

# 2019

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2019



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

# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**



**For The Year Ended  
December 31, 2019**

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

**Prepared by  
Finance Department  
Linda Hunt, 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 29, 2020

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, 2019. 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, 2019, 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's 2 CFR Part 200 (Uniform Guidance). 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 collection and 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*. 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
➤ Capitol House Economic Development District	Blended Component Unit
➤ Lafayette-Main Economic Development District	Blended Component Unit
➤ Third-Florida Economic Development District	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 d/b/a Build Baton Rouge	Discrete Component Unit
➤ Cyntreniks Group/King Hotel Special Taxing District	Discrete Component Unit
➤ Bluebonnet Convention Hotel Taxing District	Discrete Component Unit
➤ EBRATS Building Special Taxing District	Discrete Component Unit
➤ Old LNB Building Redevelopment 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 and/or contracts prior to their release to vendors. Purchase orders and contracts 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-15 through A-17. For other governmental funds, the annual budget comparison is presented in the Combining and Individual Fund Statements and Schedules, Exhibits B-3 through B-37.

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 evaluation 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.



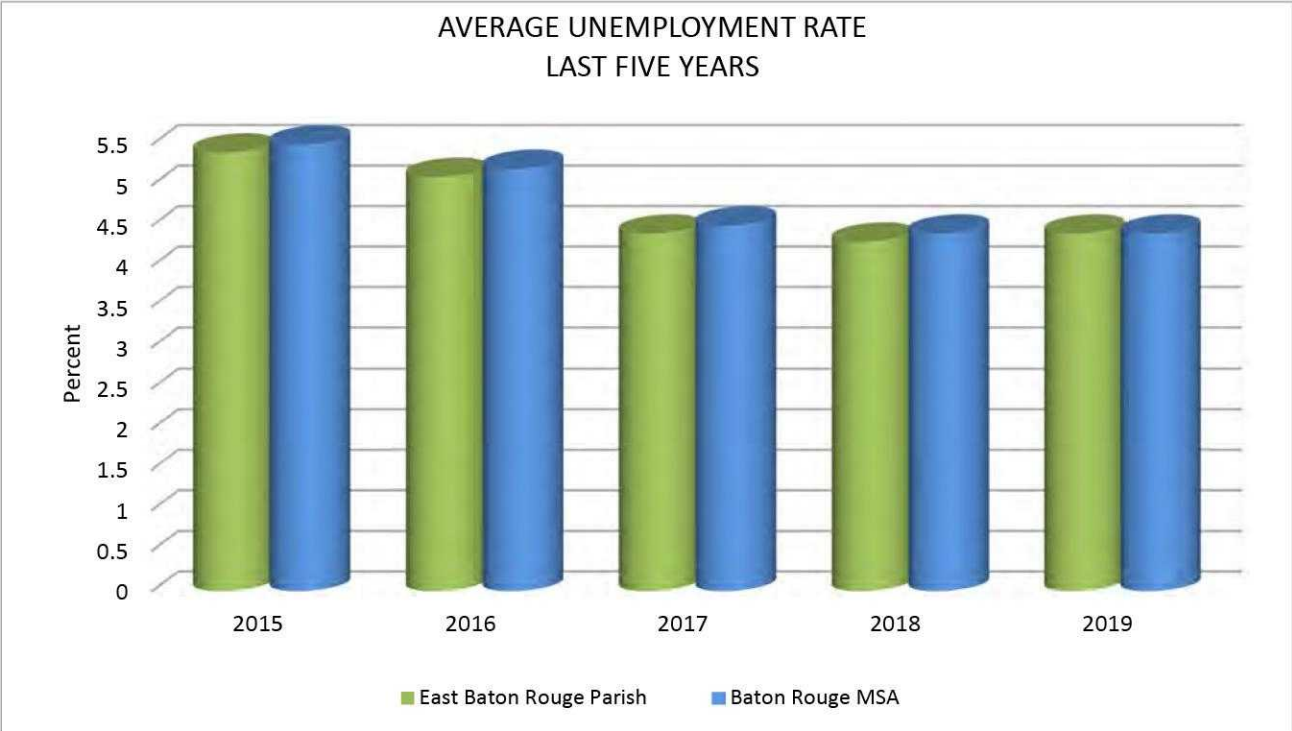
A number of significant companies engaged in oil refining, petrochemical processing, and paper towel and bath tissue manufacturing are found in the industrial corridor along the Mississippi River near Baton Rouge. These industries are major employers of Baton Rouge's labor force. Other important industries 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 increased 0.1% in East Baton Rouge Parish and remained the same in the Baton Rouge MSA in 2019, as reflected in the following chart:

	% in East Baton Rouge Parish	% in Baton Rouge MSA <sup>(1)</sup>
2015	5.4	5.5
2016	5.2	5.2
2017	4.4	4.5
2018	4.3	4.4
2019	4.4	4.4

<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 2020 and 2021 for our region. In September 2019, 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 his predictions of economic growth in East Baton Rouge Parish and the Baton Rouge MSA for 2020-2021. It should be noted that these predications are based on pre COVID-19 assumptions. The full effect of the pandemic on the City-Parish’s economy is not yet known.

*“The lull in industrial projects in the Baton Rouge MSA should be in the rearview mirror going forward. Big projects will provide a major kick to the industrial construction sector, while several significant public projects—including the Comite Diversion Canal and widening of I-10 will boost public construction... We are projecting 5,700 new jobs (+1.4%) in 2020 and 6,000 (+1.4%) in 2021 for the Baton Rouge MSA...There are several major projects in this MSA region that are still under construction. They include:*

- *In early 2020, Formosa Plastics will begin a \$332 million expansion of its PVC production plant in Baton Rouge. The expansion will create 15 new jobs paying an average of \$77,667.*

- *Epic Piping will be spending \$40 million on expansion of its manufacturing facilities and an administration building. The latter will be in Baton Rouge, but it is unclear where the manufacturing expansion will take place.*
- *Stupp Piping in Baton Rouge will spend \$22 million to expand its yard and add 217 jobs paying \$60,567.*

*Private industrial construction will not be the only spark to this MSA's economy over the next two years. There are several unusually large public construction projects that will be generating jobs as well.*

- *\$1.4 Billion had been awarded to the area for two key projects. The first is \$343 million to help complete the Comite River Diversion Canal. The total cost of this project is \$450 million, with the balance to be covered by taxes assessed by the Amite River Basin Commission. Completion of the canal will take 3-4 years. Another \$255 million has been provided for clearing, widening, and dredging Parish waterways, a project that will take about 5 years. Another \$1.2 billion has been provided for flood resiliency protection. These dollars will be spread over 5 years... The Hazard Mitigation Grant Program is providing \$300 million in the Capital Region to elevate homes, buy homes, and tear down some homes and to implement flood control measures. This program is underway.*
- *The Baton Rouge MSA has been awarded \$583 million in state road lettings from the state (double the \$276 million last year). Among the projects covered:*
  - *\$256.2 million on a pedestrian/bike path along Ward's Creek;*
  - *\$38.3 million for a College Drive flyover at the I-10/I-12 split; and*
  - *\$12.4 million to widen LA30 from West Chimes to South Boulevard.*
- *Some \$360 million has been set aside via GARVEE bonding to widen I-10 from the Mississippi River Bridge to the I-10/I-12 split.*
- *Voters have approved \$400 million in new school construction in East Baton Rouge Parish*
- *The MOVEBR program is a \$1.1 billion program to improve roads, ditches, lights, and landscaping in the Parish.*

Baton Rouge experienced modest revenue growth in 2019. General sales and use tax (2%) collections for General Fund operations and debt service dedications of the City and Parish combined were \$196.3 million, net of Tax Increment Financing District adjustments, an increase of \$4.0 million over 2018 revenues, a 2.10% increase. Sales tax collections for the ½ cent sewerage tax and the ½ cent road and street improvement tax both increased by 0.61% and 0.68%, respectively, during fiscal year 2019. During its first year of collections, the MOVEBR ½ cent road and street improvement tax collections totaled \$34.9 million from April through December.

## **World-wide Pandemic - COVID-19**

The world-wide pandemic associated with COVID-19, a respiratory illness caused by a novel strain of the coronavirus ("COVID-19"), has spread across the state of Louisiana, including East Baton Rouge Parish. As with many areas in the United States and the world, COVID-19 has had an impact on the operations of the Parish and on certain businesses within the Parish. The continued spread of COVID-19 and the stay-at-home and social distancing orders of Federal, State and Local government authorities will have a negative impact on the economy as a whole and on the sales tax revenues of the City-Parish. With respect to the current fiscal year, the City-Parish anticipates some impact to sales tax revenue. While working with local economists, the City-Parish Finance Department anticipates a General Fund revenue shortfall of approximately \$23 million for 2020. While working with local economists, the City-Parish Finance Department currently anticipates a General Fund revenue shortfall of approximately \$23 million for 2020. Although this estimate is based on the current situation, the full extent of the financial impact is unknown given the evolving nature of the spread of COVID-19 and the responses of governments, businesses and individuals. Through the combination of strong financial policies on maintaining reserves at prudent levels, applying for Federal and State reimbursements for COVID-19 expenses, instituting a hiring freeze, and reductions in operational costs due to efficiencies, the City-Parish expects to maintain a balanced budget for 2020.

## Major Initiatives in 2019



An \$18.1 million renovation of the River Center Theatre began in the winter of 2019 and will include upgrades to the surrounding site and Mestrovic Court. A drop-off lane on the east side of the theatre/court area will be included as part of the renovations to increase visitor access. In addition, ADA accessible ramps will be constructed to increase accessibility from the street to the River Center Theater and City Hall. Upgrades to Mestrovic Court are also expected as part of this project. The renovation is expected to be complete in the beginning of 2021.

The East Baton Rouge Parish Library system has several ongoing projects. The River Center Branch Library construction is nearing completion and the building should be open to patrons soon. Planning continues for the South Baton Rouge Branch Library. A site has been selected and design/engineering cost were included in the 2020 Budget. Negotiations with an architectural firm are underway and the design phase should begin before the end of 2020. Major renovations are taking place at several locations. Construction began in August 2018 on the Greenwell Springs Branch and is nearing completion. The Jones Creek Branch construction began in July 2019; it is estimated to take 18 months to complete. A roof replacement and HVAC system upgrades are underway at the Outreach Services building, which will be used as a Disaster Recovery site in the future.

## 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 City-Parish was able to comply with consent decree requirement for the Sewer Capital Improvements Program projects to be substantially complete by 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 and the construction of a flow equalization basin, and other improvements at the South Wastewater Treatment Plant Facility.



With a customer base of over 151,000, the Parish's sanitary sewer system serves a population of approximately 425,000. The system is extremely complex, consisting of over 500 pump stations, 10.5 million feet of separate gravity and pressure sewer system pipes and two major treatment plants. Like many other cities, Baton Rouge has encountered overflow problems with this aging system which has led to the inception of the Sanitary Sewer Overflow (SSO) Improvement Program. The SSO Improvement Plan had 115 projects and all were functionally complete on December 31, 2018 and the final closeout of these projects was completed in 2019. The value of these projects, as of the end of 2019 was \$1.66 billion. The City-Parish has moved into the compliance phase of the consent decree with measures how successful the RMAP2 program is in reducing SSO's and meeting discharge permit requirements at the two wastewater treatment plants for twelve consecutive months following the completion of the RMAP2 projects.



A comprehensive financing model has been developed and is being utilized by the Departments of Finance and Environmental Services 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. As of December 31, 2019, the City-Parish had appropriated over \$2.6 billion for sewer capital improvements, including funding from long-term bonds, impact fees, EPA grants, and pay-as-you-go funding. This \$2.6 billion represents all capital appropriations since the inception of the Comprehensive Sewerage System Enterprise Fund in 1985.

### ***Road and Street Improvement Programs***

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 extended the tax until 2030, and allowed for 70% of the proceeds to be used for transportation improvements, 27% for recurring road rehabilitation projects, and 3% for beautification and street enhancement. The construction program, called the “Green Light Plan”, authorized the long-term issuance of debt, which has allowed for an accelerated road construction schedule and helped to alleviate the effects of inflation on project costs.

It is estimated that over the 25-year period from January 1, 2006, through December 31, 2030, the tax will fund \$620 million in road improvement projects. The remainder of the tax will provide \$313 million for the rehabilitation and beautification components of the program.

An additional ½ cent sales tax proposition was approved by the voters of East Baton Rouge Parish on December 8, 2018. The tax went into effect on April 1, 2019 and continues for 30 years until March 31, 2049. The MOVEBR Infrastructure Enhancement and Traffic Mitigation Plan is the most significant transportation infrastructure investment in East Baton Rouge Parish history.

On December 4, 2019, the Metropolitan Council approved \$151 million in bond proceeds for Road and Street Improvement Sales Tax Revenue Bonds and appropriated the first phase of debt proceeds on the MOVEBR Infrastructure Enhancement and Traffic Mitigation Plan. Additional information on the bond issuance can be found in Note 10 of the Notes to Financial the Statements.

In the 30 year collection period, it is estimated the tax along with the remaining pay-as-you-go portion from the “Green Light” plan will fund \$912 million in infrastructure and traffic enhancement projects for the MOVEBR program. Approved projects consist of four categories: new capacity improvements, improving existing corridors, constructing community enhancement road projects, and parishwide signalization/synchronization. New capacity improvements with proposed funding of \$636.2 million, represent roadways where additional lane capacity will be constructed. One hundred seventy million is proposed for improving existing corridors, such as resurfacing, signal synchronization and ADA compliance features. Community enhancement road projects include repairs, enclosing drainage ditches and adding lighting, curbs, sidewalks or landscaping. These projects have proposed funding in the amount of \$65.8 million. The remaining \$40 million of the tax will provide for parishwide signalization and synchronization.

