting entity to be included in this CAFR is made through the application of criteria established by section 2100 of the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards* (as revised by GASB Statement No. 61 – The Financial Reporting Entity: Omnibus). A complete explanation of the financial reporting entity is included in the Summary of Significant Accounting Policies in the Notes to the Financial Statements.

The City-Parish financial reporting entity consists of the following:

- The Primary Government - This is the City-Parish (all funds under the auspices of the Mayor-President and the Metropolitan Council).
- Legally separate component units - These units of government are legally separate from the City-Parish government but have a sufficiently close relationship with the government to warrant inclusion in the consolidated financial report.

The financial statements included in this CAFR are as follows:

<u>Name of Organization</u>	<u>Type of Unit</u>
➤ The City-Parish	Primary Government
➤ City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System	Blended Component Unit
➤ District Attorney of the Nineteenth Judicial District	Discrete Component Unit
➤ Nineteenth Judicial District Court	Discrete Component Unit
➤ Nineteenth Judicial District Court Building Commission	Discrete Component Unit
➤ East Baton Rouge Parish Family Court	Discrete Component Unit
➤ East Baton Rouge Parish Juvenile Court	Discrete Component Unit
➤ East Baton Rouge Parish Clerk of Court	Discrete Component Unit
➤ East Baton Rouge Parish Redevelopment Authority	Discrete Component Unit
➤ Cytreniks Group/King Hotel Special Taxing District	Discrete Component Unit
➤ Bluebonnet Convention Hotel Taxing District	Discrete Component Unit
➤ Capital Area Transit System	Discrete Component Unit

An explanation of the accounting policies of the City-Parish is contained in the Notes to the Financial Statements. The basis of accounting, fund structure, and other significant information on financial policies is explained in detail in the Notes to the Financial Statements.

Budgetary control is maintained by the encumbrance of appropriations with purchase orders prior to their release to vendors. Purchase orders that exceed appropriation balances are not released unless additional appropriations are made available. The annual operating budget, or financial plan, is proposed by the Mayor-President and enacted by the Metropolitan Council. Management control for the operating budget is maintained at the fund and department level. Additional details on the budget process are explained in the Notes to the Financial Statements.

Budget-to-actual comparisons are provided in this report for each individual governmental fund. For the General Fund, Library Board of Control Special Revenue Fund, and Grants Special Revenue Fund, this comparison is presented in Exhibits A-7 through A-9. The Capital Projects Fund budget statement is presented on a project length basis as legally adopted by the Metropolitan Council on Exhibit B-3. For other governmental funds, the annual budget comparison is presented in the Combining and Individual Fund Statements and Schedules, Exhibits B-4 through B-33.

Under The Plan of Government, the Finance Department is entrusted with maintaining accounting systems for the City, Parish, and districts over which the Metropolitan Council is the governing body, in accordance with the best-recognized practices in governmental accounting. It keeps the records for, and exercises financial and budgetary control over, each City-Parish department, office, and agency.



In developing and evaluating the accounting system of the City-Parish, the Finance Department considers the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and regarding the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the City-Parish government is responsible for ensuring that adequate internal controls are in effect. All internal control evaluations occur within the framework described. The Finance Department believes that the internal controls of the City-Parish adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions.

## **FACTORS AFFECTING FINANCIAL CONDITION**

### **Economic Condition and Outlook**

The City of Baton Rouge, the state capital, is located on the Mississippi River in the southeast region of the state and is a major center for commerce, industry, tourism, and many diverse cultural activities. The City-Parish is the principal home of two major state universities: Louisiana State University and Southern University. The Baton Rouge MSA has the largest concentration of chemical industry employment in the state and is the home of the nation's fourth largest refinery.

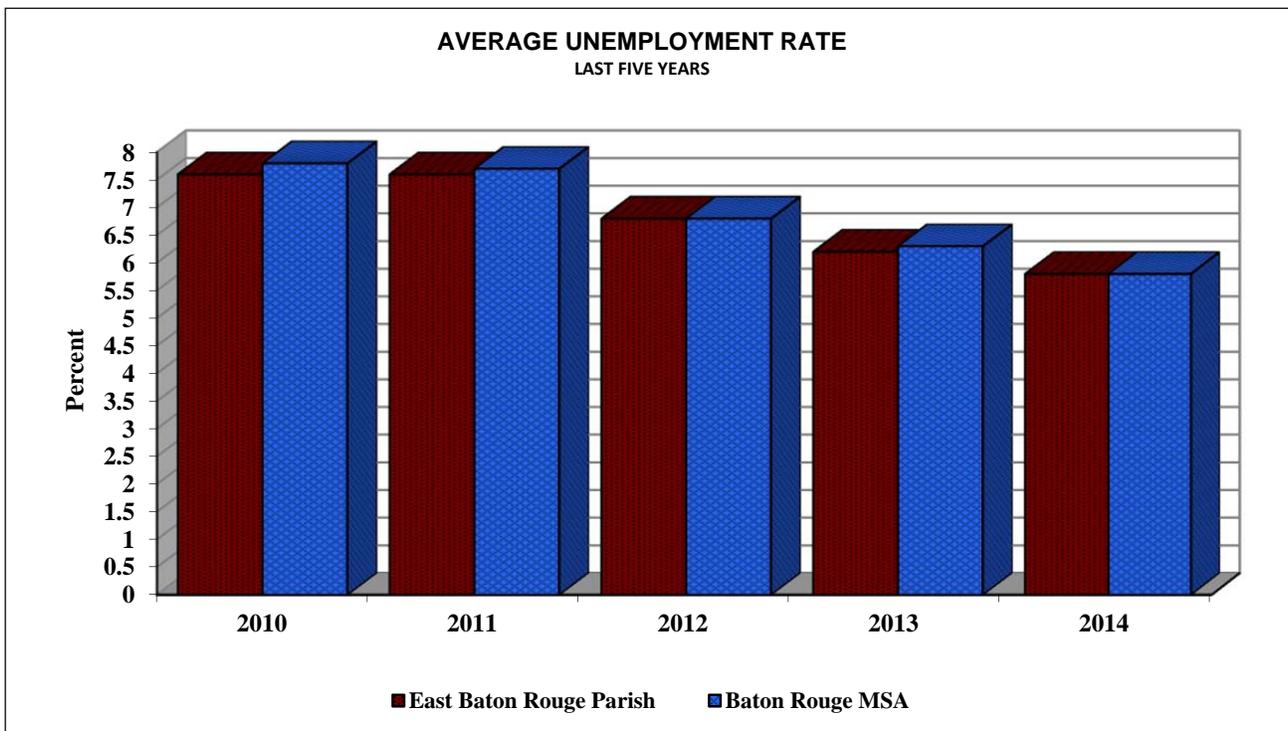


A number of significant companies engaged in oil refining, petrochemical processing, and wood products are found in the industrial corridor along the Mississippi River near Baton Rouge. These industries are major employers of Baton Rouge's labor force. Other important industries include government, construction, banking and financial services, insurance, real estate, and wholesale and retail trade.

According to the United States Department of Labor, Bureau of Labor Statistics, the annual average rate of local unemployment decreased 0.4% in East Baton Rouge Parish and decreased 0.5% in the Baton Rouge MSA in 2014, as reflected in the following chart:

	<u>East Baton Rouge Parish</u>	<u>Baton Rouge MSA</u> <sup>(1)</sup>
2010	7.6	7.8
2011	7.6	7.7
2012	6.8	6.8
2013	6.2	6.3
2014	5.8	5.8

<sup>(1)</sup> Metropolitan Statistical Area (includes East Baton Rouge, West Baton Rouge, Livingston, Ascension, Iberville, St. Helena, Pointe Coupee, East Feliciana, and West Feliciana).



Local economists are predicting job growth in 2015 and 2016 for our region. In October 2014, Dr. James A. Richardson, John Rhea Alumni Professor of Economics at Louisiana State University, and Dr. Loren C. Scott, Professor Emeritus of Economics at Louisiana State University, issued *Louisiana Economic Outlook* (LEO) on Louisiana’s major metropolitan statistical areas. Following are their predictions of economic growth in East Baton Rouge Parish and the Baton Rouge MSA for 2015-2016.

*“The very strong recent, and projected, performance for the Baton Rouge MSA can be heavily traced to the boom in the area’s chemical industry...natural gas prices have fallen sharply in the U.S. but have actually risen in Europe. Chemical firms are prodigious users of natural gas. The price advantage in the U.S. has been translated into a price advantage for our chemicals over those produced in Europe. Consequently, U.S. firms are cutting into Europe’s share of the world chemical market.*

*The Baton Rouge MSA is ideally situated to capitalize on this boom. There are numerous pipelines already in place to deliver natural gas to the plants. There is an abundance of available water (the Mississippi River), and there is an*

excellent waterway for transporting the bulk production of this industry by barge (the Mississippi River). These are the drivers behind \$16.0 billion in industrial announcements in the region.

These announcements include:

- Honeywell is spending \$80 million on expansions at two of its sites in Baton Rouge and one in Geismar.
- Katoen Natie will soon break ground on a \$150 million plastics storage, packaging and distribution center in Baton Rouge. This labor-intensive facility will employ 210 people.
- Gensis Energy announced in early 2014 its plans to build a \$150 million, 1.1 million barrel storage terminal for oil, intermediates, and refined products at the Port of Baton Rouge.

In addition to the industrial projects mentioned above there are sizable public projects underway in the Baton Rouge region.

Much excitement accompanied the announcement of the construction of a new Water Resources Research facility in downtown Baton Rouge. A \$20 million education/research center will be constructed on the old city dock which will be the home of the Water Institute. Construction is to start in late 2014. A \$16 million facility will hold a 90X120 foot model of the Mississippi River from Donaldsonville to the Gulf, and a \$9 million building will be constructed to house the coastal office and research building for the Coastal Protection & Restoration Authority.”

Revenue growth stabilized in 2014 increasing slightly, after Baton Rouge experienced a decline during the national recession in 2010. General sales and use tax (2 percent) collections for General Fund operations and debt service dedications of the City and Parish combined were \$179.1 million, net of Tax Increment Financing District adjustments, an increase of \$2.6 million over 2013 revenues, a 1.51 percent increase. Sales tax collections for the ½ percent sewerage tax and the ½ percent road and street improvement tax both increased by 1.36 percent during fiscal year 2014. The general sales and use tax plays a significant role in financing the operations of the General Fund.

## Major Initiatives in 2014



Riverfront investment and development is experiencing unprecedented growth, a testament to the entire parish’s economic strength and stability. With continued growth, exciting entertainment options, unparalleled cultural amenities, and workforce opportunities all within walking distance, the downtown area has become one of the most desirable places to live and work in Baton Rouge.

Gateway corridors at South Boulevard, Government Street, North Boulevard, Convention Street, Florida Street, Laurel Street, Main Street, and North Street directly connect to riverfront access points. Upcoming projects including lighting and wayfinding signage along preferred pedestrian routes and gateway access points, will provide an improved first impression for the visitors to our riverfront.

Also underway is the re-design and renovation of the Riverfront Plaza. Lighting, audio equipment for public announcements, landscape and irrigation, sidewalk and handicapped access improvements will be made. The Riverfront Plaza area includes the levee stage area and the levee green between the USS Kidd and the plaza.

Design discussions for the replacement of the River Center Branch Library began in the summer of 2012. The design phase is near completion and construction should begin in 2015. It is estimated to take two years to complete.

## Long-Term Financial Planning

### Sewer Improvement Program

The City-Parish entered into a consent decree with the United States Environmental Protection Agency (EPA) and the Louisiana Department of Environmental Quality (DEQ) relative to wastewater improvements in East Baton Rouge Parish on March 14, 2002. The consent decree requires the City-Parish to make various wastewater treatment plant and sanitary sewer infrastructure improvements in order to reduce sanitary sewer overflows in the sewer collection system and meet wastewater discharge permit requirements under wet weather conditions. The consent decree deadline for completing the Sewer Capital Improvements Program is December 31, 2018.

On July 10, 2007, EPA and DEQ formally approved the City-Parish's request to revise the original Remedial Measures Action Plan 2 (RMAP2) Sanitary Sewer Overflow Capital Improvements Program from a complex tunnel system with some rehabilitation and pump station upgrades to a program which emphasizes system-wide rehabilitation, conveyance and pumping upgrades and wet weather improvements to the South Wastewater Treatment Plant. This modified program will rely more on the rehabilitation of the sewer collection system, pump station and transmission improvements, the construction of a flow equalization basin at the South Wastewater Treatment Plant, and improvements to the South Wastewater Treatment Plant Facility.



With a customer base over 138,000, the Parish's sanitary sewer system serves a population of approximately 425,000. The system is extremely complex, consisting of more than 400 pump stations, 10.5 million feet of separate gravity and pressure sewer system pipes and three major treatment plants. Like many other cities, Baton Rouge has encountered many overflow problems with this aging system which has led to the inception of the Sanitary Sewer Overflow (SSO) Improvement Program. The SSO Improvement Plan is progressing at a steady pace. Fifty-nine projects have been completed, thirty-one are under construction and twenty are under design. The approximate value of these projects, either completed, in the design phase, or under construction at the end of the first quarter of 2015 was \$1.6 billion.

A comprehensive financing model has been developed and is being utilized by the Finance Department and Public Works to manage the finances of the Sanitary Sewer Improvement Program. The first annual 4% sewer user fee increase was implemented on January 1, 2004. Annual 4% sewer user fee increases will continue to be levied throughout the life of this program. In order to mitigate additional increases in the sewer user fee, the City-Parish will continue to seek low interest loans, federal grants, and state grants. As of December 31, 2014, the City-Parish had appropriated over \$2 billion for sewer capital improvements, including funding from long-term bonds, impact fees, EPA grants, and pay-as-you-go funding. This \$2 billion represents all capital appropriations since the inception of the Comprehensive Sewerage System Enterprise Fund in 1985.

### One-Half Percent Road and Street Improvement Program

On October 15, 2005, the citizens of East Baton Rouge Parish approved an extension of the current one-half percent (½%) sales and use tax for road and street improvements. The proposition offered to voters extended the so-called "pot-hole" tax for an additional 23 years until 2030, and allowed for 70% of the proceeds to be used for the construction of new roads, widening of existing roads, intersection and signalization improvements, as well as other transportation improvements. In this new road construction program, called the "Green Light Plan", the long-term issuance of debt was authorized, which over time will allow for an accelerated road construction schedule and alleviate the effects of inflation on project costs.

Through a referendum, voters dedicated 27% of the proceeds to the recurring road rehabilitation project, and 3% of the tax to the beautification and street enhancement projects. The road rehabilitation program functions with projects prioritized on a six-month basis. The beautification allocation includes projects such as new sidewalks, curb construction, repairs and improvements that meet the requirements of the Americans with Disabilities Act and landscaping.



As of December 31, 2014, twenty-one “Green Light” projects were in an “active” status ranging from corridor survey/design study through construction. The following project was capitalized in 2014: O’Neal Lane (George O’Neal to S. Harrels Ferry).

It is anticipated that approximately 750 miles of additional City-Parish streets and roads will be rehabilitated over a period of 20 years. Special attention will be given to projects which provide safe pedestrian routes to and from area schools and other public facilities.

It is estimated that over the 25-year period from January 1, 2006, through December 31, 2030, the tax along with the issuance of bonds and interest earnings will fund \$707 million in road improvement projects. The remainder of the tax will provide \$303 million for the rehabilitation and beautification components of the program.

## AWARDS AND ACKNOWLEDGMENTS



The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Baton Rouge and Parish of East Baton Rouge for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2013. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement for Excellence in Financial Reporting by GFOA, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report with contents conforming to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City-Parish has received this award each year for the 26-year period ending December 31, 2013. I believe our current report conforms to the Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for a certificate.

In addition, the City-Parish also received the GFOA's Award for Distinguished Budget Presentation for its annual operating budget prepared for the fiscal year covered by this Comprehensive Annual Financial Report. This was the twenty-first consecutive year that the department received this award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device.

The preparation of this report on a timely basis could not have been accomplished without the dedicated services of a highly qualified staff. I also acknowledge the thorough, professional, and timely manner in which the audit was conducted by our independent auditors, Postlethwaite & Netterville, APAC. We thank the Mayor-President and the Metropolitan Council for their support of excellence in financial reporting and fiscal integrity.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Marsha J. Hanlon'. The signature is written in a cursive, flowing style.

Marsha J. Hanlon  
Finance Director





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Baton Rouge  
Parish of East Baton Rouge  
Louisiana**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2013**

Executive Director/CEO

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2014**



Mayor-President  
Melvin "Kip" Holden



District 1  
Trae Welch



District 2  
Chauna Banks-Daniel



District 4  
Scott Wilson



District 5  
Ronnie Edwards



District 6  
Donna Collins-Lewis



District 7  
C. Denise Marcelle

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2014**



President Pro-Tempore  
District 3  
Chandler Loupe



District 8  
Buddy Amoroso



District 9  
Joel Boe'



District 10  
Tara Wicker

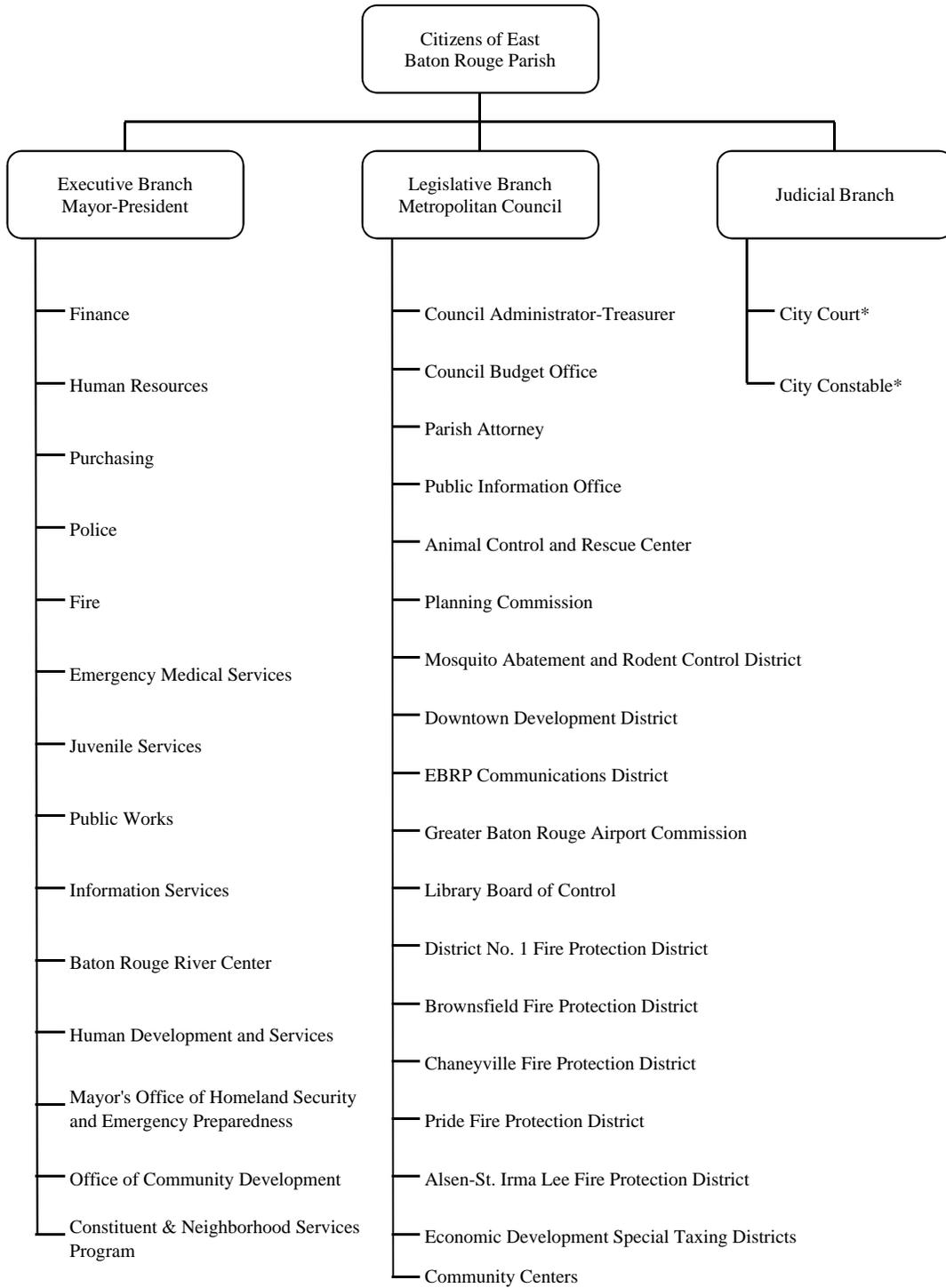


District 11  
Ryan Heck



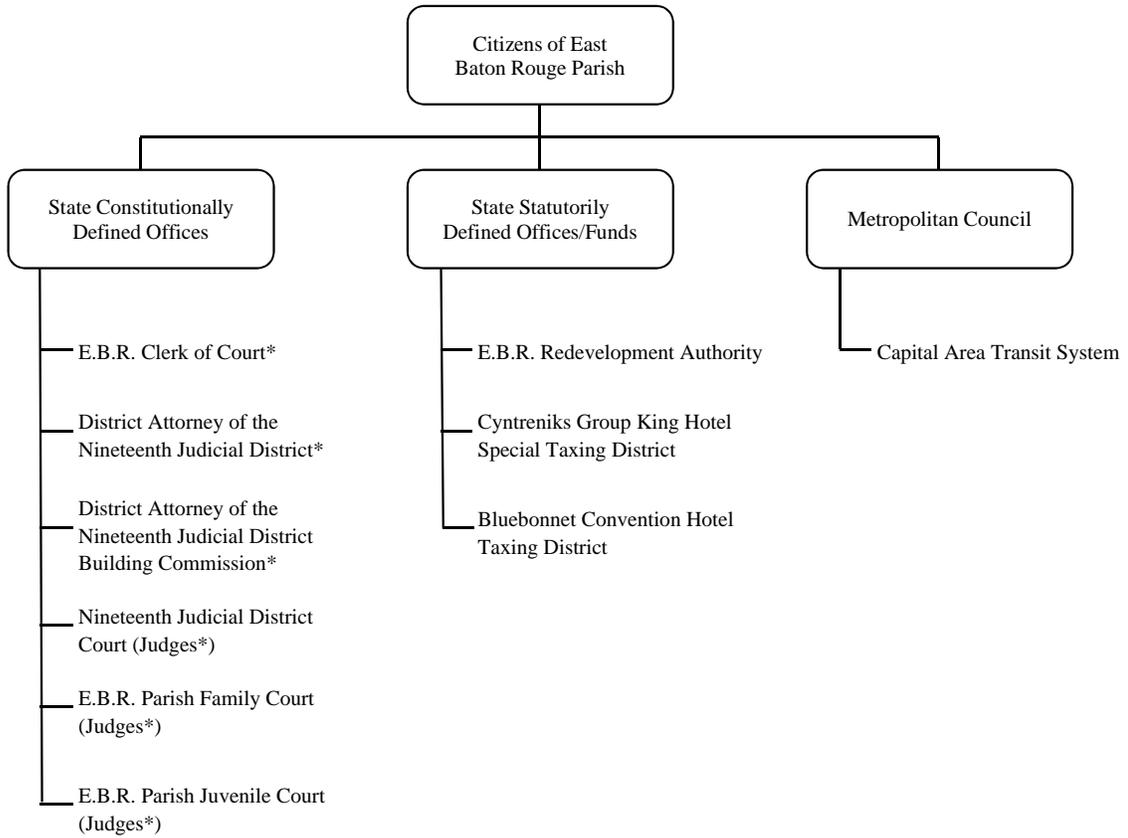
District 12  
John Delgado

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
ORGANIZATIONAL CHART  
PRIMARY GOVERNMENT**



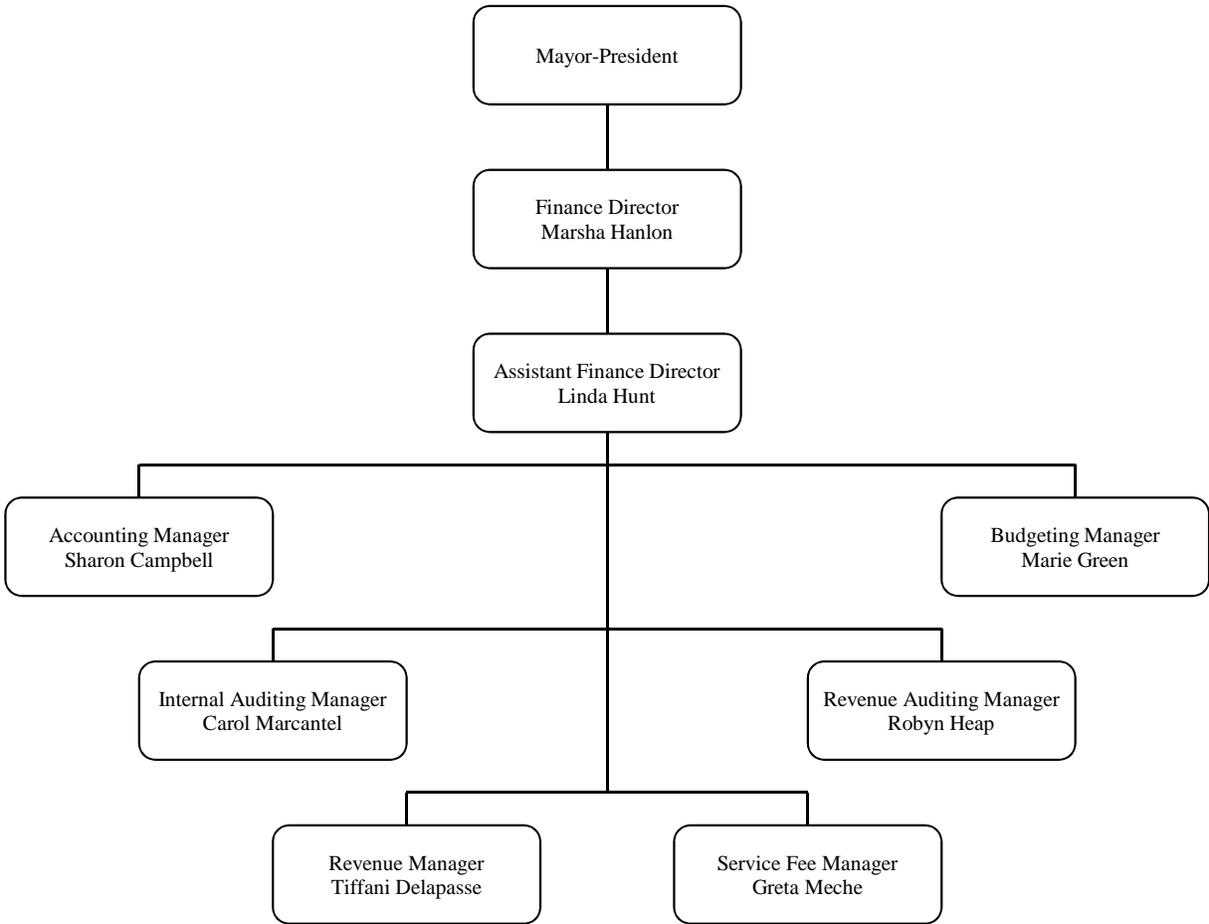
\* Designates Elected Officials

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
ORGANIZATIONAL CHART  
COMPONENT UNITS**



\* Designates Elected Officials

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**ORGANIZATIONAL CHART**  
**FINANCE DEPARTMENT**



## **INDEPENDENT AUDITORS' REPORT**

Honorable Mayor-President and Members  
of the Metropolitan Council  
City of Baton Rouge and Parish of East Baton Rouge  
Baton Rouge, Louisiana

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business type activities, the aggregate discretely presented component units, each major fund, the budgetary comparison information for each major fund, the fiduciary fund, and the aggregate other (non-major) fund information of the City of Baton Rouge and Parish of East Baton Rouge, Louisiana (City-Parish) as of and for the year ended December 31, 2014, which collectively comprise the City-Parish's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the City-Parish's non-major governmental, non-major enterprise, and internal service funds as displayed in the accompanying combining and individual fund financial statements as of and for the year ended December 31, 2014 listed in the table of contents as exhibits B-1 through D-3.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of certain component units discretely presented as described in note 1(a) to the financial statements which represent 93%, 91% and 80%, respectively, of the assets, net position and revenues of the aggregate discretely presented component units. Those financial statements were audited by other auditors, whose reports thereon were furnished to us, and our opinion, herein, insofar as it relates to the amounts included for these entities, is based upon the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

### *Auditors' Responsibility (continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinions*

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the budgetary comparison information, the fiduciary fund, and the aggregate other (non-major) fund information of the City of Baton Rouge-Parish of East Baton Rouge as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each non-major governmental, non-major enterprise and internal service fund of the City-Parish as of December 31, 2014, and the respective changes in financial position and where applicable, cash flows thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### *Other Matters*

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 5 through 18, and the Schedules of Funding Progress and Employer Contributions of the City-Parish's Postemployment Benefit Plan, exhibit A-18, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. 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.

*Other Matters (continued)*

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City-Parish's basic financial statements. The accompanying financial information listed in the Table of Contents as exhibits E-1 through E-3 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards presented on Schedules A and B, pages 255-264 in the Single Audit Section, is also presented for purposes of additional analysis, as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is also not a required part of the basic financial statements. The financial information and the Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying financial information listed in the Table of Contents as Exhibits E-1 through E-3 and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements taken as a whole.

The introductory section on pages v-xviii and the Statistical Section, exhibits F-1 through F-23 are also presented for purposes of additional analysis and are not a required part of the basic financial statements. That information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on this information.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2015 on our consideration of the City-Parish'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 the City-Parish's internal control over financial reporting and compliance.

*Postlethwaite + Nettemille*

Baton Rouge, Louisiana  
June 24, 2015



## CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA MANAGEMENT'S DISCUSSION AND ANALYSIS

As financial management of the City-Parish government, we offer readers of this financial statement an overview and analysis of the financial activities of the City of Baton Rouge, Parish of East Baton Rouge Consolidated Government. This narrative is designed to assist the reader in focusing on significant financial issues, identify changes in the government's financial position, identify any material deviations from the approved budget documents, and identify individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the Letter of Transmittal and the financial statements that begin with Exhibit A-1.

### FINANCIAL HIGHLIGHTS

- Assets and deferred outflows of resources of the City-Parish primary government exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$1,490.8 million (*net position*). Unrestricted net position for governmental activities is a deficit of \$238.7 million, while unrestricted net position for business-type activities is approximately \$54.1 million. The deficit in governmental unrestricted net position is the result of the recognition of \$328.2 million in other postemployment benefit liabilities for governmental activities.
- The primary government's total net position decreased by \$49.3 million during 2014.
- Governmental activities' net position decreased \$7.0 million during 2014 primarily as a result of other postemployment benefits in excess of contributions (\$41.9 million) and other miscellaneous decreases (\$0.9 million) offset by decreased claims and judgements (\$3.3 million), increase in revenues from sales tax (\$4.2 million) and property tax (\$3.9 million) and contributions for capital assets from capital grants and donated infrastructure (\$24.4 million).
- Net Position of business type activities decreased \$42.3 million during 2014 primarily as a result of increased depreciation expense (\$14.1 million) and other postemployment benefits in excess of contributions (\$3.8 million), contingent liabilities (\$4.8 million), bond issuance cost (\$6.1 million) and increased bond interest expense (\$3.5 million) in the sewerage fund, increase in postclosure liability (\$3.0 million), loss on joint venture (\$1.8 million) and other miscellaneous decreases (\$5.2 million).
- As of the close of the current fiscal year, the City-Parish's governmental funds reported combined ending fund balances of \$422.7 million, an increase of \$0.2 million in comparison with the prior year. Approximately 3.6% of the fund balances, \$15.4 million, is *available for spending* at the City-Parish's discretion (*unassigned fund balance*). The remainder of the fund balances are not available for discretionary spending because they are either nonspendable restricted, committed or assigned for specific purposes.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The City-Parish financial statements focus on the government as a whole (government-wide) and the major individual funds. Both perspectives (government-wide and major fund) allow the reader to address relevant questions, broaden a basis for comparison (year to year or government to government) and should enhance the City-Parish's accountability.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Government-Wide Financial Statements**

The government-wide financial statements (see Exhibits A-1 and A-2) are designed to be similar to those of private sector businesses in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The statements combine all governmental funds and internal service funds' current financial resources with capital assets and long-term obligations. Also presented in the government-wide financial statements is a total column for the business-type activities of the primary government. Component units are separate legal governmental entities to which the City-Parish Metropolitan Council may be obligated to provide financial assistance and are presented as a separate column in the government-wide statements and as individual activities within the basic financial statements.

The Statement of Net Position (Exhibit A-1) presents information on all the government's assets and liabilities, and deferred inflows/outflows of resources, with the difference being reported as net position. Over time, changes in net position may serve as a useful indicator of whether the financial position of the City-Parish is improving or weakening.

The Statement of Activities (Exhibit A-2) presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows only in future fiscal periods. For example, uncollected taxes and earned but unused vacation leave result in cash flows for future periods. The focus of the Statement of Activities is on both the gross and net cost of various activities which are funded by the government's general tax and other revenues. This is intended to summarize information and simplify the user's analysis of the cost of various governmental services and/or subsidies to various governmental and business-type activities and component units.

The governmental activities reflect the City-Parish's basic services including public safety (fire, law enforcement, emergency medical services, emergency preparedness, communications), general government services (executive, legislative, judicial), health and welfare (mosquito control, animal control), transportation (street and road maintenance), culture and recreation (library), conservation and development (social programs), and interest and fiscal charges on long-term debt. These services are financed primarily with taxes. The business-type activities reflect private sector type operations (sewer utilities, airport, parking facility, convention center, solid waste collection and disposal) where the fee for service typically covers all or most of the costs.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

**Governmental Funds** are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. The governmental major fund (see Exhibits A-3 through A-9) presentation is presented on a modified accrual basis. This is the manner in which the budget is typically developed excluding certain timing differences between the budget basis and the generally accepted accounting principle (GAAP) basis. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's current financing requirements. The City-Parish has presented the General Fund, Library Board of Control Special Revenue Fund, Grants Special Revenue Fund, and the Capital Projects Fund as major funds. All nonmajor governmental funds are presented in one column, titled other governmental funds. Combining financial statements of the nonmajor funds can be found in the combining and individual fund statements and schedules that follow the basic financial statements.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

While the total column on the business-type fund financial statements for enterprise funds (see Exhibit A-10) is the same as the business-type column at the government-wide financial statement, the governmental major funds total column requires a reconciliation to the government-wide financial statement because of the different measurement focus which is reflected on the page following each statement (see Exhibits A-4 and A-6). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources and will show capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in the government-wide statements.

**Proprietary Funds** encompass both enterprise and internal service funds on the fund financial statements. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The proprietary major fund (see Exhibits A-10 through A-12) presentation is presented on an accrual basis. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City-Parish's various functions. The government uses internal service funds to account for its equipment rental and replacement program and the Central Garage fleet maintenance and fuel activities. Because both of these services predominantly benefit governmental rather than business-type functions, they have been included within the governmental activities section in the government-wide financial statements. Combining statements of the nonmajor individual enterprise and internal service funds can be found in the combining and individual fund statements following the basic financial statements.

Generally accepted accounting principles also require the City-Parish to present **fiduciary funds**. While these funds represent a trust responsibility, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

### **Capital Assets**

General capital assets include land, improvements to land, noise mitigation costs, easements, buildings, vehicles, machinery and equipment, infrastructure, and all other assets that are used in operations and that have initial useful lives greater than two years and exceed the government's capitalization threshold (see Note 6, Exhibit A-17). The City-Parish has capitalized all purchased general capital assets. Donated infrastructure assets accepted into City-Parish maintenance since year 1980 have been capitalized.

### **Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are a required part of the basic financial statements and can be found in Exhibit A-17 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City-Parish's progress in funding its obligation to provide other post-employment benefits to its employees. Required supplementary information can be found on Exhibit A-18.

The audited combining statements referred to earlier in connection with the nonmajor governmental and proprietary funds are presented in Exhibits B-1 through D-3.

Certain supplementary financial information can be found in Exhibits E-1 through E-3 of this report. These schedules and the statistical section (Exhibits F-1 through F-23) are included for additional information and analysis and do not constitute a part of the basic financial statements.

Also included in the report is the Office of Management and Budget A-133 Single Audit auditor reports, findings, and schedules. This information can be found under the Single Audit section.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Government-Wide Financial Analysis**

The following table reflects the condensed Statement of Net Position for 2014, with comparative figures from 2013:

City of Baton Rouge, Parish of East Baton Rouge  
Condensed Statement of Net Position  
December 31, 2014 & 2013  
(in millions)

	Governmental		Business-		Total	
	Activities		Type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Assets:						
Current and Other Assets	\$ 524.9	\$ 521.9	\$ 208.6	\$ 263.3	\$ 733.5	\$ 785.2
Restricted Assets	--	--	492.9	388.0	492.9	388.0
Capital Assets	<u>878.6</u>	<u>859.9</u>	<u>1,780.4</u>	<u>1,660.1</u>	<u>2,659.0</u>	<u>2,520.0</u>
Total Assets	<u>1,403.5</u>	<u>1,381.8</u>	<u>2,481.9</u>	<u>2,311.4</u>	<u>3,885.4</u>	<u>3,693.2</u>
Deferred Outflow of Resources	<u>20.8</u>	<u>16.9</u>	<u>130.6</u>	<u>44.8</u>	<u>151.4</u>	<u>61.7</u>
Liabilities:						
Current Liabilities	87.3	84.6	79.4	78.0	166.7	162.6
Non-current Liabilities	<u>729.1</u>	<u>699.0</u>	<u>1,649.9</u>	<u>1,352.7</u>	<u>2,379.0</u>	<u>2,051.7</u>
Total Liabilities	<u>816.4</u>	<u>783.6</u>	<u>1,729.3</u>	<u>1,430.7</u>	<u>2,545.7</u>	<u>2,214.3</u>
Deferred Inflow of Resources	<u>0.3</u>	<u>0.5</u>	--	--	<u>0.3</u>	<u>0.5</u>
Net Position:						
Net Investment in Capital Assets	650.4	626.6	668.6	704.2	1,319.0	1,330.8
Restricted	195.9	198.5	160.5	71.3	356.4	269.8
Unrestricted	<u>(238.7)</u>	<u>(210.5)</u>	<u>54.1</u>	<u>150.0</u>	<u>(184.6)</u>	<u>(60.5)</u>
Total Net Position	<u>\$ 607.6</u>	<u>\$ 614.6</u>	<u>\$ 883.2</u>	<u>\$ 925.5</u>	<u>\$ 1,490.8</u>	<u>\$ 1,540.1</u>

For more detailed information see Exhibit A-1, the Statement of Net Position.

Approximately 88.5% (\$1,319.0 million) of the City-Parish's net position as of December 31, 2014, reflect the government's investment in capital assets (land, buildings, noise mitigation costs, infrastructure, machinery and equipment) less any related outstanding debt used to acquire those assets. The City-Parish government uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Restricted net position represents those assets subject to external restrictions on how those assets may be used such as a property tax approved by the electorate for a specific purpose. Restricted net position decreased by \$2.6 million from the previous year for governmental activities, because of the expenditure of dedicated funds as part of the continuation of the road improvement program and construction projects for library capital improvements. Restricted net position increased by \$89.2 million for business-type activities, due to increases in amounts restricted for debt service and an increase in collateral posted for swap agreements. Unrestricted net position decreased by \$28.2 million from the previous year for governmental activities. This decrease was primarily due to an increase in other postemployment benefits liability of \$41.9 million. Unrestricted net position decreased by \$95.9 million for business-type activities. This decrease was primarily due to funding of Sewer Capital improvement projects on a pay-as-you-go basis and an increase in collateral posted for swap agreements.

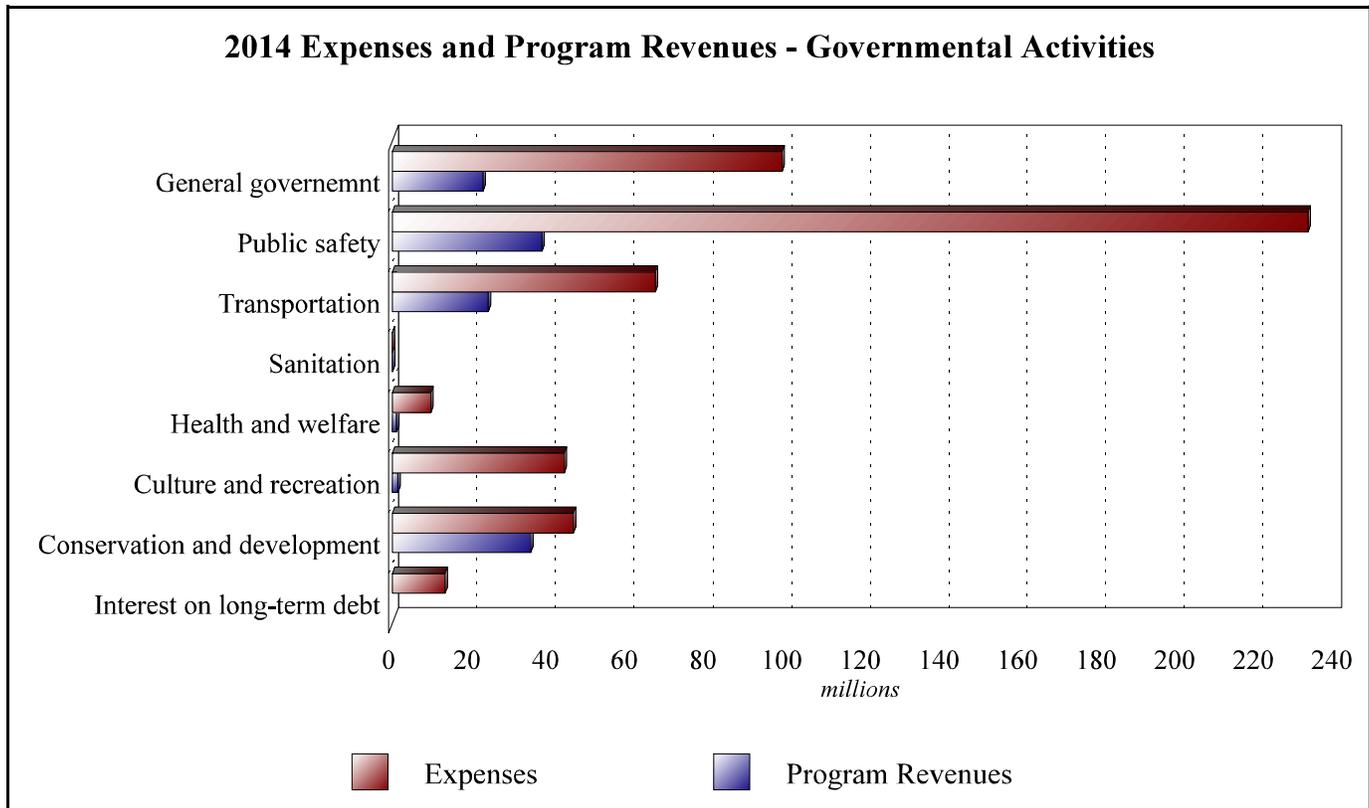
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

The table below provides a summary of the changes in net position for the year ended December 31, 2014, with comparative figures from 2013:

City of Baton Rouge, Parish of East Baton Rouge  
Condensed Statement of Changes in Net Position  
For the Years Ended December 31, 2014 & 2013  
(in millions)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 54.7	\$ 55.7	\$137.6	\$135.9	\$ 192.3	\$ 191.6
Operating Grants and Contributions	44.3	48.2	7.7	7.6	52.0	55.8
Capital Grants and Contributions	24.4	13.1	10.3	9.6	34.7	22.7
<b>General Revenues:</b>						
Sales Taxes	223.8	219.6	43.6	43.0	267.4	262.6
Other Taxes	150.3	145.7	--	--	150.3	145.7
Grants and Contributions Not Restricted to Specific Programs	5.5	7.7	--	--	5.5	7.7
Other	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>	<u>0.5</u>	<u>2.4</u>	<u>1.7</u>
Total Revenues	<u>504.2</u>	<u>491.2</u>	<u>200.4</u>	<u>196.6</u>	<u>704.6</u>	<u>687.8</u>
<b>Expenses:</b>						
General Government	99.1	97.8	2.7	1.1	101.8	98.9
Public Safety	233.0	237.0	--	--	233.0	237.0
Transportation	66.9	68.8	28.5	28.6	95.4	97.4
Sanitation	--	--	197.2	169.0	197.2	169.0
Health and Welfare	9.8	9.5	--	--	9.8	9.5
Culture and Recreation	43.8	38.2	13.4	13.3	57.2	51.5
Conservation and Development	46.1	50.0	--	--	46.1	50.0
Interest on Long-Term Debt	<u>13.4</u>	<u>15.6</u>	<u>--</u>	<u>--</u>	<u>13.4</u>	<u>15.6</u>
Total Expenses	<u>512.1</u>	<u>516.9</u>	<u>241.8</u>	<u>212.0</u>	<u>753.9</u>	<u>728.9</u>
<b>Increase in Net Position Before</b>						
Transfers	(7.9)	(25.7)	(41.4)	(15.4)	(49.3)	(41.1)
Transfers	<u>0.9</u>	<u>1.3</u>	<u>(0.9)</u>	<u>(1.3)</u>	<u>--</u>	<u>--</u>
Increase In Net Position	(7.0)	(24.4)	(42.3)	(16.7)	(49.3)	(41.1)
<b>Net Position, January 1</b>						
	<u>614.6</u>	<u>639.0</u>	<u>925.5</u>	<u>942.2</u>	<u>1,540.1</u>	<u>1,581.2</u>
<b>Net Position, December 31</b>						
	<u>\$607.6</u>	<u>\$614.6</u>	<u>\$883.2</u>	<u>\$925.5</u>	<u>\$1,490.8</u>	<u>\$1,540.1</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**



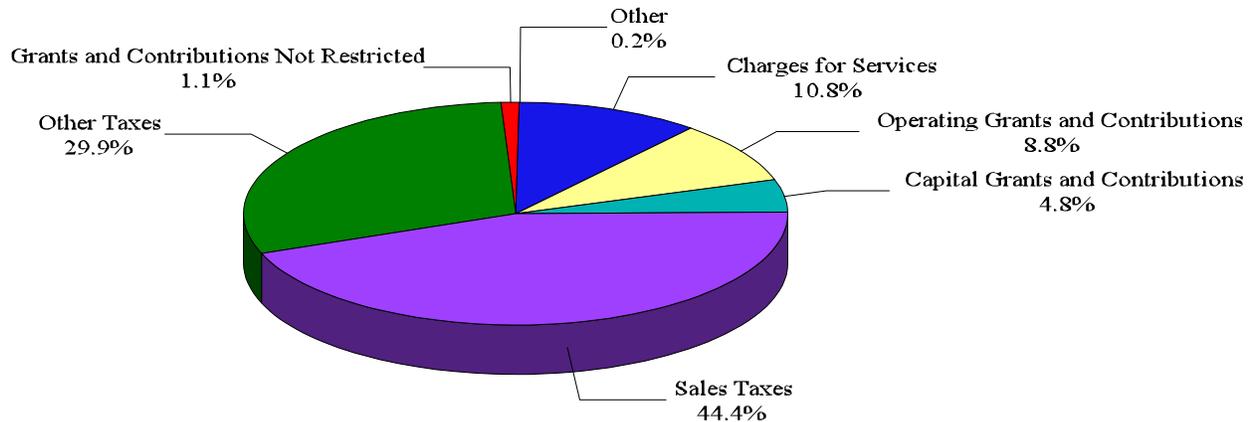
The government's net position decreased by \$49.3 million during the current fiscal year.

*Governmental Activities'* net position decreased \$7.0 million in 2014 primarily due to:

- (1) Continued reduction in net position resulting from other postemployment benefits costs in excess of contributions (\$41.9 million).
- (2) The decrease in net position from the change above was offset by:
  - Decreases in expenses for claims and judgements (\$3.3 million) resulting from claims dismissed and changes in estimates.
  - Increased sales tax (\$4.2 million) primarily due to the improving economy.
  - An additional \$3.9 million in property tax revenues primarily due to an increase in assessed valuation from new growth.
  - Capital grants and contributions of \$24.4 million capitalized during the year from the following external sources: Capital grants from the State of Louisiana for transportation purposes (\$13.8 million), donated infrastructure from developers and private sources (\$9.8 million), and miscellaneous capital grants for public safety, health and welfare, and conservation and development from the federal and state governments (\$0.8 million).
  - Other miscellaneous decreases in net position (\$0.9 million).

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**2014 Revenues by Source - Governmental Activities  
\$504.2 million**

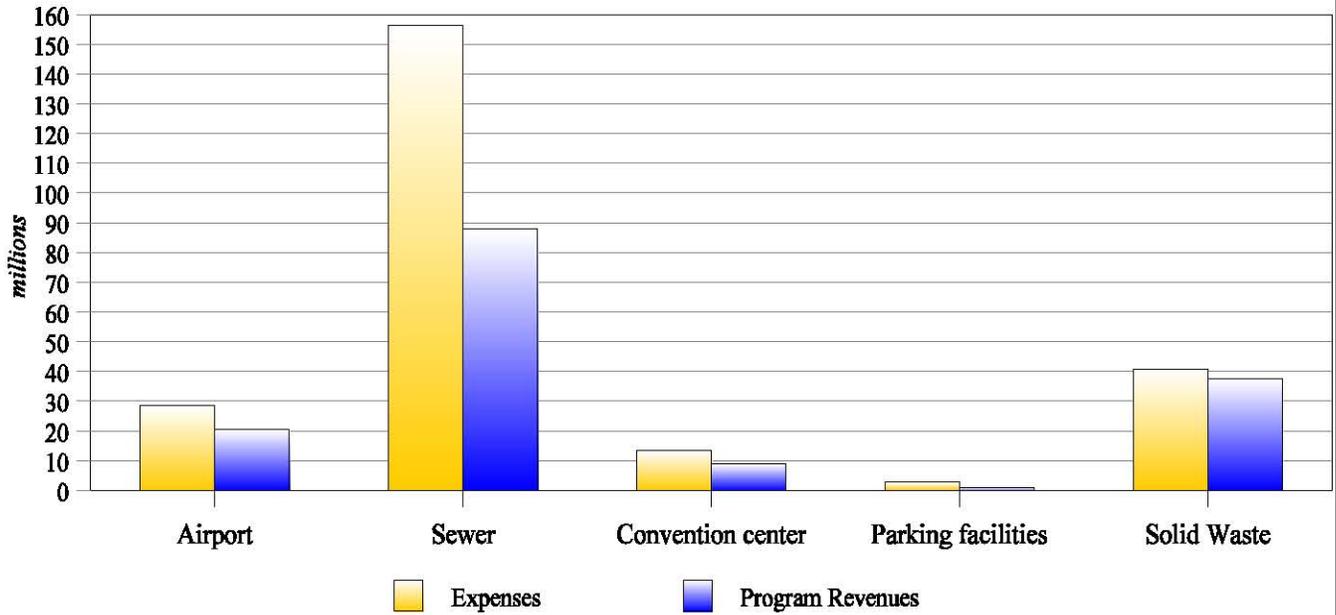


*Business-Type Activities'* net position decreased by \$42.3 million in 2014. The decrease in net position is a result of expenses exceeding revenues for the year. An analysis of major revenues and expenses is as follows:

- (1) The Comprehensive Sewerage System Fund reported an excess of expenses over revenues causing a decrease in net position. The primary contributors to the decrease in net position were an increase in contingent liabilities of \$4.8 million, increased interest expense of \$3.5 million and bond issuance cost in the amount of \$6.1 million primarily due to the issuance of additional sewer bonds in 2014.
- (2) Increase in postclosure liability of \$3.0 million due to update of cost estimate.
- (3) Depreciation expense increased by \$14.1 million primarily as the result of major capital assets for the Comprehensive Sewerage System Fund being placed into service and depreciated.
- (4) Other postemployment benefit costs in excess of contributions (\$3.8 million).
- (5) Other miscellaneous decreases in net position (\$5.2 million).
- (6) Termination of joint venture resulting in a loss of \$1.8 million.

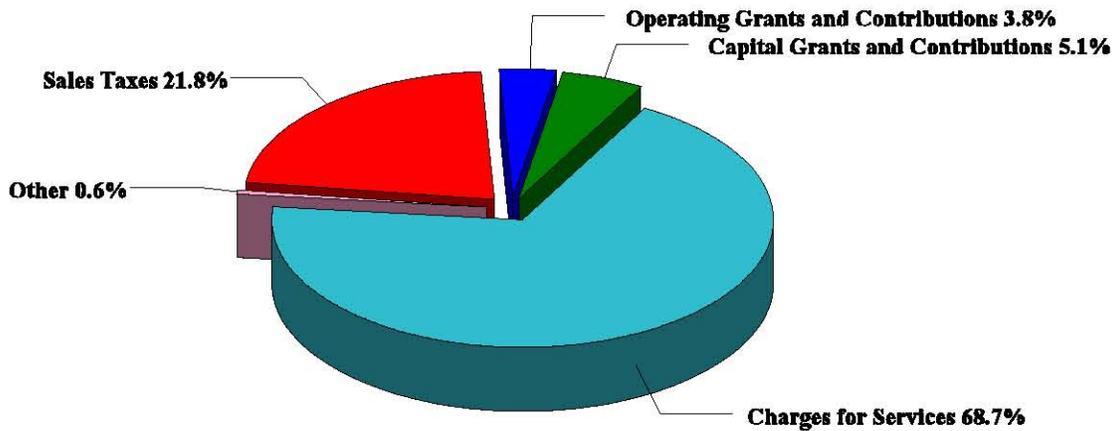
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**2014 Expenses and Program Revenues - Business-Type Activities**



**2014 Revenues by Source - Business Type Activities**

\$200.4 million



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Financial Analysis of the Government's Funds**

As noted earlier, the City-Parish uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

*Governmental Funds:* The focus of the City-Parish's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City-Parish's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for discretionary spending at the end of the fiscal year.

As of the end of the current fiscal year, the primary government's governmental funds reported combined ending fund balances of \$422.7 million, an increase of \$0.2 million in comparison with the prior year. Approximately 3.6% of total governmental funds fund balance (\$15.4 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Of the remaining fund balance, \$0.6 million is *nonspendable* and is not in spendable form, \$281.5 million is *restricted* and has limitations imposed on its use by external parties, \$92.6 million is *committed* for specific purposes imposed by the Metropolitan Council, and \$32.6 million has been assigned for various purposes by the Finance Director. Additional information on governmental fund balance can be found in Note 14 of the Notes to the Financial Statements including information on the specific purpose for amounts restricted, committed and assigned.

The General Fund is the chief operating fund of the Consolidated Government of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana. At the end of the current fiscal year, unassigned fund balance of the General Fund was approximately \$15.4 million, while total fund balance was \$112.3 million. Compared with total fund balance of \$111.3 million at the end of 2013, fund balance had an increase of approximately \$1.0 million during 2014. This increase in fund balance was primarily due to increased collections from sales tax, property tax and gross receipts business tax which exceeded expenditures.

The Library Board of Control Fund collected revenues that exceeded expenditures by \$6.2 million in 2014. The primary source of revenue for this fund is a 10.78 mill property tax, which provides funding for all operating expenses of the library system and a pay-as-you-go capital improvement program. All revenues remaining after operational expenditures are funded are applied to the capital improvement program.

Grants Fund expenditures and other financing uses exceeded revenues and other financing sources by less than \$0.1 million during 2014.

Fund balance in the Capital Projects Fund decreased \$3.1 million in 2014. This was primarily due to outlays for the acquisition of right-of-way and construction of major street and intersection improvements (\$5.8 million) funded by Road and Street Improvement Bonds and construction of library facilities (\$6.5 million). Fund balance in the Capital Projects Fund will fluctuate year-to-year based on the status of projects and the progression of financing to fund those projects.

*Proprietary Funds:* The City-Parish's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Greater Baton Rouge Airport District was \$3.0 million at December 31, 2014. Most of this major fund's assets are capital assets with a net investment in capital assets of \$216.1 million. The fund reported a net loss of \$10.7 million before capital contributions and transfers for the year ended December 31, 2014.

Unrestricted net position of the Comprehensive Sewerage System Fund was \$41.4 million at December 31, 2014. This fund encompasses all assets associated with sewerage operations, maintenance, and capital improvements held by the City, the Parish, the Consolidated Sewerage District, and the East Baton Rouge Parish Sewerage Commission. The net investment in capital assets portion of net position totaled approximately \$390.9 million, reflecting a heavy investment

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)**

in capital assets. The fund realized a net loss of approximately \$29.4 million before government contributions and transfers for the year ended December 31, 2014. Bond issuance costs in the amount of \$6.1 million and increased interest expense of \$3.5 million was primarily due to the issuance of additional sewer bonds in 2014. In addition, the government recognized revenue for a federal subsidy from the U.S. Department of the Treasury on its Series 2010B “Build America Bonds” in the amount of \$6.8 million.

Unrestricted net position of the Solid Waste Collection and Disposal Fund was \$6.2 million at December 31, 2014. Most of this major fund’s assets are capital assets with a net investment in capital assets of \$15.0 million. The fund reported a net loss before transfers out to other funds of almost \$3.3 million for the year ended December 31, 2014.

**General Fund Budgetary Highlights**

The 2014 general fund original budget of \$319.0 million (inclusive of transfers out) was increased by a net \$8.1 million during 2014 to reflect a final amended budget of approximately \$327.1 million. The additional appropriations were funded by increases in sales taxes and excess funds in fund balance - unassigned and assigned. Committed fund balances were generally used as a source for the risk management appropriations and assigned fund balances for the community center allocations.

Additional appropriations were made in the following areas:

	<u>(in millions)</u>
Medical treatment and housing of inmates	\$2.1
Other public safety costs	1.9
Risk management claims settlements from fund balance committed to self-insurance purposes	1.7
Community center expenses funded from center revenue and fund balance assigned to culture and recreation	0.1
Other general fund operational costs	1.7
Economic development initiatives	0.3
Constitutional offices operational costs	<u>0.3</u>
Total additional general fund appropriations	<u>\$8.1</u>

Material differences between actual results and final amended budgeted amounts in the General Fund are as follows:

- Gross receipt business taxes were collected in excess of budget by \$1.5 million primarily due to an increase in the gross receipts of public utilities in the corporate limits of the City.
- Approximately \$24.9 million of the appropriations for departmental budgets were not spent during 2014. The Plan of Government allows for the carry-forward of funds that are allocated to one-time projects to subsequent years. These appropriations carried forward, in the amount of \$19.7 million, are included in assigned fund balance on the General Fund balance sheet. The majority of these funds are appropriated for needed police vehicles and other public safety equipment, to upgrade information services network systems and computers, provide for replacement of departmental office equipment, fund needed economic development and urban restoration programs, and provide funds for public works projects such as drainage, street improvements, and repairs and renovations to City-Parish buildings.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Capital Asset and Debt Administration**

**Capital Assets:** The City of Baton Rouge, Parish of East Baton Rouge Consolidated Government's investment in capital assets for its governmental and business-type activities as of December 31, 2014, amounts to \$2,659.0 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, airport facilities, parking facilities, a convention center, a landfill, wastewater treatment facilities, roads, highways, bridges, and drainage systems. The total increase in the City-Parish's investment in capital assets for the current fiscal year was \$139.0 million, a 2.2 percent increase for governmental activities and a 7.2 percent increase for business-type activities.

Major capital asset events during the current fiscal year included the following:

- Planning, design, right-of-way acquisition, and construction on approximately twenty-one major street or intersection improvements funded by the one-half percent sales and use tax dedicated for street and road improvements (\$14.1 million).
- Completion and capitalization of several infrastructure projects:  
O'Neal Lane (George O'Neal to S. Harrels Ferry) (\$8.8 million)  
Signal Synchronization (\$7.0 million)  
St. Louis and St. Ferdinand Streets - Two way (\$1.0 million)  
Drusilla Improvements (\$0.9 million)
- Capital improvements to the sewerage system, including upgrades to treatment plants and rehabilitation of major sewer lines (\$193.0 million).
- Renovations and improvements to Airport buildings, runways, and other Airport improvements (\$4.1 million).
- Depreciation expense of \$44.0 million for governmental activities and \$79.0 million for business-type activities offset the above increases.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

City of Baton Rouge, Parish of East Baton Rouge

Capital Assets

(Net of Depreciation)

December 31, 2014 & 2013

(in millions)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Land and right-of-way	\$160.2	\$156.9	\$ 91.5	\$ 80.8	\$ 251.7	\$ 237.7
Buildings	134.4	137.5	117.1	126.3	251.5	263.8
Noise Mitigation Costs	--	--	58.4	58.1	58.4	58.1
Improvements (Other Than Buildings) and Infrastructure	510.5	506.7	1,397.9	1,277.9	1,908.4	1,784.6
Machinery and Equipment	24.9	22.3	0.7	0.9	25.6	23.2
Construction Work-In-Progress	<u>48.6</u>	<u>36.5</u>	<u>114.8</u>	<u>116.1</u>	<u>163.4</u>	<u>152.6</u>
Total	<u>\$878.6</u>	<u>\$859.9</u>	<u>\$1,780.4</u>	<u>\$1,660.1</u>	<u>\$2,659.0</u>	<u>\$2,520.0</u>

Additional information on the City-Parish's capital assets can be found in Note 6, Exhibit A-17 of this report.

**Long-Term Debt:** At the end of the current fiscal year, the City-Parish had total bonded debt outstanding of \$1,721.1 million. Of this amount, \$89.1 million comprises debt backed by the full faith and credit of the government. The remainder of the debt represents bonds secured solely by specified revenue sources such as sales tax and user fees. There were no general obligation bonds outstanding for the City of Baton Rouge or the Parish of East Baton Rouge at the end of the fiscal year.

City of Baton Rouge, Parish of East Baton Rouge

Summary of Excess Revenue and Revenue Bonds

December 31, 2014 & 2013

(in millions)

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>Activities</u>		<u>Activities</u>			
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Excess Revenue Contracts, Loans and Notes	\$ 84.7	\$ 89.3	\$ 433.0	\$ 225.4	\$ 517.7	\$ 314.7
Sales Tax Revenue Bonds	<u>224.1</u>	<u>231.4</u>	<u>979.3</u>	<u>989.9</u>	<u>1,203.4</u>	<u>1,221.3</u>
Total All Bonds, Contracts, Loans and Notes	<u>\$308.8</u>	<u>\$320.7</u>	<u>\$1,412.3</u>	<u>\$1,215.3</u>	<u>\$1,721.1</u>	<u>\$1,536.0</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT’S DISCUSSION AND ANALYSIS (CONTINUED)**

On April 10, 2014, the Louisiana Local Government Environmental Facilities and Community Development Authority (the “Authority”), a political subdivision of the State of Louisiana, issued \$209,785,000 Subordinate Lien Revenue Bonds (East Baton Rouge Sewerage Commission Projects), Series 2014A. The proceeds of the bonds were loaned by the Authority to the East Baton Rouge Sewerage Commission pursuant to a Loan Agreement dated April 1, 2014, to be used for the purpose of (1) financing the cost of upgrading, rehabilitating, improving and extending the sewerage disposal system; (2) funding a deposit to a debt service reserve fund; (3) funding capitalized interest on the bonds; and (4) paying the costs of issuance of the bonds. The payments under the loan agreement are payable and secured on a junior and subordinate lien basis by a pledge and dedication of Pledged Revenues of the Commission which consists of Sewer User Fees and one-half of one percent (½%) sewer sales and use tax. The 2014A Bonds will mature serially on February 1 of each year beginning 2025 through 2044 with interest from 4.375 to 5.00 percent.

On June 27, 2014, the Parish of East Baton Rouge issued \$4,600,000 Public Improvement Sales Tax Revenue Bonds, Series 2014A for the purpose of providing funds to pay the cost of renovating and improving the buildings for use as a public safety complex, and paying the costs of issuance. The 2014A Bonds will mature on February 1 of each year beginning 2015 through 2026 with interest of 2.23 percent.

On December 17, 2014, the East Baton Rouge Sewerage Commission issued \$127,455,000 Taxable Revenue Refunding Bonds, Series 2014A and \$205,435,000 Tax-Exempt Revenue Refunding Bonds, Series 2014B. The Series 2014A Refunding Bonds were issued for the purpose of (1) providing sufficient funds to advance refund and defease the \$154,915,000 Revenue Refunding Bonds, Series 2006A, of which \$124,205,00 was outstanding; and (2) paying the costs of issuance of the Bonds. The Series 2014B Refunding Bonds were issued for the purpose of (1) providing sufficient funds to (a) advance refund and defease the \$42,015,000 Revenue Bonds, Series 2006B of which \$42,015,000 was outstanding and (b) advance refund and defease the \$164,965,000 Revenue Bonds, Series 2009A, of which \$164,965,000 was outstanding; and (2) paying the cost of issuance of the bonds. The 2014A Refunding Bonds will mature serially on February 1 of each year beginning 2019 through 2031 with interest from 1.965 to 4.00 percent. The 2014B Refunding Bonds will mature serially on February 1 of each year beginning 2020 through 2034 with interest of 4.00 to 5.00 percent.

As of December 31, 2014, City-Parish bonds were rated by three major rating services as follows:

	<u>Underlying Ratings</u>		
	<u>Moody’s</u>		
	<u>Investors</u>	<u>Standard</u>	<u>Fitch</u>
	<u>Service</u>	<u>and Poor’s</u>	<u>Investors</u>
City of Baton Rouge (2%) Sales Tax Revenue Bonds	Aa2	AAA	AA+
Parish of East Baton Rouge Road and Street Improvements (½%) Sales Tax Revenue Bonds	A2	A+	AA-
East Baton Rouge Sewerage Commission Revenue Bonds	Aa3	AA-	AA

Additional information on debt administration can be found in Note 10 of the Notes to the Financial Statements including information concerning the computation of legal debt margins for different types of bonds.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**Economic Factors and Next Year's Budget and Rates**

The City-Parish's General Fund receives over 55 percent of its revenues from the 2 percent general sales and use tax levied by the City of Baton Rouge or the Parish of East Baton Rouge; therefore, economic indicators are very important in forming the General Fund budget estimates. Dr. James A. Richardson and Dr. Loren C. Scott, expert economists, prepare an econometric model for Louisiana and its major metropolitan areas each year. Statistics on personal income growth and employment growth are generated. From these numbers, a range of potential sales and use tax growth is estimated. Based upon the advice of these experts, the 2015 operating budget assumes a 1.5 percent growth rate for sales and use tax revenues in 2015 over the 2014 anticipated collections.

The proposed budget for the year 2015 for all funds, exclusive of operating transfers between funds, totals \$830.1 million. This is an increase of approximately \$20.7 million or 2.55 percent over the 2014 budget. The General Fund budget increased by approximately \$7.6 million mainly as a result of new appropriations for public safety equipment and facilities, funding for personnel costs including merit and longevity increases and funding for increases in employee benefits. The decrease of \$0.5 million in the Special Revenue Funds budgets and \$1.6 million in the Capital Project Funds is due to one-time capital purchases budgeted for in 2014. Enterprise Fund Budgets increased \$12.9 million due to depreciation of assets in the sewerage system. Debt Service Fund Budgets increased almost \$0.7 million as a result of debt incurred to provide funding for the construction of a new fire station and renovations of the Public Safety Complex.

**Requests For Information**

This financial report is designed to provide a general overview of the finances of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Finance, Accounting Division, P.O. Box 1471, Baton Rouge, Louisiana, 70821-1471 or email address: [finance@brgov.com](mailto:finance@brgov.com).

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2014**

EXHIBIT A - 1

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>ASSETS</b>				
Cash and cash equivalents (Note 3)	\$ 192,939,199	\$ 88,246,830	\$ 281,186,029	\$ 20,082,173
Investments (Note 3)	188,791,227	98,538,697	287,329,924	--
Receivables - net (Note 13)	53,255,487	16,172,998	69,428,485	17,183,849
Due from other governments (Note 11)	84,764,697	5,304,530	90,069,227	2,446,711
Prepaid items	681,554	255,888	937,442	172,487
Loans receivable	3,614,676	--	3,614,676	1,719,373
Inventory	833,178	118,566	951,744	5,335,339
Other assets	--	--	--	456,737
Restricted assets:				
Cash and cash equivalents (Note 3)	--	215,032,849	215,032,849	11,958,469
Investments (Note 3)	--	277,525,563	277,525,563	--
Receivables - net (Note 13)	--	280,765	280,765	--
Prepaid items	--	6,637	6,637	--
Capital assets (Note 6):				
Non-depreciable	208,882,220	264,648,985	473,531,205	350,523
Depreciable, net	669,766,158	1,515,753,639	2,185,519,797	109,555,466
Total assets	<u>1,403,528,396</u>	<u>2,481,885,947</u>	<u>3,885,414,343</u>	<u>169,261,127</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred amount on refunding	5,548,137	42,943,956	48,492,093	--
Deferred outflows on derivative instruments	15,294,792	87,643,226	102,938,018	--
Deferred outflow for pension	--	--	--	239,993
Total deferred outflows of resources	<u>20,842,929</u>	<u>130,587,182</u>	<u>151,430,111</u>	<u>239,993</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	43,709,310	54,839,795	98,549,105	2,603,986
Due to other governments	7,697,870	--	7,697,870	189,696
Accrued payables	16,640,784	23,230,251	39,871,035	2,738,092
Unearned revenue	1,063,162	1,321,484	2,384,646	--
Deposits and escrow accounts	18,143,567	--	18,143,567	--
Other liabilities	--	--	--	67,022
Non-current liabilities (Note 10):				
Due within one year	30,338,476	14,982,026	45,320,502	3,321,919
Due in more than one year	698,794,643	1,634,951,737	2,333,746,380	118,067,670
Total liabilities	<u>816,387,812</u>	<u>1,729,325,293</u>	<u>2,545,713,105</u>	<u>126,988,385</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Resources received before time requirements	351,292	--	351,292	--
<b>NET POSITION</b>				
Net investment in capital assets	650,424,770	668,570,688	1,318,995,458	16,536,348
Restricted for (Note 14):				
Capital projects	81,679,016	8,873,538	90,552,554	--
Debt service	8,949,390	73,175,963	82,125,353	12,116,805
Passenger facility charges	--	389,690	389,690	--
External legal constraints	105,284,345	78,050,000	183,334,345	7,294,843
Unrestricted	(238,705,300)	54,087,957	(184,617,343)	6,564,739
Total net position	<u>\$ 607,632,221</u>	<u>\$ 883,147,836</u>	<u>\$ 1,490,780,057</u>	<u>\$ 42,512,735</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Function/Programs</b>				
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 99,148,612	\$ 22,795,703	\$ 320,097	\$ --
Public safety	233,011,923	27,006,901	10,769,916	321,868
Transportation	66,920,723	216,379	571,666	23,610,909
Sanitation	5,790	51,270	--	--
Health and welfare	9,796,865	800,646	299,188	--
Culture and recreation	43,762,277	298,515	1,106,189	--
Conservation and development	46,084,260	3,520,513	31,193,540	470,640
Interest and fiscal charges on long-term debt	13,413,000	--	--	--
Total governmental activities	<u>512,143,450</u>	<u>54,689,927</u>	<u>44,260,596</u>	<u>24,403,417</u>
Business-type activities:				
Airport	28,541,998	17,237,125	560,556	2,620,425
Sewer	156,351,603	75,419,472	6,819,819	5,748,809
Solid waste collection and disposal	40,892,829	37,589,552	--	--
Convention center	13,381,809	6,491,539	331,905	1,983,034
Parking facilities	2,745,073	852,633	--	--
Total business-type activities	<u>241,913,312</u>	<u>137,590,321</u>	<u>7,712,280</u>	<u>10,352,268</u>
Total primary government	<u>\$ 754,056,762</u>	<u>\$ 192,280,248</u>	<u>\$ 51,972,876</u>	<u>\$ 34,755,685</u>
<b>Component units:</b>				
Judicial court services	\$ 58,983,934	\$ 24,052,298	\$ 24,105,511	\$ --
Economic development districts	3,783,707	468,858	671,397	1,825,000
Mass transit	25,275,010	2,103,473	--	5,460,644
Total component units	<u>\$ 88,042,651</u>	<u>\$ 26,624,629</u>	<u>\$ 24,776,908</u>	<u>\$ 7,285,644</u>

General revenues:

Taxes:

Property  
Gross receipts business  
Sales  
Occupancy  
Occupational  
Insurance premium  
Gaming admissions  
Interest and penalties - delinquent taxes

Miscellaneous

Grants and contributions not restricted to specific programs

Investment earnings

Gain on sale of capital assets

Transfers (to) from other funds

Total general revenues and transfers

Change in net position

Net position - beginning of year, restated (Note 1)

Net position - end of year

The accompanying notes are an integral part of this statement.

<b>Net (Expense) Revenue and Changes in Net Position</b>			
<b>Primary Government</b>			
<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	<b>Component Units</b>
\$ (76,032,812)	\$ --	\$ (76,032,812)	\$ --
(194,913,238)	--	(194,913,238)	--
(42,521,769)	--	(42,521,769)	--
45,480	--	45,480	--
(8,697,031)	--	(8,697,031)	--
(42,357,573)	--	(42,357,573)	--
(10,899,567)	--	(10,899,567)	--
(13,413,000)	--	(13,413,000)	--
<u>(388,789,510)</u>	<u>--</u>	<u>(388,789,510)</u>	<u>--</u>
--	(8,123,892)	(8,123,892)	--
--	(68,363,503)	(68,363,503)	--
--	(3,303,277)	(3,303,277)	--
--	(4,575,331)	(4,575,331)	--
--	(1,892,440)	(1,892,440)	--
<u>--</u>	<u>(86,258,443)</u>	<u>(86,258,443)</u>	<u>--</u>
<u>(388,789,510)</u>	<u>(86,258,443)</u>	<u>(475,047,953)</u>	<u>--</u>
--	--	--	(10,826,125)
--	--	--	(818,452)
<u>--</u>	<u>--</u>	<u>--</u>	<u>(17,710,893)</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>(29,355,470)</u>
98,252,896	--	98,252,896	16,417,996
24,761,520	--	24,761,520	--
223,779,923	43,583,023	267,362,946	--
2,211,310	--	2,211,310	2,246,904
10,664,408	--	10,664,408	--
3,734,350	--	3,734,350	--
9,218,503	--	9,218,503	--
1,483,091	--	1,483,091	--
17,480	--	17,480	557,920
5,551,706	--	5,551,706	6,905,053
413,278	1,035,201	1,448,479	387,379
813,639	147,297	960,936	--
886,331	(886,331)	--	--
<u>381,788,435</u>	<u>43,879,190</u>	<u>425,667,625</u>	<u>26,515,252</u>
(7,001,075)	(42,379,253)	(49,380,328)	(2,840,218)
<u>614,633,296</u>	<u>925,527,089</u>	<u>1,540,160,385</u>	<u>45,352,953</u>
<u>\$ 607,632,221</u>	<u>\$ 883,147,836</u>	<u>\$ 1,490,780,057</u>	<u>\$ 42,512,735</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2014**

	<u>General Fund</u>	<u>Library Board of Control</u>	<u>Grants</u>
<b>ASSETS</b>			
Cash and cash equivalents (Note 3)	\$ 49,746,105	\$ 31,703,021	\$ 2,858,777
Investments (Note 3)	56,096,672	35,750,216	3,223,727
Property taxes receivable - net (Note 4)	6,313,250	9,316,072	--
Gross receipts business taxes receivable	4,472,777	--	--
Sales taxes receivable	16,926,471	--	--
Interest and penalties receivable on taxes	86,002	--	--
Accounts receivable - net (Note 13)	1,884,952	5,458	12,954
Accrued interest receivable	34,764	23,692	2,411
Due from other funds (Note 11)	8,229,078	--	--
Due from other governments (Note 11)	20,692,325	30,188,558	7,115,771
Loans receivable	427,500	--	3,187,176
Inventory	556,855	--	--
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total assets	<u>\$ 165,466,751</u>	<u>\$ 106,987,017</u>	<u>\$ 16,400,816</u>
 <b>LIABILITIES</b>			
Accounts and contracts payable	\$ 18,371,016	\$ 1,315,828	\$ 3,533,271
Due to other funds (Note 11)	--	30,652,157	--
Due to other governments	7,384,834	--	--
Accrued payables	7,975,572	897,065	686,821
Unearned revenue	--	--	664,583
Deposits and escrow accounts	18,011,657	--	131,910
Total liabilities	<u>51,743,079</u>	<u>32,865,050</u>	<u>5,016,585</u>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	733,458	900,636	--
Unavailable revenue - revenue sharing	657,671	--	--
Resources received before time requirements	--	--	351,292
Total deferred inflows of resources	<u>1,391,129</u>	<u>900,636</u>	<u>351,292</u>
 <b>FUND BALANCES (Note 14):</b>			
Nonspendable	556,855	--	--
Restricted	1,256,695	73,221,331	11,032,939
Committed	62,492,744	--	--
Assigned	32,590,252	--	--
Unassigned	15,435,997	--	--
Total fund balances	<u>112,332,543</u>	<u>73,221,331</u>	<u>11,032,939</u>
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 165,466,751</u>	<u>\$ 106,987,017</u>	<u>\$ 16,400,816</u>

The accompanying notes are an integral part of this statement.

<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 56,478,568	\$ 35,307,663	\$ 176,094,134
63,774,265	29,946,347	188,791,227
--	7,242,340	22,871,662
--	--	4,472,777
2,655,398	1,649,370	21,231,239
--	--	86,002
191,521	2,248,970	4,343,855
35,738	18,477	115,082
31,211,723	--	39,440,801
3,687,777	22,850,519	84,534,950
--	--	3,614,676
--	--	556,855
<u>\$ 158,034,990</u>	<u>\$ 99,263,686</u>	<u>\$ 546,153,260</u>
\$ 15,798,123	\$ 3,326,142	\$ 42,344,380
--	8,788,644	39,440,801
--	313,036	7,697,870
13,967	1,592,600	11,166,025
398,579	--	1,063,162
--	--	18,143,567
<u>16,210,669</u>	<u>14,020,422</u>	<u>119,855,805</u>
--	834,079	2,468,173
--	77,028	734,699
<u>--</u>	<u>--</u>	<u>351,292</u>
<u>--</u>	<u>911,107</u>	<u>3,554,164</u>
--	--	556,855
119,656,017	76,376,834	281,543,816
22,168,304	7,955,323	92,616,371
--	--	32,590,252
--	--	15,435,997
<u>141,824,321</u>	<u>84,332,157</u>	<u>422,743,291</u>
<u>\$ 158,034,990</u>	<u>\$ 99,263,686</u>	<u>\$ 546,153,260</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF POSITION  
DECEMBER 31, 2014**

EXHIBIT A - 4

Fund balances - total governmental funds \$ 422,743,291

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Governmental capital assets	1,515,857,164	
Less accumulated depreciation	<u>(645,401,127)</u>	870,456,037

Assets used in governmental activities that are not financial resources, and, therefore, are not reported in the governmental funds.

Prepaid items		681,554
---------------	--	---------

Some revenues were collected more than sixty days after year-end and, therefore, are not available soon enough to pay for current-period expenditures.

Property tax revenue	2,468,173	
Louisiana revenue sharing	734,699	
Emergency Medical Services transport charges	130,093	
U.S. Health and Human Services	78,682	
Severance tax revenue	<u>151,065</u>	3,562,712

Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Accrued interest payable	(5,398,119)	
Bonds payable	(308,804,698)	
Deferred premium and discount	(5,570,137)	
Deferred amount on refunding	5,548,137	
Obligation payable	(5,913,911)	
Compensated absences payable	(24,132,151)	
Claims and judgments payable	(36,215,072)	
Employee benefits payable	(4,888,440)	
Net other post employment benefit obligation	<u>(328,182,503)</u>	(713,556,894)

Internal service funds are used by management to charge the costs of fleet management and maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

	<u>23,745,521</u>
--	-------------------

Net position of governmental activities \$ 607,632,221



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>General Fund</u>	<u>Library Board of Control</u>	<u>Grants</u>
<b>REVENUES</b>			
Taxes:			
Property	\$ 26,403,504	\$ 41,322,251	\$ --
Gross receipts business taxes	24,761,520	--	--
Sales	173,595,014	--	--
Occupancy	1,500,142	--	--
Occupational	10,664,408	--	--
Insurance premiums	3,734,350	--	--
Gaming admissions	9,218,503	--	--
Interest and penalties - delinquent	1,483,091	--	--
Licenses and permits	4,680,787	--	--
Intergovernmental revenues	14,344,189	--	35,563,085
Charges for services	22,608,134	78,885	--
Fines and forfeits	2,029,765	201,801	--
Investment earnings	75,276	100,935	6,062
Miscellaneous revenues	2,679,051	12,529	3,465,179
Total revenues	<u>297,777,734</u>	<u>41,716,401</u>	<u>39,034,326</u>
<b>EXPENDITURES</b>			
Current:			
General government	72,047,215	--	255,084
Public safety	162,632,419	--	2,213,124
Transportation	25,515,562	--	36,000
Health and welfare	4,355,698	--	96,773
Culture and recreation	1,715,924	34,608,335	978,506
Conservation and development	5,928,514	--	34,535,367
Debt service:			
Principal retirement	--	--	--
Interest and fiscal charges	--	--	--
Bond issuance costs	--	--	--
Capital outlay	--	858,467	899,807
Intergovernmental	15,513,324	--	--
Total expenditures	<u>287,708,656</u>	<u>35,466,802</u>	<u>39,014,661</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,069,078</u>	<u>6,249,599</u>	<u>19,665</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (Note 12)	3,417,941	15,437	722,371
Transfers out (Note 12)	(12,783,833)	(1,401,170)	(848,770)
Issuance of long-term debt	--	--	--
Proceeds of capital asset disposition	282,726	2,140	7,587
Total other financing sources and uses	<u>(9,083,166)</u>	<u>(1,383,593)</u>	<u>(118,812)</u>
Net change in fund balances	985,912	4,866,006	(99,147)
Fund balances, January 1	<u>111,346,631</u>	<u>68,355,325</u>	<u>11,132,086</u>
Fund balances, December 31	<u>\$ 112,332,543</u>	<u>\$ 73,221,331</u>	<u>\$ 11,032,939</u>

The accompanying notes are an integral part of this statement.

<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ --	\$ 30,824,036	\$ 98,549,791
--	--	24,761,520
7,833,466	42,351,443	223,779,923
--	711,168	2,211,310
--	--	10,664,408
--	--	3,734,350
--	--	9,218,503
--	--	1,483,091
--	--	4,680,787
9,565,650	3,884,409	63,357,333
--	18,815,804	41,502,823
--	341,045	2,572,611
126,334	87,529	396,136
1,365,975	321,353	7,844,087
<u>18,891,425</u>	<u>97,336,787</u>	<u>494,756,673</u>
--	1,754,229	74,056,528
--	39,235,654	204,081,197
--	11,504,210	37,055,772
--	4,453,346	8,905,817
--	--	37,302,765
--	2,398,124	42,862,005
--	16,831,286	16,831,286
9,688	14,123,496	14,133,184
57,250	--	57,250
45,084,032	2,142,282	48,984,588
--	550,000	16,063,324
<u>45,150,970</u>	<u>92,992,627</u>	<u>500,333,716</u>
<u>(26,259,545)</u>	<u>4,344,160</u>	<u>(5,577,043)</u>
18,543,059	6,010,713	28,709,521
(25,746)	(12,760,702)	(27,820,221)
4,600,000	--	4,600,000
5,000	45,993	343,446
<u>23,122,313</u>	<u>(6,703,996)</u>	<u>5,832,746</u>
(3,137,232)	(2,359,836)	255,703
<u>144,961,553</u>	<u>86,691,993</u>	<u>422,487,588</u>
<u>\$ 141,824,321</u>	<u>\$ 84,332,157</u>	<u>\$ 422,743,291</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 6

Net change in fund balances - total governmental funds \$ 255,703

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 and reported as depreciation expense.

Capital outlay	48,984,588	
Depreciation expense	<u>(41,162,996)</u>	7,821,592

The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins, and donations, is to increase net position. 9,621,403

Because some revenues will not be collected for several months after year-end, they are not considered "available" revenues in the governmental funds.

Property tax revenue	(296,895)	
Louisiana revenue sharing	(3,321)	
Emergency Medical Services transport charges	96,947	
U.S. Health and Human Services	(638,334)	
Severance tax revenue	<u>151,065</u>	(690,538)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Long-term debt issued	(4,600,000)	
Amortization of bond insurance costs	(86,141)	
Amortization of premium and discount	741,084	
Amortization of amount on refunding	(750,757)	
Principal payments	16,831,286	
Adjustment for debt recorded in business type activities	<u>(321,250)</u>	11,814,222

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Net other post employment benefit obligation	(41,863,258)	
Accrued interest payable	774,786	
Compensated absences payable	237,175	
Claims and judgments payable	3,312,667	
Employee benefits payable	<u>(252,800)</u>	(37,791,430)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.

1,967,973

Change in net position of governmental activities \$ (7,001,075)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 7

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 25,437,520	\$ 25,437,520	\$ 26,403,504	\$ 965,984
Gross receipts business taxes	22,542,000	23,214,000	24,761,520	1,547,520
General sales and use taxes	171,842,210	174,154,316	173,595,014	(559,302)
Occupancy taxes	1,000,000	1,000,000	1,500,142	500,142
Occupational taxes	10,150,000	10,150,000	10,664,408	514,408
Insurance premiums taxes	3,850,000	3,850,000	3,734,350	(115,650)
Gaming admissions taxes	9,000,000	9,000,000	9,218,503	218,503
Interest and penalties - delinquent taxes	1,513,500	1,513,500	1,483,091	(30,409)
Total taxes	<u>245,335,230</u>	<u>248,319,336</u>	<u>251,360,532</u>	<u>3,041,196</u>
Licenses and permits:				
Use of streets:				
Public conveyances	17,000	17,000	35,031	18,031
Bicycle registration fees	30,000	30,000	31,350	1,350
Occupational and professional:				
Air conditioning and heating	38,000	38,000	36,245	(1,755)
Electrical contractors	45,000	45,000	41,325	(3,675)
Plumbers	40,000	40,000	32,191	(7,809)
House moving	500	500	--	(500)
Garbage collectors	40,000	40,000	47,000	7,000
Classified employees	180,000	180,000	180,440	440
Retail clerks	94,000	94,000	105,800	11,800
Entertainers	6,000	6,000	5,820	(180)
Liquor and beer	580,300	580,300	581,769	1,469
Restaurant	33,800	33,800	33,675	(125)
Gaming	6,000	6,000	7,510	1,510
Chauffeurs	2,700	2,700	3,855	1,155
Second hand dealers	2,000	2,000	1,210	(790)
Construction permits:				
Air conditioning and heating	260,000	260,000	316,546	56,546
Electrical	325,000	325,000	405,607	80,607
Building	1,375,000	1,375,000	1,716,722	341,722
Plumbing and gas	315,000	315,000	395,754	80,754
House moving	2,000	2,000	800	(1,200)
Fence	1,000	1,000	1,180	180
Special events	35,500	35,500	44,880	9,380
Alarm user	65,000	65,000	47,905	(17,095)
Animal control and rescue center licenses	507,000	569,240	569,240	--
Other permits	40,600	40,600	38,932	(1,668)
Total licenses and permits	<u>4,041,400</u>	<u>4,103,640</u>	<u>4,680,787</u>	<u>577,147</u>
Intergovernmental revenues:				
State grants:				
Public safety:				
Traffic signal maintenance	646,600	646,600	652,700	6,100
Department of Military Affairs	90,000	90,000	78,706	(11,294)
Juvenile meal reimbursement	55,000	55,000	56,815	1,815
Transportation:				
Street maintenance	536,320	536,320	536,325	5

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 7  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES (continued)</b>				
Intergovernmental revenues (continued):				
State grants (continued):				
Culture and recreation:				
Hotel/motel sales tax	\$ 584,440	\$ 584,440	\$ 72,682	\$ (511,758)
State shared revenues:				
Beer taxes	410,000	410,000	381,900	(28,100)
Insurance company taxes	960,260	960,260	912,114	(48,146)
Louisiana revenue sharing	1,111,240	1,111,240	1,110,419	(821)
Mineral royalties	92,000	92,000	50,652	(41,348)
Severance taxes	850,000	850,000	850,404	404
On-behalf payments for salaries and benefits	9,251,340	8,980,340	8,922,816	(57,524)
Retiree drug subsidy	--	--	717,016	717,016
Payments in lieu of taxes - Federal government	1,530	1,530	1,640	110
Total intergovernmental revenues	<u>14,588,730</u>	<u>14,317,730</u>	<u>14,344,189</u>	<u>26,459</u>
Charges for services:				
General government:				
City court civil fees	1,350,000	1,350,000	1,373,004	23,004
Judiciary court costs	925,000	925,000	814,057	(110,943)
City court school fees	200,000	200,000	187,575	(12,425)
City court bench warrant fees	1,125,000	1,125,000	970,395	(154,605)
City court miscellaneous fees	434,000	434,000	446,062	12,062
City court credit card payment fees	80,000	80,000	33,299	(46,701)
City court expungement	34,000	34,000	29,700	(4,300)
City court home incarceration monitoring	5,000	5,000	5,300	300
City court mortgage recordation fees	10,000	10,000	13,610	3,610
City court pre-trial administrative fee	75,000	75,000	45,541	(29,459)
City constable civil fees	900,000	900,000	949,777	49,777
City prosecutor bond posting fee	29,000	29,000	28,888	(112)
Misdemeanor detention fund - warrant recall	--	--	202,639	202,639
Fiscal management fees	7,800,000	7,800,000	8,436,017	636,017
Fiscal management fees - inventory	32,800	32,800	(23,502)	(56,302)
Fiscal management fees - auction facility	40,000	40,000	55,979	15,979
Sales tax collection charges	2,740,000	2,740,000	2,614,312	(125,688)
Occupancy tax collection charges	30,000	30,000	30,000	--
NSF check fees	2,000	2,000	2,056	56
Credit card processing fees	52,000	52,000	66,446	14,446
Online permitting technology fees	50,000	50,000	50,339	339
Bench advertising	20,000	20,000	21,920	1,920
Board of adjustment fees	5,000	5,000	6,220	1,220
Sale of construction codes and plans	9,000	9,000	5,002	(3,998)
Adult DWI pretrial fees	125,000	125,000	77,739	(47,261)
Pre-trial diversion fees	450,000	450,000	457,969	7,969
Notice of intent	45,000	45,000	65,106	20,106
Adjudicated property	30,000	30,000	66,235	36,235
Zoning fees	110,000	110,000	57,775	(52,225)
Planning assistance	86,000	86,000	101,925	15,925
Planning advertising fees	30,000	30,000	27,700	(2,300)
Miscellaneous	13,000	13,000	12,741	(259)

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 7  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES (continued)</b>				
Charges for services (continued):				
Public safety:				
Subdivision inspection, testing and plan review	\$ 27,000	\$ 27,000	\$ 30,100	\$ 3,100
Flood determination fees	21,770	21,770	22,599	829
Commercial and residential plan review	400,000	400,000	437,667	37,667
Sale of reports and photos	250,000	250,000	236,724	(13,276)
Sobriety test	35,000	35,000	37,200	2,200
False alarm fees	250,000	250,000	241,837	(8,163)
Reimbursements for overtime	400,000	400,000	573,004	173,004
Traffic safety fees	2,800,000	2,800,000	2,807,782	7,782
Prison medical charges	55,000	55,000	33,858	(21,142)
Coroners fees	355,410	486,820	483,883	(2,937)
Juvenile services fees	600	600	260	(340)
Miscellaneous	9,000	9,000	25,399	16,399
Transportation:				
Parking meters	275,000	275,000	216,379	(58,621)
Sanitation:				
Weed cutting charges	50,000	50,000	51,270	1,270
Health and welfare:				
Animal control center enforcement income	40,000	40,000	46,986	6,986
Animal control credit card payment fees	4,000	4,000	5,701	1,701
Culture and recreation:				
Summer programs:				
Jewel J. Newman Community Center	12,000	5,300	5,300	--
Riverfront docking fees	750	750	--	(750)
Conservation and development:				
Rent/utilities/donations:				
Leo S. Butler Community Center	15,000	15,000	19,061	4,061
Jewel J. Newman Community Center	--	11,331	46,186	34,855
Dr. Martin Luther King, Jr. Community Center	8,500	8,500	36,970	28,470
Chaneyville Community Center	--	--	962	962
Charles R. Kelly Community Center	13,400	14,250	17,180	2,930
Total charges for services	<u>21,859,230</u>	<u>21,996,121</u>	<u>22,608,134</u>	<u>612,013</u>
Fines and forfeits:				
City court criminal fines and forfeitures	350,000	350,000	290,562	(59,438)
City court forfeitures	50,000	50,000	197,063	147,063
City court traffic fines	1,750,000	1,750,000	1,511,025	(238,975)
Alcoholic Beverage Control Board fines	58,000	58,000	31,115	(26,885)
Total fines and forfeits	<u>2,208,000</u>	<u>2,208,000</u>	<u>2,029,765</u>	<u>(178,235)</u>
Investment earnings	<u>110,500</u>	<u>110,500</u>	<u>75,276</u>	<u>(35,224)</u>
Miscellaneous revenues:				
Rentals:				
Land	19,580	19,580	1,018,787	999,207
Buildings	263,000	263,000	266,034	3,034
Oil, gas and mineral royalties	115,000	115,000	132,684	17,684

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 7  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES (continued)</b>				
Miscellaneous revenues (continued):				
Airport note	\$ 419,710	\$ 419,710	\$ 419,712	\$ 2
Subrogation recovery and restitution	--	29,404	43,092	13,688
Condemnations	90,000	90,000	58,285	(31,715)
Juvenile detention meals	4,000	4,000	1,576	(2,424)
Confiscated funds - police	115,000	115,000	306,776	191,776
Police - miscellaneous revenues	20,000	20,000	21,801	1,801
Juvenile detention reimbursement	100,000	100,000	106,762	6,762
Donations and contributions	48,000	48,000	28,316	(19,684)
Animal control and rescue center contributions	237,360	237,360	178,719	(58,641)
Other	27,500	29,000	96,507	67,507
Total miscellaneous revenues	<u>1,459,150</u>	<u>1,490,054</u>	<u>2,679,051</u>	<u>1,188,997</u>
Total revenues	<u>289,602,240</u>	<u>292,545,381</u>	<u>297,777,734</u>	<u>5,232,353</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Metropolitan council	1,273,913	1,273,913	1,173,135	100,778
Council administrator	2,093,742	2,107,275	1,930,683	176,592
Council budget office	220,838	220,838	186,407	34,431
Parish attorney	7,478,108	7,647,384	7,198,480	448,904
Public information office	588,522	585,310	418,369	166,941
Planning commission	1,631,703	1,625,504	1,389,512	235,992
City court - administration	9,655,200	9,639,152	8,907,231	731,921
City constable	2,768,710	2,757,210	2,716,452	40,758
Justice of peace and ward constables	66,510	66,940	66,932	8
Sheriff - costs of court	181,000	181,000	97,012	83,988
Registrar of voters	860,923	860,923	849,818	11,105
Mayor - President	2,051,538	2,063,510	1,971,589	91,921
Finance	9,901,268	9,241,370	8,582,880	658,490
Collection of funds	3,179,000	3,258,570	3,166,667	91,903
Information services	5,006,487	4,204,177	3,993,811	210,366
Computerized systems	1,879,818	1,851,096	273,783	1,577,313
Purchasing	999,476	999,476	849,209	150,267
Human resources	3,076,329	3,076,329	2,910,830	165,499
Risk management	4,921,700	6,621,966	6,594,643	27,323
Municipal fire and police civil service board	72,680	72,680	67,978	4,702
Public works - administration, engineering, warehouse, citizen service center, and building maintenance	17,849,534	18,433,162	18,004,922	428,240
Priority building improvements	1,330,723	1,515,723	419,401	1,096,322
Miscellaneous public works projects	7,354,018	7,073,680	677,913	6,395,767
Municipal associations	120,160	120,160	118,499	1,661
Total general government	<u>84,561,900</u>	<u>85,497,348</u>	<u>72,566,156</u>	<u>12,931,192</u>

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 7  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (continued)</b>				
Current (continued):				
Public safety:				
Fire protection districts	\$ 142,850	\$ 142,850	\$ 142,823	\$ 27
Sheriff - correctional institution	9,368,458	11,096,358	10,780,752	315,606
E.B.R. Parish Coroner	2,000,178	2,131,588	2,111,742	19,846
Police	87,879,700	88,308,590	83,777,465	4,531,125
Fire	47,592,162	47,665,882	46,676,608	989,274
Emergency medical services	4,587,460	4,887,460	4,821,318	66,142
Juvenile services	5,651,689	5,525,479	4,732,909	792,570
Emergency preparedness	839,498	795,137	711,394	83,743
Public works - inspection and traffic engineering	11,405,275	9,900,604	9,179,870	720,734
Demolition program	312,133	382,133	287,653	94,480
Capital Region Planning Commission	57,150	57,150	56,730	420
Crimestoppers	14,000	14,000	14,000	--
Total public safety	<u>169,850,553</u>	<u>170,907,231</u>	<u>163,293,264</u>	<u>7,613,967</u>
Transportation:				
Public works - highway division	21,649,535	20,994,535	20,777,161	217,374
Street lighting	4,626,000	4,623,314	4,588,859	34,455
Federal urban system	150,000	150,000	--	150,000
Street maintenance	222,671	207,190	207,190	--
Road Lighting District No. 2	--	16,482	16,482	--
Total transportation	<u>26,648,206</u>	<u>25,991,521</u>	<u>25,589,692</u>	<u>401,829</u>
Health and welfare:				
Health unit	526,407	526,407	510,135	16,272
Council on Aging projects	877,290	877,290	877,220	70
Crisis Care Center	253,180	253,180	253,133	47
Baton Rouge Area Alcohol and Drug Center	319,000	320,200	320,171	29
Animal control and rescue center	2,376,683	2,438,924	2,386,826	52,098
O'Brien House	17,100	17,100	17,100	--
Total health and welfare	<u>4,369,660</u>	<u>4,433,101</u>	<u>4,364,585</u>	<u>68,516</u>
Culture and recreation:				
Community Centers Summer Programs	12,000	14,130	14,130	--
Louisiana Arts and Science Museum	843,070	843,070	843,052	18
Arts Council of Greater Baton Rouge	334,240	334,240	334,221	19
Baton Rouge Symphony League	95,000	95,000	95,000	--
U.S.S. Kidd	229,540	229,540	229,521	19
United States Bowling Congress	200,000	200,000	200,000	--
Total culture and recreation	<u>1,713,850</u>	<u>1,715,980</u>	<u>1,715,924</u>	<u>56</u>
Conservation and development:				
Economic development program	2,606,510	2,949,170	2,438,542	510,628
Urban restoration projects	432,300	412,276	--	412,276
Baton Rouge Film Commission	175,075	149,415	143,831	5,584
Summer youth employment program	216,017	216,545	216,528	17
Community centers	1,333,081	1,425,641	1,340,670	84,971

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 7  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (continued)</b>				
Current (continued):				
Conservation and development (continued):				
Human Development and Services	\$ 760,060	\$ 757,872	\$ 675,443	\$ 82,429
Baton Rouge Area Chamber	450,000	450,000	450,000	--
Score Chapter 141 - Baton Rouge	19,000	19,000	19,000	--
Earth Day	21,850	21,850	21,850	--
East Baton Rouge Redevelopment Authority	184,500	189,500	189,500	--
Cooperative Extension Service	63,843	63,843	60,082	3,761
Veterans Service Office	71,050	71,050	56,284	14,766
Big Buddy Program	256,550	256,550	256,550	--
Greater Baton Rouge Food Bank	23,000	23,000	23,000	--
CAFC/Children's Coalition	50,000	50,000	50,000	--
Downtown Merchants Association	38,000	38,000	38,000	--
City Year Louisiana	25,000	25,000	25,000	--
Baton Rouge Community College	131,850	131,850	131,839	11
Total conservation and development	<u>6,857,686</u>	<u>7,250,562</u>	<u>6,136,119</u>	<u>1,114,443</u>
Capital outlay	<u>1,507,977</u>	<u>2,634,020</u>	<u>--</u>	<u>2,634,020</u>
Intergovernmental expenditures:				
Equivalent three mills on industrial area assessment	154,730	168,916	168,916	--
District Attorney of the Nineteenth Judicial District	5,448,380	5,573,380	5,499,348	74,032
Nineteenth Judicial District Court	6,974,898	6,974,898	6,893,198	81,700
E.B.R. Parish Family Court	1,080,130	1,080,130	1,080,130	--
E.B.R. Parish Juvenile Court	1,211,980	1,216,820	1,216,820	--
E.B.R. Parish Clerk of Court	613,890	663,890	655,852	8,038
Total intergovernmental expenditures	<u>15,484,008</u>	<u>15,678,034</u>	<u>15,514,264</u>	<u>163,770</u>
Total expenditures	<u>310,993,840</u>	<u>314,107,797</u>	<u>289,180,004</u>	<u>24,927,793</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(21,391,600)</u>	<u>(21,562,416)</u>	<u>8,597,730</u>	<u>30,160,146</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Emergency Medical Services Fund	90,000	90,000	90,000	--
Grants Fund	--	768,781	768,781	--
Solid Waste Collection and Disposal Fund	2,559,160	2,559,160	2,559,160	--
Total transfers in	<u>2,649,160</u>	<u>3,417,941</u>	<u>3,417,941</u>	<u>--</u>
Transfers out:				
Grants Fund	(204,640)	(344,688)	(299,651)	45,037
Capital Projects Fund	(1,000,000)	(5,543,059)	(5,543,059)	--
Downtown Development District	(142,500)	(142,500)	(142,500)	--
Brownfield Fire Protection District	(16,250)	(16,250)	(16,250)	--
Chaneyville Fire Protection District	(35,860)	(35,860)	(35,860)	--
Pride Fire Protection District	(19,000)	(19,000)	(19,000)	--
Alsen-St. Irma Lee Fire Protection District	(24,510)	(24,510)	(24,510)	--
Taxable Refunding Bonds Fund	(4,781,910)	(4,781,910)	(4,781,905)	5

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 7  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>OTHER FINANCING SOURCES (USES) (continued)</b>				
Transfers out (continued):				
Excess Revenue and Limited Tax Fund	\$ (96,340)	\$ (96,340)	\$ (52,936)	\$ 43,404
Solid Waste Collection and Disposal Fund	(75,000)	(75,000)	(50,578)	24,422
Baton Rouge River Center	<u>(1,625,000)</u>	<u>(1,900,000)</u>	<u>(1,817,584)</u>	<u>82,416</u>
Total transfers out	<u>(8,021,010)</u>	<u>(12,979,117)</u>	<u>(12,783,833)</u>	<u>195,284</u>
Proceeds of capital asset disposition	<u>315,000</u>	<u>336,103</u>	<u>282,726</u>	<u>(53,377)</u>
Total other financing sources and uses	<u>(5,056,850)</u>	<u>(9,225,073)</u>	<u>(9,083,166)</u>	<u>141,907</u>
Net change in fund balances	(26,448,450)	(30,787,489)	(485,436)	30,302,053
Fund balances, January 1	<u>111,346,631</u>	<u>111,346,631</u>	<u>111,346,631</u>	<u>--</u>
Fund balances, December 31	<u>\$ 84,898,181</u>	<u>\$ 80,559,142</u>	<u>\$ 110,861,195</u>	<u>\$ 30,302,053</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
LIBRARY BOARD OF CONTROL SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 8

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 39,616,240	\$ 39,616,240	\$ 41,322,251	\$ 1,706,011
Charges for services:				
Library - copy machine	41,000	41,000	78,885	37,885
Fines and forfeits:				
Fines	210,000	210,000	201,801	(8,199)
Investment earnings	39,630	39,630	100,935	61,305
Miscellaneous revenues:				
Donations	5,000	5,000	3,041	(1,959)
Other income	10,000	10,000	9,488	(512)
Total miscellaneous revenues	15,000	15,000	12,529	(2,471)
Total revenues	39,921,870	39,921,870	41,716,401	1,794,531
<b>EXPENDITURES</b>				
Current:				
Culture and recreation:				
Operations	44,763,232	44,195,833	35,954,103	8,241,730
Capital outlay	1,411,012	1,978,412	1,007,710	970,702
Total expenditures	46,174,244	46,174,245	36,961,813	9,212,432
Excess (deficiency) of revenues over (under) expenditures	(6,252,374)	(6,252,375)	4,754,588	11,006,963
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Grants Fund	--	15,437	15,437	--
Transfers out:				
Grants Fund	--	(1,170)	(1,170)	--
Capital Projects Fund	(1,400,000)	(1,400,000)	(1,400,000)	--
Total transfers out	(1,400,000)	(1,401,170)	(1,401,170)	--
Proceeds of capital asset disposition	--	--	2,140	2,140
Total other financing sources and uses	(1,400,000)	(1,385,733)	(1,383,593)	2,140
Net change in fund balances	(7,652,374)	(7,638,108)	3,370,995	11,009,103
Fund balances, January 1	68,355,325	68,355,325	68,355,325	--
Fund balances, December 31	\$ 60,702,951	\$ 60,717,217	\$ 71,726,320	\$ 11,009,103

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GRANTS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 9

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenues:				
Federal grants:				
American Recovery and Reinvestment Act:				
Department of Energy	\$ 7,976	\$ --	\$ --	\$ --
Department of Justice	2,561,665	4,017,676	616,594	(3,401,082)
Department of Health and Human Services	12,391,479	16,296,333	14,231,217	(2,065,116)
Department of Housing and Urban Development	27,710,081	27,548,658	9,326,839	(18,221,819)
Environmental Protection Agency	17,473	12,317	12,317	--
Small Business Administration	19,745	17,150	17,150	--
State grants:				
American Recovery and Reinvestment Act:				
Department of Social Services	869	(87)	(87)	--
Department of Health and Hospitals	21,366	--	--	--
Highway Safety Commission	1,657,823	1,578,585	808,446	(770,139)
Commission on Law Enforcement	224,155	224,117	146,090	(78,027)
Governor's Office of Homeland Security and Emergency Preparedness	4,614,163	4,690,790	615,533	(4,075,257)
Department of Public Safety and Corrections	34,191	142,565	142,565	--
Louisiana State Supreme Court	99,112	99,112	62,246	(36,866)
Department of Transportation and Development	702,294	--	--	--
Louisiana State Capital Outlay	1,093,700	1,093,700	956,632	(137,068)
Louisiana Housing Corporation	1,704,667	1,870,033	1,185,869	(684,164)
Louisiana Recovery Authority	24,778,185	24,778,185	2,220,318	(22,557,867)
Louisiana Department of Culture, Recreation and Tourism	21,875	21,875	21,875	--
Louisiana Department of Treasury	42,706	--	--	--
Department of Social Services	103,126	(35)	(35)	--
Louisiana Workforce Commission	7,662,286	8,406,991	3,654,736	(4,752,255)
Department of Education	2,073,246	2,295,390	1,232,236	(1,063,154)
Louisiana Division of Administration Office of Community Development Disaster Recovery Unit	304,690	304,584	158,020	(146,564)
Other grants:				
Capital Region Planning Commission	102,000	100,559	82,559	(18,000)
Entergy	43,468	63,469	16,609	(46,860)
East Baton Rouge Parish Sheriff	17,600	17,600	17,600	--
Pennington Foundation	46,800	46,800	--	(46,800)
Cities of Service	34,545	34,545	24,354	(10,191)
St. John the Baptist Parish	1,948	--	--	--
Keep America Beautiful, Inc.	2,500	2,500	2,066	(434)
Louisiana Workforce Investment Board Local 21	377,640	377,640	13,113	(364,527)
Capital Area United Way	31,000	29,692	29,692	--
Section 8 Portability Reimbursements	20,968	20,968	20,968	--
Cops Outside Agencies Local Match	--	--	(52,437)	(52,437)
Total intergovernmental revenues	<u>88,525,342</u>	<u>94,091,712</u>	<u>35,563,085</u>	<u>(58,528,627)</u>
Investment earnings	<u>64,625</u>	<u>62,503</u>	<u>6,062</u>	<u>(56,441)</u>

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GRANTS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 9  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES (continued)</b>				
Miscellaneous revenues:				
Sobriety Court fees	\$ 10,940	\$ 101,429	\$ 65,025	\$ (36,404)
Program income (Housing and Urban Development)	1,608,214	656,232	673,658	17,426
Insurance reimbursement - Hurricane Gustav	773,914	(365,915)	--	365,915
Headstart - in kind contributions	2,990,406	2,725,996	2,725,996	--
Other	(368,213)	(367,713)	500	368,213
Total miscellaneous revenues	<u>5,015,261</u>	<u>2,750,029</u>	<u>3,465,179</u>	<u>715,150</u>
Total revenues	<u>93,605,228</u>	<u>96,904,244</u>	<u>39,034,326</u>	<u>(57,869,918)</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City Constable - Drug Abuse Resistance Education	361,715	364,175	230,730	133,445
Cities of Service - Leadership Grant	34,545	34,545	24,354	10,191
Total general government	<u>396,260</u>	<u>398,720</u>	<u>255,084</u>	<u>143,636</u>
Public safety:				
FEMA - Hurricane Gustav	9,191,010	8,511,142	--	8,511,142
FEMA - Hurricane Isaac	1,511,039	--	--	--
Edward Byrne Memorial Justice Assistance Grant	258,169	261,801	97,432	164,369
Project Safe Neighborhoods - Anti Gang Act	21,636	17,483	17,483	--
Baton Rouge Area Violence Elimination	1,279,666	2,737,897	985,600	1,752,297
Byrne Criminal Justice Innovation	999,998	999,998	400,702	599,296
State and Local Domestic Preparedness Equipment Program	315,105	288,704	99,642	189,062
National Institute of Justice - Solving Cold Cases with DNA	32,348	29,255	29,255	--
Title IV-E Reimbursements	74,657	189,715	142,419	47,296
Hazard Mitigation Planning Grant	35,981	35,981	33,050	2,931
Families in Need of Services	179,898	167,942	112,467	55,475
Families in Need of Services - Technical Assistance	5,880	5,880	1,532	4,348
Local Government Assistance Program:				
Chaneyville Fire Protection District	20,212	15,262	3,262	12,000
Pride Fire Protection District	2,633	2,100	2,100	--
Alsen-St. Irma Lee Fire Protection District	25,016	25,016	15,000	10,016
Central Volunteer Fire Department	32,000	31,895	30,567	1,328
Comprehensive Resiliency Pilot Program	190,978	190,978	87,841	103,137
Juvenile Accountability Incentive Block Grant	101,563	101,563	65,687	35,876
Targeted Violent Offender Program	40,698	40,660	35,562	5,098
Domestic Violence Intervention Program	46,800	46,800	46,800	--
Reduce Underage Drinking	351,185	235,359	114,075	121,284
Police Department Year-Round Overtime Grant:				
Occupant Protection and Speeding	342,694	341,126	173,622	167,504
DWI and Juvenile Underage Drinking Enforcement	632,522	631,523	180,501	451,022
Flex Funding	22,682	22,645	22,645	--
Open Container and DWI	229,381	226,821	226,821	--
Baton Rouge City Court DWI Court	221,023	273,267	176,806	96,461
Transportation Planning Study	60,000	58,559	58,199	360

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GRANTS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 9  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES (continued)</b>				
Current (continued):				
Public safety (continued):				
Joint Warrant - Violent Crime Task Force	\$ 17,600	\$ 17,600	\$ 17,600	\$ --
Pennington Domestic Violence Program	46,800	46,800	--	46,800
Non-grant funds:				
Multi-Jurisdictional Investigative Narcotics Task Force Program Income	2,582	2,582	2,582	--
Metropolitan Medical Response System	267,595	267,595	--	267,595
Total public safety	<u>16,559,351</u>	<u>15,823,949</u>	<u>3,179,252</u>	<u>12,644,697</u>
Transportation:				
Flood Property Acquisition	150,767	121,764	--	121,764
Land Use and Socio-Economic Study	54,000	54,000	36,000	18,000
Non-grant funds:				
Mass transit local assistance	180,000	180,000	--	180,000
Total transportation	<u>384,767</u>	<u>355,764</u>	<u>36,000</u>	<u>319,764</u>
Health and welfare:				
Low Income Housing Energy Assistance Program	240,380	285,496	67,786	217,710
Federal Emergency Management Agency Emergency Shelter	15,000	13,692	13,692	--
Non-grant funds:				
Weatherization Assistance Program	640	640	591	49
Low Income Housing Energy Assistance Program	(5,589)	217,239	14,704	202,535
Summer Food Program	1,066	1,066	--	1,066
Temporary Assistance to Needy Families	107,832	107,832	--	107,832
Total health and welfare	<u>359,329</u>	<u>625,965</u>	<u>96,773</u>	<u>529,192</u>
Culture and recreation:				
State Aid to Public Libraries	21,875	21,875	21,875	--
Baseball Stadium Improvements	1,093,700	1,093,700	977,274	116,426
Total culture and recreation	<u>1,115,575</u>	<u>1,115,575</u>	<u>999,149</u>	<u>116,426</u>
Conservation and development:				
American Recovery and Reinvestment Act:				
Energy Efficiency and Conservation Block Grant	188,811	--	--	--
Louisiana - Homelessness Prevention and Rapid Re-housing Program	869	(87)	(87)	--
Environmental Protection Agency Brownsfield				
Pilot Program	17,473	12,317	12,317	--
Sharlo Terrace II	2,151	2,151	2,151	--
Section 8 Operating Reserve	306,897	306,897	27,183	279,714
Section 8 Voucher Program	1,699,078	1,533,085	1,525,869	7,216
Choice Neighborhoods Planning Grant	520,024	520,024	8,340	511,684
Headstart	10,479,609	10,691,872	10,693,682	(1,810)
Ryan White HIV/AIDS Treatment Grant	1,832,033	4,743,111	4,630,247	112,864
Ryan White Minority AIDS Initiative	273,746	590,564	576,959	13,605
Early Headstart	31,206	13,674	13,674	--
Small Business Investment Initiative Grant	19,745	17,150	17,150	--

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GRANTS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 9  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u>	<u>Final Budget -</u> <u>Positive</u> <u>(Negative)</u>
<b>EXPENDITURES (continued)</b>				
Current (continued):				
Conservation and development (continued):				
Headstart Food Program	\$ 2,121,111	\$ 2,343,255	\$ 1,206,391	\$ 1,136,864
Community Services Block Grant	1,911,426	2,942,999	1,226,713	1,716,286
Community Development Emergency Shelter Grants	56,503	(35)	(35)	--
Community Wide Programs	42,707	--	--	--
Workforce Investment Act:				
Adult Program	1,993,915	2,103,598	1,143,859	959,739
Youth Program	1,550,954	1,550,954	614,174	936,780
Dislocated Workers Program	2,177,473	1,780,922	707,001	1,073,921
Disability Employment Initiative Program	28,519	28,519	2,564	25,955
Job Driven National Emergency Grant	377,640	377,640	13,113	364,527
Weatherization Assistance Program	1,259,924	1,126,567	576,922	549,645
Emergency Solutions Grant	204,363	457,970	455,397	2,573
Emergency Preparedness Entergy Grant	43,469	63,469	16,608	46,861
Capital Area United Way - VITA Grant	16,000	16,000	16,000	--
Keep Louisiana Beautiful, Inc.	2,480	2,480	--	2,480
Graffiti Hurts Grant	2,500	2,500	2,066	434
Non-grant funds:				
Headstart programs	12,582	13,582	4,277	9,305
Rental rehabilitation local funds	672,934	672,934	222,650	450,284
Headstart - in kind services	2,990,406	2,725,996	2,725,996	--
Small and Emerging Business Development Program	69,424	69,424	--	69,424
Louisiana Job Employment Training	35,661	35,661	298	35,363
Community Development Block Grant:				
Public improvements, facilities	757,412	1,365,412	950,000	415,412
Demolition and clearance	205,245	305,245	84,240	221,005
Public services	3,036,670	3,293,530	1,719,412	1,574,118
Relocation assistance	5,000	5,000	--	5,000
Housing rehabilitation	4,732,467	3,394,404	1,855,383	1,539,021
Program administration	2,056,088	1,320,492	767,176	553,316
Community Development Home Program:				
Direct home ownership assistance	4,352,528	4,352,528	2,596,318	1,756,210
Housing rehabilitation	510,759	510,759	85,780	424,979
Program administration	1,211,177	898,233	611,189	287,044
Community Housing Development Organization	2,037,199	2,037,199	47,490	1,989,709
Continuum of Care - Supportive Housing Program:				
Public services	1,771,359	1,771,359	928,443	842,916
Program administration	58,668	58,668	42,501	16,167
Housing Opportunities for Persons with AIDS Program:				
Public services	4,332,379	4,332,379	1,920,545	2,411,834
Program administration	1,753,887	1,753,887	600,623	1,153,264
Louisiana Recovery Act	24,766,576	24,766,576	9,206,667	15,559,909
Total conservation and development	<u>82,529,047</u>	<u>84,910,864</u>	<u>47,857,246</u>	<u>37,053,618</u>
Capital outlay	<u>272,644</u>	<u>1,099,975</u>	<u>1,142,155</u>	<u>(42,180)</u>
Total expenditures	<u>101,616,973</u>	<u>104,330,812</u>	<u>53,565,659</u>	<u>50,765,153</u>

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
GRANTS SPECIAL REVENUE FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 9  
(Continued)

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Excess (deficiency) of revenues over (under) expenditures	\$ (8,011,745)	\$ (7,426,568)	\$ (14,531,333)	\$ (7,104,765)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	386,429	323,464	299,651	(23,813)
Library Board of Control Fund	--	1,170	1,170	--
City Constable Court Costs Fund	15,000	15,306	15,306	--
Mosquito Abatement and Rodent Control Fund	--	124,599	124,599	--
Downtown Development District	--	211	211	--
East Baton Rouge Parish Communications District	--	38,226	38,226	--
Emergency Medical Services Fund	--	19,160	19,160	--
Greater Baton Rouge Airport District	--	52,946	52,946	--
Comprehensive Sewerage System Fund	--	30,143	30,143	--
Solid Waste Collection and Disposal Fund	--	137,990	137,990	--
Central Garage Fund	--	2,969	2,969	--
Total transfers in	<u>401,429</u>	<u>746,184</u>	<u>722,371</u>	<u>(23,813)</u>
Transfers out:				
General Fund	--	(768,781)	(768,781)	--
Library Board of Control Fund	--	(15,437)	(15,437)	--
Emergency Medical Services Fund	--	(55,261)	(55,261)	--
Pride Fire Protection District	--	(9,291)	(9,291)	--
Total transfers out	<u>--</u>	<u>(848,770)</u>	<u>(848,770)</u>	<u>--</u>
Proceeds of capital asset disposition	<u>2,287</u>	<u>7,587</u>	<u>7,587</u>	<u>--</u>
Total other financing sources and uses	<u>403,716</u>	<u>(94,999)</u>	<u>(118,812)</u>	<u>(23,813)</u>
Net change in fund balances	(7,608,029)	(7,521,567)	(14,650,145)	(7,128,578)
Fund balances, January 1	<u>11,132,086</u>	<u>11,132,086</u>	<u>11,132,086</u>	<u>--</u>
Fund balances, December 31	<u>\$ 3,524,057</u>	<u>\$ 3,610,519</u>	<u>\$ (3,518,059)</u>	<u>\$ (7,128,578)</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2014**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Greater Baton Rouge Airport District</b>	<b>Comprehensive Sewerage System</b>	<b>Solid Waste Collection and Disposal</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 4,895,754	\$ 69,699,413	\$ 10,962,221
Investments	5,520,743	78,597,210	12,361,653
Sales taxes receivable	--	4,109,190	--
Accounts receivable - net	566,263	6,574,024	3,585,467
Accrued interest receivable	3,221	178,618	6,727
Due from other governments (Note 11)	1,221,888	3,389,613	15,005
Prepaid items	--	--	--
Inventory	--	--	--
Total current assets	<u>12,207,869</u>	<u>162,548,068</u>	<u>26,931,073</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	1,197,035	209,943,186	--
Investments	1,841,932	271,294,072	--
Accounts receivable - net	147,093	--	--
Accrued interest receivable	--	131,133	--
Prepaid items	6,637	--	--
Total restricted assets	<u>3,192,697</u>	<u>481,368,391</u>	<u>--</u>
Capital assets (Note 6):			
Land	33,783,843	46,012,690	9,041,482
Buildings	133,042,903	--	141,449
Noise mitigation costs	58,392,539	--	--
Improvements (other than buildings)	166,298,714	1,867,855,625	28,347,174
Equipment	3,849,312	4,827,011	42,000
Construction work in progress	10,239,890	104,251,470	--
Total capital assets	405,607,201	2,022,946,796	37,572,105
Accumulated depreciation	(128,526,460)	(585,615,071)	(22,571,904)
Net capital assets	<u>277,080,741</u>	<u>1,437,331,725</u>	<u>15,000,201</u>
Total noncurrent assets	<u>280,273,438</u>	<u>1,918,700,116</u>	<u>15,000,201</u>
Total assets	<u>292,481,307</u>	<u>2,081,248,184</u>	<u>41,931,274</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on refunding	--	42,943,956	--
Deferred outflows on derivative instruments	--	87,643,226	--
Total deferred outflows of resources	<u>--</u>	<u>130,587,182</u>	<u>--</u>

The accompanying notes are an integral part of this statement.

<b>Business-type Activities - Enterprise Funds</b>		<b>Governmental</b>
<b>Other</b>		<b>Activities</b>
<b>Enterprise</b>		<b>Internal</b>
<b>Total</b>	<b>Total</b>	<b>Service</b>
		<b>Funds</b>
\$ 2,689,442	\$ 88,246,830	\$ 16,845,065
2,059,091	98,538,697	--
--	4,109,190	--
1,148,109	11,873,863	--
1,379	189,945	4,777
678,024	5,304,530	--
255,888	255,888	--
118,566	118,566	276,323
<u>6,950,499</u>	<u>208,637,509</u>	<u>17,126,165</u>
3,892,628	215,032,849	--
4,389,559	277,525,563	--
--	147,093	--
2,539	133,672	--
--	6,637	--
<u>8,284,726</u>	<u>492,845,814</u>	<u>--</u>
2,654,217	91,492,232	47,568
101,489,745	234,674,097	2,213,798
--	58,392,539	--
14,399,025	2,076,900,538	7,190
1,171,555	9,889,878	35,953,925
272,854	114,764,214	--
<u>119,987,396</u>	<u>2,586,113,498</u>	<u>38,222,481</u>
<u>(68,997,439)</u>	<u>(805,710,874)</u>	<u>(30,030,140)</u>
<u>50,989,957</u>	<u>1,780,402,624</u>	<u>8,192,341</u>
<u>59,274,683</u>	<u>2,273,248,438</u>	<u>8,192,341</u>
<u>66,225,182</u>	<u>2,481,885,947</u>	<u>25,318,506</u>
--	42,943,956	--
--	87,643,226	--
<u>--</u>	<u>130,587,182</u>	<u>--</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2014**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Greater Baton Rouge Airport District</b>	<b>Comprehensive Sewerage System</b>	<b>Solid Waste Collection and Disposal</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	\$ 2,296,380	\$ 48,204,051	\$ 3,500,879
Accrued salaries payable	234,955	688,362	59,454
Accrued interest payable	1,124,857	21,084,581	--
Unearned revenue	--	--	--
Obligations payable (Note 10)	334,167	--	--
Bonds payable (Note 10)	1,510,000	10,008,000	--
Compensated absences payable	422,646	1,323,618	60,872
Total current liabilities	<u>5,923,005</u>	<u>81,308,612</u>	<u>3,621,205</u>
Noncurrent liabilities:			
Obligations payable (Note 10)	2,173,333	45,988,756	--
Loans payable	427,500	--	--
Contingent liabilities	--	4,750,000	--
Bonds payable (net of premiums and discounts) (Note 10)	57,401,327	1,386,735,739	--
Derivative instrument liability (Note 10)	--	87,643,226	--
Compensated absences payable	--	--	--
Landfill closure and postclosure care liability (Note 17)	--	--	14,926,406
Net other postemployment benefit obligation	6,327,666	22,591,341	2,185,524
Total noncurrent liabilities	<u>66,329,826</u>	<u>1,547,709,062</u>	<u>17,111,930</u>
Total liabilities	<u>72,252,831</u>	<u>1,629,017,674</u>	<u>20,733,135</u>
<b>NET POSITION</b>			
Net investment in capital assets	216,132,629	390,879,561	15,000,201
Restricted for capital projects	--	--	--
Restricted for debt service	700,716	72,475,247	--
Restricted Passenger Facility Charges	389,690	--	--
Restricted for external legal constraints	--	78,050,000	--
Unrestricted	3,005,441	41,412,884	6,197,938
Total net position	<u>\$ 220,228,476</u>	<u>\$ 582,817,692</u>	<u>\$ 21,198,139</u>

The accompanying notes are an integral part of this statement.

<u>Business-type Activities - Enterprise Funds</u>		<u>Governmental</u>
<u>Other</u>		<u>Activities</u>
<u>Enterprise</u>		<u>Internal</u>
<u>Total</u>	<u>Total</u>	<u>Service</u>
		<u>Funds</u>
\$ 838,485	\$ 54,839,795	\$ 1,364,930
38,042	1,020,813	76,640
--	22,209,438	--
1,321,484	1,321,484	--
--	334,167	--
1,220,000	12,738,000	--
102,723	1,909,859	131,415
<u>3,520,734</u>	<u>94,373,556</u>	<u>1,572,985</u>
--	48,162,089	--
--	427,500	--
--	4,750,000	--
3,211,660	1,447,348,726	--
--	87,643,226	--
29,419	29,419	--
--	14,926,406	--
559,840	31,664,371	--
<u>3,800,919</u>	<u>1,634,951,737</u>	<u>--</u>
<u>7,321,653</u>	<u>1,729,325,293</u>	<u>1,572,985</u>
46,558,297	668,570,688	8,192,341
8,873,538	8,873,538	--
--	73,175,963	--
--	389,690	--
--	78,050,000	--
3,471,694	54,087,957	15,553,180
<u>\$ 58,903,529</u>	<u>\$ 883,147,836</u>	<u>\$ 23,745,521</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN  
FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Greater Baton Rouge Airport District</b>	<b>Comprehensive Sewerage System</b>	<b>Solid Waste Collection and Disposal</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 13,571,069	\$ 75,408,256	\$ 37,500,024
Miscellaneous revenues	374,524	11,216	89,528
Total operating revenues	<u>13,945,593</u>	<u>75,419,472</u>	<u>37,589,552</u>
<b>OPERATING EXPENSES</b>			
Personal services	3,537,886	10,717,019	978,008
Employee benefits	2,675,078	7,808,285	683,920
Supplies	660,395	2,560,158	384,963
Contractual services	6,901,872	25,215,385	34,138,798
Landfill closure and postclosure care expense	--	--	3,484,782
Cost of materials	--	--	--
Depreciation	11,756,851	61,180,861	1,222,358
Management fee	--	--	--
Total operating expenses	<u>25,532,082</u>	<u>107,481,708</u>	<u>40,892,829</u>
Operating income (loss)	<u>(11,586,489)</u>	<u>(32,062,236)</u>	<u>(3,303,277)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Taxes pledged as securities for revenue bonds	--	43,583,023	--
Operating grants	560,556	--	--
Net income (loss) from joint venture	--	--	--
Passenger facility charges (Note 16)	1,596,932	--	--
Customer facility charges	1,694,600	--	--
Federal subsidy on debt	--	6,819,819	--
Investment earnings	15,528	979,616	23,772
Interest expense	(2,838,069)	(42,773,492)	--
Bond issuance costs	26,851	(6,096,403)	--
Gain (loss) on disposition of capital assets	(198,698)	146,887	--
Total nonoperating revenues (expenses)	<u>857,700</u>	<u>2,659,450</u>	<u>23,772</u>
Income (loss) before contributions and transfers	(10,728,789)	(29,402,786)	(3,279,505)
Capital contributions	2,620,425	5,748,809	--
Transfers in	--	--	50,578
Transfers out	(52,946)	(30,143)	(2,697,150)
Change in net position	(8,161,310)	(23,684,120)	(5,926,077)
Total net position - January 1	<u>228,389,786</u>	<u>606,501,812</u>	<u>27,124,216</u>
Total net position - December 31	<u>\$ 220,228,476</u>	<u>\$ 582,817,692</u>	<u>\$ 21,198,139</u>

The accompanying notes are an integral part of this statement.

<b>Business-type Activities - Enterprise Funds</b>		<b>Governmental Activities Internal Service Funds</b>
<b>Other Enterprise Total</b>	<b>Total</b>	
\$ 6,443,238	\$ 132,922,587	\$ 21,204,029
900,934	1,376,202	--
<u>7,344,172</u>	<u>134,298,789</u>	<u>21,204,029</u>
2,697,863	17,930,776	1,229,948
539,160	11,706,443	857,678
1,418,450	5,023,966	194,468
4,275,185	70,531,240	4,451,104
--	3,484,782	--
--	--	10,349,143
4,808,459	78,968,529	2,795,518
326,499	326,499	--
<u>14,065,616</u>	<u>187,972,235</u>	<u>19,877,859</u>
<u>(6,721,444)</u>	<u>(53,673,446)</u>	<u>1,326,170</u>
--	43,583,023	--
331,905	892,461	--
(1,799,354)	(1,799,354)	--
--	1,596,932	--
--	1,694,600	--
--	6,819,819	--
16,285	1,035,201	17,142
(62,625)	(45,674,186)	--
--	(6,069,552)	--
(198,877)	(250,688)	627,630
<u>(1,712,666)</u>	<u>1,828,256</u>	<u>644,772</u>
(8,434,110)	(51,845,190)	1,970,942
1,983,034	10,352,268	--
1,843,330	1,893,908	--
--	(2,780,239)	(2,969)
(4,607,746)	(42,379,253)	1,967,973
<u>63,511,275</u>	<u>925,527,089</u>	<u>21,777,548</u>
<u>\$ 58,903,529</u>	<u>\$ 883,147,836</u>	<u>\$ 23,745,521</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Greater Baton Rouge Airport District</b>	<b>Comprehensive Sewerage System</b>	<b>Solid Waste Collection and Disposal</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from customers	\$ 13,420,121	\$ 75,386,914	\$ 37,878,265
Payments to suppliers for goods and services	(7,231,230)	(21,201,068)	(34,325,633)
Payments to employees for services and benefits	(5,258,204)	(15,942,090)	(1,420,659)
Other operating receipts	--	42,624	--
Net cash provided by (used for) operating activities	<u>930,687</u>	<u>38,286,380</u>	<u>2,131,973</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Receipts from general property taxes	--	850	--
Receipts from general sales and use taxes	--	43,580,043	--
Operating grants received	1,097,529	--	--
Transfers in from other funds	--	--	50,578
Transfers out to other funds	(52,946)	(30,143)	(2,697,150)
Net cash provided by (used for) noncapital financing activities	<u>1,044,583</u>	<u>43,550,750</u>	<u>(2,646,572)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from sale of debt	--	589,494,707	--
Proceeds from capital grants	2,594,423	439,849	--
Proceeds from sale of capital assets	158,570	146,887	--
Passenger facility charges	1,611,357	--	--
Customer facility charges	1,709,148	--	--
Acquisition and construction of capital assets	(4,844,510)	(176,251,156)	--
Principal paid on bonds, obligations and capital leases	(1,766,250)	(13,610,000)	--
Interest paid on bonds, obligations and capital leases	(2,864,908)	(62,291,869)	--
Payments made for bond issuance costs	--	(5,211,913)	--
Payment made to refunding bonds escrow agent	--	(369,648,551)	--
Federal subsidy on debt	--	6,822,882	--
Repayment of loans from other funds	(168,724)	--	--
Capital contributed by other governments	--	--	--
Capital contributed from impact fees	--	2,772,124	--
Net cash provided by (used for) capital and related financing activities	<u>(3,570,894)</u>	<u>(27,337,040)</u>	<u>--</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of investments	(7,362,675)	(349,891,282)	(12,361,653)
Proceeds from sales and maturities of investments	7,667,034	310,993,003	12,143,838
Cash received from joint venture activity	--	--	--
Cash paid for expenses of joint venture	--	--	--
Interest received on investments	17,687	1,060,260	27,025
Net cash provided by (used for) investing activities	<u>322,046</u>	<u>(37,838,019)</u>	<u>(190,790)</u>
Net increase (decrease) in cash and cash equivalents	(1,273,578)	16,662,071	(705,389)
Cash and cash equivalents, January 1	<u>7,366,367</u>	<u>262,980,528</u>	<u>11,667,610</u>
Cash and cash equivalents, December 31	<u>\$ 6,092,789</u>	<u>\$ 279,642,599</u>	<u>\$ 10,962,221</u>

The accompanying notes are an integral part of this statement.

<b>Business-type Activities - Enterprise Funds</b>		<b>Governmental</b>
<b>Other</b>		<b>Activities</b>
<b>Enterprise</b>		<b>Internal</b>
<b>Total</b>	<b>Total</b>	<b>Service</b>
		<b>Funds</b>
\$ 7,026,118	\$ 133,711,418	\$ 21,204,029
(5,858,273)	(68,616,204)	(15,112,478)
(3,285,665)	(25,906,618)	(2,073,895)
--	42,624	--
<u>(2,117,820)</u>	<u>39,231,220</u>	<u>4,017,656</u>
--	850	--
--	43,580,043	--
331,905	1,429,434	--
1,817,584	1,868,162	--
--	(2,780,239)	(2,969)
<u>2,149,489</u>	<u>44,098,250</u>	<u>(2,969)</u>
--	589,494,707	--
--	3,034,272	--
410	305,867	662,515
--	1,611,357	--
--	1,709,148	--
(761,045)	(181,856,711)	(3,820,404)
(2,188,500)	(17,564,750)	--
(62,625)	(65,219,402)	--
--	(5,211,913)	--
--	(369,648,551)	--
--	6,822,882	--
--	(168,724)	--
1,950,614	1,950,614	--
--	2,772,124	--
<u>(1,061,146)</u>	<u>(31,969,080)</u>	<u>(3,157,889)</u>
(6,448,650)	(376,064,260)	--
6,565,083	337,368,958	--
224,699	224,699	--
(51,084)	(51,084)	--
18,148	1,123,120	18,577
<u>308,196</u>	<u>(37,398,567)</u>	<u>18,577</u>
(721,281)	13,961,823	875,375
<u>7,303,351</u>	<u>289,317,856</u>	<u>15,969,690</u>
<u>\$ 6,582,070</u>	<u>\$ 303,279,679</u>	<u>\$ 16,845,065</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Greater Baton Rouge Airport District</b>	<b>Comprehensive Sewerage System</b>	<b>Solid Waste Collection and Disposal</b>
Classified as:			
Current assets	\$ 4,895,754	\$ 69,699,413	\$ 10,962,221
Restricted assets	1,197,035	209,943,186	--
Totals	<u>\$ 6,092,789</u>	<u>\$ 279,642,599</u>	<u>\$ 10,962,221</u>
 <b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	<u>\$ (11,586,489)</u>	<u>\$ (32,062,236)</u>	<u>\$ (3,303,277)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	11,756,851	61,180,861	1,222,358
Landfill closure and postclosure care expense	--	--	3,484,782
Increase (decrease) in compensated absences payable	25,597	(111,113)	(20,672)
Increase (decrease) in net other post employment benefit obligation	768,572	2,660,597	256,789
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	(379,452)	603,508	288,713
Decrease (increase) in prepaid items	--	--	--
Decrease (increase) in inventory	--	--	--
Increase (decrease) in accounts and contracts payable	331,037	1,231,033	198,128
Increase (decrease) in accrued salaries payable	14,571	33,730	5,152
Increase (decrease) in contingent liabilities	--	4,750,000	--
Increase (decrease) in unearned revenue	--	--	--
Total adjustments	<u>12,517,176</u>	<u>70,348,616</u>	<u>5,435,250</u>
Net cash provided by (used for) operating activities	<u>\$ 930,687</u>	<u>\$ 38,286,380</u>	<u>\$ 2,131,973</u>
 <b>Non cash investing, capital, and financing activities:</b>			
Gain in fair value of investments	\$ 3,221	\$ 309,751	\$ 6,727
Loss on disposal of capital assets	(357,268)	--	--
Contributions/accruals of capital assets	26,002	2,536,836	--
Interest expense on swap obligations	--	2,369,800	--
Loss on joint venture	--	--	--

The accompanying notes are an integral part of this statement.

<u>Business-type Activities - Enterprise Funds</u>		<u>Governmental</u>
<u>Other</u>		<u>Activities</u>
<u>Enterprise</u>		<u>Internal</u>
<u>Total</u>	<u>Total</u>	<u>Service</u>
		<u>Funds</u>
\$ 2,689,442	\$ 88,246,830	\$ 16,845,065
3,892,628	215,032,849	--
<u>\$ 6,582,070</u>	<u>\$ 303,279,679</u>	<u>\$ 16,845,065</u>
<u>\$ (6,721,444)</u>	<u>\$ (53,673,446)</u>	<u>\$ 1,326,170</u>
4,808,459	78,968,529	2,795,518
--	3,484,782	--
9,198	(96,990)	11,916
70,717	3,756,675	--
(419,069)	93,700	--
(46,464)	(46,464)	--
(67,219)	(67,219)	(45,466)
275,544	2,035,742	(72,297)
(128,557)	(75,104)	1,815
--	4,750,000	--
101,015	101,015	--
<u>4,603,624</u>	<u>92,904,666</u>	<u>2,691,486</u>
<u>\$ (2,117,820)</u>	<u>\$ 39,231,220</u>	<u>\$ 4,017,656</u>
\$ 3,918	\$ 323,617	\$ 4,777
(199,287)	(556,555)	(34,885)
32,420	2,595,258	--
--	2,369,800	--
(1,973,958)	(1,973,958)	--

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2014**

EXHIBIT A - 13

	<b>Pension Trust Fund</b>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 18,908,907
Receivables:	
Employee contributions	951,118
Employer contributions	6,072,829
Interest and dividends	14,708
Pending trades	2,881,200
Other contributions	131,914
Total receivables	10,051,769
Investments, at fair value	
Fixed income - domestic	296,467,525
Fixed income - international	22,209,075
Equity securities - domestic	336,848,968
Equity securities - international	289,862,337
Real estate investments	57,892,372
Alternative investments	64,226,072
Total investments	1,067,506,349
Capital assets:	
Land	550,628
Buildings	706,345
Equipment	46,231
Accumulated depreciation	(731,480)
Total capital assets	571,724
Total assets	1,097,038,749
<b>LIABILITIES</b>	
Accrued expenses and benefits payable	1,160,984
Pending trades payable	1,913,886
Total liabilities	3,074,870
<b>NET POSITION</b>	
Held in trust for pension benefits	\$ 1,093,963,879

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT A - 14

	<u><b>Pension Trust Fund</b></u>
<b>ADDITIONS</b>	
Contributions:	
Employee	\$ 13,463,174
Employer	40,127,044
Severance contributions from employee	1,534,821
Total contributions	<u>55,125,039</u>
Investment income:	
<i>From investment activities</i>	
Net appreciation in fair value of investments	58,132,942
Interest	233,058
Dividends	--
Total investment income	<u>58,366,000</u>
Less: investment expense	7,038,477
Net income from investing activities	<u>51,327,523</u>
Total additions	<u>106,452,562</u>
<b>DEDUCTIONS</b>	
Benefit payments	89,805,233
Refunds and withdrawals	2,823,522
Administrative expenses	1,721,986
Total deductions	<u>94,350,741</u>
Change in net position	12,101,821
Net position - beginning of year	<u>1,081,862,058</u>
Net position - end of year	<u><u>\$ 1,093,963,879</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF NET POSITION**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
**DECEMBER 31, 2014**

	<b>District Attorney of the Nineteenth Judicial District</b>	<b>Nineteenth Judicial District Court (1)</b>	<b>Nineteenth Judicial District Court Building Commission (1)</b>	<b>E.B.R. Parish Family Court</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,352,237	\$ 2,624,507	\$ 3,928,764	\$ 119,916
Property taxes receivable	--	--	--	--
Sales taxes receivable	--	--	--	--
Accounts receivable	361,437	56,885	--	6,940
Accrued interest receivable	--	--	22,549	--
Loans receivable	--	--	--	--
Due from other governments	--	231,675	370,221	--
Prepaid items	--	--	--	--
Inventory	--	--	--	--
Other assets	--	45,970	62,246	--
Restricted assets:				
Cash and cash equivalents	--	--	11,729,050	--
Capital assets: (Note 6)				
Buildings	--	--	107,628,256	--
Equipment	1,988,051	362,025	5,015,550	263,992
Construction work in progress	--	--	--	--
Accumulated depreciation	(1,427,703)	(309,407)	(16,826,651)	(111,456)
Total assets	<u>2,274,022</u>	<u>3,011,655</u>	<u>111,929,985</u>	<u>279,392</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflow for pension	--	--	--	--
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	74,474	340,644	16,930	--
Due to other governments	--	--	--	--
Accrued payables	215,715	--	411,113	--
Other liabilities	59,084	--	--	7,938
Non-current liabilities: (Note 10)				
Due within one year	--	64,557	1,697,595	10,000
Due in more than one year:				
Bonds and notes payable	--	--	90,185,000	--
Deferred premium on bonds	--	--	2,140,590	--
Compensated absences payable	--	632,598	--	121,638
Net other postemployment benefit obligation	6,897,123	7,394,823	--	1,063,259
Net pension liability	--	--	--	--
Obligation under capital leases	--	--	--	--
Claims and judgments payable	--	--	--	--
Total liabilities	<u>7,246,396</u>	<u>8,432,622</u>	<u>94,451,228</u>	<u>1,202,835</u>
<b>NET POSITION</b>				
Net investment in capital assets	560,348	52,618	4,017,155	152,536
Restricted for:				
Debt service	--	--	12,116,805	--
External legal constraints	208,552	782,273	1,120,673	--
Unrestricted	(5,741,274)	(6,255,858)	224,124	(1,075,979)
Total net position	<u>\$ (4,972,374)</u>	<u>\$ (5,420,967)</u>	<u>\$ 17,478,757</u>	<u>\$ (923,443)</u>

(1) As of June 30, 2014

The accompanying notes are an integral part of this statement.

<b>E.B.R. Parish Juvenile Court</b>	<b>E.B.R. Parish Clerk of Court (1)</b>	<b>East Baton Rouge Redevelop- ment Authority</b>	<b>Cyntreniks Group King Hotel Special Taxing District</b>	<b>Bluebonnet Convention Hotel Taxing District</b>	<b>Capital Area Transit System</b>	<b>Totals</b>
\$ 396,714	\$ 6,542,409	\$ 1,909,638	\$ 11,029	\$ 55,316	\$ 3,141,643	\$ 20,082,173
--	--	--	--	--	15,627,443	15,627,443
--	--	--	9,477	53,496	--	62,973
3,981	887,041	--	--	--	154,600	1,470,884
--	--	--	--	--	--	22,549
--	--	1,719,373	--	--	--	1,719,373
46,558	--	275,575	--	--	1,522,682	2,446,711
3,000	--	7,297	--	--	162,190	172,487
--	--	4,703,319	--	--	632,020	5,335,339
--	--	348,521	--	--	--	456,737
--	--	--	--	--	229,419	11,958,469
--	--	--	--	--	--	107,628,256
387,390	9,063,067	192,024	--	--	30,212,454	47,484,553
--	--	--	--	--	350,523	350,523
(375,911)	(8,476,206)	(143,503)	--	--	(17,886,506)	(45,557,343)
<u>461,732</u>	<u>8,016,311</u>	<u>9,012,244</u>	<u>20,506</u>	<u>108,812</u>	<u>34,146,468</u>	<u>169,261,127</u>
--	--	--	--	--	239,993	239,993
551	341,038	117,877	20,506	108,812	1,583,154	2,603,986
9,906	179,790	--	--	--	--	189,696
12,350	2,098,914	--	--	--	--	2,738,092
--	--	--	--	--	--	67,022
--	--	--	--	--	1,549,767	3,321,919
--	--	--	--	--	200,000	90,385,000
--	--	--	--	--	--	2,140,590
175,389	779,270	--	--	--	374,210	2,083,105
1,964,573	3,475,196	--	--	--	--	20,794,974
--	--	--	--	--	562,707	562,707
--	--	--	--	--	803,902	803,902
--	--	--	--	--	1,297,392	1,297,392
<u>2,162,769</u>	<u>6,874,208</u>	<u>117,877</u>	<u>20,506</u>	<u>108,812</u>	<u>6,371,132</u>	<u>126,988,385</u>
11,479	586,861	48,521	--	--	11,106,830	16,536,348
--	--	--	--	--	--	12,116,805
71,870	--	4,882,056	--	--	229,419	7,294,843
(1,784,386)	555,242	3,963,790	--	--	16,679,080	6,564,739
<u>\$ (1,701,037)</u>	<u>\$ 1,142,103</u>	<u>\$ 8,894,367</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 28,015,329</u>	<u>\$ 42,512,735</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF ACTIVITIES**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>Judicial Court Services</b>				
	<b>District Attorney of the Nineteenth Judicial District</b>	<b>Nineteenth Judicial District Court (1)</b>	<b>Nineteenth Judicial District Court Building Commission (1)</b>	<b>E.B.R. Parish Family Court</b>	<b>E.B.R. Parish Juvenile Court</b>
<b>EXPENSES</b>	\$ 14,375,841	\$ 14,821,134	\$ 9,749,086	\$ 2,092,549	\$ 1,998,205
<b>PROGRAM REVENUES:</b>					
Charges for services	2,979,279	2,414,254	6,207,656	144,306	27,829
Operating grants and contributions	9,521,699	11,163,664	--	1,867,818	478,882
Capital grants and contributions	--	--	--	--	--
Net program (expenses) revenue	<u>(1,874,863)</u>	<u>(1,243,216)</u>	<u>(3,541,430)</u>	<u>(80,425)</u>	<u>(1,491,494)</u>
<b>GENERAL REVENUES:</b>					
Taxes:					
Property	--	--	--	--	--
Occupancy	--	--	--	--	--
Grants and contributions not restricted to specific programs	--	--	--	--	1,202,669
Investment earnings	13,206	4,860	181,024	1,756	1,412
Miscellaneous	88,155	8,873	10,515	--	1,818
Total general revenues	<u>101,361</u>	<u>13,733</u>	<u>191,539</u>	<u>1,756</u>	<u>1,205,899</u>
Change in net position	(1,773,502)	(1,229,483)	(3,349,891)	(78,669)	(285,595)
Net position, beginning of year, restated (Note 1)	<u>(3,198,872)</u>	<u>(4,191,484)</u>	<u>20,828,648</u>	<u>(844,774)</u>	<u>(1,415,442)</u>
Net position, ending	<u>\$ (4,972,374)</u>	<u>\$ (5,420,967)</u>	<u>\$ 17,478,757</u>	<u>\$ (923,443)</u>	<u>\$ (1,701,037)</u>

(1) As of June 30, 2014

The accompanying notes are an integral part of this statement.

E.B.R. Parish Clerk of Court (1)	Total Judicial Court Services	Economic Development			Total Economic Development	Mass Transit	Total All Component Units
		East Baton Rouge Redevelop- ment Authority	Cyntreniks Group King Hotel Special Taxing District	Bluebonnet Convention Hotel Taxing District		Capital Area Transit System	
\$ 15,947,119	\$ 58,983,934	\$ 2,946,305	\$ 153,404	\$ 683,998	\$ 3,783,707	\$ 25,275,010	\$ 88,042,651
12,278,974	24,052,298	468,858	--	--	468,858	2,103,473	26,624,629
1,073,448	24,105,511	671,397	--	--	671,397	--	24,776,908
--	--	1,825,000	--	--	1,825,000	5,460,644	7,285,644
(2,594,697)	(10,826,125)	18,950	(153,404)	(683,998)	(818,452)	(17,710,893)	(29,355,470)
--	--	--	--	--	--	16,417,996	16,417,996
--	--	--	153,404	683,998	837,402	1,409,502	2,246,904
--	1,202,669	--	--	--	--	5,702,384	6,905,053
106,383	308,641	70,712	--	--	70,712	8,026	387,379
--	109,361	241,505	--	--	241,505	207,054	557,920
106,383	1,620,671	312,217	153,404	683,998	1,149,619	23,744,962	26,515,252
(2,488,314)	(9,205,454)	331,167	--	--	331,167	6,034,069	(2,840,218)
3,630,417	14,808,493	8,563,200	--	--	8,563,200	21,981,260	45,352,953
\$ 1,142,103	\$ 5,603,039	\$ 8,894,367	\$ --	\$ --	\$ 8,894,367	\$ 28,015,329	\$ 42,512,735



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

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**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17

**NOTE 1 - Summary of Significant Accounting Policies**

The Consolidated Government of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, is both a municipality (home rule charter) and a parish government (political subdivision of the State of Louisiana). The City of Baton Rouge is located wholly within the boundaries of the parish. The parish (approximately 472 square miles) is located in the southeastern portion of the State bordered by the Mississippi River on the west, approximately 80 miles northwest of New Orleans. The City-Parish is governed by a Mayor-President and 12 single-district Metropolitan Council members.

**a. Financial Reporting Entity**

The Consolidated Government of the City of Baton Rouge, Parish of East Baton Rouge serves as the financial reporting entity for both the municipality (City of Baton Rouge) and for the Parish (East Baton Rouge Parish). The financial reporting entity consists of: (1) the primary government (all funds under the auspices of the Mayor-President and the Metropolitan Council), (2) organizations for which the primary government is financially accountable and a financial benefit/burden relationship exists; and, (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Section 2100 of the 2011 Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, establishes criteria for determining which component units should be considered part of the Consolidated Government of the City of Baton Rouge, Parish of East Baton Rouge for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit
2. Financial accountability
  - a. The primary government appoints a voting majority of the potential component unit's governing body (and the primary government is able to impose its will on the potential component unit (or
  - b. When a potential component unit is fiscally dependent on the primary government regardless of whether the organization has separately elected officials or boards.
3. Financial benefit/burden relationship between the City-Parish and the potential component unit.
4. Misleading to exclude: Paragraph 111 of Section 2100 covers other potential component units for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading.

Based on the previous criteria, City-Parish management has included the following component units in the financial reporting entity:

**Blended Component Units**

The Employees' Retirement System of the City of Baton Rouge and Parish of East Baton Rouge (CPERS), a cost-sharing multiple-employer pension plan, is reported as a fiduciary fund in the Basic Financial Statements of the City of Baton Rouge, Parish of East Baton Rouge. The retirement system, a separate legal entity, was created in accordance with The Plan of Government in 1949. This retirement system exists for the sole benefit of current and former (primary government, component units, and related organizations) City-Parish employees who are members of the system. The system is governed by a seven-member board of trustees. Four members of the seven-member board are elected by the employees who participate in the system. The system is funded by the investment of contributions received from the City-Parish primary government, some of the government's component units, and related organizations, and member employees who are obligated to make the contributions to the system based upon actuarial valuations. The City-Parish does not serve as trustee for the retirement system. The fiscal year for CPERS is the calendar year. The separately issued audit report on the retirement system can be obtained at the following address: Jeffrey R. Yates, Retirement Administrator; P.O. Box 1471, Baton Rouge, LA 70821-1471.

**Discrete Component Units**

The Louisiana State Constitution mandates that parish governments fund a significant portion of the operational budgets of certain legally separate state constitutionally defined parish officials. These budgets are adopted as part of the City-Parish

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**a. Financial Reporting Entity (Continued)**

**Discrete Component Units (Continued)**

budget process. These judicial elected officials are fiscally dependent on the parish or state government for the issuance of debt and are included in this report as part of the financial benefit/burden relationship with the Parish. These officials have additional self statutorily defined sources of funds that are used for operating and/or capital purposes. These agencies have been discretely presented in the City-Parish Comprehensive Annual Financial Report (CAFR):

District Attorney of the Nineteenth Judicial District (for the period ended December 31, 2014)  
Nineteenth Judicial District Court (for the period ended June 30, 2014)  
Nineteenth Judicial District Court Building Commission (for the period ended June 30, 2014)  
E.B.R. Parish Clerk of Court (for the period ended June 30, 2014)  
E.B.R. Parish Family Court (for the period ended December 31, 2014)  
E.B.R. Parish Juvenile Court (for the period ended December 31, 2014)

The East Baton Rouge Redevelopment Authority was created by the 2007 Louisiana Legislature. It is governed by a five member board. A level of control is maintained by the City-Parish through appointment of a majority of the Authority's Board and through fiscal benefit/burden and imposition of will by the Metropolitan Council. The financial statements of the Authority for December 31, 2014, are included in the discrete component unit columns of the basic financial statements.

Capital Area Transit System (CATS) - CATS was originally created by the City-Parish Metropolitan Council as a corporation to provide bus transportation services within the parish. In 2004, the Louisiana State Legislature enacted House Bill 1682 Act 581 to recognize CATS as a political subdivision which functions under the provisions of an operating agreement with the City of Baton Rouge and Parish of East Baton Rouge. Any property acquired by the system is for the use and benefit of the City-Parish. All CATS board members are appointed directly by the Metropolitan Council. Metropolitan Council approval is required for all transportation fare changes. CATS's financial statements for the period ended December 31, 2014, are discretely presented in the basic financial statements.

Cyntreniks Group/King Hotel Special Taxing District and Bluebonnet Convention Hotel Taxing District were created pursuant to Louisiana Revised Statute 33:9038, which allowed the Metropolitan Council to establish a tax incremental financing (TIF) districts and appoint a three member board for each district. The Cyntreniks Group/King Hotel Special Taxing District is authorized to use *the proceeds of the two percent (municipal) general sales tax* and a three percent additional "district" tax within a small section of downtown Baton Rouge for the improvement of the King Hotel. The Bluebonnet Convention Hotel Taxing District is authorized to use *the proceeds of the two percent (municipal) general sales tax* and a two to three percent additional "district" tax within a small section located in the southeastern part of East Baton Rouge Parish. Both of these district's are presented as discrete component units in the basic financial statements and do not prepare separately issued financial statements.

Separately issued financial statements of the following City-Parish discretely presented component units can be obtained at the Office of the Legislative Auditor of the State of Louisiana, 1600 North Third Street, P.O. Box 94397, Baton Rouge, LA 70804-9397 (website [www.la.state.la.us/Reports\\_data](http://www.la.state.la.us/Reports_data)) or at the following administrative offices:

District Attorney Hillar Moore, III  
Administrative Office  
222 St. Louis Street, Fifth Floor  
Baton Rouge, LA 70802

Nineteenth Judicial District Court  
Ann McCrory, Judicial Administrator  
300 North Boulevard  
Baton Rouge, LA 70801

Nineteenth Judicial District Court Building Commission  
Ann McCrory, Judicial Administrator  
300 North Boulevard, Suite 3606  
Baton Rouge, LA 70801

East Baton Rouge Parish Family Court  
Ronnie Bullion, Judicial Administrator  
300 North Boulevard  
Baton Rouge, LA 70801

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**a. Financial Reporting Entity (Continued)**

**Discrete Component Units (Continued)**

East Baton Rouge Parish Juvenile Court  
Donna Carter, Judicial Administrator  
8333 Veterans Memorial Boulevard  
Baton Rouge, LA 70807

East Baton Rouge Parish Clerk of Court  
Doug Welborn  
222 St. Louis Street, First Floor  
Baton Rouge, LA 70802

East Baton Rouge Redevelopment Authority  
Gwen Hamilton, Interim President and CEO  
801 North Boulevard, Suite 200  
Baton Rouge, LA 70802

Capital Area Transit System  
Conner Burns, Chief Financial Officer  
2250 Florida Boulevard  
Baton Rouge, LA 70802-3125

**Related Organizations**

City-Parish officials are also responsible for appointing members of the boards of other organizations. City-Parish's accountability does not extend beyond making the appointments. The following agencies are related organizations to City-Parish government. Each organization's financial statements can be obtained at their respective administrative offices listed as follows:

Gas Utility Service District  
Phyllis Sims, Office Manager  
10633 Zachary-Deerford Road  
Zachary, LA 70791-9304

Baton Rouge Recreation and Park Commission  
Corey Wilson, Interim Finance Director  
6201 Florida Boulevard  
Baton Rouge, LA 70806

East Baton Rouge Housing Authority  
Richard Murray, Executive Director  
4731 North Boulevard  
Baton Rouge, LA 70806

The following three agencies are non-profit corporations established pursuant to State Statutes to finance debt for various public purposes within East Baton Rouge Parish. The Metropolitan Council appoints the board members of each respective agency. Each agency is fiscally independent from the City-Parish, issues its debt, approves its budgets, and sets its rates and charges. The primary government has no authority to remove board members, designate management, or approve or modify rates. The City-Parish is not obligated in any manner for the debt issues of these agencies. Financial statements for these agencies can be obtained at the following addresses:

Hospital Service District No. 1  
Michael Zimmerman, Chief Financial Officer  
Lane Memorial Hospital  
6300 Main Street  
Zachary, LA 70791

Capital Area Finance Authority  
Cheri Ausberry, Chairman  
601 St. Ferdinand Street  
Baton Rouge, LA 70802

Industrial Development Board  
(No Financial Transactions)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**b. Basis of Presentation**

The City-Parish's **basic financial statements** consist of the government-wide statements on all of the non-fiduciary activities of the primary government and its component units and the fund financial statements (individual major fund and combined nonmajor fund). The statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units and promulgated by the Governmental Accounting Standards Board (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*. Both the entity-wide financial statements and the proprietary fund financial statements follow the guidance included in GASB Statement No. 62 - *Codification of Accounting and Financial Reporting Guidance Contained In Pre-November 30, 1989 FASB and AICPA Pronouncements*.

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The government-wide financial statements include the Statement of Net Position and the Statement of Activities for all non-fiduciary activities of the primary government and the total for its component units. As a general rule, the effect of interfund activity has been removed from these statements. Exceptions to the general rule are payments between the enterprise funds to other various functions of government for charges such as sewer fees and contributions between the primary government and its component units which are reported as external transactions. The government-wide presentation focuses primarily on the sustainability of the City-Parish as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

*Governmental Activities* represent programs which normally are supported by taxes and intergovernmental revenues.

*Business-Type Activities* are financed in whole or in part by fees charged to external parties for goods and services.

The primary government is reported separately from the legally separate component units as detailed in section (a) of this note.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Indirect costs are not allocated by function for financial reporting in this statement; however, certain indirect costs have been directly allocated as administrative fees to grants and special fund programs. *Program revenues* include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. This includes externally dedicated resources such as a restricted property tax.

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

FUND FINANCIAL STATEMENTS:

Emphasis of fund financial reporting is on the major fund level in either the governmental or business-type categories. Nonmajor funds (by category) or fund type are summarized into a single column in the basic financial statements.

The daily accounts and operations of the City-Parish are organized on the basis of individual funds, each of which is considered a separate accounting entity. The operations of each fund, both major and nonmajor, are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds of the primary government are grouped into generic fund types and three broad fund categories as follows:

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**b. Basis of Presentation (Continued)**

FUND FINANCIAL STATEMENTS (Continued):

Governmental Activities Presented as Governmental Funds in the Fund Financial Statements:

General Fund -- The General Fund is the government's primary operating fund of the consolidated City and Parish. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Special Revenue Funds -- Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures (other than major capital projects or debt service) for specified purposes. The two special revenue funds reported as major funds in the fund financial statements are as follows:

The Library Board of Control Fund accounts for the special property tax levy required to fund the operation, maintenance and expansion of the East Baton Rouge Parish Library System.

The Grants Fund accounts for the receipts and disbursements of Federal and State grants.

Debt Service Funds -- Debt Service Funds are used to account for the accumulation of resources that are committed, restricted, or assigned to the payment of, general long-term debt principal, interest and related costs on long-term obligations of governmental funds. The government has no debt service fund major funds.

Capital Projects Fund -- The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds) and is reported as a major fund.

Proprietary Funds:

Enterprise Funds -- Enterprise funds are used to account for operations: (a) that are financed and operated similarly to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds are presented in the business-type activities column in government-wide financial statements and the major funds section of the basic financial statements. The three enterprise funds reported as major funds in the fund financial statements are as follows:

The Greater Baton Rouge Airport District Fund accounts for the operation of the Baton Rouge Metropolitan Airport, a commercial and general aviation facility principally financed by air carrier fees and airport related services.