### **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, 2018. 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

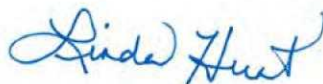
report with contents conforming to program standards. Such reports must satisfy both Generally Accepted Accounting Principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City-Parish has received this award each year for the 31-year period ending December 31, 2018. 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. 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 timely preparation of this report was extremely challenging this year due to the social distancing requirements necessitated by COVID-19, and could not have been accomplished without the services of a highly qualified and dedicated 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,



Linda Hunt  
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, 2018**

*Christopher P. Morill*

Executive Director/CEO



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2019**



Mayor-President  
Sharon Weston Broome



District 1  
Trae Welch



District 2  
Chauna Banks



District 3  
Chandler Loupe



District 5  
Erika Green



District 6  
Donna Collins-Lewis



District 7  
LaMont Cole

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PRINCIPAL OFFICIALS  
DECEMBER 31, 2019**



Mayor Pro-Tempore  
District 4  
Scott Wilson



District 8  
Denise Amoroso



District 10  
Tara Wicker



District 9  
Dwight Hudson

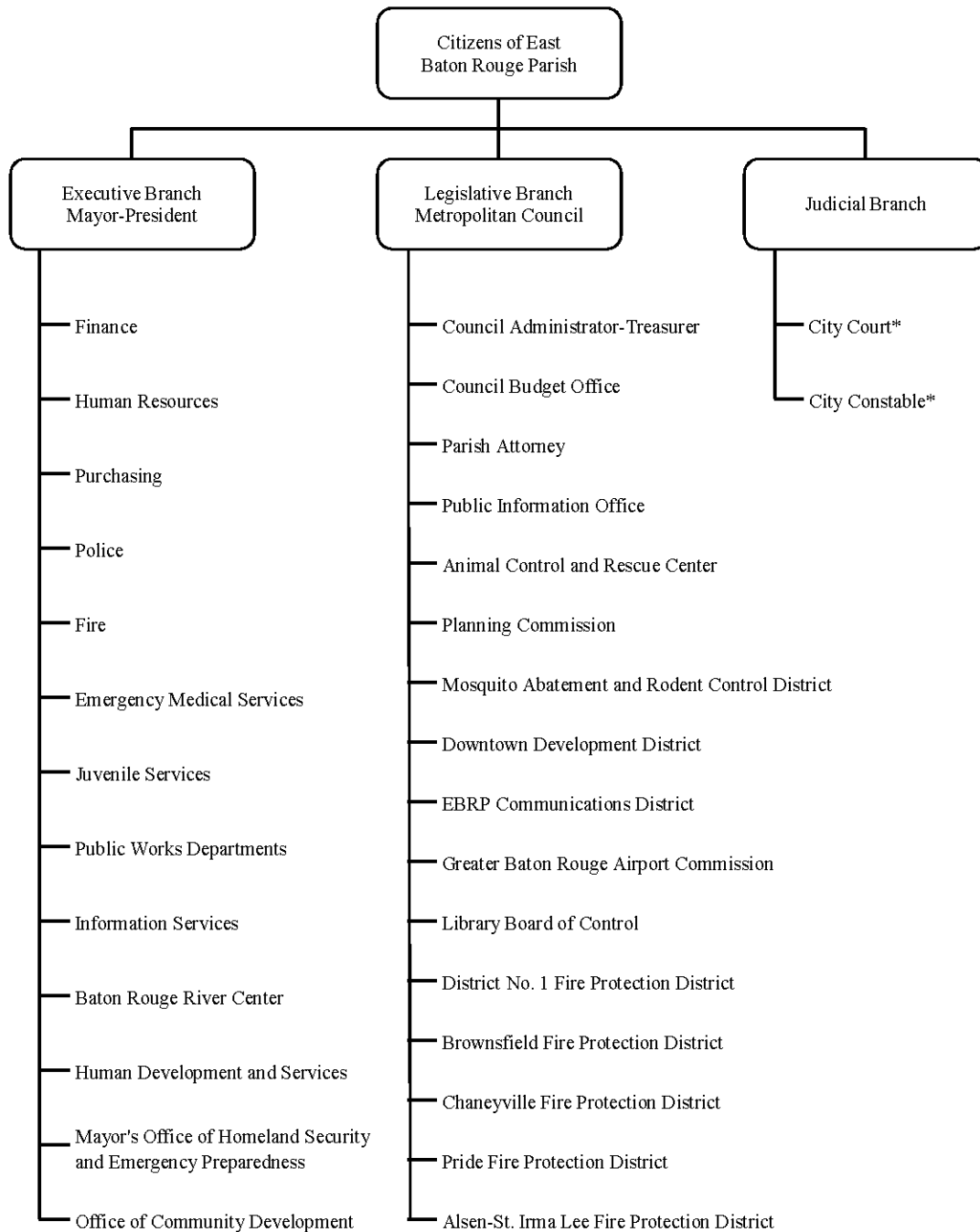


District 11  
Matt Watson



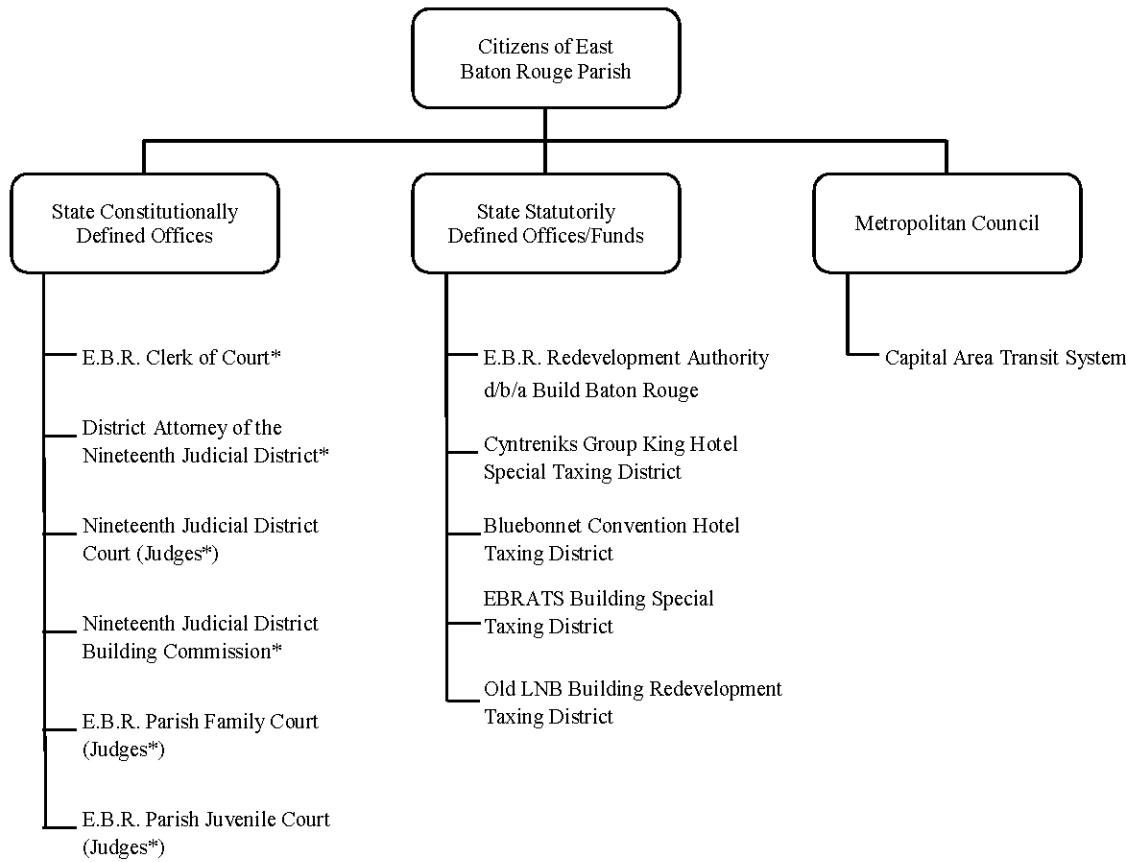
District 12  
Barbara Freiberg

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



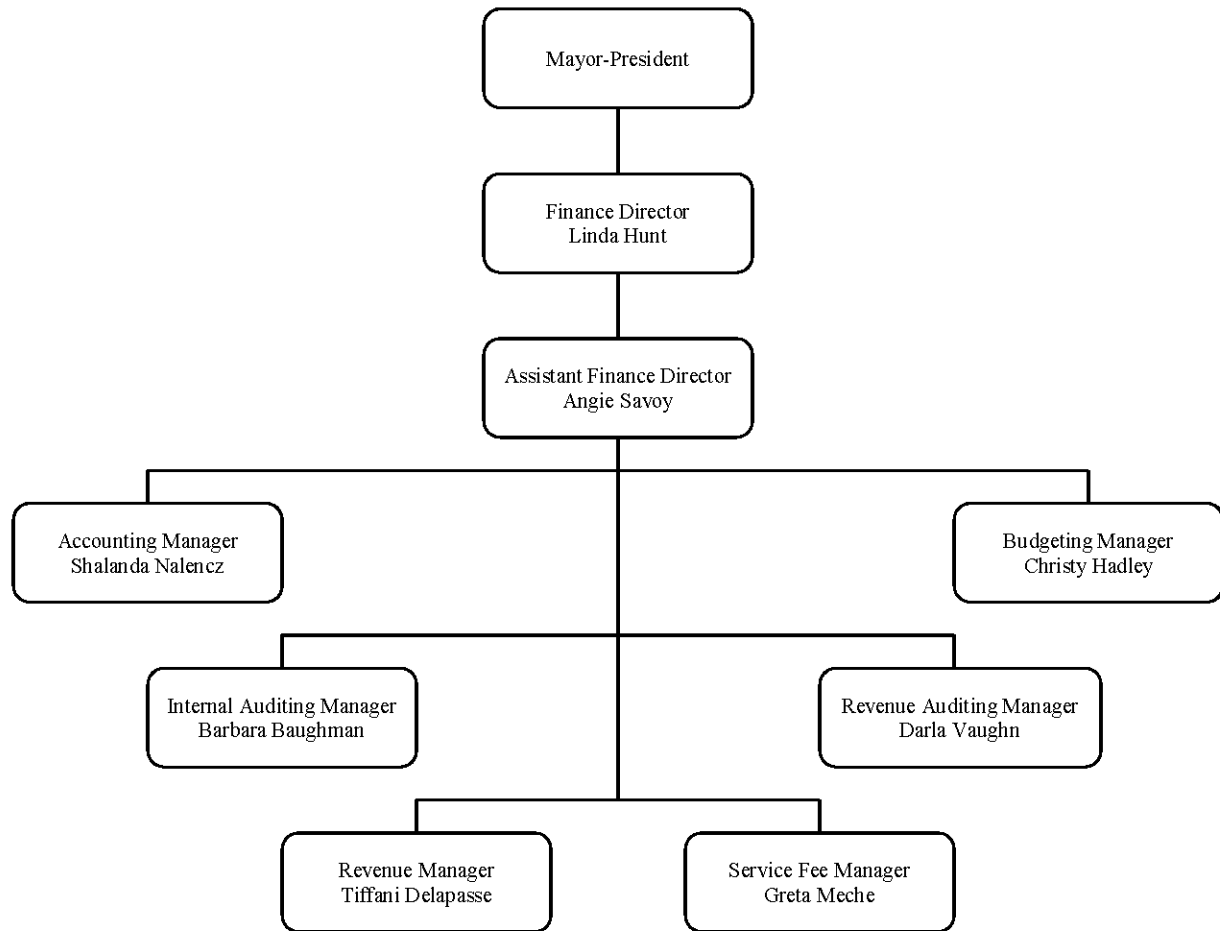
\* Designates Elected Officials

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, and the aggregate remaining 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, 2019, and the related notes to the financial statements, which collectively comprise the City-Parish's basic financial statements as listed in the table of contents.

### ***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 73%, 55% and 46%, 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 have been furnished to us, and our opinion, insofar as it relates to the amounts included for these entities, is based solely on 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, and the aggregate remaining fund information of the City of Baton Rouge-Parish of East Baton Rouge as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Certain Matters***

As described in Note 21 to the financial statements, significant matters exist regarding the formation of the City of St. George, a previously unincorporated area of the Parish, and the resulting cessation from the City-Parish consolidated government; and the COVID-19 pandemic. If the cessation moves forward as approved by the voters of the proposed city, revenue of that area will then accrue to the newly formed city and therefore, significant changes to operations and budgets will be necessary. The COVID-19 pandemic has negatively impacted the global economy and created significant volatility and disruption of financial markets. Although management has assessed the potential financial impacts of the pandemic based upon currently known conditions, the extent to which the COVID-19 pandemic may otherwise impact the City-Parish's financial condition or results of operations cannot be reasonably estimated at this time. Our opinion is not modified with respect to these matters.

## ***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 17, the budgetary comparison information for the general and major special revenue funds, exhibits A-15 through A-18, the Schedule of Changes in Total OPEB Liability and Related Ratios, exhibit A-19, and the Schedules of Cost-Sharing Plan Proportionate Shares of the Net Pension Liability, Cost-Sharing Plan Contributions, Changes in Net Pension Liability and Related Ratios for the Police Guarantee Trust and Single Employer Plan Contributions for the Police Guarantee Trust, exhibits A-20 through A-23, 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 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 combining and individual fund financial statements, the schedule of cash, cash equivalents and investments, the schedule of compensation, benefits, and other payments to the Mayor-President, and the balance sheet and revenue and expenditure statements of the Louisiana Community Block grants as listed in the Table of Contents as exhibits B-1 through F-4, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards presented on Schedules A and B, pages 285-293, in the Single Audit Section, is also presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The combining and individual fund financial statements, the schedule of cash, cash equivalents and investments, the schedule of compensation, benefits, and other payments to the Mayor-President and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining and individual fund financial statements, the schedule of cash, cash equivalents and investments, the schedule of compensation, benefits, and other payments to the Mayor-President the balance sheet and revenue and expenditure statements of the Louisiana Community Block grants listed in the Table of Contents as Exhibits B-1 through F-4 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 G-1 through G-22 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 do not express an opinion or provide any assurance on this information.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2020 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.

*Paaththarath & Nettemille*

Baton Rouge, Louisiana  
June 29, 2020



## 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 \$299.8 million (*net position*). Unrestricted net position for governmental activities is a deficit of \$1,309.2 million, while unrestricted net position for business-type activities is a deficit of \$49.1 million. The deficit for the primary government unrestricted net position is primarily the result of the recognition of \$977.2 million in other post-employment benefit liabilities and \$764.1 million in net pension liability.
- The primary government's total net position decreased by \$103.0 million (\$55.3 million and \$47.7 million for governmental and business-type activities respectively) during 2019 to \$299.8 million.
- Governmental activities' net position decreased \$55.3 million during 2019 primarily as a result of modest increases in sales tax and property tax revenues that were offset by significant increases in other post-employment benefits, compensated absences and net pension liabilities, and claims and judgments.
- Net Position of business type activities decreased \$47.7 million during 2019 due to increases in other post-employment benefits, net pension liability, and bond issuance costs. Depreciation expense is now more fully recognized on the major capital improvements of the sanitary sewer overflow program which was substantially completed in 2018.
- As of the close of the current fiscal year, the City-Parish's governmental funds reported combined ending fund balances of \$711.4 million, an increase of \$212.0 million. Approximately 1.1% of the fund balances, \$8.2 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. However, expenditures of committed fund balance remains under the City-Parish's authority.

### 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 column for the business-type activities of the primary government. Component units are separate legal governmental entities substantially influenced by the City-Parish or 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 funds and budgetary presentation (see Exhibits A-3 through A-6 and A-15 through A-17) 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 governmental 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.