The Comprehensive Sewerage System Fund accounts for the provision of sewer services and sewer treatment services to the residents of the entire parish. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing and collection of a user fee, and administration of sewerage facilities including long-term capital improvements.

The Solid Waste Collection and Disposal Fund accounts for solid waste collection and disposal services and operation and improvement of the landfill.

Internal Service Funds -- Two internal service funds are used by the government to account for: (1) financing the replacement of motorized equipment, and (2) to maintain and supply fuel for motorized vehicles and heavy equipment to various departments or agencies of the City-Parish, or to other governments, on a cost-reimbursement basis. The internal service fund totals are presented as part of the proprietary fund financial statements. Since the principal users

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**b. Basis of Presentation (Continued)**

FUND FINANCIAL STATEMENTS (Continued):

Proprietary Funds (Continued):

Internal Service Funds (Continued):

of the internal service funds are the City-Parish governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. To the extent possible, the cost of these services are reflected in the appropriate functional activity.

Fiduciary Fund:

Trust Funds -- The City-Parish Employees' Retirement System (CPERS) Pension Trust Fund (a blended component unit) is used to account for the accumulation of contributions for a defined-benefit cost-sharing multiple-employer pension plan to provide retirement benefits to qualified employees. The pension trust fund is presented in the basic financial statements section. Since by definition these assets are being held for the benefit of employees and cannot be used to address activities or obligations of this government, these funds are not incorporated into the government-wide statements.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**c. Basis of Accounting and Measurement Focus**

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized in the year for which they are levied.

FUND FINANCIAL STATEMENTS:

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeits, and most governmental miscellaneous revenues, including investment earnings are recorded as earned since they are measurable and available. The City-Parish definition of available means expected to be received within sixty days of the end of the fiscal year for all revenues except grants or entitlements on federal or state assistance programs. The availability period for these grant programs is twelve months.

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**c. Basis of Accounting and Measurement Focus (Continued)**

FUND FINANCIAL STATEMENTS (Continued):

Nonexchange transactions, in which the City-Parish receives value without directly giving value in return, includes sales tax, property tax, special assessments, grants, entitlements, and donations. Property taxes are recognized as revenues in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales tax and gross receipts business tax revenues are recognized when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied, subject to the availability criteria. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) claims and judgments, group health claims, arbitrage payable, net other post-employment benefit obligation and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

All proprietary funds and pension trust funds are accounted for on an economic resources measurement focus. Proprietary funds are maintained on the accrual basis of accounting wherein revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred, if measurable. Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

**d. Budgetary Data**

BUDGET POLICIES AND BUDGETARY ACCOUNTING:

The Plan of Government for the City-Parish outlines procedures for adopting a budget for the General, Special Revenue, and Debt Service Funds of the primary government:

The Finance Department compiles for the Mayor-President estimates of revenues and requests for appropriations of the annual budget. No later than November 5, the Mayor-President's budget is submitted to the Metropolitan Council for possible revision and adoption. The Council conducts public hearings on the budget, which must be adopted by December 15, to become effective January 1. In no event shall the total appropriations exceed total anticipated revenues taking into account the estimated surplus or deficit at the end of the current fiscal year.

Budgets for the Capital Projects Fund do not necessarily follow the time schedule for other funds, since capital projects may be started and completed at any time during the year. However, the capital project budget must be submitted to the Council for adequate public hearing and adoption on a project-length basis.

Annual operating budgets are adopted for the following governmental funds: General, Special Revenue, and Debt Service. The General Fund, Library Board of Control, and Grants Fund annual budgets are presented in the basic financial statements. Nonmajor governmental fund budget presentations appear in the Combining and Individual Fund Statements and Schedules. The original budget column on all budget presentations include the adjustments necessary to bring forward appropriations for both unspent projects of a continuing nature and legal encumbrances at the end of the last fiscal year.

Budgets of the General, Special Revenue, and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP) except for the following deviations: (1) On the budget basis, encumbrances are considered expendable from current appropriations and are reported as expenditures in order to reserve appropriations. (2) Housing and

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**d. Budgetary Data (Continued)**

BUDGET POLICIES AND BUDGETARY ACCOUNTING: (Continued):

Urban Development (HUD) loans to program recipients are reported as expenditures on the budget basis to facilitate reporting in accordance with federal regulations. The loans are recorded as "loans receivable" on the GAAP basis with a corresponding restriction of fund balance.

In accordance with The Plan of Government, appropriations, in addition to those contained in any current expenditure budget, shall be made only on the recommendation of the Mayor-President, and only if the Director of Finance certifies that sufficient funds are available to meet such appropriations. Appropriations at year-end normally lapse, except for those projects of a continuing nature which remain open until the projects are completed or abandoned and are shown on the Balance Sheet as Fund Balance-Assigned to Approved Continuing Projects in the General Fund. Such appropriations for continuing projects carried forward from 2013 to 2014 totaled \$17,565,265 for the general fund, and \$2,504,450 (shown as part of restricted fund balance) in the Grants Fund. These amounts are included in the original budget column for 2014. The level of budget control is at the fund, department or project level, and expenditures/encumbrances may not exceed appropriations. Should additional appropriations be required, interdivisional transfers may be authorized by the Mayor-President. Interdepartmental transfers may be made at the request of the Mayor-President with approval of the Council. Additional appropriations from fund balance or increases in estimated revenues must be approved by the Council. In accordance with The Plan of Government, if the Mayor-President shall at any time ascertain that there will not be for the parish, the city, or the districts, sufficient funds to meet total appropriations, it shall be his duty to revise appropriations.

Formal budgetary integration is used for management control in the accounting records during the year for the governmental fund types. The Capital Projects Fund project appropriations are initiated by project budgets rather than annual budgets, and accountability is controlled on the project-life basis.

ENCUMBRANCES:

Encumbrances representing purchase orders, contracts or other commitments are recorded in governmental fund-type budgetary funds to reserve portions of applicable appropriations. Encumbrances are part of the budgetary process and are included in actual expenditures when a comparison with budget is necessary. Encumbrances at year-end are not considered expenditures in the financial statements presented on the GAAP basis.

Encumbrances are reported in the governmental fund-type balance sheet in the restricted, committed, or assigned fund balance classifications. Significant encumbrances are included in the "construction work-in-progress" section of the capital asset note disclosure.

**e. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/ Fund Equity**

CASH, CASH EQUIVALENTS, AND INVESTMENTS:

Cash and cash equivalents for the primary government includes the payroll cash account, cash for insurance, cash for juror and witness fees, cash on hand, petty cash, cash for East Baton Rouge Sewerage Commission, cash for all sinking funds and debt service reserve funds on all City and Parish Public Improvement Sales Tax Revenue Bonds, and each individual fund's share of the consolidated cash account.

A single consolidated bank account has been established in a local bank into which monies are deposited and from which most disbursements are made. In addition, investment purchases are charged and maturities are deposited to the consolidated bank account. The purpose of this consolidation is to reduce administrative costs and provide a single cash balance available for the maximization of investment earnings. Each fund shares in the investment earnings according to its average cash and investments balance, prorated between funds. Cash is transferred from those funds with available cash resources to cover any negative cash balances in other funds at year-end. In addition, an imprest bank account is used for disbursements of payrolls, and separate accounts have been established for certain restricted funds as required by the bond indentures for related bond issues.

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**e. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/ Fund Equity (Continued)**

CASH, CASH EQUIVALENTS, AND INVESTMENTS (Continued):

The investment policies of the City-Parish are governed by State Statutes and bond covenants. Additional details on authorized investments of City-Parish primary government and component unit funds are disclosed in Note 3(b).

Cash, Cash Equivalents and Investments for the Employees' Retirement System are not included in the City-Parish's consolidated bank account. This retirement system is a blended component unit of the City-Parish primary government and operates a separate bank account and controls its own disbursements and investments.

For purposes of the Statement of Cash Flows, cash equivalents for each fund include demand deposit account balances, repurchase agreements, certificates of deposit and U.S. government securities with maturities of three months or less from date purchased.

Investments are reported at fair value except for: (1) short-term and money market investments, consisting primarily of U.S. treasury or agency obligations with a maturity of one year or less at time of purchase, which are reported at amortized cost and (2) the Louisiana Asset Management Pool (LAMP) investment, which is a local government 2a7-like pool administered by a non-profit corporation organized under State of Louisiana law, which is permitted to be carried at amortized cost.

Securities traded in a national or international exchange are valued at the last reported sales price at current exchange rates. Unrealized gains and losses on investments recorded at fair value are included in investment income.

RESTRICTED ASSETS:

Certain bond proceeds and debt service sinking funds of the Comprehensive Sewerage System and the Greater Baton Rouge Airport District Enterprise Funds are legally restricted as to purpose. These assets have been classified as restricted assets on the Statement of Net Position since the use of these funds is limited by applicable bond resolutions. In addition, the Greater Baton Rouge Airport District Fund shows a net asset restriction for unappropriated passenger facility charges.

INVENTORIES AND PREPAID ITEMS:

Inventories are stated at cost using the average price method. In the primary government's governmental fund types, inventoried items are recorded as expenditures when consumed, rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

INTERFUND RECEIVABLES AND PAYABLES:

Short-term cash borrowing between funds bears interest at the prevailing consolidated cash rate of return and is considered temporary in nature. These amounts are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Long-term advances between funds are reported as advances to/from other funds.

ACCOUNTS RECEIVABLE:

Accounts receivable are reported net of an allowance for uncollectibles in business-type activities. Major accounts receivable are recorded for: (1) sewer user fees in the Comprehensive Sewerage System Enterprise Fund; (2) airline landing fees, rentals, and miscellaneous charges for services in the Greater Baton Rouge Airport Authority Enterprise Fund; and (3) waste disposal fees at the landfill recorded in the Solid Waste Collection and Disposal Enterprise Fund. Uncollectible revenues are estimated at approximately 1/2 percent for the sewer user and solid waste collection fees with uncollectibles written off

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**e. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/ Fund Equity (Continued)**

ACCOUNTS RECEIVABLE (Continued):

on a monthly basis. At December 31, 2014, an uncollectible allowance of 1.7 percent has been recorded for the Greater Baton Rouge Airport District. Uncollectible amounts for solid waste disposal fees are historically immaterial and no allowance is recorded.

Accounts receivable reported at the entity-wide level include receivables for third-party billings of emergency transport fees accounted for in the Emergency Medical Services non-major special revenue fund. This entity-wide receivable is accrued net of a varying uncollectible percentage, based upon past trends of collection, by number of months outstanding.

CAPITAL ASSETS:

Capital assets, which include land and land improvements, buildings, equipment, noise mitigation costs, and infrastructure assets (streets, roads, bridges, canals and sewer and drainage systems) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalization thresholds are defined by the City-Parish in the official accounting policies and procedures as follows:

- Movable capital assets with a cost of \$5,000 or more per unit and a useful life of at least two years.
- Land, land improvements and intangible assets purchased with a minimal value of \$50,000.
- Buildings and building improvements with a value of \$100,000 that extend the useful life of a building.
- Individual purchased infrastructure improvements with a value of \$100,000.
- Donated infrastructure systems with a value of \$500,000.

All assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized at substantial completion of construction projects. Transfer of capital assets between governmental and business-type activities are recorded at the carrying value at the time of transfer. For capitalization purposes, projects are considered substantially complete when 80% of the project has been constructed. At this point the project costs are moved out of construction work in progress and capitalized.

Depreciation on all capital assets, excluding land and improvements, is calculated on the straight-line method over the following estimated useful lives:

<u>Type of Capital Assets</u>	<u>Number of Years</u>
Buildings and Building Improvements	25-40
Runways and Improvements	25
Land Improvements-Structure	10
Furniture	10
Machinery and Equipment	5-10
Automobiles	3
Infrastructure	25-35

All infrastructure assets purchased by the primary government since 1960 are recorded as capital assets and depreciated accordingly. All donated infrastructure accepted into the City-Parish's maintenance program since 1980 has been capitalized and depreciated in accordance with the above capitalization policy.

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**e. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/ Fund Equity (Continued)**

CAPITAL ASSETS (Continued):

The City-Parish capitalizes interest cost during the construction phase of major capital projects of proprietary funds in accordance with *GASB 62 - Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements, paragraphs 5-22*. The objectives of capitalizing interest are: (a) to obtain a measure of acquisition cost that more closely reflects the enterprise's total investment in the asset, and (b) to charge a cost that relates to the acquisition of a resource that will benefit future periods against the revenues of the period benefitted. The amount of interest cost capitalized on major capital projects acquired/constructed with proceeds of restricted tax-exempt debt includes all interest cost of the borrowing less any interest earned on related interest-bearing investments acquired with proceeds of the related tax-exempt borrowing from the date of the borrowing until the assets are ready for their intended use. Interest cost capitalized for the period ending December 31, 2014, is disclosed by project in Note 6, Changes in Capital Assets.

LONG-TERM DEBT:

In the government-wide Statement of Net Position and in the proprietary fund types' financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond issuance costs, excluding any prepaid bond insurance, are reported as expense in the year of debt issuance. Bonded debt premiums, discounts, and gains (losses) on refundings are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable is reported net of the applicable bond premium or discount. Gains (losses) on refundings are reported as deferred outflows/inflows of resources.

In the fund financial statements, governmental fund types recognize bond premiums, discounts, and bond issuance costs during the current financial reporting period. The face amount of the debt issue is reported as "other financing sources." Premiums received on debt issuances are reported as "other financing sources" and discounts on debt are reported as "other financing uses."

Excess revenue contracts, loans, and notes are obligations of the general government and payment of these debts are normally provided by transfers from the General Fund to a debt service fund. However, if the debt is intended to be repaid by an enterprise fund it is recorded as a proprietary long-term debt.

Sales tax revenue bonds are secured by sales tax revenues. For those issues not associated with enterprise fund operations, payment of the debt is provided by sales tax revenue recognized in the appropriate debt service fund. Sales tax revenue bond issues associated with enterprise funds are accounted for in the relevant enterprise fund.

Derivative guidelines were adopted by the Metropolitan Council in 2006, that allows the government to enter into interest rate swap agreements to manage interest rate risk and reduce debt service costs on debt. The derivative guidelines policy defines the parameters under which the program operates. The City-Parish records derivative instruments at fair value on the entity-wide financial statements and on the fund level for business-type activities to provide the reader disclosure concerning the government's exposure to risk and how these risks are managed.

COMPENSATED ABSENCES:

All City-Parish primary government classified and non-classified regular employees earn vacation leave in varying amounts according to the employee's number of years of continuous service up to a maximum of five year's accrual. All City-Parish primary government classified and non-classified regular employees earn sick leave in varying amounts according to the employee's number of years of continuous service. Sick leave is accumulated without time limitations. Sick leave is payable only upon death or retirement.

Payments for accrued sick and vacation leave are limited to a combined 120 days under all circumstances except death. Upon death, the maximum accrued leave payable is 120 days sick leave and the equivalent of two years of accrued vacation. Vacation and sick leave may also be converted into time worked for retirement purposes. Per Metropolitan Council Ordinance 85011 effective January 1, 1988, the Employees' Retirement System assumed partial liability for separation

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**e. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/ Fund Equity (Continued)**

COMPENSATED ABSENCES (Continued):

benefits (accrued sick and vacation leave) for employees who retire or who die. At December 31, 2014, the City-Parish retains approximately 20.0% of the total liability for accumulated sick and vacation leave per calculations performed by an outside actuary consultant.

City-Parish employees of certain job classifications may accrue compensatory time in lieu of overtime payment up to 30 days for regular employees and 60 days for public safety employees. Compensatory leave is paid by the City-Parish upon termination, resignation, retirement or death, up to the maximum accrual amounts. City-Parish retains 100% of the compensatory leave liability as of December 31, 2014.

GASB Statement No. 16, *Accounting for Compensated Absences*, requires governments to accrue compensated absences only to the extent it is probable that the employer will compensate employees for benefits through paid time off or cash payments conditioned on the employees' termination or retirement. The City-Parish has recorded the following liabilities as of December 31, 2014, for certain salary-related benefits associated with the payment of compensated absences:

1. The actuarially determined percentage of accrued vacation for each employee valued at the employees' current rate of pay.
2. Using the "termination pay method," the value of the City-Parish's liability for sick leave as of December 31, 2014, is limited to 1/3 of the accumulated sick leave accrued at year-end for DROP participants. No sick leave is recorded in the financial statements for active employees since the amount applicable as defined in Section C60.105 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards* is immaterial.
3. A total of 100% of the compensatory leave for each employee valued at the employees' current rate of pay.
4. Applicable percentages of retirement contribution, social security, Medicare and other postemployment benefits have been added to the above accrued leave.

In the government-wide financial statements and the proprietary fund types fund statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis. A current liability is recorded for the value of one year's accrual of leave in the proprietary funds fund statements. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, (issued in March of 2000), no compensated absences liability is recorded at December 31, 2014, in the governmental fund financial statements.

Details of the compensated absences liability for the City-Parish discrete component units can be found in the separately issued audit reports of each component unit.

MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS:

Municipal Solid Waste Landfill (MSWLF) Closure and Postclosure Care Costs are accounted for in accordance with guidelines recommended by Section L10 of the *GASB Codification of Governmental Accounting and Financial Reporting Standards*.

The Solid Waste Collection and Disposal Enterprise Fund recognizes (based on MSWLF use) that portion of the estimated total current cost of MSWLF closure and postclosure care as an expense and as a liability in each period that it accepts solid waste. A complete explanation of the liability and its calculation is referenced in Note 17.

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**e. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/ Fund Equity (Continued)**

FUND BALANCE POLICY FOR GOVERNMENTAL FUND TYPES:

The City-Parish reports governmental fund equity in accordance with Metropolitan Council 2014 Budget Ordinance 15627, adopted December 10, 2013 and 2015 Budget Ordinance 15845 adopted December 9, 2014, which set the following fund balance policy for all governmental fund types of the consolidated government:

- a. Governmental fund balance classification will consist of “nonspendable,” “restricted”, “committed”, “assigned”, and “unassigned”.
- b. When an expenditure is incurred for purposes for which restricted, committed, assigned and unassigned fund balance are available, as a general rule, the City-Parish will apply expenditures first to restricted, committed, and assigned fund balances-in that order, with the remainder to unassigned fund balance.
- c. Restricted fund balance will be reported for all funds that reflect constraints on spending due to legal restrictions stipulated by external parties, enabling legislation of the state or federal governments, and grant requirements placed on funds to be used for specific purposes.
- d. Committed fund balance will be reported for the amount of fund balance that reflects the constraints that the City-Parish has imposed upon itself by formal action (adoption of an ordinance) of the Metropolitan Council. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. Committed fund balance will include amounts set aside in the Insurance Reserve Account and the Budget Stabilization Account as included in the government’s financial policies of the “Understanding the Budget” section of the annual adopted operating budget.
- e. All encumbered contracts or outstanding obligations made by the City-Parish at year-end that are not part of restricted or committed funds will be shown as “assigned” fund balance.
- f. Assigned fund balance includes amounts that are constrained by the City-Parish’s intent to be used for specific purposes, but are neither restricted nor committed. By adoption of an ordinance, the Metropolitan Council authorizes the director of Finance or Deputy Director of Finance to assign fund balance for other specific purposes at year-end.

A Budget Stabilization Account was originally authorized in the General Fund operating budget of 1999. The Metropolitan Council officially committed to maintain the budget stabilization account in an amount equal to at least five percent and not greater than ten percent of the following year’s general fund appropriation in the 2014 Annual Operating Budget adopted by Ordinance 15627 dated December 10, 2013. Per ordinance, *the budget stabilization account shall be calculated annually by the Finance Department and included in the Comprehensive Annual Financial Report as committed fund balance.*

*The stabilization account may be used with Metropolitan Council approval to balance the current year general fund budget or immediate subsequent year budget when projected current year tax revenue falls below the budgeted growth rate by more than one percent or in the event the government faces an unanticipated extraordinary expenditure increase that cannot be rectified in a single budget year. The stabilization account shall not be used for revenue shortfalls or expenditure increases deemed permanent, but rather allow the government time to transition without undue disruption to governmental services. When the budget stabilization account falls below the minimum five percent level, the Mayor-President shall present the Metropolitan Council a plan to restore the minimum level with a goal of 36 months after the year of use.*

The Insurance Reserve Account was established as a general fund reservation (or designation) by the City-Parish in 1972. Since that date the managerial fund has been used to pay for risk management activities of the general government. Metropolitan Council Ordinance 15627 of December 10, 2013, confirmed the policy and use of the insurance reserve account as follows: *The City-Parish will maintain a managerial fund entitled “Insurance Reserve” as part of committed General Fund-Fund Balance for the purpose of minimizing the financial impact of potential costs that cannot be covered by the City-parish’s risk management program annual budget. The managerial fund will be increased by any balance remaining in the General Fund Risk Management operating budget at each year-end. The City-Parish shall seek restitution from companies and individuals when negligence results in the unexpected use of funding in accordance with applicable laws.*

*The committed insurance reserve account may be used as a source for any risk purposes, including costs associated with purchased insurance or self-insurance programs. The account can also be used for major costs associated with disaster and other events which may not be reimbursable from insurance or federal or state government sources.*

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**e. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/ Fund Equity (Continued)**

FUND BALANCE POLICY FOR GOVERNMENTAL FUND TYPES (Continued):

Details of restricted, committed, and assigned fund balances at year-end are presented in Note 14(b).

NET POSITION:

Net position represents the difference between assets plus deferred outflows of resources, less liabilities, less deferred inflows of resources. The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets.

The *restricted* component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those restricted assets. The restricted component of net position is used when there are limitations imposed on their use of an asset by external parties such as creditors, grantors, laws or regulations of other governments.

The *unrestricted* component of Net Position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of Net Position.

When both restricted and unrestricted resources are available for use for a particular project or purpose, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. Details of the restricted component of net position at year-end are presented in Note 14(a).

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES:

The statement of financial position will often report a separate section for deferred outflows and (or) deferred inflows of financial resources. *Deferred outflows* of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. *Deferred inflows* of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources until that time.

All of the primary government's deferred outflows of resources on the statement of net position are a result of deferrals concerning bonded debt. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. Deferred amount on refunding of debt is reported in the deferred inflows or deferred outflow sections of the statement of position.

Changes in fair values of hedging derivative assets and liabilities are reported as deferred inflows or deferred outflows. Note 10(a)11 presents detailed information concerning the City-Parish primary government's derivative instruments.

The governmental funds report unavailable revenues from two sources: property taxes and Federal and State financial assistance. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

ACCOUNTING ESTIMATES:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenues and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 1 - Summary of Significant Accounting Policies (Continued)**

**f. Restatement of Prior Year Net Position - Component Units**

1. The Nineteenth Judicial District Court Building Commission implemented Governmental Accounting Standards Board (GASB) Statement 65 - *Items Previously Reported as Assets and Liabilities*. The implementation of Statement 65 resulted in the reclassification of the beginning net position of the governmental activities in the government-wide financial statements \$270,833 of deferred charges for issuance costs which were re-classed as expense of prior periods.
2. Net position of the Land Banking Fund within the enterprise fund financial statements and the Business Type Activities within the government-wide financial statements of the East Baton Rouge Redevelopment Authority was restated as of December 31, 2013, by \$130,900 to capitalize land costs which had been previously expensed.
3. The Capital Area Transit System implemented Governmental Accounting Standards Board (GASB) Statement 68 *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, as of December 31, 2013, which resulted in a cumulative change in accounting principle which resulted in a decrease of net position of \$2,211,250.

The net effect to the Component Units on the entity-wide Statement of Net Position for the prior period from the restatement is as follows:

<u>Component Units</u>		
Total net position, December 31, 2013,		
as previously reported		\$47,704,136
Adjust capital assets for capitalization error		130,900
Implementation of GASB Statement 65		(270,833)
Implementation of GASB Statement 68		<u>(2,211,250)</u>
Total net position, December 31, 2013, restated		<u>\$45,352,953</u>

The net effect to the individual component units for the prior period from the restatement is as follows:

	<u>Nineteenth Judicial District Court Building Commission</u>	<u>East Baton Rouge Redevelop- ment Authority</u>	<u>Capital Area Transit System</u>
<u>Component Units</u>			
Total net position, December 31, 2013,			
as previously reported	\$21,099,481	\$8,432,300	\$24,192,510
Adjust capital assets for capitalization error	--	130,900	--
Implementation of GASB Statement 65	(270,833)	--	--
Implementation of GASB Statement 68	<u>--</u>	<u>--</u>	<u>(2,211,250)</u>
Total net position, December 31, 2013, restated	<u>\$20,828,648</u>	<u>\$8,563,200</u>	<u>\$21,981,260</u>

**g. New Accounting Standards Not Yet Effective**

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, will require the Primary Government to recognize a liability on the entity wide statements for its proportionate share of the net pension liability presented in Note 7. This statement is effective for periods beginning after June 15, 2014, and will be implemented in the Primary Government's CAFR for the year ended December 31, 2015. The effect to the Primary Government's net position is expected to be significant.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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(Continued)

**NOTE 2 - Stewardship, Compliance, and Accountability**

**Budgetary - GAAP Reporting Reconciliation**

Annual budgets are adopted for the major and the non-major governmental funds. Budgetary comparisons presented in this report are on the budgetary basis.

As discussed in Note 1(d) certain adjustments are necessary to compare actual data on a GAAP versus budget basis. Adjustments reconciling the excess (deficit) of revenues and other financing sources over (under) expenditures and other uses at year end on the GAAP basis to the budgetary basis are as follows:

	<u>General Fund</u>	<u>Library Board of Control</u>	<u>Grants Fund</u>	<u>Nonmajor Governmental Funds</u>
Net change in fund balances (Budget Basis)	\$ (485,436)	\$3,370,995	\$(14,650,145)	\$(5,988,662)
Adjustments:				
To adjust for encumbrances	1,471,348	1,495,011	14,298,221	3,628,826
To adjust for U.S. Housing and Urban Development loans receivable	--	--	<u>252,777</u>	--
Net change in fund balances (GAAP Basis)	<u>\$ 985,912</u>	<u>\$4,866,006</u>	<u>\$ (99,147)</u>	<u>\$(2,359,836)</u>

The budgetary basis accounts for encumbrances as expenditures in the year in which the funds are encumbered. However, on the GAAP basis, expenditures for encumbered funds are recognized when the obligation is incurred. Therefore, a timing difference exists between budgetary practices and GAAP.

**NOTE 3 - Cash, Cash Equivalents, and Investments**

The City-Parish maintains a consolidated cash management pool that is available for use by all funds except the Employees' Retirement System Pension Trust Fund. Each fund type's portion of the consolidated cash pool is displayed on the Statement of Net Position as "Cash and cash equivalents" or "Investments." The City-Parish primary government and all discretely presented component units adopted Governmental Accounting Standards Board Statement No. 40, *Deposit and Investment Risk Disclosures*, during 2004.

**a. Deposits - Primary Government**

Deposits (including demand deposit accounts and certificates of deposits) at December 31, 2014, for the City-Parish primary government are summarized as follows:

1. Primary government excluding Employees' Retirement System Pension Trust Fund:

<u>Carrying Amount</u>	<u>Bank Balance</u>
\$287,447,730	\$297,417,350

Certificates of deposit with a maturity of 90 days or more are classified on the Statement of Net Position as "Investments" (\$57,945,163). The remaining carrying amount of \$229,502,567 is classified as "Cash and cash equivalents."

The City-Parish's bank balance of deposits at December 31, 2014, is not exposed to any custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the City-Parish's deposits may not be returned.

The carrying amount of deposits does not include a cash on hand balance of \$6,171,275 which is not on deposit with a financial institution. Cash on hand includes petty cash and cash received but not yet deposited at year-end.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 3 - Cash, Cash Equivalents, and Investments (Continued)**

**a. Deposits - Primary Government (Continued)**

2. Employees' Retirement System Pension Trust Fund:

At December 31, 2014, the carrying amount of the Retirement System's deposits was \$12,663,282 and the bank balance was \$13,042,105. The Retirement System's deposits at December 31, 2014, are not exposed to any custodial credit risk.

**b. Cash Equivalents and Investments - Primary Government**

The City-Parish is authorized by LRS 39:1211-1245 and 33:2955 to invest temporarily idle monies in the following:

1. United States Treasury Bonds
2. United States Treasury Notes
3. United States Treasury Bills
4. Obligations of U.S. Government Agencies, including such instruments as Federal Home Loan Bank bonds, Government National Mortgage Association bonds, or a variety of "Federal Farm Credit" bonds.
5. Fully collateralized certificates of deposit issued by qualified commercial banks and savings and loan associations located within the State of Louisiana.
6. Fully collateralized repurchase agreements.
7. Fully collateralized interest-bearing checking accounts.
8. Mutual or Trust Fund institutions which are registered with the Securities and Exchange Commission under the Security Act of 1933 and the Investment Act of 1940, and which have underlying investments consisting solely of and limited to securities of the United States Government or its agencies.
9. Any other investment allowed by state statute for local governments.
10. Louisiana Asset Management Pool (LAMP).

Proceeds from the issuance of sales tax revenue bonds for the City of Baton Rouge and Parish of East Baton Rouge are invested according to guidelines set forth in the bond resolutions. Authorized investments from the proceeds of the issuance of the City's 2005B (Taxable), 2007A, 2008A-2, 2008B (Taxable), 2010A (GO Zone) and 2010B Public Improvement Sales Tax Revenue Bonds are government securities, certificates of deposit collateralized by government securities, and bonds issued by any state or political subdivision, provided that the bonds are rated in one of Moody's Investors Service or Standard and Poor's Corporation's two highest rating categories. All of the qualified investments must have maturities of five years or less at the time of investment.

Proceeds from the issuance of the East Baton Rouge Sewerage Commission's 2006A, 2006B, 2009A, 2010A, 2010B (BABs), 2011A (LIBOR Index), 2014B and 2013B (Taxable) and 2014A (Taxable) Revenue Bonds and the Road and Street Improvement 2006A, 2008A and 2009A Sales Tax Revenue Bonds are authorized to be invested in direct obligations of the United States of America, time certificates of deposit secured by direct obligations of the United States of America, and obligations issued or guaranteed by the federal government.

City-Parish investments for the primary government at December 31, 2014, are itemized as follows:

1. Primary Government excluding Employees' Retirement System Pension Trust Fund:

<u>Investment Type</u>	<u>Amortized Cost/ Fair Value</u>
U.S. Government Obligations	\$139,923,751
U.S. Agency Obligations	367,273,096
Louisiana Asset Management Pool (LAMP)	<u>260,545,036</u>
Total	<u>\$767,741,883</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 17  
(Continued)

**NOTE 3 - Cash, Cash Equivalents, and Investments (Continued)**

**b. Cash Equivalents and Investments - Primary Government (Continued)**

1. Primary Government excluding Employees' Retirement System Pension Trust Fund (Continued):

Investments with a maturity of less than 90 days (\$260,545,036) are classified on the Statement of Net Position as "Cash and cash equivalents," \$506,910,324 is classified on the Statement of Net Position as "Investments." The remaining amount of \$286,523 is included in "Receivables - net" on the Statement of Net Position. In accordance with Section I50, paragraphs 110 and 111 of the GASB *Codification of Governmental Accounting and Financial Reporting* Standards, investments in U.S. Treasury or Agency obligations that have a remaining maturity at time of purchase of one year or less, and investments in 2a7-like pools are stated at amortized cost which is not materially different from fair value. All other investments are shown at fair value.

		<u>Investment Maturities (in Years)</u>	
	<u>Fair Value</u>	<u>Less Than 1</u>	<u>1-5</u>
<u>Investment Type</u>			
U.S. Government Obligations	\$139,923,751	\$139,923,751	\$ --
U.S. Agency Obligations	<u>367,273,096</u>	<u>367,273,096</u>	<u>--</u>
Total	<u>\$507,196,847</u>	<u>\$507,196,847</u>	<u>\$ --</u>

As a means of limiting its exposure to fair value losses arising from interest rates, the City-Parish's investment policy limits investments to securities with less than one year from the date of purchase unless the investment is matched to a specific cash flow. The City-Parish may collateralize its repurchase agreements using longer dated investments not to exceed 10 years to maturity. Reserve funds may be invested in securities with maturities exceeding one year if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds.

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City-Parish has a written policy for custodial credit risk. The City-Parish's investment policy requires the application of the prudent-person rule. The policy states, *all investments made shall be with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. However, under all circumstances, the overriding concern shall be safety of the principal amounts invested.* The City-Parish's investment policy limits investments to those discussed earlier in this section. The City-Parish's investments in U.S. Agency Obligations were rated AAA by Fitch Ratings, Aaa/Negative by Moody's Investors Service and AA+/Negative by Standard & Poor's. The City-Parish's investment policy requires that investments be diversified by security type and institution. With the exception of U.S. Treasury securities and authorized pools, no more than 50% of the City-Parish total investment portfolio will be invested in a single security type or with a single financial institution. U. S. Agency Obligations are invested in the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and Federal Home Loan Bank which are 4.59%, 27.13% and 16.45% of the City-Parish total investment, respectively. LAMP has a Standard & Poor's Rating of AAAM.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City-Parish will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City-Parish's investment policy requires that all repurchase agreement investments be fully collateralized and held by an independent third party in the name of the City-Parish. Also, the investment policy requires that all security transactions entered into will seek to be fully collateralized and not subject to custodial credit risk. Investments in external investment pools, mutual funds, and other pooled investments are not exposed to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

**NOTE 3 - Cash, Cash Equivalents, and Investments (Continued)**

**b. Cash Equivalents and Investments - Primary Government (Continued)**

1. Primary Government excluding Employees' Retirement System Pension Trust Fund (Continued):

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of the participant's position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The \$260,545,036 invested in LAMP is held by the Parish's Consolidated Cash pool (\$220,217,201), the East Baton Rouge Sewerage Commission (\$35,420,731), the City Sales Tax Bonds Debt Service Fund (\$3,257,811) and the Airport Construction Funds (\$1,649,293).

2. Employees' Retirement System Pension Trust Fund:

Section 9.15 of The Plan of Government of the Parish of East Baton Rouge and the City of Baton Rouge authorizes the Retirement Board to have custody of, and invest the assets of the Pension Trust. As fiduciaries of the Pension Trust, the Board developed and adopted *The Total Plan Statement of Investment Policies and Objectives*, in which are set forth the guidelines for investing the Retirement System's assets. The document sets forth permissible investments summarized as follows:

Cash Equivalent Investments –	US Treasury Bills, Commercial Paper, Repurchase Agreements, Money Market Funds, Custodian STIF and STEP Funds
Currency Investments –	Foreign Exchange Futures, Forwards, Swaps (applies to global or non-US managers for hedging purposes)
Equity Investments –	US and Foreign Common and Preferred Stocks, Convertible Bonds, American Depositary Receipts (ADR's), Equity Real Estate and 144a Securities
Fixed Income Investments –	Bonds (Treasury, Corporate, Yankee), Mortgage-Backed Securities (CMO and CMB), Asset-Backed Securities, Trust Preferred Securities, Medium Term Notes, and 144a Securities
Real Assets, Private Markets and Hedge Funds	

Investment in derivatives, reverse repurchase agreements and other non-traditional types of investments are not specifically authorized under the Board's investment policy. However, in the case of commingled or pooled/mutual accounts, the provisions of the prospectus or Declaration of Trust takes precedence over the investment policy. At December 31, 2014, the Retirement Board had committed, but only partially funded, a 5 percent allocation to two Private Equity funds, which fall in the category of Private Markets.

All investments of the Retirement System are registered in the System's name, or held by the custodian bank, Bank of New York/Mellon, Everett, MA, or its intermediaries in the System's name. The System hired BNY/Mellon as custodian bank effective August 1, 2012, to replace JPMorgan. The System utilizes a Short Term Investment Fund (STIF) administered by the custodian bank, BNY/Mellon, in which all uninvested cash balances of CPERS and its full discretionary investment managers are automatically swept by the custodian into the BNY/Mellon Collective Trust Government Short Term Investment Fund, which is an unrated fund that invests in high-quality, short-term securities issued or guaranteed by the US government or by US government agencies and instrumentalities. Deposits in this fund are not insured by the FDIC.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 17  
(Continued)

**NOTE 3 - Cash, Cash Equivalents, and Investments (Continued)**

**b. Cash Equivalents and Investments - Primary Government (Continued)**

2. Employees' Retirement System Pension Trust Fund (Continued):

Equity securities shall not exceed 5 percent of cost and 7 percent of market value in any one company, and fixed income shall not exceed 2.5 percent of cost and 3 percent of market value. However, the direct debt of the federal government shall not be restricted as a percentage of the portfolio.

No investments in any one organization shall represent 5 percent or more of the assets held in trust for pension benefits and no single company's securities shall represent more than 5 percent of the cost basis or 7 percent of the market value of any manager's portfolio. There are no investments in loans to, or leases with, parties related to the Plan. Although the Board continued its contractual relationships with outside third party investment managers during 2014, final oversight of investments and investment performance for both the original CPERS trust and PGT remains with the Board.

Purchases and sales of investments are recorded on a trade date basis. The Retirement System's Statement of Investment Policies and Objectives prohibits the use of securities that use any form of leverage, or in which interest or principal position is tied to any prohibited type of investment.

CPERS utilizes various investment instruments, which by nature are exposed to a variety of risk levels and risk types, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of securities will occur in the near term, and that such changes could materially affect the amounts reported in the Statement of Fiduciary Net Position.

The fair value of the Retirement System's investments as of December 31, 2014 is:

	<u>Fair Value</u>
U.S. Treasury Inflation-Protected Securities	\$ 52,839,486
U.S. Government Agencies	29
Mortgaged Backed Securities	2,010
Corporate Bonds	3,770
Asset Backed Securities	65
International Equities	224,400,809
Short-Term Investment Fund/Cash Equivalents	6,245,625
Domestic Equities and Fixed Income	580,471,133
Emerging Markets Equity	87,670,603
Equity Real Estate Fund	57,892,372
Hedge Fund of Funds	56,854,590
Private Equity	<u>7,371,482</u>
Total	<u>\$1,073,751,974</u>

The fair value of \$1,067,506,349 is classified on the Statement of Fiduciary Net Position as "Investments." \$6,245,625 is classified on the Statement of Fiduciary Net Position as "Cash and Cash Equivalents."

Interest rate risk is the risk applicable to debt instruments with fair values that are sensitive to changes in interest rate. One indicator of the measure of interest rate risk is the dispersion of maturity dates of debt instruments. At December 31, 2014, the System's immaterial direct holdings of fixed income securities totaled \$5,874, with \$3,045 maturing in less than one year, \$725 maturing in less than five years, and \$2,104 maturing beyond ten years. The System's 2014 Core Bond Domestic, Core-Plus, Absolute Return and Treasury Inflation-Protected Securities (TIPS) fixed-income strategies managed in pooled accounts. For these contractual relationships, each Declaration of Trust takes precedence over the System's investment policy, and the custodian bank does not have custody of the assets in these accounts. Assets in the Core-Plus fund had a December 31, 2014, fair market value of \$89,584,710 with an average duration of 5.06 years, while the Absolute Return fund had a fair market value of \$87,550,620 with an average duration of 1.44 years and Core Bond Domestic fund had a fair market value of \$88,695,910 with an average duration of 5.45 years. The fair value of the TIPS account was \$52,839,486 and carried an average duration of 7.62 years.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
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EXHIBIT A - 17  
(Continued)

**NOTE 3 - Cash, Cash Equivalents, and Investments (Continued)**

**b. Cash Equivalents and Investments - Primary Government (Continued)**

2. Employees' Retirement System Pension Trust Fund (Continued):

Credit risk is defined as the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The standardized rating systems are a good tool with which to assess credit risk on debt obligations. The Retirement System requires that debt obligations be investment grade at time of purchase (BBB/Baa or higher as rated by Standard & Poor's and/or Moody's respectively). Securities that are later downgraded below investment grade are required to be liquidated unless the investment manager and the investment consultant deem it in the System's best interest to continue to hold the securities. At December 31, 2014, the System's fixed income securities were managed only in commingled or pooled accounts, with the exception of immaterial amounts in securities held in trust by the custodian bank.

The following table is provided for use in determining the Retirement System's level of exposure to credit risk as of December 31, 2014. The "not rated" designation is applicable to medium term notes in default.

<u>S&amp;P/Moody Rating</u>	<u>Fair Value at 12/31/14</u>
AA+	29
CCC	2,075
NR (not rated)	<u>3,770</u>
	<u>\$5,874</u>

*Note: The above schedule does not include Core Bond Domestic, Core-Plus, Absolute Return and Treasury Inflation-Protected Securities (TIPS) fixed-income strategies managed in pooled accounts. Assets in the Core-Plus fund had a December 31, 2014, fair market value of \$89,584,710 and carried an average quality rating of A, while the Absolute Return fund had a fair market value of \$87,550,620 and carried an average quality rating of A- and the Core Bond Domestic fund had a fair market value of \$88,695,910 and carried an average quality rating of AA-. The TIPS account had a fair market value of \$52,839,486 and carried a "Government" rating, which equates to AA+.*

The Retirement System's *Total Plan Statement of Investment Policies and Objectives* limits the concentration in any one issue to 7 percent of fair value. At December 31, 2014, the System had exposure of less than 5 percent in any single investment issue.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. CPERS' investment policy restricts equity investments to securities that are US dollar denominated and are registered with the SEC. Although foreign exchange futures, forward, and swaps are permissible for those managers with non-US or global mandates, at December 31, 2014, CPERS had no investments allocated in foreign currencies in non-pooled accounts of either fixed income or equity managers.

The annual money-weighted rate of return on pension plan investments is the calculated internal rate of return on pension plan investments, net of pension plan investment expense, and adjusted for changing amounts actually invested. It employs the accrual basis of accounting and is the result in aggregate of the monthly internal rates of return for the year. The annual money-weighted rate of return on the CPERS Original Trust was 4.93% at December 31, 2014.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 3 - Cash, Cash Equivalents, and Investments (Continued)**

**c. Deposits - Discretely Presented Component Units**

The discretely presented component unit agencies are required to invest idle funds within the same state statute as the primary government. Component unit deposits (including demand deposit accounts and certificates of deposits) at their respective year ends, are categorized in the following table:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
District Attorney of the Nineteenth Judicial District	\$ 1,352,237	\$ 1,465,518
Nineteenth Judicial District Court	2,624,507	2,677,696
Nineteenth Judicial District Court Building Commission	15,657,814	13,933,555
E.B.R. Parish Family Court	119,916	119,916
E.B.R. Parish Juvenile Court	396,714	431,595
E.B.R. Parish Clerk of Court	6,542,409	6,542,409
E.B.R. Redevelopment Authority	1,909,638	1,909,638
Cyntreniks Group King Hotel Special Taxing District	11,029	11,029
Bluebonnet Convention Hotel Taxing District	55,316	55,316
Capital Area Transit System	<u>3,371,062</u>	<u>3,371,062</u>
Total Component Units	<u>\$32,040,642</u>	<u>\$30,517,734</u>

The following component unit deposits were exposed to custodial credit risk as explained in section (a) of this note above:

Uninsured and collateral held by pledging bank's trust department not in agency's name:

Nineteenth Judicial District Court	\$ 2,427,696
E.B.R. Parish Juvenile Court	118,909
E.B.R. Parish Clerk of Court	6,289,379
Capital Area Transit System	<u>3,121,062</u>
Total	<u>\$11,957,046</u>

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the component unit agency that the fiscal agent has failed to pay deposited funds upon demand.

At December 31, 2014, there were no certificates of deposit with a maturity of 90 days or more classified on the Statement of Net Position as "Investments." The carrying amount of \$32,040,642 is classified as "Cash and cash equivalents."

**d. Cash, Cash Equivalents and Investments Summary**

1. The following is a reconciliation of the carrying amount of deposits and investments to restricted and unrestricted "Cash and cash equivalents" and "Investments" on the Statement of Net Position.

A. Primary government excluding Employees' Retirement System Pension Trust Fund

Cash and cash equivalents:	
Deposits	\$ 229,502,567
Cash on hand	6,171,275
Louisiana Asset Management Pool	<u>260,545,036</u>
Sub-total cash and cash equivalents	<u>496,218,878</u>
Investments:	
Deposits	57,945,163
Investments	<u>506,910,324</u>
Sub-total investments	<u>564,855,487</u>
Cash, cash equivalents and investments, December 31, 2014	<u>\$1,061,074,365</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
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EXHIBIT A - 17  
(Continued)

**NOTE 3 - Cash, Cash Equivalents, and Investments (Continued)**

**d. Cash, Cash Equivalents and Investments Summary (Continued)**

1. Reconciliation of the carrying amount of deposits and investments on the Statement of Net Position (Continued)

A. Primary government excluding Employees' Retirement System Pension Trust Fund (Continued)

Summary of "Cash and cash equivalents" and "Investments" for the Primary Government on the Statement of Net Position

Cash and cash equivalents	\$ 281,186,029
Restricted Assets - Cash and cash equivalents	<u>215,032,849</u>
Total cash and cash equivalents	<u>496,218,878</u>
Investments	287,329,924
Restricted Assets - Investments	<u>277,525,563</u>
Total investments	<u>564,855,487</u>
Total cash and cash equivalents and investments	<u>\$1,061,074,365</u>

B. Component units:

Cash and cash equivalents, December 31, 2014:	
Deposits	<u>\$32,040,642</u>

Summary of "Cash and cash equivalents" and "Investments" for Component Units on the Statement of Net Position:

Cash and cash equivalents	\$20,082,173
Restricted Assets - Cash and cash equivalents	<u>11,958,469</u>
Total cash and cash equivalents	<u>\$32,040,642</u>

2. The following is a reconciliation of the carrying amount of deposits and investments to "Cash and cash equivalents" and "Investments" for CPERS pension trust fund on the Statement of Fiduciary Net Position.

Cash and cash equivalents:	
Deposits	\$ 12,663,282
Investments	<u>6,245,625</u>
Sub-total cash and cash equivalents	18,908,907
Investments	<u>1,067,506,349</u>
Cash, cash equivalents and investments, December 31, 2014	<u>\$1,086,415,256</u>

**NOTE 4 - Property Taxes**

The 1974 Louisiana Constitution (Article 7 Section 18) provided that land and improvements for residential purposes be assessed at 10% of fair market value; other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. Fair market value is determined by the elected assessor of the parish on all property subject to taxation except public service properties, which are valued by the Louisiana Tax Commission (LRS 47:1957). The correctness of assessments by the assessor is subject to review and certification by the Louisiana Tax Commission. The assessor is required to reappraise all property subject to taxation at intervals of not more than four years. Year 2012 was the last reassessment year.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
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EXHIBIT A - 17  
(Continued)

**NOTE 4 - Property Taxes (Continued)**

The Sheriff of East Baton Rouge Parish, as provided by State Law (LRS 33:1435), is the official tax collector of general property taxes levied by the Parish and Parish Special Districts. By agreement, the Sheriff is also the tax collector for City property taxes for which he receives a commission of 4.5% of total taxes collected for the City. December tax collections remitted to the City-Parish by the Sheriff in January are reported as "Due From Other Governments."

The 2014 property tax calendar is as follows:

Levy date	November 26, 2013
Millage rates adopted	November 26, 2013
Tax bills mailed	December 3, 2014
Due date	December 31, 2014
Lien date	January 1, 2015

State Law requires the Sheriff to collect property taxes in the calendar year in which the levy is made. Property taxes become delinquent January 1 of the following year. If taxes are not paid by the due date, taxes bear interest at the rate of one and one-fourth percent per month until the taxes are paid (LRS 47:2101). After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed (LRS 47:2181).

Property taxes are considered measurable each year following the filing of the tax rolls by the Assessor with the Louisiana Tax Commission. Accordingly, the entire tax roll less an estimate for uncollectible taxes is recorded as taxes receivable in the current budgeted year. Uncollectible taxes are those taxes which based on past experience will not be collected in the subsequent year and are primarily due to subsequent adjustments to the tax roll.

*At the governmental fund level*, property taxes that are measurable and available (receivable within the current period and collected within the current period or within 60 days thereafter to be used to pay liabilities of the current period) are recognized as revenue in the year of levy. Property taxes that are measurable, but not available, are recorded, net of estimated uncollectible amounts, as deferred inflows of resources in the year of levy. Such unavailable revenues are recognized as revenue in the fiscal year in which they become available.

*At the entity-wide level*, property taxes are recognized in the year of the levy net of uncollectible amounts.

**a. Property taxes receivable by fund type for the Primary Government are as follows:**

	<u>Property Taxes Receivable</u>	<u>Estimated Uncollectible Property Taxes</u>	<u>Net Property Taxes Receivable</u>
General Fund	\$ 6,652,543	\$ 339,293	\$ 6,313,250
Library Board of Control Fund	9,885,017	568,945	9,316,072
Nonmajor Governmental Funds	<u>7,646,386</u>	<u>404,046</u>	<u>7,242,340</u>
Total	<u>\$24,183,946</u>	<u>\$1,312,284</u>	<u>\$22,871,662</u>

**b. Property taxes receivable for the Component Units are as follows:**

On April 16, 2012, a 10.6 mill ad valorem tax for the Capital Area Transit System, was passed by the citizens of the City of Baton Rouge and the City of Baker. This tax expires in 2021. Ad valorem taxes are levied each November 1, on the assessed value listed as of the prior January 1, for all real estate, merchandise, and moveable property located in the Parish. Assessed values are established by the East Baton Rouge Parish Assessor's office and the State Tax Commission at percentages of actual value as specified by Louisiana law. The Capital Area Transit System had property taxes receivable of \$15,627,443 at December 31, 2014.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 5 - Federal and State Financial Assistance**

**a. Grants From Other Governments and Private Developers**

Federal and State grant programs represent an important source of funding to finance housing, employment, construction, and social programs which are beneficial to the City and the Parish. These funds are recorded in the Special Revenue, Capital Projects, and Enterprise Funds. A grant appropriation is recorded when an approved contract is authorized with the funding agency through the "Grants Review Process." Receivables are established when eligible expenditures are incurred. The grants normally specify the purpose for which funds may be used and federal grants are audited annually in accordance with Office of Management and Budget Circular A-133 under the "Single Audit Concept." The grant programs are also subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any material contingent liability for reimbursement which may arise as the result of these audits is recorded in accordance with generally accepted accounting principles. During 2014, the following amounts under various grants and entitlements are recorded as revenues, subsidies, or contributions in the accompanying fund financial statements:

	<u>Federal and State Operating Grants and Capital Contributions</u>	<u>Private Capital Contributions</u>
<b>Primary Government:</b>		
Governmental activities:		
Grants Fund	\$35,563,085	\$ --
Capital Projects Fund	10,931,625	--
Nonmajor governmental funds	2,848,145	--
Business-type activities:		
Greater Baton Rouge Airport District	3,180,981	--
Comprehensive Sewerage System Fund	985,357	4,763,452
Nonmajor business-type funds	<u>2,314,939</u>	<u>--</u>
Total primary government	<u>\$55,824,132</u>	<u>\$4,763,452</u>
<b>Component Units:</b>		
District Attorney of the Nineteenth Judicial District	\$ 1,366,405	\$ --
Nineteenth Judicial District Court	531,323	--
E.B.R. Parish Juvenile Court	67,851	--
E.B.R. Redevelopment Authority	203,510	--
Capital Area Transit System	<u>10,613,028</u>	<u>--</u>
Total component units	<u>\$12,782,117</u>	<u>\$ --</u>

**b. On-Behalf Payments for Salaries and Benefits**

GASB Statement No. 24, *Accounting and Financial Reporting For Certain Grants and Other Financial Assistance* requires the City-Parish to report and disclose in the financial statements on-behalf salary and fringe benefit payments made by the State of Louisiana to certain groups of City-Parish employees.

Supplementary salary payments are made by the state directly to certain groups of employees. City-Parish is not legally responsible for these salaries. Therefore, the basis for recognizing the revenue and expenditure (expense) payments is the actual contribution made by the state. For 2014, the state paid supplemental salaries to the following groups of employees of the primary government: fire and law enforcement employees, city court judges, and employees of the Registrar of Voters' Office. The state also paid supplemental salaries for employees of the Nineteenth Judicial District Attorney, and judges' salaries and benefits for the three court systems.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 5 - Federal and State Financial Assistance (Continued)**

**b. On-Behalf Payments for Salaries and Benefits (Continued)**

LRS 33:7392 provides for a percentage of property taxes collected in East Baton Rouge Parish to be remitted to the State Municipal Employees' Retirement System (MERS). The statute further provides for MERS to distribute a pro-rata share of these funds back to the City-Parish Employees' Retirement System. On-behalf payments recorded as revenues and expenditures (expenses) in the 2014 financial statements are as follows:

	State Supplemental Salaries	MERS Contribution	Total 2014 On-Behalf Payments
Primary Government:			
Governmental activities	\$ 7,940,929	\$1,006,487	\$ 8,947,416
Business-type activities	<u>165,693</u>	--	<u>165,693</u>
Total primary government	<u>8,106,622</u>	<u>1,006,487</u>	<u>9,113,109</u>
Component Units:			
District Attorney of the Nineteenth Judicial District	2,436,754	--	2,436,754
Nineteenth Judicial District Court	3,231,382	--	3,231,382
E.B.R. Parish Family Court	787,688	--	787,688
E.B.R. Parish Juvenile Court	<u>393,844</u>	--	<u>393,844</u>
Total component units	<u>6,849,668</u>	--	<u>6,849,668</u>
Total on-behalf payments	<u>\$14,956,290</u>	<u>\$1,006,487</u>	<u>\$15,962,777</u>

**NOTE 6 - Capital Assets**

**a. Primary government capital asset activity for the year ended December 31, 2014, was as follows:**

	Balance 1/1/2014	Increases	Decreases	Adjustments	Balance 12/31/2014
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land and right-of-way	\$ 156,885,714	\$ 1,665,773	\$ (84,801)	\$ 1,767,684	\$ 160,234,370
Construction work in progress	<u>36,499,343</u>	<u>21,437,704</u>	--	<u>(9,289,197)</u>	<u>48,647,850</u>
Total capital assets not being depreciated	<u>193,385,057</u>	<u>23,103,477</u>	<u>(84,801)</u>	<u>(7,521,513)</u>	<u>208,882,220</u>
Capital assets being depreciated:					
Buildings	293,624,810	3,837,605	(2,681,115)	--	294,781,300
Improvements (other than buildings) and infrastructure	893,208,955	15,072,894	--	17,076,562	925,358,411
Equipment and equipment under lease	<u>119,576,481</u>	<u>11,054,961</u>	<u>(5,797,519)</u>	<u>223,791</u>	<u>125,057,714</u>
Total capital assets being depreciated	<u>1,306,410,246</u>	<u>29,965,460</u>	<u>(8,478,634)</u>	<u>17,300,353</u>	<u>1,345,197,425</u>
Less accumulated depreciation for:					
Building	(156,055,267)	(7,026,663)	2,681,115	--	(160,400,815)
Improvements (other than buildings) and infrastructure	(386,510,332)	(28,343,231)	--	--	(414,853,563)
Equipment and equipment under lease	<u>(97,278,267)</u>	<u>(8,588,620)</u>	<u>5,689,998</u>	--	<u>(100,176,889)</u>
Total accumulated depreciation	<u>(639,843,866)</u>	<u>(43,958,514)</u>	<u>8,371,113</u>	--	<u>(675,431,267)</u>
Total capital assets being depreciated, net	<u>666,566,380</u>	<u>(13,993,054)</u>	<u>(107,521)</u>	<u>17,300,353</u>	<u>669,766,158</u>
Total governmental activities capital assets, net	<u>\$ 859,951,437</u>	<u>\$ 9,110,423</u>	<u>\$ (192,322)</u>	<u>\$ 9,778,840</u>	<u>\$ 878,648,378</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 6 - Capital Assets (Continued)**

**a. Primary government capital asset activity (Continued):**

	<u>Balance</u> <u>1/1/2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Balance</u> <u>12/31/2014</u>
<b>Business-Type Activities:</b>					
Capital assets not being depreciated:					
Land and right-of-way	\$ 80,821,283	\$ 11,253,940	\$ (357,268)	\$ (225,723)	\$ 91,492,232
Noise mitigation	58,104,718	--	--	287,821	58,392,539
Construction work in progress	<u>116,073,934</u>	<u>57,480,687</u>	<u>--</u>	<u>(58,790,407)</u>	<u>114,764,214</u>
Total capital assets not being depreciated	<u>254,999,935</u>	<u>68,734,627</u>	<u>(357,268)</u>	<u>(58,728,309)</u>	<u>264,648,985</u>
Capital assets being depreciated:					
Buildings	234,823,659	116,155	(265,717)	--	234,674,097
Improvements (other than buildings) and infrastructure	1,887,429,896	128,786,964	(47,784)	60,731,462	2,076,900,538
Equipment	<u>10,576,317</u>	<u>187,055</u>	<u>(873,494)</u>	<u>--</u>	<u>9,889,878</u>
Total capital assets being depreciated	<u>2,132,829,872</u>	<u>129,090,174</u>	<u>(1,186,995)</u>	<u>60,731,462</u>	<u>2,321,464,513</u>
Less accumulated depreciation for:					
Buildings	(108,563,551)	(9,065,885)	66,430	--	(117,563,006)
Improvements (other than buildings) and infrastructure	(609,455,465)	(69,587,147)	47,784	--	(678,994,828)
Equipment	<u>(9,711,037)</u>	<u>(315,497)</u>	<u>873,494</u>	<u>--</u>	<u>(9,153,040)</u>
Total accumulated depreciation	<u>(727,730,053)</u>	<u>(78,968,529)</u>	<u>987,708</u>	<u>--</u>	<u>(805,710,874)</u>
Total capital assets being depreciated, net	<u>1,405,099,819</u>	<u>50,121,645</u>	<u>(199,287)</u>	<u>60,731,462</u>	<u>1,515,753,639</u>
Total business-type activities capital assets, net	<u>\$1,660,099,754</u>	<u>\$118,856,272</u>	<u>\$ (556,555)</u>	<u>\$ 2,003,153</u>	<u>\$1,780,402,624</u>

The adjustments column includes the capitalization of \$9,778,840 in governmental activities and \$2,003,153 in business-type activities of donated assets from private sources. The adjustments column also includes \$9,289,197 in governmental activities and \$58,790,407 in business-type activities of prior year construction work in progress that was capitalized as assets during 2014.

**b. Depreciation expense was charged to functions of the primary government as follows:**

**Governmental Activities:**

Governmental fund-types:	
General government	\$ 1,289,399
Public safety	7,322,481
Transportation	28,455,941
Sanitation	5,790
Health and welfare	356,822
Culture and recreation	3,062,092
Conservation and development	670,471
Internal service fund capital assets are charged to the various functions based on their usage of the assets	<u>2,795,518</u>
Total depreciation expense - governmental activities	<u>\$43,958,514</u>

**Business-Type Activities:**

Airport	\$11,756,851
Sewer	61,180,861
Solid Waste Collection and Disposal	1,222,358
Nonmajor business-type activities	<u>4,808,459</u>
Total depreciation expense - business-type activities	<u>\$78,968,529</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 6 - Capital Assets (Continued)**

**c. Construction work in progress for the governmental activities of the primary government is composed of the following:**

	<u>Project Authorization</u>	<u>Capitalized to Date</u>	<u>Balance in Construction Work In Progress 12/31/2014</u>	<u>Encumbered Capital Projects</u>	<u>Estimated Required Future Financing</u>
<b>Capital Projects Fund:</b>					
Miscellaneous Capital Improvements	\$104,514,794	\$ 58,513,881	\$ 653,449	\$ 1,652,875	None
Capital Improvement Roads, Streets, Drainage, Other	37,365,758	19,037,798	5,921,361	5,258,459	None
Road and Street Improvement Pay-As-You-Go Dedicated Tax	159,087,674	116,880,815	13,588,850	6,860,949	None
Bonded Dedicated Sales Tax	304,014,856	250,206,865	18,672,784	14,176,492	None
LA DOTD Grants Capital Projects	85,302,691	67,655,695	6,809,716	4,770,756	None
Downtown Signage/Visitors Amenities	4,506,293	529,019	966,931	681,137	None
General Capital Expenditures	46,214,814	42,117,591	780,889	107,853	None
<b>Other Governmental Funds:</b>					
Parish Transportation	18,987,647	3,037,814	1,242,370	138,216	None
Generator Programs	<u>2,085,274</u>	<u>2,070,842</u>	<u>11,500</u>	<u>--</u>	None
Total	<u>\$762,079,801</u>	<u>\$560,050,320</u>	<u>\$48,647,850</u>	<u>\$33,646,737</u>	

**d. Construction work in progress at December 31, 2014, for primary government enterprise funds is composed of the following:**

	<u>Project Authorization</u>	<u>Expended to Date</u>	<u>Capitalized</u>	<u>Balance in Construction Work in Progress 12/31/14</u>
<b>Greater Baton Rouge Airport District:</b>				
Runways and apron improvements	\$ 9,688,594	\$ 4,638,731	\$ --	\$ 4,638,731
Land Acquisition	12,549,419	1,202,014	1,146,932	55,082
Rotunda and terminal renovations	763,138	565,454	--	565,454
North end development	2,609,819	2,143,127	--	2,143,127
Miscellaneous project costs	<u>7,603,916</u>	<u>2,837,496</u>	<u>--</u>	<u>2,837,496</u>
Total	<u>33,214,886</u>	<u>11,386,822</u>	<u>1,146,932</u>	<u>10,239,890</u>
<b>Comprehensive Sewerage System Fund:</b>				
South wastewater treatment plant wet weather improvements	225,418,729	282,103,152	282,103,152	--
Rehabilitation construction	136,788,212	102,644,710	75,804,032	26,840,678
Sanitary sewer overflow corrective action plan	879,878,503	666,144,696	588,733,904	77,410,792
Rehabilitation of pump stations	<u>26,575,980</u>	<u>31,291,352</u>	<u>31,291,352</u>	<u>--</u>
Total	<u>1,268,661,424</u>	<u>1,082,183,910</u>	<u>977,932,440</u>	<u>104,251,470</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 6 - Capital Assets (Continued)**

**d. Construction work in progress at December 31, 2014 for primary government enterprise funds (Continued)**

	<u>Project Authorization</u>	<u>Expended to Date</u>	<u>Capitalized</u>	<u>Balance in Construction Work in Progress 12/31/14</u>
<u>Nonmajor business -type activities:</u>				
Baton Rouge River Center Fund:				
Miscellaneous building improvements	\$ 98,100	\$ 98,100	\$ --	\$ 98,100
Riverfront Plaza improvements	600,000	22,179	--	22,179
Plaza greenspace	374,435	96,500	--	96,500
River Road crossing	<u>217,179</u>	<u>12,575</u>	<u>--</u>	<u>12,575</u>
Total	<u>1,289,714</u>	<u>229,354</u>	<u>--</u>	<u>229,354</u>
Greater Baton Rouge Parking Authority:				
Other downtown garages	<u>43,500</u>	<u>43,500</u>	<u>--</u>	<u>43,500</u>
<b>Total-all enterprise funds</b>	<b><u>\$1,303,209,524</u></b>	<b><u>\$1,093,843,586</u></b>	<b><u>\$979,079,372</u></b>	<b><u>\$114,764,214</u></b>

Total construction period interest costs of \$15,468,656 for the Comprehensive Sewerage System Fund and \$1,880,155 for the Greater Baton Rouge Airport District were capitalized in 2014. Construction period interest costs of \$13,029,020 for the Comprehensive Sewerage System Fund and \$243,965 for the Greater Baton Rouge Airport District from the current and previous fiscal years remain in Construction Work in Progress at December 31, 2014. These costs cannot be depreciated because they have been allocated to projects that are not substantially complete.

EPA Consent Decree

During 2001, the City-Parish entered into a Consent Decree with U.S. Environmental Protection Agency (EPA) to remedy violations of the Clean Water Act and National Pollution Discharge Elimination System (NPDES) permits issued to the City-Parish for its sewerage treatment plants. The Consent Decree requires the City-Parish to achieve and maintain compliance with its NPDES permits and the Clean Water Act. The Consent Decree requires the City-Parish to complete a construction program to reduce sanitary sewer overflows by December 31, 2014. The consent decree has been modified by the City-Parish and EPA and the construction deadline has been extended to December 31, 2018.

In July 2007, EPA and DEQ formally approved the City-Parish's request to revise the original Remedial Measures Action Plan 2 (RMAP2) Sanitary Sewer Overflow Capital Improvements Program from a complex tunnel system with some rehabilitation and pump station upgrades to a program which emphasizes system wide rehabilitation, conveyance and pumping upgrades and wet weather improvements to the South Wastewater Treatment Plant. The concept and cost for this modification has been analyzed by the sewer system's program manager, CH2M HILL, Inc. Their program delivery plan (PDP) was delivered to the City-Parish in November 2007, and updated in November 2014. CH2M HILL's estimated cost for completing the revised RMAP2 is \$1.6 billion.

The PDP also recommends the closure of the Central Wastewater Treatment Plant, and routing its flows to the South Wastewater Treatment. This recommendation has many positive aspects including eliminating a discharge point into the Mississippi River, removing a treatment plant from the downtown area, providing additional dry weather flows to the South Wastewater Treatment Plant which will assist in the biological treatment process, and providing long-term savings in operations and maintenance costs.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 6 - Capital Assets (Continued)**

e. A summary of changes in capital assets for component units is as follows

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Adjustments and Deletions</u>	<u>Balance End of Year</u>
<u>District Attorney of the Nineteenth Judicial District</u>				
Equipment	\$ 1,975,698	\$ 278,078	\$(265,725)	\$ 1,988,051
Less: accumulated depreciation	<u>(1,363,201)</u>			<u>(1,427,703)</u>
Total District Attorney of the Nineteenth Judicial District	<u>\$ 612,497</u>			<u>\$ 560,348</u>
<u>Nineteenth Judicial District Court</u>				
Equipment	\$ 359,174	\$ 7,409	\$ (4,558)	\$ 362,025
Less: accumulated depreciation	<u>(297,088)</u>			<u>(309,407)</u>
Total Nineteenth Judicial District Court	<u>\$ 62,086</u>			<u>\$ 52,618</u>
<u>Nineteenth Judicial District Court Building Commission</u>				
Buildings	\$107,628,256	\$ --	\$ --	\$107,628,256
Equipment	<u>4,995,146</u>	<u>20,404</u>	<u>--</u>	<u>5,015,550</u>
Total	112,623,402	20,404	--	112,643,806
Less: accumulated depreciation	<u>(12,204,636)</u>			<u>(16,826,651)</u>
Total Nineteenth Judicial District Court Building Commission	<u>\$100,418,766</u>			<u>\$ 95,817,155</u>
<u>E.B.R. Parish Family Court</u>				
Equipment	\$ 130,217	\$ 133,775	\$ --	\$ 263,992
Less: accumulated depreciation	<u>(75,632)</u>			<u>(111,456)</u>
Total E.B.R. Parish Family Court	<u>\$ 54,585</u>			<u>\$ 152,536</u>
<u>E.B.R. Parish Juvenile Court</u>				
Equipment	\$ 387,390	\$ --	\$ --	\$ 387,390
Less: accumulated depreciation	<u>(371,832)</u>			<u>(375,911)</u>
Total E.B.R. Parish Juvenile Court	<u>\$ 15,558</u>			<u>\$ 11,479</u>
<u>E.B.R. Parish Clerk of Court</u>				
Equipment	\$ 8,934,968	\$ 165,172	\$ (37,073)	\$ 9,063,067
Less: accumulated depreciation	<u>(8,184,547)</u>			<u>(8,476,206)</u>
Total E.B.R. Parish Clerk of Court	<u>\$ 750,421</u>			<u>\$ 586,861</u>
<u>EBR Parish Redevelopment Authority</u>				
Equipment	\$ 192,024	\$ --	\$ --	\$ 192,024
Less: accumulated depreciation	<u>(110,912)</u>			<u>(143,503)</u>
Total EBR Redevelopment Authority	<u>\$ 81,112</u>			<u>\$ 48,521</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 6 - Capital Assets (Continued)**

**e. A summary of changes in capital assets for component units (Continued)**

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Adjustments and Deletions</u>	<u>Balance End of Year</u>
<u>Capital Area Transit System</u>				
Construction work in progress	\$ --	\$ 350,523	\$ --	\$ 350,523
Equipment	23,953,561	6,291,555	(32,662)	30,212,454
Total	23,953,561	6,642,078	(32,662)	30,562,977
Less: accumulated depreciation	(15,329,006)			(17,886,506)
Total Capital Area Transit System	<u>\$ 8,624,555</u>			<u>\$ 12,676,471</u>
Total component units capital assets	\$148,556,434	<u>\$7,246,916</u>	<u>\$(340,018)</u>	\$155,463,332
Less: total accumulated depreciation	(37,936,854)			(45,557,343)
Total component units capital assets, net	<u>\$110,619,580</u>			<u>\$109,905,989</u>

**NOTE 7 - Employees' Retirement Systems**

**a. Primary Government**

**1. Plan Description and Provisions**

The City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System (CPERS), a separate legal entity, administers a cost-sharing multiple-employer defined benefit pension plan. The participating local government employers include:

City of Baton Rouge, Parish of East Baton Rouge  
District Attorney of the Nineteenth Judicial District  
E.B.R. Parish Family Court  
E.B.R. Parish Juvenile Court  
St. George Fire Protection District \*

Eastside Fire Protection District \*

East Baton Rouge Recreation and Park Commission (BREC) \*

\*Not City-Parish component units

The CPERS Retirement Plan is reported as a blended component unit of City-Parish as defined in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*. Since the Retirement System is part of the City-Parish's reporting entity, its financial statements are included as a Fiduciary Fund (pension trust fund) in the basic financial statements of the primary government.

The Retirement System was created by The Plan of Government and is governed by a seven member Board of Trustees. The board is responsible for administering the assets of the system and for making policy decisions regarding investments. The trustees are members of the Retirement System, except as noted below, and are selected in the following manner: 1) two are elected from non-police and non-fire department employees; 2) one trustee each is elected from the Police and Fire Departments; 3) two people with business and accounting experience are appointed by the Metropolitan Council; 4) one is appointed by the Mayor-President. The two trustees appointed by the Metropolitan Council and the one appointed by the Mayor-President may or may not be members of the Retirement System. This is dependent on whether or not the appointees are City-Parish employees. All administrative expenses of the Retirement System are paid from funds of the system.

The Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. All CPERS trust accounts are administered by the CPERS Board. The financial report may be obtained by writing to the address on the following page:

**NOTE 7 - Employees' Retirement Systems (Continued)**

**a. Primary Government (Continued)**

**1. Plan Description and Provisions (Continued)**

Jeffrey R. Yates, Retirement Administrator  
City-Parish Employees' Retirement System (CPERS)  
P.O. Box 1471  
Baton Rouge, LA 70821-1471

The Retirement System reports its financial activities under the provisions of Section Pe5 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*. GASB Statement No. 67, *Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25*, provides for financial reporting for pension plans that are administered through trust or equivalent arrangements. The Retirement System implemented this statement in the year ended December 31, 2014. All required disclosures are included in their separately issued report. The primary government (City-Parish), as stated previously, reports the Retirement System as a Pension Trust Fund and has adopted the reporting requirements for an employer under Section P20 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, will require the Primary Government to recognize a liability on the entity wide statements for its proportionate share of the net pension liability. This statement is effective for periods beginning after June 15, 2014, and will be implemented in the Primary Government's CAFR for the year ended December 31, 2015. The effect to the Primary Government's net position is expected to be significant.

Any person who becomes a regular full-time employee of one of the member employers becomes a member of the Retirement system as a condition of employment, except in the case of newly hired employees of certain participating employers who are mandated to enroll in a statewide retirement system. An employee's benefit rights vest after the employee has been a member of the Retirement System for 10 years (Ordinance 10779).

Benefit payments are classified into two distinct categories which are full retirement benefits and minimum eligibility benefits. The service requirements and benefits granted for each category are:

1. Full retirement benefits -
  - a. Granted with 25 years of service, regardless of age.
  - b. Defined as 3% of average compensation times the number of years of service.
2. Minimum eligibility benefits -
  - a. Granted with 20 years of service regardless of age, or at age 55 with 10 years of service.
  - b. Defined as 2.5% of average compensation times the number of years of service.

Average compensation is determined by the highest average compensation in 36 successive months. In the case of interrupted service, the periods immediately before and after the interruption may be joined to produce 36 successive months. In the cases of 20 or more and less than 25 years of service, the computed benefit amount is reduced by 3% for each year below age 55. Benefits paid to employees shall not exceed 90% of average compensation.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the Retirement System are prepared using the accrual basis of accounting. Contributions from participating plan employers and their employees are recognized when due, pursuant to ordinance requirements, formal commitments and statutory contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 7 - Employees' Retirement Systems (Continued)**

**a. Primary Government (Continued)**

**2. Summary of Significant Accounting Policies (Continued)**

Method Used to Value Investments

The investments of the Retirement System are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value, as determined by the custodian bank and verified by the Retirement System's investment consultant. The fair value of real estate investments is based on quarterly independent appraisals.

**3. Concentrations of Investments**

The Retirement System has no investments in any one organization representing 5% or more of the Net Position available for pension benefits except for obligations of the federal government. There are no investments in loans to or leases with parties related to the pension plan. The investment activity of the Retirement System is subject to an investment policy adopted by the Board of Trustees and to oversight by the Board.

**4. Funding Policy**

The Plan of Government requires that the Retirement System be funded on an actuarially sound basis. Under the current plan, both employee and employer contributions are set by the CPERS board on an annual basis to properly fund the system. In 2014, employees made a mandatory contribution of 9.5% of gross earnings, while the employer contributed 27.23% of active payroll. The total employer contributions to CPERS for the year ended December 31, 2014, 2013 and 2012 were \$31,317,809, \$29,935,486 and \$31,722,074, respectively, and were equal to the CPERS Board required contributions for each year. The City-Parish has no net pension obligation with respect to CPERS under Section P20 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards* at December 31, 2014.

**5. Police Guarantee Trust Account**

The police guarantee trust (PGT) account was established as part of CPERS on February 26, 2000, by the City-Parish and the City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System (CPERS) as the result of the voluntary transfer of 637 public safety employees from CPERS to the Municipal Police Employees' Retirement System (MPERS). As a part of the transfer agreement, each officer signed a "Police Guarantee Agreement" with CPERS whereby each officer receives the same benefit he/she would have received if they had remained with CPERS. The CPERS Board of Trustees established a Police Guarantee Account to administer benefits to the transferred officers. The benefits paid from the trust will equal the difference between the benefit the employee would have received from CPERS if the transfer had not taken place, and the benefit actually paid by MPERS. Total employer contributions to PGT for the year ended December 31, 2014, 2013 and 2012 were \$763,873, \$696,918 and \$238,628, respectively.

**6. GASB 67 Disclosures - CPERS and PGT**

Net Pension Liability (as of December 31, 2014)

	<u>CPERS</u>	<u>PGT</u>
Total pension liability	\$ 1,617,586,813	\$ 36,278,585
Plan fiduciary net position	<u>(1,073,878,697)</u>	<u>(20,085,182)</u>
Net pension liability	<u>\$ 543,708,116</u>	<u>\$ 16,193,403</u>
Plan fiduciary net position as a percent of the total pension liability	66.39%	55.36%

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 7 - Employees' Retirement Systems (Continued)**

**a. Primary Government (Continued)**

**6. GASB 67 Disclosures - CPERS and PGT(Continued)**

Actuarial Assumptions

	<u>CPERS</u>	<u>PGT</u>
Actuarial cost method	Entry Age Method	Entry Age Method
Asset method	Market Value of Assets	Market Value of Assets
Discount rate	6.72%	6.85%
Expected long-term rate of return	7.50%	7.50%
Municipal bond rate	3.65%	3.65%
Inflation	3.50%	3.50%
Investment rate of return, including inflation, and net of investment expenses	6.72%	6.85%
Mortality rates (healthy and disabled)	1994 Group Annuity Mortality Table (set forward 2 years)	1994 Group Annuity Mortality Table (set forward 2 years)

Salary increases

<u>Age</u>	<u>Regular</u>	<u>Fire/Police</u>
30	+2.50%	+4.00%
35	+1.50%	+2.00%
40	+1.25%	+2.00%
45	+0.75%	+1.00%
50	+0.50%	+0.00%
55	+0.00%	+0.00%

Retirement rates

<u>Regular/Police</u>	<u>Fire</u>
100% at earlier of 25.5 years of service or at age 61 with 11 years	100% at earlier of 26 years of service or age 61 with 11 years of service

Ad-hoc cost-of-living increases	None
Measurement date	January 1, 2014
Experience study	Last performed for the period January 1, 2009 to December 31, 2013

Sensitivity of the Net Pension Liability to Changes in The Discount Rate

The following chart presents the net pension liability, calculated using the discount rate of 6.72% (CPERS) and 6.85% (PGT), as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<u>CPERS</u>	(5.72%)	(6.72%)	(7.72%)
Net pension liability	\$729,879,508	\$543,708,116	\$388,067,274
<u>PGT</u>	(5.85%)	(6.85%)	(7.85%)
Net pension liability	\$ 16,991,532	\$ 16,193,403	\$ 15,412,455

**NOTE 7 - Employees' Retirement Systems (Continued)**

**a. Primary Government (Continued)**

**7. Municipal Police Employees' Retirement System (MPERS)**

*Plan Description:* The City-Parish contributes to the Municipal Police Employees' Retirement System (MPERS) Pension Plan, a cost sharing multiple-employer defined benefit pension plan administered by the MPERS Board of Trustees. MPERS covers any full-time public safety officer employed by a participating municipality of the State of Louisiana and engaged in law enforcement, empowered to make arrests, providing said officer does not have to pay social security. Section 5 of this note describes the transfer of 637 public safety officers from CPERS to MPERS, effective February 26, 2000. All new public safety officers hired by the City-Parish after February 26, 2000, are required to join MPERS as a condition of employment. MPERS benefits are established by state statutes and may be amended at the discretion of the State Legislature. MPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees of the Municipal Police Employees' Retirement System, 7722 Office Park Blvd., Suite 200, Baton Rouge, Louisiana 70809-7601.

*Funding Policy:* Contributions for all members and employers are established by state statute and may be amended by state statute when necessary. MPERS employee members hired prior to January 1, 2013, contributed 10.0% of earned compensation for the year ended December 31, 2014. For the same members, employer contributions were 31.0% from January through June, and 31.50% for July through December 2014. All employees hired on or after January 1, 2013, become members of either the Hazardous Duty Sub-plan, or the Nonhazardous Duty Sub-plan. Employee and employer contribution rates for the Hazardous Duty Sub-plan are the same as for those hired prior to January 1, 2013. For employees belonging to the Nonhazardous Duty Sub-plan, the contribution rate was 8.0%, and the employer rate was 33.0% from January through June and 33.5% for July through December 2014. Earned compensation in the MPERS system excludes certain overtime, but includes state supplemental pay. The City-Parish's contributions to MPERS for the years ended December 31, 2014, 2013 and 2012, were \$12,097,231; \$11,909,905 and \$10,768,015; respectively, and were equal to the statutorily required contributions for each year. The City-Parish had no net pension obligation with respect to MPERS at December 31, 2014.

**8. Louisiana State Employees' Retirement System (LASERS)**

*Plan Description:* The City-Parish contributes to the Louisiana State Employees' Retirement System (LASERS) Pension Plan, a cost sharing multiple-employer defined benefit plan administered by the LASERS Board of Trustees. LASERS is a statewide public retirement system for the benefit of state employees. All elected City Court Judges are participating members. The system provides retirement and disability benefits, an annual cost-of-living adjustment, and death benefits to plan members and beneficiaries. The system was established and provided for within Louisiana Revised Statute Title 11 Chapter 401. LASERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804-4213.