While the business-type activities total column on the proprietary fund financial statements for enterprise funds (see Exhibit A-7 and A-8) is the same as the business-type column at the government-wide financial statement, the

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

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 funds (see Exhibits A-7 through A-9) 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 Fleet Management 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**

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-14). The City-Parish has capitalized all purchased 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-14 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 revenues and expenditures in comparison to its budget, liability to provide other post-employment benefits to its employees and its net pension liability and pension plan contributions. Required supplementary information can be found on Exhibit A-15 through A-23. The notes to required supplementary information can be found in Exhibit A-18 and within Exhibit A19 and A-23.

The combining and individual fund statements referred to earlier in connection with the nonmajor governmental and proprietary funds are presented in Exhibits B-1 through E-4.

Certain supplementary financial information can be found in Exhibits F-1 through F-4 of this report. These schedules and the statistical section (Exhibits G-1 through G-22) 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 2 CFR part 200 (Uniform Guidance) 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 2019, with comparative figures from 2018:

City of Baton Rouge, Parish of East Baton Rouge  
Condensed Statement of Net Position  
December 31, 2019 & 2018  
(in millions)

	Governmental Activities		Business- Type Activities		Total	
	2019	2018*	2019	2018	2019	2018*
<b>Assets:</b>						
Current and Other Assets	\$ 784.9	\$ 565.7	\$ 110.4	\$ 156.9	\$ 895.3	\$ 722.6
Restricted Assets	--	--	202.2	193.5	202.2	193.5
Capital Assets	<u>945.2</u>	<u>924.9</u>	<u>1,961.8</u>	<u>2,003.6</u>	<u>2,907.0</u>	<u>2,928.5</u>
Total Assets	<u>1,730.1</u>	<u>1,490.6</u>	<u>2,274.4</u>	<u>2,354.0</u>	<u>4,004.5</u>	<u>3,844.6</u>
Deferred Outflow of Resources	<u>245.1</u>	<u>134.9</u>	<u>150.4</u>	<u>110.5</u>	<u>395.5</u>	<u>245.4</u>
<b>Liabilities:</b>						
Current Liabilities	55.0	45.4	41.0	58.7	96.0	104.1
Non-current Liabilities	<u>2,157.6</u>	<u>1,818.4</u>	<u>1,742.7</u>	<u>1,721.0</u>	<u>3,900.3</u>	<u>3,539.4</u>
Total Liabilities	<u>2,212.6</u>	<u>1,863.8</u>	<u>1,783.7</u>	<u>1,779.7</u>	<u>3,996.3</u>	<u>3,643.5</u>
Deferred Inflow of Resources	<u>96.4</u>	<u>40.2</u>	<u>7.5</u>	<u>3.5</u>	<u>103.9</u>	<u>43.7</u>
<b>Net Position:</b>						
Net Investment in Capital Assets	761.0	732.7	556.9	588.4	1,317.9	1,321.1
Restricted	214.4	179.4	125.8	97.5	340.2	276.9
Unrestricted	<u>(1,309.2)</u>	<u>(1,190.6)</u>	<u>(49.1)</u>	<u>(4.6)</u>	<u>(1,358.3)</u>	<u>(1,195.2)</u>
Total Net Position	<u>\$ (333.8)</u>	<u>\$ (278.5)</u>	<u>\$ 633.6</u>	<u>\$ 681.3</u>	<u>\$ 299.8</u>	<u>\$ 402.8</u>

\*Restated

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

As of December 31, 2019, \$1,317.9 million of the City-Parish's net position reflects 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 collected that was approved by the electorate for a specific purpose. Restricted net position increased by \$35.0 million from the previous year for governmental activities, primarily due to dedicated sales tax for the MOVEBR transportation improvement program. Restricted net position increased by \$28.3 million for business-type activities, due to external legal restraints for an increase in required collateral posted for swap agreements. Unrestricted net position decreased by \$118.6 million from the previous year for governmental activities. This decrease was primarily due to an increase in compensated absences, claims and judgments, and net pension liabilities, offset by increases in sales tax and property tax revenues. Unrestricted net position decreased by \$44.5 million for business-type activities. This decrease was primarily due to an increase to restricted net position and an overall net operating loss.

**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, 2019, with comparative figures from 2018:

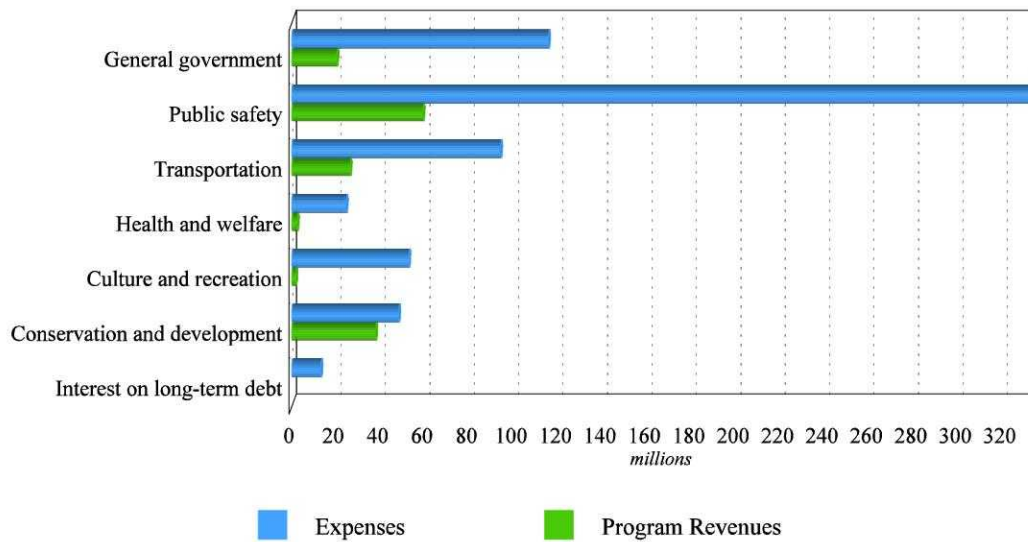
City of Baton Rouge, Parish of East Baton Rouge  
Condensed Statement of Changes in Net Position  
For the Years Ended December 31, 2019 & 2018  
(in millions)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenues:						
Program Revenues:						
Charges for Services	\$ 62.7	\$ 63.8	\$166.0	\$163.6	\$228.7	\$227.4
Operating Grants and Contributions	53.8	55.7	6.3	7.4	60.1	63.1
Capital Grants and Contributions	31.4	24.8	11.6	16.1	43.0	40.9
General Revenues:						
Sales Taxes	278.5	241.1	46.9	46.6	325.4	287.7
Other Taxes	185.9	173.5	1.4	0.9	187.3	174.4
Grants and Contributions Not Restricted to Specific Programs	5.1	5.3	--	--	5.1	5.3
Other	<u>12.0</u>	<u>8.1</u>	<u>9.2</u>	<u>9.1</u>	<u>21.2</u>	<u>17.2</u>
Total Revenues	<u>629.4</u>	<u>572.3</u>	<u>241.4</u>	<u>243.7</u>	<u>870.8</u>	<u>816.0</u>
Expenses:						
General Government	115.6	96.8	1.0	1.2	116.6	98.0
Public Safety	334.1	267.2	--	--	334.1	267.2
Transportation	94.0	81.8	31.3	31.8	125.3	113.6
Sanitation	--	--	246.0	238.4	246.0	238.4
Health and Welfare	24.6	21.4	--	--	24.6	21.4
Culture and Recreation	52.7	47.4	13.3	13.8	66.0	61.2
Conservation and Development	48.1	46.1	--	--	48.1	46.1
Interest on Long-Term Debt	<u>13.1</u>	<u>12.2</u>	<u>--*</u>	<u>--*</u>	<u>13.1</u>	<u>12.2</u>
Total Expenses	<u>682.2</u>	<u>572.9</u>	<u>291.6</u>	<u>285.2</u>	<u>973.8</u>	<u>858.1</u>
Decrease in Net Position Before Transfers	(52.8)	(0.6)	(50.2)	(41.5)	(103.0)	(42.1)
Transfers	<u>(2.5)</u>	<u>(2.0)</u>	<u>2.5</u>	<u>2.0</u>	<u>--</u>	<u>--</u>
Decrease In Net Position	(55.3)	(2.6)	(47.7)	(39.5)	(103.0)	(42.1)
Net Position, January 1	<u>(278.5)</u>	<u>(279.9)</u>	<u>681.3</u>	<u>720.8</u>	<u>402.8</u>	<u>440.9</u>
Net Position, December 31	<u><u>\$ (333.8)</u></u>	<u><u>\$ (282.5)</u></u>	<u><u>\$ 633.6</u></u>	<u><u>\$ 681.3</u></u>	<u><u>\$ 299.8</u></u>	<u><u>\$ 398.8</u></u>
Effects of GASB 75 implementation by Employees' Retirement System		<u>4.0</u>		<u>--</u>		<u>4.0</u>
Net Position, December 31, restated		<u><u>\$ (278.5)</u></u>		<u><u>\$ 681.3</u></u>		<u><u>\$ 402.8</u></u>

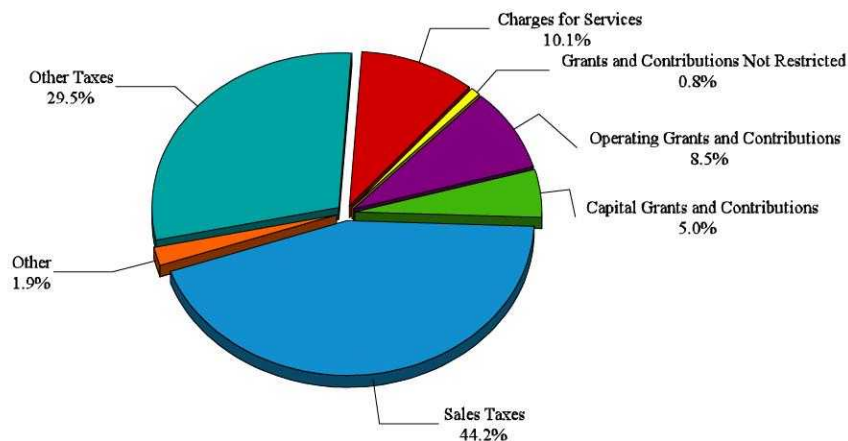
\* Interest expense for Business-Type Activities is reported within the functional categories.

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

**2019 Expenses and Program Revenues - Governmental Activities**



**2019 Revenues by Source - Governmental Activities**  
\$629.4 million



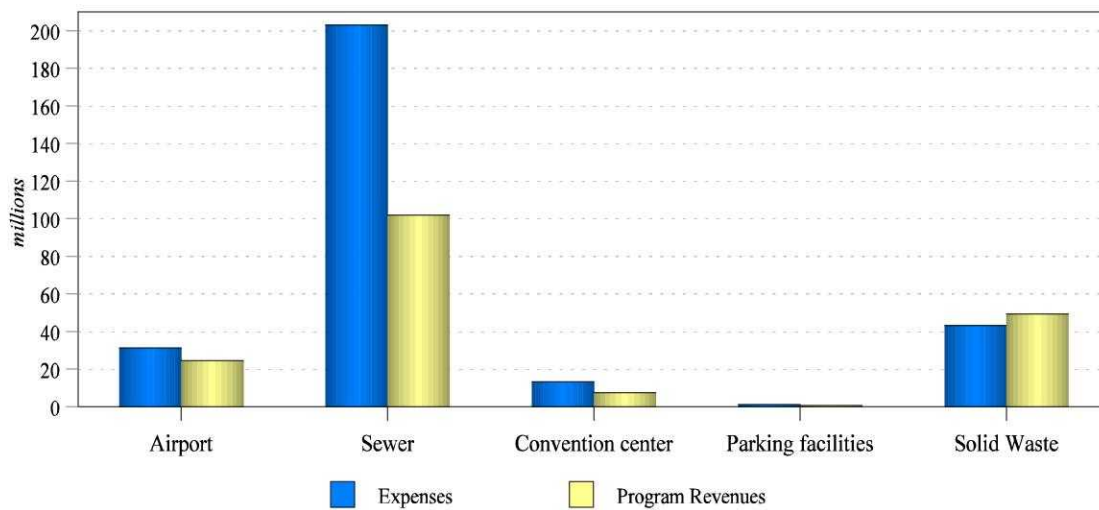
The government's net position decreased by \$103.0 million during the current fiscal year.

*Governmental Activities'* net position decreased \$55.3 million in 2019. The decrease in net position is a result of expenses exceeding revenues for the year. A further analysis of the decrease in net position is as follows:

- Increases in long-term liabilities and obligations such as net pension, other post-employment, and claims and judgments resulted in increased expenses.
- Increases in sales tax and property tax revenues occurred, however, these increases were not enough to offset increased net pension, other post-employment, and claims and judgments expenses.

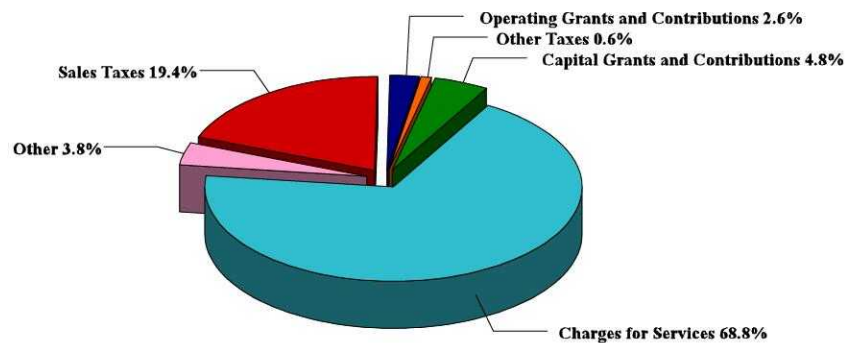
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

**2019 Expenses and Program Revenues - Business-Type Activities**



**2019 Revenues by Source - Business Type Activities**

\$241.4 million



*Business-Type Activities'* net position decreased by \$47.7 million in 2019. 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:

- The Greater Baton Rouge Airport District and the River Center experienced a decrease in capital contributions from capital grants.
- The Comprehensive Sewerage System Fund experienced an increase in depreciation expense due to the completion of the sanitary sewer overflow program and bond issuance costs.
- The Solid Waste Collection and Disposal Fund experienced an increase in collection of user fees. Expenses decreased due to a re-valuation of the post-closure liability.