*Funding Policy:* Contributions for all members and employers are established by state statute and may be amended by state statute when necessary. During 2014, Judges' Plan members contributed 11.50% of earned compensation while employers contributed 36.3% from January through June and 41.5% from July through December. The City-Parish's contributions to LASERS for the year ended December 31, 2014, 2013 and 2012 were \$102,294, \$136,547 and \$126,307; respectively, and were equal to the statutorily required contributions for each year. The City-Parish had no net pension obligation with respect to LASERS at December 31, 2014.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 7 - Employees' Retirement Systems (Continued)**

**b. Component Units**

**1. Capital Area Transit System Pension Plan**

*Plan Description:* Employees of Capital Area Transit System (CATS) are members of the Capital Area Transit System Pension Trust Fund ("Plan"), a defined-benefit single employer pension plan. The Plan is administered by a local actuarial consulting company under the direction of a Board of Trustees. CATS issues a Comprehensive Annual Financial Report (CAFR) which includes the financial statements and required supplementary information for CATS's Pension Trust Fund. CATS has adopted the reporting provisions under Sections Pe and P20 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*. CATS's financial reports may be obtained by writing to: Capital Area Transit System, Conner Burns, Chief Financial Officer, 2250 Florida Boulevard, Baton Rouge, LA 70802-3125. Because CATS issues its own CAFR with detailed disclosures on the operations of its Pension Trust Fund and because said fund is immaterial to the Primary Government, the City-Parish has chosen to provide limited disclosure in accordance with the reporting provisions of the applicable section of the GASB code. CATS pension trust fund is not reported in the fiduciary fund statements included as a basic financial statement of the primary government.

In June, 2012, the GASB issued Statement No. 67, Financial Reporting for Pension Plans - An Amendment of GASB Statement No. 25. GASB 67 provides for financial reporting for pension plans that are administered through trust or equivalent arrangements. The CATS implemented the Statement in the year ended December 31, 2014.

*Summary of Significant Accounting Policies:* The financial statements of CATS's Pension Trust Fund are prepared using the accrual basis of accounting. Contributions from CATS and their employees are recognized in the period in which employees provide services to the entity. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. CATS's Pension Trust Fund investments, consisting of mutual funds, are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

The components of the System's net pension liability as of December 31, 2014, were as follows:

Total Pension Liability	\$10,379,703
Plan Fiduciary Net Position	<u>9,816,996</u>
Net pension Liability	<u>\$ 562,707</u>
Plan Fiduciary Net Position as a total percentage of the Total Pension Liability	<u>94.58%</u>

**Sensitivity to changes in the Discount Rate**

The following presents the net pension liability of the System calculated using the discount rate of 6.50%, as well as what the System's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate (assuming all other assumptions remain unchanged).

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
	(5.50%)	(6.50%)	(7.50%)
Net pension liability (Asset)	\$1,789,284	\$562,707	\$(473,292)

**NOTE 7 - Employees' Retirement Systems (Continued)**

**b. Component Units (Continued)**

**2. District Attorney of the Nineteenth Judicial District Defined-Benefit Pension Plans**

Louisiana District Attorneys' Retirement System (LDARS)

*Plan Description:* The district attorney and assistant attorneys, whose salaries are paid by the State of Louisiana and the Office of the District Attorney, are members of the Louisiana District Attorneys' Retirement System. This retirement system is a multiple employer cost sharing, defined-benefit, statewide public employee retirement system administered and controlled by a separate board of trustees. The Louisiana District Attorneys' Retirement System (LDARS) provides retirement benefits as well as disability and survivor benefits. Benefits are established and amended by state statute. The LDARS issues a publicly available financial report that includes financial statements and required supplementary information for the LDARS. That report may be obtained by writing to the Louisiana District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824.

*Funding Policy:* Plan members are required to contribute 8.0% of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate which was 7.00% beginning July 2014. Member contributions and employer contributions for the LDARS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. Employer contributions for 2014, 2013 and 2012 totaled \$200,118, \$216,224 and \$207,666, respectively, and were equal to the required contribution for each year.

**3. Nineteenth Judicial District Court Pension Plans**

Louisiana State Employees' Retirement System (LASERS)

*Plan Description:* The employees of the Commissioners' offices, whose salaries are paid from appropriations from the State of Louisiana, court reporters hired after June 30, 2003, and all other District Court employees hired after January 1, 2009, are members of the Louisiana State Employees' Retirement System ("System"), a cost-sharing, multiple-employer defined-benefit public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of state employees which is administered and controlled by a separate board of trustees. The system provides retirement and disability benefits, an annual cost-of-living adjustment, and death benefits to plan members and beneficiaries. The system was established and provided for within Louisiana Revised Statute Title 11 Chapter 401. The Louisiana State Employees' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling 1(800) 256-3000.

*Funding Policy:* Plan members are required by state statute to contribute 7.5% , 8% for employees hired after July 1, 2006, of gross salary to which District Court added a 31.3%, 29.1% and 25.6% contribution as an employer's match for the years ended June 30, 2014, 2013 and 2012, respectively. The contribution requirements of plan members and the District Court are established and may be amended by the System's Board of Trustees. The District Court and Commissioners' offices statutory and actual contributions for the years ending June 30, 2014, 2013 and 2012 were \$806,605, \$632,066 and \$475,181, respectively, which were equal to the required contributions for each year.

Louisiana Clerk of Court Retirement and Relief Fund

*Plan Description:* Other court employees, whose salaries are expenditures of the Judicial Expense Fund are members of the Louisiana Clerk of Court Retirement and Relief Fund, a multiple-employer, cost sharing public employee retirement system, controlled and administered by a separate Board of Trustees. See section b(4) of this note for further disclosure on this multiple-employer cost-sharing PERS.

*Funding Policy:* Plan members are required by state statute to contribute 8.25% of their annual covered salary. The Nineteenth Judicial District Court contributed a rate of 18.5% and 17.25% of annual covered payroll for the years ended June 30, 2014, 2013 and 2012. The amount of employer contributions to the system for the years ended June 30, 2014, 2013 and 2012, were \$478,387, \$477,043 and \$521,268, respectively, which were equal to the required contributions for each year.

**NOTE 7 - Employees' Retirement Systems (Continued)**

**b. Component Units (Continued)**

**4. East Baton Rouge Parish Clerk of Court Pension Plan**

Louisiana Clerk of Court Retirement and Relief Fund

*Plan Description:* Substantially all Clerk of Court employees participate in the Louisiana Clerks of Court Retirement and Relief Fund ("System"), a multiple-employer (cost-sharing), defined-benefit public employee retirement system (PERS), controlled and administered by a separate Board of Trustees. Employees who retire at or after age 55 with at least 12 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3% of their final-average salary for each year of credited service prior to July 1, 1999, and 3.33% for each year of credited service after June 30, 1999, not to exceed 100% of their final average salary. Effective January 1, 2011, the retirement age increased to 65 and the amount paid monthly for life will be equal to 3 percent of their final average salary for each year of credited service, not to exceed 100 percent of their final average salary. The system also provides death and disability benefits. Benefits are established and amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Clerks of Court Retirement and Relief Fund, 10202 Jefferson Hwy, Building A, Baton Rouge, LA 70809.

*Funding Policy:* Plan members are required by state statute to contribute 8.25% of their annual covered salary and the E.B.R. Clerk of Court is required to contribute at an actuarially determined rate. The employer contribution rate was 17.25% of annual covered payroll for the period ended June 30, 2014, 2013 and 2012. Contributions to the system also include one-fourth of 1% of the taxes shown to be collectible by the tax rolls of each parish. The contribution requirements of plan members and the Clerk are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Clerk's Contributions to the System for the years ended June 30, 2014, 2013 and 2012, were \$1,319,723, \$1,116,533 and \$1,049,627, respectively, and were equal to the required contributions for each year.

Effective July 1, 1999, the East Baton Rouge Parish Clerk of Court could elect to pay all or a portion of the 8.25% employee retirement contribution which would otherwise be deducted from the employees' salaries. This election can be changed annually by the Clerk. The Clerk elected to implement this policy for the years ended June 30, 2014, 2013 and 2012. The Clerk's contributions to the System under this election were \$515,643, \$451,834 and \$425,076, respectively for the years ended in 2014, 2013 and 2012.

**NOTE 8 - Other Postemployment Benefits (OPEB)**

All classified and unclassified employees of the City-Parish primary government, and certain employees of the District Attorney of the Nineteenth Judicial District, the Nineteenth Judicial District Court, EBR Parish Family Court and EBR Parish Juvenile Court discretely presented component units may at their option participate in the employees' group life, health, and dental insurance programs sponsored by the government and administered by the City-Parish Human Resources Department along with outside third-party insurance providers or administrative agents. Both employee/retiree premiums and the employer contribution toward the premiums are set each year in the Metropolitan Council approved budget.

Plan description:

The City-Parish OPEB Plan is a single-employer defined benefit "substantive plan" as understood by past practices of the employer and its employees. Although no written plan or trust currently exists or is sanctioned by law, the OPEB plan is reported based on communications to plan members. The OPEB plan does not issue a stand-alone financial report.

Retirees may continue personal health and dental insurance coverage in accordance with Parish Resolution 10179 adopted by the Parish Council on December 13, 1972, and amended by Metropolitan Council Resolution 42912 adopted November 12, 2003. Based on current practices, upon retirement, a totally vested employee may continue his coverage paying the same premiums and receiving the same benefits as active employees.

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EXHIBIT A - 17  
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**NOTE 8 - Other Postemployment Benefits (OPEB) (Continued)**

The government pays the following percentages of the employer portion of scheduled premiums on employees hired after January 1, 2004.

<u>Years of Service</u>	<u>Vested Percentage</u>
Fewer than 10	25%
10-15 years	50%
15-20 year	75%
Over 20 years	100%

**Current Funding policy:**

The contribution requirements of the employees/retirees and the participating City-Parish employers are established in the annual operating budget and may be amended in subsequent years. During 2014, the dental plan was funded with employees and retirees contributing 48 percent of the dental premium and the City-Parish contributing 52 percent of the dental premium. One hundred percent of required premiums on the \$5,000 retiree life insurance policy is funded by the employer. The government's health plan is a self-insured program with a third party administrator. During 2014, employees and retirees contributed 12% - 42% of the annually adopted premium base, dependent on the type of coverage chosen and the number of family members covered. The government contributed the corresponding 58% - 88% of the premium base. Effective January 1, 2003, the employer portion of pay-as-you-go OPEB insurance premiums are allocated over all employers and funds that participate in the OPEB Plan.

The employer contribution to the OPEB plan for 2014 totaled \$20,207,165; or approximately 12% of gross payroll as approved by the Metropolitan Council in the 2014 operating budget. There is no retiree contribution to the OPEB plan other than the retiree share of health insurance premiums paid monthly which totaled \$6,392,533 for 2014. Approximately 3,800 active employees and 2,300 retirees along with applicable dependents were covered by the plan in 2014.

**Annual OPEB Cost and Net OPEB Obligation:**

The City-Parish's annual OPEB cost (expense) was calculated based on the *annual required contribution* of the employer (ARC), an amount actuarially determined in accordance with the parameters of Section P50 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over the actuarial amortization period. The ARC was calculated as part of the January 1, 2013, biannual actuarial valuation performed by an outside actuary consultant. The following table shows the components of the government's annual OPEB cost for the year and the amount actually contributed to the plan during the year:

	<u>Governmental</u>	<u>Business-type</u>	<u>Total Primary</u>	<u>City-Parish Plan</u>	
				<u>Activities</u>	<u>Activities</u>
				<u>Units</u>	<u>OPEB Plan</u>
Annual required contribution (ARC)	\$ 59,431,998	\$ 5,333,236	\$ 64,765,234	\$ 3,303,567	\$ 68,068,801
Interest on net OPEB obligation	11,497,888	1,031,784	12,529,672	639,117	13,168,789
Adjustment to ARC	<u>(11,423,418)</u>	<u>(1,025,100)</u>	<u>(12,448,518)</u>	<u>(634,977)</u>	<u>(13,083,495)</u>
Annual OPEB cost (expense)	59,506,468	5,339,920	64,846,388	3,307,707	68,154,095
Less: Contributions made	<u>(17,643,210)</u>	<u>(1,583,245)</u>	<u>(19,226,455)</u>	<u>(980,710)</u>	<u>(20,207,165)</u>
Increase in net OPEB obligation	41,863,258	3,756,675	45,619,933	2,326,997	47,946,930
Net OPEB obligation-beginning of year	<u>286,319,245</u>	<u>27,907,696</u>	<u>314,226,941</u>	<u>14,992,781</u>	<u>329,219,722</u>
Net OPEB obligation-end of year	<u><u>\$328,182,503</u></u>	<u><u>\$31,664,371</u></u>	<u><u>\$359,846,874</u></u>	<u><u>\$17,319,778</u></u>	<u><u>\$377,166,652</u></u>

The Primary Government's portion of the Plan's OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the preceding two years were as follows:

<u>Fiscal</u>	<u>Annual</u>	<u>Percentage of</u>	<u>Increase (Decrease)</u>	<u>Net</u>
<u>Year</u>	<u>OPEB</u>	<u>Annual OPEB</u>	<u>to net OPEB</u>	<u>OPEB</u>
<u>Ending</u>	<u>Cost</u>	<u>Cost Contributed</u>	<u>Obligation</u>	<u>Obligation</u>
12/31/14	\$64,846,388	29.7%	\$45,619,933	\$359,846,874
12/31/13	65,006,015	28.1	46,745,348	314,226,941
12/31/12	65,826,057	27.8	47,543,757	267,481,593

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EXHIBIT A - 17  
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**NOTE 8 - Other Postemployment Benefits (OPEB) (Continued)**

Disclosure for those discretely presented component units listed at the beginning of this note and belonging to the City-Parish OPEB Plan were as follows:

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Increase (Decrease) to net OPEB Obligation</u>	<u>Net OPEB Obligation</u>
12/31/14	\$3,307,707	29.7%	\$2,326,997	\$17,319,778
12/31/13	3,135,386	28.1	2,254,633	14,992,781
12/31/12	3,060,224	27.8	2,210,287	12,738,148

**Funding status and funding progress:**

As of January 1, 2013, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$948.5 million, resulting in an unfunded actuarial accrued liability (UAAL) of \$948.5 million. The ratio of UAAL to the covered payroll amount of \$165.7 million was 572.5 percent. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision and actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**Actuarial Methods and Assumptions:**

Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members at that date. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with long-term perspective of the calculations.

The projected unit credit actuarial cost method was used for the January 1, 2013, actuarial valuation. Because the government currently finances OPEB using a pay-as-you-go approach, the discount rate is based on the historical (and expected investments that are expected to be used in financing the payment of benefits). The actuarial assumptions included a four percent investment rate of return, compounded annually. Life expectancies were based on the Sex Distinct 2000 Combined Healthy Mortality Table projected to 2014 using Scale AA. Turnover rates were based on the government's historical data and modified based on years of employment. Probabilities of disability, retirement rates, and withdrawal rates are based on the government's historical data using probabilities from the government's retirement systems.

Both historical retiree claim costs and year 2013 retiree health insurance premiums were used as the basis for calculation of the present value of total benefits to be paid. In addition to a general inflation rate of 2.5 percent, the plan assumes a medical inflation rate of 5.6 percent beginning in 2013, decreasing to a rate of 4.5 percent in 2088. The actuarial valuation also assumes that (1) seventy-five to eighty-five percent of members are assumed to elect retiree medical coverage upon retirement; (2) female spouses are assumed to be three years younger than males; (3) fifty-five percent of employees are assumed to be married at retirement and elect spouse's coverage; (4) zero percent of employees will have dependent children at retirement; (5) one hundred percent of members will elect medicare coverage when they are first eligible; and (6) ten percent of participants hired prior to April 1, 1986, are assumed to be ineligible for medicare upon reaching age sixty-five. However, all spouses of retirees are assumed to be medicare eligible upon reaching age sixty-five.

The amortization method for the plan is a level percentage of payroll with a thirty-year open amortization. The expected long-term payroll growth rate was estimated at 3.0 percent, compounded annually. The remaining amortization period at January 1, 2013, was thirty years.

**NOTE 9 - Risk Management**

**a. Types of Risk**

The City-Parish is self-insured for unemployment compensation, workers' compensation, general liability, automobile liability, and police liability, including liability for probation officers and constables.

For fire and extended coverage, the City-Parish is self-insured for buildings and contents owned by the City-Parish with a combined value of less than \$1,000,000 and carries an insurance policy for losses with a combined \$1,000,000 deductible. There were no settlements that exceeded insurance coverage for the past three years.

**b. Accounting for Risk**

In accordance with Section C50 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, the City-Parish accounts for and reports risk management activities in the General Fund within the constraints of the modified accrual basis of accounting.

Claims paid under the City-Parish self-insurance risk program are recorded as expenditures against the General Fund. Annual fees based on reduced market premiums are charged to special revenue funds and proprietary fund types, with corresponding credits to General Fund expenditures. Long-term obligations that are not expected to be liquidated with expendable available financial resources are reported in the Government-wide Statement of Net Position under governmental activities. In order to provide for a method of paying judgments and claims in a manner to permit reasonably current payments, encourage compromise, reduce or eliminate interest and court costs, and permit budgeting without risk of reducing funds needed for necessary services and programs, the City-Parish Metropolitan Council adopted a compromised judgements "only" policy on November 26, 2002. The policy was designed to minimize the effect of increasing judgements against the City of Baton Rouge and Parish of East Baton Rouge, to balance the claims of each individual against the needs of the public interest and common good of the parish, and to avoid overburdening the local economy and its taxpaying citizens with new or increased taxes that are already needed for essential programs and services.

There were no major changes in outside insurance coverage for the year ended December 31, 2014.

**c. Contingent Liabilities - Claims and Judgments**

The City-Parish is a defendant in various tort claims and lawsuits involving general liability, automobile liability, personnel suits, and contractual matters. Litigation and other claims against the City-Parish for which there is at least a reasonable possibility of loss are estimated by the Parish Attorney as of the balance sheet date.

The estimated amount of liability is based on current Louisiana laws and judgments rendered in similar matters. Paragraph 110 of Section C50 GASB *Codification of Governmental Accounting and Financial Reporting Standards*, requires the accrual of a loss contingency if it is probable that an asset has been impaired or a liability incurred, whether or not it has been reported, and that the amount of loss can be reasonably estimated. Claims liabilities are based on an estimated ultimate cost of settling the claims, considering the effects of inflation, recent claim settlement trends and other social and economic factors, including the effects of specific incremental claim adjustment expenses, salvage and subrogation.

An amount of \$36,215,072 has been recorded as a long-term obligation on the Government-wide Statement of Net Position for estimated claims and judgments for risk management purposes. Incremental claim costs account for approximately 2% of that total. Subject to the aforementioned policy, it is the government's practice to pay claims and judgments against the City-Parish from available financial resources of the General Fund.

**d. Employee Benefits**

The City-Parish maintains a premium plan for the group health program, providing medical and prescription drug coverage to those City-Parish employees/retirees who choose to participate. During 2014, the minimum premium plan was funded with employees and retirees contributing 13%-44% of the premium and the City-Parish contributing 56%-87% of the premium, dependent upon the number of family members covered.

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**NOTE 9 - Risk Management (Continued)**

**d. Employee Benefits (Continued)**

The government's health plan is a self insured program with a third party administrator. The government's share of the health premium in the self-insured program is charged to individual budget accounts. Claims paid by the government in excess of the premium base for any given year are covered 100% by the General Fund. Any surplus of premiums over claims within a single fiscal year are recognized as "transfers in" to the General Fund and increase fund balance committed for self insurance purposes.

The value of self-insured claims incurred but not reported or paid as of December 31, 2014, for group health are estimated by the government's third party health care provider as follows:

Self-funded medical \$4,888,440

This amount has been included in the Government-wide Statement of Net Position for December 31, 2014.

**e. Changes in Liabilities for Claims**

The following is a reconciliation of changes in long-term claims payable for the years ended December 31, 2014, 2013, and 2012:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
<u>Claims and judgments payable:</u>			
Beginning balance	\$39,527,739	\$ 30,217,318	\$ 29,611,064
Additions:			
Claims incurred and new estimates	8,310,683	13,239,841	6,120,265
Deductions:			
Claims paid	(4,001,967)	(3,404,317)	(3,986,578)
Claims dismissed and changes in estimates	<u>(7,621,383)</u>	<u>(525,103)</u>	<u>(1,527,433)</u>
Ending balance	<u>\$ 36,215,072</u>	<u>\$ 39,527,739</u>	<u>\$ 30,217,318</u>
<u>Employee benefits payable:</u>			
Beginning balance	\$ 4,635,640	\$ 4,711,371	\$ 5,494,649
Additions:			
Claims incurred	61,829,352	57,003,271	55,140,474
Deductions:			
Claims paid	<u>(61,576,552)</u>	<u>(57,079,002)</u>	<u>(55,923,752)</u>
Ending balance	<u>\$ 4,888,440</u>	<u>\$ 4,635,640</u>	<u>\$ 4,711,371</u>

**f. Fund Balance Committed to Self-insurance purposes**

The City-Parish Metropolitan Council maintains a practice of committing a portion of General Fund's fund balance for self-insurance purposes. The amount committed for insurance at December 31, 2014, was determined as follows:

Fund balance committed to self insurance, January 1, 2014	\$48,818,767
Less: Appropriations from self insurance commitment for risk management purposes	(2,442,862)
Less: Amount reserved for risk management purposes in subsequent years	(400,000)
Less: Self insurance commitment reduced for risk management deficit	(31,944)
Plus: Federal government subsidies for employee/retiree insurance purposes	717,016
Interest earned on designated funds during 2014	<u>59,267</u>
Insurance Commitment, December 31, 2014	<u>\$46,720,244</u>

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EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt**

**a. Primary Government**

**1. Summary of Changes in Long-Term Debt**

Following is a summary of changes in long-term debt for the primary government for year 2014:

	Balance			Balance	Due Within
	<u>1/1/14</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/14</u>	<u>One Year</u>
<b><u>Governmental Activities:</u></b>					
Excess revenue contracts, loans and notes	\$ 89,263,484	\$ --	\$ 4,551,286	\$ 84,712,198	\$ 4,616,486
Deferred premium on bonds	6,311,221	--	741,084	5,570,137	--
Revenue bonds payable, gross	234,280,000	4,600,000	12,280,000	226,600,000	13,250,000
Less: Intragovernment payable	(2,828,750)	--	(321,250)	(2,507,500)	(334,167)
Obligation payable (off-market swaps)	6,443,672	--	529,761	5,913,911	--
Derivative Instrument Liability	10,609,916	4,684,876	--	15,294,792	--
Compensated absences payable	24,488,825	5,289,089	5,514,348	24,263,566	11,618,260
Claims and judgments payable (Note 9)	39,527,739	8,310,683	11,623,350	36,215,072	1,187,897
Employee benefits payable (Note 9)	4,635,640	61,829,352	61,576,552	4,888,440	--
Net other postemployment benefit obligation	<u>286,319,245</u>	<u>59,506,468</u>	<u>17,643,210</u>	<u>328,182,503</u>	<u>--</u>
Total governmental activities	<u>\$ 699,050,992</u>	<u>\$144,220,468</u>	<u>\$114,138,341</u>	<u>\$ 729,133,119</u>	<u>\$30,338,476</u>
<b><u>Business-Type Activities:</u></b>					
Excess revenue contracts, loans and notes	\$ 225,380,160	\$209,785,000	\$ 2,188,500	\$ 432,976,660	\$ 1,220,000
Revenue bonds payable	987,055,415	336,014,765	346,240,000	976,830,180	11,518,000
Deferred premiums and discounts	6,111,244	43,694,942	(473,700)	50,279,886	--
Revenue bonds payable from City issues	2,828,750	--	321,250	2,507,500	334,167
Obligation payable (off-market swaps)	48,358,556	--	2,369,800	45,988,756	--
Derivative instrument liability	41,015,560	46,627,666	--	87,643,226	--
Loans payable	596,224	--	168,724	427,500	--
Contingent Liability	--	4,750,000	--	4,750,000	--
Landfill closure and postclosure care liability (Note 17)	11,441,624	3,484,782	--	14,926,406	--
Compensated absences payable	2,036,268	399,575	496,565	1,939,278	1,909,859
Net other postemployment benefit obligation	<u>27,907,696</u>	<u>5,339,920</u>	<u>1,583,245</u>	<u>31,664,371</u>	<u>--</u>
Total business-type activities	<u>\$1,352,731,497</u>	<u>\$650,096,650</u>	<u>\$352,894,384</u>	<u>\$1,649,933,763</u>	<u>\$14,982,026</u>

Internal service funds serve predominantly the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$131,415 of compensated absences for internal service funds is included in the above amount. The compensated absences liability attributable to governmental activities has been liquidated primarily by the General Fund in prior years with any remainder liquidated in the governmental and internal service funds in which the liability occurred. Claims and judgments payable, employee benefits payable, and net other post-employment benefits obligation are liquidated by the General Fund.

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EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**2. Schedule of Bonds Payable**

The following is a schedule of bonds payable for the primary government at December 31, 2014:

	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Original Authorized and Issued</u>	<u>Outstanding</u>
<b>Governmental Activities:</b>					
<u>Excess revenue contracts, loans and notes</u>					
City of Baton Rouge:					
2012 Taxable Refunding	01/15-7/15	04/04/2012	01/15/2029	\$ 58,075,000	\$ 53,720,000
LA Community Development 2000A Program					
Visit Baton Rouge	Monthly	09/01/2007	11/30/2029	750,000	602,400
Parish of East Baton Rouge:					
LA Community Development Authority 1999	Monthly	08/11/1999	05/31/2018	1,764,713	954,798
2012 LCDA Road Improvements Project	02/01-08/01	03/01/2012	08/01/2030	<u>33,585,000</u>	<u>29,435,000</u>
Total excess revenue contracts, loans and notes				<u>94,174,713</u>	<u>84,712,198</u>
<u>Revenue bonds</u>					
City of Baton Rouge:					
2007A Public Improvement Sales Tax	02/01-08/01	03/28/2007	08/01/2018	30,395,000	6,095,000
2010B Public Improvement Sales Tax	02/01-08/01	09/28/2010	08/01/2026	19,045,000	15,625,000
Less: debt recorded in business-type activities				(3,840,000)	(2,507,500)
Parish of East Baton Rouge:					
Road and Street Improvement:					
2006A Sales Tax Bonds	02/01-08/01	05/03/2006	08/01/2015	32,760,000	4,340,000
2008A Sales Tax Bonds (Variable)	02/01-08/01	04/17/2008	08/01/2030	93,440,000	93,440,000
2009A Sales Tax Bonds	02/01-08/01	02/12/2009	08/01/2030	110,000,000	92,025,000
2013A Public Improvement Sales Tax	02/01-08/01	06/13/2013	02/01/2028	11,000,000	10,475,000
2014A Public Improvement Sales Tax	02/01-08/01	06/27/2014	02/01/2026	<u>4,600,000</u>	<u>4,600,000</u>
Total revenue bonds				<u>297,400,000</u>	<u>224,092,500</u>
Total governmental activities				<u>391,574,713</u>	<u>308,804,698</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**2. Schedule of Bonds Payable (Continued)**

	<u>Interest Dates</u>	<u>Issue Date</u>	<u>Final Maturity Date</u>	<u>Original Authorized and Issued</u>	<u>Outstanding</u>
<b>Business-Type Activities:</b>					
<u>Excess revenue contracts, loans and notes</u>					
Parish of East Baton Rouge:					
LCDCA loan 1999 Program	Monthly	08/11/1999	05/31/2018	\$ 9,701,660	\$ 4,431,660
Sewerage Commission:					
2013A LCDCA Sewerage Commission Projects	02/01-08/01	05/09/2013	02/01/2048	126,260,000	126,260,000
2013B (LIBOR Index) LCDCA Sewerage Commission Projects	Monthly	05/10/2013	02/01/2049	92,500,000	92,500,000
2014A LCDCA Sewerage Commission Projects	02/01-08/01	04/10/2014	02/01/2044	<u>209,785,000</u>	<u>209,785,000</u>
Total excess revenue contracts, loans and notes				<u>438,246,660</u>	<u>432,976,660</u>
<u>Revenue bonds</u>					
City of Baton Rouge:					
Airport:					
2005B Public Improvement Sales Tax (Taxable)	02/01-08/01	04/19/2005	08/01/2029	2,100,000	1,560,000
2008A-2 Public Improvement Sales Tax	02/01-08/01	01/24/2008	08/01/2037	47,205,000	45,405,000
2008B Public Improvement Sales Tax (Taxable)	02/01-08/01	01/24/2008	08/01/2022	9,505,000	5,945,000
2010A Public Improvement Sales Tax (GO Zone)	02/01-08/01	01/28/2010	08/01/2039	6,000,000	5,610,000
Revenue bonds payable from City issues				3,840,000	2,507,500
Sewerage Commission:					
2006 A/B Revenue Refunding bonds	02/01-08/01	08/17/2006	02/01/2036	196,930,000	--
2009A Revenue bonds	02/01-08/01	05/14/2009	02/01/2039	164,965,000	--
2010 Revenue Bonds (DEQ)	02/01-08/01	04/29/2010	02/01/2031	8,300,000	7,540,000
2010A Revenue Bonds	02/01-08/01	05/27/2010	02/01/2014	17,140,000	--
2010B Revenue Bonds (Taxable Direct Pay Build America Bonds)	02/01-08/01	05/27/2010	02/01/2045	357,840,000	357,840,000
2011A Revenue Bonds (LIBOR Index)	Monthly	07/28/2011	02/01/2046	202,500,000	192,170,000
2013A Taxable Revenue Bonds	02/01-08/01	03/06/2013	02/01/2034	2,905,180	2,905,180
2013B Taxable Revenue Refunding Bonds	02/01-08/01	05/02/2013	02/01/2024	25,390,000	24,965,000
2014A Taxable Revenue Refunding Bonds	02/01-08/01	12/17/2014	02/01/2031	127,455,000	127,455,000
2014B Tax-Exempt Revenue Refunding Bonds	02/01-08/01	12/17/2014	02/01/2039	<u>205,435,000</u>	<u>205,435,000</u>
Total revenue bonds				<u>1,377,510,180</u>	<u>979,337,680</u>
Total business-type activities				<u>1,815,756,840</u>	<u>1,412,314,340</u>
Total all bonds, contracts, loans and notes				<u>\$2,207,331,553</u>	<u>\$1,721,119,038</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**3. Changes in Bonds Payable**

	Outstanding January 1, 2014	Issued	Retired	Outstanding December 31, 2014
<b>Governmental Activities:</b>				
<u>Excess revenue contracts, loans and notes</u>				
City of Baton Rouge:				
2012 Taxable Refunding	\$ 56,730,000	\$ --	\$ 3,010,000	\$ 53,720,000
LA Community Development 2000A Program				
Visit Baton Rouge	628,800	--	26,400	602,400
Parish of East Baton Rouge:				
LA Community Development Authority 1999	1,179,684	--	224,886	954,798
2012 LCDA Road Improvement Project	30,725,000	--	1,290,000	29,435,000
Total excess revenue contracts, loans and notes	89,263,484	--	4,551,286	84,712,198
<u>Revenue bonds</u>				
City of Baton Rouge:				
2007A Public Improvement Sales Tax	8,805,000	--	2,710,000	6,095,000
2010B Public Improvement Sales Tax	16,745,000	--	1,120,000	15,625,000
Less: debt recorded in business- type activities	(2,828,750)	--	(321,250)	(2,507,500)
Parish of East Baton Rouge:				
Road and Street Improvement:				
2006A Sales Tax Bonds	8,450,000	--	4,110,000	4,340,000
2008A Sales Tax Bonds (Variable)	93,440,000	--	--	93,440,000
2009A Sales Tax Bonds	95,840,000	--	3,815,000	92,025,000
2013A Public Improvement Sales Tax	11,000,000	--	525,000	10,475,000
2014A Public Improvement Sales Tax	--	4,600,000	--	4,600,000
Total revenue bonds	231,451,250	4,600,000	11,958,750	224,092,500
Total governmental activities	320,714,734	4,600,000	16,510,036	308,804,698

**Business-Type Activities:**

Excess revenue contracts, loans and notes

Parish of East Baton Rouge:				
LCDA loan 1999 Program	6,620,160	--	2,188,500	4,431,660
Sewerage Commission:				
2013A LCDA Sewerage Commission Projects	126,260,000	--	--	126,260,000
2013B (LIBOR Index) LCDA Sewerage Commission Projects	92,500,000	--	--	92,500,000
2014A LCDA Sewerage Commission Projects	--	209,785,000	--	209,785,000
Total excess revenue contracts, loans and notes	225,380,160	209,785,000	2,188,500	432,976,660

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**3. Changes in Bonds Payable (Continued)**

	<u>Outstanding January 1, 2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Outstanding December 31, 2014</u>
<b>Business-Type Activities: (Continued)</b>				
<u>Revenue bonds</u>				
City of Baton Rouge:				
2005B Public Improvement Sales Tax (Airport -Taxable)	\$ 1,625,000	\$ --	\$ 65,000	\$ 1,560,000
2008A-2 Public Improvement Sales Tax	46,035,000	--	630,000	45,405,000
2008B Public Improvement Sales Tax (Taxable)	6,560,000	--	615,000	5,945,000
2010A Public Improvement Sales Tax (GO Zone)	5,745,000	--	135,000	5,610,000
Revenue bonds payable from City issues	2,828,750	--	321,250	2,507,500
Sewerage Commission:				
2006 A/B Revenue Refunding Bonds	170,895,000	--	170,895,000	--
2009A Revenue Bonds	164,965,000	--	164,965,000	--
2010 Revenue Bonds (DEQ)	7,509,523	410,477	380,000	7,540,000
2010A Revenue Bonds	4,540,000	--	4,540,000	--
2010B Revenue Bonds (Taxable Direct Pay Build America Bonds)	357,840,000	--	--	357,840,000
2011A Revenue Bonds (LIBOR Index)	195,760,000	--	3,590,000	192,170,000
2013A Taxable Revenue Bonds	190,892	2,714,288	--	2,905,180
2013B Taxable Revenue Refunding Bonds	25,390,000	--	425,000	24,965,000
2014A Taxable Revenue Refunding Bonds	--	127,455,000	--	127,455,000
2014B Tax-Exempt Revenue Refunding Bonds	--	<u>205,435,000</u>	--	<u>205,435,000</u>
Total revenue bonds	<u>989,884,165</u>	<u>336,014,765</u>	<u>346,561,250</u>	<u>979,337,680</u>
Total business-type activities	<u>1,215,264,325</u>	<u>545,799,765</u>	<u>348,749,750</u>	<u>1,412,314,340</u>
Total all bonds, contracts, loans and notes	<u>\$1,535,979,059</u>	<u>\$550,399,765</u>	<u>\$365,259,786</u>	<u>\$1,721,119,038</u>

**4. Interest Requirements to Maturity**

The following is a summary of bonded debt at December 31, 2014, and interest requirements to maturity:

	<u>Debt Payable 12/31/2014</u>	<u>Interest Requirements to Maturity</u>	<u>Total</u>
<b>Governmental Activities:</b>			
<u>Excess revenue contracts, loans and notes</u>			
City of Baton Rouge:			
2012 Taxable Refunding LA Community Development 2000A Program	\$ 53,720,000	\$ 16,543,889	\$ 70,263,889
Visit Baton Rouge	602,400	88,714	691,114
Parish of East Baton Rouge:			
LA Community Development 1999 Program	954,798	50,162	1,004,960
2012 LCDA Road Improvement Project	<u>29,435,000</u>	<u>12,555,344</u>	<u>41,990,344</u>
Total excess revenue contracts, loans and notes	<u>84,712,198</u>	<u>29,238,109</u>	<u>113,950,307</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**4. Interest Requirements to Maturity (Continued)**

	<u>Debt Payable</u> <u>12/31/2014</u>	<u>Interest</u> <u>Requirements</u> <u>to Maturity</u>	<u>Total</u>
<b>Governmental Activities: (Continued)</b>			
<u>Revenue bonds</u>			
City of Baton Rouge:			
2007A City Sales Tax (3.82%)*	\$ 6,095,000	\$ 424,425	\$ 6,519,425
2010B City Sales Tax (3.02%)*	15,625,000	3,502,474	19,127,474
Less: Debt recorded in business-type activities	(2,507,500)	(358,121)	(2,865,621)
Parish of East Baton Rouge:			
Road and Street Improvement:			
2006A Sales Tax Bonds (4.09%)*	4,340,000	210,040	4,550,040
2008A Sales Tax Bonds (Variable)	93,440,000	34,592,157	128,032,157
2009A Sales Tax Bonds (4.83%)*	92,025,000	45,437,150	137,462,150
2013A Parish Sales Tax	10,475,000	1,637,566	12,112,566
2014A Parish Sales Tax	<u>4,600,000</u>	<u>674,354</u>	<u>5,274,354</u>
Total revenue bonds	<u>224,092,500</u>	<u>86,120,045</u>	<u>310,212,545</u>
Total governmental activities	<u>308,804,698</u>	<u>115,358,154</u>	<u>424,162,852</u>
 <b>Business-Type Activities:</b>			
<u>Excess revenue contracts, loans and notes</u>			
Parish of East Baton Rouge:			
LCDA loan 1999 Program	4,431,660	122,715	4,554,375
East Baton Rouge Sewerage Commission:			
2013A LCDA Sewerage Commission Projects	126,260,000	163,797,350	290,057,350
2013B (LIBOR Index) Sewerage Commission Projects	92,500,000	138,349,613	230,849,613
2014A LCDA Sewerage Commission Projects	<u>209,785,000</u>	<u>222,764,156</u>	<u>432,549,156</u>
Total excess revenue contracts, loans and notes	<u>432,976,660</u>	<u>525,033,834</u>	<u>958,010,494</u>
 <u>Revenue bonds</u>			
City of Baton Rouge:			
2005B Public Improvement Sales Tax (Airport -Taxable) (5.65%)*	1,560,000	812,104	2,372,104
2008A-2 Public Improvement Sales Tax (4.59%)*	45,405,000	31,840,610	77,245,610
2008B Public Improvement Sales Tax (Taxable) (4.59%)*	5,945,000	1,490,594	7,435,594
2010A Public Improvement Sales Tax (GO Zone) (4.36%)	5,610,000	3,649,970	9,259,970
Revenue bonds payable from City issues	2,507,500	358,121	2,865,621
Sewerage Commission:			
2010 Revenue Bonds (DEQ)	7,540,000	314,055	7,854,055
2010B Revenue Bonds (Taxable Direct Pay Build America Bonds) (3.94%)*	357,840,000	499,173,788	857,013,788
2011A Revenue Bonds (LIBOR Index) (Variable)	192,170,000	153,253,964	345,423,964
2013A Taxable Revenue Bonds (DEQ)	2,905,180	133,070	3,038,250
2013B Taxable Revenue Refunding Bonds (2.54%)*	24,965,000	3,738,122	28,703,122
2014A Taxable Revenue Refunding Bonds (3.57%)	127,455,000	49,253,047	176,708,047
2014B Tax-Exempt Revenue Refunding Bonds (3.76%)*	<u>205,435,000</u>	<u>184,232,819</u>	<u>389,667,819</u>
Total revenue bonds	<u>979,337,680</u>	<u>928,250,264</u>	<u>1,907,587,944</u>
Total business-type activities	<u>1,412,314,340</u>	<u>1,453,284,098</u>	<u>2,865,598,438</u>
Total all bonds, contracts, loans and notes	<u>\$1,721,119,038</u>	<u>\$1,568,642,252</u>	<u>\$3,289,761,290</u>

\* True interest cost (TIC)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**5. Debt Service Requirements to Maturity**

The annual requirements to amortize all bonded debt outstanding, including principal and interest, are as follows:

**Governmental Activities:**

Year	<u>Excess Revenue Contracts, Loans and Notes</u>			<u>Revenue Bonds</u>			Total Governmental Activities
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2015	\$ 4,616,486	\$ 3,072,042	\$ 7,688,528	\$ 12,915,833	\$ 9,531,115	\$ 22,446,948	\$ 30,135,476
2016	4,694,285	2,986,787	7,681,072	13,036,667	8,928,137	21,964,804	29,645,876
2017	4,786,885	2,892,215	7,679,100	11,513,750	8,407,427	19,921,177	27,600,277
2018	4,880,742	2,804,745	7,685,487	11,601,667	7,987,379	19,589,046	27,274,533
2019	4,738,800	2,642,274	7,381,074	11,933,750	7,495,558	19,429,308	26,810,382
2020-2024	26,562,500	10,463,811	37,026,311	68,535,833	29,377,374	97,913,207	134,939,518
2025-2029	31,902,500	4,287,685	36,190,185	78,220,000	13,753,732	91,973,732	128,163,917
2030	2,530,000	88,550	2,618,550	16,335,000	639,323	16,974,323	19,592,873
Total	<u>\$84,712,198</u>	<u>\$29,238,109</u>	<u>\$113,950,307</u>	<u>\$ 224,092,500</u>	<u>\$ 86,120,045</u>	<u>\$ 310,212,545</u>	<u>\$ 424,162,852</u>

**Business-Type Activities:**

Year	<u>Excess Revenue Contracts, Loans and Notes</u>			<u>Revenue Bonds</u>			Total Business-Type Activities
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2015	\$ 1,220,000	\$ 20,299,938	\$ 21,519,938	\$ 11,852,167	\$ 41,870,185	\$ 53,722,352	\$ 75,242,290
2016	1,283,500	20,280,708	21,564,208	9,923,333	46,869,839	56,793,172	78,357,380
2017	1,346,500	20,260,498	21,606,998	11,906,250	46,467,192	58,373,442	79,980,440
2018	581,660	20,242,471	20,824,131	12,513,333	46,019,367	58,532,700	79,356,831
2019	--	20,240,225	20,240,225	18,221,250	45,475,666	63,696,916	83,937,141
2020-2024	--	101,201,125	101,201,125	133,299,167	213,967,196	347,266,363	448,467,488
2025-2029	34,930,000	97,009,125	131,939,125	145,750,000	184,676,377	330,426,377	462,365,502
2030-2034	55,725,000	86,550,250	142,275,250	160,352,180	148,287,384	308,639,564	450,914,814
2035-2039	74,135,000	69,348,281	143,483,281	197,730,000	104,327,125	302,057,125	445,540,406
2040-2044	97,365,000	48,504,750	145,869,750	218,420,000	48,253,291	266,673,291	412,543,041
2045-2049	166,390,000	21,096,463	187,486,463	59,370,000	2,036,642	61,406,642	248,893,105
Total	<u>\$432,976,660</u>	<u>\$525,033,834</u>	<u>\$958,010,494</u>	<u>\$979,337,680</u>	<u>\$928,250,264</u>	<u>\$1,907,587,944</u>	<u>\$2,865,598,438</u>

**6. Future Year Obligations**

Principal and interest requirements of various bond issues for the year 2015 are as follows:

<b>Governmental Activities:</b>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
<u>Excess revenue contracts, loans and notes</u>			
City of Baton Rouge:			
2012 Taxable Refunding	\$ 3,050,000	\$ 1,740,449	\$ 4,790,449
LA Community Development 2000A Program			
Visit Baton Rouge	26,400	10,271	36,671
Parish of East Baton Rouge:			
LA Community Development 1999 Program	225,086	13,116	238,202
2012 LCDA Road Improvements Project	<u>1,315,000</u>	<u>1,308,206</u>	<u>2,623,206</u>
Total excess revenue contracts, loans and notes	<u>4,616,486</u>	<u>3,072,042</u>	<u>7,688,528</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**6. Future Year Obligations (Continued)**

<b>Governmental Activities (Continued):</b>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
<u>Revenue bonds</u>			
City of Baton Rouge:			
2007A City Sales Tax	\$ 2,845,000	\$ 258,025	\$ 3,103,025
2010B City Sales Tax	1,170,000	536,162	1,706,162
Less: Debt recorded in business-type activities	(334,167)	(88,825)	(422,992)
Parish of East Baton Rouge:			
Road and Street Improvement:			
2006A Sales Tax Bonds	4,340,000	210,040	4,550,040
2008A Sales Tax Bonds (Variable)	--	3,697,748	3,697,748
2009A Sales Tax Bonds	3,990,000	4,606,118	8,596,118
2013A Parish Sales Tax	615,000	212,501	827,501
2014A Parish Sales Tax	<u>290,000</u>	<u>99,346</u>	<u>389,346</u>
Total revenue bonds	<u>12,915,833</u>	<u>9,531,115</u>	<u>22,446,948</u>
Total governmental activities	<u>17,532,319</u>	<u>12,603,157</u>	<u>30,135,476</u>
 <b>Business-Type Activities:</b>			
<u>Excess revenue contracts, loans and notes</u>			
Parish of East Baton Rouge:			
LCDA loan 1999 Program	1,220,000	59,713	1,279,713
Sewerage Commission:			
2013A LCDA Sewerage Commission Projects	--	5,734,100	5,734,100
2013B (LIBOR Index) LCDA Sewerage Commission Projects	--	4,185,625	4,185,625
2014A LCDA Sewerage Commission Projects	<u>--</u>	<u>10,320,500</u>	<u>10,320,500</u>
Total excess revenue contracts, loans and notes	<u>1,220,000</u>	<u>20,299,938</u>	<u>21,519,938</u>
<u>Revenue bonds</u>			
City of Baton Rouge:			
2005B Public Improvement Sales Tax (Taxable-Airport)	70,000	88,606	158,606
2008A-2 Public Improvement Sales Tax	655,000	2,058,150	2,713,150
2008B Public Improvement Sales Tax (Taxable)	650,000	319,306	969,306
2010A Public Improvement Sales Tax (GO Zone)	135,000	233,594	368,594
Plus: Revenue bonds payable from City issues	334,167	88,825	422,992
Sewerage Commission:			
2010 Revenue Bonds (DEQ)	385,000	33,064	418,064
2010B Revenue Bonds (Taxable Direct Pay Build America Bonds)	4,715,000	20,936,324	25,651,324
2011A Revenue Bonds (LIBOR Index)	3,750,000	8,673,788	12,423,788
2013A Taxable Revenue Bonds (DEQ)	133,000	11,209	144,209
2013B Taxable Revenue Refunding Bonds	1,025,000	542,880	1,567,880
2014A Taxable Revenue Refunding Bonds	--	2,679,795	2,679,795
2014B Tax-Exempt Revenue Refunding Bonds	<u>--</u>	<u>6,204,644</u>	<u>6,204,644</u>
Total revenue bonds	<u>11,852,167</u>	<u>41,870,185</u>	<u>53,722,352</u>
Total business-type activities	<u>13,072,167</u>	<u>62,170,123</u>	<u>75,242,290</u>
Total all bonds, contracts, loans and notes	<u>\$30,604,486</u>	<u>\$74,773,280</u>	<u>\$105,377,766</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**7. Legal Debt Margin - General Obligation Bonds**

Computation of legal debt margin for general obligation bonds payable from ad valorem tax is as follows:

**Governing Authority: City of Baton Rouge**

Ad valorem taxes:

Assessed valuation, 2014 tax rolls	<u>\$1,861,690,310</u>
Debt limit: 10% of assessed valuation (for any one purpose)	\$ 186,169,031
Debt limit: 15% of assessed valuation (for sewerage purposes)	279,253,547
Debt limit: 35% of assessed valuation (aggregate, all purposes)	651,591,609

There are no outstanding bonds secured by ad valorem taxes of the City of Baton Rouge at this time.

**Governing Authority: Parish of East Baton Rouge**

Ad valorem taxes:

Assessed valuation, 2014 tax rolls	<u>\$4,503,353,794</u>
Debt limit: 10% of assessed valuation (for any one purpose)	\$ 450,335,379
Debt limit: 15% of assessed valuation (for sewerage purposes)	675,503,069

There are no outstanding bonds secured by ad valorem taxes of the Parish of East Baton Rouge at this time.

**Governing Authority: East Baton Rouge Sewerage Commission**

Ad valorem taxes:

Assessed valuation, 2014 tax rolls	<u>\$4,503,353,794</u>
Debt limit: 15% of assessed valuation (for sewerage purposes)	\$ 675,503,069

There are no outstanding bonds secured by ad valorem taxes of the East Baton Rouge Sewerage Commission at this time.

The Louisiana Constitution gives East Baton Rouge Parish, any municipal corporation in the parish and any sewerage district in the parish the power to incur debt and issue bonds for sewerage purposes up to a maximum of 15% of the assessed valuation of the taxable property in such subdivision. Louisiana Revised Statutes limit the Parish's bonded debt for other purposes to 10% of the assessed valuation of the taxable property for one purpose and 35% for all purposes.

Excess revenue contracts, loans and notes are secured by the excess of any general property tax and other revenues that were levied for operation of the General Fund. They are payable through excess revenues of the General Fund budget and required approval by the Louisiana State Bond Commission. The debt obligations are issued on the authority of the Metropolitan Council and do not require a referendum from taxpayers.

**8. 2% Sales Tax Revenue Bonds**

The City of Baton Rouge and the Parish of East Baton Rouge, each levy a two percent sales and use tax on goods and services within their respective taxing districts. Since 1989, both the City of Baton Rouge and the Parish of East Baton Rouge have authorized the issuance of Public Improvement Sales Tax Revenue Bonds secured by this sales tax for the purpose of constructing and improving public facilities, advance refunding outstanding parity bond issues when market rates made it advantageous, providing a debt service reserve when required, for each respective issue, and paying the issuance costs thereof.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**8. 2% Sales Tax Revenue Bonds (Continued)**

Act No. 328 of the 1988 Regular Session of the Louisiana Legislature, House Bill No. 1599, Section 8(a) imposes a limit on the debt service obligations that can be outstanding of 40% of the gross avails of the sales and use tax for both the city and the parish 2% sales and use tax. The legal debt calculation as of December 31, 2014, is as follows:

	<b>City</b>	<b>Parish</b>
Actual 2014 Revenues	<u>\$ 97,838,748</u>	<u>\$ 81,305,428</u>
Debt Capacity Before Outstanding Bonds (40%)	39,135,499	32,522,171
Less: Highest Annual Debt Service on Outstanding Bonds	<u>(9,018,843)</u>	<u>(1,396,499)</u>
Debt Capacity	\$ 30,116,656	\$ 31,125,672
Interest factor for \$1 of debt, 5.0%, 25 years	0.070952457	0.070952457
Additional Bond Capacity (25 Years at 5.5%)	<u>\$424,462,482</u>	<u>\$438,683,498</u>

These bonds are paid through the City Sales Tax Revenue Bonds Debt Service Fund and the Parish Sales Tax Revenue Bonds Debt Service Fund. Sinking fund payments are made monthly with bond interest and/or principal payments due February 1 and August 1 of each year. As of December 31, 2014, the following issues are outstanding:

<u>Bond Issue</u>	<u>Outstanding 12/31/2014</u>	<u>Primary Purpose of Issue</u>
<b>City of Baton Rouge:</b>		
<u>Governmental type activities:</u>		
\$30,395,000; Series 2007A	\$ 6,095,000	Current and advance refunding parity bond issues
\$19,045,000; Series 2010B	15,625,000	Advance refunding parity bond issue
<u>Business type activities:</u>		
\$ 2,100,000; Series 2005B	1,560,000	Provide capital improvement funds for airport projects
\$47,205,000; Series 2008A-2	45,405,000	Provide and restructure prior District Indebtedness
\$ 9,505,000; Series 2008B	5,945,000	Provide and restructure prior District Indebtedness
\$ 6,000,000; Series 2010A (GO Zone)	<u>5,610,000</u>	Provide capital improvement funds for airport projects
<b>Total</b>	<b><u>\$80,240,000</u></b>	
<b>Parish of East Baton Rouge:</b>		
<u>Governmental type activities:</u>		
\$11,000,000; Series 2013A	\$10,475,000	Provide funds for a Public Safety Complex
\$ 4,600,000; Series 2014A	<u>4,600,000</u>	Provide funds for a Public Safety Complex renovation
	<b><u>\$15,075,000</u></b>	

All of the above sales tax revenue bonds issued by the City of Baton Rouge and Parish of East Baton Rouge are complete parity bonds and are secured by the net revenues from the respective entity's two percent sales and use tax. The business type activity bonds are recorded in the Greater Baton Rouge Airport District Enterprise Fund.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**9. ½% Road and Street Sales Tax Revenue Bonds**

On October 15, 2005, East Baton Rouge Parish voters approved a 23 year extension of the one-half percent sales and use tax, previously set to expire on December 31, 2007, specifically for the purpose of public road and street repair within East Baton Rouge Parish. The Parish of East Baton Rouge is authorized to issue debt secured by this additional one-half percent road and street sales tax for the purpose of building new roads and widening existing roads, advance refunding outstanding parity bond issues when market rates make it advantageous, providing a debt service reserve when required, for each respective issue, and paying the issuance costs thereof.

Louisiana Revised Statute 39:1430(A) requires that the annual debt service payments for revenue bonds secured by sales tax revenues may not be in excess of seventy-five percent (75%) for the sales tax revenues estimated by the governing authority to be received by it in the calendar year in which the bonds are issued.

Anticipated revenues based on 2015 annual operating budget	\$28,346,230
Debt Capacity Before Outstanding Bonds (75%)	21,259,673
Less: Highest Annual Debt Service on Outstanding Bonds	<u>17,133,815</u>
Debt Capacity	\$ 4,125,858
Interest factor for \$1 of debt, 5.00%, 16 years	0.092269908
Additional Bond Capacity (16 Years at 5.00%)	<u>\$44,715,098</u>
Sales Tax Revenues (Remaining 25%)	\$ 7,086,557
Less: 2015 Subordinate Lien Debt	<u>2,623,206</u>
Balance Available for Capital Improvement Programs	<u>\$ 4,463,351</u>

<u>Bond Issue</u>	<u>Outstanding 12/31/2014</u>	<u>Primary Purpose of Issue</u>
Parish of East Baton Rouge:		
Road and Street Sales Tax Revenue Bonds:		
Senior Lien:		
\$ 32,760,000; Series 2006A	\$ 4,340,000	Road and Street Capital Improvements Program
\$ 93,440,000; Series 2008A	93,440,000	Road and Street Capital Improvements Program
\$110,000,000; Series 2009A	<u>92,025,000</u>	Road and Street Capital Improvements Program
Total	<u>\$189,805,000</u>	
Subordinate Lien:		
\$ 33,585,000; Series 2012 LCDA	<u>\$ 29,435,000</u>	Road and Street Capital Improvements Program

Highest Annual Debt Service on Outstanding Bonds was calculated using the fixed SWAP rate for the 2008A Variable Rate Bonds.

**10. East Baton Rouge Sewerage Commission Bonds**

In April 1988, the general electorate authorized an additional parish-wide one-half percent sales and use tax specifically for sewerage purposes. The Parish of East Baton Rouge is authorized to issue debt secured by this additional one-half percent sewer sales tax for the purpose of constructing sewerage related capital improvements, advance refunding outstanding parity bond issues when market rates make it advantageous, providing a debt service reserve for each respective issue, and paying the issuance costs thereof.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**10. East Baton Rouge Sewerage Commission Bonds (Continued)**

In the Fifth Amendatory Intergovernmental Agreement between the City of Baton Rouge, the Parish of East Baton Rouge, and the Greater Baton Rouge Consolidated Sewerage district, the Parish pledged the Sales Tax Revenues as security for and for the payment of debt service on the revenue bonds to be issued by the East Baton Rouge Sewerage Commission under the Agreement.

Louisiana Revised Statute 39:1430(A) requires that the annual debt service of revenue bonds secured by sales tax revenues may not be in excess of seventy-five percent (75%) of the amount of sales tax revenues estimated by the governing authority to be received by it in the calendar year in which the bonds are issued, plus additional funds made available from Sewer User Fees.

Anticipated revenues based on 2015 annual operating budget	<u>\$43,648,800</u>
Debt Capacity Before Outstanding Senior Lien Bonds (75%)	32,736,600
Less: Sales Tax Collection Costs (based on 2015 budget)	<u>(600,000)</u>
Sales Tax Revenue Pledged for E.B.R. Sewerage Commission Revenue Bonds	\$ 32,136,600
Budgeted 2015 Sewer User Fees and Other Revenues	77,288,000
Less: Operating and Maintenance Expense	<u>(47,245,980)</u>
Debt Capacity Before Outstanding Bonds	62,178,620
Highest Annual Debt Service on Outstanding Senior Lien Bonds (Net of Build America Bonds Direct Subsidy Payment)	<u>(59,872,183)</u>
Debt Capacity	\$ 2,306,437
Interest factor for \$1 of debt, 4.5%, 35 year	0.057270448
Additional Senior Lien Bond Capacity (35 Years at 4.5%)	<u>\$ 40,272,725</u>
Sales Tax Revenues (Remaining 25%)	\$ 10,912,200
2015 Debt Service on Outstanding Subordinate Lien Debt (Net of Capitalized Interest)	<u>(4,290,398)</u>
Balance Available for Capital Improvement Programs	<u>\$ 6,621,802</u>

<u>Bond Issue</u>	<u>Outstanding 12/31/2014</u>	<u>Primary Purpose of Issue</u>
<b>East Baton Rouge Sewerage Commission:</b>		
<b>Senior Lien:</b>		
\$ 8,300,000; Series 2010 DEQ	7,540,000	Sewerage Capital Improvements Program
\$357,840,000; Series 2010B BABs	357,840,000	Sewerage Capital Improvements Program
\$202,500,000; Series 2011A (LIBOR Index)	192,170,000	Sewerage Capital Improvements Program
\$ 45,000,000; Series 2013A	2,905,180	Sewerage Capital Improvements Program
\$ 25,390,000; Series 2013B	24,965,000	Sewerage Capital Improvements Program
\$127,455,000; Series 2014A	127,455,000	Sewerage Capital Improvements Program
\$205,435,000; Series 2014B	<u>205,435,000</u>	Sewerage Capital Improvements Program
Total	<u>\$918,310,180</u>	
<b>Subordinate Lien:</b>		
\$126,260,000; Series 2013A LCDA	126,260,000	Sewerage Capital Improvements Program
\$ 92,500,000; Series 2013B LCDA(LIBOR Index)	92,500,000	Sewerage Capital Improvements Program
\$209,785,000; Series 2014A LCDA	<u>209,785,000</u>	Sewerage Capital Improvements Program
	<u>\$428,545,000</u>	

**11. Derivative Instruments**

Governmental Accounting Standards Board Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, requires derivative instruments (such as interest rate swap agreements) to be reported at fair value in the financial statements.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

As of December 31, 2014, the swap agreements can be summarized as follows:

	<u>Changes in Fair Value</u>		<u>Fair Value at December 31, 2014</u>		<u>Notional</u>
	<u>Classification</u>	<u>Amount</u>	<u>Classification</u>	<u>Amount</u>	
<u>Governmental Activities:</u>					
Cash Flow Hedges:					
Pay-fixed; receive variable interest rate swaps	Deferred outflows on derivative instruments	\$ 4,684,876	Non-current liability	\$ (21,208,703)	\$ 92,240,000
	Amortization of off-market swap	(529,761)			
<u>Business-Type Activities:</u>					
Cash Flow Hedges:					
Pay-fixed; receive variable interest rate swaps	Deferred outflows on derivative instruments	46,627,666	Derivative instrument liability	(87,643,226)	284,670,000
	Amortization of off-market swap	(2,369,800)	Obligation Payable	(45,988,756)	

**Terms and Objectives of Hedging Derivative Instruments**

<u>Type</u>	<u>Notional</u>	<u>Objective</u>	<u>Effective Date</u>	<u>Maturity Date</u>	<u>Terms</u>	<u>Counterparty Credit Rating*</u>
<u>Governmental Activities:</u>						
Cash Flow Hedges:						
Pay-fixed; receive variable interest rate swap	\$46,120,000	to lower borrowing costs on the Rd & Str Series 2006 Bonds	5/3/2006	8/1/2030	Pay 4.072%; Receive 70% of 1 month USD-LIBOR	A2 / A / A
Pay-fixed; receive variable interest rate swap	46,120,000	to lower borrowing costs on the Rd & Str Series 2006 Bonds	5/3/2006	8/1/2030	Pay 4.072%; Receive 70% of 1-month USD-LIBOR	A2 / A / A
<u>Business-Type Activities:</u>						
Cash Flow Hedge:						
Pay-fixed; receive variable interest rate swap	92,500,000	to lower borrowing costs on the Series 2011A East Baton Rouge Sewerage Commission (LIBOR Index) Bonds	8/1/2011	2/1/2046	Pay 4.149%; Receive 70% of 1-month USD-LIBOR	A2 / A / A
Pay-fixed; receive variable interest rate swap	92,500,000	to protect against the potential of higher future interest rates in connection with anticipated issuance of bonds	8/1/2013	2/1/2049	Pay 4.525%; Receive 70% of 1-month USD-LIBOR	A3 / A / A+
Pay-fixed; receive variable interest rate swap	99,670,000	to lower borrowing costs on the Series 2011A East Baton Rouge Sewerage Commission (LIBOR Index) Bonds	8/1/2011	2/1/2032	Pay 4.945%; Receive 70% of 1-month USD-LIBOR	A3 / A / A+

\*Credit ratings - Moody's Investors Service, Standard & Poor's, and Fitch Ratings, respectively.

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**a. Governmental Activities**

**Multiple Pay-Fixed, Receive-Variable Interest Rate Swap Agreements effective May 3, 2006**

As a means to lower the Parish's borrowing costs, when compared against fixed-rate bonds at the time of issuance in May 2006, the Parish entered into two separate but substantially identical interest rate swaps with Citibank, N.A., New York (\$46,120,000 notional amount) and Merrill Lynch Capital Services, Inc. (\$46,120,000 notional amount) (collectively, the "Counterparties") in connection with its \$92,240,000 Variable Rate Road and Street Improvement Sales Tax Revenue Bonds, Series 2006B. The intention of the swap agreements was to effectively change the Parish's interest rate on the 2006B Bonds to a synthetic fixed rate of 4.072%, excluding liquidity, remarketing, and other fees associated with the Bonds. Under the terms of the swap agreements effective May 3, 2006, the Parish pays a fixed rate of 4.072% and the Swap Counterparties will pay a variable rate based upon an index of 70% of one-month USD-LIBOR-BBA. Financial Guaranty Insurance Company (FGIC) provided a municipal bond insurance policy for the Series 2006B Bonds. FGIC was downgraded by the rating agencies and, as a result, the variable interest rate on the Series 2006B Bonds increased significantly and was at a rate that was unacceptable to the Parish. To remedy the situation, the Parish decided to replace FGIC with a letter of credit. The only way to affect the change in the municipal bond insurer was to issue refunding bonds. On April 17, 2008, the Parish of East Baton Rouge issued \$93,440,000 Variable Rate Road and Street Improvement Sales Tax Revenue Refunding Bonds, Series 2008A to current refund the Parish's Road and Street Improvement Sales Tax Revenue Bonds, Series 2006B. The Swap Agreements entered into to hedge exposure to variable interest rates on the Series 2006B Bonds, remained in place and were amended to relate to the Series 2008A Bonds. GASB 53 guidance requires that this transaction be treated and reported as a termination of the original swaps and the execution of new swaps. The new swaps are considered off-market swaps because the fixed rate of each swap is higher than the at-the-market rate for a similar swap on the date of the deemed termination. The off-market swaps consist of an imputed at-the-market swap with Citibank at a fixed rate of 3.325%, an imputed at-the-market swap with Merrill Lynch at a fixed rate of 3.253% and above-market swaps with each counterparty. The above-market swaps are treated as imputed borrowings and accrue interest over the life of the swaps. The imputed borrowing amount for each swap is equal to the fair value of the swap on the date of the deemed termination of the original swap. The remaining balance of the Series 2008A Bonds, specifically \$1,200,000 will not be hedged by the Swap Agreements. The bonds and the related swap agreements mature on August 1, 2030. Settlement payments on these swaps are made semiannually corresponding with the interest payment dates of the related bonds. As of December 31, 2014, the swaps had a combined negative fair value of \$21,208,703. This mark-to-market valuation was established by market quotations obtained by the Counterparties and separately verified by an independent third party. The valuation represents estimates of the amounts that would be paid or received for replacement transactions. As of December 31, 2014, the Parish determined that these swaps successfully meet the criteria for effectiveness. Accordingly, the fair value of the swaps are recorded as non-current liability and the change in fair value is recorded as deferred outflows on derivative instruments and a reduction in the off-market swap recorded as a non-current liability, both on the entity-wide Statement of Net Position.

As of December 31, 2014, the Parish was not exposed to credit risk on the swaps because the swaps had negative fair value. However, should interest rates change and the fair values of the swaps become positive, the Parish would be exposed to credit risk in the amount of the derivatives' fair value. The swap agreements require collateral to be posted in varying amounts depending on the counterparties credit rating. No collateral has been required to date.

The Parish will receive from the counterparties 70% of one-month USD-LIBOR-BBA and will pay the bond rate to its bondholders set by the remarketing agent. The Parish is exposed to basis risk when its Series 2008A Bonds trade at a yield which exceeds 70% of one-month USD-LIBOR-BBA. At December 31, 2014, the variable rate on the bonds was 0.04% and 70% of one-month USD-LIBOR-BBA was 0.12%. When the Series 2008A Bonds trade higher than 70% of one-month USD-LIBOR-BBA, the Parish will experience an increase in debt service above the fixed rate on the swap agreements.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**a. Governmental Activities (Continued)**

**Multiple Pay-Fixed, Receive-Variable Interest Rate Swap Agreements effective May 3, 2006 (Continued)**

The derivative contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, including but not limited to failure to pay, bankruptcy, and rating downgrade. Either party may terminate the swap if the other party fails to perform under the terms of the contract. If either swap is terminated, the variable-rate bonds would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Parish would be liable to the counterparty for a payment equal to the swap's fair value.

Using interest rates as of December 31, 2014, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term are as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Year Ending December 31	Variable-Rate Bonds		Citibank	Merrill Lynch	Total
	Principal	Interest*	Interest Rate Swap, Net**	Interest Rate Swap, Net***	
2015	\$ --	\$ 37,376	\$ 1,478,009	\$ 1,444,802	\$ 2,960,187
2016	4,565,000	36,713	1,447,919	1,415,386	7,465,018
2017	4,790,000	34,747	1,374,704	1,343,819	7,543,270
2018	4,990,000	32,797	1,297,898	1,268,739	7,589,434
2019	5,200,000	30,766	1,217,821	1,190,461	7,639,048
2020 - 2024	29,475,000	120,355	4,761,794	4,654,808	39,011,957
2025 - 2029	36,230,000	54,993	2,180,428	2,131,441	40,596,862
2030	<u>8,190,000</u>	<u>1,903</u>	<u>75,817</u>	<u>74,114</u>	<u>8,341,834</u>
Total	<u>\$93,440,000</u>	<u>\$349,650</u>	<u>\$13,834,390</u>	<u>\$13,523,570</u>	<u>\$121,147,610</u>

\* Computed using 12/31/14 variable rate (0.04%)

\*\* Computed using (imputed fixed swap rate (3.325%) - 70% of 12/31/14 LIBOR (0.12%)) x (\$46,120,000 - annual reduction)

\*\*\* Computed using (imputed fixed swap rate (3.253%) - 70% of 12/31/14 LIBOR (0.12%)) x (\$46,120,000 - annual reduction)

The imputed borrowings, required by GASB Statement No. 53, associated with the refunding in 2008, resulted in an obligation payable listed as a non-current liability on the entity-wide Statement of Net Position for governmental activities. Scheduled maturities and interest on the imputed borrowings are as follows:

Fiscal Year Ending December 31	Imputed borrowing Citibank		Imputed borrowing Merrill Lynch		Total
	Principal	Interest	Principal	Interest	
2015	\$ 279,677	\$ 64,840	\$ 266,232	\$111,491	\$ 722,240
2016	286,004	58,512	276,579	101,144	722,239
2017	275,629	52,136	268,786	90,572	687,123
2018	264,173	46,000	259,758	80,310	650,241
2019	251,708	40,126	249,555	70,409	611,798
2020 - 2024	1,031,784	123,454	1,047,075	219,509	2,421,822
2025 - 2029	532,985	31,019	561,908	56,458	1,182,370
2030	<u>29,783</u>	<u>503</u>	<u>32,275</u>	<u>935</u>	<u>63,496</u>
	<u>\$2,951,743</u>	<u>\$416,590</u>	<u>\$2,962,168</u>	<u>\$730,828</u>	<u>\$7,061,329</u>

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**b. Business-Type Activities**

**1. Multiple Pay-Fixed, Receive-Variable Interest Rate Swap Agreements effective August 1, 2011**

In order to protect against the potential of higher future interest rates, the Parish entered into \$110,000,000 notional amount interest rate swaps dated July 26, 2006. The Parish determined that it would not issue variable rate obligations and decided to transfer by novation to the East Baton Rouge Sewerage Commission all rights, liabilities, duties, and obligations of the Parish under and in respect of the original hedge agreement. On August 27, 2009, the Parish, the East Baton Rouge Sewerage Commission and Deutsche Bank (the "Counterparty") entered into a novation agreement to remove the Parish as the hedge counterparty. The resulting agreement between the East Baton Rouge Sewerage Commission and Deutsche Bank has an effective date of August 1, 2011, and a maturity date of August 1, 2032. Under the terms of the swap agreement the Sewerage Commission will pay a fixed rate of 4.945% and the counterparty will pay a variable rate based upon an index of 70% of three-month USD-LIBOR-BBA. GASB Statement No. 53 guidance required that this transaction be treated and reported as a hybrid instrument consisting of an imputed at-the-market swap and a borrowing equal to the fair value of the swap on the date of the novation.

On July 28, 2011, the Sewerage Commission issued \$202,500,000 Revenue Bonds Series 2011A (LIBOR Index). The Deutsche Bank swap agreement will provide for the payment of a synthetic fixed rate with respect to \$110,000,000 of the Series 2011A Bonds. On August 17, 2011, the agreement with Deutsche Bank was revised to correspond with the terms of the Series 2011A Bonds. The counterparty will pay a variable rate based upon an index of 70% of one-month USD-LIBOR-BBA and the maturity date was moved from August 1, 2032, to February 1, 2032. GASB Statement No. 53 guidance requires that this transaction be treated and reported as a termination of the original swap and the execution of a new swap. The new swap is considered an off-market swap because the fixed rate of the swap is higher than the at-the-market rate for a similar swap on the date of the deemed termination. The off-market swap consists of an imputed at-the-market swap at a fixed rate of 2.332%, and an above-market swap. The above market swap is treated as an imputed borrowing and accrues interest over the life of the swap. The imputed borrowing amount is equal to the fair value of the swap on the date of the deemed termination of the original swap. Settlement payments on the swap are made semiannually corresponding with the semiannual payments on the related bonds.

As of December 31, 2014, the swap had a negative fair value of \$31,201,217. This mark-to-market valuation was established by market quotations obtained by the counterparty and separately verified by an independent third party. The valuation represents estimates of the amounts that would be paid or received for replacement transactions. As of December 31, 2014, the Sewerage Commission determined that this swap successfully met the criteria for effectiveness. The change in fair value is recorded as deferred outflows on derivative instruments on the Statement of Net Position for the Comprehensive Sewerage System Fund. The fair value of the swap is reported as derivative instrument liability and obligation payable on the Statement of Net Position for the Comprehensive Sewerage System.

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**b. Business-Type Activities (Continued)**

**1. Multiple Pay-Fixed, Receive-Variable Interest Rate Swap Agreements effective August 1, 2011 (Continued)**

In order to protect against the potential of higher interest rates, the East Baton Rouge Sewerage Commission entered into a \$92,500,000 notional amount interest rate swap with Merrill Lynch Capital Services, Inc. dated July 26, 2006. On April 21, 2011, Merrill Lynch transferred by novation to Bank of America, National Association (the "Counterparty"), all the rights, liabilities, duties and obligations under and in respect of the original hedge agreement creating a new agreement with identical terms. Under the terms of the swap agreement, the Commission will pay a fixed rate of 4.149% and the swap counterparty will pay a variable rate based upon an index of 70% of one-month USD-LIBOR-BBA.

On July 28, 2011, the Sewerage Commission issued \$202,500,000 Revenue Bonds Series 2011A (LIBOR Index). The Deutsche Bank swap agreement previously mentioned will provide for the payment of a synthetic fixed rate with respect to \$110,000,000 of these bonds and the Bank of America swap agreement will provide for the payment of a synthetic fixed rate with respect to the remaining \$92,500,000 of the Series 2011A Bonds. The notional amounts of the Bank of America swap correspond with the maturity schedule of the Bonds with a final maturity date of February 1, 2046. Settlement payments on the swap are made semiannually corresponding with the semiannual payments on the related bonds.

As of December 31, 2014, this swap had a negative fair value of \$43,266,179. This mark to market valuation was established by market quotations obtained by the counterparty and separately verified by an independent third party. The valuation represents estimates of the amounts that would be paid or received for replacement transactions. As of December 31, 2014, the Sewerage Commission determined that this swap successfully met the criteria for effectiveness. Accordingly, the Comprehensive Sewerage System Fund reports the change in fair value as deferred outflows on derivative instruments on the Statement of Net Position. The fair value of the swap is reported as derivative instrument liability on the Statement of Net Position for the Comprehensive Sewerage System.

As of December 31, 2014, the Sewerage Commission was not exposed to credit risk on these swaps because the swaps each had negative fair value. However, should interest rates change and the fair value of the swaps become positive, the Sewerage Commission would be exposed to credit risk in the amount of the derivatives' fair value. The swap agreements require collateral to be posted in varying amounts depending on the counterparties credit rating. At December 31, 2014, collateral of \$5,000,000 and \$30,000,000 was posted with Deutsche Bank and Bank of America Merrill Lynch.

Since the Sewerage Commission will receive from the counterparties 70% of one-month USD-LIBOR-BBA and will pay 70% of one-month LIBOR plus a fixed spread to its bondholders, there is no basis risk associated with these transactions.

The derivative contracts use the International Swap Dealers Association Master Agreement, which includes standard termination events, including but not limited to failure to pay, bankruptcy, and rating downgrade. Either party may terminate the swap if the other party fails to perform under the terms of the contract. If either swap is terminated, the anticipated variable-rate bonds would not carry a synthetic fixed interest rate. Also, if at the time of termination the swap has a negative fair value, the Sewerage Commission would be liable to the counterparty for a payment equal to the swap's fair value.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**b. Business-Type Activities (Continued)**

**1. Multiple Pay-Fixed, Receive-Variable Interest Rate Swap Agreements effective August 1, 2011 (Continued)**

Using interest rates as of December 31, 2014, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term are as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

Year Ending December 31	Variable-Rate Bonds		Deutsche Interest Rate Swap, Net**	Bank of America Interest Rate Swap, Net***	Total
	Principal	Interest*			
2015	\$ 3,750,000	\$ 1,165,660	\$ 2,121,465	\$ 3,726,549	\$ 10,763,674
2016	3,915,000	1,146,624	2,087,430	3,726,245	10,875,299
2017	4,085,000	1,118,315	1,999,681	3,726,549	10,929,545
2018	4,265,000	1,092,024	1,907,782	3,726,549	10,991,355
2019	4,450,000	1,064,591	1,811,859	3,726,549	11,052,999
2020 - 2024	25,355,000	4,872,779	7,466,565	18,632,137	56,326,481
2025 - 2029	31,460,000	3,978,386	4,351,970	18,632,442	58,422,798
2030 - 2034	22,390,000	3,017,064	901,156	21,830,630	48,138,850
2035 - 2039	29,000,000	2,438,488	--	19,176,860	50,615,348
2040 - 2044	43,490,000	1,202,906	--	10,042,162	54,735,068
2045 - 2046	<u>20,010,000</u>	<u>73,678</u>	<u>--</u>	<u>964,062</u>	<u>21,047,740</u>
Total	<u>\$192,170,000</u>	<u>\$21,170,515</u>	<u>\$22,647,908</u>	<u>\$107,910,734</u>	<u>\$343,899,157</u>

\* Computed using (70% of 12/31/14 LIBOR (0.12%) + fixed spread of 0.50%)

\*\* Computed using (imputed fixed swap rate (2.332%) - 70% of 12/31/14 LIBOR (0.12%)) x (\$110,000,000 - annual reduction)

\*\*\* Computed using (fixed swap rate (4.149%) - 70% of 12/31/14 LIBOR (0.12%)) x (\$92,500,000 - annual reduction)

The imputed borrowing with Deutsche Bank, required by GASB Statement No. 53, associated with the deemed termination in August 2011, is recorded as an obligation payable on the Statement of Net Position for the Comprehensive Sewerage System Fund. Scheduled maturities and interest on the imputed borrowing is as follows:

Fiscal Year Ending December 31	Imputed borrowing Deutsche Bank		
	Principal	Interest	Total
2015	\$ 2,042,615	\$ 512,768	\$ 2,555,383
2016	1,989,127	466,113	2,455,240
2017	1,930,001	420,719	2,350,720
2018	1,864,909	376,717	2,241,626
2019	1,793,518	334,247	2,127,765
2020 - 2024	7,650,107	1,098,544	8,748,651
2025 - 2029	4,689,381	361,547	5,050,928
2030 - 2032	<u>869,572</u>	<u>24,728</u>	<u>894,300</u>
	<u>\$22,829,230</u>	<u>\$3,595,383</u>	<u>\$26,424,613</u>

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**b. Business-Type Activities (Continued)**

**2. Pay-Fixed, Receive-Variable Interest Rate Forward Swap Agreements effective August 1, 2013**

In order to protect against the potential of higher future interest rates in connection with its anticipated issuance of Variable Rate debt, the East Baton Rouge Sewerage Commission entered into an interest rate swap with Citibank, N.A., New York (\$92,500,000 notional amount) dated July 26, 2006. The intention of the swap agreement was to effectively change the Commission's interest rate on future variable rate debt to a synthetic fixed rate. The anticipated debt is expected to be structured with a maturity date which corresponds with the related swap agreements. The notional amount of the swap was structured to correspond with the anticipated maturity schedule of the future debt. Settlement payments on the swap will be made semiannually corresponding with the interest payment dates of the related debt.

On July 27, 2011, the Sewerage Commission, Citibank and Deutsche Bank entered into a novation agreement to remove Citibank as the hedge counterparty. The resulting agreement between the Sewerage Commission and Deutsche Bank has an effective date of August 1, 2013, and a maturity date of February 1, 2049. Deutsche Bank paid a novation fee to Citibank on behalf of the Sewerage Commission of \$21,920,000. Under the terms of the swap agreement the Sewerage Commission will pay a fixed rate of 4.525% and the counterparty will pay a variable rate based upon an index of 70% of one-month USD-LIBOR-BBA. GASB Statement No. 53 guidance requires that this transaction be treated and reported as a hybrid instrument consisting of an imputed at-the-market swap and a borrowing equal to the \$21,920,000 payment made on behalf of the Commission. The imputed borrowing accrues interest over the life of the swap.

On May 9, 2013, the Sewerage Commission issued \$92,500,000 Subordinate Lien Revenue Bonds (EBROSCO Projects), Series 2013B (LIBOR Index). The Deutsche Bank swap agreement will provide for the payment of a synthetic fixed rate with respect to the Series 2013B Bonds. The notional payments of the Deutsche Bank swap correspond with the maturity schedule of the bonds with a final maturity date of February 1, 2049. Settlement payments on the swap are made semiannually corresponding with the semiannual payments on the related bonds.

As of December 31, 2014, the swap had a negative fair value of \$59,164,586. This mark-to-market valuation was established by market quotations obtained by the Counterparty and separately verified by an independent third party. The valuation represents estimates of the amounts that would be paid or received for replacement transactions. As of December 31, 2014, the Sewerage Commission determined that this swap successfully met the criteria for effectiveness. The change in fair value is recorded as deferred outflows on derivative instruments on the Statement of Net Position for the Comprehensive Sewerage System Fund. The fair value of the swap is reported as derivative instrument liability and obligation payable on the Statement of Net Position for the Comprehensive Sewerage System Fund.

As of December 31, 2014, the Commission was not exposed to credit risk on the swap because the swap had negative fair value. However, should interest rates change and the fair value of the swap become positive, the Commission would be exposed to credit risk in the amount of the derivatives' fair value. The swap agreement requires collateral to be posted in varying amounts depending on the counterparties credit rating. At December 31, 2014, collateral of \$43,050,000 was posted with Deutsche Bank.

The Commission will receive from the counterparties 70% of one-month USD-LIBOR-BBA and will pay a variable rate on its future debt. The Commission will be exposed to basis risk when its future variable rate debt trades at a yield which exceeds 70% of one-month USD-LIBOR-BBA. Should the future debt trade higher than 70% of one-month USD-LIBOR-BBA, the Commission will experience an increase in debt service above the fixed rate on the forward swap agreement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**b. Business-Type Activities (Continued)**

**2. Pay-Fixed, Receive-Variable Interest Rate Forward Swap Agreements effective August 1, 2013 (Continued)**

The derivative contract uses the International Swap Dealers Association Master Agreement, which includes standard termination events, including but not limited to failure to pay, bankruptcy, and rating downgrade. Either party may terminate the swap if the other party fails to perform under the terms of the contract. If the swap is terminated, the anticipated variable-rate debt would not carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Commission would be liable to the counterparty for a payment equal to the swap's fair value.

Using interest rates as of December 31, 2014, debt service requirements of the variable-rate debt and net swap payments, assuming current interest rates remain the same for their term are as follows. As rates vary, variable-rate bond interest payments and net swap payments will vary.

<u>Year Ending</u> <u>December 31</u>	<u>Variable-Rate Bonds</u>		<u>Deutsche</u> <u>Interest Rate</u> <u>Swap, Net**</u>	<u>Total</u>
	<u>Principal</u>	<u>Interest*</u>		
2015	\$ --	\$ 757,251	\$ 2,657,249	\$ 3,414,500
2016	--	757,251	2,656,945	3,414,196
2017	--	757,251	2,657,249	3,414,500
2018	--	757,251	2,657,249	3,414,500
2019	--	757,251	2,657,249	3,414,500
2020 - 2024	--	3,790,406	13,285,637	17,076,043
2025 - 2029	--	3,788,331	13,285,942	17,074,273
2030 - 2034	--	3,788,331	13,747,363	17,535,694
2035 - 2039	--	3,788,331	15,593,046	19,381,377
2040 - 2044	--	3,790,406	15,592,742	19,383,148
2045 - 2049	<u>92,500,000</u>	<u>1,998,518</u>	<u>9,569,008</u>	<u>104,067,526</u>
Total	<u>\$92,500,000</u>	<u>\$24,730,578</u>	<u>\$94,359,679</u>	<u>\$211,590,257</u>

\* Computed using (70% of 12/31/14 LIBOR (0.12%) + fixed spread of 0.70%)

\*\* Computed using (imputed fixed swap rate (2.993%) - 70% of 12/31/14 LIBOR (0.12%)) x (\$92,500,000 - annual reduction)

The imputed borrowing with Deutsche Bank, required by GASB Statement No. 53, associated with the novation in July 2011, is recorded as an obligation payable on the Statement of Net Position for the Comprehensive Sewerage System Fund. Scheduled maturities and interest on the imputed borrowing is as follows:

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**11. Derivative Instruments (Continued)**

**b. Business-Type Activities (Continued)**

**2. Pay-Fixed, Receive-Variable Interest Rate Forward Swap Agreements effective August 1, 2013 (Continued)**

Fiscal Year Ending <u>December 31</u>	Imputed borrowing Deutsche Bank		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 292,834	\$ 1,124,266	\$ 1,417,100
2016	307,268	1,109,832	1,417,100
2017	322,412	1,094,688	1,417,100
2018	338,305	1,078,795	1,417,100
2019	354,979	1,062,121	1,417,100
2020 - 2024	2,055,245	5,030,255	7,085,500
2025 - 2029	2,614,206	4,471,294	7,085,500
2030 - 2034	3,325,186	3,760,314	7,085,500
2035 - 2039	4,229,532	2,855,968	7,085,500
2040 - 2044	5,379,832	1,705,668	7,085,500
2045 - 2049	<u>3,939,726</u>	<u>387,406</u>	<u>4,327,132</u>
	<u>\$23,159,525</u>	<u>\$23,680,607</u>	<u>\$46,840,132</u>

The difference between the non-current obligation payable recorded in the Statement of Net Position for the Sewerage Commission and the combined total of the amounts reflected in the two Deutsche Bank borrowing schedules is caused by interest on the borrowing associated with the forward swap, prior to the swap's planned execution. Prior to the execution of the swap, interest on the imputed borrowing increases the obligation payable.

**12. Obligations of Intragovernmental Agencies**

The City and the Parish have issued debt to fund certain enterprise operations on the strength of its general operating 2% sales tax revenues. In turn, the Greater Baton Rouge Airport District signed promissory notes to the General Fund to repay the debt service. The following obligations are recorded in proprietary funds in the government-wide and fund basic financial statements. An adjustment for the outstanding debt is shown as a reduction of governmental activities long-term debt in the government-wide financial statements.

**Greater Baton Rouge Airport District - 2001 Passenger Facility Charge Obligation**

The Greater Baton Rouge Airport District is obligated under an Amended Intergovernmental Contract dated August 1, 2001, and the restated Passenger Facility Charge (PFC) Note of \$3,840,000 to make semi-annual payments to the City General Fund through August 2021. Total principal paid on the restated note, prior to 2014 was \$1,011,250. In 2014, a principal payment of \$321,250 reduced the obligation payable to \$2,507,500. Scheduled maturities and interest are as follows:

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**12. Obligations of Intragovernmental Agencies (Continued)**

**Greater Baton Rouge Airport District - 2001 Passenger Facility Charge Obligation (Continued)**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 334,167	\$ 88,825	\$ 422,992
2016	348,333	78,800	427,133
2017	366,250	67,600	433,850
2018	383,333	54,000	437,333
2019	401,250	38,667	439,917
2020 and after	<u>674,167</u>	<u>30,229</u>	<u>704,396</u>
Total	<u>\$2,507,500</u>	<u>\$358,121</u>	<u>\$2,865,621</u>

**13. Louisiana Community Development Authority Loans (LCDA)**

Chapter 10-D of Title 33 of the Louisiana Revised Statutes created the Louisiana Community Development Authority for the purpose of assisting political subdivisions of the state. The LCDA issues long-term bonds and then loans the proceeds to local governments for acquiring, financing and constructing certain infrastructure facilities of local government and other economic development projects.

1. The interest rate on the City's and the Parish's LCDA loans fluctuate weekly with changes in the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index. Principal and interest payments on all loans are paid monthly.

a. 1999 Program:

In 1999, the Metropolitan Council authorized the Parish to execute a loan agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority (the "LCDA").

In 2004, the Parish borrowed funds on the 1999 LCDA program to aid in the construction of a new downtown parking facility. A total of \$2,500,000 has been loaned to the Parish and repaid as of December 31, 2014. This loan is serviced and recorded in the Greater Baton Rouge Parking Authority Nonmajor Enterprise Fund.

In 2011, the Parish borrowed additional funds on the 1999 LCDA program to provide funds to the Lighthouse for the Blind, in order to purchase property for a paper cup manufacturing and training facility. A total of \$1,500,000 has been loaned to the Parish at December 31, 2014. A total of \$785,715 has been repaid, leaving an outstanding debt balance of \$714,285. Future debt service is budgeted over a 4 year period at 1.54%. This loan is serviced by the Excess Revenue and Limited Tax Debt Service Fund and is shown as a governmental activities debt in the entity-wide Statement of Net Position. The Lighthouse for the Blind is reimbursing the City for a portion of these debt payments.

In 2012, the Parish borrowed additional funds on the 1999 LCDA program to provide funds to the Baton Rouge River Center, in order to provide funding for the construction of the River Center Expansion Project. A total of \$6,279,481 has been loaned to the Parish at December 31, 2014. A total of \$2,434,000 has been repaid, leaving an outstanding debt balance of \$3,845,481. Future debt service is budgeted over a 4 year period at 1.54%. This loan is serviced and recorded in the Baton Rouge River Center Nonmajor Enterprise Fund.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**13. Louisiana Community Development Authority Loans (LCDA) (Continued)**

1. City and the Parish LCDA loans (Continued)

a. 1999 Program (Continued):

In 2012, the Parish borrowed additional funds on the 1999 LCDA program to provide funds to the Baton Rouge River Center, in order to provide funding for the Riverfront Master Plan Project. A total of \$922,179 has been loaned to the Parish at December 31, 2014. A total of \$336,000 has been repaid, leaving an outstanding debt balance of \$586,179. Future debt service is budgeted over a 4 year period at 1.54%. This loan is serviced and recorded in the Baton Rouge River Center Nonmajor Enterprise Fund.

In 2012, the Parish borrowed additional funds on the 1999 LCDA program to provide funds to the Pride Fire Protection District, in order to purchase a fire truck and related equipment. A total of \$264,713 has been loaned to the Parish at December 31, 2014. A total of \$24,200 has been repaid, leaving an outstanding debt balance of \$240,513. Future debt service is budgeted over a 4 year period at 1.54%. This loan is serviced by the Pride Fire Protection District Fund and is shown as a governmental activities debt in the entity-wide Statement of Net Position.

b. 2000A Program:

In 2008, the City borrowed additional funds on the 2000A LCDA program to provide funds to Visit Baton Rouge, in order to finance the costs of renovating, equipping and improving the new headquarters building. A total of \$750,000 has been loaned to the City at December 31, 2014. A total of \$147,600 has been repaid, leaving an outstanding debt balance of \$602,400. Future debt service is budgeted over a 15 year period at 1.74%. This loan is serviced by the Excess Revenue and Limited Tax Debt Service Fund and is shown as a governmental activities debt in the entity-wide Statement of Net Position. Visit Baton Rouge is reimbursing the City for these debt payments.

2. In 2012, LCDA issued \$33,585,000 Revenue Bonds (Parish of East Baton Rouge Road Improvements Project). The proceeds of the bonds were loaned by LCDA to the Parish of East Baton Rouge pursuant to a Loan Agreement, to finance the construction of new public roads and streets and/or the widening of existing public roads and streets within the Parish. The payments under the loan agreement are payable and secured on a junior and subordinate lien basis by a pledge and dedication of seventy percent (70%) of the net proceeds of the 1/2% Road and Street Sales Tax. If these pledged revenues are insufficient, payments will be made from lawfully available funds of the City-Parish. This loan is serviced by the LCDA Road and Street Improvement Project Debt Service Fund and is shown as a governmental activities debt in the entity-wide Statement of Net Position. As of December 31, 2014, \$4,150,000 has been repaid, leaving an outstanding debt balance of \$29,435,000.

3. In 2013, LCDA issued \$126,260,000 Subordinate Lien Revenue Bonds (East Baton Rouge Sewerage Commission Projects), Series 2013A. The proceeds of the bonds were loaned by LCDA to the East Baton Rouge Sewerage Commission pursuant to a Loan Agreement, to finance the cost of upgrading, rehabilitating, improving and extending the sewerage disposal system and to fund capitalized interest on the bonds and a reserve fund. The payments under the loan agreement are payable and secured on a junior and subordinate lien basis by a pledge and dedication of Pledged Revenues of the Commission which consists of Sewer User Fees and one-half of one percent (1/2%) sewer sales and use tax. This loan is serviced and recorded in the Comprehensive Sewerage System Fund. As of December 31, 2014, the outstanding debt balance is \$126,000,000.

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**13. Louisiana Community Development Authority Loans (LCDA) (Continued)**

4. In 2013, LCDA issued \$92,500,000 Subordinate Lien Revenue Bonds (East Baton Rouge Sewerage Commission Projects), Series 2013B (LIBOR Index). The proceeds of the bonds were loaned by LCDA to the East Baton Rouge Sewerage Commission pursuant to a Loan Agreement, to finance the cost of upgrading, rehabilitating, improving and extending the sewerage disposal system and to fund a reserve fund. The payments under the loan agreement are payable and secured on a junior and subordinate lien basis by a pledge and dedication of Pledged Revenues of the Commission which consists of Sewer User Fees and one-half of one percent (½%) sewer sales and use tax. This loan is serviced and recorded in the Comprehensive Sewerage System Fund. As of December 31, 2014, the outstanding debt balance is \$92,500,000.
5. In 2014, LCDA issued \$209,785,000 Subordinate Lien Revenue Bonds (East Baton Rouge Sewerage Commission Projects), Series 2014A. The proceeds of the bonds were loaned by LCDA to the East Baton Rouge Sewerage Commission pursuant to a Loan Agreement, to finance the cost of upgrading, rehabilitating, improving and extending the sewerage disposal system and to fund a reserve fund. The payments under the loan agreement are payable and secured on a junior and subordinate lien basis by a pledge and dedication of Pledged Revenues of the Commission which consists of Sewer User Fees and one-half of one percent (½%) sewer sales and use tax. This loan is serviced and recorded in the comprehensive Sewerage System Fund. As of December 31, 2014, the outstanding debt balance is \$209,785,000.

**14. Build America Bonds**

On May 27, 2010, the East Baton Rouge Sewerage Commission issued Series 2010B (Taxable Direct Pay Build America) Bonds in the amount of \$357,840,000 as a combination of serial and term bonds that mature on February 1 of each year beginning 2015, through 2045, with interest from 2.973 - 6.087 percent. The Commission has elected to treat the Series 2010B Bonds as "Build America Bonds" and has further elected to receive cash subsidy payments from the United States Department of the Treasury. The Commission expects to receive cash subsidy payments directly from the U.S. Department of the Treasury in an amount equal to thirty-five percent (35%) of the interest paid on the Series 2010B Bonds. Federal Subsidy on debt of \$6,819,819 is recognized in 2014, on the Statement of Revenues, Expenses, and Changes in Fund Net Position for the Sewerage Commission.

Due to Federal Government sequestration in March 2013, the Office of Management and Budget reduced the federal subsidy on certain qualified bonds including Build America Bonds. Refund payments processed after October 1, 2013, were reduced by 7.2%, and refund payments after October 1, 2014, were reduced by 7.3%. The sequestration reduction rate is subject to change. The current sequestration reduction rate will be applied unless and until a law is enacted that cancels or otherwise impacts the sequester.

**15. Governmental Funds Taxable Bonds**

In 2000, the City of Baton Rouge entered into a merger agreement with the State Municipal Police Employees' Retirement System (MPERS) effective February 26, 2000. The City offered a voluntary transfer to City law enforcement employees that qualified to enter into the State system. The City signed a long-term note with MPERS in the amount of \$72,738,769. The 30 year note amount represented 60% of the initial merger liability for transferred police officer MPERS retirement benefits on February 26, 2000. The note bore interest at 7% per annum. Principal and interest were payable on the first day of each calendar quarter. During 2002, the note was entirely retired by the following two transactions.

On May 17, 2002, the City of Baton Rouge issued variable rate taxable bonds in the amount of \$25,900,000, to refund one-third of the MPERS Note and to retire \$1,840,463 of an outstanding legal judgment attributable to the City-Parish Employees Retirement System (CPERS). These variable-rate bonds were converted to a fixed rate in accordance with provisions provided in the original issue on March 6, 2003. The fixed-rate bonds were payable at a true interest cost of 5.65% over a 27 year period with final maturity on January 15, 2029. The debt service was funded in the Taxable Refunding Bonds Debt Service Fund budget via transfers from the General Fund.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**15. Governmental Funds Taxable Bonds (Continued)**

On October 1, 2002, the City of Baton Rouge issued \$47,550,000 in fixed rate taxable bonds with a true interest cost of 5.73% to refund the remaining two-thirds of the MPERS note. These fixed rate taxable bonds were payable at a net interest cost of 5.73% over a 27 year period with final maturity on January 15, 2029. The debt service was funded in the Taxable Refunding Bonds Debt Service Fund budget via transfers from the General Fund.

Prior-Year Refunding-Governmental Activities:

On April 4, 2012, the City of Baton Rouge issued \$58,075,000 Taxable Refunding Bonds, Series 2012 for the purpose of advance refunding the Series 2002A and Series 2002B Taxable Bonds maturing January 15, 2018 through 2029 and paying the costs of issuance. The Bonds were issued as a combination of serial and term bonds that mature on July 15, 2012, and January 15 of each year beginning 2013 through 2029 with interest from 0.42 - 4.57 percent. As a result of the refunding, the City-Parish recognized a deferred loss on refunding of \$4,711,175 on the entity-wide financial statements. As of December 31, 2014, \$1,162,780 of the Deferred amount on refunding was amortized (\$462,381 in 2014 and \$700,399 in prior years), resulting in a deferred amount on refunding of \$3,548,395 on the entity-wide statement of net position for governmental activities as of December 31, 2014.

**16. Prior Year Refundings - Advance Refundings**

On October 28, 2004, the Parish of East Baton Rouge issued Public Improvement Sales Tax Revenue and Refunding Bonds Series ST-2004 in the amount of \$24,865,000 to provide sufficient funds to refund a portion of certain Outstanding Parity Bonds. During 2006, the Parish defeased the maturities from February 1, 2007, through February 1, 2021, by placing funds into an irrevocable escrow trust account with an escrow agent to provide for debt service payments on these maturities. Accordingly, the escrow trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. On December 31, 2014, \$24,545,000 of Parish Series ST-2004 Bonds Outstanding are considered defeased.

On May 5, 2005, the Parish of East Baton Rouge issued \$33,255,000 of Public Improvement (Sewer ) Sales Tax Revenue Bonds Series ST-2005A to provide sufficient funds to advance refund a portion of certain Outstanding Parity Bonds. During 2013, the Parish defeased the maturities from February 1, 2014, through February 1, 2015, by placing funds into an irrevocable escrow trust account with an escrow agent to provide for debt service payments on these maturities. Accordingly, the escrow trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. On December 31, 2014, \$1,735,000 of Parish Series ST-2005A Bonds Outstanding are considered defeased.

On August 17, 2006, the Parish of East Baton Rouge issued \$154,915,000 of Revenue Refunding Bonds (East Baton Rouge Sewerage Commission) Series 2006A to provide sufficient funds to advance refund a portion of certain Outstanding Parity Bonds. During 2014, the Parish defeased the maturities from February 1, 2015, through February 1, 2016, by placing funds into an irrevocable escrow trust account with an escrow agent to provide for debt service payments on these maturities. Accordingly, the escrow trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. On December 31, 2014, \$9,995,000 of Sewerage Commission Series 2006A Bonds Outstanding are considered defeased.

On May 14, 2009, the Parish of East Baton Rouge issued \$164,965,000 of Revenue Bonds (East Baton Rouge Sewerage Commission) Series 2009A to provide sufficient funds to finance a portion of the cost of upgrading, rehabilitating, extending and improving the sewer system. During 2014, the Parish defeased the maturities from February 1, 2016, through February 1, 2019, by placing funds into an irrevocable escrow trust account with an escrow agent to provide for debt service payments on these maturities. Accordingly, the escrow trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. On December 31, 2014, \$9,895,000 of Sewerage Commission Series 2009A Bonds Outstanding are considered defeased.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**17. Refunding of Sewerage Commission Series 2006A Refunding Bonds, Series 2006B and Series 2009A Revenue Bonds**

On December 17, 2014, the East Baton Rouge Sewerage Commission issued \$127,455,000 Taxable Revenue Refunding Bonds, Series 2014A to advance refund and defease the Commission's \$154 million Series 2006A Revenue Refunding Bonds (original true interest cost 4.65%; principal refunded - \$124,205,000). The Bonds mature on February 1, of each year beginning 2019 through 2031 with interest from 1.965 - 4.000 percent.

On December 17, 2014, the East Baton Rouge Sewerage Commission issued \$205,435,000 Tax-Exempt Revenue Refunding Bonds, Series 2014B to advance refund and defease the Commission's \$42 million Series 2006B Revenue Bonds (original true interest cost 4.65%; principal refunded - \$42,015,000) and to advance refund and defease the Commission's \$164 million Series 2009A Revenue Bonds (original true interest cost 5.33%; principal refunded - \$164,965,000). The Bonds mature on February 1, of each year beginning 2020 through 2039 with interest from 4.0 - 5.0 percent.

Sources and uses of the refunding issue are summarized as follows:

	<u>Series 2014A</u> <u>Refunding</u>	<u>Series 2014B</u> <u>Refunding</u>
<u>Sources:</u>		
Principal proceeds	\$127,455,000	\$205,435,000
Premium	--	29,955,136
Sinking and Reserve fund contribution	<u>6,039,070</u>	<u>18,717,369</u>
	<u>\$133,494,070</u>	<u>\$254,107,505</u>
<u>Uses:</u>		
Deposit with escrow agent	\$132,463,977	\$237,184,574
Issuance costs	1,030,093	1,951,010
Series 2009A Debt Service Reserve applied to construction	--	<u>14,971,921</u>
	<u>\$133,494,070</u>	<u>\$254,107,505</u>
<u>Cash Flow Difference:</u>		
	\$ 180,433,637	\$ 398,526,197
Old debt service cash flows	(176,708,047)	(389,667,819)
Less: New debt service cash flows	--	29,955,136
Plus: Premium used in debt service	<u>(6,039,070)</u>	<u>(18,717,369)</u>
Less: Contribution from sinking and reserve funds	<u>\$ (2,313,480)</u>	<u>\$ 20,096,145</u>
Cash Flow Difference		
<u>Economic Gain on Refunding:</u>		
Present value of old debt service cash flows	\$ 137,737,905	\$207,731,588
Less: Present value of new debt service cash flows	(126,439,778)	(207,386,010)
Plus: Premium used in debt service	--	29,955,136
Less: Contribution from sinking and reserve funds	<u>(6,039,070)</u>	<u>(18,717,369)</u>
Economic gain	<u>\$ 5,259,057</u>	<u>\$ 11,583,345</u>

As a result of the refunding, the City-Parish recognized a deferred loss on refunding of \$8,504,059 on the Series 2014A Bonds and \$32,114,067 on the Series 2014B Bonds. This resulted in a deferred amount on refunding of \$40,618,126 in the Comprehensive Sewerage System Fund as of December 31, 2014.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**a. Primary Government (Continued)**

**18. Bonds of Other Governmental Units**

Bonds of the East Baton Rouge Consolidated School District and the City of Zachary are obligations of other governmental units located within the limits of the Parish of East Baton Rouge. These bonds are not included in these financial statements because they are not obligations of this governmental unit.

Bonds of the Recreation and Park Commission and the Hospital Service District No. 1 are obligations of City-Parish related organizations; however, neither the City of Baton Rouge nor East Baton Rouge Parish holds responsibility for the debt of these entities.

East Baton Rouge and other surrounding parishes are situated within the limits of the Greater Baton Rouge Port Commission. Outstanding obligations of the port are secured by a pledge of the full faith and credit of East Baton Rouge Parish and other parishes in the district. However, the Supreme Court of the State of Louisiana has held that the pledge of the full faith and credit of the State comes before the pledges of the credit of the various parishes. Therefore, East Baton Rouge Parish does not have any potential liability with respect to the bonds of the port.

**19. Arbitrage Liability**

Section 148 of the Internal Revenue Code of 1986, as amended, requires that issuers of tax exempt debt make arbitrage calculations annually on bond issues issued after August 31, 1986, to determine whether an arbitrage rebate liability exists between the issuer and the U.S. Department of the Treasury. Arbitrage is the difference (or profit) earned from borrowing funds at tax exempt rates and investing the proceeds in higher yielding taxable securities. There are no arbitrage rebate liabilities outstanding to the U.S. Department of Treasury for City-Parish issues at December 31, 2014.

**20. Conduit Debt Obligations**

The Parish and Parish Special Districts have issued industrial development revenue bonds and industrial pollution control revenue bonds. These bonds are limited obligations of the Parish or District payable from revenues of the projects. The bonds are not a charge upon other income of the Parish or District, nor are they a charge against the credit or taxing power of the District, the Parish of East Baton Rouge, or the City of Baton Rouge. As of December 31, 2014, there were 5 conduit bond obligations outstanding, with an aggregate principal amount payable of approximately \$600,000,000.

**21. Lease Commitments**

City-Parish current operating leases are primarily rental agreements for land or office space. The City-Parish does not have any operating leases with scheduled rent increases. Operating lease payments during 2014 totaled \$381,364. As of December 31, 2014, there were no operating leases outstanding.

**b. Component Units Long-Term Debt**

A summary of the long-term obligations for component units of the City-Parish is as follows:

	Balance Beginning of Year	<u>Additions</u>	<u>Reductions</u>	Balance End of Year
<u>District Attorney of the Nineteenth Judicial District</u>				
Net other postemployment benefit obligation	\$ 5,918,938	\$1,390,440	\$ 412,255	\$ 6,897,123
<u>Nineteenth Judicial District Court</u>				
Compensated absences payable	716,309	--	19,154	697,155
Net other postemployment benefit obligation	<u>6,422,003</u>	<u>1,382,813</u>	<u>409,993</u>	<u>7,394,823</u>
Total	<u>7,138,312</u>	<u>1,382,813</u>	<u>429,147</u>	<u>8,091,978</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 10 - Long-Term Debt (Continued)**

**b. Component Units Long-Term Debt (Continued)**

	Balance Beginning of Year	Additions	Reductions	Balance End of Year
<u>Nineteenth Judicial District Court</u>				
Bonds and notes payable	\$ 93,340,000	\$ --	\$ 1,540,000	\$ 91,800,000
Deferred premium on bonds	<u>2,305,780</u>	<u>--</u>	<u>82,595</u>	<u>2,223,185</u>
Total	<u>95,645,780</u>	<u>--</u>	<u>1,622,595</u>	<u>94,023,185</u>
<u>E.B.R. Parish Family Court</u>				
Compensated absences payable	129,387	43,451	41,200	131,638
Net other postemployment benefit obligation	<u>908,088</u>	<u>220,568</u>	<u>65,397</u>	<u>1,063,259</u>
Total	<u>1,037,475</u>	<u>264,019</u>	<u>106,597</u>	<u>1,194,897</u>
<u>E.B.R. Parish Juvenile Court</u>				
Compensated absences payable	178,295	--	2,906	175,389
Net other postemployment benefit obligation	<u>1,743,752</u>	<u>313,886</u>	<u>93,065</u>	<u>1,964,573</u>
Total	<u>1,922,047</u>	<u>313,886</u>	<u>95,971</u>	<u>2,139,962</u>
<u>E.B.R. Parish Clerk of Court</u>				
Compensated absences payable	698,973	80,297	--	779,270
Net other postemployment benefit obligation	<u>3,123,319</u>	<u>829,645</u>	<u>477,768</u>	<u>3,475,196</u>
Total	<u>3,822,292</u>	<u>909,942</u>	<u>477,768</u>	<u>4,254,466</u>
<u>Capital Area Transit System</u>				
Bonds and notes payable	400,000	--	100,000	300,000
Compensated absences payable	634,525	--	10,842	623,683
Net pension liability	620,495	673,970	731,758	562,707
Obligation under capital leases	2,299,029	--	729,388	1,569,641
Claims and judgements payable	<u>1,684,888</u>	<u>853,129</u>	<u>806,070</u>	<u>1,731,947</u>
Total	<u>5,638,937</u>	<u>1,527,099</u>	<u>2,378,058</u>	<u>4,787,978</u>
Total component units long-term debt	<u>\$121,123,781</u>	<u>\$5,788,199</u>	<u>\$5,522,391</u>	<u>\$121,389,589</u>

**NOTE 11 - Interfund and Intergovernmental Receivables and Payables**

**a. Balances due to/from other funds at December 31, 2014, consist of the following:**

	Due From Other Funds	Due To Other Funds
<u>Temporary cash advances at December 31, 2014:</u>		
General Fund	\$ 8,229,078	\$ --
Nonmajor governmental funds	<u>--</u>	<u>8,229,078</u>
Total temporary cash advances	<u>8,229,078</u>	<u>8,229,078</u>
<u>Other funds funding long term improvements in the Capital Projects Fund:</u>		
Library board of control major fund	--	30,652,157
Capital Projects Fund	31,211,723	--
Nonmajor governmental funds	<u>--</u>	<u>559,566</u>
Total receivable/payables to capital projects fund	<u>31,211,723</u>	<u>31,211,723</u>
Total Balance Sheet - Governmental Funds	<u>\$39,440,801</u>	<u>\$39,440,801</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 11 - Interfund and Intergovernmental Receivables and Payables (Continued)**

**b. Due From Other Governments by governmental agencies for the Primary Government consists of the following at year-end:**

	<u>Federal</u>	<u>State</u>	<u>School Board</u>	<u>Sheriff</u>	<u>Other</u>	<u>Total</u>
<u>Governmental Activities:</u>						
General Fund	\$ --	\$ 704,728	\$149,282	\$19,790,846	\$47,469	\$20,692,325
Library Board of Control	--	--	--	30,188,558	--	30,188,558
Grants Fund	4,398,061	2,699,710	--	--	18,000	7,115,771
Capital Projects Fund	--	3,687,777	--	--	--	3,687,777
Nonmajor governmental funds	--	534,642	--	22,315,877	--	22,850,519
Adjustments to full accrual basis of accounting	78,682	151,065	--	--	--	229,747
<u>Business-type Activities:</u>						
Greater Baton Rouge Airport District	864,192	357,696	--	--	--	1,221,888
Comprehensive Sewerage System Fund	3,385,313	--	--	--	4,300	3,389,613
Solid Waste Collection and Disposal	--	--	--	5	15,000	15,005
Nonmajor enterprise funds	--	678,024	--	--	--	678,024
Totals	<u>\$8,726,248</u>	<u>\$8,813,642</u>	<u>\$149,282</u>	<u>\$72,295,286</u>	<u>\$84,769</u>	<u>\$90,069,227</u>

**NOTE 12 - Interfund Transfers**

**a. Interfund transfers for the year ended December 31, 2014 were as follows:**

	<u>Transfers Out</u>									<u>Total</u>
	<u>General Fund</u>	<u>Library Board of Control</u>	<u>Grants Fund</u>	<u>Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Greater Baton Rouge Airport District</u>	<u>Comprehensive Sewerage System Fund</u>	<u>Solid Waste Collection and Disposal</u>	<u>Internal Service Funds</u>	
<u>Transfers In:</u>										
<u>Governmental Activities:</u>										
General Fund	\$ --	\$ --	\$768,781	\$ --	\$ 90,000	\$ --	\$ --	\$2,559,160	\$ --	\$ 3,417,941
Library Board of Control	--	--	15,437	--	--	--	--	--	--	15,437
Grants Fund	299,651	1,170	--	--	197,502	52,946	30,143	137,990	2,969	722,371
Capital Projects Fund	5,543,059	1,400,000	--	--	11,600,000	--	--	--	--	18,543,059
Nonmajor governmental funds	5,072,961	--	64,552	--	873,200	--	--	--	--	6,010,713
<u>Business-type Activities:</u>										
Solid Waste Collection and Disposal	50,578	--	--	--	--	--	--	--	--	50,578
Nonmajor enterprise funds	<u>1,817,584</u>	<u>--</u>	<u>--</u>	<u>25,746</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,843,330</u>
Totals	<u>\$12,783,833</u>	<u>\$1,401,170</u>	<u>\$848,770</u>	<u>\$25,746</u>	<u>\$12,760,702</u>	<u>\$52,946</u>	<u>\$30,143</u>	<u>\$2,697,150</u>	<u>\$2,969</u>	<u>\$30,603,429</u>

- The capital projects major fund was subsidized \$18,543,059 during 2014 toward non-recurring capital improvements from the General Fund, Library Board of Control and non-major governmental funds.
- The General Fund subsidized the normal operations of non-major governmental funds in the amount of \$238,120 in 2014.
- The General Fund subsidized the Baton Rouge River Center (non-major enterprise convention center) \$1,817,584 in 2014.
- The General Fund also transferred \$4,834,841 to service debt to non-major governmental funds in 2014. An amount of \$2,559,160 was transferred back to the general fund by the Solid Waste Collection and Disposal Enterprise Fund in 2014 for general government issued debt for the landfill.
- During 2014, \$722,371 was transferred in to the Grants Fund from various other funds for local match for grant programs. An amount of \$848,770 was returned to the General Fund, Library Board of Control Fund and other non-major governmental funds by the Grants Fund for local match on hurricane related grants in prior years.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 12 - Interfund Transfers (Continued)**

b. The following exchange of funds between the Primary Government and its discretely presented component units during 2014 are classified as external transactions on the Government-wide Statement of Activities:

	<u>Operating Exchanges (To)/From Primary Government</u>	<u>Operating Exchanges (To)/From Component Units</u>
<u>Primary Government:</u>		
General Fund (operating subsidies)	\$ --	\$(15,345,348)
<u>Nonmajor Special Revenue Fund:</u>		
Parish Transportation Fund (to Capital Area Transit-operating subsidy)	--	(550,000)
<u>Component Units:</u>		
District Attorney of the Nineteenth Judicial District	5,499,348	--
Nineteenth Judicial District Court	6,893,198	--
E.B.R. Parish Family Court	1,080,130	--
E.B.R. Parish Juvenile Court	1,216,820	--
E.B.R. Parish Clerk of Court	655,852	--
Capital Area Transit System	<u>550,000</u>	<u>--</u>
Total	<u>\$15,895,348</u>	<u>\$(15,895,348)</u>

**NOTE 13 - Other Receivables**

Receivables as of year-end for the government's individual major funds, and nonmajor and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	General <u>Fund</u>	Library Board of Control <u>Fund</u>	Grants <u>Fund</u>	Capital Projects <u>Fund</u>	Nonmajor Governmental <u>Funds</u>	Internal Service <u>Funds</u>	<u>Total</u>
<b>Governmental Activities:</b>							
<u>Receivables:</u>							
Property taxes	\$ 6,652,543	\$9,885,017	\$ --	\$ --	\$ 7,646,386	\$ --	\$24,183,946
Gross receipts business taxes	4,472,777	--	--	--	--	--	4,472,777
Sales taxes	16,926,471	--	--	2,655,398	1,649,370	--	21,231,239
Interest and penalties on taxes	86,002	--	--	--	--	--	86,002
Accounts	1,884,952	5,458	12,954	191,521	2,248,970	--	4,343,855
Accrued interest	<u>34,764</u>	<u>23,692</u>	<u>2,411</u>	<u>35,738</u>	<u>18,477</u>	<u>4,777</u>	<u>119,859</u>
Gross receivables	30,057,509	9,914,167	15,365	2,882,657	11,563,203	4,777	54,437,678
Less: allowance for uncollectibles	<u>(339,293)</u>	<u>(568,945)</u>	<u>--</u>	<u>--</u>	<u>(404,046)</u>	<u>--</u>	<u>(1,312,284)</u>
Net receivables-governmental funds	29,718,216	9,345,222	15,365	2,882,657	11,159,157	4,777	53,125,394
Adjustment to full accrual basis	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>130,093</u>	<u>--</u>	<u>130,093</u>
Net total receivables	<u>\$29,718,216</u>	<u>\$9,345,222</u>	<u>\$15,365</u>	<u>\$2,882,657</u>	<u>\$11,289,250</u>	<u>\$4,777</u>	<u>\$53,255,487</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 13 - Other Receivables (Continued)**

Receivables as of year-end for the government's individual major funds, and nonmajor and internal service funds (Continued)

	Greater Baton Rouge Airport District	Comprehensive Sewerage System	Solid Waste Collection and Disposal Fund	Nonmajor Enterprise Funds	<u>Total</u>
<b>Business-type Activities:</b>					
<b><u>Receivables:</u></b>					
Sales taxes	\$ --	\$ 4,109,190	\$ --	\$ --	\$ 4,109,190
Accounts	726,047	6,574,024	3,585,467	1,173,109	12,058,647
Accrued interest	<u>3,221</u>	<u>309,751</u>	<u>6,727</u>	<u>3,918</u>	<u>323,617</u>
Gross receivables	729,268	10,992,965	3,592,194	1,177,027	16,491,454
Less: allowance for uncollectibles	<u>(12,691)</u>	<u>--</u>	<u>--</u>	<u>(25,000)</u>	<u>(37,691)</u>
Net total receivables	<u>\$ 716,577</u>	<u>\$10,992,965</u>	<u>\$3,592,194</u>	<u>\$1,152,027</u>	<u>\$16,453,763</u>

Summary of other receivables reported on the Statement of Net Position for Business-type activities:

Current assets - receivables	\$16,172,998
Restricted assets - receivables	<u>280,765</u>
Totals	<u>\$16,453,763</u>

**NOTE 14 - Detailed Restricted Net Position and Fund Balances**

a. Details of restricted Net Position as reported in the entity-wide Statement of Net Position are as follows:

	Governmental Activities	Business Type Activities	<u>Total</u>
Net Position Restricted For:			
Capital projects:			
Federal and state capital grant funds	\$ 6,372,229	\$ --	\$ 6,372,229
Federal forfeited property	338,850	--	338,850
Bond funds from dedicated road sales tax	3,683,070	--	3,683,070
Dedicated sales tax for street construction	33,859,586	--	33,859,586
Dedicated property taxes authorized by the electorate for specific special revenue funds	36,715,416	--	36,715,416
Dedicated hotel-motel taxes for Riverfront improvements	<u>709,865</u>	<u>8,873,538</u>	<u>9,583,403</u>
Total Net Position restricted for capital projects	<u>81,679,016</u>	<u>8,873,538</u>	<u>90,552,554</u>
Debt service:			
2% City sales tax revenue bonds	4,930,640	--	4,930,640
½% Road sales tax revenue bonds	3,470,833	--	3,470,833
LCDA road and street improvement projects	547,917	--	547,917
Sewerage Commission revenue bonds	--	50,971,097	50,971,097
LCDA Sewerage commission project	--	21,504,150	21,504,150
Greater Baton Rouge Airport District debt service	<u>--</u>	<u>700,716</u>	<u>700,716</u>
Total Net Position restricted for debt service	<u>8,949,390</u>	<u>73,175,963</u>	<u>82,125,353</u>
Passenger facility charge:			
Greater Baton Rouge Airport District (see note 16)	<u>--</u>	<u>389,690</u>	<u>389,690</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 17  
(Continued)

**NOTE 14 - Detailed Restricted Net Position and Fund Balances (Continued)**

a. Details of restricted Net Position as reported in the entity-wide Statement of Net Position (Continued):

	Governmental Activities	Business Type Activities	Total
Net Position Restricted For (Continued):			
External legal constraints:			
Dedicated property taxes authorized by the electorate to specific special revenue funds and purposes	\$ 60,277,329	\$ --	\$ 60,277,329
Dedicated sales tax for street maintenance and beautification	20,662,254	--	20,662,254
Court fees for juror compensation and judicial buildings	858,651	--	858,651
State road funds dedicated for transportation	14,409,564	--	14,409,564
Telephone surcharge dedicated to communications district	7,035,739	--	7,035,739
Public, Educational and Governmental programming fees	1,336,695	--	1,336,695
Volunteer fire districts service charges authorized by the electorate	351,904	--	351,904
Federal forfeited property	352,209	--	352,209
Collateral posted with swap agreement	<u>--</u>	<u>78,050,000</u>	<u>78,050,000</u>
Total Net Position restricted for external legal constraints	<u>105,284,345</u>	<u>78,050,000</u>	<u>183,334,345</u>
Total Restricted Net Position	<u>\$195,912,751</u>	<u>\$160,489,191</u>	<u>\$356,401,942</u>

b. Details of restricted, committed, and assigned fund balances at year-end are as follows:

	General Fund	Library Board of Control	Grants	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:						
Nonspendable:						
Inventory	\$ 556,855	\$ --	\$ --	\$ --	\$ --	\$ 556,855
Restricted for:						
Dedicated property taxes:						
Library services and construction	--	73,221,331	--	30,012,200	--	103,233,531
Mosquito abatement and rodent control	--	--	--	6,482,500	4,645,360	11,127,860
Downtown development	--	--	--	--	424,271	424,271
Emergency medical services	--	--	--	220,716	7,529,142	7,749,858
Fire department pay enhancement	--	--	--	--	1,735,076	1,735,076
Volunteer fire districts	--	--	--	--	1,358,653	1,358,653
Road lighting	--	--	--	--	4,350,248	4,350,248
Dedicated sales taxes:						
Street improvement/beautification	--	--	--	33,859,586	4,987,599	38,847,185
Street maintenance	--	--	--	--	15,674,655	15,674,655
Dedicated hotel-motel taxes for Riverfront	--	--	--	709,865	--	709,865
Bond funds for capital improvements	--	--	--	36,480,071	--	36,480,071
Debt Service	--	--	--	--	13,407,181	13,407,181
Court fees for juror compensation	--	--	--	--	387,083	387,083
Court fees for judicial buildings	--	--	--	--	444,363	444,363
Court fees for sobriety court	--	--	--	--	27,205	27,205
State Road funds for transportation	--	--	--	--	14,409,564	14,409,564
Telephone surcharges for public safety	--	--	--	5,100,000	6,202,483	11,302,483
Public, educational and governmental programs	1,256,695	--	--	80,000	--	1,336,695

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
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EXHIBIT A - 17  
(Continued)

**NOTE 14 - Detailed Restricted Net Position and Fund Balances (Continued)**

b. Details of restricted, committed, and assigned fund balances at year-end (Continued):

	<u>General Fund</u>	<u>Library Board of Control</u>	<u>Grants</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Fund balances (Continued):						
Restricted for (Continued):						
Volunteer fire districts service charges	\$ --	\$ --	\$ --	\$ --	\$ 441,742	\$ 441,742
Federal and state grant programs	--	--	11,032,939	6,372,229	--	17,405,168
Federal forfeited property	<u>--</u>	<u>--</u>	<u>--</u>	<u>338,850</u>	<u>352,209</u>	<u>691,059</u>
Total Restricted	<u>1,256,695</u>	<u>73,221,331</u>	<u>11,032,939</u>	<u>119,656,017</u>	<u>76,376,834</u>	<u>281,543,816</u>
Committed to:						
Loans receivable	427,500	--	--	--	--	427,500
Self-insurance purposes	46,720,244	--	--	--	--	46,720,244
Budget stabilization	15,345,000	--	--	--	--	15,345,000
General capital improvements	--	--	--	22,168,304	--	22,168,304
City constable court costs	--	--	--	--	268,932	268,932
Gaming enforcement	--	--	--	--	183,212	183,212
Emergency medical services	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>7,503,179</u>	<u>7,503,179</u>
Total Committed	<u>62,492,744</u>	<u>--</u>	<u>--</u>	<u>22,168,304</u>	<u>7,955,323</u>	<u>92,616,371</u>
Assigned to:						
Next year's adopted budget	7,496,150	--	--	--	--	7,496,150
Approved continuing projects	19,730,600	--	--	--	--	19,730,600
Public safety	923,028	--	--	--	--	923,028
Culture and recreation	269,396	--	--	--	--	269,396
Sales tax refunds	2,554,912	--	--	--	--	2,554,912
Animal control	144,818	--	--	--	--	144,818
Other purposes	<u>1,471,348</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,471,348</u>
Total Assigned	<u>32,590,252</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>32,590,252</u>
Unassigned	<u>15,435,997</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>15,435,997</u>
Total fund balances	<u>\$112,332,543</u>	<u>\$73,221,331</u>	<u>\$11,032,939</u>	<u>\$141,824,321</u>	<u>\$84,332,157</u>	<u>\$422,743,291</u>

c. Governmental Fund Encumbrances included in restricted, committed, or assigned fund balances at December 31, 2014 were as follows:

General fund	\$ 1,471,348
Library board of control	1,495,011
Grants fund	14,298,221
Nonmajor governmental funds	3,628,826
Capital projects fund	<u>33,538,517</u>
 Total governmental fund encumbrances	 <u>\$54,431,923</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 15 - Restricted Assets**

The balances of the restricted asset accounts in the enterprise funds are as follows:

	Greater Baton Rouge Airport District	Comprehensive Sewerage System	Other Enterprise Total	Total
Sales tax revenue bonds construction accounts	\$ 911,294	\$415,162,872	\$ --	\$416,074,166
Hotel-motel tax construction accounts	--	--	8,282,187	8,282,187
Passenger Facility Charges (PFC) account	339,019	--	--	339,019
Sales tax revenue bonds debt service accounts	1,788,654	66,074,386	--	67,863,040
Accounts receivable - PFC	147,093	--	--	147,093
Accrued interest receivable - sales tax revenue bonds	--	131,133	--	131,133
Accrued interest receivable - hotel-motel tax	--	--	2,539	2,539
Prepaid items - bond issuance costs	<u>6,637</u>	--	--	<u>6,637</u>
Total restricted assets	<u>\$3,192,697</u>	<u>\$481,368,391</u>	<u>\$8,284,726</u>	<u>\$492,845,814</u>

**NOTE 16 - Passenger Facility Charges - Greater Baton Rouge Airport District**

On September 28, 1992, the Greater Baton Rouge Airport District (Airport) received approval from the Federal Aviation Administration (FAA) to impose a \$3.00 passenger facility charge (PFC) in accordance with Section 158.29 of the Federal Aviation Regulations (Title 14, Code of Federal Regulations, Part 158). On May 19, 2005, the FAA approved the imposition of a \$4.50 passenger facility charge by the Airport District for the financing of additional improvements.

PFC revenue received, but not yet spent, along with interest income, is classified as restricted Net Position on the Statement of Net Position. On the Statement of Revenues, Expenses, and Changes in Fund Net Position, PFC revenue is classified as non-operating revenue, while on the Statement of Cash Flows, PFC collections are classified as capital in nature.

The Airport began assessing the fee on December 1, 1992. As of December 31, 2014 the FAA has approved the following applications for disbursement of the proceeds of the PFC as follows:

<u>Application Number and Description</u>	<u>Approved PFC Level</u>	<u>Total FAA Authorization</u>	<u>Total Disbursed through 12/31/2014</u>	
2 Noise mitigation	\$3.00	\$ 1,315,124	\$ 1,315,124	closed
3 Terminal building and plan specifications	3.00	1,290,899	1,290,899	closed
4 Terminal development with financing	4.50	34,863,776	19,527,814	
5 Airport access road	4.50	3,089,499	1,541,316	
5 Acquire A/C loading bridges	4.50	2,324,075	728,373	
6 Runway 4L/22R extension project	4.50	11,815,660	3,781,876	
6 Professional Fees-administration of PFC	4.50	434,000	--	
6 General Aviation Apron Facility Expansion	4.50	598,529	276,014	
7 Terminal Atrium Expansion	4.50	20,298,565	3,550,493	
7 Acquisition of Property for Development	4.50	2,802,951	481,060	
7 Taxiway Fillet Construction	4.50	1,429,025	244,732	
7 Ticket Lobby Expansion	4.50	<u>1,097,133</u>	<u>322,263</u>	
Total Approved Applications		<u>\$81,359,236</u>	<u>\$33,059,964</u>	

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 16 - Passenger Facility Charges - Greater Baton Rouge Airport District (Continued)**

Since the inception of the PFC, the Airport has recorded the following revenues and expenses through the 2014 fiscal year resulting in a restriction of Net Position from passenger facility charges as follows:

	<u>Accrual Basis</u>	<u>Cash Basis</u>
Cumulative PFC receipts (1992 - 2014), net of administrative fee	\$ 30,731,398	\$ 30,584,305
Interest earnings	1,443,643	1,443,643
Claim settlement	1,371,035	1,371,035
Total revenues	33,546,076	33,398,983
Cumulative disbursements for PFC projects (1992 - 2014)	(9,791,889)	(9,732,386)
Cumulative bond principal payments	(10,608,534)	(10,608,534)
Cumulative bond interest payments	(12,755,963)	(12,719,044)
Total disbursements	(33,156,386)	(33,059,964)
Net PFC cash, December 31, 2014		\$ 339,019
Net Position restricted for PFC, December 31, 2014	\$ 389,690	

**NOTE 17 - Solid Waste Disposal Facility Closure and Postclosure Care Liability**

The City-Parish North Landfill opened in October 1993. The North Landfill is permitted by the U.S. Environmental Protection Agency (EPA) and the Louisiana Department of Environmental Quality (DEQ) to dispose of municipal solid waste and non-hazardous industrial waste from East Baton Rouge Parish and from surrounding cities, towns, and parishes. Regulations issued by the EPA and the DEQ require the City-Parish to perform certain closing functions and postclosure monitoring and maintenance functions for the North Landfill.

Municipal Solid Waste Landfill (MSWLF) Closure and Postclosure Care Costs are accounted for in accordance with guidelines in Section L10 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*. Section L20 of *the code* states that a portion of the estimated total current cost of MSWLF closure and postclosure care is required to be recognized as an expense and as a liability in each period that the MSWLF accepts solid waste. Recognition should begin on the date the MSWLF begins accepting solid waste, continue in each period that it accepts waste, and be completed by the time it stops accepting waste. The estimated total current cost of closure and postclosure care includes the cost of equipment expected to be installed and facilities expected to be constructed near or after the date that the Solid Waste Disposal Facility stops accepting solid waste and any equipment installed during the 30 year postclosure period. Included in the total current cost is the cost of final cover expected to be applied near or after the date the facility stops accepting solid waste, and the cost of monitoring and maintaining the expected usable landfill area during the postclosure period.

The estimated cost of the closure and postclosure care costs is \$31,949,276. Total estimated capacity is 28,420,000 cubic yards and the projected life is 45 years from the opening date of the landfill. The estimated cost will be adjusted on an annual basis as deemed necessary by the management of the Department of Public Works to reflect the effect of inflation, changes in technology or changes in applicable laws or regulations.

The Solid Waste Collection and Disposal Enterprise Fund recognizes a portion of the current estimated cost of MSWLF closure and postclosure care as an expense and as a liability in each period that it accepts solid waste. The expense and liability are based on the number of cubic yards of waste received at the landfill during the period rather than on the passage of time. The projections assume that the current solid waste generation trends will continue and that no waste will be diverted to alternative disposal facilities.

The liability for closure and postclosure care at December 31, 2014, totals \$14,926,406. The liability is based on the landfill capacity used to date of 13,277,560 cubic yards or 46.7% of the landfill capacity. The liability will be financed by the Solid Waste Collection and Disposal Enterprise Fund. The remaining estimated cost of closure and postclosure care of \$17,022,870 will be recognized as the remaining estimated capacity is filled. The estimated remaining useful life of the landfill as of December 31, 2014, is 24 years.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 18 - State Required Disclosures**

**a. Council Members Compensation**

Each Metropolitan Council Member receives monthly compensation in accordance with The Plan of Government. Compensation is currently \$1,000 a month for council members. In addition, members of the Metropolitan Council receive \$800 per month combined travel and auto allowance. (LRS 33:1233(B)) Following is a list of Council Members with gross wages, including auto allowance that was reported as paid in year 2014:

District 1	Trae Welch	\$21,600
District 2	Chauna Banks-Daniel	21,600
District 3	Chandler Loupe	
	Council	21,600
	Mayor ProTem	18,000
District 4	Scott Wilson	21,600
District 5	Ronnie Edwards	21,600
District 6	Donna Collins-Lewis	21,600
District 7	C. Denise Marcelle	21,600
District 8	Buddy Amoroso	21,600
District 9	Joel Boe'	21,600
District 10	Tara Wicker	21,600
District 11	Ryan Heck	21,600
District 12	John M. Delgado	21,600

**b. Communications District Wireless E911 Service**

Act 1029 of the 1999 Louisiana Legislative Session authorizes the parish governing authority of a communication district to levy an emergency telephone service charge on wireless communications systems to pay the costs of implementing FCC ordered enhancements to the E911 system. The act further requires that governing authorities disclose in the audited financial statements information on the revenues derived from the service charge, the use of such revenues, and the status of implementation of wireless E911 service.

The East Baton Rouge Parish Communications District Board of Commissioners enacted Resolution No. 001/2000 on March 17, 2000, assessing an emergency telephone service charge of \$0.50 per month per wireless Commercial Mobile Radio Service (CMRS) user. In 2006 the fee was increased to \$0.85 per month by the Communications District Board. Since the enactment of the fee, the Communications District Special Revenue Fund has collected \$36.4 million in wireless fees. Approximately \$4,191,677 has been directly contributed to enhancement of wireless technology. The wireless 911 system is fully implemented and operational. Revenues from the wireless fee are now budgeted in the Communication District Special Revenue Fund Annual Budget and approved by the City-Parish Metropolitan Council. Technological upgrades are included in the operations budget as needed. For budget statement detail on the Communications District Fund, see Exhibit B-12.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 18 - State Required Disclosures (Continued)**

**c. Summary of City-Parish Sales Tax Collections remitted to Other Taxing Authorities**

Act 711 of the 2010 Louisiana Legislative Session amended LRS 24:51 (B) to provide required footnote disclosure in the financial statements for local governments that collect tax for other taxing jurisdictions. Listed below are sales tax collections and distributions to other parish governmental agencies during calendar year 2014.

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
City of Baker	\$ 3,702,720	\$ 37,118	\$ 3,665,602
Baker School District	2,813,671	28,377	2,785,294
City of Zachary	7,249,307	70,093	7,179,214
Zachary School District	8,709,310	82,033	8,627,277
City of Central	4,866,234	45,532	4,820,702
Central School District	6,194,842	60,119	6,134,723
EBRP School District	154,302,542	1,512,452	152,790,090
Street Improvements Tax for other municipalities	3,356,800	26,737	3,330,063
Visit Baton Rouge	<u>4,541,264</u>	<u>6,000</u>	<u>4,535,264</u>
Total	<u>\$195,736,690</u>	<u>\$1,868,461</u>	<u>\$193,868,229</u>

**NOTE 19 - Joint Venture**

During 2003, the City-Parish entered into a joint venture with the State of Louisiana and Office Facilities Corporation (OFC) for the purpose of constructing a 468-space parking garage located at the corner of Convention Street and Third Street in the downtown area. Under the agreement, the City-Parish contributed funds, financed from the proceeds of an LCDA loan, for construction of the state-owned and operated facility. In return, the City-Parish was entitled to certain revenues generated from parking fees, which were applied to the City-Parish's proportionate share (35.9%) of operating expenses.

On October 7, 2014, the City-Parish entered into a cooperative endeavor agreement for parking facilities with 201 Third Street, LLC. Under the terms of this agreement, the joint venture between the City-Parish, the State of Louisiana and OFC was terminated and 201 Third Street will own, operate and manage the Parking Facility. The City-Parish is entitled to certain revenues generated from parking fees, which are first applied to the City-Parish's proportionate share (33%) of operating expenses. As a result, the Greater Baton Rouge Parking Authority Enterprise Fund has reflected net loss from joint venture of \$1,799,354 for 2014, and paid the remaining principal of \$1,027,000 and interest of \$9,227 in 2014 on the LCDA loan.

**NOTE 20 - Subsequent Events**

**a. Louisiana Local Governmental Environmental Facilities and Community Development Authority Subordinate Lien Revenue Bonds (Parish of East Baton Rouge Road Improvements Project), Series 2015**

On April 9, 2015, the Louisiana Local Government Environmental Facilities and Community Development Authority (the "Authority"), a political subdivision of the State of Louisiana, issued \$34,415,000 Subordinate Lien Revenue Bonds (Parish of East Baton Rouge Road Improvements Project), Series 2015. The proceeds of the bonds will be loaned by the Authority to the Parish of East Baton Rouge pursuant to a Loan Agreement dated as of April 1, 2015, to be used for the purpose of (1) providing funds to finance the construction of new public roads and streets and/or the widening of existing public roads and streets within the Parish and (2) paying the costs of issuance of the Bonds. The payments under the loan agreement are payable and secured on a junior and subordinate lien basis by a pledge and dedication of seventy percent (70%) of the net proceeds of the one-half of one percent (½%) Road and Street sales and use tax. If these pledged revenues are insufficient, payments will be made from lawfully available funds of the City-Parish. The Bonds will mature on August 1 of each year beginning 2016 through 2030 with interest from 2.00 - 5.00 percent.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014**

EXHIBIT A - 17  
(Continued)

**NOTE 20 - Subsequent Events (Continued)**

**b. Road and Street Improvement Sales Tax Revenue Refunding Bonds Series 2015**

On April 9, 2015, the Parish of East Baton Rouge issued \$59,430,000 Road and Street Public Improvement Sales Tax Revenue Refunding Bonds, Series 2015 for the purpose of (1) providing funds to advance refund a portion of the Parish's \$110,000,000 Sales Tax Revenue Bonds, Series 2009A Bonds in the aggregate principal amount of \$59,695,000 maturing August 1, 2022, to and including August 1, 2030, excluding the Series 2009A Bonds maturing August 1, 2023 and bearing interest at a rate of 4.750%; and (2) paying the costs of issuance. The Bonds will mature on August 1 of each year beginning 2022 through 2030 with interest at 5.00 percent.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POST EMPLOYMENT BENEFITS PLAN  
RETIREE HEALTH, DENTAL, AND LIFE INSURANCE PROGRAMS  
(UNAUDITED)**

EXHIBIT A - 18

**SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
01/01/14 **	0.00	\$ 948,510,515	\$ 948,510,515	0.00 %	\$ 165,676,792	572.5 %
01/01/13	0.00	948,510,515	948,510,515	0.00	165,676,792	572.5
01/01/12 *	0.00	1,048,339,169	1,048,339,169	0.00	163,306,305	641.9
01/01/11	0.00	1,048,339,169	1,048,339,169	0.00	163,306,305	641.9
01/01/10	0.00	869,098,994	869,098,994	0.00	160,233,765	542.4

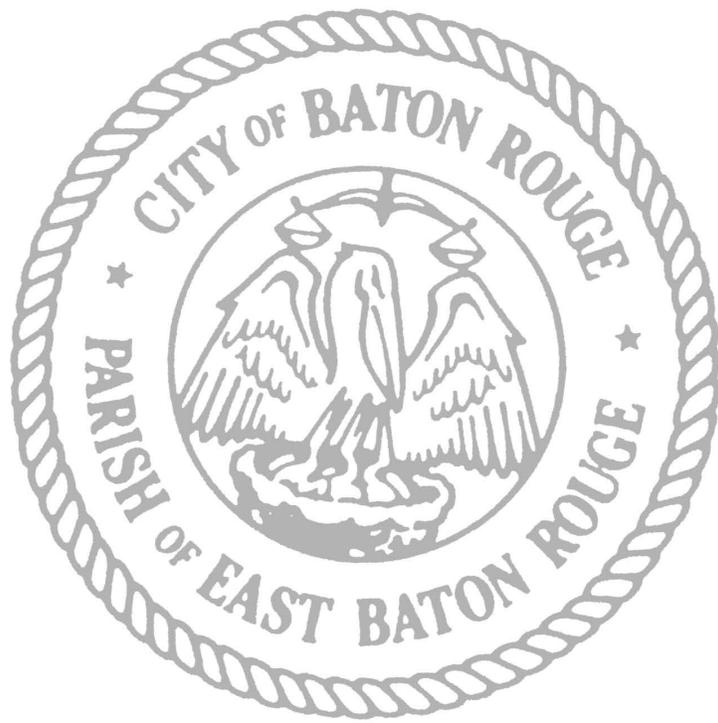
Note: The actuary does not provide a separate schedule of funding progress for individual employers.

\* Based on 01/01/11 actuary study

\*\* Based on 01/01/13 actuary study

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year Ending	Annual Required Contribution	Amount Contributed	Percentage Contributed
01/01/14	\$ 68,068,801	\$ 20,207,165	29.7 %
01/01/13	68,068,801	19,141,420	28.1
01/01/12	68,826,572	19,132,237	27.8
01/01/11	68,826,572	20,019,053	29.1
01/01/10	60,314,941	19,827,688	32.9



## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special Revenue Funds account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specific purposes other than debt service or capital projects.

**Civil Juror Compensation Fund** accounts for District Court Cost fees collected from certain civil defendants restricted for payments to jurors.

**Criminal Juror Compensation Fund** accounts for District Court Cost fees collected from certain criminal defendants restricted for payments to jurors.

**City Constable Court Costs Fund** accounts for City Court cost fees collected from serving the execution of civil papers, garnishment fees and assessments required to maintain the City Constable's office.

**Mosquito Abatement and Rodent Control Fund** accounts for the special property tax levy required to cover the cost of controlling mosquitoes and rodents.

**Downtown Development District** accounts for the special property tax levied within the district for education, planning, traffic, security, promotion and development of the district.

**Gaming Enforcement Division Fund** accounts for monies collected from the 5% bingo assessment fee collected for the purpose of funding the enforcement and administration of guidelines and regulations relative to the playing of charitable bingo by licensed organizations.

**City Court Judicial Building Fund** accounts for the City Court filing fee imposed on all civil matters and dedicated to the acquisition, leasing, construction, equipping, and maintenance of new and existing City Courts.

**Federal Forfeited Property Fund** accounts for the cash proceeds received from federal seizures and forfeitures, as well as any interest earned on these funds, according to accounting guidelines of the U.S. Attorney General's Office.

**East Baton Rouge Parish Communications District** accounts for monies collected to provide citizens of East Baton Rouge Parish with Enhanced 911, a computer aided telephone dispatch system that processes incoming requests for emergency assistance, and provides instructions in first aid to the caller.

**Emergency Medical Services Fund** accounts for the special property tax levy required to maintain emergency medical services in East Baton Rouge Parish.

**Fire Department Pay Enhancement Fund** accounts for the special property tax levied within the City of Baton Rouge to fund increases in salaries and benefits for the City of Baton Rouge Municipal Fire personnel.

**District No. 1 Fire Protection District** is located in the northwestern part of East Baton Rouge Parish. Services are financed by a property tax in the district and a fire service fee.

**Brownsfield Fire Protection District** is located in the northwestern part of East Baton Rouge Parish. Services are financed by a property tax in the district, a fire service fee, and state insurance company taxes.

Continued

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds (Continued)

**Chaneyville Fire Protection District** is located in the northern part of East Baton Rouge Parish. Services are financed by a property tax, a fire service fee, and state insurance company taxes.

**Pride Fire Protection District** is located in the northeastern part of East Baton Rouge Parish. Services are financed through a fire service fee and state insurance company taxes.

**Alsen-St. Irma Lee Fire Protection District** is located in the western part of East Baton Rouge Parish. Services are financed by a property tax in the district, a fire service fee, and state insurance company taxes.

**Sobriety Court** accounts for receipt of fees assessed in traffic matters related to specific alcohol violations. These monies will fund the operations of the Sobriety Court.

**Consolidated Road Lighting District No. 1** accounts for the special property tax levy required to provide street and road lights within the district.

**Parish Transportation Fund** accounts for receipts from the State Shared Revenue-Parish Transportation Fund as authorized by the Louisiana Revised Statute 48:751 to be used primarily for road improvement and mass transit.

**Parish Beautification Fund** accounts for the portion (3%) of the one-half of one percent sales tax levied for the sole purpose of public road and street beautification within East Baton Rouge Parish.

**Parish Street Maintenance Fund** accounts for the portion (27%) of the one-half of one percent sales tax levied for the sole purpose of public road and street repair within East Baton Rouge Parish.

**Capitol House Economic Development District** accounts for the sales tax increments from the Capitol House Economic Development District dedicated by the State, the City and the Baton Rouge Convention and Visitors Bureau for the purpose of rehabilitating the historic Capitol House Hotel.

**Lafayette-Main Economic Development District** accounts for the sales tax increments from the Lafayette-Main Economic Development District dedicated by the City for the purpose of rehabilitating the Hampton Inn and Suites.

**Dawnadele Economic Development District** accounts for a tax on retail sales to facilitate the development, design and redevelopment of infrastructure at the Costco retail warehouse facility site.

Continued

## NONMAJOR GOVERNMENTAL FUNDS

### Debt Service Funds

Debt Service Funds account for and report financial resources that are restricted or committed for the payment of general long-term debt principal, interest, and paying agent fees.

**City Sales Tax Bonds Debt Service Fund** accounts for sales tax revenues dedicated for the payment of principal and interest requirements of the 2007A and 2010B Public Improvement Sales Tax Bonds of the City of Baton Rouge. Also accounts for the portion of the bonds issued for the purpose of advance refunding certain outstanding obligations of the City-Parish.

**Parish Sales Tax Bonds Debt Service Fund** accounts for sales tax revenues dedicated for the payment of principal and interest requirements of the 2013A and 2014A Public Improvement Sales Tax Bonds of the Parish of East Baton Rouge.

**Taxable Refunding Bonds Debt Service Fund** accounts for the payment of principal, interest, and related charges for the 2002A Fixed Rate Taxable Refunding Bonds the 2002B Fixed Rate Taxable Refunding Bonds and the 2012 Taxable Refunding Bonds.

**Road and Street Improvement Sales Tax Bonds Debt Service Fund** accounts for sales tax revenues dedicated for the payment of principal and interest requirements of the 2006A, 2008A and 2009A Road and Street Improvement Sales Tax Bonds of the Parish of East Baton Rouge.

**LCDA Road and Street Improvement Project Debt Service Fund** accounts for sales tax revenues dedicated for the payment of principal and interest requirements of the 2012 LCDA loan (Road and Street Improvement project) of the Parish of East Baton Rouge.

**Excess Revenue and Limited Tax Fund** accounts for transfers from the general fund, special revenue funds, and capital projects funds for payment of interest and principal redemption requirements of capital leases, contracts, loans, notes, and bonds that do not require a vote of the general public.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2014**

	<b>Special Revenue</b>			
	<b>Civil Juror Compensation</b>	<b>Criminal Juror Compensation</b>	<b>City Constable Court Costs</b>	<b>Mosquito Abatement and Rodent Control</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 81,986	\$ 294,952	\$ 307,857	\$ --
Investments	--	--	--	--
Property taxes receivable - net	--	--	--	1,218,520
Sales taxes receivable	--	--	--	--
Accounts receivable	2,826	15,582	--	--
Accrued interest receivable	26	77	71	715
Due from other governments	--	--	--	3,948,596
	<u>\$ 84,838</u>	<u>\$ 310,611</u>	<u>\$ 307,928</u>	<u>\$ 5,167,831</u>
Total assets	<u>\$ 84,838</u>	<u>\$ 310,611</u>	<u>\$ 307,928</u>	<u>\$ 5,167,831</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	\$ 4,818	\$ 3,548	\$ 22,991	\$ 53,958
Due to other funds	--	--	--	269,572
Due to other governments	--	--	--	--
Accrued salaries payable	--	--	16,005	81,139
Total liabilities	<u>4,818</u>	<u>3,548</u>	<u>38,996</u>	<u>404,669</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	--	--	--	117,802
Unavailable revenue - revenue sharing	--	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>117,802</u>
<b>FUND BALANCES (Note 14):</b>				
Restricted	80,020	307,063	--	4,645,360
Committed	--	--	268,932	--
Total fund balances	<u>80,020</u>	<u>307,063</u>	<u>268,932</u>	<u>4,645,360</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 84,838</u>	<u>\$ 310,611</u>	<u>\$ 307,928</u>	<u>\$ 5,167,831</u>

The accompanying notes are an integral part of this statement.

Continued

## Special Revenue

<u>Downtown Development District</u>	<u>Gaming Enforcement Division</u>	<u>City Court Judicial Building</u>	<u>Federal Forfeited Property</u>	<u>E.B.R. Parish Communications District</u>	<u>Emergency Medical Services</u>	<u>B. R. Fire Department Pay Enhancement</u>
\$ --	\$ 188,043	\$ 495,957	\$ 330,514	\$ 2,932,350	\$ 1,711,589	\$ --
--	--	--	372,708	3,306,692	1,930,090	--
87,609	--	--	--	--	2,704,944	2,780,800
--	--	--	--	--	--	--
--	319	--	--	592,367	1,636,496	--
40	53	161	242	2,630	1,881	--
394,943	--	--	--	--	8,765,322	7,579,699
<u>\$ 482,592</u>	<u>\$ 188,415</u>	<u>\$ 496,118</u>	<u>\$ 703,464</u>	<u>\$ 6,834,039</u>	<u>\$ 16,750,322</u>	<u>\$ 10,360,499</u>
\$ 5,061	\$ 1,457	\$ 51,755	\$ 913	\$ 465,034	\$ 551,032	\$ 1,474
5,178	--	--	338,850	--	220,716	7,663,142
--	--	--	--	--	--	--
21,585	3,746	--	11,492	166,522	684,755	585,396
<u>31,824</u>	<u>5,203</u>	<u>51,755</u>	<u>351,255</u>	<u>631,556</u>	<u>1,456,503</u>	<u>8,250,012</u>
26,497	--	--	--	--	261,498	375,411
--	--	--	--	--	--	--
<u>26,497</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>261,498</u>	<u>375,411</u>
424,271	--	444,363	352,209	6,202,483	7,529,142	1,735,076
--	183,212	--	--	--	7,503,179	--
<u>424,271</u>	<u>183,212</u>	<u>444,363</u>	<u>352,209</u>	<u>6,202,483</u>	<u>15,032,321</u>	<u>1,735,076</u>
<u>\$ 482,592</u>	<u>\$ 188,415</u>	<u>\$ 496,118</u>	<u>\$ 703,464</u>	<u>\$ 6,834,039</u>	<u>\$ 16,750,322</u>	<u>\$ 10,360,499</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2014**

**Special Revenue**

	<b>District No. 1 Fire Protection District</b>	<b>Brownsfield Fire Protection District</b>	<b>Chaneyville Fire Protection District</b>	<b>Pride Fire Protection District</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 90,457	\$ --	\$ --	\$ 270,199
Investments	--	--	--	--
Property taxes receivable - net	53,664	134,188	32,310	23,755
Sales taxes receivable	--	--	--	--
Accounts receivable	--	--	--	--
Accrued interest receivable	32	--	8	93
Due from other governments	313,122	485,454	135,029	125,552
Total assets	<u>\$ 457,275</u>	<u>\$ 619,642</u>	<u>\$ 167,347</u>	<u>\$ 419,599</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	\$ 1,992	\$ 3,965	\$ 929	\$ 7,305
Due to other funds	--	265,744	24,062	--
Due to other governments	--	--	--	--
Accrued salaries payable	--	15,970	--	--
Total liabilities	<u>1,992</u>	<u>285,679</u>	<u>24,991</u>	<u>7,305</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	5,447	28,865	3,773	2,100
Unavailable revenue - revenue sharing	--	47,082	--	--
Total deferred inflows of resources	<u>5,447</u>	<u>75,947</u>	<u>3,773</u>	<u>2,100</u>
<b>FUND BALANCES (Note 14):</b>				
Restricted	449,836	258,016	138,583	410,194
Committed	--	--	--	--
Total fund balances	<u>449,836</u>	<u>258,016</u>	<u>138,583</u>	<u>410,194</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 457,275</u>	<u>\$ 619,642</u>	<u>\$ 167,347</u>	<u>\$ 419,599</u>

The accompanying notes are an integral part of this statement.

Continued

Special Revenue

<u>Alsen- St. Irma Lee Fire Protection District</u>	<u>Sobriety Court</u>	<u>Consolidated Road Lighting District No. 1</u>	<u>Parish Transpor- tation</u>	<u>Parish Beautification</u>	<u>Parish Street Maintenance</u>	<u>Capital House Economic Development District</u>
\$ 328,803	\$ 27,202	\$ 1,835,105	\$ 6,642,288	\$ 2,376,421	\$ 7,380,841	\$ 80,914
--	--	2,069,373	7,490,239	2,679,794	8,323,076	--
56,453	--	150,097	--	--	--	--
--	--	--	--	113,803	1,339,926	58,730
--	--	--	--	--	--	--
120	3	1,206	4,132	1,426	4,659	--
190,181	--	377,979	534,642	--	--	--
<u>\$ 575,557</u>	<u>\$ 27,205</u>	<u>\$ 4,433,760</u>	<u>\$ 14,671,301</u>	<u>\$ 5,171,444</u>	<u>\$ 17,048,502</u>	<u>\$ 139,644</u>
\$ 29,854	\$ --	\$ 42,817	\$ 261,737	\$ 183,845	\$ 1,054,821	\$ 139,644
--	--	--	--	--	--	--
--	--	--	--	--	313,036	--
--	--	--	--	--	5,990	--
<u>29,854</u>	<u>--</u>	<u>42,817</u>	<u>261,737</u>	<u>183,845</u>	<u>1,373,847</u>	<u>139,644</u>
1,937	--	10,749	--	--	--	--
--	--	29,946	--	--	--	--
<u>1,937</u>	<u>--</u>	<u>40,695</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
543,766	27,205	4,350,248	14,409,564	4,987,599	15,674,655	--
--	--	--	--	--	--	--
<u>543,766</u>	<u>27,205</u>	<u>4,350,248</u>	<u>14,409,564</u>	<u>4,987,599</u>	<u>15,674,655</u>	<u>--</u>
<u>\$ 575,557</u>	<u>\$ 27,205</u>	<u>\$ 4,433,760</u>	<u>\$ 14,671,301</u>	<u>\$ 5,171,444</u>	<u>\$ 17,048,502</u>	<u>\$ 139,644</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2014**

	<u>Special Revenue</u>			<u>Debt Service</u>
	<u>Lafayette- Main Economic Development District</u>	<u>Dawnadele Economic Development District</u>	<u>Total</u>	<u>City Sales Tax Bonds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 7,268	\$ 114,324	\$ 25,497,070	\$ 4,744,182
Investments	--	--	26,171,972	517,246
Property taxes receivable - net	--	--	7,242,340	--
Sales taxes receivable	5,278	131,633	1,649,370	--
Accounts receivable	--	--	2,247,590	--
Accrued interest receivable	--	--	17,575	124
Due from other governments	--	--	22,850,519	--
Total assets	<u>\$ 12,546</u>	<u>\$ 245,957</u>	<u>\$ 85,676,436</u>	<u>\$ 5,261,552</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	\$ 12,546	\$ 245,957	\$ 3,147,453	\$ --
Due to other funds	--	--	8,787,264	--
Due to other governments	--	--	313,036	--
Accrued salaries payable	--	--	1,592,600	--
Total liabilities	<u>12,546</u>	<u>245,957</u>	<u>13,840,353</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	--	--	834,079	--
Unavailable revenue - revenue sharing	--	--	77,028	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>911,107</u>	<u>--</u>
<b>FUND BALANCES (Note 14):</b>				
Restricted	--	--	62,969,653	5,261,552
Committed	--	--	7,955,323	--
Total fund balances	<u>--</u>	<u>--</u>	<u>70,924,976</u>	<u>5,261,552</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 12,546</u>	<u>\$ 245,957</u>	<u>\$ 85,676,436</u>	<u>\$ 5,261,552</u>

The accompanying notes are an integral part of this statement.

<b>Debt Service</b>						
<b>Parish Sales Tax Bonds</b>	<b>Taxable Refunding Bonds</b>	<b>Road and Street Improvement</b>	<b>LCDA Road and Street Improvement Project</b>	<b>Excess Revenue and Limited Tax</b>	<b>Total</b>	<b>Total Nonmajor Governmental Funds</b>
\$ --	\$ --	\$ 3,973,513	\$ 1,092,898	\$ --	\$ 9,810,593	\$ 35,307,663
--	--	3,257,129	--	--	3,774,375	29,946,347
--	--	--	--	--	--	7,242,340
--	--	--	--	--	--	1,649,370
1,380	--	--	--	--	1,380	2,248,970
--	--	673	105	--	902	18,477
--	--	--	--	--	--	22,850,519
<u>\$ 1,380</u>	<u>\$ --</u>	<u>\$ 7,231,315</u>	<u>\$ 1,093,003</u>	<u>\$ --</u>	<u>\$ 13,587,250</u>	<u>\$ 99,263,686</u>
\$ --	\$ --	\$ 178,689	\$ --	\$ --	\$ 178,689	\$ 3,326,142
1,380	--	.	--	--	1,380	8,788,644
--	--	--	--	--	--	313,036
--	--	--	--	--	--	1,592,600
<u>1,380</u>	<u>--</u>	<u>178,689</u>	<u>--</u>	<u>--</u>	<u>180,069</u>	<u>14,020,422</u>
--	--	--	--	--	--	834,079
--	--	--	--	--	--	77,028
--	--	--	--	--	--	911,107
--	--	7,052,626	1,093,003	--	13,407,181	76,376,834
--	--	--	--	--	--	7,955,323
<u>--</u>	<u>--</u>	<u>7,052,626</u>	<u>1,093,003</u>	<u>--</u>	<u>13,407,181</u>	<u>84,332,157</u>
<u>\$ 1,380</u>	<u>\$ --</u>	<u>\$ 7,231,315</u>	<u>\$ 1,093,003</u>	<u>\$ --</u>	<u>\$ 13,587,250</u>	<u>\$ 99,263,686</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Special Revenue</u>			
	<u>Civil Juror Compensation</u>	<u>Criminal Juror Compensation</u>	<u>City Constable Court Costs</u>	<u>Mosquito Abatement and Rodent Control</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ --	\$ --	\$ --	\$ 5,403,897
Sales	--	--	--	--
Occupancy	--	--	--	--
Intergovernmental revenues	--	--	--	--
Charges for services	57,638	280,661	875,728	--
Fines and forfeits	--	--	98,566	--
Investment earnings	94	277	226	6,341
Miscellaneous revenues	--	--	--	--
Total revenues	<u>57,732</u>	<u>280,938</u>	<u>974,520</u>	<u>5,410,238</u>
<b>EXPENDITURES</b>				
Current:				
General government	78,551	258,441	751,921	--
Public safety	--	--	--	--
Transportation	--	--	--	--
Health and welfare	--	--	--	4,453,346
Conservation and development	--	--	--	--
Debt service:				
Principal retirement	--	--	--	--
Interest and fiscal charges	--	--	--	--
Capital outlay	--	--	12,951	177,759
Intergovernmental	--	--	--	--
Total expenditures	<u>78,551</u>	<u>258,441</u>	<u>764,872</u>	<u>4,631,105</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(20,819)</u>	<u>22,497</u>	<u>209,648</u>	<u>779,133</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	--	--	--
Transfers out	--	--	(15,306)	(6,624,599)
Proceeds of capital asset disposition	--	--	--	37,383
Total other financing sources and uses	<u>--</u>	<u>--</u>	<u>(15,306)</u>	<u>(6,587,216)</u>
Net change in fund balances	(20,819)	22,497	194,342	(5,808,083)
Fund balances, January 1	<u>100,839</u>	<u>284,566</u>	<u>74,590</u>	<u>10,453,443</u>
Fund balances, December 31	<u>\$ 80,020</u>	<u>\$ 307,063</u>	<u>\$ 268,932</u>	<u>\$ 4,645,360</u>

The accompanying notes are an integral part of this statement.

Continued

## Special Revenue

<u>Downtown Development District</u>	<u>Gaming Enforcement Division</u>	<u>City Court Judicial Building</u>	<u>Federal Forfeited Property</u>	<u>E.B.R. Parish Communications District</u>	<u>Emergency Medical Services</u>	<u>B. R. Fire Department Pay Enhancement</u>
\$ 495,314	\$ --	\$ --	\$ --	\$ --	\$ 11,997,897	\$ 10,992,292
--	--	--	--	--	--	--
--	600	--	--	--	781,657	--
--	139,954	468,947	--	5,581,473	11,107,014	--
--	--	--	242,479	--	--	--
343	189	597	956	10,306	11,084	(900)
--	--	--	--	--	56,769	--
<u>495,657</u>	<u>140,743</u>	<u>469,544</u>	<u>243,435</u>	<u>5,591,779</u>	<u>23,954,421</u>	<u>10,991,392</u>
--	129,692	535,624	--	--	--	--
--	--	--	385,844	5,586,686	20,725,160	10,692,972
--	--	--	--	--	--	--
633,543	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	217,981	73,783	593,365	--
--	--	--	--	--	--	--
<u>633,543</u>	<u>129,692</u>	<u>535,624</u>	<u>603,825</u>	<u>5,660,469</u>	<u>21,318,525</u>	<u>10,692,972</u>
(137,886)	11,051	(66,080)	(360,390)	(68,690)	2,635,896	298,420
142,500	--	--	--	873,200	55,261	--
(211)	--	--	--	(5,138,226)	(982,360)	--
--	--	--	--	115	8,495	--
<u>142,289</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>(4,264,911)</u>	<u>(918,604)</u>	<u>--</u>
4,403	11,051	(66,080)	(360,390)	(4,333,601)	1,717,292	298,420
419,868	172,161	510,443	712,599	10,536,084	13,315,029	1,436,656
<u>\$ 424,271</u>	<u>\$ 183,212</u>	<u>\$ 444,363</u>	<u>\$ 352,209</u>	<u>\$ 6,202,483</u>	<u>\$ 15,032,321</u>	<u>\$ 1,735,076</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Special Revenue</u>			
	<u>District No. 1 Fire Protection District</u>	<u>Brownsfield Fire Protection District</u>	<u>Chaneyville Fire Protection District</u>	<u>Pride Fire Protection District</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ 335,183	\$ 528,333	\$ 146,998	\$ 119,753
Sales	--	--	--	--
Occupancy	--	--	--	--
Intergovernmental revenues	27,782	138,202	15,989	16,537
Charges for services	64,566	101,475	45,266	52,642
Fines and forfeits	--	--	--	--
Investment earnings	167	145	101	389
Miscellaneous revenues	--	18,073	7,333	5,462
Total revenues	<u>427,698</u>	<u>786,228</u>	<u>215,687</u>	<u>194,783</u>
<b>EXPENDITURES</b>				
Current:				
General government	--	--	--	--
Public safety	377,505	759,981	254,810	169,235
Transportation	--	--	--	--
Health and welfare	--	--	--	--
Conservation and development	--	--	--	--
Debt service:				
Principal retirement	--	--	--	10,600
Interest and fiscal charges	--	--	--	2,604
Capital outlay	--	--	--	--
Intergovernmental	--	--	--	--
Total expenditures	<u>377,505</u>	<u>759,981</u>	<u>254,810</u>	<u>182,439</u>
Excess (deficiency) of revenues over (under) expenditures	<u>50,193</u>	<u>26,247</u>	<u>(39,123)</u>	<u>12,344</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	16,250	35,860	28,291
Transfers out	--	--	--	--
Proceeds of capital asset disposition	--	--	--	--
Total other financing sources and uses	<u>--</u>	<u>16,250</u>	<u>35,860</u>	<u>28,291</u>
Net change in fund balances	50,193	42,497	(3,263)	40,635
Fund balances, January 1	<u>399,643</u>	<u>215,519</u>	<u>141,846</u>	<u>369,559</u>
Fund balances, December 31	<u>\$ 449,836</u>	<u>\$ 258,016</u>	<u>\$ 138,583</u>	<u>\$ 410,194</u>

The accompanying notes are an integral part of this statement.