**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 \$711.4 million, an increase of \$212.0 million in comparison with the prior year. Approximately 1.1% of total governmental funds fund balance (\$8.2 million) constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Of the remaining fund balance, \$0.7 million is *nonspendable* and is not in spendable form, \$566.0 million is *restricted* and has limitations imposed on its use by external parties, \$115.6 million is *committed* for specific purposes imposed by the Metropolitan Council, and \$20.9 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 \$8.2 million, while total fund balance was \$96.4 million. After transfers, primarily to capital projects, and nonmajor enterprises funds and debt service, the net change in fund balance for the General Fund was a surplus of \$2.5 million for the year. This increase was primarily due to increased sales tax and property tax revenues and a decrease in public safety expenditures related to the Parish Prison and transportation expenditures during 2019.

The Library Board of Control Fund collected revenues that exceeded expenditures by approximately \$13.3 million in 2019. The primary source of revenue for this fund is a 11.1 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 library's capital improvement program. Funding for the capital improvement program often accumulates for multiple years before beginning bid and construction on a new library, resulting in large fund balances in the library fund. During 2019, \$1.8 million was transferred to the capital project fund for library capital improvements.

Grants Fund expenditures and other financing uses exceeded revenues and other financing sources by approximately \$0.2 million during 2019.

Fund balance in the Capital Projects Fund increased \$180.1 million in 2019. Major revenue and other financing sources in this fund during 2019, include \$19.3 million from the Louisiana Department of Transportation and Development, \$41.6 million from general sales and use taxes, almost \$9.4 million transferred from the General Fund and Special Revenue Funds and \$161.4 million from sale of bonds. Outlays during 2019, of approximately \$56.9 million, include almost \$40.9 million for street and intersection improvements, \$12.0 million for building construction and improvements, and \$4.0 million for equipment and other capital outlay. 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.

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

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

Unrestricted net position of the Greater Baton Rouge Airport District was a negative \$18.0 million at December 31, 2019. Most of this major fund's assets are capital assets with a net investment in capital assets of \$212.8 million. The fund reported a net loss of \$11.9 million before capital contributions and transfers for the year ended December 31, 2019.

Unrestricted net position of the Comprehensive Sewerage System Fund was negative \$49.1 million at December 31, 2019. 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 \$297.5 million, reflecting a heavy investment in capital assets. The fund realized a net loss of approximately \$52.3 million before capital contributions and transfers for the year ended December 31, 2019.

Unrestricted net position of the Solid Waste Collection and Disposal Fund was \$15.6 million at December 31, 2019. Most of this major fund's assets are capital assets with a net investment in capital assets of \$10.8 million. The fund realized a net gain before transfers of \$7.0 million for the year ended December 31, 2019.

**General Fund Budgetary Highlights**

The 2019 General Fund originally budgeted expenditures of \$339.7 million (inclusive of transfers out) were increased by a net \$1.7 million during 2019 to reflect a final amended budget of approximately \$341.4 million. The additional appropriations were funded by excess funds in fund balance - assigned and unassigned. Committed fund balances were generally used as a source for the risk management appropriations and assigned fund balance for certain public safety allocations.

Additional appropriations were made in the following areas:

	<u>(in millions)</u>
Public safety costs	\$0.4
Risk management from fund balance committed to self-insurance purposes	0.5
Constitutional offices operational costs	0.9
Other miscellaneous purposes	<u>0.1</u>
 Total additional General Fund appropriations	 <u><u>\$1.9</u></u>

These increases were offset by a net decrease of \$0.2 million in other general fund operation costs.

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

- Property tax collections were \$1.0 million in excess of budget, gross receipts business tax collections were \$1.0 million less than budget, and gaming admissions taxes were \$1.2 million less than budget for 2019.

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

- The risk management budget was underspent by approximately \$3.7 million when self-insured health care claims net of premiums received from other funds were lower than projected in the operating budget.
- Intergovernmental revenues for retiree drug subsidy \$0.9 not included in the final budget.
- Approximately \$24.3 million of the appropriations for departmental budgets were not spent during 2019. 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 \$12.9 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 computers, provide for replacement of departmental office equipment, and provide funds for public works projects such as drainage, street improvements, and repairs and renovations to City-Parish buildings.

**Capital Asset and Debt Administration**

**Capital Assets:** Capital assets for the City of Baton Rouge, Parish of East Baton Rouge Consolidated Government's governmental and business-type activities as of December 31, 2019, amount to \$2,906.9 million (net of accumulated depreciation). These capital assets include 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 decrease in the City-Parish's capital assets for the current fiscal year was \$21.6 million, a 2.2 percent increase for governmental activities and a 2.1 percent decrease 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 street or intersection improvements funded by two programs each dedicating one-half percent sales and use tax for the purpose of street and road improvements (\$5.2 million).
- Capital improvements to the sewerage system, including upgrades to treatment plants and rehabilitation of major sewer lines (\$44.0 million).
- Renovations and improvements to Airport buildings, runways, and other Airport improvements (\$6.4 million).
- Depreciation expense of \$51.7 million for governmental activities and \$93.5 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, 2019 & 2018  
(in millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land and right-of-way	\$187.9	\$179.6	\$ 96.8	\$ 95.4	\$ 284.7	\$ 275.0
Buildings	147.8	130.4	87.7	95.9	235.5	226.3
Noise Mitigation Costs	--	--	58.7	58.7	58.7	58.7
Improvements (Other Than Buildings) and Infrastructure	516.8	522.1	1,703.4	1,742.7	2,220.2	2,264.8
Machinery and Equipment	32.2	28.8	0.9	0.9	33.1	29.7
Construction Work-In-Progress	<u>60.5</u>	<u>64.0</u>	<u>14.2</u>	<u>10.0</u>	<u>74.7</u>	<u>74.0</u>
Total	<u>\$945.2</u>	<u>\$924.9</u>	<u>\$1,961.7</u>	<u>\$2,003.6</u>	<u>\$2,906.9</u>	<u>\$2,928.5</u>

Additional information on the City-Parish's capital assets can be found in Note 6, Exhibit A-14 of this report.

**Long-Term Debt:** At the end of the current fiscal year, the City-Parish had total bonded debt outstanding of \$1,785.2 million. Of this amount, \$89.4 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, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**

City of Baton Rouge, Parish of East Baton Rouge  
Summary of Limited Tax Obligation, Excess Revenue and Revenue Bonds  
December 31, 2019 & 2018  
(in millions)

	<u>Governmental</u> <u>Activities</u>		<u>Business-Type</u> <u>Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Limited Tax Obligation Bonds	\$ 0.3	\$ 0.4	\$ --	\$ --	\$ 0.3	\$ 0.4
Excess Revenue Contracts, Loans and Notes	89.4	95.8	428.5	428.5	517.9	524.3
Revenue Bonds	<u>319.9</u>	<u>192.8</u>	<u>947.1</u>	<u>998.2</u>	<u>1,267.0</u>	<u>1,191.0</u>
Total All Bonds, Contracts, Loans and Notes	<u>\$409.6</u>	<u>\$289.0</u>	<u>\$1,375.6</u>	<u>\$1,426.7</u>	<u>\$1,785.2</u>	<u>\$1,715.7</u>

As of December 31, 2019, City-Parish bonds were rated by three major rating services as follows:

	<u>Underlying Ratings</u>		
	<u>Moody's</u> <u>Investors</u> <u>Service</u>	<u>Standard</u> <u>and Poor's</u>	<u>Fitch</u> <u>Investors</u>
City of Baton Rouge (2%) Sales Tax Revenue Bonds	Aa2	AA+	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
Parish of East Baton Rouge Capital Improvement District MOVEBR (½%) Sales Tax Revenue Bonds	Aa3	AA+	AA

Additional information on debt administration can be found in Exhibit A-14 Note 10 of this report, 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 approximately 61 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 2020 operating budget assumes a conservative growth rate for sales and use tax revenues of 1% over 2019 anticipated collections.

The proposed budget for the year 2020 for all funds, exclusive of operating transfers between funds, totals \$1,004.7 million. This is an increase of approximately \$78.3 million or 8.45 percent over the 2019 budget. The General Fund budget decreased by approximately \$4.8 million mainly due to reduced funding allocated for personnel and benefit costs. The increase of \$9.8 million in the Special Revenue Funds budgets and \$47.7 million in the Capital Project Funds is due to a new Parish-wide property tax for the Mental Health and Substance Abuse Center and a new sales and use tax for MOVEBR transportation improvement program budgeted for in 2020. Debt Service Funds budgets increased \$6.0 million due to the issuance of debt in 2019. Enterprise Fund Budgets increased \$10.2 million primarily due to increases in sewerage system operations and maintenance.

Due to COVID-19, the City-Parish anticipates some impact to sales tax revenues for 2020. While working with local economists, the City-Parish Finance Department anticipates a General Fund revenue shortfall of approximately \$23 million. Although this estimate is based on the current situation, the full extent of the financial impact is unknown given the evolving nature of the spread of COVID-19 and the responses of governments, businesses and individuals. Through the combination of strong financial policies on maintaining reserves at prudent levels, applying for Federal and State reimbursements for COVID-19 expenses, instituting a hiring freeze, and reductions in operational costs due to efficiencies, the City-Parish expects to maintain a balanced budget for 2020.

**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: [financeinternetaccount@brla.gov](mailto:financeinternetaccount@brla.gov).



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2019**

EXHIBIT A - 1

	<b>Primary Government</b>			<b>Component</b>
	<b>Governmental</b>	<b>Business-Type</b>	<b>Total</b>	<b>Units</b>
	<b>Activities</b>	<b>Activities</b>		
<b>ASSETS</b>				
Cash and cash equivalents (Note 3)	\$ 176,225,920	\$ 24,011,983	\$ 200,237,903	\$ 18,111,273
Investments (Note 3)	413,652,862	64,434,907	478,087,769	--
Receivables - net (Note 13)	70,700,827	20,333,551	91,034,378	18,597,228
Due from other governments (Note 11)	117,062,131	1,440,289	118,502,420	1,810,308
Prepaid items	135,115	82,684	217,799	128,564
Loans receivable	5,194,008	--	5,194,008	716,927
Inventory	924,711	94,446	1,019,157	5,573,022
Net pension asset	--	--	--	2,536,264
Other assets	1,000,000	--	1,000,000	85,902
Restricted assets:				
Cash and cash equivalents (Note 3)	--	35,992,748	35,992,748	17,677,432
Investments (Note 3)	--	165,754,041	165,754,041	--
Receivables - net (Note 13)	--	478,292	478,292	--
Capital assets (Note 6):				
Non-depreciable	248,386,261	169,723,458	418,109,719	534,630
Depreciable, net	696,813,171	1,792,061,199	2,488,874,370	100,491,514
Total assets	<u>1,730,095,006</u>	<u>2,274,407,598</u>	<u>4,004,502,604</u>	<u>166,263,064</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred amount on refunding	9,075,399	42,016,964	51,092,363	4,428,492
Deferred outflows on derivative instruments	9,349,258	86,736,011	96,085,269	--
Deferred outflow for OPEB	61,906,528	5,309,112	67,215,640	6,526,543
Deferred outflow for pensions	164,746,110	16,368,235	181,114,345	17,812,319
Total deferred outflows of resources	<u>245,077,295</u>	<u>150,430,322</u>	<u>395,507,617</u>	<u>28,767,354</u>
<b>LIABILITIES</b>				
Accounts payable and other current liabilities	36,363,789	19,234,189	55,597,978	4,406,463
Internal balances (Note 11)	(200,029)	200,029	--	--
Due to other governments	1,009,969	--	1,009,969	240,574
Accrued payables	9,035,431	20,409,723	29,445,154	2,202,023
Unearned revenue	319,003	1,171,252	1,490,255	--
Deposits and escrow accounts	8,494,504	--	8,494,504	--
Other liabilities	--	--	--	16,970
Non-current liabilities (Note 10):				
Due within one year	62,634,231	24,892,555	87,526,786	4,410,614
Due in more than one year	2,094,992,397	1,717,750,844	3,812,743,241	240,324,698
Total liabilities	<u>2,212,649,295</u>	<u>1,783,658,592</u>	<u>3,996,307,887</u>	<u>251,601,342</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Resources received before time requirements	247,571	--	247,571	--
Deferred inflow for OPEB	74,804,221	6,354,748	81,158,969	7,911,161
Deferred inflow for pensions	21,338,615	1,194,630	22,533,245	4,892,641
Total deferred inflows of resources	<u>96,390,407</u>	<u>7,549,378</u>	<u>103,939,785</u>	<u>12,803,802</u>
<b>NET POSITION</b>				
Net investment in capital assets	760,977,384	556,877,653	1,317,855,037	5,002,161
Restricted for (Note 14):				
Capital projects	126,844,045	6,942,993	133,787,038	--
Debt service	7,092,346	18,205,234	25,297,580	18,270,022
Passenger facility charges	--	697,799	697,799	--
External legal constraints	80,484,229	100,000,000	180,484,229	4,940,875
Unrestricted	(1,309,265,405)	(49,093,729)	(1,358,359,134)	(97,587,784)
Total net position	<u>\$ (333,867,401)</u>	<u>\$ 633,629,950</u>	<u>\$ 299,762,549</u>	<u>\$ (69,374,726)</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, 2019**

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
<b>Function/Programs</b>				
<b>Primary government:</b>				
Governmental activities:				
General government	\$ 115,599,474	\$ 20,041,002	\$ 272,509	\$ --
Public safety	334,061,645	36,958,516	18,962,309	3,206,625
Transportation	94,043,578	87,848	1,478,604	24,747,584
Health and welfare	24,549,825	955,906	1,566,552	1,327
Culture and recreation	52,696,540	233,227	1,521,331	30,981
Conservation and development	48,142,085	4,399,472	30,012,897	3,389,717
Interest and fiscal charges on long-term debt	13,117,267	--	--	--
Total governmental activities	<u>682,210,414</u>	<u>62,675,971</u>	<u>53,814,202</u>	<u>31,376,234</u>
Business-type activities:				
Airport	31,272,709	19,012,348	135,571	5,357,274
Sewer	202,922,028	90,302,440	5,551,130	6,148,133
Solid waste collection and disposal	43,090,977	49,336,737	--	--
Convention center	13,311,371	6,699,056	612,688	108,194
Parking facilities	1,028,503	647,717	--	--
Total business-type activities	<u>291,625,588</u>	<u>165,998,298</u>	<u>6,299,389</u>	<u>11,613,601</u>
Total primary government	<u>\$ 973,836,002</u>	<u>\$ 228,674,269</u>	<u>\$ 60,113,591</u>	<u>\$ 42,989,835</u>
<b>Component units:</b>				
Judicial court services	\$ 52,512,740	\$ 29,507,112	\$ 20,474,176	\$ --
Economic development districts	5,288,958	1,719,037	1,036,785	--
Mass transit	32,916,205	2,402,160	--	2,833,442
Total component units	<u>\$ 90,717,903</u>	<u>\$ 33,628,309</u>	<u>\$ 21,510,961</u>	<u>\$ 2,833,442</u>