Continued

<b>Special Revenue</b>						
<b>Alsen- St. Irma Lee Fire Protection District</b>	<b>Sobriety Court</b>	<b>Consolidated Road Lighting District No. 1</b>	<b>Parish Transportation</b>	<b>Parish Beautification</b>	<b>Parish Street Maintenance</b>	<b>Capital House Economic Development District</b>
\$ 258,742	\$ --	\$ 545,627	\$ --	\$ --	\$ --	\$ --
--	--	--	--	1,206,766	14,217,694	85,712
--	--	--	--	--	--	711,168
4,854	--	50,643	2,848,145	--	--	--
13,242	27,198	--	--	--	--	--
--	--	--	--	--	--	--
523	7	4,540	14,624	4,984	15,963	--
12,075	--	--	--	--	--	--
<u>289,436</u>	<u>27,205</u>	<u>600,810</u>	<u>2,862,769</u>	<u>1,211,750</u>	<u>14,233,657</u>	<u>796,880</u>
--	--	--	--	--	--	--
283,461	--	--	--	--	--	--
--	--	555,349	489,451	331,869	10,127,541	--
--	--	--	--	--	--	--
--	--	--	--	--	--	796,880
--	--	--	--	--	--	--
--	--	--	--	--	--	--
22,750	--	--	787,446	256,247	--	--
--	--	--	550,000	--	--	--
<u>306,211</u>	<u>--</u>	<u>555,349</u>	<u>1,826,897</u>	<u>588,116</u>	<u>10,127,541</u>	<u>796,880</u>
(16,775)	27,205	45,461	1,035,872	623,634	4,106,116	--
24,510	--	--	--	--	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
<u>24,510</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
7,735	27,205	45,461	1,035,872	623,634	4,106,116	--
536,031	--	4,304,787	13,373,692	4,363,965	11,568,539	--
<u>\$ 543,766</u>	<u>\$ 27,205</u>	<u>\$ 4,350,248</u>	<u>\$ 14,409,564</u>	<u>\$ 4,987,599</u>	<u>\$ 15,674,655</u>	<u>\$ --</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>Special Revenue</u>			<u>Debt Service</u>
	<u>Lafayette- Main Economic Development District</u>	<u>Dawnadele Economic Development District</u>	<u>Total</u>	<u>City Sales Tax Bonds</u>
<b>REVENUES</b>				
Taxes:				
Property	\$ --	\$ --	\$ 30,824,036	\$ --
Sales	91,380	876,321	16,477,873	4,795,515
Occupancy	--	--	711,168	--
Intergovernmental revenues	--	--	3,884,409	--
Charges for services	--	--	18,815,804	--
Fines and forfeits	--	--	341,045	--
Investment earnings	--	--	70,956	4,623
Miscellaneous revenues	--	--	99,712	--
Total revenues	<u>91,380</u>	<u>876,321</u>	<u>71,225,003</u>	<u>4,800,138</u>
<b>EXPENDITURES</b>				
Current:				
General government	--	--	1,754,229	--
Public safety	--	--	39,235,654	--
Transportation	--	--	11,504,210	--
Health and welfare	--	--	4,453,346	--
Conservation and development	91,380	876,321	2,398,124	--
Debt service:				
Principal retirement	--	--	10,600	3,830,000
Interest and fiscal charges	--	--	2,604	963,513
Capital outlay	--	--	2,142,282	--
Intergovernmental	--	--	550,000	--
Total expenditures	<u>91,380</u>	<u>876,321</u>	<u>62,051,049</u>	<u>4,793,513</u>
Excess (deficiency) of revenues over (under) expenditures	<u>--</u>	<u>--</u>	<u>9,173,954</u>	<u>6,625</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	--	1,175,872	--
Transfers out	--	--	(12,760,702)	--
Proceeds of capital asset disposition	--	--	45,993	--
Total other financing sources and uses	<u>--</u>	<u>--</u>	<u>(11,538,837)</u>	<u>--</u>
Net change in fund balances	--	--	(2,364,883)	6,625
Fund balances, January 1	<u>--</u>	<u>--</u>	<u>73,289,859</u>	<u>5,254,927</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 70,924,976</u>	<u>\$ 5,261,552</u>

The accompanying notes are an integral part of this statement.

<b>Debt Service</b>						
<b>Parish Sales Tax Bonds</b>	<b>Taxable Refunding Bonds</b>	<b>Road and Street Improvement</b>	<b>LCDA Road and Street Improvement Project</b>	<b>Excess Revenue and Limited Tax</b>	<b>Total</b>	<b>Total Nonmajor Governmental Funds</b>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 30,824,036
753,647	--	17,699,933	2,624,475	--	25,873,570	42,351,443
--	--	--	--	--	--	711,168
--	--	--	--	--	--	3,884,409
--	--	--	--	--	--	18,815,804
--	--	--	--	--	--	341,045
--	--	10,252	1,698	--	16,573	87,529
17,480	--	--	--	204,161	221,641	321,353
<u>771,127</u>	<u>--</u>	<u>17,710,185</u>	<u>2,626,173</u>	<u>204,161</u>	<u>26,111,784</u>	<u>97,336,787</u>
--	--	--	--	--	--	1,754,229
--	--	--	--	--	--	39,235,654
--	--	--	--	--	--	11,504,210
--	--	--	--	--	--	4,453,346
--	--	--	--	--	--	2,398,124
525,000	3,010,000	7,925,000	1,290,000	240,686	16,820,686	16,831,286
257,167	1,771,905	9,775,390	1,336,506	16,411	14,120,892	14,123,496
--	--	--	--	--	--	2,142,282
--	--	--	--	--	--	550,000
<u>782,167</u>	<u>4,781,905</u>	<u>17,700,390</u>	<u>2,626,506</u>	<u>257,097</u>	<u>30,941,578</u>	<u>92,992,627</u>
(11,040)	(4,781,905)	9,795	(333)	(52,936)	(4,829,794)	4,344,160
--	4,781,905	--	--	52,936	4,834,841	6,010,713
--	--	--	--	--	--	(12,760,702)
--	--	--	--	--	--	45,993
<u>--</u>	<u>4,781,905</u>	<u>--</u>	<u>--</u>	<u>52,936</u>	<u>4,834,841</u>	<u>(6,703,996)</u>
(11,040)	--	9,795	(333)	--	5,047	(2,359,836)
11,040	--	7,042,831	1,093,336	--	13,402,134	86,691,993
<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,052,626</u>	<u>\$ 1,093,003</u>	<u>\$ --</u>	<u>\$ 13,407,181</u>	<u>\$ 84,332,157</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**CAPITAL PROJECTS FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FROM INCEPTION AND FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 3

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Project Authorization</u>
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 3,835	\$ --	\$ 3,835	\$ 3,835
General sales and use taxes	243,007,679	7,833,466	250,841,145	246,689,774
Total taxes	<u>243,011,514</u>	<u>7,833,466</u>	<u>250,844,980</u>	<u>246,693,609</u>
Intergovernmental revenues:				
Federal grants:				
U.S. Federal Transit Authority	770,149	--	770,149	770,149
U. S. Department of HUD	223,538	--	223,538	223,538
State grants:				
Department of Public Safety and Corrections	151,351	--	151,351	151,351
Department of Transportation and Development	86,716,712	8,658,104	95,374,816	101,403,996
Louisiana State Capital Outlay Bill	15,195,297	852,186	16,047,483	16,507,593
Department of Culture, Recreation and Tourism	1,872	--	1,872	181,090
Department of Treasury	1,873,350	55,000	1,928,350	1,928,350
Department of Economic Development	1,400,000	--	1,400,000	1,400,000
Capital Area Transit System	706,105	--	706,105	706,105
E.B.R. Parish Sheriff	500,000	--	500,000	500,000
E.B.R. Redevelopment Authority	1,872	360	2,232	89,300
E.B.R. Mortgage Finance Authority	250,000	--	250,000	250,000
Other governmental agencies	406,830	--	406,830	541,340
Total intergovernmental revenues	<u>108,197,076</u>	<u>9,565,650</u>	<u>117,762,726</u>	<u>124,652,812</u>
Investment earnings	<u>48,404,368</u>	<u>126,334</u>	<u>48,530,702</u>	<u>46,918,949</u>
Miscellaneous revenues:				
Private developer impact fees	5,239,016	1,365,975	6,604,991	3,285,431
Contributions from private business	4,084,239	--	4,084,239	2,881,087
Other miscellaneous revenues	1,188,208	--	1,188,208	1,181,120
Total miscellaneous revenues	<u>10,511,463</u>	<u>1,365,975</u>	<u>11,877,438</u>	<u>7,347,638</u>
Total revenues	<u>410,124,421</u>	<u>18,891,425</u>	<u>429,015,846</u>	<u>425,613,008</u>
<b>EXPENDITURES</b>				
Land	92,361,845	2,417,805	94,779,650	110,182,155
Buildings	141,485,886	7,221,772	148,707,658	186,595,293
Improvements other than buildings	579,826,677	30,773,506	610,600,183	689,329,657
Equipment	54,946,634	4,670,949	59,617,583	67,997,439
Other	9,566,932	66,938	9,633,870	9,651,163
Total expenditures	<u>878,187,974</u>	<u>45,150,970</u>	<u>923,338,944</u>	<u>1,063,755,707</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(468,063,553)</u>	<u>(26,259,545)</u>	<u>(494,323,098)</u>	<u>(638,142,699)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	322,719,447	18,543,059	341,262,506	341,262,507
Transfers out	(4,460,381)	(25,746)	(4,486,127)	(4,606,955)
Issuance of long term debt	281,835,000	4,600,000	286,435,000	288,835,000
Premium on long term debt	7,888,563	--	7,888,563	7,888,563
Increase in long term lease	4,763,584	--	4,763,584	4,763,584
Proceeds of capital asset disposition	278,893	5,000	283,893	--
Total other financing sources and uses	<u>613,025,106</u>	<u>23,122,313</u>	<u>636,147,419</u>	<u>638,142,699</u>
Net change in fund balances	<u>\$ 144,961,553</u>	<u>(3,137,232)</u>	<u>\$ 141,824,321</u>	<u>\$ --</u>
Fund Balances, January 1		<u>144,961,553</u>		
Fund Balances, December 31		<u>\$ 141,824,321</u>		

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CIVIL JUROR COMPENSATION SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 4

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services:				
Civil juror fees	\$ 60,000	\$ 53,000	\$ 57,638	\$ 4,638
Investment earnings	--	--	94	94
Total revenues	60,000	53,000	57,732	4,732
<b>EXPENDITURES</b>				
Current:				
General government:				
Juror compensation	90,000	90,000	78,551	11,449
Excess (deficiency) of revenues over (under) expenditures	(30,000)	(37,000)	(20,819)	16,181
Fund balances, January 1	100,839	100,839	100,839	--
Fund balances, December 31	<u>\$ 70,839</u>	<u>\$ 63,839</u>	<u>\$ 80,020</u>	<u>\$ 16,181</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CRIMINAL JUROR COMPENSATION SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 5

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services:				
Criminal juror fees	\$ 288,000	\$ 278,500	\$ 280,661	\$ 2,161
Investment earnings	--	--	277	277
Total revenues	288,000	278,500	280,938	2,438
<b>EXPENDITURES</b>				
Current:				
General government:				
Juror compensation	288,000	302,000	258,441	43,559
Excess (deficiency) of revenues over (under) expenditures	--	(23,500)	22,497	45,997
Fund balances, January 1	284,566	284,566	284,566	--
Fund balances, December 31	<u>\$ 284,566</u>	<u>\$ 261,066</u>	<u>\$ 307,063</u>	<u>\$ 45,997</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CITY CONSTABLE COURT COSTS SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 6

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenues:				
State shared revenues:				
On-behalf payments	\$ 6,000	\$ 6,000	\$ --	\$ (6,000)
Charges for services:				
Judiciary court costs	650,000	650,000	620,731	(29,269)
Criminal bond posting fees	83,000	83,000	129,790	46,790
School security fees	17,000	17,000	19,035	2,035
Constable bench warrant fees	22,000	22,000	26,822	4,822
Evidence testing	66,000	66,000	79,350	13,350
Total charges for services	<u>838,000</u>	<u>838,000</u>	<u>875,728</u>	<u>37,728</u>
Fines and forfeits:				
City court forfeitures	48,000	48,000	98,566	50,566
Investment earnings	--	--	226	226
Total revenues	<u>892,000</u>	<u>892,000</u>	<u>974,520</u>	<u>82,520</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Judicial	896,874	868,922	752,399	116,523
Capital outlay	--	12,951	12,951	--
Total expenditures	<u>896,874</u>	<u>881,873</u>	<u>765,350</u>	<u>116,523</u>
Excess (deficiency) of revenues over (under) expenditures	(4,874)	10,127	209,170	199,043
<b>OTHER FINANCING USES</b>				
Transfers out:				
Grants Fund	--	(15,306)	(15,306)	--
Net change in fund balances	(4,874)	(5,179)	193,864	199,043
Fund balances, January 1	74,590	74,590	74,590	--
Fund balances, December 31	<u>\$ 69,716</u>	<u>\$ 69,411</u>	<u>\$ 268,454</u>	<u>\$ 199,043</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**MOSQUITO ABATEMENT AND RODENT CONTROL SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 7

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 5,180,280	\$ 5,180,280	\$ 5,403,897	\$ 223,617
Investment earnings	<u>10,000</u>	<u>10,000</u>	<u>6,341</u>	<u>(3,659)</u>
Total revenues	<u>5,190,280</u>	<u>5,190,280</u>	<u>5,410,238</u>	<u>219,958</u>
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Operations	4,838,882	4,850,881	4,478,772	372,109
Capital outlay	<u>459,650</u>	<u>447,650</u>	<u>177,759</u>	<u>269,891</u>
Total expenditures	<u>5,298,532</u>	<u>5,298,531</u>	<u>4,656,531</u>	<u>642,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(108,252)</u>	<u>(108,251)</u>	<u>753,707</u>	<u>861,958</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Grants Fund	--	(124,599)	(124,599)	--
Capital Projects Fund	<u>--</u>	<u>(6,500,000)</u>	<u>(6,500,000)</u>	<u>--</u>
Total transfers out	<u>--</u>	<u>(6,624,599)</u>	<u>(6,624,599)</u>	<u>--</u>
Proceeds of capital asset disposition	<u>1,500</u>	<u>1,500</u>	<u>37,383</u>	<u>35,883</u>
Total other financing sources and uses	<u>1,500</u>	<u>(6,623,099)</u>	<u>(6,587,216)</u>	<u>35,883</u>
Net change in fund balances	(106,752)	(6,731,350)	(5,833,509)	897,841
Fund balances, January 1	<u>10,453,443</u>	<u>10,453,443</u>	<u>10,453,443</u>	<u>--</u>
Fund balances, December 31	<u>\$ 10,346,691</u>	<u>\$ 3,722,093</u>	<u>\$ 4,619,934</u>	<u>\$ 897,841</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**DOWNTOWN DEVELOPMENT DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 8

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 488,730	\$ 488,730	\$ 495,314	\$ 6,584
Investment earnings	--	--	343	343
Miscellaneous revenues:				
Donations	1,000	1,000	--	(1,000)
Total revenues	489,730	489,730	495,657	5,927
<b>EXPENDITURES</b>				
Current:				
Conservation and development Operations	692,097	692,097	644,543	47,554
Excess (deficiency) of revenues over (under) expenditures	(202,367)	(202,367)	(148,886)	53,481
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	142,500	142,500	142,500	--
Transfers out:				
Grants Fund	--	(211)	(211)	--
Total other financing sources and uses	142,500	142,289	142,289	--
Net change in fund balances	(59,867)	(60,078)	(6,597)	53,481
Fund balances, January 1	419,868	419,868	419,868	--
Fund balances, December 31	\$ 360,001	\$ 359,790	\$ 413,271	\$ 53,481

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
GAMING ENFORCEMENT DIVISION SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 9

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenues:				
State shared revenues:				
On-behalf payments	\$ 600	\$ 600	\$ 600	\$ --
Charges for services:				
Gaming fees	150,000	135,000	139,954	4,954
Investment earnings	<u>300</u>	<u>300</u>	<u>189</u>	<u>(111)</u>
Total revenues	150,900	135,900	140,743	4,843
<b>EXPENDITURES</b>				
Current:				
General government:				
Operations	<u>150,900</u>	<u>150,900</u>	<u>129,692</u>	<u>21,208</u>
Excess (deficiency) of revenues over (under) expenditures	--	(15,000)	11,051	26,051
Fund balances, January 1	<u>172,161</u>	<u>172,161</u>	<u>172,161</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 172,161</u></u>	<u><u>\$ 157,161</u></u>	<u><u>\$ 183,212</u></u>	<u><u>\$ 26,051</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CITY COURT JUDICIAL BUILDING SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 10

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services:				
Civil and traffic fees	\$ 480,000	\$ 460,000	\$ 468,947	\$ 8,947
Investment earnings	--	--	597	597
Total revenues	<u>480,000</u>	<u>460,000</u>	<u>469,544</u>	<u>9,544</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Judicial	669,840	684,840	556,180	128,660
Capital outlay	<u>100,700</u>	<u>85,700</u>	<u>--</u>	<u>85,700</u>
Total expenditures	<u>770,540</u>	<u>770,540</u>	<u>556,180</u>	<u>214,360</u>
Excess (deficiency) of revenues over (under) expenditures	(290,540)	(310,540)	(86,636)	223,904
Fund balances, January 1	<u>510,443</u>	<u>510,443</u>	<u>510,443</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 219,903</u></u>	<u><u>\$ 199,903</u></u>	<u><u>\$ 423,807</u></u>	<u><u>\$ 223,904</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FEDERAL FORFEITED PROPERTY SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 11

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Fines and forfeits:				
Forfeited property	\$ 750,000	\$ 230,000	\$ 242,479	\$ 12,479
Investment earnings	--	--	956	956
Total revenues	<u>750,000</u>	<u>230,000</u>	<u>243,435</u>	<u>13,435</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Dedicated funds	704,527	390,256	390,534	(278)
Capital outlay	<u>525,418</u>	<u>554,508</u>	<u>217,981</u>	<u>336,527</u>
Total expenditures	<u>1,229,945</u>	<u>944,764</u>	<u>608,515</u>	<u>336,249</u>
Excess (deficiency) of revenues over (under) expenditures	(479,945)	(714,764)	(365,080)	349,684
Fund balances, January 1	<u>712,599</u>	<u>712,599</u>	<u>712,599</u>	--
Fund balances, December 31	<u><u>\$ 232,654</u></u>	<u><u>\$ (2,165)</u></u>	<u><u>\$ 347,519</u></u>	<u><u>\$ 349,684</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**EAST BATON ROUGE PARISH COMMUNICATIONS DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 12

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services:				
Enhanced 911	\$ 5,557,200	\$ 5,357,200	\$ 5,581,473	\$ 224,273
Investment earnings	<u>15,000</u>	<u>15,000</u>	<u>10,306</u>	<u>(4,694)</u>
Total revenues	<u>5,572,200</u>	<u>5,372,200</u>	<u>5,591,779</u>	<u>219,579</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Communications	6,645,964	6,645,964	5,590,189	1,055,775
Capital outlay	<u>5,289,788</u>	<u>189,788</u>	<u>147,730</u>	<u>42,058</u>
Total expenditures	<u>11,935,752</u>	<u>6,835,752</u>	<u>5,737,919</u>	<u>1,097,833</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,363,552)</u>	<u>(1,463,552)</u>	<u>(146,140)</u>	<u>1,317,412</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Emergency Medical Services Fund	<u>873,200</u>	<u>873,200</u>	<u>873,200</u>	<u>--</u>
Transfers out:				
Grants Fund	--	(38,226)	(38,226)	--
Capital Projects Fund	--	(5,100,000)	(5,100,000)	--
Total transfers out	<u>--</u>	<u>(5,138,226)</u>	<u>(5,138,226)</u>	<u>--</u>
Proceeds of capital asset disposition	<u>--</u>	<u>--</u>	<u>115</u>	<u>115</u>
Total other financing sources and uses	<u>873,200</u>	<u>(4,265,026)</u>	<u>(4,264,911)</u>	<u>115</u>
Net change in fund balances	(5,490,352)	(5,728,578)	(4,411,051)	1,317,527
Fund balances, January 1	<u>10,536,084</u>	<u>10,536,084</u>	<u>10,536,084</u>	<u>--</u>
Fund balances, December 31	<u>\$ 5,045,732</u>	<u>\$ 4,807,506</u>	<u>\$ 6,125,033</u>	<u>\$ 1,317,527</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EMERGENCY MEDICAL SERVICES SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 13

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 11,497,320	\$ 11,497,320	\$ 11,997,897	\$ 500,577
Intergovernmental revenues:				
Medicaid supplemental payment program	538,180	538,180	781,657	243,477
Charges for services:				
Emergency transport charges	10,309,940	10,309,940	10,026,670	(283,270)
Medicaid supplemental payments for ambulances	--	--	994,836	994,836
EMS training fees	--	--	39,305	39,305
CPR card and medical record fees	--	--	46,203	46,203
Total charges for services	<u>10,309,940</u>	<u>10,309,940</u>	<u>11,107,014</u>	<u>797,074</u>
Investment earnings	15,000	15,000	11,084	(3,916)
Miscellaneous revenues:				
Other income	60,000	60,000	56,769	(3,231)
Total revenues	<u>22,420,440</u>	<u>22,420,440</u>	<u>23,954,421</u>	<u>1,533,981</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	21,494,645	20,944,645	20,770,022	174,623
Capital outlay	629,270	1,916,270	593,365	1,322,905
Total expenditures	<u>22,123,915</u>	<u>22,860,915</u>	<u>21,363,387</u>	<u>1,497,528</u>
Excess (deficiency) of revenues over (under) expenditures	<u>296,525</u>	<u>(440,475)</u>	<u>2,591,034</u>	<u>3,031,509</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Grants Fund	--	55,261	55,261	--
Transfers out:				
General Fund	(90,000)	(90,000)	(90,000)	--
Grants Fund	--	(19,160)	(19,160)	
East Baton Rouge Parish Communications District	<u>(873,200)</u>	<u>(873,200)</u>	<u>(873,200)</u>	<u>--</u>
Total transfers out	<u>(963,200)</u>	<u>(982,360)</u>	<u>(982,360)</u>	<u>--</u>
Proceeds of capital asset disposition	--	--	8,495	8,495
Total other financing sources and uses	<u>(963,200)</u>	<u>(927,099)</u>	<u>(918,604)</u>	<u>8,495</u>
Net change in fund balances	(666,675)	(1,367,574)	1,672,430	3,040,004
Fund balances, January 1	13,315,029	13,315,029	13,315,029	--
Fund balances, December 31	<u>\$ 12,648,354</u>	<u>\$ 11,947,455</u>	<u>\$ 14,987,459</u>	<u>\$ 3,040,004</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**BATON ROUGE FIRE DEPARTMENT PAY ENHANCEMENT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 14

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 10,671,400	\$ 10,671,400	\$ 10,992,292	\$ 320,892
Investment earnings	(10,000)	(10,000)	(900)	9,100
Total revenues	10,661,400	10,661,400	10,991,392	329,992
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	11,030,670	11,030,670	10,692,972	337,698
Excess (deficiency) of revenues over (under) expenditures	(369,270)	(369,270)	298,420	667,690
Fund balances, January 1	1,436,656	1,436,656	1,436,656	--
Fund balances, December 31	<u>\$ 1,067,386</u>	<u>\$ 1,067,386</u>	<u>\$ 1,735,076</u>	<u>\$ 667,690</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**DISTRICT NO. 1 FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 15

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 296,670	\$ 296,670	\$ 335,183	\$ 38,513
Intergovernmental revenues:				
Insurance company taxes	--	--	27,782	27,782
Charges for services:				
Fire protection service charges	58,840	58,840	64,566	5,726
Investment earnings	330	330	167	(163)
Total revenues	355,840	355,840	427,698	71,858
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	355,840	385,708	377,505	8,203
Excess (deficiency) of revenues over (under) expenditures	--	(29,868)	50,193	80,061
Fund balances, January 1	399,643	399,643	399,643	--
Fund balances, December 31	\$ 399,643	\$ 369,775	\$ 449,836	\$ 80,061

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**BROWNSFIELD FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 16

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 524,460	\$ 524,460	\$ 528,333	\$ 3,873
Intergovernmental revenues:				
Insurance company taxes	27,730	27,730	33,870	6,140
Louisiana revenue sharing	81,320	81,320	80,332	(988)
On-behalf payments for salaries and benefits	24,000	24,000	24,000	--
Total intergovernmental revenues	<u>133,050</u>	<u>133,050</u>	<u>138,202</u>	<u>5,152</u>
Charges for services:				
Fire protection service charges	94,190	94,190	101,475	7,285
Investment earnings	70	70	145	75
Miscellaneous revenues:				
Other income	--	18,000	18,073	73
Total revenues	<u>751,770</u>	<u>769,770</u>	<u>786,228</u>	<u>16,458</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	768,020	786,020	759,981	26,039
Capital outlay	--	--	6,800	(6,800)
Total expenditures	<u>768,020</u>	<u>786,020</u>	<u>766,781</u>	<u>19,239</u>
Excess (deficiency) of revenues over (under) expenditures	(16,250)	(16,250)	19,447	35,697
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	16,250	16,250	16,250	--
Net change in fund balances	--	--	35,697	35,697
Fund balances, January 1	<u>215,519</u>	<u>215,519</u>	<u>215,519</u>	<u>--</u>
Fund balances, December 31	<u>\$ 215,519</u>	<u>\$ 215,519</u>	<u>\$ 251,216</u>	<u>\$ 35,697</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CHANEYVILLE FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 17

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 141,560	\$ 141,560	\$ 146,998	\$ 5,438
Intergovernmental revenues:				
Insurance company taxes	14,820	14,820	15,989	1,169
Charges for services:				
Fire protection service charges	43,340	43,340	45,266	1,926
Investment earnings	90	90	101	11
Miscellaneous revenues:				
Other income	--	--	7,333	7,333
Total revenues	199,810	199,810	215,687	15,877
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	235,670	264,670	254,810	9,860
Excess (deficiency) of revenues over (under) expenditures	(35,860)	(64,860)	(39,123)	25,737
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	35,860	35,860	35,860	--
Net change in fund balances	--	(29,000)	(3,263)	25,737
Fund balances, January 1	141,846	141,846	141,846	--
Fund balances, December 31	<u>\$ 141,846</u>	<u>\$ 112,846</u>	<u>\$ 138,583</u>	<u>\$ 25,737</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PRIDE FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 18

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 99,960	\$ 99,960	\$ 119,753	\$ 19,793
Intergovernmental revenues:				
Insurance company taxes	14,850	14,850	16,537	1,687
Charges for services:				
Fire protection service charges	49,290	49,290	52,642	3,352
Investment earnings	410	410	389	(21)
Miscellaneous revenues:				
Other income	--	--	5,462	5,462
Total revenues	<u>164,510</u>	<u>164,510</u>	<u>194,783</u>	<u>30,273</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	<u>165,520</u>	<u>179,320</u>	<u>169,440</u>	<u>9,880</u>
Debt service:				
Principal retirement	10,600	10,600	10,600	--
Interest and fiscal charges	<u>7,390</u>	<u>7,390</u>	<u>2,604</u>	<u>4,786</u>
Total debt service	<u>17,990</u>	<u>17,990</u>	<u>13,204</u>	<u>4,786</u>
Capital outlay	<u>35,287</u>	<u>35,287</u>	<u>--</u>	<u>35,287</u>
Total expenditures	<u>218,797</u>	<u>232,597</u>	<u>182,644</u>	<u>49,953</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(54,287)</u>	<u>(68,087)</u>	<u>12,139</u>	<u>80,226</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	19,000	19,000	19,000	--
Grants Fund	--	9,291	9,291	--
Total transfers in	<u>19,000</u>	<u>28,291</u>	<u>28,291</u>	<u>--</u>
Issuance of long-term debt	<u>35,287</u>	<u>35,287</u>	<u>--</u>	<u>(35,287)</u>
Total other financing sources	<u>54,287</u>	<u>63,578</u>	<u>28,291</u>	<u>(35,287)</u>
Net change in fund balances	--	(4,509)	40,430	44,939
Fund balances, January 1	<u>369,559</u>	<u>369,559</u>	<u>369,559</u>	<u>--</u>
Fund balances, December 31	<u>\$ 369,559</u>	<u>\$ 365,050</u>	<u>\$ 409,989</u>	<u>\$ 44,939</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**ALSEN-ST. IRMA LEE FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 19

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 217,060	\$ 217,060	\$ 258,742	\$ 41,682
Intergovernmental revenues:				
Insurance company taxes	7,700	7,700	4,854	(2,846)
Charges for services:				
Fire protection service charges	10,850	10,850	13,242	2,392
Investment earnings	700	700	523	(177)
Miscellaneous revenues:				
Other income	--	5,000	12,075	7,075
Total revenues	<u>236,310</u>	<u>241,310</u>	<u>289,436</u>	<u>48,126</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	260,820	330,277	305,322	24,955
Capital outlay	--	26,600	22,750	3,850
Total expenditures	<u>260,820</u>	<u>356,877</u>	<u>328,072</u>	<u>28,805</u>
Excess (deficiency) of revenues over (under) expenditures	(24,510)	(115,567)	(38,636)	76,931
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	24,510	24,510	24,510	--
Net change in fund balances	--	(91,057)	(14,126)	76,931
Fund balances, January 1	<u>536,031</u>	<u>536,031</u>	<u>536,031</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 536,031</u></u>	<u><u>\$ 444,974</u></u>	<u><u>\$ 521,905</u></u>	<u><u>\$ 76,931</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
SOBRIETY COURT SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 20

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Charges for services:				
Sobriety court costs	\$       --	\$       --	\$     27,198	\$     27,198
Investment earnings	--	--	7	7
Net change in fund balances	--	--	27,205	27,205
Fund balances, January 1	--	--	--	--
Fund balances, December 31	<u>\$       --</u>	<u>\$       --</u>	<u>\$     27,205</u>	<u>\$     27,205</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
CONSOLIDATED ROAD LIGHTING DISTRICT NO. 1 SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 21

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 588,920	\$ 544,420	\$ 545,627	\$ 1,207
Intergovernmental revenues:				
State shared revenues				
Louisiana revenue sharing	51,350	51,350	50,643	(707)
Investment earnings	<u>5,000</u>	<u>5,000</u>	<u>4,540</u>	<u>(460)</u>
Total revenues	645,270	600,770	600,810	40
<b>EXPENDITURES</b>				
Current:				
Transportation:				
Operations	<u>645,270</u>	<u>645,270</u>	<u>555,349</u>	<u>89,921</u>
Excess (deficiency) of revenues over (under) expenditures	--	(44,500)	45,461	89,961
Fund balances, January 1	<u>4,304,787</u>	<u>4,304,787</u>	<u>4,304,787</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 4,304,787</u></u>	<u><u>\$ 4,260,287</u></u>	<u><u>\$ 4,350,248</u></u>	<u><u>\$ 89,961</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PARISH TRANSPORTATION SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 22

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental revenues:				
State shared revenues				
State road fund	\$ 2,650,000	\$ 2,650,000	\$ 2,848,145	\$ 198,145
Investment earnings	<u>17,200</u>	<u>17,200</u>	<u>14,624</u>	<u>(2,576)</u>
Total revenues	<u>2,667,200</u>	<u>2,667,200</u>	<u>2,862,769</u>	<u>195,569</u>
<b>EXPENDITURES</b>				
Current:				
Transportation:				
Operations	775,000	775,000	495,951	279,049
Capital outlay	13,087,183	13,087,183	860,311	12,226,872
Intergovernmental	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>	<u>--</u>
Total expenditures	<u>14,412,183</u>	<u>14,412,183</u>	<u>1,906,262</u>	<u>12,505,921</u>
Excess (deficiency) of revenues over (under) expenditures	(11,744,983)	(11,744,983)	956,507	12,701,490
Fund balances, January 1	<u>13,373,692</u>	<u>13,373,692</u>	<u>13,373,692</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 1,628,709</u></u>	<u><u>\$ 1,628,709</u></u>	<u><u>\$ 14,330,199</u></u>	<u><u>\$ 12,701,490</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PARISH BEAUTIFICATION SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 23

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 1,177,030	\$ 1,177,030	\$ 1,206,766	\$ 29,736
Investment earnings	<u>7,500</u>	<u>7,500</u>	<u>4,984</u>	<u>(2,516)</u>
Total revenues	<u>1,184,530</u>	<u>1,184,530</u>	<u>1,211,750</u>	<u>27,220</u>
<b>EXPENDITURES</b>				
Current:				
Transportation: Operations	3,322,920	2,496,106	463,582	2,032,524
Capital outlay	<u>1,835,290</u>	<u>2,662,104</u>	<u>319,729</u>	<u>2,342,375</u>
Total expenditures	<u>5,158,210</u>	<u>5,158,210</u>	<u>783,311</u>	<u>4,374,899</u>
Excess (deficiency) of revenues over (under) expenditures	(3,973,680)	(3,973,680)	428,439	4,402,119
Fund balances, January 1	<u>4,363,965</u>	<u>4,363,965</u>	<u>4,363,965</u>	<u>--</u>
Fund balances, December 31	<u>\$ 390,285</u>	<u>\$ 390,285</u>	<u>\$ 4,792,404</u>	<u>\$ 4,402,119</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
PARISH STREET MAINTENANCE SPECIAL REVENUE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 24

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 13,642,740	\$ 13,934,740	\$ 14,217,694	\$ 282,954
Investment earnings	<u>10,000</u>	<u>10,000</u>	<u>15,963</u>	<u>5,963</u>
Total revenues	13,652,740	13,944,740	14,233,657	288,917
<b>EXPENDITURES</b>				
Current:				
Transportation:				
Street maintenance	<u>24,193,002</u>	<u>24,485,002</u>	<u>13,268,479</u>	<u>11,216,523</u>
Excess (deficiency) of revenues over (under) expenditures	(10,540,262)	(10,540,262)	965,178	11,505,440
Fund balances, January 1	<u>11,568,539</u>	<u>11,568,539</u>	<u>11,568,539</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 1,028,277</u></u>	<u><u>\$ 1,028,277</u></u>	<u><u>\$ 12,533,717</u></u>	<u><u>\$ 11,505,440</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CAPITOL HOUSE ECONOMIC DEVELOPMENT DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 25

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 99,720	\$ 99,720	\$ 85,712	\$ (14,008)
Occupancy taxes	<u>1,009,200</u>	<u>697,200</u>	<u>711,168</u>	<u>13,968</u>
Total taxes	1,108,920	796,920	796,880	(40)
<b>EXPENDITURES</b>				
Current:				
Conservation and development:				
Operations	<u>1,108,920</u>	<u>796,920</u>	<u>796,880</u>	<u>40</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**LAFAYETTE-MAIN ECONOMIC DEVELOPMENT DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 26

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 84,000	\$ 91,380	\$ 91,380	\$ --
<b>EXPENDITURES</b>				
Current:				
Conservation and development:				
Operations	<u>84,000</u>	<u>91,380</u>	<u>91,380</u>	<u>--</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**DAWNADELE ECONOMIC DEVELOPMENT DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 27

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 947,240	\$ 876,330	\$ 876,321	\$ (9)
<b>EXPENDITURES</b>				
Current:				
Conservation and development:				
Operations	<u>947,240</u>	<u>876,330</u>	<u>876,321</u>	<u>9</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>	<u><u>\$ --</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**CITY SALES TAX BONDS DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 28

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 4,791,950	\$ 4,791,950	\$ 4,795,515	\$ 3,565
Investment earnings	<u>8,200</u>	<u>8,200</u>	<u>4,623</u>	<u>(3,577)</u>
Total revenues	<u>4,800,150</u>	<u>4,800,150</u>	<u>4,800,138</u>	<u>(12)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	<u>3,830,000</u>	<u>3,830,000</u>	<u>3,830,000</u>	<u>--</u>
Interest and fiscal charges:				
Bond interest	963,300	963,300	963,288	12
Paying agent fees	<u>230</u>	<u>230</u>	<u>225</u>	<u>5</u>
Total interest and fiscal charges	<u>963,530</u>	<u>963,530</u>	<u>963,513</u>	<u>17</u>
Total expenditures	<u>4,793,530</u>	<u>4,793,530</u>	<u>4,793,513</u>	<u>17</u>
Excess (deficiency) of revenues over (under) expenditures	6,620	6,620	6,625	5
Fund balances, January 1	<u>5,254,927</u>	<u>5,254,927</u>	<u>5,254,927</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 5,261,547</u></u>	<u><u>\$ 5,261,547</u></u>	<u><u>\$ 5,261,552</u></u>	<u><u>\$ 5</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**PARISH SALES TAX BONDS DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 29

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 789,840	\$ 789,840	\$ 753,647	\$ (36,193)
Miscellaneous revenues:				
Other income	--	--	17,480	17,480
Total revenues	<u>789,840</u>	<u>789,840</u>	<u>771,127</u>	<u>(18,713)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	<u>525,000</u>	<u>525,000</u>	<u>525,000</u>	<u>--</u>
Interest and fiscal charges:				
Bond interest	262,740	262,740	255,067	7,673
Paying agent fees	<u>2,100</u>	<u>2,100</u>	<u>2,100</u>	<u>--</u>
Total interest and fiscal charges	<u>264,840</u>	<u>264,840</u>	<u>257,167</u>	<u>7,673</u>
Total expenditures	<u>789,840</u>	<u>789,840</u>	<u>782,167</u>	<u>7,673</u>
Excess (deficiency) of revenues over (under) expenditures	--	--	(11,040)	(11,040)
Fund balances, January 1	<u>11,040</u>	<u>11,040</u>	<u>11,040</u>	<u>--</u>
Fund balances, December 31	<u>\$ 11,040</u>	<u>\$ 11,040</u>	<u>\$ --</u>	<u>\$ (11,040)</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**TAXABLE REFUNDING BONDS DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 30

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	\$ 3,010,000	\$ 3,010,000	\$ 3,010,000	\$ --
Interest and fiscal charges:				
Bond interest	1,771,810	1,771,810	1,771,805	5
Paying agent fees	100	100	100	--
Total interest and fiscal charges	<u>1,771,910</u>	<u>1,771,910</u>	<u>1,771,905</u>	<u>5</u>
Total expenditures	4,781,910	4,781,910	4,781,905	5
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	<u>4,781,910</u>	<u>4,781,910</u>	<u>4,781,905</u>	<u>(5)</u>
Net change in fund balances	--	--	--	--
Fund balances, January 1	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
ROAD AND STREET IMPROVEMENT DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 31

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 18,028,650	\$ 17,702,970	\$ 17,699,933	\$ (3,037)
Investment earnings	12,800	11,300	10,252	(1,048)
Swap earnings	<u>130,930</u>	<u>106,630</u>	<u>106,623</u>	<u>(7)</u>
Total revenues	<u>18,172,380</u>	<u>17,820,900</u>	<u>17,816,808</u>	<u>(4,092)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	<u>7,925,000</u>	<u>7,925,000</u>	<u>7,925,000</u>	<u>--</u>
Interest and fiscal charges:				
Bond interest	5,426,820	5,250,540	5,250,529	11
Paying agent fees	<u>1,010,580</u>	<u>875,480</u>	<u>875,471</u>	<u>9</u>
Total interest and fiscal charges	<u>6,437,400</u>	<u>6,126,020</u>	<u>6,126,000</u>	<u>20</u>
Swap expenses	<u>3,756,020</u>	<u>3,756,020</u>	<u>3,756,013</u>	<u>7</u>
Total expenditures	<u>18,118,420</u>	<u>17,807,040</u>	<u>17,807,013</u>	<u>27</u>
Excess (deficiency) of revenues over (under) expenditures	53,960	13,860	9,795	(4,065)
Fund balances, January 1	<u>7,042,831</u>	<u>7,042,831</u>	<u>7,042,831</u>	<u>--</u>
Fund balances, December 31	<u>\$ 7,096,791</u>	<u>\$ 7,056,691</u>	<u>\$ 7,052,626</u>	<u>\$ (4,065)</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**  
**LCDA ROAD AND STREET IMPROVEMENT PROJECT DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 32

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 2,624,180	\$ 2,624,180	\$ 2,624,475	\$ 295
Investment earnings	<u>2,000</u>	<u>2,000</u>	<u>1,698</u>	<u>(302)</u>
Total revenues	<u>2,626,180</u>	<u>2,626,180</u>	<u>2,626,173</u>	<u>(7)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	<u>1,290,000</u>	<u>1,290,000</u>	<u>1,290,000</u>	<u>--</u>
Interest and fiscal charges:				
Bond interest	1,334,010	1,334,010	1,334,006	4
Paying agent fees	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>--</u>
Total interest and fiscal charges	<u>1,336,510</u>	<u>1,336,510</u>	<u>1,336,506</u>	<u>4</u>
Total expenditures	<u>2,626,510</u>	<u>2,626,510</u>	<u>2,626,506</u>	<u>4</u>
Excess (deficiency) of revenues over (under) expenditures	(330)	(330)	(333)	(3)
Fund balances, January 1	<u>1,093,336</u>	<u>1,093,336</u>	<u>1,093,336</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 1,093,006</u></u>	<u><u>\$ 1,093,006</u></u>	<u><u>\$ 1,093,003</u></u>	<u><u>\$ (3)</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
EXCESS REVENUE AND LIMITED TAX DEBT SERVICE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT B - 33

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis)</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Miscellaneous revenues:				
Contributions from government agencies	\$ 187,760	\$ 204,880	\$ 204,161	\$ (719)
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	240,690	240,690	240,686	4
Interest and fiscal charges:				
Bond interest	43,410	18,880	16,411	2,469
Total expenditures	284,100	259,570	257,097	2,473
Excess (deficiency) of revenues over (under) expenditures	(96,340)	(54,690)	(52,936)	1,754
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	96,340	54,690	52,936	(1,754)
Net change in fund balances	--	--	--	--
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ --	\$ --	\$ --

The accompanying notes are an integral part of this statement.

## NONMAJOR ENTERPRISE FUNDS

Enterprise funds account for operations: (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Baton Rouge River Center** accounts for the operation of a cultural and entertainment center composed of an arena, exhibition hall and theater of performing arts. Principal revenues of the fund are rents, commissions and governmental subsidies.

**Greater Baton Rouge Parking Authority** accounts for the operation of an off-street parking facility. Principal revenues of the fund are governmental subsidies and automobile parking fees.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2014**

EXHIBIT C - 1

	<b>Baton Rouge River Center</b>	<b>Greater Baton Rouge Parking Authority</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 863,456	\$ 1,825,986	\$ 2,689,442
Investments	--	2,059,091	2,059,091
Accounts receivable - net	1,106,790	41,319	1,148,109
Accrued interest receivable	9	1,370	1,379
Due from other governments (Note 11)	678,024	--	678,024
Prepaid items	255,888	--	255,888
Inventory	118,566	--	118,566
Total current assets	3,022,733	3,927,766	6,950,499
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	3,892,628	--	3,892,628
Investments	4,389,559	--	4,389,559
Accrued interest receivable	2,539	--	2,539
Total restricted assets	8,284,726	--	8,284,726
Capital assets:			
Land	1,024,914	1,629,303	2,654,217
Buildings	91,329,201	10,160,544	101,489,745
Improvements (other than buildings)	14,376,340	22,685	14,399,025
Equipment	1,159,859	11,696	1,171,555
Construction work in progress	229,354	43,500	272,854
Total capital assets	108,119,668	11,867,728	119,987,396
Accumulated depreciation	(58,802,514)	(10,194,925)	(68,997,439)
Net capital assets	49,317,154	1,672,803	50,989,957
Total noncurrent assets	57,601,880	1,672,803	59,274,683
Total assets	60,624,613	5,600,569	66,225,182

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2014**

EXHIBIT C - 1  
(Continued)

	<u>Baton Rouge River Center</u>	<u>Greater Baton Rouge Parking Authority</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	\$ 781,423	\$ 57,062	\$ 838,485
Accrued salaries payable	21,276	16,766	38,042
Unearned revenue	1,321,484	--	1,321,484
Bonds payable (Note 10)	1,220,000	--	1,220,000
Compensated absences payable	51,189	51,534	102,723
Total current liabilities	<u>3,395,372</u>	<u>125,362</u>	<u>3,520,734</u>
Noncurrent liabilities:			
Bonds payable (Note 10)	3,211,660	--	3,211,660
Compensated absences payable	--	29,419	29,419
Net other post employment benefit obligation	--	559,840	559,840
Total noncurrent liabilities	<u>3,211,660</u>	<u>589,259</u>	<u>3,800,919</u>
Total liabilities	<u>6,607,032</u>	<u>714,621</u>	<u>7,321,653</u>
<b>NET POSITION</b>			
Net investment in capital assets	44,885,494	1,672,803	46,558,297
Restricted for capital projects	8,873,538	--	8,873,538
Unrestricted	258,549	3,213,145	3,471,694
Total net position	<u>\$ 54,017,581</u>	<u>\$ 4,885,948</u>	<u>\$ 58,903,529</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF REVENUES, EXPENSES**  
**AND CHANGES IN FUND NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT C - 2

	<u>Baton Rouge River Center</u>	<u>Greater Baton Rouge Parking Authority</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 5,591,320	\$ 851,918	\$ 6,443,238
Miscellaneous revenues	900,219	715	900,934
Total operating revenues	<u>6,491,539</u>	<u>852,633</u>	<u>7,344,172</u>
<b>OPERATING EXPENSES</b>			
Personal services	2,418,744	279,119	2,697,863
Employee benefits	363,469	175,691	539,160
Supplies	1,406,372	12,078	1,418,450
Contractual services	4,004,868	270,317	4,275,185
Depreciation	4,808,459	--	4,808,459
Management fee	326,499	--	326,499
Total operating expenses	<u>13,328,411</u>	<u>737,205</u>	<u>14,065,616</u>
Operating income (loss)	<u>(6,836,872)</u>	<u>115,428</u>	<u>(6,721,444)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Operating grants	331,905	--	331,905
Net income (loss) from joint venture	--	(1,799,354)	(1,799,354)
Investment earnings	11,357	4,928	16,285
Interest expense	(53,398)	(9,227)	(62,625)
Gain (loss) on disposition of capital assets	410	(199,287)	(198,877)
Total non-operating revenues (expenses)	<u>290,274</u>	<u>(2,002,940)</u>	<u>(1,712,666)</u>
Income (loss) before contributions and transfers	<u>(6,546,598)</u>	<u>(1,887,512)</u>	<u>(8,434,110)</u>
Capital contributions	1,983,034	--	1,983,034
Transfers in	<u>1,843,330</u>	<u>--</u>	<u>1,843,330</u>
Change in net position	<u>(2,720,234)</u>	<u>(1,887,512)</u>	<u>(4,607,746)</u>
Total net position - January 1	<u>56,737,815</u>	<u>6,773,460</u>	<u>63,511,275</u>
Total net position - December 31	<u>\$ 54,017,581</u>	<u>\$ 4,885,948</u>	<u>\$ 58,903,529</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT C - 3

	<u>Baton Rouge River Center</u>	<u>Greater Baton Rouge Parking Authority</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 6,173,485	\$ 852,633	\$ 7,026,118
Cash payments to suppliers for goods and services	(5,573,548)	(284,725)	(5,858,273)
Cash payments to employees for services and benefits	<u>(2,911,915)</u>	<u>(373,750)</u>	<u>(3,285,665)</u>
Net cash provided by (used for) operating activities	<u>(2,311,978)</u>	<u>194,158</u>	<u>(2,117,820)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Operating grants received	331,905	--	331,905
Transfers in from other funds	<u>1,817,584</u>	<u>--</u>	<u>1,817,584</u>
Net cash provided by (used for) noncapital financing activities	<u>2,149,489</u>	<u>--</u>	<u>2,149,489</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from sale of capital assets	410	--	410
Acquisition and construction of capital assets	(761,045)	--	(761,045)
Principal paid on bonds, obligations and capital leases	(1,161,500)	(1,027,000)	(2,188,500)
Interest paid on bonds, obligations and capital leases	(53,398)	(9,227)	(62,625)
Capital contributed by other governments	<u>1,950,614</u>	<u>--</u>	<u>1,950,614</u>
Net cash provided by (used for) capital and related financing activities	<u>(24,919)</u>	<u>(1,036,227)</u>	<u>(1,061,146)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of investments	(4,389,559)	(2,059,091)	(6,448,650)
Proceeds from sales and maturities of investments	4,245,587	2,319,496	6,565,083
Cash received from joint venture activity	--	224,699	224,699
Cash paid for expenses of joint venture	--	(51,084)	(51,084)
Interest received on investments	<u>12,649</u>	<u>5,499</u>	<u>18,148</u>
Net cash provided by (used for) investing activities	<u>(131,323)</u>	<u>439,519</u>	<u>308,196</u>
Net increase (decrease) in cash and cash equivalents	(318,731)	(402,550)	(721,281)
Cash and cash equivalents, January 1	<u>5,074,815</u>	<u>2,228,536</u>	<u>7,303,351</u>
Cash and cash equivalents, December 31	<u>\$ 4,756,084</u>	<u>\$ 1,825,986</u>	<u>\$ 6,582,070</u>
Classified as:			
Current assets	\$ 863,456	\$ 1,825,986	\$ 2,689,442
Restricted assets	3,892,628	--	3,892,628
Totals	<u>\$ 4,756,084</u>	<u>\$ 1,825,986</u>	<u>\$ 6,582,070</u>

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT C - 3  
(Continued)

	<u>Baton Rouge River Center</u>	<u>Greater Baton Rouge Parking Authority</u>	<u>Total Nonmajor Enterprise Funds</u>
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ (6,836,872)	\$ 115,428	\$ (6,721,444)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	4,808,459	--	4,808,459
Increase (decrease) in compensated absences payable	1,189	8,009	9,198
Increase (decrease) in net other post employment benefit obligation	--	70,717	70,717
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	(419,069)	--	(419,069)
Decrease (increase) in prepaid items	(46,464)	--	(46,464)
Decrease (increase) in inventory	(67,219)	--	(67,219)
Increase (decrease) in accounts and contracts payable	277,874	(2,330)	275,544
Increase (decrease) in accrued salaries payable	(130,891)	2,334	(128,557)
Increase (decrease) in unearned revenue	101,015	--	101,015
Total adjustments	<u>4,524,894</u>	<u>78,730</u>	<u>4,603,624</u>
Net cash provided by (used for) operating activities	<u>\$ (2,311,978)</u>	<u>\$ 194,158</u>	<u>\$ (2,117,820)</u>
<b>Non cash investing, capital, and financing activities:</b>			
Gain in fair value of investments	\$ 2,548	\$ 1,370	\$ 3,918
Gain (loss) on disposal of capital assets	--	(199,287)	(199,287)
Contributions/accruals of capital assets	32,420	--	32,420
Loss on joint venture	--	(1,973,958)	(1,973,958)

The accompanying notes are an integral part of this statement.

## INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

**Fleet Rental and Replacement Fund** rents motorized equipment to Public Works divisions and provides for their scheduled replacement at the end of the economic life of the asset.

**Central Garage Fund** maintains motorized and heavy equipment and provides motor fuels for all departments.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**DECEMBER 31, 2014**

EXHIBIT D - 1

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 14,324,864	\$ 2,520,201	\$ 16,845,065
Accrued interest receivable	4,144	633	4,777
Inventory	--	276,323	276,323
Total current assets	<u>14,329,008</u>	<u>2,797,157</u>	<u>17,126,165</u>
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,213,798	2,213,798
Improvements (other than buildings)	--	7,190	7,190
Equipment	35,780,675	173,250	35,953,925
Total capital assets	<u>35,780,675</u>	<u>2,441,806</u>	<u>38,222,481</u>
Accumulated depreciation	<u>(27,775,190)</u>	<u>(2,254,950)</u>	<u>(30,030,140)</u>
Net capital assets	<u>8,005,485</u>	<u>186,856</u>	<u>8,192,341</u>
Total assets	<u>22,334,493</u>	<u>2,984,013</u>	<u>25,318,506</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	475,107	889,823	1,364,930
Accrued salaries payable	--	76,640	76,640
Compensated absences payable	--	131,415	131,415
Total liabilities	<u>475,107</u>	<u>1,097,878</u>	<u>1,572,985</u>
<b>NET POSITION</b>			
Net investment in capital assets	8,005,485	186,856	8,192,341
Unrestricted	<u>13,853,901</u>	<u>1,699,279</u>	<u>15,553,180</u>
Total net position	<u>\$ 21,859,386</u>	<u>\$ 1,886,135</u>	<u>\$ 23,745,521</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINING STATEMENT OF REVENUES, EXPENSES  
 AND CHANGES IN FUND NET POSITION  
 INTERNAL SERVICE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT D - 2

	<u>Fleet Rental and Replace- ment Fund</u>	<u>Central Garage</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Billings to departments	\$ 7,823,724	\$ 13,380,305	\$ 21,204,029
<b>OPERATING EXPENSES</b>			
Personal services	--	1,229,948	1,229,948
Employee benefits	--	857,678	857,678
Supplies	24,082	170,386	194,468
Contractual services	3,346,055	1,105,049	4,451,104
Cost of materials	--	10,349,143	10,349,143
Depreciation	2,746,672	48,846	2,795,518
Total operating expenses	<u>6,116,809</u>	<u>13,761,050</u>	<u>19,877,859</u>
Operating income (loss)	<u>1,706,915</u>	<u>(380,745)</u>	<u>1,326,170</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	14,793	2,349	17,142
Gain (loss) on disposition of capital assets	603,866	23,764	627,630
Total non-operating revenues (expenses)	<u>618,659</u>	<u>26,113</u>	<u>644,772</u>
Income (loss) before contributions and transfers	2,325,574	(354,632)	1,970,942
Transfers out	<u>--</u>	<u>(2,969)</u>	<u>(2,969)</u>
Change in net position	2,325,574	(357,601)	1,967,973
Total net position - January 1	<u>19,533,812</u>	<u>2,243,736</u>	<u>21,777,548</u>
Total net position - December 31	<u>\$ 21,859,386</u>	<u>\$ 1,886,135</u>	<u>\$ 23,745,521</u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT D - 3

	<b>Fleet Rental and Replace- ment Fund</b>	<b>Central Garage</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 7,823,724	\$ 13,380,305	\$ 21,204,029
Cash payments to suppliers for goods and services	(3,332,607)	(11,779,871)	(15,112,478)
Cash payments to employees for services and benefits	--	(2,073,895)	(2,073,895)
Net cash provided by (used for) operating activities	4,491,117	(473,461)	4,017,656
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfers out to other funds	--	(2,969)	(2,969)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from sale of capital assets	638,751	23,764	662,515
Acquisition and construction of capital assets	(3,820,404)	--	(3,820,404)
Net cash provided by (used for) capital and related financing activities	(3,181,653)	23,764	(3,157,889)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received on investments	15,834	2,743	18,577
Net increase (decrease) in cash and cash equivalents	1,325,298	(449,923)	875,375
Cash and cash equivalents, January 1	12,999,566	2,970,124	15,969,690
Cash and cash equivalents, December 31	\$ 14,324,864	\$ 2,520,201	\$ 16,845,065
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	\$ 1,706,915	\$ (380,745)	\$ 1,326,170
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	2,746,672	48,846	2,795,518
Increase (decrease) in compensated absences payable	--	11,916	11,916
Change in assets and liabilities:			
Decrease (increase) in inventory	--	(45,466)	(45,466)
Increase (decrease) in accounts and contracts payable	37,530	(109,827)	(72,297)
Increase (decrease) in accrued salaries payable	--	1,815	1,815
Total adjustments	2,784,202	(92,716)	2,691,486
Net cash provided by (used for) operating activities	\$ 4,491,117	\$ (473,461)	\$ 4,017,656
<b>Non cash investing, capital, and financing activities:</b>			
Gain in fair value of investments	\$ 4,144	\$ 633	\$ 4,777
Gain (loss) on disposal of capital assets	(34,885)	--	(34,885)

The accompanying notes are an integral part of this statement.

## **SCHEDULES**

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINED SCHEDULE OF CASH, CASH EQUIVALENTS  
AND INVESTMENTS  
DECEMBER 31, 2014**

EXHIBIT E - 1

<u>Description</u>	<u>Interest Rate (%)</u>	<u>Carrying Amount</u>
<b><u>PRIMARY GOVERNMENT</u></b>		
<u>Consolidated Cash Account</u>		
Louisiana Asset Management Pool	0.01-0.06	\$ 220,217,201
Certificates of Deposit - Hancock/Whitney Bank	0.10	35,000,000
U.S. Government Obligations	0.06-0.20	139,848,095
U.S. Agency Obligations	0.10-0.28	367,062,229
Cash in Bank - JP Morgan Chase Bank		25,999,072
Cash in Bank - Capital One		175,816,361
Total Cash and Investments - Consolidated Cash Account		963,942,958
 <u>Other Cash Items</u>		
Payroll Cash		7,235,593
Petty Cash		14,180
Cash on Hand		6,157,095
Total Other Cash Items		13,406,868
 <u>Baton Rouge River Center</u>		
Cash in Bank - Capital One Bank		52,257
Cash in Bank - Investar Bank		382,416
Total Baton Rouge River Center		434,673
 <u>East Baton Rouge Sewerage Commission</u>		
Louisiana Asset Management Pool	0.01-0.06	35,420,731
JP Morgan Chase Bank:		
Cash in Bank		11,935,126
Certificates of Deposit - Hancock/Whitney Bank	0.10	18,718,530
Total East Baton Rouge Sewerage Commission		66,074,387
 <u>2005B Public Improvement Sales Tax Revenue Bonds (Taxable)</u>		
JP Morgan Chase Bank:		
Cash in Bank		66,102
 <u>2007A Public Improvement Sales Tax Revenue Bonds</u>		
Louisiana Asset Management Pool	0.01-0.06	3,257,811
JP Morgan Chase Bank:		
Cash in Bank		775,784
Certificates of Deposit - Hancock/Whitney Bank	0.10	517,246
Total 2007A Public Improvement Sales Tax Revenue Bonds		4,550,841
 <u>2006A Road and Street Improvement Sales Tax Revenue Bonds</u>		
JP Morgan Chase Bank:		
Cash in Bank		1,141,227
Certificates of Deposit - Hancock/Whitney Bank	0.10	758,449
Total 2006A Road and Street Improvement Sales Tax Revenue Bonds		1,899,676
 <u>2008A Road and Street Improvement Sales Tax Revenue Bonds</u>		
JP Morgan Chase Bank:		
Cash in Bank		962,864
Certificates of Deposit - Hancock/Whitney Bank	0.10	628,522
Total 2008A Road and Street Improvement Sales Tax Revenue Bonds		1,591,386

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINED SCHEDULE OF CASH, CASH EQUIVALENTS  
AND INVESTMENTS  
DECEMBER 31, 2014**

EXHIBIT E - 1  
(Continued)

<u>Description</u>	<u>Interest Rate (%)</u>	<u>Carrying Amount</u>
<b><u>PRIMARY GOVERNMENT (Continued)</u></b>		
<u>2008A-1, 2008A-2 and 2008B (Taxable) Public Improvement Sales Tax Revenue Bonds</u>		
Louisiana Asset Management Pool	0.01-0.06	\$ 1,649,293
JP Morgan Chase Bank:		
Cash in Bank		1,082,321
Certificates of Deposit - Hancock/Whitney Bank	0.10	452,258
Total 2008A-1, 2008A-2 and 2008B (Taxable) Public Improvement Sales Tax Revenue Bonds		<u>3,183,872</u>
<u>2009A Road and Street Improvement Sales Tax Revenue Bonds</u>		
JP Morgan Chase Bank:		
Cash in Bank		2,159,003
Certificates of Deposit - Hancock/Whitney Bank	0.10	1,432,893
Total 2009A Road and Street Improvement Sales Tax Revenue Bonds		<u>3,591,896</u>
<u>2010A Public Improvement Sales Tax Revenue Bonds</u>		
JP Morgan Chase Bank:		
Cash in Bank		<u>526,991</u>
<u>2010B Public Improvement Sales Tax Revenue Bonds</u>		
JP Morgan Chase Bank:		
Cash in Bank		<u>711,059</u>
<u>2012 LCDA Road Improvement Bonds</u>		
JP Morgan Chase Bank:		
Cash in Bank		656,391
Certificates of Deposit - Hancock/Whitney Bank	0.10	437,265
Total 2012 LCDA Road Improvement Bonds		<u>1,093,656</u>
Grand Total Cash, Cash Equivalents and Investments - Primary Government excluding Employees' Retirement System Pension Trust Fund		<u>\$ 1,061,074,365</u>
<u>Employees' Retirement System Pension Trust Fund</u>		
Cash in Bank		\$ 12,663,282
U.S. Treasury Inflation - Protected Securities		52,839,486
U.S. Government Agencies		29
Mortgage Backed Securities		2,010
Corporate Bonds		3,770
Asset Backed Securities		65
International Equities and Fixed Income		224,400,809
Emerging Markets Equities		87,670,603
Domestic Equities and Fixed Income		580,471,133
Short-Term Investment Fund/Cash Equivalents		6,245,625
Equity Real Estate Fund		57,892,372
Hedge Fund of Funds		56,854,590
Private Equity		7,371,482
Total Employees' Retirement System Pension Trust Fund		<u>\$ 1,086,415,256</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINED SCHEDULE OF CASH, CASH EQUIVALENTS  
 AND INVESTMENTS  
 DECEMBER 31, 2014**

EXHIBIT E - 1  
 (Continued)

<u>Description</u>	<u>Interest Rate (%)</u>	<u>Carrying Amount</u>
<b><u>COMPONENT UNITS</u></b>		
District Attorney of the Nineteenth Judicial District		\$ 1,352,237
Nineteenth Judicial District Court		2,624,507
Nineteenth Judicial District Court Building Commission		15,657,814
E.B.R. Parish Family Court		119,916
E.B.R. Parish Juvenile Court		396,714
E.B.R. Parish Clerk of Court		6,542,409
E.B.R. Redevelopment Authority		1,909,638
Cyntreniks Group King Hotel Special Taxing District		11,029
Bluebonnet Convention Hotel Taxing District		55,316
Capital Area Transit System		3,371,062
Grand Total Cash, Cash Equivalents and Investments - Component Units		\$ 32,040,642

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
EMPLOYEES' RETIREMENT SYSTEM  
REGULAR EMPLOYEES' TRUST**

EXHIBIT E - 2

**Revenue By Source**

Fiscal Year	Employee Contributions	Employer Contributions	Total Net Investment Income	Total
2014	\$ 14,907,221	\$ 39,363,171	\$ 50,531,109	\$ 104,801,501
2013	14,888,376	38,392,495	140,442,726	193,723,597
2012	15,205,761	37,321,809	115,047,419	167,574,989
2011	14,742,541	35,793,135	(19,531,013)	31,004,663
2010	15,288,316	32,304,628	125,408,049	173,000,993
2009	14,716,581	27,150,202	169,456,489	211,323,272
2008	13,841,465	26,117,571	(294,455,535)	(254,496,499)
2007	13,724,573	25,221,447	42,508,100	81,454,120
2006	12,828,206	23,833,249	133,028,303	169,689,758
2005	12,597,356	20,637,086	75,536,830	108,771,272

**Expenses By Type**

Fiscal Year	Benefits	Administrative Expenses	Refunds and Withdrawals	Total
2014	\$ 88,142,630	\$ 1,388,242	\$ 2,806,619	\$ 92,337,491
2013	89,437,857	1,188,598	2,940,900	93,567,355
2012	90,611,422	1,137,201	2,721,886	94,470,509
2011	81,852,650	1,065,344	3,304,186	86,222,180
2010	76,395,588	1,390,779	2,297,390	80,083,757
2009	71,721,911	1,216,718	2,016,840	74,955,469
2008	65,990,013	1,095,697	2,092,148	69,177,858
2007	64,567,396	1,073,946	10,507,501	76,148,843
2006	61,255,177	1,042,144	1,858,661	64,155,982
2005	57,592,125	878,515	1,462,779	59,933,419

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year Ending	Annual Required Contribution	Percentage Contributed
12/31/14	\$ 38,715,270	105.6 %
12/31/13	37,417,818	107.3
12/31/12	36,777,169	106.4
12/31/11	35,001,688	106.6
12/31/10	33,890,884	101.0
12/31/09	29,050,693	98.3
12/31/08	22,931,211	118.4
12/31/07	22,431,367	119.5
12/31/06	22,129,069	113.1
12/31/05	20,785,669	105.6

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF COMPENSATION, BENEFITS AND OTHER  
PAYMENTS TO MAYOR-PRESIDENT  
FOR THE YEAR ENDED DECEMBER 31, 2014**

EXHIBIT E - 3

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 146,590
Benefits - insurance	5,053
Benefits - retirement	43,523
Benefits - other	19,683
Travel	2,248
Registration fees	2,795
Conference Travel	10,058
Cell Phone	1,456
Special meals	289
Total Compensation, Benefits and Other Payments to Mayor-President	\$ 231,695

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
STATISTICAL SECTION  
DECEMBER 31, 2014**

This section which is composed of accounting and non-accounting data is presented in order to provide the reader with additional information as an aid to understanding the financial activities of the governmental unit.

<u>INDEX</u>	<u>Exhibit</u>	<u>Page Number</u>
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**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	FISCAL YEAR			
	2014	2013	2012	2011
<b>Governmental activities</b>				
Net investment in capital assets	\$ 650,424	\$ 626,659	\$ 601,094	\$ 533,154
Restricted	195,913	198,502	217,949	256,925
Unrestricted	<u>(238,705)</u>	<u>(210,528)</u>	<u>(180,056)</u>	<u>(128,550)</u>
Total governmental activities net position	<u>607,632</u>	<u>614,633</u>	<u>638,987</u>	<u>661,529</u>
<b>Business-type activities</b>				
Net investment in capital assets	668,571	704,172	698,119	645,336
Restricted	160,489	71,309	106,355	80,202
Unrestricted	<u>54,088</u>	<u>150,046</u>	<u>137,766</u>	<u>201,564</u>
Total business-type activities net position	<u>883,148</u>	<u>925,527</u>	<u>942,240</u>	<u>927,102</u>
<b>Primary government</b>				
Net investment in capital assets	1,318,995	1,330,831	1,299,213	1,178,490
Restricted	356,402	269,811	324,304	337,127
Unrestricted	<u>(184,617)</u>	<u>(60,482)</u>	<u>(42,290)</u>	<u>73,014</u>
Total primary government net position	<u>\$ 1,490,780</u>	<u>\$ 1,540,160</u>	<u>\$ 1,581,227</u>	<u>\$ 1,588,631</u>

Source: Audited Comprehensive Annual Financial Reports

FISCAL YEAR					
2010	2009	2008	2007	2006	2005
\$ 496,724	\$ 463,006	\$ 450,561	\$ 439,020	\$ 402,159	\$ 388,589
216,364	225,949	232,424	211,570	187,174	137,843
(24,683)	25,292	45,834	75,909	78,292	50,683
<u>688,405</u>	<u>714,247</u>	<u>728,819</u>	<u>726,499</u>	<u>667,625</u>	<u>577,115</u>
541,065	487,352	415,957	411,324	402,395	394,066
41,844	33,605	89,985	37,116	39,753	33,418
315,079	371,621	331,435	333,552	272,361	229,399
<u>897,988</u>	<u>892,578</u>	<u>837,377</u>	<u>781,992</u>	<u>714,509</u>	<u>656,883</u>
1,037,789	950,358	866,518	850,344	804,554	782,655
258,208	259,554	322,409	248,686	226,927	171,261
290,396	396,913	377,269	409,461	350,653	280,082
<u>\$ 1,586,393</u>	<u>\$ 1,606,825</u>	<u>\$ 1,566,196</u>	<u>\$ 1,508,491</u>	<u>\$ 1,382,134</u>	<u>\$ 1,233,998</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	FISCAL YEAR			
	2014	2013	2012	2011
<b>Expenses</b>				
Governmental activities:				
General government	\$ 99,148	\$ 97,833	\$ 88,157	\$ 98,488
Public safety	233,012	237,028	238,291	219,904
Transportation	66,921	68,812	69,225	66,118
Sanitation	6	6	6	6
Health and welfare	9,797	9,500	9,333	9,251
Culture and recreation	43,762	38,171	34,725	34,556
Conservation and development	46,084	50,034	55,607	48,284
Intergovernmental	--	--	--	--
Interest and fiscal charges on long-term debt	13,413	15,625	14,821	15,594
Total governmental activities expenses	<u>512,143</u>	<u>517,009</u>	<u>510,165</u>	<u>492,201</u>
Business-type activities:				
Airport	28,542	28,609	26,609	25,778
Sewer	156,351	131,780	101,595	89,582
Convention center	13,382	13,305	13,352	10,908
Parking facilities	2,745	1,111	782	816
Solid waste collection and disposal	40,893	37,196	36,692	36,368
Total business-type activities	<u>241,913</u>	<u>212,001</u>	<u>179,030</u>	<u>163,452</u>
Total primary government expenses	<u>754,056</u>	<u>729,010</u>	<u>689,195</u>	<u>655,653</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services:				
General government	22,796	22,639	21,608	22,939
Public safety	27,007	28,032	24,576	23,778
Transportation	216	269	267	269
Sanitation	51	55	61	41
Health and welfare	800	798	788	807
Culture and recreation	299	321	289	335
Conservation and development	3,520	3,555	4,469	3,213
Operating grants and contributions	44,261	48,211	57,785	48,551
Capital grants and contributions	24,403	13,128	15,751	14,931
Total governmental activities program revenues	<u>123,353</u>	<u>117,008</u>	<u>125,594</u>	<u>114,864</u>
Business-type activities				
Charges for Services:				
Airport	17,237	17,581	16,866	14,868
Sewer	75,420	74,405	73,315	72,056
Convention center	6,491	6,460	7,418	5,804
Parking facilities	853	1,091	1,237	1,088
Solid waste collection and disposal	37,590	36,333	38,440	37,982
Operating grants and contributions	7,712	7,612	7,729	7,634
Capital grants and contributions	10,352	9,627	17,766	18,596
Total business-type activities program revenues	<u>155,655</u>	<u>153,109</u>	<u>162,771</u>	<u>158,028</u>
Total primary government total revenues	<u>279,008</u>	<u>270,117</u>	<u>288,365</u>	<u>272,892</u>

FISCAL YEAR						
2010	2009	2008	2007	2006	2005	
\$ 94,444	\$ 98,469	\$ 100,464	\$ 87,775	\$ 72,831	\$ 56,327	
211,382	211,132	247,587	189,131	146,539	159,310	
66,622	67,349	62,308	65,181	55,272	49,689	
244	1,576	485	559	180	30,171	
9,436	9,495	9,261	8,091	7,742	8,190	
33,379	28,513	27,928	27,504	23,531	21,926	
58,013	45,638	44,041	45,495	36,807	34,604	
--	--	--	--	--	14,253	
15,515	14,785	11,429	10,517	9,092	6,046	
489,035	476,957	503,503	434,253	351,994	380,516	
23,144	19,984	23,063	20,531	19,269	16,418	
84,555	77,872	79,325	77,924	72,993	71,696	
10,484	10,699	15,843	15,743	15,767	7,422	
677	660	686	698	627	909	
34,861	40,255	40,361	38,954	48,683	2,328	
153,721	149,470	159,278	153,850	157,339	98,773	
642,756	626,427	662,781	588,103	509,333	479,289	
22,485	21,172	20,448	24,346	26,462	19,134	
25,010	26,390	19,554	19,607	18,816	15,814	
310	287	315	807	639	470	
35	35	48	21	36	13,288	
892	822	741	682	627	586	
342	380	508	446	436	464	
3,371	6,793	2,715	4,395	3,528	3,881	
62,410	50,313	87,917	52,129	45,595	62,059	
24,863	16,307	9,100	38,606	15,829	15,185	
139,718	122,499	141,346	141,039	111,968	130,881	
13,580	12,541	15,381	15,804	17,942	16,690	
69,787	68,306	64,720	64,069	61,085	55,865	
5,879	5,853	11,023	11,998	10,823	3,321	
1,137	1,089	973	963	888	843	
38,019	42,396	43,461	36,688	30,857	8,238	
4,385	615	306	548	2,189	415	
23,050	28,322	23,427	23,743	24,285	28,722	
155,837	159,122	159,291	153,813	148,069	114,094	
295,555	281,621	300,637	294,852	260,037	244,975	

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

	FISCAL YEAR			
	2014	2013	2012	2011
Net (expense)/revenue:				
Governmental activities	\$ (388,790)	\$ (400,001)	\$ (384,571)	\$ (377,337)
Business-type activities	(86,258)	(58,892)	(16,259)	(5,424)
Total primary government net expense	<u>(475,048)</u>	<u>(458,893)</u>	<u>(400,830)</u>	<u>(382,761)</u>
<b>General Revenues and Other Changes</b>				
<b>in Net Position</b>				
Governmental activities				
Taxes:				
Property	98,253	94,352	92,526	89,006
Gross receipts business	24,762	23,093	20,817	23,334
Sales	223,780	219,610	216,521	201,831
Occupancy	2,211	2,201	2,393	2,064
Occupational	10,664	10,383	9,687	9,945
Insurance premium	3,734	3,774	3,589	3,580
Gaming admissions	9,219	9,438	7,575	5,845
Interest and penalties - delinquent taxes	1,483	2,525	1,421	1,344
Miscellaneous	18	11	539	
Unrestricted grants and contributions	5,552	7,675	5,330	9,420
Investment earnings	413	659	901	889
Gain (loss) on sale of capital assets	814	596	--	--
Transfers	886	1,330	2,843	1,062
Total governmental activities general revenues	<u>381,789</u>	<u>375,647</u>	<u>364,142</u>	<u>348,320</u>
Business-type activities				
Taxes:				
Sales	43,583	42,997	42,145	39,431
Miscellaneous	--	75	--	--
Investment earnings	1,035	1,348	2,284	(3,912) *
Gain (loss) on sale of capital assets	147	(911)	18	80
Special item-change in engineering method	--	--	--	--
Transfers	(886)	(1,330)	(2,843)	(1,062)
Total business-type activities general revenues	<u>43,879</u>	<u>42,179</u>	<u>41,604</u>	<u>34,537</u>
Total primary government general revenues	<u>425,668</u>	<u>417,826</u>	<u>405,746</u>	<u>382,857</u>
<b>Change in Net Position</b>				
Governmental activities	(7,001)	(24,354)	(20,429)	(29,017)
Business-type activities	(42,379)	(16,713)	25,345	29,113
Total primary government change in net position	<u>\$ (49,380)</u>	<u>\$ (41,067)</u>	<u>\$ 4,916</u>	<u>\$ 96</u>

\* Due to the implementation of GASB Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, investment losses of \$14,975 and \$6,653 were recognized in 2010 and 2011, respectively.

Source: Audited Comprehensive Annual Financial Reports

FISCAL YEAR					
2010	2009	2008	2007	2006	2005
\$ (349,317)	\$ (354,458)	\$ (362,157)	\$ (293,214)	\$ (240,026)	\$ (249,635)
2,116	9,652	13	(37)	(9,270)	15,321
<u>(347,201)</u>	<u>(344,806)</u>	<u>(362,144)</u>	<u>(293,251)</u>	<u>(249,296)</u>	<u>(234,314)</u>
86,395	85,244	83,990	78,081	72,125	66,922
24,510	22,181	28,057	26,635	27,442	24,254
192,910	199,909	206,744	204,231	205,856	185,636
1,956	1,952	2,442	2,336	1,390	1,026
9,870	10,082	9,750	9,950	8,916	8,687
3,590	3,522	3,458	3,475	3,180	3,358
5,741	7,542	5,740	6,362	7,006	7,654
1,294	2,392	2,291	1,623	1,982	1,613
4,918	4,906	5,313	4,741	4,688	4,404
1,672	4,311	15,829	23,338	18,146	8,252
801	772	1,044	1,116	611	895
(1,456)	(2,926)	(181)	(9,800)	(20,806)	(10,801)
<u>332,201</u>	<u>339,887</u>	<u>364,477</u>	<u>352,088</u>	<u>330,536</u>	<u>301,900</u>
37,441	39,425	42,367	39,922	40,036	35,973
425	--	--	--	2,651	--
(12,934) *	3,877	12,720	17,834	13,666	7,767
101	(680)	104	(36)	78	102
--	--	--	--	(10,341)	--
1,456	2,926	181	9,800	20,806	10,801
<u>26,489</u>	<u>45,548</u>	<u>55,372</u>	<u>67,520</u>	<u>66,896</u>	<u>54,643</u>
<u>358,690</u>	<u>385,435</u>	<u>419,849</u>	<u>419,608</u>	<u>397,432</u>	<u>356,543</u>
(17,116)	(14,571)	2,320	58,874	90,510	52,265
28,605	55,200	55,385	67,483	57,626	69,964
<u>\$ 11,489</u>	<u>\$ 40,629</u>	<u>\$ 57,705</u>	<u>\$ 126,357</u>	<u>\$ 148,136</u>	<u>\$ 122,229</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**

EXHIBIT F - 3

	General Property Taxes	Gross Receipts Business Taxes	General Sales and Use Taxes	Occupancy Taxes	Occu- pational Taxes	Insurance Premiums Taxes	Gaming Admissions Taxes	Interest and Penalties- Delinquent Taxes	Total
2014	\$98,253	\$24,762	\$223,780	\$2,211	\$10,664	\$3,734	\$9,219	\$1,483	\$374,106
2013	94,352	23,093	219,609	2,201	10,383	3,774	9,438	2,525	365,375
2012	92,526	20,817	216,521	2,393	9,687	3,589	7,575	1,421	354,529
2011	89,006	23,334	201,831	2,064	9,945	3,580	5,845	1,344	336,949
2010	86,395	24,510	192,910	1,956	9,870	3,590	5,741	1,294	326,266
2009	85,243	22,181	199,909	1,952	10,082	3,522	7,542	2,392	332,823
2008	83,990	28,057	206,744	2,442	9,750	3,458	5,740	2,291	342,472
2007	78,081	26,635	204,231	2,336	9,950	3,475	6,362	1,623	332,693
2006	72,125	27,442	205,856	1,390	8,916	3,180	7,006	1,982	327,897
2005	66,921	24,254	185,636	1,026	8,687	3,358	7,654	1,613	299,149

Source: Audited Comprehensive Annual Financial Reports



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands)**

	FISCAL YEAR			
	2014	2013	2012	2011
General Fund (per GASB 54)*				
Nonspendable	\$ 557	\$ 615	\$ 640	\$ 584
Restricted	1,257	706	271	55
Committed	62,493	64,391	58,677	53,161
Assigned	32,590	29,981	27,786	32,409
Unassigned	15,436	15,654	15,483	16,559
General Fund (prior GASB 54)**				
Reserved	--	--	--	--
Unreserved	--	--	--	--
Total General Fund	<u>\$ 112,333</u>	<u>\$ 111,347</u>	<u>\$ 102,857</u>	<u>\$ 102,768</u>
All other governmental funds (per GASB 54)*				
Nonspendable	\$ --	\$ --	\$ --	\$ --
Restricted	280,287	282,470	305,133	322,519
Committed	30,123	28,671	24,812	32,135
All other governmental funds (prior GASB 54)**				
Reserved	--	--	--	--
Unreserved, reported in:				
Special revenue funds	--	--	--	--
Capital projects fund	--	--	--	--
Total all other governmental funds	<u>\$ 310,410</u>	<u>\$ 311,141</u>	<u>\$ 329,945</u>	<u>\$ 354,654</u>

\* With the implementation of GASB 54 in FY 2011, fund balances are reclassified as Nonspendable, Restricted, Committed, Assigned, and Unassigned.