General revenues:

Taxes:

Property  
Gross receipts business  
Sales  
TIF district tax  
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 2)

Net position - end of year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Units
Governmental Activities	Business-type Activities	Total	
\$ (95,285,963)	\$ --	\$ (95,285,963)	\$ --
(274,934,195)	--	(274,934,195)	--
(67,729,542)	--	(67,729,542)	--
(22,026,040)	--	(22,026,040)	--
(50,911,001)	--	(50,911,001)	--
(10,339,999)	--	(10,339,999)	--
(13,117,267)	--	(13,117,267)	--
(534,344,007)	--	(534,344,007)	--
--	(6,767,516)	(6,767,516)	--
--	(100,920,325)	(100,920,325)	--
--	6,245,760	6,245,760	--
--	(5,891,433)	(5,891,433)	--
--	(380,786)	(380,786)	--
--	(107,714,300)	(107,714,300)	--
(534,344,007)	(107,714,300)	(642,058,307)	--
--	--	--	(2,531,452)
--	--	--	(2,533,136)
--	--	--	(27,680,603)
--	--	--	(32,745,191)
135,967,435	--	135,967,435	18,836,541
22,489,820	--	22,489,820	--
278,543,594	46,938,995	325,482,589	502,995
85,599	--	85,599	--
2,298,889	1,367,245	3,666,134	2,027,853
10,963,861	--	10,963,861	--
4,291,411	--	4,291,411	--
8,383,824	--	8,383,824	--
1,458,831	--	1,458,831	--
33,377	--	33,377	1,585,069
5,076,789	--	5,076,789	10,431,125
11,095,412	9,168,184	20,263,596	1,273,061
869,999	4,776	874,775	--
(2,527,244)	2,527,244	--	--
479,031,597	60,006,444	539,038,041	34,656,644
(55,312,410)	(47,707,856)	(103,020,266)	1,911,453
(278,554,991)	681,337,806	402,782,815	(71,286,179)
\$ (333,867,401)	\$ 633,629,950	\$ 299,762,549	\$ (69,374,726)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	<b>General Fund</b>	<b>Library Board of Control</b>	<b>Grants</b>
<b>ASSETS</b>			
Cash and cash equivalents (Note 3)	\$ 14,888,383	\$ 18,221,901	\$ --
Investments (Note 3)	43,727,300	53,517,867	--
Property taxes receivable - net (Note 4)	6,625,995	10,665,666	--
Gross receipts business taxes receivable	4,137,880	--	--
Sales taxes receivable - net (Note 13)	17,019,027	--	--
Interest and penalties receivable on taxes	56,229	--	--
Accounts receivable - net (Note 13)	2,022,042	--	269,114
Accrued interest receivable	417,495	346,963	30,759
Due from other funds (Note 11)	10,206,631	--	--
Due from other governments (Note 11)	22,419,923	37,511,530	12,268,076
Other assets	1,000,000	--	--
Inventory	758,981	--	--
Total assets	<u>\$ 123,279,886</u>	<u>\$ 120,263,927</u>	<u>\$ 12,567,949</u>
<b>LIABILITIES</b>			
Accounts and contracts payable	\$ 14,083,064	\$ 1,109,372	\$ 5,439,968
Due to other funds (Note 11)	--	30,367,560	1,795,748
Due to other governments	322,092	--	--
Accrued payables	2,635,808	334,609	199,245
Unearned revenue	--	--	145,424
Deposits and escrow accounts	8,428,684	--	65,820
Total liabilities	<u>25,469,648</u>	<u>31,811,541</u>	<u>7,646,205</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - property taxes	723,132	1,045,343	--
Unavailable revenue - revenue sharing	628,462	--	--
Resources received before time requirements	--	--	247,571
Total deferred inflows of resources	<u>1,351,594</u>	<u>1,045,343</u>	<u>247,571</u>
<b>FUND BALANCES (Note 14):</b>			
Nonspendable	758,981	--	--
Restricted	1,636,884	87,407,043	4,674,173
Committed	64,956,795	--	--
Assigned	20,941,994	--	--
Unassigned	8,163,990	--	--
Total fund balances	<u>96,458,644</u>	<u>87,407,043</u>	<u>4,674,173</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 123,279,886</u>	<u>\$ 120,263,927</u>	<u>\$ 12,567,949</u>

The accompanying notes are an integral part of this statement.

<b>Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 103,848,559	\$ 35,739,211	\$ 172,698,054
233,116,714	72,929,608	403,291,489
--	12,235,769	29,527,430
--	--	4,137,880
6,689,280	1,519,249	25,227,556
--	--	56,229
220,000	5,096,525	7,607,681
898,586	499,966	2,193,769
37,601,673	--	47,808,304
2,110,025	41,807,415	116,116,969
--	--	1,000,000
--	--	758,981
<u>\$ 384,484,837</u>	<u>\$ 169,827,743</u>	<u>\$ 810,424,342</u>
\$ 9,707,537	\$ 3,572,647	\$ 33,912,588
--	15,444,967	47,608,275
340,858	347,019	1,009,969
1,206	467,241	3,638,109
173,579	--	319,003
--	--	8,494,504
<u>10,223,180</u>	<u>19,831,874</u>	<u>94,982,448</u>
--	1,288,179	3,056,654
--	59,682	688,144
--	--	247,571
<u>--</u>	<u>1,347,861</u>	<u>3,992,369</u>
--	--	758,981
347,575,253	124,724,432	566,017,785
26,686,404	23,923,576	115,566,775
--	--	20,941,994
--	--	8,163,990
<u>374,261,657</u>	<u>148,648,008</u>	<u>711,449,525</u>
<u>\$ 384,484,837</u>	<u>\$ 169,827,743</u>	<u>\$ 810,424,342</u>



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
BALANCE SHEET TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2019**

EXHIBIT A - 4

Fund balances - total governmental funds		\$ 711,449,525
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	1,782,728,943	
Less accumulated depreciation	<u>(851,851,848)</u>	930,877,095
Assets used in governmental activities that are not financial resources, and, therefore, are not reported in the governmental funds.		
Prepaid items	135,115	
Loans receivable	<u>5,194,008</u>	5,329,123
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	3,056,654	
Louisiana revenue sharing	688,144	
Emergency Medical Services transport charges	1,886,513	
U.S. Health and Human Services	<u>945,162</u>	6,576,473
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	(5,354,468)	
Bonds payable	(409,634,684)	
Deferred premium and discount	(34,740,625)	
Deferred amount on refunding	9,075,399	
Obligation payable	(3,235,810)	
Compensated absences payable	(29,988,041)	
Arbitrage payable	(159,214)	
Claims and judgments payable	(64,557,384)	
Employee benefits payable	(5,173,158)	
Total other post employment benefit liability	(901,465,391)	
Net pension liability	<u>(699,069,603)</u>	(2,144,302,979)
Deferred inflows and outflows of resources for pension plans and other postemployment benefits are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
		130,509,802
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>25,693,560</u>
Net position of governmental activities		<u>\$ (333,867,401)</u>



**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, 2019**

	<b>General Fund</b>	<b>Library Board of Control</b>	<b>Grants</b>
<b>REVENUES</b>			
Taxes:			
Property	\$ 29,194,019	\$ 50,074,760	\$ --
Gross receipts business taxes	22,489,820	--	--
Sales	191,859,129	--	--
TIF district tax	--	--	--
Occupancy	1,432,585	--	--
Occupational	10,963,861	--	--
Insurance premiums	4,291,411	--	--
Gaming admissions	8,383,824	--	--
Interest and penalties - delinquent	1,458,831	--	--
Licenses and permits	4,941,552	--	--
Intergovernmental revenues	15,007,728	--	41,271,756
Charges for services	23,311,743	48,188	--
Fines and forfeits	969,750	141,651	--
Investment earnings	1,908,977	1,988,722	128,061
Miscellaneous revenues	1,921,783	31,238	4,302,648
Total revenues	<u>318,135,013</u>	<u>52,284,559</u>	<u>45,702,465</u>
<b>EXPENDITURES</b>			
Current:			
General government	68,062,254	--	--
Public safety	174,987,586	--	5,090,144
Transportation	34,032,005	--	--
Health and welfare	3,777,383	--	1,558,203
Culture and recreation	1,517,063	38,186,123	2,773
Conservation and development	4,696,455	--	33,997,039
Debt service:			
Principal retirement	--	--	--
Interest and fiscal charges	--	--	--
Bond issuance costs	--	--	--
Capital outlay	--	749,418	6,671,086
Intergovernmental	18,368,271	--	--
Total expenditures	<u>305,441,017</u>	<u>38,935,541</u>	<u>47,319,245</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,693,996</u>	<u>13,349,018</u>	<u>(1,616,780)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in (Note 12)	90,000	--	1,386,423
Transfers out (Note 12)	(10,552,359)	(1,796,506)	--
Issuance of long-term debt	--	--	--
Premium on debt issuance	--	--	--
Proceeds of capital asset disposition	246,688	--	55,964
Total other financing sources and uses	<u>(10,215,671)</u>	<u>(1,796,506)</u>	<u>1,442,387</u>
Net change in fund balances	2,478,325	11,552,512	(174,393)
Fund balances, January 1	<u>93,980,319</u>	<u>75,854,531</u>	<u>4,848,566</u>
Fund balances, December 31	<u>\$ 96,458,644</u>	<u>\$ 87,407,043</u>	<u>\$ 4,674,173</u>

The accompanying notes are an integral part of this statement.

<b>Capital Projects Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ --	\$ 55,681,556	\$ 134,950,335
--	--	22,489,820
41,646,426	45,038,039	278,543,594
--	85,599	85,599
--	866,304	2,298,889
--	--	10,963,861
--	--	4,291,411
--	--	8,383,824
--	--	1,458,831
--	--	4,941,552
19,727,093	7,905,799	83,912,376
--	26,090,024	49,449,955
--	97,666	1,209,067
4,043,617	2,707,306	10,776,683
1,711,614	468,533	8,435,816
<u>67,128,750</u>	<u>138,940,826</u>	<u>622,191,613</u>
194,387	1,243,935	69,500,576
--	49,969,266	230,046,996
2,933,639	16,937,970	53,903,614
--	14,965,626	20,301,212
--	--	39,705,959
--	2,000,271	40,693,765
--	19,678,062	19,678,062
--	12,709,929	12,709,929
1,477,902	--	1,477,902
52,287,407	2,727,270	62,435,181
--	550,000	18,918,271
<u>56,893,335</u>	<u>120,782,329</u>	<u>569,371,467</u>
<u>10,235,415</u>	<u>18,158,497</u>	<u>52,820,146</u>
9,359,165	8,323,131	19,158,719
(928,746)	(8,408,352)	(21,685,963)
139,950,000	--	139,950,000
21,452,822	--	21,452,822
--	4,350	307,002
<u>169,833,241</u>	<u>(80,871)</u>	<u>159,182,580</u>
180,068,656	18,077,626	212,002,726
<u>194,193,001</u>	<u>130,570,382</u>	<u>499,446,799</u>
<u>\$ 374,261,657</u>	<u>\$ 148,648,008</u>	<u>\$ 711,449,525</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, 2019**

EXHIBIT A - 6

Net change in fund balances - total governmental funds \$ 212,002,726

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	62,435,181	
Depreciation expense	<u>(47,608,201)</u>	14,826,980

The net effect of various miscellaneous transactions involving capital assets, such as sales, trade-ins, and donations, is to increase net position. 1,039,766

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	1,017,100	
Louisiana revenue sharing	(3,540)	
Emergency Medical Services transport charges	889,308	
U.S. Health and Human Services	<u>20,481</u>	1,923,349

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	(139,950,000)	
Premium on debt issuance	(21,452,822)	
Amortization of bond insurance costs	(58,789)	
Amortization of premium and discount	1,999,905	
Amortization of amount on refunding	(1,365,694)	
Principal payments	19,678,062	
Adjustment for debt recorded in business type activities	<u>(401,250)</u>	(141,550,588)

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.

Accrued interest payable	456,475	
Compensated absences payable	(2,646,280)	
Claims and judgments payable	(39,298,801)	
Employee benefits payable	(243,873)	
Arbitrage payable	(159,214)	
Total OPEB liability and deferred inflows and outflows for OPEB	(48,995,441)	
Net pension liability and deferred inflows and outflows for pensions	(52,840,185)	
Loans receivable	<u>348,788</u>	(143,378,531)

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.

(176,112)

Change in net position of governmental activities \$ (55,312,410)





**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2019**

	<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	\$ 3,245,011	\$ 8,184,012	\$ 9,578,654
Investments	9,530,622	24,036,509	28,132,581
Sales taxes receivable - net	--	3,992,111	--
Accounts receivable - net	886,324	8,555,337	4,854,843
Accrued interest receivable	51,554	1,705,807	161,841
Due from other governments (Note 11)	692,523	--	101,711
Prepaid items	--	--	--
Inventory	--	--	--
Total current assets	<u>14,406,034</u>	<u>46,473,776</u>	<u>42,829,630</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	567,651	33,774,703	--
Investments	1,667,196	159,239,625	--
Sales taxes receivable	--	--	--
Accounts receivable - net	257,682	--	--
Accrued interest receivable	548	104,350	--
Total restricted assets	<u>2,493,077</u>	<u>193,118,678</u>	<u>--</u>
Capital assets (Note 6):			
Land	32,956,014	52,192,459	9,041,482
Buildings	147,574,164	623,516	141,449
Noise mitigation costs	58,676,432	--	--
Improvements (other than buildings)	206,040,491	2,476,661,653	28,709,201
Equipment	5,107,557	3,360,842	145,850
Construction work in progress	6,807,357	4,900,146	--
Total capital assets	<u>457,162,015</u>	<u>2,537,738,616</u>	<u>38,037,982</u>
Accumulated depreciation	<u>(189,004,478)</u>	<u>(890,737,963)</u>	<u>(27,248,194)</u>
Net capital assets	<u>268,157,537</u>	<u>1,647,000,653</u>	<u>10,789,788</u>
Total noncurrent assets	<u>270,650,614</u>	<u>1,840,119,331</u>	<u>10,789,788</u>
Total assets	<u>285,056,648</u>	<u>1,886,593,107</u>	<u>53,619,418</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred amount on refunding	2,997,961	39,019,003	--
Deferred outflows on derivative instruments	--	86,736,011	--
Deferred outflows for OPEB	1,237,887	3,609,644	386,942
Deferred outflow for pensions	3,251,236	11,973,650	967,286
Total deferred outflows of resources	<u>7,487,084</u>	<u>141,338,308</u>	<u>1,354,228</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>	
\$ 3,004,306	\$ 24,011,983	\$ 3,527,866
2,735,195	64,434,907	10,361,373
--	3,992,111	--
106,819	14,403,323	--
18,915	1,938,117	63,769
646,055	1,440,289	--
82,684	82,684	--
94,446	94,446	165,730
<u>6,688,420</u>	<u>110,397,860</u>	<u>14,118,738</u>
1,650,394	35,992,748	--
4,847,220	165,754,041	--
82,275	82,275	--
--	257,682	--
33,437	138,335	--
<u>6,613,326</u>	<u>202,225,081</u>	<u>--</u>
2,654,217	96,844,172	47,568
102,879,229	251,218,358	2,355,428
--	58,676,432	--
19,535,870	2,730,947,215	7,190
1,295,026	9,909,275	47,858,597
2,495,351	14,202,854	--
<u>128,859,693</u>	<u>3,161,798,306</u>	<u>50,268,783</u>
<u>(93,023,014)</u>	<u>(1,200,013,649)</u>	<u>(35,946,446)</u>
<u>35,836,679</u>	<u>1,961,784,657</u>	<u>14,322,337</u>
<u>42,450,005</u>	<u>2,164,009,738</u>	<u>14,322,337</u>
<u>49,138,425</u>	<u>2,274,407,598</u>	<u>28,441,075</u>
--	42,016,964	--
--	86,736,011	--
74,639	5,309,112	--
176,063	16,368,235	--
<u>250,702</u>	<u>150,430,322</u>	<u>--</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2019**