\*\* Prior to FY 2011 and GASB 54, fund balances were classified as Reserved or Unreserved according to GASB 34.

Source: Audited Comprehensive Annual Financial Reports

FISCAL YEAR					
2010	2009	2008	2007	2006	2005
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
30,018	38,098	42,757	37,103	21,731	15,372
66,684	65,349	74,994	89,328	96,492	74,494
<u>\$ 96,702</u>	<u>\$ 103,447</u>	<u>\$ 117,751</u>	<u>\$ 126,431</u>	<u>\$ 118,223</u>	<u>\$ 89,866</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
--	--	--	--	--	--
314,160	373,860	318,745	319,967	310,956	155,492
85,333	89,389	69,794	81,132	64,132	49,317
1,299	1,524	1,208	2,223	1,076	--
<u>\$ 400,792</u>	<u>\$ 464,773</u>	<u>\$ 389,747</u>	<u>\$ 403,322</u>	<u>\$ 376,164</u>	<u>\$ 204,809</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(in thousands)**

	FISCAL YEAR			
	2014	2013	2012	2011
<b>REVENUES</b>				
Taxes	\$ 374,403	\$ 365,556	\$ 353,706	\$ 338,742
Licenses and permits	4,681	4,346	3,912	4,163
Intergovernmental	63,357	66,321	76,536	69,058
Charges for services	41,503	45,339	37,235	39,842
Fines and forfeits	2,573	2,598	3,360	3,518
Investment earnings	396	638	876	869
Miscellaneous revenues	7,844	7,170	8,066	10,041
Total revenues	<u>494,757</u>	<u>491,968</u>	<u>483,691</u>	<u>466,233</u>
<b>EXPENDITURES</b>				
Current:				
General government	74,057	67,988	66,547	66,356
Public safety	204,081	202,155	203,370	185,844
Transportation	37,056	38,445	39,464	41,551
Sanitation	--	--	--	--
Health and welfare	8,906	8,641	8,502	8,597
Culture and recreation	37,303	32,856	29,635	29,547
Conservation and development	42,862	46,652	51,670	44,527
Debt service:				
Principal retirement	16,831	15,754	21,921	18,245
Interest and fiscal charges	14,133	14,589	14,877	16,143
Other charges	57	94	1,195	972
Capital outlay	48,985	72,146	94,254	79,726
Intergovernmental	16,063	15,658	18,416	19,323
Total expenditures	<u>500,334</u>	<u>514,978</u>	<u>549,851</u>	<u>510,831</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,577)</u>	<u>(23,010)</u>	<u>(66,160)</u>	<u>(44,598)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	28,710	15,009	18,846	35,760
Transfers out	(27,820)	(13,679)	(16,002)	(34,698)
Long-term debt proceeds	4,600	11,000	33,850	1,500
Refunding bonds issued	--	--	58,075	--
Premium on debt issuance	--	--	4,385	--
Sale of capital assets	343	366	231	599
Payments to refunded bond escrow agent	--	--	(57,845)	--
Total other financing sources and uses	<u>5,833</u>	<u>12,696</u>	<u>41,540</u>	<u>3,161</u>
Net change in fund balances	<u>\$ 256</u>	<u>\$ (10,314)</u>	<u>\$ (24,620)</u>	<u>\$ (41,437)</u>
Debt service as a percentage of noncapital expenditures	6.9%	6.9%	8.1%	8.0%

Source: Audited Comprehensive Annual Financial Reports

FISCAL YEAR						
2010	2009	2008	2007	2006	2005	
\$ 328,816	\$ 332,052	\$ 341,413	\$ 331,355	\$ 327,673	\$ 298,664	
4,212	3,265	4,255	5,210	4,908	3,838	
98,203	77,611	86,180	72,604	65,869	68,473	
42,963	36,732	31,640	35,639	36,477	41,627	
3,288	2,955	3,069	3,520	3,211	2,300	
1,656	4,268	15,648	22,921	17,727	7,995	
13,753	18,253	13,158	13,878	12,850	14,771	
<u>492,891</u>	<u>475,136</u>	<u>495,363</u>	<u>485,127</u>	<u>468,715</u>	<u>437,668</u>	
72,665	73,995	71,952	60,618	59,280	54,824	
178,572	180,712	211,713	160,421	141,697	150,016	
43,990	41,728	42,400	42,959	35,694	38,438	
--	531	696	812	598	26,600	
8,864	8,870	8,533	7,420	7,484	7,887	
29,100	24,590	23,492	23,099	21,507	19,988	
54,749	42,593	40,444	42,038	36,138	33,917	
17,847	14,128	15,542	15,672	12,195	12,827	
16,949	16,442	12,378	13,007	9,992	9,235	
327	2,590	531	427	1,787	--	
122,128	101,567	75,054	54,369	33,388	36,178	
17,808	16,751	16,244	19,854	14,838	14,253	
<u>562,999</u>	<u>524,497</u>	<u>518,979</u>	<u>440,696</u>	<u>374,598</u>	<u>404,163</u>	
<u>(70,108)</u>	<u>(49,361)</u>	<u>(23,616)</u>	<u>44,431</u>	<u>94,117</u>	<u>33,505</u>	
26,830	41,950	40,629	64,245	23,216	30,804	
(28,253)	(44,869)	(40,805)	(74,044)	(44,021)	(41,605)	
19,045	110,000	94,190	30,395	125,000	--	
--	--	--	--	--	--	
716	2,591	--	1,478	912	--	
606	411	762	684	488	679	
<u>(19,562)</u>	<u>--</u>	<u>(93,415)</u>	<u>(31,823)</u>	<u>--</u>	<u>--</u>	
<u>(618)</u>	<u>110,083</u>	<u>1,361</u>	<u>(9,065)</u>	<u>105,595</u>	<u>(10,122)</u>	
<u>\$ (70,726)</u>	<u>\$ 60,722</u>	<u>\$ (22,255)</u>	<u>\$ 35,366</u>	<u>\$ 199,712</u>	<u>\$ 23,383</u>	
7.9%	7.2%	6.3%	7.4%	6.5%	6.0%	

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(in thousands)**

EXHIBIT F - 6

	Property Taxes	Gross Receipts Business Taxes	General Sales and Use Taxes	Occupancy Taxes	Occu- pational Taxes	Insurance Premiums Taxes	Gaming Admissions Taxes	Interest and Penalties- Delinquent Taxes	Total
2014	\$98,550	\$24,762	\$223,780	\$2,211	\$10,664	\$3,734	\$9,219	\$1,483	\$374,403
2013	94,516	23,093	219,626	2,201	10,383	3,774	9,438	2,525	365,556
2012	91,535	20,817	216,689	2,393	9,687	3,589	7,575	1,421	353,706
2011	90,578	23,334	202,051	2,064	9,945	3,580	5,845	1,345	338,742
2010	88,831	24,510	193,025	1,956	9,869	3,590	5,741	1,294	328,816
2009	84,305	22,181	200,077	1,952	10,082	3,521	7,542	2,392	332,052
2008	82,763	28,057	206,911	2,443	9,750	3,458	5,740	2,291	341,413
2007	77,598	26,635	203,376	2,336	9,950	3,475	6,362	1,623	331,355
2006	71,901	27,442	205,856	1,390	8,916	3,180	7,006	1,982	327,673
2005	66,436	24,254	185,636	1,026	8,687	3,358	7,654	1,613	298,664

Source: Audited Comprehensive Annual Financial Reports



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN YEARS**

Exhibit F-7

(amounts expressed in thousands)

<u>Year</u>	<u>Assessed Value</u>	<u>Less: Tax Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Value</u>	<u>Assessed Value as a Percentage of Actual Value*</u>
<u>City of Baton Rouge</u>						
2014	\$ 1,861,690	-	\$ 1,861,690	7.12	\$ 16,924,455	11.00 %
2013	1,795,308	-	1,795,308	7.12	16,320,982	11.00
2012	1,768,041	-	1,768,041	7.12	16,073,100	11.00
2011	1,675,472	-	1,675,472	7.42	15,231,564	11.00
2010	1,674,904	-	1,674,904	7.42	15,226,400	11.00
2009	1,649,392	-	1,649,392	7.42	14,994,473	11.00
2008	1,607,759	-	1,607,759	7.42	14,615,991	11.00
2007	1,501,386	-	1,501,386	7.84	13,648,964	11.00
2006	1,409,803	-	1,409,803	7.84	12,816,391	11.00
2005	1,324,385	-	1,324,385	7.84	12,039,864	11.00
<u>Parish of East Baton Rouge</u>						
2014	\$ 4,503,354	\$ 588,697	\$ 3,914,657	3.44	\$ 40,939,582	11.00
2013	4,380,432	599,929	3,780,503	3.44	39,822,109	11.00
2012	4,256,056	612,898	3,643,158	3.44	38,691,418	11.00
2011	4,067,423	626,501	3,440,922	3.54	36,976,573	11.00
2010	4,005,089	588,830	3,416,259	3.54	36,409,900	11.00
2009	3,964,820	548,201	3,416,619	3.54	36,043,818	11.00
2008	3,810,976	527,907	3,283,069	3.54	34,645,236	11.00
2007	3,466,561	522,534	2,944,027	3.78	31,514,191	11.00
2006	3,233,132	548,660	2,684,472	3.78	29,392,109	11.00
2005	3,012,032	584,685	2,427,347	3.78	27,382,109	11.00

\*Actual Valuation (Market Value) as compared to Assessed Valuation

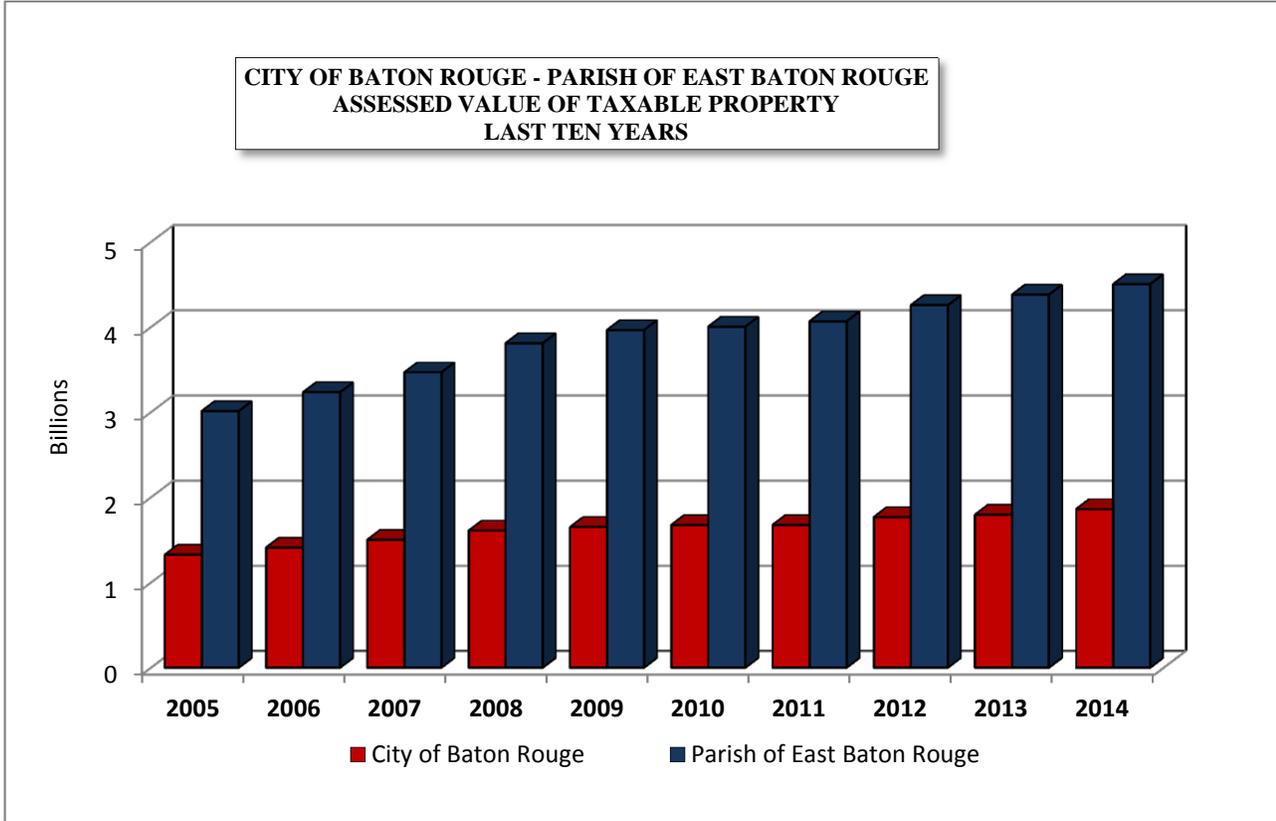
Residential Properties are assessed at 10% of fair market value' other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value  
 The overall assessed value is estimated to be 11% of actual market value.

Source: East Baton Rouge Parish Assessor's Grand Recapulation of the Assessment Roll for the Parish of East Baton Rouge.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS**

Exhibit F-7  
(Continued)



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PROPERTY TAX RATES AND TAX LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS (1)  
LAST TEN YEARS**

Year	City		Parish			
	Operating	Municipal Fire Salaries and Benefits	Operating	Debt Service (2)	Mosquito and Rodent Tax	Emergency Medical Services
<u>TAX RATES (mills per dollar)</u>						
2014	7.12	6.00	3.44	--	1.41	3.13
2013	7.12	6.00	3.44	--	1.41	3.13
2012	7.12	6.00	3.44	--	1.41	3.13
2011	7.42	6.00	3.54	--	1.45	3.13
2010	7.42	6.00	3.54	--	1.45	3.13
2009	7.42	6.00	3.54	--	1.45	3.13
2008	7.42	6.00	3.54	--	2.09	3.13
2007	7.84	6.00	3.78	--	2.23	3.13
2006	7.84	6.00	3.78	--	1.23	3.13
2005	7.84	6.00	3.78	--	1.23	3.13

<u>TAX LEVIES</u>							
2014	\$13,255,235	\$10,972,597	\$15,491,537	\$	--	\$6,349,729	\$14,095,497
2013	12,782,590	10,769,906	15,068,687		--	6,176,409	13,710,753
2012	12,588,453	10,608,247	14,640,832		--	6,001,039	13,321,455
2011	12,432,005	10,052,834	14,398,676		--	5,897,763	12,731,033
2010	12,427,786	10,049,472	14,178,016		--	5,806,700	12,535,916
2009	12,238,488	9,896,402	14,035,463		--	5,748,304	12,409,879
2008	11,929,569	9,646,603	13,490,853		--	7,964,581	11,928,356
2007	11,770,864	9,008,314	13,103,600		--	7,730,431	10,850,336
2006	11,052,854	8,458,817	12,221,238		--	3,976,752	10,119,702
2005	10,383,178	7,946,310	11,385,480		--	3,704,799	9,427,659

The tax levies represent the original levy of the Assessor and include the homestead exemption amount.

All taxes are billed when assessment rolls are filed during the month of November of the current tax year. Taxes become delinquent on January 1 of the following year. Penalty for delinquent taxes is 15% per annum. No discounts are allowed for taxes, and there is no provision for partial payments.

Taxpayers who have not paid their taxes by January 2 of each year are notified by the Sheriff through registered mail that all taxes must be paid within 20 days from the date of notice. After expiration of the 20th day, the Sheriff shall sell the least quantity of property of any debtor which any bidder will buy for the amount of taxes, interest and costs due.

By agreement, the East Baton Rouge Parish Sheriff is the tax collector for City property taxes and receives a commission of 4.5% of total taxes collected for the City. The Sheriff, as provided by State Law, is the official tax collector of general property taxes levied by the Parish and Parish Special Districts.

Library Board of Control	School District	Recreation and Park	Law Enforcement District	Assessor's Salary and Expense Fund	Total
<u>TAX RATES (mills per dollar)</u>					
10.78	43.45	14.04	14.99	1.34	105.70
10.78	43.45	14.04	14.99	1.34	105.70
10.78	43.45	14.04	14.99	1.34	105.70
11.10	43.45	14.46	14.99	1.38	106.92
11.10	43.45	14.46	14.99	1.38	106.92
11.10	43.45	14.46	14.99	1.38	106.92
11.10	43.45	14.46	14.99	1.38	107.56
11.10	43.45	14.46	14.99	1.38	108.36
11.10	43.45	14.46	14.99	1.38	107.36
9.97	43.45	14.46	14.99	1.38	106.23

<u>TAX LEVIES</u>					
\$48,546,154	\$172,553,638	\$63,218,080	\$67,505,273	\$6,034,494	\$418,022,234
47,221,059	168,092,732	61,492,507	65,662,678	5,869,779	406,847,100
45,880,282	163,119,091	59,746,512	63,798,277	5,703,115	395,407,303
45,148,390	156,255,861	58,827,132	60,970,664	5,613,043	382,327,401
44,456,394	154,151,395	57,924,991	60,036,218	5,527,001	377,093,889
44,009,402	152,687,297	57,342,564	59,432,583	5,471,431	373,271,813
42,301,728	147,001,498	55,117,514	57,126,469	5,259,125	361,766,296
38,478,826	134,360,824	50,136,871	51,963,748	4,783,854	332,187,668
35,887,762	131,404,174	46,760,784	48,464,645	4,461,722	312,808,450
30,029,957	122,414,442	43,563,016	45,150,356	4,156,604	288,161,801

- (1) Not included are the following: Consolidated Road Lighting District No. 1, St. George Fire Protection District, Chaneyville Fire Protection District, Alsen Fire Protection District, Brownsfield Fire Protection District No. 3, Central Fire Protection District No. 4, Eastside Fire Protection District No. 5, East Baton Rouge Parish Fire Protection District No. 6, Pride Fire District No. 8, Zachary Fire District No. 1, Downtown Development District, Pontchartrain Levee District, Comite Diversion Canal, City of Baker, City of Central, City of Zachary and BR Capital Area Transit System. These represent isolated areas that affect less than a majority of City-Parish residents.
- (2) Parishwide debt.

Source: East Baton Rouge Parish Assessor's Grand Recapitulation of the Assessment Roll for the Parish of East Baton Rouge

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO**

EXHIBIT F - 9

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2014</u>			<u>2005</u>		
		<u>Assessed Valuation (1)</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>	<u>Assessed Valuation (1)</u>	<u>Rank</u>	<u>Percentage of Total Assessed Valuation</u>
ExxonMobil Corporation	Petroleum Products	\$352,871,490	1	7.84 %	\$214,445,420	1	7.12 %
Entergy, Inc.	Electric and Gas Utility	100,889,100	2	2.24	61,938,930	2	2.06
Georgia-Pacific Corporation	Pulp and Paper Products	84,606,140	3	1.88	47,095,160	4	1.56
J P Morgan/Chase	Bank	46,690,600	4	1.04	32,622,500	5	1.08
Bellsouth Communications	Telephone Utility	37,721,200	5	0.84	48,770,300	3	1.62
Wal-Mart	Retail Store	24,024,900	6	0.54	19,047,800	7	0.63
State Farm Insurance	Insurance	22,125,150	7	0.49	-		-
Capital One/Hibernia	Bank	20,674,550	8	0.46	29,182,450	6	0.97
Higman Barge Lines, Inc.	Public Utility (Watercraft)	18,934,020	9	0.42	-		-
Formosa Plastics	Plastics Manufacturer	18,809,050	10	0.42	13,887,400	10	0.46
Union Planters Bank	Bank	-		-	18,232,200	8	0.61
Baton Rouge Water Company	Water Utility	-		-	15,438,160	9	0.51
		<u>\$727,346,200</u>		<u>16.17 %</u>	<u>\$500,660,320</u>		<u>16.62 %</u>

(1) Source: East Baton Rouge Parish Assessor's Office

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS**

EXHIBIT F - 10

<u>Year</u>	<u>Total Tax Levy</u>	<u>Collections</u>	<u>Percent of Levy Collected</u>	<u>Prior Year Tax Collections</u>	<u>Total Tax Collections</u>	<u>Ratio of Total Collections to Tax Levy</u>
<u>City of Baton Rouge Sub Fund</u>						
2014	\$13,255,235					
2013	12,782,590	\$12,624,364	98.76 %	\$142,536	\$12,766,900	99.88 %
2012	12,588,453	12,354,225	98.14	89,328	12,443,553	98.85
2011	12,432,005	12,372,584	99.52	88,846	12,461,430	100.24
2010	12,427,786	12,253,689	98.60	68,041	12,321,730	99.15
2009	12,238,488	12,045,618	98.42	114,192	12,159,810	99.36
2008	11,929,569	11,654,039	97.69	75,959	11,729,998	98.33
2007	11,770,864	11,626,807	98.78	22,693	11,649,500	98.97
2006	11,052,854	10,925,292	98.85	59,938	10,985,230	99.39
2005	10,383,178	10,191,515	98.15	76,080	10,267,595	98.89
<u>Parish of East Baton Rouge Sub Fund</u>						
2014	\$13,156,222					
2013	12,741,045	\$12,594,487	98.85 %	\$67,889	12,662,376	99.38 %
2012	12,310,364	12,107,642	98.35	50,208	12,157,850	98.76
2011	12,033,121	11,872,313	98.66	24,454	11,896,767	98.87
2010	11,819,400	11,628,549	98.39	36,387	11,664,936	98.69
2009	11,703,631	11,435,255	97.71	41,457	11,476,712	98.06
2008	11,165,622	10,903,757	97.65	30,995	10,934,752	97.93
2007	10,710,031	10,499,432	98.03	11,334	10,510,766	98.14
2006	9,874,532	9,648,655	97.71	19,531	9,668,186	97.91
2005	9,071,271	8,823,462	97.27	54,887	8,878,349	97.87

"Total Tax Levy" represents the taxpayer portion of the original levy of the Assessor and is the amount to be paid by the taxpayer. The amounts to be paid by the taxpayer are ultimately collected in full except for adjustments due to assessment errors or delayed homestead exemptions.

Source: East Baton Rouge Parish Assessor's Grand Recapitulation of the Assessment Roll for the Parish of East Baton Rouge.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SALES TAX REVENUES**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(amounts expressed in thousands, except percentages)**

EXHIBIT F-11

	2% City-Parish General	2% City-Parish Dedicated to Economic Development	2% City-Parish General	1/2 % Roads Improvement and Maintenance	1/2 % Sewerage Improvement and Maintenance	Total
2014	\$ 179,144	\$ 1,053	\$ 43,582	\$ 43,582	\$ 267,361	
2013	176,475	154	42,997	42,997	262,623	
2012	174,430	114	42,145	42,145	258,834	
2011	162,488	132	39,431	39,431	241,482	
2010	155,467	118	37,439	37,439	230,463	
2009	160,524	129	39,424	39,424	239,501	
2008	164,418	121	42,372	42,367	249,278	
2007	163,368	89	39,920	39,922	243,299	
2006	165,765	60	40,030	40,035	245,890	
2005	149,667	-	35,968	35,972	221,607	

The following is a summary by area of sales and use taxes being levied within the Parish of East Baton Rouge as of December 31, 2014.

Entity/Area	Parish	School Board Operating	School Board Capital Improvement	Municipal	State	Total
East Baton Rouge	3.00%	1.00%	1.00%	-	4.00%	9.00%
Baton Rouge	1.00%	1.00%	1.00%	2.00%	4.00%	9.00%
Baker	1.00%	2.00%	-	2.50%	4.00%	9.50%
Zachary	1.00%	1.00%	1.00%	2.00%	4.00%	9.00%
Central	1.00%	1.00%	1.50%	2.00%	4.00%	9.50%



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**TAXABLE SALES BY CATEGORY - GENERAL SALES AND USE TAX**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**  
**(in thousands)**

North American Industry Classification	FISCAL YEAR			
	2014	2013	2012	2011
Agriculture, Forestry, and Fishing	\$ 1,800	\$ 1,750	\$ 1,729	\$ 1,627
Mining	--	875	--	814
Construction	148,517	156,627	154,729	155,418
Manufacturing	830,797	866,260	934,427	805,568
Transportation and Public Utilities	36,004	38,500	42,356	52,077
Wholesale Trade	416,749	389,379	366,510	351,521
Other Retail Trade	4,105,379	4,003,171	3,969,371	3,876,491
Vehicle	542,763	500,506	482,341	444,283
Food Stores	760,589	725,383	644,850	580,985
Finance, Insurance, and Real Estate	298,835	252,003	267,967	225,396
Services	1,859,617	1,815,646	1,779,820	1,642,870
Public Administration	--	--	--	--
Total	\$ <u>9,001,050</u>	\$ <u>8,750,100</u>	\$ <u>8,644,100</u>	\$ <u>8,137,050</u>

Source: City-Parish Finance Revenue Division  
Collector of EBR Parish-wide Sales & Use Taxes  
Based on 2% general sales and use tax with no exemptions for food and drugs.

FISCAL YEAR					
2010	2009	2008	2007	2006	2005
\$ 1,565	\$ 2,182	\$ 2,466	\$ 5,473	\$ 8,786	\$ 8,307
3,129	818	822	653	912	1,946
133,783	133,890	151,265	136,984	142,226	138,667
724,461	941,631	876,348	807,773	727,543	601,441
43,030	51,560	64,945	78,988	112,803	114,346
332,501	348,700	411,867	196,940	408,776	387,041
3,599,615	3,865,624	4,102,229	4,608,939	4,750,824	4,187,261
836,337	533,427	374,051	877,204	748,015	698,725
483,495	514,500	420,088	397,556	382,171	443,616
218,277	254,056	282,799	30,713	30,335	37,941
1,447,357	1,450,666	1,534,020	1,026,769	975,610	863,884
--	--	--	408	249	225
<u>\$ 7,823,550</u>	<u>\$ 8,097,054</u>	<u>\$ 8,220,900</u>	<u>\$ 8,168,400</u>	<u>\$ 8,288,250</u>	<u>\$ 7,483,400</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(full accrual basis of accounting)**  
**(in thousands, except per capita amount)**

<b>Year</b>	<b>Governmental Activities</b>			<b>Business - Type Activities</b>	
	<b>Excess Revenue Contracts Loans and Notes</b>	<b>Revenue Bonds</b>	<b>Capital Leases</b>	<b>Excess Revenue Contracts Loans and Notes</b>	<b>Revenue Bonds</b>
2014	\$ 84,712	\$ 229,662	\$ --	\$ 433,404	\$ 1,029,618
2013	89,263	237,762	--	225,976	995,995
2012	93,712	238,490	--	12,083	1,007,089
2011	59,929	249,604	--	2,291	1,018,218
2010	60,514	261,990	--	2,679	837,562
2009	62,371	271,490	--	3,551	471,359
2008	64,463	165,091	--	3,677	323,569
2007	65,815	174,384	--	26,221	277,749
2006	67,826	183,213	1	24,685	289,756
2005	69,760	63,047	28	18,170	270,291

Source:

- (1) Long-term debt note disclosures, Audited Comprehensive Annual Financial Reports. See Note 10.
- (2) See the Schedule of Demographic and Economic Statistics for personal income and population data.

(1) Total Primary Government	(2) Percentage of Personal Income	(2) <i>(in dollars)</i> Debt Per Capita
\$ 1,777,396	8.85%	\$ 3,985
1,548,996	7.94%	3,479
1,351,374	7.09%	3,042
1,330,042	7.39%	3,012
1,162,745	6.58%	2,637
808,771	4.65%	1,848
556,800	3.19%	1,284
544,169	3.31%	1,256
565,481	3.66%	1,305
421,296	2.95%	1,018

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(full accrual basis of accounting)**  
**(in thousands, except per capita amount)**

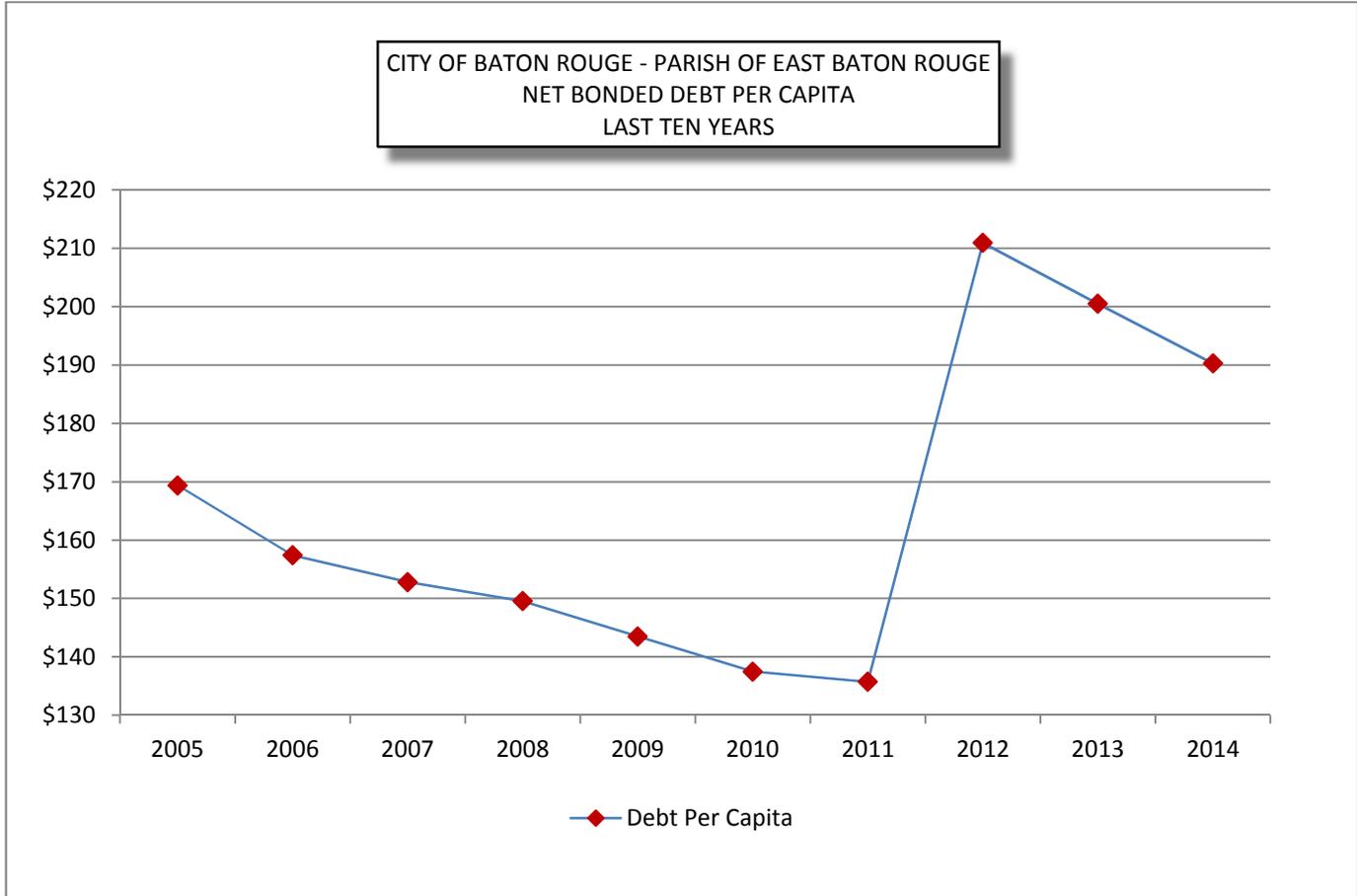
EXHIBIT F - 14

Year	Excess Revenue Contracts Loans and Notes (1)	Less: Amount Available In Debt Service Fund (4)	Total	Percentage of Estimated Actual Value of Property (2)	<i>(in dollars)</i> Debt Per Capita (3)
2014	\$84,712	\$ --	\$84,712	0.50%	\$190
2013	89,263	--	89,263	0.55%	200
2012	93,712	--	93,712	0.58%	211
2011	59,929	--	59,929	0.39%	136
2010	60,514	--	60,514	0.40%	137
2009	62,371	--	62,371	0.42%	144
2008	64,463	--	64,463	0.44%	150
2007	65,815	--	65,815	0.48%	153
2006	67,826	--	67,826	0.53%	157
2005	69,760	--	69,760	0.58%	169

- (1) Long-term debt note disclosures, Audited Comprehensive Annual Financial Reports.  
See Note 10 - Long-term debt.
- (2) See the Schedule of Assessed and Estimated Actual Value of Taxable Property.
- (3) Population data can be found in the Schedule of Demographic and Economic Statistics.
- (4) There is no general reserve fund requirement for excess revenue bonds in the State of Louisiana.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**RATIOS OF GENERAL BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**  
**(full accrual basis of accounting)**  
**(in thousands, except per capita amount)**

EXHIBIT F - 14  
(Continued)



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2014**

EXHIBIT F - 15

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Amount Applicable to Primary Government</u>
<u>Overlapping Debt:</u>			
Central Community School System	\$ 38,175,838	4.00%	\$ 1,527,034
City of Baker	1,895,000	1.00%	18,950
City of Zachary	25,700,069	3.00%	771,002
East Baton Rouge Parish School System	33,660,204	88.00%	29,620,980
Eastside Fire Protection District	432,500	3.00%	12,975
Hospital Service District No. 1 (Lane Memorial Hospital)	21,620,000	100.00%	21,620,000
Nineteenth Judicial District Court	--	100.00%	91,800,000
Zachary Community School Board	94,363,868	6.00%	<u>5,661,832</u>
Total overlapping debt			151,032,773
City of Baton Rouge/Parish of EBR direct debt			<u>314,374,835</u>
Total direct and overlapping debt			<u>\$ 465,407,608</u>

Sources: Assessed value data used to estimate applicable percentages provided by the East Baton Rouge Parish Assessor.  
Debt outstanding provided by staff of the separate governmental organizations and their audited financial statements.

Net Overlapping Debt is computed to demonstrate the total property tax burden on the taxpayers within the reporting governments' geographic jurisdiction and the total debt that their property taxes will be expected to repay.

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Municipalities taxable assessed value that is within the Parish's boundaries and dividing it by the Parish's total taxable assessed value.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
LEGAL DEBT MARGIN CALCULATION  
GENERAL OBLIGATION DEBT  
LAST TEN YEARS**

EXHIBIT F - 16

**CITY OF BATON ROUGE**

<b>Year</b>	<b>Any One Purpose</b>	<b>Sewerage Purposes</b>	<b>Aggregate All Purposes</b>	<b>Debt Outstanding</b>	<b>Legal Debt Margin</b>
2014	\$186,169,031	\$279,253,547	\$651,591,609	\$ --	\$651,591,609
2013	179,530,760	269,296,141	628,357,661	--	628,357,661
2012	176,804,116	265,206,174	618,814,406	--	618,814,406
2011	167,547,232	251,320,848	586,415,312	--	586,415,312
2010	167,490,381	251,235,572	586,216,334	--	586,216,334
2009	164,939,185	247,408,777	577,287,147	--	577,287,147
2008	160,775,869	241,163,803	562,715,541	--	562,715,541
2007	150,138,571	225,207,857	525,484,999	--	525,484,999
2006	140,980,285	211,470,428	493,430,999	--	493,430,999
2005	132,438,497	198,657,746	463,534,740	--	463,534,740

**PARISH OF EAST BATON ROUGE**

<b>Year</b>	<b>Any One Purpose</b>	<b>Sewerage Purposes</b>	<b>Aggregate All Purposes</b>	<b>Debt Outstanding</b>	<b>Legal Debt Margin</b>
2014	\$450,335,379	\$675,503,069	no limit	\$ --	\$675,503,069
2013	438,043,217	657,064,825	no limit	--	657,064,825
2012	425,605,585	638,408,377	no limit	--	638,408,377
2011	406,742,254	610,113,381	no limit	--	610,113,381
2010	400,508,930	600,763,395	no limit	--	600,763,395
2009	396,481,999	594,722,999	no limit	--	594,722,999
2008	381,097,556	571,646,334	no limit	--	571,646,334
2007	346,656,093	519,984,140	no limit	--	519,984,140
2006	323,313,174	484,969,761	no limit	--	484,969,761
2005	301,203,178	451,804,767	no limit	--	451,804,767

The Louisiana Constitution gives East Baton Rouge Parish, any municipal corporation in the parish and any sewerage district in the parish the power to incur debt and issue bonds for sewerage purposes up to a maximum of 15% of the assessed valuation of the taxable property in such subdivision. Louisiana Revised Statutes limit the Parish's bonded debt for other purposes to 10% of the assessed valuation of the taxable property for a single purpose. The City's limit includes a 35% maximum for all purposes.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SUMMARY OF REVENUE BOND COVERAGE  
LAST TEN YEARS**

EXHIBIT F - 17

**SCHEDULE A- PUBLIC IMPROVEMENT SALES TAX - SEWER (1/2%)**

Year	Gross Revenue (2)	Expenses (3)	Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest (1)	Total	
2014	\$ 382,420	\$ 382,420	\$ --	\$ --	\$ --	\$ --	--
2013	2,717,605	419,555	2,298,050	1,600,000	698,050	2,298,050	1.00
2012	3,358,372	377,229	2,981,143	1,555,000	1,426,143	2,981,143	1.00
2011	7,300,269	416,751	6,883,518	4,775,000	2,108,518	6,883,518	1.00
2010	7,286,377	394,134	6,892,243	4,565,000	2,327,243	6,892,243	1.00
2009	7,250,405	413,500	6,836,905	4,295,000	2,541,905	6,836,905	1.00
2008	7,199,247	371,848	6,827,399	4,080,000	2,747,399	6,827,399	1.00
2007	7,101,974	295,556	6,806,418	3,870,000	2,936,418	6,806,418	1.00
2006	21,322,093 (6)	332,401	20,989,692	10,565,000	10,424,692	20,989,692	1.00
2005	37,031,493	358,351	36,673,142	9,380,000	10,821,825	20,201,825	1.82

**SCHEDULE B - CITY SALES TAX (2%)**

Year	Gross Revenue (4)	Expenses (5)	Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest (1)	Total	
2014	\$ 97,843,371	\$ --	\$ 97,843,371	\$ 5,275,000	\$ 3,727,284	\$ 9,002,284	10.87
2013	93,493,918	--	93,493,918	5,060,000	3,922,851	8,982,851	10.41
2012	90,799,213	--	90,799,213	11,530,000	4,463,711	15,993,711	5.68
2011	87,494,793	--	87,494,793	10,270,000	4,861,233	15,131,233	5.78
2010	85,137,892	--	85,137,892	10,260,000	5,605,661	15,865,661	5.37
2009	87,038,718	--	87,038,718	9,740,000	5,951,439	15,691,439	5.55
2008	97,069,860	--	97,069,860	10,185,000	5,153,870	15,338,870	6.33
2007	99,525,928	--	99,525,928	10,536,325	3,633,384	14,169,709	7.02
2006	98,807,202	--	98,807,202	9,715,000	4,944,657	14,659,657	6.74
2005	88,998,396	--	88,998,396	10,395,000	5,405,585	15,800,585	5.63

**SCHEDULE C - PARISH SALES TAX (2%)**

Year	Gross Revenue (4)	Expenses (5)	Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest (1)	Total	
2014	\$ 81,322,908	\$ --	\$ 81,322,908	\$ 525,000	\$ 266,855	\$ 791,855	102.70
2013	82,987,383	--	82,987,383	--	--	--	--
2012	83,663,827	--	83,663,827	--	--	--	-- (12)
2011	75,032,120	--	75,032,120	--	--	--	-- (12)
2010	70,524,675	--	70,524,675	--	--	--	-- (12)
2009	73,640,958	--	73,640,958	--	--	--	--
2008	67,839,512	--	67,839,512	620,000	26,040	646,040	105.01
2007	64,728,994	--	64,728,994	595,000	50,435	645,435	100.29
2006	67,819,184	--	67,819,184	575,000	73,723	648,723	104.54
2005	61,485,795	--	61,485,795	545,000	95,522	640,522	95.99

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SUMMARY OF REVENUE BOND COVERAGE  
LAST TEN YEARS**

EXHIBIT F - 17  
(Continued)

**SCHEDULE D - ROAD AND STREET IMPROVEMENT SALES TAX (1/2%)**

Year	Gross Revenue (7)	Expenses (3)	Available for Debt Service	Total		Total	
				Senior Lien Debt Service (8)	Senior Lien Coverage	Sub Lien Debt Service	Sub-lien Coverage (14)
2014	\$ 28,320,339	\$ 255,767	\$ 28,064,572	\$ 17,807,013	1.58	\$ 2,626,506	1.37
2013	28,149,513	274,249	27,875,264	18,018,977	1.55	2,629,156	1.35
2012	27,680,742	245,166	27,435,576	17,991,217	1.52	2,189,898	1.36
2011	25,902,059	274,698	25,627,361	18,070,793	1.42	--	--
2010	24,662,586	231,255	24,431,331	17,792,521	1.37	--	--
2009	27,045,372	--	27,045,372	13,947,352	1.94	--	--
2008	32,575,454	--	32,575,454	10,846,689	3.00	--	--
2007	29,589,550	--	29,589,550	8,355,458	3.54	--	--
2006	29,072,421	--	29,072,421	1,363,451	21.32	--	--

**SCHEDULE E - EAST BATON ROUGE SEWERAGE COMMISSION**

Year	Gross Revenue (9)	Expenses (10)	Available for Debt Service	Total		Total	
				Senior Lien Debt Service (13)	Senior Lien Coverage	Sub Lien Debt Service	Sub-lien Coverage
2014	\$ 119,056,182	\$ 43,257,830	\$ 75,798,352	\$ 54,988,340	1.38	\$ 5,147,212	1.26
2013	115,113,327	38,233,744	76,879,583	54,483,549	1.41	575,720	1.40
2012	112,655,153	36,840,298	75,814,855	53,731,684	1.41	--	--
2011	104,462,337	38,414,107	66,048,230	40,157,122	1.64	--	--
2010	100,325,918	35,992,997	64,332,921	23,542,882	2.73	--	--
2009	100,957,375	36,691,655	64,265,720	14,398,273	4.46	--	--
2008	102,154,884	38,223,916	63,930,968	12,605,190	5.07	--	--
2007	103,142,595	36,855,981	66,286,614	10,278,040	6.45	--	--
2006	84,485,242	34,431,919	50,053,323	--	--	--	-- (11)

- (1) Fiscal charges included
- (2) Total sales tax revenues plus interest earnings on sales tax revenues
- (3) Total sales tax collection costs
- (4) Total general sales and use taxes in the general and debt service funds plus interest earnings on sales tax revenues in the City and Parish Sales Tax Bonds Debt Service Funds and operating transfers in
- (5) Refunding bond issuance costs
- (6) In 2006, the Parish pledged Sewer Sales Tax Revenues (after payment of Debt Service and expenses on the Outstanding Sewer Sales Tax Revenue Bonds) as security for and for the payment of debt service on the revenue bonds of the East Baton Rouge Sewerage Commission. The Parish is no longer authorized to issue additional 1/2% Sewer Sales Tax parity bonds.
- (7) Total general sales and use taxes in the Road and Street Improvement capital projects and debt service funds interest earnings and SWAP related revenue. (Road and Street Pledged Revenues)
- (8) Includes liquidity fees, remarketing fees and transactions associated with the SWAP on the variable rate bonds
- (9) Total operating revenues plus interest earnings on these revenues, Sewer Sales Tax Revenues pledged from the Parish
- (10) Total operating expenses less depreciation, sales tax collection costs, and change in net OPEB obligation
- (11) No debt service requirement in 2006, debt service payments begin in 2007
- (12) There were no outstanding Parish 2% Sales Tax Bonds.
- (13) Debt service calculations are done on a cash basis rather than the accrual basis used in preparation of the financial statements and include a reduction for Build America Bond direct subsidy payments received.
- (14) These bonds are secured on a junior and subordinate lien basis by the Road and Street pledged revenues. If these pledged revenues are insufficient, payments will be made from lawfully available funds of the City-Parish, as defined in the bond documents.

The City-Parish is in compliance with all legal debt covenants at December 31, 2014.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN CALENDAR YEARS**

EXHIBIT F - 18

Year	Popu- lation (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age (1)	Public School Enrollment (3)	EBR Parish Unemploy- ment Rate (4)	Labor Market Area Unemploy- ment Rate (5)
2014	446,042	20,075,012,294 (6)	45,007 (6)	32.7 (6)	54,055	5.8	5.8
2013	445,227	19,518,293,000	43,839	32.7	53,881	5.8	5.9
2012	444,275	19,047,316,000	42,873	32.7	54,439	6.3	6.4
2011	441,523	18,004,796,000	40,779	32.5	53,981	7.2	7.4
2010	440,856	17,660,971,000	40,061	32.6	53,790	7.1	7.4
2009	437,623	17,396,917,000	39,753	32.8	52,671	6.0	6.2
2008	433,723	17,456,948,000	40,249	32.8	53,849	4.2	4.3
2007	433,344	16,448,292,000	37,957	33.2	52,033	3.6	3.7
2006	433,474	15,433,129,000	35,603	33.5	55,033	3.9	3.9
2005	413,812	14,282,014,000	34,513	31.9	52,952	6.5	6.5

Source: All information is parish-wide.

- (1) Estimate - U.S. Census
- (2) Estimates - Bureau of Economic Analysis, Regional Economic Accounts
- (3) Louisiana Department of Education
- (4) U.S. Department of Labor, Bureau of Labor Statistics (Estimated figures 2014) average annual unemployment rate, not seasonally adjusted. Figures for East Baton Rouge Parish only.
- (5) U.S. Department of Labor, Bureau of Labor Statistics (Estimated figures 2014) average annual unemployment rate, not seasonally adjusted. Figures for Baton Rouge Metropolitan Statistical Area (MSA).  
Year 2004 and prior the MSA included East Baton Rouge, Livingston, Ascension, and West Baton Rouge Parishes.
- (6) Finance Department Estimate

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

EXHIBIT F - 19

2014 (2)				2005 (1)		
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Parish Employment</u>	<u>Employer</u>	<u>Rank</u>	
Louisiana State Government	21,860	1	8.82 %	Exxon Mobil Refining & Supply	1	
Turner Industries	9,671	2	3.90	Louisiana State Government	2	
Louisiana State University	6,150	3	2.48	Louisiana State University - Baton Rouge	3	
ExxonMobil Corporation	5,938	4	2.39	Southern University - Baton Rouge	4	
East Baton Rouge Parish School System	5,768	5	2.33	East Baton Rouge Parish School Board	5	
Performance Contractors	5,500	6	2.22	City-Parish Government	6	
City-Parish Government	4,433	7	1.79	Baton Rouge General Medical Center	7	
CB&I Inc	4,243	8	1.71	Our Lady of the Lake Regional Medical Ce	8	
Our Lady of the Lake Regional Medical Cen	4,099	9	1.65	Performance Contractors	9	
Baton Rouge General Medical Center	3,000	10	1.21	Casino Rouge	10	
	<u>70,662</u>		<u>28.50 %</u>			

(1) Number of employees not available for 2005. Information was previously provided by Louisiana Department of Labor.

(2) Source 2014: Baton Rouge Area Chamber estimates  
Louisiana Department of State Civil Service  
East Baton Rouge Parish School System  
Estimates - U.S. Bureau of Census (mid-year estimate)  
Estimates - U.S. Bureau of Labor Statistics (Annual average data)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**FULL-TIME EQUIVALENT CITY-PARISH EMPLOYEES**  
**BY FUND/DEPARTMENT**  
**LAST TEN FISCAL YEARS**

	<b>Full-time Equivalent Employees Allotted in Annual Budget</b>			
	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b><u>GENERAL FUND:</u></b>				
City Constable	40.00	40.00	40.00	40.00
City Court and City Court Judicial	156.63	156.63	156.63	157.63
Community Centers	20.55	20.55	20.55	20.55
Discontinued Departments (1)	--	--	--	--
Metropolitan Council and Administration	41.00	41.00	41.00	41.00
Emergency Preparedness	7.00	6.00	6.00	5.00
EMS - Prison Medical Services	36.00	36.00	36.00	36.00
Finance	121.00	121.00	125.00	125.00
Fire - (City Fire Department Only)	610.00	610.00	610.00	610.00
Human Development & Services	8.62	8.62	8.62	8.75
Human Resources	38.00	38.00	38.00	38.00
Information Services	47.00	45.00	45.00	45.00
Juvenile Services	84.00	84.00	84.00	84.00
Mayor-President	16.00	15.00	15.00	15.00
Municipal Fire & Police Civil Service	1.00	1.00	1.00	1.00
Parish Attorney	96.50	96.50	95.50	95.50
Planning Commission	27.00	27.00	27.00	27.00
Police (City Police Only)	886.00	886.00	886.00	886.00
Public Information Office	3.00	3.00	3.00	3.00
Public Works	681.00	691.00	691.00	692.00
Purchasing	13.00	13.00	13.00	13.00
<b>TOTAL GENERAL FUND</b>	<b>2,933.30</b>	<b>2,939.30</b>	<b>2,942.30</b>	<b>2,943.43</b>
<b><u>SPECIAL FUNDS:</u></b>				
Major Funds:				
Library Board of Control Fund	400.75	388.00	379.75	335.00
Grants Fund	377.57	377.57	382.82	401.77
Comprehensive Sewerage System Fund	327.40	326.40	326.40	326.40
G. B. R. Airport District Fund	81.00	80.00	82.00	84.00
Solid Waste Collection Fund	6.00	6.00	6.00	6.00
Solid Waste Disposal Facility	22.60	22.60	22.60	22.60
Non-Major Funds:				
Animal Control and Rescue Center	22.00	22.00	22.00	22.00
Central Garage	45.00	45.00	45.00	45.00
City Constable Court Costs Fund	5.00	5.00	5.00	5.00
Downtown Development District	5.00	4.00	4.00	4.00
Emergency Medical Services	170.00	170.00	166.00	166.00
Employees' Retirement System	13.00	12.00	12.00	12.00
E.B.R. Parish Communications District	52.00	51.00	47.00	47.00
Gaming Enforcement Division	2.50	2.50	2.50	2.50
G. B. R. Parking Authority	9.00	9.00	9.00	9.00
Mosquito Abatement and Rodent Control	33.00	33.00	33.00	33.00
Parish Street Maintenance	3.00	3.00	3.00	3.00
<b>TOTAL SPECIAL FUNDS</b>	<b>1,574.82</b>	<b>1,557.07</b>	<b>1,548.07</b>	<b>1,524.27</b>
<b>TOTAL ALL FUNDS</b>	<b>4,508.12</b>	<b>4,496.37</b>	<b>4,490.37</b>	<b>4,467.70</b>

(1) EMS Telecommunications allotments were moved to a special revenue fund in 2006, and the Anti-Drug Task Force was eliminated in 2006.

## Full-time Equivalent Employees Allotted in Annual Budget

<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
40.00	40.00	40.00	40.00	40.00	40.00
157.63	157.63	152.63	145.50	144.50	144.50
20.55	20.55	20.55	20.55	20.55	20.55
--	--	--	--	--	12.50
41.00	41.00	41.00	41.00	41.00	41.00
5.00	5.00	5.00	5.00	5.00	5.00
36.00	35.00	35.00	33.00	33.00	33.00
125.00	125.00	119.00	112.00	111.00	111.00
610.00	610.00	610.00	588.00	582.00	581.00
8.75	8.75	8.75	8.75	9.50	8.92
38.00	39.00	39.00	39.00	36.00	37.75
45.00	44.00	44.00	42.00	36.00	34.00
84.00	84.00	84.00	83.00	82.00	82.00
15.00	16.00	16.00	15.00	15.00	11.00
1.00	1.00	1.00	1.00	1.00	1.00
95.00	94.50	100.00	99.00	92.50	99.00
27.00	27.00	27.00	26.00	22.00	22.00
886.00	886.00	885.00	840.00	837.00	836.00
3.00	3.00	3.00	3.00	3.00	3.00
692.00	697.40	699.10	679.10	647.00	667.00
13.00	13.00	13.00	13.00	13.00	13.00
<u>2,942.93</u>	<u>2,947.83</u>	<u>2,943.03</u>	<u>2,833.90</u>	<u>2,771.05</u>	<u>2,803.22</u>
335.00	319.25	318.25	313.25	306.75	303.75
407.23	375.48	428.94	417.98	416.19	332.43
326.40	328.20	329.40	331.90	336.00	341.00
84.00	93.00	91.00	91.00	89.00	88.73
6.00	6.00	21.10	21.00	21.00	0.00
22.60	15.40	13.40	10.00	10.00	10.00
32.00	31.00	31.00	21.00	20.00	19.00
45.00	45.00	45.00	45.00	45.00	45.00
5.00	5.00	5.00	4.00	4.00	4.00
4.00	4.00	4.00	4.00	4.00	4.00
166.00	165.00	164.00	162.00	150.00	137.00
12.00	12.00	12.00	12.00	12.00	12.00
47.00	47.00	47.00	47.00	47.00	37.50
2.00	2.00	1.00	1.00	1.00	1.00
9.00	9.00	9.00	9.00	9.00	9.00
33.00	31.00	31.00	31.00	31.00	31.00
3.00	3.00	3.00	3.00	3.00	3.00
<u>1,539.23</u>	<u>1,491.33</u>	<u>1,554.09</u>	<u>1,524.13</u>	<u>1,504.94</u>	<u>1,378.41</u>
<u>4,482.16</u>	<u>4,439.16</u>	<u>4,497.12</u>	<u>4,358.03</u>	<u>4,275.99</u>	<u>4,181.63</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function:	FISCAL YEAR			
	2014	2013	2012	2011
Public Safety:				
Police				
Physical arrests	15,620	16,458	20,913	25,829
Parking violations	3,176	7,662	14,442	20,424
Traffic violations (3)	66,453	72,562	65,200	87,643
Fire				
Number of responses	31,384	29,434	30,097	29,869
Inspections	20,216	20,558	16,254	18,885
Emergency Medical Services				
Number of emergency responses	55,946	51,875	52,689	51,467
Number of patient transports	33,865	31,095	31,170	30,720
Communications district				
Number of 911 calls (in thousands)	457,870	416,231	387,583	385,970
Transportation:				
Parish street maintenance program				
Number of miles of new	6	1	1	3
Rehab streets and roads	17	22	25	19
Number of potholes repaired	1,173 (9)	1,337	1,457	1,666
Airport				
Number of enplanements	394,772	407,235	413,873	404,735
Sanitation:				
Wastewater				
Average daily sewerage treatment (millions of gallons)	24,978	25,158	23,696	22,819
Solid Waste Disposal				
Average daily tonnage accepted at Landfill (5)	1,337	1,243	1,457	1,491
Administration Office and Boards				
Construction Permits				
Total Number of Permits issued	22,985	22,569	21,698	21,759
Total Valuation	794,214,720	679,202,454	603,507,068	729,876,485
Culture-Recreation				
Libraries				
Total registered borrowers	346,363	325,303	304,431	425,540
Total items circulated	2,563,226	2,434,723	2,338,802	2,340,208
Total reference questions answered	898,255	885,764	868,222	971,205
New branch libraries opened	0 (8)	1	0	0

Notes:

- (1) Including arrest or summons, 2,734 Juveniles, 24,048 adults.
- (2) Through November 2005
- (3) Moving violations only
- (4) Increase in calls due to Hurricanes Katrina and Rita in 2005.
- (5) Tonnage without recycling. No adjustment for unscheduled closings of the landfill.
- (6) Road rehab reflects a reduction to 27% of the road sales tax money.
- (7) Projected from data thru Nov 2010. 25,614 adults, 2,500 juveniles
- (8) New Main Library at Goodwood is not included
- (9) In 2014, total 2,980 potholes were filled.  
South Lot - 150 work orders Sept - Dec, unable to retrieve number for Jan - Aug

FISCAL YEAR					
2010	2009	2008	2007	2006	2005
28,114 (7)	27,158	26,158	26,782 (1)	15,034	12,182 (2)
19,554	19,759	22,649	25,036	24,365	19,481 (2)
75,677	87,509	84,882	89,131	107,089	65,071 (2)
29,939	28,723	28,280	26,564	26,886	26,498
15,174	15,689	19,199	16,818	13,932	12,810
49,184	48,490	50,453	48,419	48,264	49,583
29,712	28,081	26,431	26,432	24,393	26,306
340,000	353,169	365,850	347,536	368,486	353,000 (4)
0	2	4	11	4	10
25	17	24	29 (6)	24 (6)	40
1,731	2,707	2,791	3,448	1,247	165
390,847	356,140	433,135	491,836	534,709	523,417
23,211	23,603	21,610	22,559	21,534	22,251
1,526	1,562	1,562	1,490	1,438	1,379
22,565	21,649	24,835	27,312	26,910	26,845
710,536,043	375,597,425	666,743,993	1,068,749,146	911,708,204	592,858,669
410,109	393,812	386,181	366,065	341,179	316,977
2,392,827	2,284,918	2,231,974	2,307,630	2,396,323	2,440,000
879,514	811,166	731,213	695,867	645,320	615,534
0	0	0	1	0	3

## Sources:

## City only:

Baton Rouge Police Department - Crime Stat &amp; Traffic Records

Baton Rouge Fire Department

## Parish-wide:

EBR Parish Emergency Medical Services

EBR Parish Communications District

City-Parish Department of Public Works

GBR Airport District

EBR Parish Library

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Major Programs	FISCAL YEAR			
	2014	2013	2012	2011
General Government				
Number of general government buildings	10	10	10	10
Public Safety				
Number of police stations	5	5	5	5
Police patrol units	536	536	509	513
Number of fire stations	19	19	19	19
Fire trucks	41	41	41	41
Number of EMS stations	12	12	13	13
Ambulances	23	23	21	21
Correction facilities	2	2	2	2
Transportation				
Miles of streets-	1,783	1,779	1,775	1,774
Number of streetlights	35,200	35,155	35,136	35,134
Number of traffic signals	499	495	489	489
Sanitation				
Miles of sanitary sewers	1,784	1,783	1,783	1,781
Miles of storm sewers	104	103	103	102
Culture and Recreation				
Number of library branches	14	14	14	13
Number of community centers	6	6	6	6
Conservation and Development				
Number of Headstart centers	7	7	7	7
Health and Welfare				
Number of Health and Welfare buildings	7	7	7	7

Sources:

City only:

    Baton Rouge Fire Department

Parish-wide:

    EBR Parish Emergency Medical Services

    EBR Parish Communications District

    City-Parish Department of Public Works

    EBR Parish Library

City Parish Fixed Asset Records

FISCAL YEAR					
2010	2009	2008	2007	2006	2005
10	10	10	10	10	10
5	5	5	5	5	5
511	467	467	455	398	789
19	19	19	19	19	19
41	41	41	40	39	38
13	12	12	12	12	11
21	21	21	21	21	20
2	2	2	2	2	2
1,772	1,771	1,771	1,766	1,757	1,753
35,006	34,725	34,725	34,725	34,725	34,725
482	472	472	465	468	463
1,780	1,778	1,778	1,773	1,764	1,759
100	98	98	93	82	78
13	13	13	13	13	13
6	6	6	6	6	6
7	7	7	7	7	7
7	7	7	7	7	7

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
EMPLOYEES' RETIREMENT SYSTEM  
REGULAR EMPLOYEES' TRUST**

EXHIBIT F - 23

**SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) --Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/14	\$ 1,106,575,866	\$ 1,559,275,063	\$ 452,699,197	71.0 %	\$ 135,556,888	334.0 %
12/31/13	1,074,038,336	1,471,977,274	397,938,938	73.0	137,789,518	288.8
12/31/12	1,041,229,857	1,446,809,462	405,579,605	72.0	137,426,654	295.1
12/31/11	1,027,953,907	1,423,218,176	395,264,269	72.2	136,781,288	289.0
12/31/10	1,023,450,890	1,385,722,119	362,271,229	73.9	136,123,660	266.1
12/31/09	1,002,378,598	1,350,074,067	347,695,469	74.2	136,119,407	255.4
12/31/08	997,853,412	1,270,104,552	272,251,140	78.6	131,041,421	207.8
12/31/07	1,020,575,797	1,206,648,213	186,072,416	84.6	123,524,590	150.6
12/31/06	979,597,562	1,163,175,147	183,577,585	84.2	120,067,013	152.9
12/31/05	924,904,837	1,111,081,729	186,176,892	83.2	115,559,703	161.1

**CPERS TRUST  
SIGNIFICANT ACTUARIAL ASSUMPTIONS**

Valuation date	December 31, 2014
Valuation method	Individual Entry Age Normal Actuarial Cost Method with unfunded Actuarial Accrued Liability (4)
Amortization method	Level percentage of payroll, 30 year open amortization method using payroll growth of 2.5% per annum.
Remaining amortization period	30 years
Asset valuation method	Market value as of January 1, 1996. Beginning January 1, 1997, adjusted Market Value with 20% unrealized gains (losses) recognized each year. Beginning January 1, 2002, Expected Value Method, with 20% of investment gains or (losses) recognized each year.
Actuarial assumptions:	
Investment rate of return	7.50%* (1)
Projected salary increases	3.50%* plus longevity/merit (2)
Aggregate payroll growth	2.50%* (3)

\* compounded annually and including inflation of 3.50%

- (1) revised from 2008 assumption of 7.75%
- (2) revised from 2008 assumption of 3.75%
- (3) revised from 2003 assumption of 5.0%
- (4) revised from the Aggregate Entry Age Method

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**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE**

**REPORTS ON COMPLIANCE AND INTERNAL CONTROL**

**DECEMBER 31, 2014**

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**INDEPENDENT AUDITORS' 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**

The Honorable Mayor-President  
and Members of the Metropolitan Council  
City of Baton Rouge and Parish of East Baton Rouge:

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Baton Rouge and Parish of East Baton Rouge (the City-Parish) as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the City-Parish's basic financial statements and have issued our report thereon dated June 24, 2015. Our report includes a reference to other auditors who audited the financial statements of certain discretely presented component units, as described in our report on City-Parish's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the City-Parish's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City-Parish's internal control. Accordingly, we do not express an opinion on the effectiveness of the City-Parish'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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. See items 2014-001, 2014-002, 2014-003 and 2014-004.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether City-Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## City-Parish's Response to Findings

The City-Parish's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City-Parish's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

## 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 City-Parish'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.

*Postlethwaite + Netterville*

Baton Rouge, Louisiana  
June 24, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

The Honorable Mayor-President  
And Members of the Metropolitan Council  
City of Baton Rouge and Parish of East Baton Rouge:

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of the City of Baton Rouge and Parish of East Baton Rouge (the City-Parish) with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014. The City-Parish's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The City-Parish's basic financial statements include the operations of the District Attorney of the Nineteenth Judicial District (the District Attorney), the Capital Area Transit System (the Transit System), and the East Baton Rouge Redevelopment Authority (the Authority), which received \$1,366,405, \$10,613,028, and \$3,044,610, respectively, of federal awards during their most recent respective fiscal years ending during 2014, which is not included in the accompanying Schedule of Expenditures of Federal Awards for the year ended December 31, 2014. Our audit, described below, does not include the federal award activity of the District Attorney, the Transit System, or the Authority because the component units of the City-Parish separately engaged those audits in accordance with OMB Circular A-133.

***Management's Responsibility***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the City-Parish's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City-Parish's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Basis for Adverse Opinion on CFDA No. 14.239 – Home Investment Partnership Program (HOME)***

As described in the accompanying schedule of findings and questioned costs, the City-Parish did not comply with requirements regarding CFDA No. 14.239 HOME as described in finding numbers 2014-005 for Sub-recipient monitoring, 2014-007 for Reporting, 2014-008 for Earmarking, and 2014-009 for Special Tests and Provisions. Compliance with such requirements is necessary, in our opinion, for the City-Parish to comply with the requirements applicable to that program.

***Adverse Opinion on CFDA No. 14.239 – Home Investment Partnership Program (HOME)***

In our opinion, because of the significance of the effects of the noncompliance described in the Basis for Adverse Opinion paragraph, the City-Parish did not comply, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA No. 14.239 – Home Investment Partnership Program (HOME) for the year ended December 31, 2014.

***Basis for Qualified Opinion on CFDA No. 14.241 – Housing Opportunities for People with Aids (HOPWA), CFDA No. 14.871 – Section 8 Choice Vouchers***

As described in the accompanying schedule of findings and questioned costs, the City-Parish did not comply with requirements regarding CFDA No. 14.241 HOPWA as described in finding numbers 2014-005 for Sub-recipient monitoring and 2014-007 for Reporting. Compliance with such requirements is necessary, in our opinion, for the City-Parish to comply with the requirements applicable to that program.

As described in the accompanying schedule of findings and questioned costs, the City-Parish did not comply with requirements regarding CFDA No. 14.871 Section 8 Choice Voucher as described in finding numbers 2014-013 for Reporting – Financial, 2014-014 for Special Tests and Provisions for Reporting, 2014-015 for Special Tests and Provisions – Depository agreements, and 2014-016 for Special Tests and Provisions – Waiting List Selection. Compliance with such requirements is necessary, in our opinion, for the City-Parish to comply with the requirements applicable to that program.

***Qualified Opinion on CFDA No. 14.241 – Housing Opportunities for People with Aids (HOPWA), CFDA No. 14.871 – Section 8 Choice Vouchers***

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the City - Parish complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA No. 14.241 – Housing Opportunities for People with Aids for the year ended December 31, 2014.

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the City - Parish complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA No. 14.871 – Section 8 Choice Vouchers Program for the year ended December 31, 2014.

***Unmodified Opinion on Each of the Other Major Federal Programs***

In our opinion, the City-Parish complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended December 31, 2014.

### ***Other Matters***

The results of our auditing procedures disclosed other instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2014-006, 2014-010, 2014-011, 2014-012 and 2014-017. Our opinion on each major federal program is not modified with respect to these matters.

The City-Parish's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City-Parish's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control over Compliance**

Management of the City-Parish is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City-Parish's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City-Parish's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-005 and 2014-009 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2014-006, 2014-007, 2014-010, 2014-012, 2014-016 and 2014-017 to be significant deficiencies.

The City-Parish's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City-Parish's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
June 24, 2015

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SUMMARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>FEDERAL</u> <u>EXPENDITURES</u>	<u>LOCAL</u> <u>EXPENDITURES</u>	<u>TOTAL</u>
<b><u>FEDERAL AGENCY - SCHEDULE A</u></b>			
U.S. Department of Housing and Urban Development	\$ 12,687,485	\$ --	\$ 12,687,485
U.S. Department of Health and Human Services	15,668,136	2,887	15,671,023
U.S. Department of Homeland Security	703,194	460,552	1,163,746
U.S. Department of Transportation	6,639,357	1,341,430	7,980,787
U.S. Department of Agriculture	1,248,183	--	1,248,183
U.S. Department of Labor	2,441,136	--	2,441,136
U.S. Department of Justice	716,912	53,839	770,751
U.S. Environmental Protection Agency	12,317	--	12,317
U.S. Small Business Association	17,150	--	17,150
U.S. Department of the Treasury	16,000	--	16,000
U.S. Department of Energy	522,780	--	522,780
<b>TOTAL FEDERAL AGENCY - SCHEDULE A</b>	<b><u>\$ 40,672,650</u></b>	<b><u>\$ 1,858,708</u></b>	<b><u>\$ 42,531,358</u></b>
<b><u>FEDERAL AGENCY - SCHEDULE B</u></b>			
U.S. Department of Transportation	\$ 1,410,002	\$ --	\$ 1,410,002
U.S. Department of Environmental Protection Agency	2,516,943	756,051	3,272,994
<b>TOTAL FEDERAL AGENCY - SCHEDULE B</b>	<b><u>\$ 3,926,945</u></b>	<b><u>\$ 756,051</u></b>	<b><u>\$ 4,682,996</u></b>
<b>TOTAL FEDERAL AGENCY - SCHEDULE A AND B</b>	<b><u>\$ 44,599,595</u></b>	<b><u>\$ 2,614,759</u></b>	<b><u>\$ 47,214,354</u></b>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

SCHEDULE A

Names of Grants & Sources	Code Numbers	Federal CFDA Numbers	Grant Numbers	Federal Expenditures	Local Expenditures	Total
<b><u>FEDERAL GRANTS</u></b>						
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>						
<u>Direct Programs:</u>						
	121004					
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-97-MC-22-0002	\$ 10,588	\$ --	\$ 10,588
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-07-MC-22-0002	2,369	--	2,369
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-08-MC-22-0002	60,720	--	60,720
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-09-MC-22-0002	338,514	--	338,514
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-10-MC-22-0002	870,852	--	870,852
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-11-MC-22-0002	578,793	--	578,793
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-12-MC-22-0002	473,270	--	473,270
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-13-MC-22-0002	1,923,137	--	1,923,137
Community Development Block Grants/Entitlement Grants	182.431602	14.218	B-14-MC-22-0002	397,911	--	397,911
SUBTOTAL CFDA NUMBER 14.218 (1)				<u>4,656,154</u>	<u>--</u>	<u>4,656,154</u>
Home Investment Partnerships Program	183.431602	14.239	M-06-MC-22-0204	2,653	--	2,653
Home Investment Partnerships Program	183.431602	14.239	M-07-MC-22-0204	64,370	--	64,370
Home Investment Partnerships Program	183.431602	14.239	M-08-MC-22-0204	115,901	--	115,901
Home Investment Partnerships Program	183.431602	14.239	M-10-MC-22-0204	4,734	--	4,734
Home Investment Partnerships Program	183.431602	14.239	M-12-MC-22-0204	26,605	--	26,605
Home Investment Partnerships Program	183.431602	14.239	M-13-MC-22-0204	476,068	--	476,068
Home Investment Partnerships Program	183.431602	14.239	M-14-MC-22-0204	137,010	--	137,010
SUBTOTAL CFDA NUMBER 14.239				<u>827,341</u>	<u>--</u>	<u>827,341</u>
Supportive Housing Program	184.431602	14.235	LA-48-B110-40	7,320	--	7,320
Supportive Housing Program	184.431602	14.235	LA-48-B120-40	468,362	--	468,362
Supportive Housing Program	184.431602	14.235	LA-48-B130-40	302,398	--	302,398
SUBTOTAL CFDA NUMBER 14.235				<u>778,080</u>	<u>--</u>	<u>778,080</u>
Housing Opportunities for Persons with AIDS	185.431602	14.241	LAH10F002	2,221	--	2,221
Housing Opportunities for Persons with AIDS	185.431602	14.241	LAH11F002	40,434	--	40,434
Housing Opportunities for Persons with AIDS	185.431602	14.241	LAH12F002	435,124	--	435,124
Housing Opportunities for Persons with AIDS	185.431602	14.241	LAH13F002	1,478,182	--	1,478,182
SUBTOTAL CFDA NUMBER 14.241				<u>1,955,961</u>	<u>--</u>	<u>1,955,961</u>
Emergency Solutions Grant Program	182.431602	14.231	S-08-MC-22-0002	14,251	--	14,251
Emergency Solutions Grant Program	182.431602	14.231	S-09-MC-22-0002	1,052	--	1,052
Emergency Solutions Grant Program	182.431602	14.231	S-10-MC-22-0002	3,997	--	3,997
Emergency Solutions Grant Program	182.431602	14.231	S-11-MC-22-0002	1,741	--	1,741
Emergency Solutions Grant Program	182.431602	14.231	S-12-MC-22-0002	61,631	--	61,631
Emergency Solutions Grant Program	182.431602	14.231	S-13-MC-22-0002	133,400	--	133,400
Emergency Solutions Grant Program	182.431602	14.231	S-14-MC-22-0002	4,582	--	4,582
<u>Passed through Louisiana Housing Corporation</u>						
Emergency Solutions Grant Program	170.432401	14.231	11/13	209,512	--	209,512
Emergency Solutions Grant Program	170.432401	14.231	12/14	27,490	--	27,490
Emergency Solutions Grant Program	170.432401	14.231	13/15	140,591	--	140,591
SUBTOTAL CFDA NUMBER 14.231				<u>598,247</u>	<u>--</u>	<u>598,247</u>

(1) CDBG-Entitlement Grant Cluster

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

SCHEDULE A  
(Continued)

<u>Names of Grants &amp; Sources</u>	<u>Code Numbers</u>	<u>Federal CFDA Numbers</u>	<u>Grant Numbers</u>	<u>Federal Expenditures</u>	<u>Local Expenditures</u>	<u>Total</u>
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (Continued)</u></b>						
<u>Passed through Louisiana Office of Community Development Disaster Recovery Unit</u>						
	121120					
Community Development Block Grants/State's program	152.432495	14.228	17-PARA-7002	\$ 2,220,318	\$ --	\$ 2,220,318
Community Development Block Grants/State's program	152.432609	14.228	B-08-DI-22-001	87,841	--	87,841
SUBTOTAL CFDA NUMBER 14.228 (2)				<u>2,308,159</u>	<u>--</u>	<u>2,308,159</u>
<u>Direct Programs:</u>						
	121004					
Section 8 Housing Choice Vouchers	170.431602	14.871	LA-48-0046-009	2,152	--	2,152
Section 8 Housing Choice Vouchers	170.431602	14.871	LA-48-E0003-001/004	27,183	--	27,183
Section 8 Housing Choice Vouchers	170.431602	14.871	LA-219-CEO-001-013	190,882	--	190,882
Section 8 Housing Choice Vouchers	170.431602	14.871	LA-219-CEO-001-014	1,314,018	--	1,314,018
<u>Passed through other Section 8 Agencies</u>						
	121120					
Section 8 Housing Choice Vouchers	170.434605	14.871	LA-219-CEO-001-014	20,968	--	20,968
SUBTOTAL CFDA NUMBER 14.871 (3)				<u>1,555,203</u>	<u>--</u>	<u>1,555,203</u>
<u>Direct Programs:</u>						
	121004					
Choice Neighborhoods Planning Grants	170.431602	14.892	LA6H003CNP113	8,340	--	8,340
Total U. S. Department of Housing and Urban Development				<u>12,687,485</u>	<u>--</u>	<u>12,687,485</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>						
<u>Direct Programs:</u>						
	121006					
Head Start	160.431601	93.600	06CH0065/36	6,446	--	6,446
Head Start	160.431601	93.600	06CH0065/37	10,354,958	2,887	10,357,845
Head Start	160.431601	93.600	06CH0065/35	13,674	--	13,674
SUBTOTAL CFDA NUMBER 93.600				<u>10,375,078</u>	<u>2,887</u>	<u>10,377,965</u>
HIV Emergency Relief Project Grants	160.431601	93.914	H89HA11432-05	741,781	--	741,781
HIV Emergency Relief Project Grants	160.431601	93.914	H89HA11432-06	2,650,604	--	2,650,604
HIV Emergency Relief Project Grants	160.431601	93.914	H89HA11432-05	155,742	--	155,742
HIV Emergency Relief Project Grants	160.431601	93.914	H89HA11432-06	308,012	--	308,012
SUBTOTAL CFDA NUMBER 93.914				<u>3,856,139</u>	<u>--</u>	<u>3,856,139</u>
<u>Passed through Louisiana Housing Corporation</u>						
	121119					
Low-Income Home Energy Assistance	160.432401	93.568	2013/2015	67,786	--	67,786
<u>Passed through Louisiana Workforce Commission</u>						
	121118					
Community Services Block Grant	160.432604	93.569	CSBG-FY-13P0019	102,325	--	102,325
Community Services Block Grant	160.432604	93.569	CSBG-FY-14P0019	1,123,150	--	1,123,150
Community Services Block Grant	160.432604	93.569	CSBG-FY-15P0019	1,238	--	1,238
SUBTOTAL CFDA NUMBER 93.569				<u>1,226,713</u>	<u>--</u>	<u>1,226,713</u>
<u>Passed through Louisiana Office of Youth Development</u>						
	121127					
Foster Care_Title IV-E	171.432104	93.658	N/A	142,420	--	142,420
Total U. S. Department of Health and Human Services				<u>15,668,136</u>	<u>2,887</u>	<u>15,671,023</u>

- (2) CDBG - State Administered CDBG Cluster  
(3) Housing Voucher Cluster

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

SCHEDULE A  
(Continued)

Names of Grants & Sources	Code Numbers	Federal CFDA Numbers	Grant Numbers	Federal Expenditures	Local Expenditures	Total
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>						
<u>Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness</u>						
Hazard Mitigation Grant	121126 170..432103	97.039	1603N-033-0002	\$ 107,000	\$ --	\$ 107,000
Homeland Security Grant Program	170..432103	97.067	2009-SS-T9-0059	126,042	--	126,042
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	173..432103	97.036	N/A	456,460	460,552	917,012
<u>Passed through Capital Area United Way</u>						
Emergency Food and Shelter National Board Program	121432 170..434602	97.024	LRO ID:361400-001	13,692	--	13,692
Total U. S. Department of Homeland Security				<u>703,194</u>	<u>460,552</u>	<u>1,163,746</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>						
<u>Passed through Louisiana Department of Transportation and Development-Office of Highways</u>						
Highway Planning and Construction	121101 341..432200	20.205	700-17-0172 742-17-0125	3,770,784	447,618	4,218,402
Highway Planning and Construction	341..432200	20.205	013-05-0043 576-17-008	110,823	575,149	685,972
Highway Planning and Construction	341..432200	20.205	700-26-0078 742-17-0131 742-17-0130 H.007157.60	14,208	8,032	22,240
Highway Planning and Construction	341..432200	20.205	414-01-0036 742-17-0130	163,314	--	163,314
Highway Planning and Construction	341..432200	20.205	700-26-0078 700-30-0246	276,602	134,387	410,989
Highway Planning and Construction	341..432200	20.205	737-17-0024	6,331	--	6,331
Highway Planning and Construction	341..432200	20.205	H.006500	790,236	62,191	852,427
Highway Planning and Construction	341..432200	20.205	H.00451.6	57,710	--	57,710
Highway Planning and Construction	341..432200	20.205	742-17-0144	352,064	--	352,064
Highway Planning and Construction	341..432200	20.205	700-17-0221	165,254	--	165,254
<u>Passed through the Louisiana Highway Safety Commission (LHSC)</u>						
Highway Planning and Construction	121105 170..432101	20.205	2014-30-14	22,645	--	22,645
SUBTOTAL CFDA NUMBER 20.205 (4)				<u>5,729,971</u>	<u>1,227,377</u>	<u>6,957,348</u>
<u>Federal Highway Administration (FHWA) Passed through Louisiana Department of Culture Recreation and Tourism</u>						
Recreational Trails Program	121121 170..432102	20.219	H.007691	45,571	11,393	56,964
Recreational Trails Program	170..432102	20.219	H.009356	360	90	450
SUBTOTAL CFDA NUMBER 20.219 (4)				<u>45,931</u>	<u>11,483</u>	<u>57,414</u>
<u>Passed through Capital Region Planning Commission</u>						
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	121425 170..434101	20.505	PL-0011(037)	46,559	11,640	58,199
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	170..434101	20.505	H.972035	18,000	--	18,000
Metropolitan Transportation Planning and State and Non-Metropolitan Planning and Research	170..434101	20.505	H.972104.1	18,000	--	18,000
SUBTOTAL CFDA NUMBER 20.505				<u>82,559</u>	<u>11,640</u>	<u>94,199</u>

(4) Highway Planning and Construction Cluster

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**GOVERNMENTAL ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

SCHEDULE A  
(Continued)

<u>Names of Grants &amp; Sources</u>	<u>Code Numbers</u>	<u>Federal CFDA Numbers</u>	<u>Grant Numbers</u>	<u>Federal Expenditures</u>	<u>Local Expenditures</u>	<u>Total</u>
<b><u>U.S. DEPARTMENT OF TRANSPORTATION (Continued)</u></b>						
<b><u>National Highway Traffic Safety Administration (NHTSA)</u></b>						
<b><u>Passed through the Louisiana Highway Safety Commission (LHSC)</u></b>						
	121105					
State and Community Highway Safety	170.432101	20.600	2014-30-14	\$ 133,126	\$ --	\$ 133,126
State and Community Highway Safety	170.432101	20.600	2015-30-13	67,938	--	67,938
SUBTOTAL CFDA NUMBER 20.600 (5)				<u>201,064</u>	<u>--</u>	<u>201,064</u>
Alcohol Impaired Driving Countermeasures Incentive Grants I	170.432101	20.601	2014-10-04	98,786	13,213	111,999
Alcohol Impaired Driving Countermeasures Incentive Grants I	170.432101	20.601	2015-10-30	1,838	239	2,077
Alcohol Impaired Driving Countermeasures Incentive Grants I	170.432101	20.601	2014-30-14	112,563	--	112,563
Alcohol Impaired Driving Countermeasures Incentive Grants I	170.432101	20.601	2014-10-26	80,518	52,969	133,487
Alcohol Impaired Driving Countermeasures Incentive Grants I	170.432101	20.601	2015-10-26	18,810	24,509	43,319
SUBTOTAL CFDA NUMBER 20.601 (5)				<u>312,515</u>	<u>90,930</u>	<u>403,445</u>
Occupant Protection Incentive Grants	170.432101	20.602 (5)	2015-30-13	40,496	--	40,496
Alcohol Open Container Requirements	170.432101	20.607	2014-30-14	226,821	--	226,821
Total U. S. Department of Transportation				<u>6,639,357</u>	<u>1,341,430</u>	<u>7,980,787</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>						
<b><u>Passed through Louisiana Department of Education</u></b>						
	121110					
Child and Adult Care Food Program	160.432607	10.558	12/13	33,820	--	33,820
Child and Adult Care Food Program	160.432607	10.558	13/14	902,198	--	902,198
Child and Adult Care Food Program	160.432607	10.558	14/15	281,296	--	281,296
SUBTOTAL CFDA NUMBER 10.558				<u>1,217,314</u>	<u>--</u>	<u>1,217,314</u>
School Breakfast Program	001.432106	10.553 (6)	N/A	12,348	--	12,348
National School Lunch Program	001.432106	10.555 (6)	N/A	18,521	--	18,521
Total U. S. Department of Agriculture				<u>1,248,183</u>	<u>--</u>	<u>1,248,183</u>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>						
<b><u>Passed through Louisiana Workforce Commission</u></b>						
	121118					
WIA - Adult Program	161.432604	17.258	PY2013	16,706	--	16,706
WIA - Adult Program	161.432604	17.258	FY2013	410,011	--	410,011
WIA - Adult Program	161.432604	17.258	FY2014	565,947	--	565,947
WIA - Adult Program	161.432604	17.258	FY2014	139,127	--	139,127
SUBTOTAL CFDA NUMBER 17.258 (7)				<u>1,131,791</u>	<u>--</u>	<u>1,131,791</u>
WIA - Youth Activities	161.432604	17.259	PY2012	24,469	--	24,469
WIA - Youth Activities	161.432604	17.259	FY2014	574,266	--	574,266
SUBTOTAL CFDA NUMBER 17.259 (7)				<u>598,735</u>	<u>--</u>	<u>598,735</u>

- (5) Highway Safety Cluster
- (6) Child Nutrition Cluster
- (7) WIA Cluster

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**GOVERNMENTAL ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**

SCHEDULE A  
(Continued)

Names of Grants & Sources	Code Numbers	Federal CFDA Numbers	Grant Numbers	Federal Expenditures	Local Expenditures	Total
<b><u>U.S. DEPARTMENT OF LABOR (Continued)</u></b>						
<u>Passed through Louisiana Workforce Commission (Continued)</u>						
WIA - Dislocated Worker Formula Grants	161.432604	17.278	PY2013	\$ 75,866	\$ --	\$ 75,866
WIA - Dislocated Worker Formula Grants	161.432604	17.278	FY2013	332,302	--	332,302
WIA - Dislocated Worker Formula Grants	161.432604	17.278	FY2014	286,765	--	286,765
SUBTOTAL CFDA NUMBER 17.278 (7)				694,933	--	694,933
Employment Service/Wagner-Peyser Funded Activities	161.432604	17.207 (8)	2013/2015	2,564	--	2,564
Workforce Investment Act (WIA) National Emergency Grants	161.434131	17.277	7/14-9/16	13,113	--	13,113
Total U. S. Department of Labor				2,441,136	--	2,441,136
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>						
<u>Direct Programs:</u>						
Community-Based Violence Prevention Program	170.431103	16.123	2012-PB-FX-K001	398,266	--	398,266
Project Safe Neighborhoods	170.431103	16.609	2010-GP-BX-0070	4,676	1,004	5,680
Project Safe Neighborhoods	170.431103	16.609	2011-GP-CX-0052	9,229	2,575	11,804
SUBTOTAL CFDA NUMBER 16.609				13,905	3,579	17,484
Byrne Criminal Justice Innovation Program (BCJI)	170.431103	16.817	2013-AJ-BX-0002	102,916	--	102,916
<u>Passed through East Baton Rouge Parish Sheriff's Office</u>						
Edward Byrne Memorial Justice Assistance Grant Program	170.431103	16.738	2011-DJ-BX-3127	207	--	207
Edward Byrne Memorial Justice Assistance Grant Program	170.431103	16.738	2012-DJ-BX-0938	11,619	--	11,619
Edward Byrne Memorial Justice Assistance Grant Program	170.431103	16.738	2013-DJ-BX-0241	89,680	--	89,680
Edward Byrne Memorial Justice Assistance Grant Program	170.434107	16.738	B10-5-041	10,100	--	10,100
Edward Byrne Memorial Justice Assistance Grant Program	170.434107	16.738	B11-5-014	7,500	--	7,500
<u>Passed through Louisiana Commission on Law Enforcement</u>						
Edward Byrne Memorial Justice Assistance Grant Program	170.432102	16.738	B12-5-012	30,790	4,772	35,562
SUBTOTAL CFDA NUMBER 16.738 (9)				149,896	4,772	154,668
Juvenile Accountability Block Grants	170.432102	16.523	1095	11,225	20,929	32,154
Juvenile Accountability Block Grants	170.432102	16.523	1608	11,467	22,066	33,533
SUBTOTAL CFDA NUMBER 16.523				22,692	42,995	65,687
Violence Against Women Formula Grants	170.432102	16.588	2013-WF-04-1913	1,626	849	2,475
<u>Passed through Louisiana Department of Public Safety</u>						
National Institute of Justice Research, Evaluation, and Development Project Grants	170.432104	16.560	2010-DN-BX-K019	27,611	1,644	29,255
Total U. S. Department of Justice				716,912	53,839	770,751

- (7) WIA Cluster
- (8) Employment Service Cluster
- (9) JAG Program Cluster

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
GOVERNMENTAL ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

SCHEDULE A  
(Continued)

<u>Names of Grants &amp; Sources</u>	<u>Code Numbers</u>	<u>Federal CFDA Numbers</u>	<u>Grant Numbers</u>	<u>Federal Expenditures</u>	<u>Local Expenditures</u>	<u>Total</u>
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA)</u></b>						
<u>Direct Programs:</u>	121011					
Brownfields Assessment and Cleanup Cooperative Agreements	170.431605	66.818	BF-00F18701-0	\$ 12,266	\$ --	\$ 12,266
Brownfields Assessment and Cleanup Cooperative Agreements	170.431605	66.818	BF-00F18601-0	51	--	51
SUBTOTAL CFDA NUMBER 66.818				<u>12,317</u>	<u>--</u>	<u>12,317</u>
Total U. S. Environmental Protection Agency				<u>12,317</u>	<u>--</u>	<u>12,317</u>
<b><u>U.S. SMALL BUSINESS ASSOCIATION</u></b>						
<u>Direct Programs:</u>	121016					
Small Business Investment Initiative Technical Assistance	170.431610	59.007	SBAHQ-10-I-0030	17,150	--	17,150
Total U. S. Small Business Association				<u>17,150</u>	<u>--</u>	<u>17,150</u>
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>						
<u>Passed through Capital Area United Way</u>	121432					
Volunteer Income Tax Assistance	170.434602	21.009	N/A	16,000	--	16,000
Total U. S. Department of the Treasury				<u>16,000</u>	<u>--</u>	<u>16,000</u>
<b><u>U.S. DEPARTMENT OF ENERGY</u></b>						
<u>Passed through Louisiana Housing Corporation</u>	121119					
Weatherization Assistance for Low-Income Persons	170.432401	81.042	2013-2014	393,563	--	393,563
Weatherization Assistance for Low-Income Persons	170.432401	81.042	2014-2015	129,217	--	129,217
SUBTOTAL CFDA NUMBER 81.042				<u>522,780</u>	<u>--</u>	<u>522,780</u>
Total U. S. Department of Energy				<u>522,780</u>	<u>--</u>	<u>522,780</u>
<b>TOTAL FEDERAL GRANTS - SCHEDULE A</b>				<u>\$ 40,672,650</u>	<u>\$ 1,858,708</u>	<u>\$ 42,531,358</u>

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
BUSINESS-TYPE ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2014**

SCHEDULE B

<u>Names of Grants &amp; Sources</u>	<u>Code Numbers</u>	<u>Federal CFDA Numbers</u>	<u>Grant Numbers</u>	<u>Federal Expenditures</u>	<u>Local Expenditures</u>	<u>Total</u>
<b><u>FEDERAL GRANTS</u></b>						
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>						
<u>Direct Programs:</u>						
<u>Federal Aviation Administration:</u>						
	121007					
Airport Improvement Program	482..504001	20.106	3-22-0006-92	\$ 12,963	\$ --	\$ 12,963
Airport Improvement Program	482..504001	20.106	3-22-0006-90	2,796	--	2,796
Airport Improvement Program	482..504001	20.106	3-22-0006-90	459,731	--	459,731
Airport Improvement Program	482..504001	20.106	3-22-0006-92	552,509	--	552,509
Airport Improvement Program	482..504001	20.106	3-22-0006-95	275,417	--	275,417
Airport Improvement Program	482..504001	20.106	3-22-0006-95	106,586	--	106,586
				<hr/>	<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 20.106				1,410,002	--	1,410,002
				<hr/>	<hr/>	<hr/>
Total U. S. Department of Transportation- FAA				1,410,002	--	1,410,002
				<hr/>	<hr/>	<hr/>
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY (EPA)</u></b>						
<u>Direct Programs:</u>						
	121011					
Surveys, Studies, Investigations and Special Purpose Grants	449..XXXXXX	66.606	XP986109-01-0	240,388	196,682	437,070
Surveys, Studies, Investigations and Special Purpose Grants	449..XXXXXX	66.606	XP97676501	101,676	83,187	184,863
Surveys, Studies, Investigations and Special Purpose Grants	449..XXXXXX	66.606	XP00F59001	582,000	476,182	1,058,182
				<hr/>	<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 66.606				924,064	756,051	1,680,115
				<hr/>	<hr/>	<hr/>
<u>Passed through Louisiana Department of Environmental Quality</u>						
	121125					
Capitalization Grants for Clean Water State Revolving Funds	440	66.458 (10)		1,592,879	--	1,592,879
				<hr/>	<hr/>	<hr/>
Total U. S. Environmental Protection Agency				2,516,943	756,051	3,272,994
				<hr/>	<hr/>	<hr/>
<b>TOTAL FEDERAL GRANTS - SCHEDULE B</b>				<u>\$ 3,926,945</u>	<u>\$ 756,051</u>	<u>\$ 4,682,996</u>

(10) Clean Water State Revolving Fund Cluster

See Notes to Schedule of Expenditures of Federal Awards

**CITY OF BATON ROUGE – PARISH OF EAST BATON ROUGE**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For The Year Ended December 31, 2014**

**Note A – General**

The City-Parish Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the primary government of the City of Baton Rouge, Parish of East Baton Rouge, Louisiana, (City-Parish). All federal financial assistance received directly from federal agencies is included on the schedule, as well as federal financial assistance passed-through other agencies.