	<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	\$ 970,699	\$ 13,668,603	\$ 3,715,766
Due to other funds (Note 11)	200,029	--	--
Accrued salaries payable	81,500	224,730	20,469
Accrued interest payable	921,092	19,131,182	--
Unearned revenue	--	--	--
Obligations payable (Note 10)	420,417	--	--
Bonds payable (Note 10)	1,955,000	18,533,000	--
Compensated absences payable	603,103	1,081,590	97,583
Total other postemployment benefit liability	493,734	1,447,152	170,253
Total current liabilities	<u>5,645,574</u>	<u>54,086,257</u>	<u>4,004,071</u>
Noncurrent liabilities:			
Obligations payable (Note 10)	253,750	21,543,728	--
Claims, judgments and contingent liabilities	--	491,744	--
Bonds payable (net of premiums and discounts) (Note 10)	55,869,765	1,398,634,416	--
Derivative instrument liability (Note 10)	--	86,736,011	--
Compensated absences payable	53,240	366,043	4,404
Landfill closure and postclosure care liability (Note 17)	--	--	15,144,418
Total other postemployment benefit liability	17,833,164	49,113,199	5,418,284
Net pension liability	14,555,571	46,302,368	3,546,624
Total noncurrent liabilities	<u>88,565,490</u>	<u>1,603,187,509</u>	<u>24,113,730</u>
Total liabilities	<u>94,211,064</u>	<u>1,657,273,766</u>	<u>28,117,801</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow for OPEB	1,485,209	4,342,005	430,143
Deferred inflow for pensions	719,169	411,268	58,374
Total deferred inflows of resources	<u>2,204,378</u>	<u>4,753,273</u>	<u>488,517</u>
<b>NET POSITION</b>			
Net investment in capital assets	212,781,691	297,469,495	10,789,788
Restricted for capital projects	--	--	--
Restricted for debt service	689,556	17,515,678	--
Restricted Passenger Facility Charges	697,799	--	--
Restricted for external legal constraints	--	100,000,000	--
Unrestricted	(18,040,756)	(49,080,797)	15,577,540
Total net position	<u>\$ 196,128,290</u>	<u>\$ 365,904,376</u>	<u>\$ 26,367,328</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>	
\$ 879,121	\$ 19,234,189	\$ 2,451,201
--	200,029	--
30,750	357,449	42,854
--	20,052,274	--
1,171,252	1,171,252	--
--	420,417	--
--	20,488,000	--
65,185	1,847,461	192,105
25,538	2,136,677	--
<u>2,171,846</u>	<u>65,907,748</u>	<u>2,686,160</u>
--	21,797,478	--
--	491,744	--
--	1,454,504,181	--
--	86,736,011	--
--	423,687	61,355
--	15,144,418	--
1,217,697	73,582,344	--
666,418	65,070,981	--
<u>1,884,115</u>	<u>1,717,750,844</u>	<u>61,355</u>
<u>4,055,961</u>	<u>1,783,658,592</u>	<u>2,747,515</u>
97,391	6,354,748	--
5,819	1,194,630	--
<u>103,210</u>	<u>7,549,378</u>	<u>--</u>
35,836,679	556,877,653	14,322,337
6,942,993	6,942,993	--
--	18,205,234	--
--	697,799	--
--	100,000,000	--
<u>2,450,284</u>	<u>(49,093,729)</u>	<u>11,371,223</u>
<u>\$ 45,229,956</u>	<u>\$ 633,629,950</u>	<u>\$ 25,693,560</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, 2019**

	<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	\$ 14,926,200	\$ 90,196,193	\$ 49,096,572
Miscellaneous revenues	449,354	106,247	240,165
Total operating revenues	<u>15,375,554</u>	<u>90,302,440</u>	<u>49,336,737</u>
<b>OPERATING EXPENSES</b>			
Personal services	3,936,057	11,121,878	1,234,010
Employee benefits	3,880,440	13,183,641	1,094,480
Supplies	998,125	5,554,725	1,152,880
Contractual services	7,161,948	30,028,798	42,205,451
Landfill closure and postclosure care expense	--	--	(2,777,080)
Cost of materials	--	--	--
Depreciation	13,164,352	75,613,814	181,236
Management fee	--	--	--
Total operating expenses	<u>29,140,922</u>	<u>135,502,856</u>	<u>43,090,977</u>
Operating income (loss)	<u>(13,765,368)</u>	<u>(45,200,416)</u>	<u>6,245,760</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Taxes pledged as securities for revenue bonds	--	46,938,995	--
Occupancy taxes	--	--	--
Operating grants	135,571	--	--
Passenger facility charges (Note 16)	1,691,199	--	--
Customer facility charges	1,945,595	--	--
Federal subsidy on debt	--	5,551,130	--
Investment earnings	245,204	7,836,878	797,589
Interest expense	(2,302,448)	(64,442,914)	--
Bond issuance costs	170,661	(2,969,040)	--
Gain (loss) on disposition of capital assets	4,776	(7,218)	--
Total nonoperating revenues (expenses)	<u>1,890,558</u>	<u>(7,092,169)</u>	<u>797,589</u>
Income (loss) before contributions and transfers	(11,874,810)	(52,292,585)	7,043,349
Capital contributions	5,357,274	6,148,133	--
Transfers in	--	--	76,477
Transfers out	<u>(4,807)</u>	<u>(66,483)</u>	<u>(198,689)</u>
Change in net position	(6,522,343)	(46,210,935)	6,921,137
Total net position - January 1	<u>202,650,633</u>	<u>412,115,311</u>	<u>19,446,191</u>
Total net position - December 31	<u>\$ 196,128,290</u>	<u>\$ 365,904,376</u>	<u>\$ 26,367,328</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>	
\$ 6,229,030	\$ 160,447,995	\$ 20,257,033
1,117,743	1,913,509	--
7,346,773	162,361,504	20,257,033
2,488,192	18,780,137	1,807,665
703,831	18,862,392	1,166,714
1,266,313	8,972,043	142,839
4,975,591	84,371,788	5,680,162
--	(2,777,080)	--
--	--	8,474,083
4,580,261	93,539,663	4,043,664
325,686	325,686	--
14,339,874	222,074,629	21,315,127
(6,993,101)	(59,713,125)	(1,058,094)
--	46,938,995	--
1,367,245	1,367,245	--
612,688	748,259	--
--	1,691,199	--
--	1,945,595	--
--	5,551,130	--
288,513	9,168,184	318,729
--	(66,745,362)	--
--	(2,798,379)	--
--	(2,442)	563,253
2,268,446	(2,135,576)	881,982
(4,724,655)	(61,848,701)	(176,112)
108,194	11,613,601	--
2,720,746	2,797,223	--
--	(269,979)	--
(1,895,715)	(47,707,856)	(176,112)
47,125,671	681,337,806	25,869,672
\$ 45,229,956	\$ 633,629,950	\$ 25,693,560

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 15,244,347	\$ 89,445,383	\$ 49,191,556
Payments to suppliers for goods and services	(8,056,310)	(33,358,654)	(42,796,739)
Payments to employees for services and benefits	(5,820,601)	(17,423,901)	(1,836,616)
Other operating receipts	--	103,787	--
Net cash provided by (used for) operating activities	<u>1,367,436</u>	<u>38,766,615</u>	<u>4,558,201</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Receipts from general property taxes	--	645	--
Receipts from general sales and use taxes	--	47,004,380	--
Operating grants received	135,571	--	--
Transfers in from other funds	--	--	76,477
Transfers out to other funds	(4,807)	(66,483)	(198,689)
Net cash provided by (used for) noncapital financing activities	<u>130,764</u>	<u>46,938,542</u>	<u>(122,212)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Receipts from occupancy taxes	--	--	--
Proceeds from sale of debt	--	443,042,849	--
Proceeds from capital grants	8,727,010	--	--
Proceeds from sale of capital assets	5,615	83,215	--
Passenger facility charges	1,665,280	--	--
Customer facility charges	1,932,979	--	--
Acquisition and construction of capital assets	(7,145,427)	(52,920,795)	(353,850)
Principal paid on bonds, obligations and capital leases	(2,271,250)	(26,716,339)	--
Interest paid on bonds, obligations and capital leases	(2,337,313)	(68,972,819)	--
Payments made for bond issuance costs	--	(2,837,641)	--
Payment made to refunding bonds escrow agent	--	(429,054,330)	--
Federal subsidy on debt	--	8,360,161	--
Payment to terminate swap	--	(7,080,940)	--
Repayment of loans from other funds	(427,500)	--	--
Capital contributed by other governments	--	--	--
Capital contributed from impact fees	--	4,438,040	--
Net cash provided by (used for) capital and related financing activities	<u>149,394</u>	<u>(131,658,599)</u>	<u>(353,850)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of investments	(11,197,818)	(183,276,134)	(28,132,581)
Proceeds from sales and maturities of investments	9,102,178	182,630,598	22,848,768
Interest received on investments	285,044	8,788,007	800,406
Net cash provided by (used for) investing activities	<u>(1,810,596)</u>	<u>8,142,471</u>	<u>(4,483,407)</u>
Net increase (decrease) in cash and cash equivalents	(163,002)	(37,810,971)	(401,268)
Cash and cash equivalents, January 1	<u>3,975,664</u>	<u>79,769,686</u>	<u>9,979,922</u>
Cash and cash equivalents, December 31	<u>\$ 3,812,662</u>	<u>\$ 41,958,715</u>	<u>\$ 9,578,654</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>	
\$ 6,028,125	\$ 159,909,411	\$ 20,257,033
(6,743,152)	(90,954,855)	(14,198,403)
(3,109,564)	(28,190,682)	(2,956,535)
--	103,787	--
(3,824,591)	40,867,661	3,102,095
<hr/>		
--	645	--
--	47,004,380	--
612,688	748,259	--
1,792,000	1,868,477	--
--	(269,979)	--
<hr/>		
2,404,688	49,351,782	--
<hr/>		
1,366,161	1,366,161	--
--	443,042,849	--
--	8,727,010	--
--	88,830	564,125
--	1,665,280	--
--	1,932,979	--
(365,870)	(60,785,942)	(7,241,935)
--	(28,987,589)	--
--	(71,310,132)	--
--	(2,837,641)	--
--	(429,054,330)	--
--	8,360,161	--
--	(7,080,940)	--
--	(427,500)	--
217,498	217,498	--
--	4,438,040	--
<hr/>		
1,217,789	(130,645,266)	(6,677,810)
<hr/>		
(7,582,415)	(230,188,948)	(10,361,373)
6,193,386	220,774,930	11,756,548
259,752	10,133,209	342,992
(1,129,277)	719,191	1,738,167
<hr/>		
(1,331,391)	(39,706,632)	(1,837,548)
<hr/>		
5,986,091	99,711,363	5,365,414
<hr/>		
\$ 4,654,700	\$ 60,004,731	\$ 3,527,866
<hr/>		

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	<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	\$ 3,245,011	\$ 8,184,012	\$ 9,578,654
Restricted assets	567,651	33,774,703	--
Totals	<u>\$ 3,812,662</u>	<u>\$ 41,958,715</u>	<u>\$ 9,578,654</u>
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	<u>\$ (13,765,368)</u>	<u>\$ (45,200,416)</u>	<u>\$ 6,245,760</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	13,164,352	75,613,814	181,236
Landfill closure and postclosure care expense	--	--	(2,777,080)
Increase (decrease) in compensated absences payable	123,319	7,997	71,955
Increase (decrease) in total other post employment benefit liability	192,998	567,032	56,425
Increase (decrease) in deferred inflows for OPEB	1,485,209	4,342,005	430,143
(Increase) decrease in deferred outflows for OPEB	(712,278)	(2,088,868)	(234,077)
Increase (decrease) in net pension liability	2,048,731	12,418,035	860,971
(Increase) decrease in deferred outflows for pensions	(1,120,199)	(6,386,205)	(555,971)
Increase (decrease) in deferred inflows for pensions	(177,777)	(2,001,833)	(138,792)
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	10,554	8,443	(145,181)
Decrease (increase) in prepaid items	--	--	--
Decrease (increase) in inventory	--	--	--
Increase (decrease) in accounts and contracts payable	103,763	1,463,156	561,592
Increase (decrease) in accrued salaries payable	14,132	23,455	1,220
Increase (decrease) in unearned revenue	--	--	--
Total adjustments	<u>15,132,804</u>	<u>83,967,031</u>	<u>(1,687,559)</u>
Net cash provided by (used for) operating activities	<u>\$ 1,367,436</u>	<u>\$ 38,766,615</u>	<u>\$ 4,558,201</u>
<b>Non cash investing, capital, and financing activities:</b>			
Gain in fair value of investments	\$ 52,102	\$ 1,810,157	\$ 161,841
Loss on disposal of capital assets	(839)	(90,433)	--
Contributions/accruals of capital assets	(3,369,736)	1,710,093	--
Interest expense on swap obligations	--	2,148,497	--

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>	
\$ 3,004,306	\$ 24,011,983	\$ 3,527,866
1,650,394	35,992,748	--
<u>\$ 4,654,700</u>	<u>\$ 60,004,731</u>	<u>\$ 3,527,866</u>
<u>\$ (6,993,101)</u>	<u>\$ (59,713,125)</u>	<u>\$ (1,058,094)</u>
4,580,261	93,539,663	4,043,664
--	(2,777,080)	--
(37,068)	166,203	4,702
12,142	828,597	--
97,391	6,354,748	--
(39,355)	(3,074,578)	--
228,586	15,556,323	--
(103,927)	(8,166,302)	--
(36,849)	(2,355,251)	--
222,764	96,580	--
190,420	190,420	--
(32,067)	(32,067)	11,675
(333,915)	1,794,596	87,006
(38,461)	346	13,142
(1,541,412)	(1,541,412)	--
<u>3,168,510</u>	<u>100,580,786</u>	<u>4,160,189</u>
<u>\$ (3,824,591)</u>	<u>\$ 40,867,661</u>	<u>\$ 3,102,095</u>
\$ 52,352	\$ 2,076,452	\$ 63,769
--	(91,272)	(872)
(109,304)	(1,768,947)	--
--	2,148,497	--

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**DECEMBER 31, 2019**

EXHIBIT A - 10

	<b>Pension Trust Funds</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 20,074,056	\$ 17,416,936
Receivables:		
Employee contributions	847,313	--
Employer contributions	2,088,829	--
Non-employer contributions	1,227,486	--
Interest and dividends	53,458	--
Pending trades	3,123,027	--
Other contributions	221,854	--
Other receivables	--	19,012,275
Total receivables	<u>7,561,967</u>	<u>19,012,275</u>
Investments, at fair value		
Fixed income - domestic	271,321,098	--
Fixed income - international	30,732,462	--
Equity securities - domestic	313,974,672	--
Equity securities - international	284,878,860	--
Real estate investments	77,617,990	--
Alternative investments	206,721,031	--
Total investments	<u>1,185,246,113</u>	<u>--</u>
Capital assets:		
Land	550,628	--
Buildings	781,948	--
Equipment	48,540	--
Accumulated depreciation	(749,837)	--
Total capital assets	<u>631,279</u>	<u>--</u>
Total assets	<u>1,213,513,415</u>	<u>\$ 36,429,211</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows for OPEB	<u>181,998</u>	<u>--</u>
<b>LIABILITIES</b>		
Accounts payable	--	\$ 29,133,634
Accrued expenses and benefits payable	1,338,496	--
Pending trades payable	944,634	--
Total other postemployment benefit liabilities	3,068,562	--
Deposits and escrow accounts	--	7,295,577
Total liabilities	<u>5,351,692</u>	<u>\$ 36,429,211</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows for OPEB	<u>994,782</u>	
<b>NET POSITION</b>		
Net position restricted for pensions	<u>\$ 1,207,348,939</u>	

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, 2019**

EXHIBIT A - 11

	<b>Pension Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
Employee	\$ 13,605,743
Employer	47,973,717
Non-employer	1,227,486
Severance contributions from employee	2,698,674
Total contributions	<u>65,505,620</u>
Investment income:	
<i>From investment activities</i>	
Net appreciation (depreciation) in fair value of investments	182,618,345
Interest	1,490,595
Total investment income	<u>184,108,940</u>
Less: investment expense	6,686,864
Net income from investing activities	<u>177,422,076</u>
Total additions	<u>242,927,696</u>
<b>DEDUCTIONS</b>	
Benefit payments	112,636,414
Refunds and withdrawals	2,811,623
Administrative expenses	<u>1,651,548</u>
Total deductions	<u>117,099,585</u>
Change in net position	125,828,111
Net position - beginning of year, restated (Note 2)	<u>1,081,520,828</u>
Net position - end of year	<u><u>\$ 1,207,348,939</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, 2019

	District Attorney of the Nineteenth Judicial District	Nineteenth Judicial District Court (1)	Nineteenth Judicial District Court Building Commission (1)	E.B.R. Parish Family Court	E.B.R. Parish Juvenile Court
<b>ASSETS</b>					
Cash and cash equivalents	\$ 605,359	\$ 2,246,326	\$ 1,803,605	\$ 371,481	\$ 381,750
Property taxes receivable	--	--	--	--	--
Sales taxes receivable	--	--	--	--	--
Accounts receivable	270,932	102,511	--	10,298	1,583
Accrued interest receivable	--	--	11,621	--	--
Loans receivable	--	--	--	--	--
Due from other governments	--	163,356	385,186	--	71,533
Prepaid items	--	--	--	--	2,625
Inventory	--	--	--	--	--
Net pension asset	--	--	--	--	--
Other assets	--	29,572	56,330	--	--
Restricted assets:					
Cash and cash equivalents	--	--	17,677,432	--	--
Capital assets: (Note 6)					
Buildings	--	--	107,628,256	--	--
Equipment	2,468,839	316,730	5,207,777	329,178	430,090
Construction work in progress	--	--	--	--	--
Accumulated depreciation	(1,994,348)	(257,991)	(35,551,175)	(287,768)	(322,303)
Total assets	<u>1,350,782</u>	<u>2,600,504</u>	<u>97,219,032</u>	<u>423,189</u>	<u>565,278</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred amount on refunding	--	--	4,428,492	--	--
Deferred outflow for OPEB	1,356,729	503,377	--	188,952	140,187
Deferred outflow for pension	7,291,741	3,943,288	--	810,385	1,531,938
Total deferred outflows of resources	<u>8,648,470</u>	<u>4,446,665</u>	<u>4,428,492</u>	<u>999,337</u>	<u>1,672,125</u>
<b>LIABILITIES</b>					
Accounts payable and other current liabilities	61,605	844,052	24,275	9,026	42,012
Due to other governments	--	--	--	--	697
Accrued payables	666,822	--	373,470	--	23,925
Other liabilities	15,972	--	--	998	--
Non-current liabilities: (Note 10)					
Due within one year	517,000	32,209	1,439,917	10,000	--
Due in more than one year	42,471,635	29,962,148	93,883,236	4,818,710	8,521,377
Total liabilities	<u>43,733,034</u>	<u>30,838,409</u>	<u>95,720,898</u>	<u>4,838,734</u>	<u>8,588,011</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflow for OPEB	4,870,075	1,278,380	--	1,406,685	356,021
Deferred inflow for pension	776,559	1,829,048	--	77,279	166,422
Total deferred inflows of resources	<u>5,646,634</u>	<u>3,107,428</u>	<u>--</u>	<u>1,483,964</u>	<u>522,443</u>
<b>NET POSITION</b>					
Net investment in capital assets	474,491	58,739	(15,950,142)	41,410	107,787
Restricted for:					
Debt service	--	--	18,270,022	--	--
External legal constraints	139,167	647,790	--	--	61,924
Unrestricted	(39,994,074)	(27,605,197)	3,606,746	(4,941,582)	(7,042,762)
Total net position	<u>\$ (39,380,416)</u>	<u>\$ (26,898,668)</u>	<u>\$ 5,926,626</u>	<u>\$ (4,900,172)</u>	<u>\$ (6,873,051)</u>

(1) As of June 30, 2019

The accompanying notes are an integral part of this statement.

E.B.R. Parish Clerk of Court (1)	Build Baton Rouge	Cyntreniks Group King Hotel Special Taxing District	Bluebonnet Convention Hotel Taxing District	EBRATS Building Special Taxing District	Old LNB Building Redevelopment Taxing District	Capital Area Transit System	Totals
\$ 11,969,996	\$ 199,246	\$ 8,812	\$ 53,746	\$ 4,903	\$ 35,885	\$ 430,164	\$ 18,111,273
--	--	--	--	--	--	17,800,313	17,800,313
--	--	4,879	42,680	2,420	30,292	--	80,271
162,220	--	--	--	--	--	157,479	705,023
--	--	--	--	--	--	--	11,621
--	716,927	--	--	--	--	--	716,927
--	577,718	--	--	--	--	612,515	1,810,308
--	28,384	--	--	--	--	97,555	128,564
--	5,159,014	--	--	--	--	414,008	5,573,022
--	--	--	--	--	--	2,536,264	2,536,264
--	--	--	--	--	--	--	85,902
--	--	--	--	--	--	--	17,677,432
--	--	--	--	--	--	--	107,628,256
8,637,476	134,439	--	--	--	--	39,275,780	56,800,309
--	--	--	--	--	--	534,630	534,630
(7,746,961)	(93,734)	--	--	--	--	(17,682,771)	(63,937,051)
<u>13,022,731</u>	<u>6,721,994</u>	<u>13,691</u>	<u>96,426</u>	<u>7,323</u>	<u>66,177</u>	<u>44,175,937</u>	<u>166,263,064</u>
--	--	--	--	--	--	--	4,428,492
4,337,298	--	--	--	--	--	--	6,526,543
3,738,070	--	--	--	--	--	496,897	17,812,319
<u>8,075,368</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>496,897</u>	<u>28,767,354</u>
339,163	139,489	13,691	96,426	7,323	66,177	2,763,224	4,406,463
145,500	94,377	--	--	--	--	--	240,574
1,137,806	--	--	--	--	--	--	2,202,023
--	--	--	--	--	--	--	16,970
--	--	--	--	--	--	2,411,488	4,410,614
55,806,879	295,115	--	--	--	--	4,565,598	240,324,698
<u>57,429,348</u>	<u>528,981</u>	<u>13,691</u>	<u>96,426</u>	<u>7,323</u>	<u>66,177</u>	<u>9,740,310</u>	<u>251,601,342</u>
--	--	--	--	--	--	--	7,911,161
576,709	--	--	--	--	--	1,466,624	4,892,641
<u>576,709</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,466,624</u>	<u>12,803,802</u>
890,515	40,705	--	--	--	--	19,338,656	5,002,161
--	--	--	--	--	--	--	18,270,022
--	1,555,730	--	--	--	--	2,536,264	4,940,875
(37,798,473)	4,596,578	--	--	--	--	11,590,980	(97,587,784)
<u>\$ (36,907,958)</u>	<u>\$ 6,193,013</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 33,465,900</u>	<u>\$ (69,374,726)</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, 2019**

	Judicial Court Services					
	District Attorney of the Nineteenth Judicial District	Nineteenth Judicial District Court (1)	Nineteenth Judicial District Court Building Commission (1)	E.B.R. Parish Family Court	E.B.R. Parish Juvenile Court	E.B.R. Parish Clerk of Court (1)
<b>EXPENSES</b>	\$ 17,549,191	\$ 4,851,041	\$ 8,424,395	\$ 1,185,555	\$ 2,632,593	\$ 17,869,965
<b>PROGRAM REVENUES:</b>						
Charges for services	2,240,071	2,293,811	7,391,379	263,705	45,392	17,272,754
Operating grants and contributions	11,855,822	7,053,945	30,553	1,129,779	172,586	231,491
Capital grants and contributions	--	--	--	--	--	--
Net program (expenses) revenue	(3,453,298)	4,496,715	(1,002,463)	207,929	(2,414,615)	(365,720)
<b>GENERAL REVENUES:</b>						
Taxes:						
Property	--	--	--	--	--	--
Sales	--	--	--	--	--	--
Occupancy	--	--	--	--	--	--
Grants and contributions not restricted to specific programs	422,587	--	--	--	1,462,823	--
Investment earnings	13,126	15,616	411,161	--	194	445,996
Miscellaneous	347,576	9,973	112,636	--	5,392	821,406
Total general revenues	783,289	25,589	523,797	--	1,468,409	1,267,402
Change in net position	(2,670,009)	4,522,304	(478,666)	207,929	(946,206)	901,682
Net position, beginning of year	(36,710,407)	(31,420,972)	6,405,292	(5,108,101)	(5,926,845)	(37,809,640)
Net position, ending	<u>\$ (39,380,416)</u>	<u>\$ (26,898,668)</u>	<u>\$ 5,926,626</u>	<u>\$ (4,900,172)</u>	<u>\$ (6,873,051)</u>	<u>\$ (36,907,958)</u>

(1) As of June 30, 2019

The accompanying notes are an integral part of this statement.

Total Judicial Court Services	Economic Development					Total Economic Development
	Build Baton Rouge	Cyntreniks Group King Hotel Special Taxing District	Bluebonnet Convention Hotel Taxing District	EBRATS Building Special Taxing District	Old LNB Building Redevelopment Taxing District	
\$ 52,512,740	\$ 4,119,376	\$ 109,036	\$ 620,089	\$ 52,760	\$ 387,697	\$ 5,288,958
29,507,112	1,719,037	--	--	--	--	1,719,037
20,474,176	1,036,785	--	--	--	--	1,036,785
--	--	--	--	--	--	--
(2,531,452)	(1,363,554)	(109,036)	(620,089)	(52,760)	(387,697)	(2,533,136)
--	--	--	--	--	--	--
--	--	47,240	264,781	26,479	164,495	502,995
--	--	61,796	355,308	26,281	223,202	666,587
1,885,410	--	--	--	--	--	--
886,093	248,640	--	--	--	--	248,640
1,296,983	--	--	--	--	--	--
4,068,486	248,640	109,036	620,089	52,760	387,697	1,418,222
1,537,034	(1,114,914)	--	--	--	--	(1,114,914)
(110,570,673)	7,307,927	--	--	--	--	7,307,927
<u>\$ (109,033,639)</u>	<u>\$ 6,193,013</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 6,193,013</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF ACTIVITIES**  
**ALL DISCRETELY PRESENTED COMPONENT UNITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 13  
(Continued)

	<u>Mass Transit</u>	
	<u>Capital Area Transit System</u>	<u>Total All Component Units</u>
<b>EXPENSES</b>	\$ 32,916,205	\$ 90,717,903
<b>PROGRAM REVENUES:</b>		
Charges for services	2,402,160	33,628,309
Operating grants and contributions	--	21,510,961
Capital grants and contributions	<u>2,833,442</u>	<u>2,833,442</u>
Net program (expenses) revenue	<u>(27,680,603)</u>	<u>(32,745,191)</u>
<b>GENERAL REVENUES:</b>		
Taxes:		
Property	18,836,541	18,836,541
Sales	--	502,995
Occupancy	1,361,266	2,027,853
Grants and contributions not restricted to specific programs	8,545,715	10,431,125
Investment earnings	138,328	1,273,061
Miscellaneous	<u>288,086</u>	<u>1,585,069</u>
Total general revenues	<u>29,169,936</u>	<u>34,656,644</u>
Change in net position	1,489,333	1,911,453
Net position, beginning of year	<u>31,976,567</u>	<u>(71,286,179)</u>
Net position, ending	<u><u>\$ 33,465,900</u></u>	<u><u>\$ (69,374,726)</u></u>

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

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**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14

**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 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, including two separate trusts, CPERS a cost-sharing multiple-employer pension plan and CPERS-Police Guarantee Trust (CPERS-PGT) a single-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 the retirement system is the calendar year. The separately issued audit report on the retirement system, including both trusts, can be obtained at the following address: Jeffrey R. Yates, Retirement Administrator; P.O. Box 1471, Baton Rouge, LA 70821-1471.