**Note B – Basis of Accounting**

The City-Parish Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City-Parish’s financial statements for the year ended December 31, 2014. Schedule A details federal awards recorded in governmental fund types wherein revenues are recognized to the extent of expenditures. Schedule B details federal awards for proprietary fund types where government subsidies or contributions are recorded.

**Note C – Relationship to Financial Statements**

The Schedule of Expenditures of Federal Awards (SEFA) was prepared from the same accounting records as were used to prepare the financial statements. Differences between amounts reported in the SEFA and the financial statements may exist due to different accounting bases used for financial reporting.

**Note D – Sub-recipients**

The City-Parish provided federal awards to sub-recipients as follows:

<u>Program: Title</u>	<u>CFDA Number</u>	<u>Amounts Provided to Sub-recipients</u>
Community Development Block Grant (CDBG)	14.218	\$1,285,806
Hurricane Gustav/Ike Louisiana Recovery Authority	14.228	442,999
Emergency Solutions Grant (ESG)	14.231	365,570
Supportive Housing Program	14.235	735,578
Housing Opportunities for People with AIDS	14.241	1,355,338
Baton Rouge Area Violence Elimination (BRAVE)	16.123	317,307
Byrne Criminal Justice Innovation (BCJI)	16.817	102,214
HIV Emergency Relief Project Grant	93.914	<u>3,227,301</u>
Total		<u>\$7,832,113</u>

**CITY OF BATON ROUGE – PARISH OF EAST BATON ROUGE**  
**Notes to Schedule of Expenditures of Federal Awards**  
**For The Year Ended December 31, 2014**

**Note E – Loan Assistance**

The City-Parish had outstanding loans with continuing compliance requirements at December 31, 2014 in the following programs:

<u>Program: Title</u>	<u>CFDA Number</u>	<u>Loan Balance</u>
HOME Partnership Investment Program	14.239	\$ 10,719,676
Community Development Block Grant (CDBG)	14.218	<u>2,953,685</u>
Total gross loans		13,673,361
Allowance for loan losses		<u>(10,938,689)</u>
Total net loans with continuing compliance requirements		<u>\$ 2,734,672</u>

In addition to the net loans with continuing compliance requirements shown above, the City-Parish had loans funded under the Home Partnership Investment Program (CFDA#14.239) that are outside of the period of affordability and no longer require monitoring under the terms of the grant award. Outstanding loans of \$2,262,519 with a corresponding allowance for loan losses of \$1,810,015 are included in the loans receivable recorded in the City-Parish's financial statements at a net amount of \$452,504.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
 YEAR ENDED DECEMBER 31, 2014

**A. Summary of Auditors' Results**

*Financial Statements –*

Type of auditors' report issued: Unmodified

- Material weakness (es) identified? \_\_\_\_\_ yes      x   no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   x   yes    \_\_\_\_\_ none reported

Noncompliance material to financial statements noted? \_\_\_\_\_ yes      x   no

*Federal Awards*

Internal controls over major programs:

- Material weakness (es) identified?   x   yes    \_\_\_\_\_ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses?   x   yes

Type of auditors' report issued on compliance for major programs:

Adverse – CFDA No. 14.239;  
 Qualified – CFDA No. 14.241 and 14.871;  
 Unmodified – CFDA No. 14.218, CFDA No. 17.258, CFDA No. 17.259, CFDA No. 17.278, CFDA No. 66.458, and CFDA No. 20.205

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?   x   yes    \_\_\_\_\_ no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program</u>
14.218	Community Development Block Grants/Entitlement Grants (CDBG)
14.239	Home Investment Partnerships Program (HOME)
14.241	Housing Opportunities for Persons with AIDS (HOPWA)
14.871	Section 8 Housing Choice Vouchers
17.258	Workforce Investment Act – Adult Program
17.259	Workforce Investment Act – Youth Activities
17.278	Workforce Investment Act – Dislocated Workers
66.458	Capitalization Grant for Clean Water State Revolving Funds
20.205	Highway Planning and Construction

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**A. Summary of Auditors' Results (Continued)**

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$1,702,495.
- The City of Baton Rouge and Parish of East Baton Rouge did not qualify as a low-risk auditee.

**B. Findings – Financial Reporting**

**2014-001) Fire Protection Districts Payroll Procedures and Policies**

Criteria: A system of internal controls should be in place to provide reasonable assurance as to the safeguarding of assets against loss from unauthorized use or disposition and for maintaining accountability for assets.

Condition: Alsen–St. Irma Lee Fire Protection District is reported as a blended component unit of the City-Parish in their annual financial statements. The following deficiencies were noted with respect to this entity's internal controls over payroll and payroll bank accounts:

*A majority of these items are repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2013-001.*

- Out of a sample of 28 employment contracts, six were not obtained for its employees.
- One employee submitted a total of 16 hours of paid leave which did not agree to the 24 hours of leave reported on the time record for the pay period selected for testing.
- The time sheet of the fire chief is not reviewed or approved by another individual.
- There is no documented evidence that reconciliations or reviews of payroll reports received from the payroll processing service to the work schedules are being performed.
- The district maintains a payroll imprest account which is funded from the City-Parish. Bank account reconciliations\activities are not being reviewed by an individual independent of the disbursement process.

Cause: The above deficiencies are a result of the lack of segregation of duties due to a small staff environment and lack of training, supervisory review, and standardized policies and procedures.

Effect: Without proper internal controls over payroll and segregation of duties for cash procedures there is a potential for misappropriation of public funds.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**B. Findings – Financial Reporting (Continued)**

**2014-001) Fire Protection Districts Payroll Procedures and Policies (Continued)**

Recommendation: The fire district should establish written policies and procedures to address each of the internal control deficiencies identified above and ensure adherence to these policies in the future.

*View of Responsible Official and Planned Corrective Action:*

*In February 2015, the Alsen-St. Irma Lee Fire Protection District appointed a new interim Fire Chief. The new Chief has reviewed and signed all employment contracts for active employees.*

*ATAD, the payroll processing company, has been directed to correct the sick leave balance for the employee whose sick leave was underreported by eight hours. Since February, the interim Fire Chief has reviewed and approved all payroll reports.*

*As of June 12, 2015, all time sheets, including the interim Fire Chief's time sheets, will be reviewed and approved by the Chairman of the Alsen-St. Irma Lee Fire Protection District Board. At the July 2015 board meeting, the Board will consider converting the Fire Chief position to a salaried position.*

*In 2014, the Secretary reconciled the bank statements. Beginning immediately, the interim Fire Chief will review the bank statement reconciliation and submit it to the Board for their review at each monthly meeting.*

**2014-002) Internal Controls Over Parking Garage Fees**

Criteria: A system of internal controls should be in place to provide reasonable assurance as to the safeguarding of assets against loss from unauthorized use or disposition and for maintaining accountability for assets.

Condition: The Greater Baton Rouge Parking Garage Authority lacks a procedure for ensuring that cash collected from each customer is entered into the cash register of the teller collecting the funds. In addition, parking facility equipment, which includes the car counters in and out of the parking garage, is not functioning to its full capacity resulting in a lack of reports available to management for analysis and review. These matters were identified through observations from our audit as well as through separate audits of the City-Parish Internal Auditing Division.

*This is a repeat finding from the prior year. See the Summary Schedule of Prior Year Findings Item 2013-002.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**B. Findings – Financial Reporting (Continued)**

**2014-002) Internal Controls Over Parking Garage Fees (Continued)**

- Cause: The above deficiencies are a result of the lack of standardized policies and procedures, as well as equipment which is not operating properly.
- Effect: Without proper internal controls over collections, there is a potential for misappropriation of public funds and under-collection of revenue. Revenues were down for 2014 approximately \$45,000, or 5%.
- Recommendation: Management should address the internal control deficiency identified above and ensure adherence to these policies in the future. In addition, management should consider cost benefit of repairing the parking facility equipment that is not currently operative.

*View of Responsible Official and Planned Corrective Action:*

*A procedure for cash collections was developed prior to the end of 2014. The cashiers were made aware of recommendations from Internal Auditing and the error level has been extremely low. The management of the Parking Garage has worked with the Information Services Department to update their system which will take effect June 12 – 15, 2015. This update will assist the Parking Garage staff with identifying issues with non-paid accounts along with serving as a tracking mechanism for payments and reconciliations. Management has received information and pricing from three (3) companies for equipment replacement considerations and the funds have been approved in the 2015 budget.*

**2014-003) Controls Over Tenant Rent Payments**

- Criteria: A system of internal controls should be in place to provide reasonable assurance as to the safeguarding of assets and financial reporting. Internal controls should also provide assurance on the completeness of revenues collected and reported.
- Condition: The Office of Community Development is responsible for the collection of rental payments on approximately 20 single family properties owned by the City-Parish. Because of concerns over rent collections, the City-Parish's internal auditor reviewed the collection process. In the performance of that review and our audit procedures, it was determined that the Office of Community Development did not have written policies and procedures over the collection of the rental payments made by tenants. There was also noted a lack of basic controls over collection procedures such as receipts and check logs, segregation of duties, reconciliations, and no formal process for the review and collection of past due accounts and/or late fee assessments.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**B. Findings – Financial Reporting (Continued)**

**2014-003) Controls over Tenant Rent Payments (Continued)**

Cause: A lack of standardized policies and procedures, as well as limited staffing and changes in the organizational structure of the department, was the reason for the above condition.

Effect: Without proper internal controls over rent collections, there is a potential for misappropriation of public funds.

Recommendation: Management address the internal control deficiency identified above and ensure adherence to these policies in the future.

*View of Responsible Official and Planned Corrective Action:*

*Revenues from rental payments increased in 2014 due to the addition of properties managed by the Office of Community Development (OCD). Also, during a recent departmental reorganization, some duties associated with this program were not assigned to individual staff members for periods of time.*

*In October 2014, OCD, with assistance from the Internal Auditing Division, implemented formal revenue collection and deposit procedures for tenant rent payments. The purpose was to ensure that deposits were made timely, revenues were properly safeguarded, and adequate records were maintained. The implemented controls included tenant receipts, check logs, segregation of duties, and reconciliation of deposits. All past due accounts will be turned over to the Parish Attorney's Office for collection. OCD management will prepare written policies and procedures for the entire rental program. The staff is currently updating rental agreements and files.*

**2014-004) Central Garage Work Order and Inventory Policies and Procedures**

Criteria: A system of internal controls should be in place to provide reasonable assurance as to the safeguarding of assets against loss from unauthorized use or disposition and for maintaining accountability of assets.

Condition: The following deficiencies were noted with respect to the Central Garage operations as part of an internal audit:

- Lack of segregation of duties with initiating, assigning, completing and approving work orders.
- Lack of segregation of duties with the inventory controls including ordering, receiving, stocking, issuing, and recording transactions.
- Access and security of the inventory storage area is inadequate.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**B. Findings – Financial Reporting (Continued)**

**2014-004) Central Garage Work Order and Inventory Policies and Procedures (Continued)**

Condition: (Continued)

- The Central Garage personnel are not using all the features of a computer software system purchased and installed for the purpose of tracking work orders and billing services to the various departments.

Cause: The City-Parish Central Garage personnel lacked the necessary supervision to require them to follow policies and procedures when completing work orders and organizing and tracking inventory.

Effect: Without proper internal controls and segregation of duties over the handling of work orders and inventory controls, there is a potential that services are performed for other City-Parish departments without being correctly invoiced and there is a potential for misappropriation of public funds and a misstatement in the reporting of fund financial statements.

Recommendation: Policies and procedures should be adopted including training of the personnel of the Central Garage in the proper procedures with completing work orders and inventory controls including the importance of maintaining a segregation of duties. Adequate supervision of the Central Garage personnel is necessary to make certain the adopted procedures are being followed.

*View of Responsible Official and Planned Corrective Action:*

*The administration has contracted an independent consultant to assess the operations of Central Garage. The consultant has been placed at Central Garage to assist in developing proper internal controls and segregation of duties over handling work orders, inventory and other areas identified during the Fleet study. Proper policies and procedures are being developed and adopted to improve areas of concern recommended by the consultant. There was a reorganization of the Department of Public Works effective April 18, 2015. Through this reorganization, a Director of Fleet Management position was created. With the Director, the consultant, and filling critical supervisory positions, adequate supervision will be in place by July 31, 2015, to ensure policies and procedures are being followed. Training was conducted in April 2015 by Asset Works to instruct Central Garage personnel on all the features of the M5 computer system. The training was recorded for future use for new hires.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**C. Findings – Federal Award Programs**

**2014-005) Sub-recipient Monitoring**

**Questioned Costs: None**

**Department of Housing and Urban Development**

**14.239 Home Investment Partnerships Program (HOME)**

Grant No(s): M-(06-08) -MC-22-0204; M- (10-14) –MC-22-0204

**14.241 Housing Opportunities for Persons with AIDS (HOPWA)**

Grant No(s): LA (H10-H13) F002

Criteria: OMB Circular A-133 and the A-102 Common Rule indicate that a pass-through entity is responsible for monitoring the activities of its sub-recipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved. Additionally, when assistance is provided to developers of multi-family properties, whether or not they are considered to be sub-recipients, HOME regulations require monitoring of the property during the period of affordability.

The pass-through agency is also responsible for assuring that sub-recipients expending \$500,000 or more in Federal awards during the sub-recipient's fiscal year as required under OMB Circular A-133 have met the audit requirements. The pass-through agency is also responsible for ensuring the required audits are completed within 9 months of the end of the sub-recipient's audit period, issuing a management decision on audit findings within 6 months of receipt of the sub-recipient's audit report, and ensuring that the sub-recipient takes timely and appropriate corrective action on all audit findings.

Condition: The City-Parish Office of Community Development (OCD) administers the HOME and HOPWA programs. In considering the OCD's compliance with its monitoring requirements, we noted that none of the sub-recipients of the HOME and HOPWA programs were subject to on-site monitoring during 2014.

Cause: The monitoring of sub-recipients and borrowers (developers) of HOME and HOPWA funds became more difficult for the OCD due to resource constraints and personnel turnover.

A centralized process for tracking and monitoring the receipt of sub-recipient audit reports does not exist. In addition, no documentation of whether sub-recipients have met the audit requirements is maintained or whether sub-recipients have taken appropriate corrective actions on all audit findings identified in the audit reports. OCD personnel were not

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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**C. Findings – Federal Award Programs (Continued)**

**2014-005) Sub-recipient Monitoring (Continued)**

Cause: (Continued) provided with sufficient training in identifying omissions in single audit reporting.

Effect: The City-Parish is non-compliant with sub-recipient monitoring requirements for the HOME and HOPWA programs.

Recommendation: The City-Parish should establish a centralized process for tracking and obtaining, on an annual basis, sub-recipient audit reports. OCD should also establish procedures for ensuring appropriate sub-recipient follow-up on corrective actions. Staff should be trained in analyzing single audit reports for omissions and evaluating its impact to OCD to ensure its ability to comply with applicable federal regulations. The OCD should also develop a process to ensure all of its sub-recipients are tracked, risk assessed, and monitored.

*View of Responsible Official and Planned Corrective Action:*

*The OCD Compliance and Administration Division's staff met on June 11, 2015, to address the requirement that HOME funded projects are to be monitored on-site during the affordability period. A spreadsheet of all HOME and HOPWA sub-recipient awards was generated in June 2015 to be used to create a schedule for property monitoring visits. The Compliance and Administration Division will create a Microsoft Outlook calendar account for the purpose of electronically tracking all mandated Federal and State reports' due dates, sub-recipient A-133 audit monitoring, and HOME on-site monitoring visits. The Compliance and Administration Division will manage the OCD Compliance and Monitoring Calendar. Assigned staff will be shown on the calendar and they will be responsible for the monitoring and updating the status. Supervisors will ensure the assigned tasks are completed.*

**2014-006) Allowable Costs**

**Questioned Costs: \$168,345**

**Department of Housing and Urban Development**

**14.218 Community Development Block Grant (CDBG)**

Grant No(s): B- 97 -MC-22-0002; B- (07-14) -MC-22-0002

Criteria: Costs charged to federal grants must meet the allowability provisions of OMB Circular A-87. One provision of allowability is the concept of allocability, that is, the program should only bear its fair share of costs in proportion to the benefits received.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
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**C. Findings – Federal Award Programs (Continued)**

**2014-006) Allowable Costs (Continued)**

Condition: CDBG funds were used to pay administrative costs in support of activities of other federal programs administered by the City-Parish Office of Community Development (OCD), including the HOME program, Emergency Solutions Grant, HOPWA, Section 8 Voucher Program, and the Supportive Housing Program. Under current guidance, CDBG funds may only be used to pay costs for program administration of the HOME program.

*This is a repeat finding from the prior year. See the Summary Schedule of Prior Year Findings Item 2013-004.*

Cause: The current grant awards of the federal programs listed above do not provide enough administrative support to cover the actual costs of administering those federal programs.

Effect: CDBG funds were used to support administrative costs of other federal award programs and, therefore, may be considered unallowable to the program. Despite these additional costs, CDBG did not exceed its allowed administrative percentage per the program regulations.

Recommendation: The OCD must find alternate sources of funds to cover these administrative costs or the OCD should seek approval from the Department of Housing and Urban Development to utilize the excess capacity for administrative funds of the CDBG program to cover these costs of administering other HUD programs.

*View of Responsible Official and Planned Corrective Action:*

*The OCD Compliance and Administration Division, with the help of the Internal Auditing Division, is in the process of designing and implementing a cost allocation program to ensure that OCD staff hours worked are allocated to the correct HUD program funding source and administrative and operational categories. Working in conjunction with the City-Parish Internal Auditing Division, a detailed time sheet was implemented in May 2015 in order to completely and consistently capture information needed for cost allocations. The OCD accounting staff will use a spreadsheet recapping salaries and fringe benefits disbursements which will be sent monthly to the Finance Department.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
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**C. Findings – Federal Award Programs (Continued)**

**2014-007) Reporting**

**Questioned Costs: None**

**Department of Housing and Urban Development**

**14.218 Community Development Block Grant (CDBG)**

Grant No(s): B- 97 -MC-22-0002; B- (07-14) -MC-22-0002

**14.239 Home Investment Partnerships Program (HOME)**

Grant No(s): M-(06-08) -MC-22-0204; M- (10-14) –MC-22-0204

**14.241 Housing Opportunities for Persons with AIDS (HOPWA)**

Grant No(s): LA (H10-H13) F002

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires information on federal awards (federal financial assistance and expenditures) be made available to the public via a single, searchable website. As defined in the act, prime awardees awarded a federal grant are required to file a FFATA sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than \$25,000.

Condition: Sub-grant awards granted by the OCD under those programs administered by their office, which included CDBG, HOME, and HOPWA during the calendar year, were not reported in accordance with the Federal Funding Accountability and Transparency Act.

Cause: The non-compliance is a result of staff turnover and the lack of written policies and procedures to ensure compliance with federal reporting requirements.

Effect: The OCD is non-compliant with federal award terms.

Recommendation: The OCD must establish written policies and procedures to ensure that all reporting requirements are met and documentation maintained in accordance with grant terms.

*View of Responsible Official and Planned Corrective Action:*

*As of June 2015, the OCD Compliance and Administration Division will begin to report all sub-recipients that are awarded \$25,000 or greater on the FFATA website. As of June 2015, the City-Parish has contracted with a consultant to help establish policies and procedures for OCD to comply with federal regulations.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
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**C. Findings – Federal Award Programs (Continued)**

2014-008) Earmarking

Questioned Costs: None

Department of Housing and Urban Development

**14.239 Home Investment Partnerships Program (HOME)**

Grant No(s): M- (12) –MC-22-0204

Criteria: Each participating jurisdiction must invest at least 15 percent of each year's HOME allocation in projects which are owned, developed, or sponsored by special non-profit organizations called CHDOs.

Condition: The Office of Community Development (OCD) administers the HOME program. The OCD did not invest the required 15% of the HOME allocation in projects owned, developed, or sponsored by CHDOs.

***This is a repeat finding from the prior year. See the Summary Schedule of Prior Year Findings Item 2013-007.***

Cause: There are no written policies and procedures in place to ensure projects are identified which meet the requirements for allocation.

Effect: The OCD is not in compliance with federal regulations and may result in loss of funding.

Recommendation: We recommend OCD develop policies and procedures to ensure compliance with the 15% allocation to CHDO projects. If OCD is unable to meet the requirement in a given grant period they should request a waiver from the Department of Housing and Urban Development with respect to the 15% requirement.

*View of Responsible Official and Planned Corrective Action:*

*Beginning in March 2013, OCD began receiving U.S. Department of Housing and Urban Development (HUD) technical assistance (TA) that continued throughout 2014. TA specifically targeted HOME funds, failed CHDO projects, and strategies on program development and guidelines. During this time, OCD did not award HOME funds or set aside funding for CHDOs. An insufficient number of organizations having adequate capacity and/or meeting the definition of CHDO presented specific local projects to OCD. As a result, OCD did not meet the minimum 15% set-aside for CHDOs.*

*In August 2014, OCD submitted a request to HUD to allow more time to expend HOME funds including funding for CHDOs. OCD requested an update on several occasions and has been advised by the HUD New Orleans Field Office (NOFO) that a response from HUD headquarters is still pending. HUD NOFO recommended approval of the waiver in 2014.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
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**C. Findings – Federal Award Programs (Continued)**

**2014-008) Earmarking (Continued)**

*View of Responsible Official and Planned Corrective Action: (Continued)*

*OCD management will prepare written policies and procedures for CHDO set-aside funding. OCD will make efforts to identify CHDOs that are capable of carrying out elements of the jurisdiction's approved consolidated plan.*

**2014-009) Special Tests and Provisions**

**Questioned Costs: None**

**Department of Housing and Urban Development**

**14.239 Home Investment Partnerships Program (HOME)**

**Grant No(s):** M-(06-08) -MC-22-0204; M- (10-14) –MC-22-0204

**Criteria:** A participating jurisdiction must perform on-site inspections to determine compliance with property standards and verify the information submitted by the owners no less than (a) every three years for projects containing 1 to 4 units, (b) every two years for projects containing 5 to 25 units, and (c) every year for projects containing 26 or more units.

**Condition:** During the period under audit these inspections were not performed.

**Cause:** The non-compliance is a result of staff turnover and the lack of written policies and procedures to ensure compliance with the above criteria.

**Effect:** The City-Parish Office of Community Development (OCD) is non-compliant with federal award terms.

**Recommendation:** The OCD must establish written policies and procedures to ensure that all inspections are performed and documentation maintained to demonstrate compliance with grant regulations.

*View of Responsible Official and Planned Corrective Action:*

*In June 2015, the City-Parish contracted with a grant consultant to work with OCD to develop written policies and procedures to ensure that all program activities are performed and documentation is maintained to demonstrate compliance with federal grant regulations.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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**C. Findings – Federal Award Programs (Continued)**

**2014-010) Allowable Costs**

**Questioned Costs: \$875**

**Department of Labor**

**14.258 Workforce Investment Act (WIA) Adult Program**

Grant No(s): PY 2013; FY 2013-2014

Criteria: Costs charged to federal grants must meet the allowability provisions of OMB Circular A-87. One requirement of allowability is the requirement that costs paid are consistent with policies, regulations, and procedures of the governmental unit.

Condition: The City-Parish's Workforce Investment Administration (WIA) Office is responsible for administering the adult programs according to policies, regulations, and procedures of the federal grant and the Baton Rouge Workforce Investment Board. One of the services provided in the WIA Adult Program is assistance with tuition costs of eligible participants in the program in occupations that are designated as high demand in the local area. The tuition is paid directly to an approved educational facility according to the program policies. The tuition paid to providers varies by type of training received and the length of the training. In our test of 25 tuition payments, we noted one payment that was paid prior to the participant completing the coursework and receiving a certificate of program completion. In this instance, the WIA policy requires the certificate of program completion be received prior to the final tuition payment being disbursed.

Cause: The education facility included the request for reimbursement on an invoice based on the participant being in a semester program instead of a short-term non-credit program. WIA paid the final invoice without reviewing and making certain the required documentation showing the participant had satisfactorily received the completion certificate.

Effect: The City-Parish is non-compliant with the grant requirements and its internal policy by paying the tuition prior to the completion of the training program.

Recommendation: The City-Parish should update its internal processes to determine that provider invoices are correct and the amount invoiced meets the criteria for reimbursement based on the program completion requirement prior to payments being made.

*View of Responsible Official and Planned Corrective Action:*

*In providing the service of tuition payment to approved training providers for eligible participants, the Workforce Investment Administration (WIA) Office's policy states that we will receive the*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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**C. Findings – Federal Award Programs (Continued)**

**2014-010) Allowable Costs (Continued)**

*View of Responsible Official and Planned Corrective Action: (Continued)*

*certificate of completion from the provider prior to payment.*

*Based on our payment policy for a short term non-credit program, 80% of payment is made upon enrollment into the program and the remaining 20% is paid upon completion of the program. Upon receipt of the invoice for the full amount of the tuition, a WIA employee contacted the bursar's office of the school. The WIA employee was told that the participant had completed the program and the certificate of completion would be forwarded. The WIA employee was comfortable making the full tuition payment since the information was confirmed by the school.*

*On June 12, 2015, the school refunded the full amount of the tuition for this participant who did not complete the coursework. Moving forward, we will strictly adhere to our written policies so that no payments will be issued until all documentation has been received.*

**2014-011) Sub-recipient Monitoring**

**Questioned Costs: None**

**Department of Labor**

**14.258 Workforce Investment Act (WIA) Adult Programs**

Grant No(s): PY 2013; FY 2013-2014

**14.259 Workforce Investment Act (WIA) Youth**

Grant No(s): PY 2012; FY2014

**14.278 Workforce Investment Act (WIA) Dislocated Workers**

Grant No(s): PY 2013; FY 2013-2014

Criteria: OMB Circular A-133 and the A-102 Common Rule indicate that a pass-through entity is responsible for monitoring the activities of its sub-recipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.

The compliance supplement for the WIA cluster contained in OMB Circular A-133 identifies that a WIA contractor is included in the requirements of subrecipient monitoring. This compliance supplement

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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**C. Findings – Federal Award Programs (Continued)**

**2014-011) Sub-recipient Monitoring (Continued)**

Criteria:(continued) requires that the Baton Rouge City-Parish WIA must conduct regular oversight and monitoring of its contractors in order to determine whether or not there is compliance with provisions of the Act and applicable laws and regulations and provide technical assistance as necessary and appropriate (20 CFR section 667.400(c)).

Condition: The Baton Rouge City-Parish WIA Program management did not follow its monitoring policies and complete the required monitoring steps on all contractors. An employee assigned by the Louisiana Workforce Commission to the Baton Rouge City-Parish WIA program completed three reports on contractors but these reports did not include the monitoring checklists required by current policies and procedures.

Cause: Management of WIA did not assign any of its employees or contract with a provider to complete all of the monitoring activities required by its policy.

Effect: The Baton Rouge City-Parish WIA program is non-compliant with sub-recipient monitoring requirements due to not documenting and completing the required monitoring activities on its contractors.

Recommendation: The Baton Rouge City-Parish WIA should follow its policy of conducting monitoring procedures on its contractors in accordance with its policies and the Circular A-133 compliance supplement.

*View of Responsible Official and Planned Corrective Action:*

*Local Workforce Investment Area (LWIA) 21 was in the process of contracting with a provider to complete all monitoring requirements during the time period identified in this audit; however, these actions were halted when the Louisiana Workforce Commission (LWC) assigned an individual from the LWC Compliance and Monitoring office to the Plank Road location. This individual was assigned the duties of regular comprehensive monitoring of WIA activities, including, but not limited to, recipients and sub-recipients of LWIA 21. This individual was reassigned to the LWC, at which time it was determined that the activities required for comprehensive monitoring were not sufficiently performed.*

*LWIA 21 has successfully contracted with a qualified provider for the regular oversight and monitoring of its WIA activities and those of its sub-recipients and contractors to ensure compliance with Federal law, regulations and local policies. Further, the provider will utilize the monitoring guide developed by LWIA 21 in accordance with required and suggested federal, state, and local guidance.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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**C. Findings – Federal Award Programs (Continued)**

2014-012) Eligibility

Questioned Costs: None

**Department of Housing and Urban Development**

**14.871 Section 8 Housing Choice Voucher Program**

Grant No(s): LA-48-0046-009; LA-48 E003-001/004; LA-219-CEO-001-013/014

Criteria: As a condition of admission or continued occupancy, the public housing authority is responsible for obtaining all necessary information from the applicant for documentation and verification of income eligibility. In addition to both family income examinations and reexaminations, the public housing authority is responsible for obtaining and documenting in each tenant file verification of (1) reported family income, (2) the value of assets, (3) expenses related to deductions for annual income, and (4) other factors that may affect the determination of adjusted income or income based rent.

The public housing authority must reexamine family income and composition at least once every 12 months and adjust the tenant rent and housing assistance payment as necessary using the documentation from third-party verification (24 CFR Section 982.516).

Condition: The Office of Community Development (OCD) administers the Section 8 Housing Choice Voucher Program. During our testing of eligibility of tenants, we did not identify any matters of non-compliance with respect to eligibility upon tenant acceptance. There is no control in place to ensure the accuracy of the information entered and documented in each tenant file.

During our testing, we noted that out of 37 tenant files selected for testing, 3 did not have a recertification of income within 12 months as required by federal regulations. A recertification of income was done in these three instances in the 13 month following acceptance into the program.

Cause: The above conditions are a result of limited staffing and changes in organizational structure of the department, as well as the lack of written procedures.

Effect: Without appropriate internal controls over the eligibility determinations and reexaminations, rental assistance provided could be overstated or understated for the program participants.

A periodic review of the calculations of tenant eligibility should be performed by personnel prior to the acceptance of an applicant. This

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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**C. Findings – Federal Award Programs (Continued)**

**2014-012) Eligibility (Continued)**

Recommendation: (Continued)

review should be documented in each tenant file. The OCD should implement a monthly monitoring process of each tenant's recertification date to ensure timely compliance with federal regulations.

*View of Responsible Official and Planned Corrective Action:*

*OCD experienced staff turnover during 2014 that resulted in a backlog of the recertification process. OCD will assign additional staff who will implement a monthly monitoring process to ensure timely compliance with federal regulations. OCD will develop a monitoring tool, such as a checklist that includes supervisory review.*

**2014-013) Reporting - Financial**

**Questioned Costs: None**

**Department of Housing and Urban Development**

**14.871 Section 8 Housing Choice Voucher Program**

Grant No(s): LA-48-0046-009; LA-48 E003-001/004; LA-219-CEO-001-013/014

Criteria: *Financial Reports (OMB No. 2535-0107)* – Financial Assessment Sub-system, FASS-PH. The Uniform Financial Reporting Standards (24 CFR section 5.801) require PHAs to submit timely GAAP-based unaudited and audited financial information electronically to HUD. The FASS-PH system is one of HUD's main monitoring and oversight systems for the public housing authorities participating in the voucher program.

Condition: The City-Parish has not submitted the required financial information electronically to HUD. The City-Parish has been delinquent in this reporting requirement for several years.

Cause: The City-Parish has been unable to submit the required financial information due to system limitations and accessibility to the FASS-PH system.

Effect: The City-Parish is non-compliant with federal regulations over reporting.

Recommendation: The City-Parish should continue to work with HUD representatives to resolve the system accessibility errors and file the required financial information.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**C. Findings – Federal Award Programs (Continued)**

**2014-013) Reporting – Financial (Continued)**

*View of Responsible Official and Planned Corrective Action:*

*OCD's staff turnover resulted in current staff not being adequately trained on how to submit the report. In past years, an OCD staff member, along with a member from the Finance Department, tried to submit the report in FASS-PH without success. OCD contacted HUD representatives and HUD's help desk to clear up the problems without success. OCD will meet with HUD representatives to work through each section of the report to correct the problems that are preventing the submission.*

**2014-014) Special Tests and Provisions**

**Questioned Costs: None**

**Department of Housing and Urban Development**

**14.871 Section 8 Housing Choice Voucher Program**

**Grant No(s):** LA-48-0046-009; LA-48 E003-001/004; LA-219-CEO-001-013/014

**Criteria:** The public housing authority must inspect the unit leased to a family at least annually to determine if the unit meets Housing Quality Standards (HQS), conduct quality control re-inspections, and prepare a unit inspection report (24 CFR sections 982.158(d) and 982.405(b)).

**Condition:** Out of a sample of 18 units selected for testing, 5 unit files did not have evidence that the HQS inspections were performed within the 12 months of the prior inspection date.

**Cause:** The above conditions are a result of limited staffing and changes in organizational structure of the department.

**Effect:** The City-Parish is non-compliant with federal regulations over ensuring the units leased meet housing quality standards.

**Recommendation:** The Office of Community Development should ensure an employee is assigned with the oversight for the housing quality inspections and provide adequate training to the inspectors and the administrator over the federal program requirements.

*View of Responsible Official and Planned Corrective Action:*

*OCD anticipates hiring a Housing Program Manager in 2015 to coordinate the Housing Quality Standards (HQS) inspection activities and provide the necessary oversight to ensure compliance with federal regulatory requirements.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**C. Findings – Federal Award Programs (Continued)**

**2014-015) Special Tests and Provisions – Depository Agreements      Questioned Costs: None**

**Department of Housing and Urban Development**

**14.871      Section 8 Housing Choice Voucher Program**

Grant No(s):            LA-48-0046-009; LA-48 E003-001/004; LA-219-CEO-001-013/014

Criteria:                PHAs are required to enter into depository agreements with their financial institutions in the form required by HUD. The agreements serve as safeguards for Federal funds and provide third-party rights to HUD. Among the terms in many agreements are requirements for funds to be placed in an interest-bearing account (24 CFR section 982.156).

Condition:             A depository agreement has not been entered into with the City-Parish's financial institution and a waiver of this requirement has not been received from HUD.

Cause:                    The City-Parish maintains a consolidated cash account in accordance with its established policies and procedures. A separate bank account for an individual grant program is not practical under the current financial system and would require additional resources and potential programming changes to record transactions and payment of invoices.

Effect:                    The City-Parish is non-compliant with federal regulations over this special reporting requirement.

Recommendation:    The City-Parish should obtain written acknowledgement from HUD to waive this federal program requirement given their current financial system structure.

*View of Responsible Official and Planned Corrective Action:*

*On October 25, 2012, HUD requested a copy of the PHA's General Depository Agreement. On November 1, 2012, the City-Parish OCD sent HUD a letter from the Department of Finance explaining the City-Parish's consolidated cash bank account policy. OCD has not received a response from HUD regarding this letter. OCD and the Mayor's Office will contact HUD to obtain a waiver from this requirement.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**C. Findings – Federal Award Programs (Continued)**

**2014-016) Special Tests and Provisions – Waiting List Selection      Questioned Costs: None**

**Department of Housing and Urban Development**

**14.871      Section 8 Housing Choice Voucher Program**

Grant No(s):            LA-48-0046-009; LA-48 E003-001/004; LA-219-CEO-001-013/014

Criteria:                The administrative plan of the public housing authority provides the policies for selecting applicants from the waiting list and must demonstrate adherence to these policies when selecting applicants for admission. Applicants are placed on the waiting list according to certain preferences for which they may qualify and then are ranked by the date and time their application was received by the PHA. The waiting list should be updated annually to ensure all applicants and information is current and timely.

Condition:             While testing the selection of tenants from the waiting list, we noted out of a sample of 10 applicants, one applicant for which evidence of attempted notification was not documented in the applicant file in accordance with established policies.

In addition, the City-Parish's waiting list of applicants is currently maintained on a manual spreadsheet that can be accessed by all personnel. One individual is responsible for managing the applicants on the listing. However, there is no control to ensure once the applicant's eligibility and ranking is established that it is not modified or an applicant removed without proper procedures being followed.

Cause:                    The above conditions are a result of limited staffing and changes in organizational structure of the department and lack of internal controls over the waiting list procedures.

Effect:                    The City-Parish is non-compliant with its established policies and procedures and HUD regulations over waiting list maintenance.

Recommendation:    The City-Parish should establish additional procedures to ensure controls over waiting list maintenance are in place. In addition, provide additional training to grant personnel over waiting list maintenance.

*View of Responsible Official and Planned Corrective Action:*

*OCD will work with the Information Services Department to 1) restrict access to the waiting list and 2) develop a database program with an error/calendar notification system and an activities' checklist. This will ensure that applicants' files are updated accurately and timely and incorporate supervisory review of notification requirements.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**C. Findings – Federal Award Programs (Continued)**

2014-017) Allowable Costs

Questioned Costs: \$110,978 (see Effect)

Department of Health and Human Services

**93.600**     Head Start

Grant No(s):            06CH0065/35-37

Criteria:                Costs charged to federal grants must meet the allowability provisions of OMB Circular A-87. Unemployment compensation costs are allowed as long as the salaries and wages are chargeable to the federal award and are compliant with state and local laws.

Condition:            The City-Parish Head Start teachers are hired to work in the program for approximately ten months with the other two months unemployed, or furlough period. These teachers can apply for unemployment compensation benefits with the Louisiana Workforce Commission (LWC) during the furlough period of unemployment, if they meet the eligibility requirements of Louisiana Revised Statute (LRS) 23:1600.

The provisions of LRS 23:1600 are administered by the LWC. The LWC determines eligibility and monitors if the unemployment compensation beneficiary continues to meet the criteria for eligibility. The monitoring by LWC includes a requirement for those receiving benefits to submit documentation weekly certifying that they still meet the eligibility requirements. The unemployment benefits paid by LWC are required to stop once the beneficiary returns to work. The LWC invoices the City-Parish requesting reimbursement for the unemployment benefits paid.

During 2014, the City-Parish discovered that several of the Head Start teachers had continued to receive unemployment compensation benefits after returning to work. A certain number of teachers that continued to receive benefits beyond the eligibility period, or after returning to work, may have falsely certified to the LWC that they were still unemployed. The internal audit department of the City-Parish reviewed the LWC invoices for the years 2012 through 2014 and identified that 81 Head Start employees out of 191 may have declared and received unemployment compensation benefits for which they were not entitled for years 2012 through 2014.

The LWC has identified the employees that may have submitted false claims and received benefits beyond the eligibility period and has credited these costs to the City-Parish's account for reduction of future claims. The LWC has informed City-Parish that the Louisiana Attorney's General Office was notified of these occurrences. In addition, the City-Parish notified the Legislative Auditor in early 2015.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2014

**C. Findings – Federal Award Programs (Continued)**

**2014-017) Allowable Costs (Continued)**

- Cause: A reconciliation of the invoices the City-Parish received from LWC with those employees who returned to work after the furlough period was not being performed.
- Effect: The City-Parish paid unemployment benefits from federal resources for expenditures which were not compliant with OMB Circular A-87. The City-Parish and the Head Start Program anticipate receiving full credit\reimbursement for these false claims.
- Recommendation: The City-Parish should develop and implement procedures to analyze the invoices from LWC to identify if current employees are listed on the invoice as receiving unemployment benefits. These lists should be forwarded to the program supervisors to verify and approve that none of the employees listed on the LWC invoice are currently employed by the City-Parish. City-Parish should finalize its decision on the consequences to the employees involved in these unemployment compensation claims beyond the eligibility period.

*View of Responsible Official and Planned Corrective Action:*

*The City-Parish developed a procedure to have the Human Resources Department notify department directors and managers quarterly of employees from their department who received unemployment payments or credits. This procedure was implemented following receipt of the allocation memo for the 2014- 4th quarter unemployment report.*

*Pre-termination and Pre-suspension hearing notices were issued to all affected Head Start staff. The hearings began on Wednesday, June 3, 2015. Head Start staff was offered the option of signing an Employee Work Agreement which stated they concurred with the overpayments. If the employee did not sign a Work Agreement, more severe disciplinary action would be issued. Head Start staff must provide proof of repayment or a repayment plan with the Louisiana Workforce Commission by Monday, August 17, 2015.*

*The Department of Human and Development Services Director issued an Unemployment Insurance Benefit Claims 2015 Instruction Memo along with an Unemployment Insurance Benefit Claims Policy on May 6, 2015 to all Head Start and Early Head Start employees. All employees signed an acknowledgement receipt form.*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
EIN 726000137  
Summary Schedule of Prior Year Findings and Questioned Cost  
Year Ended December 31, 2014

**A. Findings – Financial Reporting**

**2013-001) Fire Protection Districts Payroll Procedures and Policies**

Criteria: A system of internal controls should be in place to provide reasonable assurance as to the safeguarding of assets against loss from unauthorized use or disposition and for maintaining accountability for assets.

Condition: The following fire protection districts are reported as blended component units of the City-Parish in their annual financial statements: Alsen-St. Irma Lee Fire Protection District, Chaneyville Fire Protection District, and Pride Fire Protection District. The following deficiencies were noted with respect to these entities' internal controls over payroll:

Personnel Records

- Employment contracts were not obtained for all employees (*Alsen-St. Irma Lee Fire Protection District – 1 employee out of a sample of 15*);

Employee Time Records

- Not all employees signed their attendance record for the pay period selected for testing (*Alsen-St. Irma Lee Fire Protection District – 7 employees out of a sample of 15*);
- Employees' time records could not be located for the pay period selected for testing (*Alsen-St. Irma Lee Fire Protection District – 1 employee out of a sample of 15 and Chaneyville Fire Protection District – 2 employees out of a sample of 10*);
- The hours paid did not agree to the hours reported on the time record for the pay period selected for testing (*Pride Fire Protection District – 1 employee out of a sample of 5*);

Payroll Processing

- There is no documented evidence that reconciliations of payroll reports received from the payroll processing service to the work schedules are being performed (*Alsen-St. Irma Fire Protection District*);

Bank Statement Reconciliation

- Bank account reconciliations are being performed by accounting personnel but not reviewed (*Alsen-St. Irma Fire Protection District*);
- The employee that prepares the checks also reconciles the checkbook to the bank statement. There is no second review

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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Summary Schedule of Prior Year Findings and Questioned Cost  
Year Ended December 31, 2014

**A. Findings – Financial Reporting (Continued)**

**2013-001) Fire Protection Districts Payroll Procedures and Policies (Continued)**

Condition: (Continued) performed (*Chaneyville Fire Protection District*).

Cause: The above deficiencies are a result of the lack of segregation of duties due to a small staff environment, lack of training, and lack of supervisory review, and the lack of standardized policies and procedures.

Effect: Without proper internal controls over payroll and segregation of duties for cash procedures, there is a potential for misappropriation of public funds.

Recommendation: Each district should establish written policies and procedures to address each of the internal control deficiencies identified above and ensure adherence to these policies in the future.

*View of Responsible Official and Planned Corrective Action:*

*The Pride Fire Protection District's Chief acknowledges that an addition error was made on an employee's time sheet. The employee is no longer employed with the Pride Fire Protection District; therefore, the Pride Fire Protection District is unable to recoup the \$111 error. In the future, Pride will closely review time sheets to ensure addition errors do not occur again.*

*The Chaneyville Fire Protection District's Chief will make every effort to ensure all time sheets are copied and placed in a secure file. Due to the lack of full-time employees, Chaneyville does not have the ability to completely segregate their accounting duties. Chaneyville will ensure that the Board signs off on the second review to document that the review was performed. The checks are prepared by the same employee that also reconciles the checkbook; however, the checks are signed by a board member.*

*The Alsen-St. Irma Lee Fire Protection District currently has all personnel contracts reviewed and signed. Alsen's policy has been updated to include that all contracts be reviewed annually. Alsen-St. Irma Lee Fire Protection District's Chief will make certain to ensure all employee time records are signed and placed in a secure file. Additionally, effective immediately, Alsen-St. Irma Lee Fire Protection District will perform a second review of the bank statement reconciliation. The reviews will be done by the Fire Chief and the Administrative Assistant.*

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**A. Findings – Financial Reporting (Continued)**

**2013-001) Fire Protection Districts Payroll Procedures and Policies (Continued)**

*Updated Response: Effective May 2014, the Pride Fire Protection District's Chief recalculates all time sheets hours to ensure the totals are correct.*

*Effective May 2014, the Chaneyville Fire Protection District's Chief ensures that all time sheets are copied and placed in a secure file. The Chief also ensures that the Board signs off on the second review of the bank statement reconciliation to document that the review was performed. Checks are now prepared by a different employee from the one that reconciles the checkbook. Checks are signed by a Board member.*

*Effective July 2014, Alsen-St. Irma Lee Fire Protection District established internal policies and procedures. A departmental memo was sent to all personnel informing them that time cards would not be processed without signatures. This policy has become a part of Alsen-St. Irma Lee's Standard Operating Procedures. The Fire District implemented the reconciliation of all payroll records by the Fire Chief and Administrative Assistant.*

**2013-002) Internal Controls over Parking Garage Fees**

Criteria: A system of internal controls should be in place to provide reasonable assurance as to the safeguarding of assets against loss from unauthorized use or disposition and for maintaining accountability for assets.

Condition: The Greater Baton Rouge Parking Garage Authority lacks a procedure for ensuring that cash collected from each customer is entered into the cash register of the teller collecting the funds. In addition, parking facility equipment which includes the car counters in and out of the parking garage is not functioning to its full capacity resulting in a lack of reports available to management for analysis and review.

Cause: The above deficiencies are a result of the lack of standardized policies and procedures, as well as, equipment which is not operating properly.

Effect: Without proper internal controls over collections there is a potential for misappropriation of public funds.

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**A. Findings – Financial Reporting (Continued)**

**2013-002) Internal Controls over Parking Garage Fees (Continued)**

**Recommendation:** Management should establish written policies and procedures to address the internal control deficiency identified above and ensure adherence to these policies in the future. In addition, management should consider cost benefit of repairing the parking facility equipment that is not currently operative.

*View of Responsible Official and Planned Corrective Action:*

*Department of Public Works (DPW) management will discuss potential replacement of the existing equipment if deemed beyond operational repair. DPW management will establish standardized policies and procedures to address internal control deficiencies over collections that have been identified. Once policies and procedures have been established, training will be conducted with staff to ensure understanding and compliance expectancy.*

***Updated Response:*** *In June 2014, Parking Garage management met with JL Roberts' technician to address the issue of cashier reports and received training on the capability of Scan Net. During this training, processes were documented and are kept near the Scan Net system for reference.*

*Parking Garage management has established policies and procedures regarding the cash collection's internal controls that were noted to have deficiencies. A comprehensive record is kept by the manager of all machine problems, power outages, and destruction to equipment, etc. This record shows the date, problem, and when the problem was resolved.*

*Management is considering replacing the existing equipment and the feasibility based on operational repair issues. Management continues to implement corrective action and develop policies and procedures to address the internal controls.*

**B. Findings – Federal Award Programs**

**2013-003) Sub-recipient Monitoring**

**14.218 Community Development Block Grants/Entitlement Grant (CDBG)**

Grant No(s): B- (90) (94) -MC-22-0002; B- (96-99) -MC-22-0002;  
B- (00-13) -MC-22-0002, B-08-MN-22-0001

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**B. Findings – Federal Award Programs (Continued)**

**2013-003) Sub-recipient Monitoring (Continued)**

**14.239 Home Investment Partnerships Program (HOME)**

Grant No(s): M-(92-94) -MC-22-0204; M- (02-13) –MC-22-0204

**14.241 Housing Opportunities for Persons with AIDS (HOPWA)**

Grant No(s): LA (H09-H12) F002

Criteria: OMB Circular A-133 and the A-102 Common Rule indicate that a pass-through entity is responsible for monitoring the activities of its sub-recipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved. Additionally, when assistance is provided to developers of multi-family properties, whether or not they are considered to be sub-recipients, HOME regulations require monitoring of the property during the period of affordability.

The pass-through agency is also responsible for assuring that sub-recipients expending \$500,000 or more in Federal awards during the sub-recipient's fiscal year, as required under OMB Circular A-133, have met the audit requirements. The pass-through agency is also responsible for ensuring the required audits are completed within 9 months of the end of the sub-recipient's audit period, issuing a management decision on audit findings within 6 months of receipt of the sub-recipient's audit report, and ensuring that the sub-recipient takes timely and appropriate corrective action on all audit findings.

Condition: The City-Parish Office of Community Development (OCD) administers the CDBG, HOME, and HOPWA programs. In considering the OCD's compliance with its monitoring requirements, we noted that none of the sub-recipients of the HOME and HOPWA programs were monitored during 2013. A risk assessment was performed by OCD on its sub-recipients of the CDBG program. The risk assessment identified 19 sub-recipients that required monitoring during 2013. Out of 19 that were required, only 8 monitoring visits were performed by OCD staff. Additionally, in considering the OCD's compliance with its monitoring requirements, we noted the lists of CDBG sub-recipients were not complete, since certain recent recipients of sub-award funds were not included.

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**B. Findings – Federal Award Programs (Continued)**

**2013-003) Sub-recipient Monitoring (Continued)**

Cause: The monitoring of sub-recipients and borrowers (developers) of CDBG, HOME, and HOPWA funds became more difficult for the OCD due to resource constraints and personnel turnover. The OCD also lacks a process to ensure all sub-recipients are tracked.

A centralized process for tracking and monitoring the receipt of sub-recipient audit reports does not exist. In addition, no documentation of whether sub-recipients have met the audit requirements is maintained or whether sub-recipients have taken appropriate corrective actions on all audit findings identified in the audit reports. OCD personnel were not provided with sufficient training in identifying omissions in single audit reporting.

Effect: The City-Parish is non-compliant with sub-recipient monitoring requirements for the CDBG, HOME, and HOPWA programs.

Recommendation: The City-Parish should establish a centralized process for tracking and obtaining, on an annual basis, sub-recipient audit reports. OCD should also establish procedures for ensuring appropriate sub-recipient follow-up on corrective actions. Staff should be trained in analyzing single audit reports for omissions and evaluating its impact to OCD to ensure its ability to comply with applicable federal regulations. The OCD should also develop a process to ensure all of its sub-recipients are tracked, risk assessed, and monitored.

*View of Responsible Official and Planned Corrective Action:*

*The Office of Community Development (OCD) is in the process of reorganizing its entire department by function instead of by programs. Establishing processes by function will allow for a team of employees to handle the monitoring for the entire department. This monitoring team will establish a centralized process for tracking and obtaining on an annual basis, sub-recipient audit reports. OCD will also establish procedures for ensuring appropriate sub-recipient audit reports and follow-up on corrective actions. Staff will be trained in analyzing single audit reports for omissions and evaluating its impact to OCD to ensure its ability to comply with applicable federal regulations. The OCD will also develop a process to ensure all of its sub-recipients are tracked, risk assessed, and monitored.*

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Summary Schedule of Prior Year Findings and Questioned Cost  
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**B. Findings – Federal Award Programs (Continued)**

**2013-003) Sub-recipient Monitoring (Continued)**

*Updated Response: The City-Parish Office of Community Development finalized its reorganization in September 2014. The department is now implementing its operations by function and implementing the newly acquired training. OCD staff has received risk assessment training on a comprehensive risk assessment tool. A monitoring team has been identified and a monitoring calendar is being developed.*

**2013-004) Allowable Costs**

**Questioned Costs: \$282,001**

**14.218 Community Development Block Grant (CDBG)**

Grant No(s): B- (90) (94) -MC-22-0002; B- (96-99) -MC-22-0002;  
B- (00-13) -MC-22-0002, B-08-MN-22-0001

Criteria: Costs charged to federal grants must meet the allowability provisions of OMB Circular A-87. One provision of allowability is the concept of allocability, that is, the program should only bear its fair share of costs in proportion to the benefits received.

Condition: CDBG funds were used to pay administrative costs in support of activities of other federal programs administered by the City-Parish Office of Community Development (OCD), including the HOME program, Emergency Shelter Grant, Homeless Prevention and Rapid Re-housing Grant, HOPWA, Section 8 Voucher Program and the Supportive Housing Program. Under current guidance, CDBG funds may only be used to pay costs for program administration of the HOME program.

Cause: The current grant awards of the federal programs listed above do not provide enough administrative support to cover the actual costs of administering those federal programs.

Effect: CDBG funds were used to support administrative costs of other federal award programs and therefore may be considered unallowable to the program. Despite these additional costs, CDBG did not exceed its allowed administrative percentage per the programs regulations.

Recommendation: The OCD must find alternate sources of funds to cover these administrative costs or the OCD should seek approval from the Department of Housing and Urban Development (HUD) to utilize the excess capacity for administrative funds of the CDBG program to cover these costs of administering other HUD programs.

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**B. Findings – Federal Award Programs (Continued)**

**2013-004) Allowable Costs (Continued)**

*View of Responsible Official and Planned Corrective Action:*

*The Office of Community Development (OCD), through assistance from HUD, received new templates for the ESG and HOPWA programs. These new templates will simplify the processing of draw requests. Additionally, HUD provided technical assistance to not only OCD staff, but also to the sub-recipients of the ESG and HOPWA programs. The combination of the templates and technical assistance allows for one staff member to handle the ESG, HOPWA, and SHP programs. One staff member's salary could be covered by the administration funds of the three programs, thereby eliminating the need to draw from the CDBG administration account.*

**Updated Response:** *The Office of Community Development has reduced the number of awards in both ESG and HOPWA. The reduction of awards will make it easier for one staff member to manage the grants. Additionally, OCD has funded only the highest performing sub recipients, reducing the workload of staff. OCD has already reduced its staff to one employee for ESG, HOPWA, and SHP. With these cost savings, OCD will not have to expend CDBG funds for other programs.*

**2013-005) Davis-Bacon Wage Rates**

**Questioned Costs: None**

**14.218 Community Development Block Grant (CDBG)**

Grant No(s): B- (90) (94) -MC-22-0002; B- (96-99) -MC-22-0002;  
B- (00-13) -MC-22-0002, B-08-MN-22-0001

**Criteria:** When required by the Davis-Bacon Act, all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal assistance must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the Federal Department of Labor. To ensure contractors and subcontractors are in compliance with the Davis-Bacon Act, grantee personnel must monitor the payrolls of all contractors and subcontractors of applicable projects.

**Condition:** Grantee personnel did not maintain all weekly payrolls for one project selected for testing which was funded by the Community Development Block Grant Program (CDBG). In addition, payrolls selected for testing lacked evidence of grantee personnel review.

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**B. Findings – Federal Award Programs (Continued)**

**2013-005) Davis-Bacon Wage Rates (Continued)**

Cause: The OCD lacks a centralized process to ensure that weekly payrolls of all laborers and mechanics are maintained and evidence of grantee personnel's review is documented in accordance with compliance requirements under the Davis Bacon Act.

Effect: The contractor could be paying rates below the required wage rates without the grantee's (City's) knowledge.

Recommendation: The OCD must ensure policies and procedures are established to ensure compliance with the Davis Bacon Act. The grantee should request contractors to submit weekly payrolls of all laborers and mechanics to them and maintain this documentation for its records. Grantee personnel should monitor compliance with applicable wage rates and that review should be documented through a signature of the reviewer.

*View of Responsible Official and Planned Corrective Action:*

*The Office of Community Development (OCD) uses the HUD "Making Davis Bacon Work" manual in its pre-construction conference. OCD does require weekly payrolls to be submitted by its sub-recipients. OCD reviews the payroll records for any discrepancies. OCD was unable to present the auditor with the requested files. OCD will ensure that copies of sub-recipient payrolls will be received, reviewed by applicable personnel, and kept in a secure file.*

**Updated Response:** *OCD uses the HUD "Making Davis Bacon Work" manual in its pre-construction conference and OCD requires weekly submission of payrolls by its sub-recipients. OCD reviews the payroll records for any discrepancies. OCD program analysts now work with a Compliance and Administration staff member to ensure all records are in the project file.*

**2013-006) Reporting**

**Questioned Costs: N/A**

**Department of Housing and Urban Development**

**14.218 Community Development Block Grant (CDBG)**

Grant No(s): B- (90) (94) -MC-22-0002; B- (96-99) -MC-22-0002;  
B- (00-13) -MC-22-0002, B-08-MN-22-0001

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**B. Findings – Federal Award Programs (Continued)**

**2013-006) Reporting (Continued)**

**14.239 Home Investment Partnerships Program (HOME)**

Grant No(s): M-(92-94) -MC-22-0204; M- (02-13) –MC-22-0204

**14.241 Housing Opportunities for Persons with AIDS (HOPWA)**

Grant No(s): LA (H09-H12) F002

Criteria: The Federal Funding Accountability and Transparency Act (FFATA) requires information on federal awards (federal financial assistance and expenditures) be made available to the public via a single, searchable website. As defined in the act, prime awardees awarded a federal grant are required to file a FFATA sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than \$25,000.

HOWPA requires the annual submission of a consolidated annual performance and evaluation report (CAPER) which is required to be submitted within 90 days after the close of its program year.

Condition: Sub-grant awards granted by the OCD during the calendar were not reported in accordance with the Federal Funding Accountability and Transparency Act.

Financial data reported in Part 3 of the CAPER was not supported by accounting records for the HOPWA program.

Cause: The non-compliance is a result of staff turnover and the lack of written policies and procedures to ensure compliance with federal reporting requirements.

Effect: The OCD is non-compliant with federal award terms.

Recommendation: The OCD must establish written policies and procedures to ensure that all reporting requirements are met and documentation maintained in accordance with grant terms.

*View of Responsible Official and Planned Corrective Action:*

*The Office of Community Development is in the process of reorganizing its entire department by function instead of by program. Establishing processes by function will allow for a team of employees to handle the reporting and monitoring for the department. The reporting and monitoring team will establish a centralized process for gathering data*

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Summary Schedule of Prior Year Findings and Questioned Cost  
Year Ended December 31, 2014

**B. Findings – Federal Award Programs (Continued)**

**2013-006) Reporting (Continued)**

*View of Responsible Official and Planned Corrective Action: (Continued)*

*to submit for reports. Additionally, this team will also be responsible for record retention and data management.*

**Updated Response:** *The City-Parish Office of Community Development finalized its reorganization in September 2014. The department is now implementing its operations by function as well as implementing the newly acquired training.*

**2013-007) Earmarking**

**Questioned Costs: None**

**14.239 Home Investment Partnerships Program (HOME)**

**Grant No(s):** M-92-MC-22-0204; M-01-MC-22-0204; M- (03-11) –MC-22-0204

**Criteria:** Each participating jurisdiction must invest at least 15 percent of each year's HOME allocation in projects which are owned, developed, or sponsored by special non-profit organizations called CHDOs.

**Condition:** The Office of Community Development (OCD) administers the HOME program. The OCD did not invest the required 15% of the HOME allocation in projects owned, developed, or sponsored by CHDOs.

**Cause:** There are no written policies and procedures in place to ensure projects are identified which meet the requirements for allocation.

**Effect:** The OCD is not in compliance with federal regulations and may result in loss of funding.

**Recommendation:** We recommend OCD develop policies and procedures to ensure compliance with the 15% allocation in CHDO projects. If OCD is unable to meet the requirement in a given grant period they should request a waiver from the Department of Housing and Urban Development with respect to the 15% requirement.

*View of Responsible Official and Planned Corrective Action:*

*The Office of Community Development (OCD) did not allocate HOME funds for 2013 because the OCD was receiving HUD technical assistance for HOME along with instruction on new regulations. HUD's new HOME rules for CHDO qualifications are more stringent than in past years. OCD attempted to secure qualified applicants, but none of*

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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**B. Findings – Federal Award Programs (Continued)**

**2013-007) Earmarking (Continued)**

*View of Responsible Official and Planned Corrective Action: (Continued)*

*the applicants qualified. OCD will make every effort to locate qualified applicants in order to meet the required 15% investment of HOME allocation and request a waiver from HUD if we are unable to find qualified applicants.*

**Updated Response:** *The Office of Community Development is still receiving general technical assistance, but the HOME technical assistance is complete. OCD has all of the guidelines, tools and templates needed for all of its HOME programs. Additionally, OCD attended HUD sponsored HOME training in December 2014. OCD is now prepared to administer its HOME program effectively and within HUD's regulations.*

*OCD requested, but is still waiting for the HUD approved waiver for the CHDO set aside and HOME expenditure rate. The local HUD field office has approved the waiver, and they are waiting for approval from HUD Washington, D.C office.*

**2013-008) Allowable Costs**

**Questioned Costs: \$88,269**

**14.241 Housing Opportunities for Persons with AIDS (HOPWA)**

**Grant No(s):** LA (H09-H12) F002

**Criteria:** Costs charged to federal grants must meet the allowability provisions of OMB Circular A-87. One provision of allowability is the concept of allocability, that is, the program should only bear its fair share of costs in proportion to the benefits received.

**Condition:** HOPWA funds were used to pay the full amount of two employees for salary and benefits. However, review of timesheets indicated time and effort spent on other programs such as Emergency Shelter Grant, Supportive Housing Program, and CDBG, in addition to HOPWA.

**Cause:** This is the first year for these two employees to be charged to the HOPWA program and the current spreadsheet utilized by the OCD to transfer costs for actual time and effort on a quarterly basis did contain these two employees.

CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
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Summary Schedule of Prior Year Findings and Questioned Cost  
Year Ended December 31, 2014

**B. Findings – Federal Award Programs (Continued)**

**2013-008) Allowable Costs (Continued)**

Effect: HOPWA funds were used to pay the salary and benefits of two employees, however actual time and effort was spent on non-HOPWA activities. This resulted in HOPWA bearing more than its fair share of the costs which may be considered unallowable to the program.

Recommendation: The OCD should charge only allocable payroll costs to the HOPWA program as supported by timekeeping records prescribed by OMB Circular A-87.

*View of Responsible Official and Planned Corrective Action:*

*The Office of Community Development (OCD) is attempting to support its staff with a limited amount of administration funding. In the future, OCD will ensure that timesheets accurately reflect the programs that the employees administered.*

***Updated Response:*** *The Office of Community Development has reduced the number of awards in both ESG and HOPWA. The reduction of awards will make it easier for one staff member to manage the grants. Additionally, OCD has funded only the highest performing sub-recipients, reducing the workload of staff. OCD has already reduced its staff to one employee for ESG, HOPWA, and SHP. With these cost savings, OCD will not have to supplement with other funding for this employee's salary.*



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE**

The Honorable Mayor-President  
and Members of the Metropolitan Council  
City of Baton Rouge and Parish of East Baton Rouge:

**Report on Compliance**

We have audited the compliance of the City of Baton Rouge and the Parish of East Baton Rouge (the City-Parish) with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration in September 2000 (the Guide), for its Passenger Facility Charge Program for the year ended December 31, 2014.

***Management's Responsibility***

Management is responsible for compliance with the requirements of the laws and regulations of the Passenger Facility Charge Program (the Program).

***Auditors' Responsibility***

Our responsibility is to express an opinion on the City-Parish's compliance based on our audit. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the Program occurred. An audit includes examining, on a test basis, evidence about the City-Parish's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. However, our audit does not provide a legal determination of the City-Parish's compliance with those requirements.

***Opinion on the Passenger Facility Charge Program***

In our opinion, the City-Parish complied, in all material respects, with the requirements referred to above that are applicable to its Passenger Facility Charge Program for the year ended December 31, 2014.

## Report on Internal Control Over Compliance

Management of the City-Parish is responsible for establishing and maintaining effective internal control over compliance. In planning and performing our audit, we considered the City-Parish's internal control over compliance with program regulations that could have a direct and material effect on compliance in order to determine the auditing procedures that are appropriate under the circumstances for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Guide but not for the purpose of expressing an opinion on the effectiveness of the City-Parish's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City-Parish's internal control over compliance.

*A deficiency in internal control over compliance* 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 noncompliance on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, that is less severe than a material weakness yet important enough to merit attention of those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

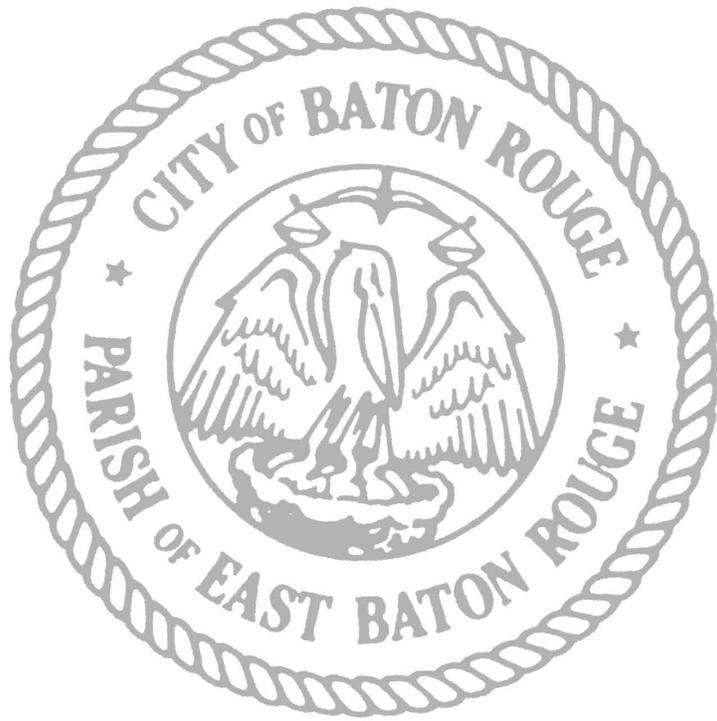
## Schedule of Passenger Facility Charges Revenues and Disbursements

We have audited the basic financial statements of the City of Baton Rouge and the Parish of East Baton Rouge as of and for the year ended December 31, 2014, and have issued our report thereon dated June 24, 2015, which includes a reference to the report of other auditors. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Passenger Facility Charge Revenues and Disbursements for the year ended December 31, 2014 as required by the Guide is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

*Poatlethwaite + Netterville*

Baton Rouge, Louisiana  
June 24, 2015



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SCHEDULE OF PASSENGER FACILITY CHARGES (PFC)  
REVENUES AND DISBURSEMENTS  
BATON ROUGE METROPOLITAN AIRPORT  
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<b>FY 2013 Program Total</b>	<b>Quarter 1 Jan - Mar</b>
<b>REVENUE</b>		
Passenger Facility Charge net collections	\$ 29,014,045	\$ 354,916
Interest earned on investments	1,443,055	190
Claim settlement	1,371,035	--
Total revenue	31,828,135	355,106
<b>DISBURSEMENTS</b>		
93-02-U-00-BTR Noise mitigation	1,315,124	--
96-03-C-00-BTR Terminal building and plan specifications	1,290,899	--
97-04-C-00-BTR Terminal development with financing	18,728,869	54,510
00-05-C-00-BTR Airport access road	1,505,228	--
00-05-C-00-BTR Acquire A/C loading bridges	675,027	--
05-06-C-00-BTR Expand general aviation apron	268,481	--
05-06-C-00-BTR Extend runway 4L/22R	3,601,853	--
09-07-C-00-BTR Terminal atrium expansion	3,176,857	--
09-07-C-00-BTR Acquisition of property for development	430,436	--
09-07-C-00-BTR Taxiway fillet construction	218,977	--
09-07-C-00-BTR Ticket lobby expansion	288,349	--
Total disbursements	31,500,100	54,510
Net PFC Revenue		300,596
PFC account balance (cash basis)	\$ 328,035	\$ 628,631

<u>Quarter 2</u> <u>Apr - Jun</u>	<u>Quarter 3</u> <u>Jul - Sep</u>	<u>Quarter 4</u> <u>Oct - Dec</u>	<u>FY 2014</u> <u>Total</u>	<u>FY 2014</u> <u>Program Total</u>
\$ 412,219	\$ 377,326	\$ 425,799	\$ 1,570,260	\$ 30,584,305
132	141	125	588	1,443,643
--	--	--	--	1,371,035
<u>412,351</u>	<u>377,467</u>	<u>425,924</u>	<u>1,570,848</u>	<u>33,398,983</u>
--	--	--	--	1,315,124
--	--	--	--	1,290,899
--	369,059	375,376	798,945	19,527,814
--	41,906	(5,818)	36,088	1,541,316
--	61,946	(8,600)	53,346	728,373
--	8,748	(1,215)	7,533	276,014
--	209,046	(29,023)	180,023	3,781,876
--	433,873	(60,237)	373,636	3,550,493
--	58,786	(8,162)	50,624	481,060
--	29,907	(4,152)	25,755	244,732
--	39,381	(5,467)	33,914	322,263
<u>--</u>	<u>1,252,652</u>	<u>252,702</u>	<u>1,559,864</u>	<u>33,059,964</u>
412,351	(875,185)	173,222	10,984	339,019
\$ 1,040,982	\$ 165,797	\$ 339,019	\$ 339,019	339,019
			Accrued PFC revenues	147,093
			Accrued interest payable	(36,919)
			Accrued project expenses	(59,503)
			Total Net Assets Restricted for PFC included in EXHIBIT A-10	<u>\$ 389,690</u>

# **SPECIAL ACKNOWLEDGMENTS**

## **Finance - Accounting**

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**Shalanda Nalencz**  
**Mary Ourso**  
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Rhonda Bankston  
Patricia Blakes  
Latisha Cannon  
Linda Hickerson  
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Oma Ringe  
Dena Smith  
Gregory Spears

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**Cover Design and Production**  
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