Capitol House Economic Development District, Lafayette-Main Economic Development District, and Third-Florida Economic Development District were created pursuant to Louisiana Revised Statute 33:9038, which allowed the Metropolitan Council to establish tax incremental financing (TIF) districts. The Capitol House Economic Development District is

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

**Blended Component Units (Continued)**

authorized to use the proceeds of the two percent (municipal) general sales tax and a four percent occupancy tax for the renovation restoration and development of a hotel. The Lafayette-Main Economic Development District is authorized to use the proceeds of the two percent (municipal) general sales tax for the renovation, restoration and development of a hotel. The Third-Florida Economic Development District is authorized to use the proceeds of the two percent (municipal) general sales tax and a two percent district tax for the construction and development of a hotel to redevelop and revitalize the downtown area. Since the Metropolitan Council is the governing body for these districts and there is a financial benefit/burden relationship between the primary government and these component units, they are presented as blended component units and are reported as if they are a part of the primary government. The districts are reported as special revenue funds of the City-Parish and do not prepare separately issued financial statements.

**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 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, 2019)  
Nineteenth Judicial District Court (for the period ended June 30, 2019)  
Nineteenth Judicial District Court Building Commission (for the period ended June 30, 2019)  
E.B.R. Parish Clerk of Court (for the period ended June 30, 2019)  
E.B.R. Parish Family Court (for the period ended December 31, 2019)  
E.B.R. Parish Juvenile Court (for the period ended December 31, 2019)

The East Baton Rouge Redevelopment Authority (d/b/a Build Baton Rouge) 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, 2019, 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, 2019, are discretely presented in the basic financial statements.

Cyntreniks Group/King Hotel Special Taxing District, Bluebonnet Convention Hotel Taxing District, EBRATS Building Special Taxing District and Old LNB Building Redevelopment 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. The EBRATS Building Special

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

**Discrete Component Units (Continued)**

Taxing District is authorized to use *the proceeds of the two percent (municipal) general sales tax* and a two percent additional “district” tax within a small section of downtown Baton Rouge for the renovation, restoration and development of a hotel. The Old LNB Building Redevelopment 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 of downtown Baton Rouge for the renovation, restoration and development of a hotel. These districts 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.la.gov/Reports-data](http://www.la.la.gov/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, Court Administrator  
300 North Boulevard  
Baton Rouge, LA 70801

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  
Christopher Tyson, President and CEO  
620 Florida Street, Suite 110  
Baton Rouge, LA 70811

Capital Area Transit System  
Bill Deville, Chief Executive 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  
Michael Smith, Finance Director  
6201 Florida Boulevard  
Baton Rouge, LA 70806

East Baton Rouge Housing Authority  
J. Wesley Daniels, Jr, CEO  
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



CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019

EXHIBIT A - 14  
(Continued)

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

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

**Related Organizations (Continued)**

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  
Phil Hacker, Chief Financial Officer  
Lane Memorial Hospital  
6300 Main Street  
Zachary, LA 70791

Capital Area Finance Authority  
Dennis Blunt, Chairperson  
601 St. Ferdinand Street  
Baton Rouge, LA 70802

Industrial Development Board  
(No Financial Transactions)

**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*.

**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 the government-wide financial 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. Interfund services provided and used are not eliminated in the process of consolidation. 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

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS (Continued):

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:

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 and is considered to be a major fund. 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, State and local 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:

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

FUND FINANCIAL STATEMENTS (Continued):

Proprietary Funds (Continued):

Enterprise Funds (Continued):

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 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 Funds:

Trust Funds -- The City-Parish Employees' Retirement System (a blended component unit) is used to account for the accumulation of contributions for (CPERS) Pension Trust, a defined-benefit cost-sharing multiple-employer pension plan to provide retirement benefits to qualified employees and CPERS-PGT a single-employer plan. 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.

Agency Funds -- Agency funds contain resources held by the government in a temporary, purely custodial capacity for others and do not involve measurement of results of operations. The City-Parish agency funds include the Sales Tax Suspense Fund, City Court Suspense Funds, City Court Appearance Bond Fund and Indigent Defender Fund.

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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

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.

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, total other post-employment benefit liability 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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**d. Budgetary Data (Continued)**

BUDGET POLICIES AND BUDGETARY ACCOUNTING: (Continued):

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 Required Supplementary Information. 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 Urban Development (HUD) loans to program recipients are reported as expenditures on the budget basis to facilitate reporting in accordance with federal regulations.

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 2018 to 2019 totaled \$12,620,809 for the general fund, and \$1,877,509 (shown as part of restricted fund balance) in the Grants Fund. These amounts are included in the original budget column for 2019. 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 or her 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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**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.

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 in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. 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 are reported at amortized cost. The Louisiana Asset Management Pool (LAMP) investment, which is an external investment pool administered by a non-profit corporation organized under State of Louisiana law, is reported at net asset value.

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 restricted assets 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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

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

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 normally estimated at approximately ½ percent for the sewer user and solid waste collection fees with uncollectibles written off on a monthly basis. At December 31, 2019, an uncollectible allowance has been recorded for the Greater Baton Rouge Airport District (1.5 percent), the Sewerage System (5.2 percent) and Solid Waste Collection and Disposal (4.8 percent).

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 acquisition value. 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.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

**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):

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	25-40

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.

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.

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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

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

LONG-TERM DEBT (Continued):

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 in accordance with GASB Statement No. 72, 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 hired before April 4, 2015, earn sick leave in varying amounts according to the employee's number of years of continuous service and accumulate sick leave without time limitations. Employees hired on or after April 4, 2015, earn sick leave in varying amounts according to the employee's work week in hours, up to a maximum of 480 hours. 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 benefits (accrued sick and vacation leave) for employees who retire or who die. At December 31, 2019, the City-Parish retains approximately 23.3% 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, 2019.

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, 2019, 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, 2019, 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

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

**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):

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, 2019, 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.

FUND BALANCE POLICY FOR GOVERNMENTAL FUND TYPES:

The City-Parish reports governmental fund equity in accordance with Metropolitan Council 2019 Budget Ordinance 16955, adopted December 11, 2018 and 2020 Budget Ordinance 17209 adopted December 10, 2019, 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 2019 Annual Operating Budget adopted by Ordinance 16955 dated December 11, 2018. 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.*

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

**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):

*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 16955 of December 11, 2018, 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.*

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 (revenue) until that time.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

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

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES (Continued):

The primary government's deferred outflows of resources on the statement of net position are a result of deferrals concerning bonded debt, postemployment benefits and pensions. 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 net 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.

Note 7 presents detailed information concerning the amounts related to pensions, reported in the deferred inflows and deferred outflows sections of the statement of net position.

Note 8 presents detailed information concerning the amounts related to postemployment benefits, reported in the deferred inflows and deferred outflows sections of the statement of net position.

The governmental funds report unavailable revenues from two sources: property taxes and Federal, State and local 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.

**NOTE 2 - Restatement of Prior Year Net Position**

The City-Parish implemented Governmental Accounting Standards Board (GASB) Statement 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, in the December 31, 2018, financial statements. Since the OPEB liability was immaterial to their financial statements, City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System (Pension Trust Funds), a blended component unit, delayed implementation of GASB 75 until the December 31, 2019, financial statements. In the City-Parish's 2018 CAFR, the OPEB liability for the Pension Trust Funds was included in Governmental Activities for the Primary Government. Since the retirement system implemented GASB 75 in the current year, beginning net position was restated for Governmental Activities and Pension Trust Funds in the preparation of this CAFR.

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

<u>Primary Government</u>	<u>Governmental Activities</u>	<u>Pension Trust Funds</u>
Total net position, December 31, 2018, as previously reported	\$(282,534,744)	\$1,085,500,581
Adjust OPEB liability for Pension Trust Fund	<u>3,979,753</u>	<u>(3,979,753)</u>
Total net position, December 31, 2018, restated	<u><u>\$(278,554,991)</u></u>	<u><u>\$1,081,520,828</u></u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

**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."

**a. Deposits - Primary Government**

Deposits (including demand deposit accounts and certificates of deposits) at December 31, 2019, for the City-Parish primary government are summarized as follows:

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

<u>Carrying Amount</u>	<u>Bank Balance</u>
\$381,396,172	\$390,516,326

Certificates of deposit with a maturity of 90 days or more are classified on the Statement of Net Position as "Investments" (\$332,508,444). The remaining carrying amount of \$48,887,728 is classified as "Cash and cash equivalents."

The City-Parish's bank balance of deposits at December 31, 2019, 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 \$6,905,961 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.

2. Employees' Retirement System Pension Trust Funds:

At December 31, 2019, the carrying amount of the Retirement System's deposits was \$15,010,355 and the bank balance was \$15,728,717. The Retirement System's deposits at December 31, 2019, 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).

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

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 2008B (Taxable), 2010A (GO Zone), 2010B, 2016A-1, 2016A-2 (Taxable), 2016A-3 and 2018 Public Improvement Sales Tax Revenue Bonds and the Parish's 2019 Public Improvement 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 2011A (LIBOR Index), 2014B and 2013B (Taxable), 2014A (Taxable), 2019A, 2019B; the Road and Street Improvement 2008A, 2009A and 2015 Sales Tax Revenue Bonds and the MOVEBR 2019 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, 2019, are itemized as follows:

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

	<u>Total Value</u>
<u>Investments Measured at Amortized Cost</u>	
U.S. Government Obligations	\$308,827,207
U.S. Agency Obligations	4,936,903
 <u>Investments Measured at Net Asset Value</u>	
Louisiana Asset Management Pool (LAMP)	<u>197,853,898</u>
Total	<u>\$511,618,008</u>

Investments with a maturity of less than 90 days (\$197,853,898) are classified on the Statement of Net Position as "Cash and cash equivalents," \$311,333,366 is classified on the Statement of Net Position as "Investments." The remaining amount of \$2,430,744 is included in "Receivables - net" on the Statement of Net Position. In accordance with Section I50, paragraph 123 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, are stated at amortized cost which is not materially different from fair value. All U.S. Government and Agency Obligations held at December 31, 2019, had a remaining maturity at time of purchase of one year or less and are therefore reported at amortized cost.

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 maturities 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



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(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 Funds (Continued):

are invested in the Federal Home Loan Bank which is 0.62% of the City-Parish total investment. 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.

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. 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 and shall not generally exceed 60 days, and consists of no securities with a maturity in excess of 397 days. For purposes of determining participants' shares, investments are valued at fair value. 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 \$197,853,898 invested in LAMP is held by the Parish's Consolidated Cash pool (\$162,382,759) and the East Baton Rouge Sewerage Commission (\$35,471,139).

2. Employees' Retirement System Pension Trust Funds:

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 Trusts. As fiduciaries of the Pension Trusts, 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, 2019, the Retirement Board had committed, but only partially funded, a 5% allocation to six Private Equity funds, which fall in the category of Private Markets.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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):

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 utilizes a Short Term Investment Fund (STIF) administered by the custodian bank, BNY/Mellon, in which all uninvested cash balances of CPERS and CPERS-PGT 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.

Equity securities shall not exceed 5% of cost and 7% of fair value in any one company, and fixed income shall not exceed 2.5% of cost and 3% of fair 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% or more of the assets held in trust for pension benefits and no single company's securities shall represent more than 5% of the cost basis or 7% of the fair 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 2019, final oversight of investments and investment performance for both the original CPERS trust and CPERS-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 and CPERS-PGT utilize 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, 2019 is:

	<u>Fair Value</u>
U.S. Treasury Inflation-Protected Securities	\$ 373,466
Other securities held in trust	6,319
International Equities	231,873,085
Short-Term Investment Fund/Cash Equivalents	5,063,701
Domestic Equities and Fixed Income	584,915,985
Emerging Markets Equity	83,738,237
Equity Real Estate Fund	77,617,990
Risk Parity	105,582,731
Hedge Fund of Funds	54,744,137
Private Equity	<u>46,394,163</u>
Total	<u>\$1,190,309,814</u>

The fair value of \$1,185,246,113 is classified on the Statement of Fiduciary Net Position as "Investments." \$5,063,701 is classified on the Statement of Fiduciary Net Position as "Cash and Cash Equivalents."

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(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):

The Retirement System categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles and as set forth in GASB Statement No. 72, *Fair Value Measurement and Application*. The System has the following fair value measurements as of December 31, 2019:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<u>December 31, 2019</u>			
<u>Investments by Fair Value Level:</u>				
<u>Equity Securities:</u>				
Domestic Small Cap Growth	\$ 29,997,699	\$29,997,699	\$ --	\$ --
Master Limited Partnership	718,260	718,260	--	--
Other	6,319	--	4,705	1,614
Total Investments at Fair Value Level	<u>30,722,278</u>	<u>\$30,715,959</u>	<u>\$4,705</u>	<u>\$1,614</u>
<u>Investments Measured at NAV:</u>				
<u>Commingled Funds:</u>				
Fixed Income - Domestic	271,319,485			
Fixed Income - International	30,732,462			
Domestic Equity - Large Cap	260,487,549			
Domestic Equity - Small Cap	22,766,458			
International Equity - Large Cap	112,067,660			
International Equity - Small Cap	89,072,963			
Emerging Markets Equity	83,738,237			
Real Estate	77,617,990			
Risk Parity	105,582,731			
Hedge Fund of Funds	54,744,137			
Private Equity	46,394,163			
Total Investments at NAV	<u>1,154,523,835</u>			
Total Investments at Fair Value		<u>\$1,185,246,113</u>		

Equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Investments classified in Level 3 of the fair value hierarchy are valued using unobservable inputs and are not directly corroborated with market data.

The unfunded commitments and redemption terms for investments measured at the net asset value (NAV) per share (or its equivalent) as of December 31, 2019, are presented in the following table.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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):

	Fair Value <u>December 31, 2019</u>	Unfunded <u>Commitments</u>	Redemption <u>Frequency</u>	Redemption <u>Notice Period</u>
Commingled Funds:				
Fixed Income - Domestic	\$ 271,319,485	\$ --	Daily	2 - 15 Days
Fixed Income - International	30,732,462	--	Daily	2 - 15 Days
Domestic Equity - Large Cap	260,487,549	--	Daily	2 - 4 Days
Domestic Equity - Small Cap	22,766,458	--	Daily	5 Days
International Equity - Large Cap	112,067,660	--	Monthly	2 - 10 Days
International Equity - Small Cap	89,072,963	--	Monthly	30 Days
Emerging Markets Equity	83,738,237	--	Monthly	30 Days
Real Estate	77,617,990	--	Quarterly	90 Days
Risk Parity	105,582,731	--	Monthly	30 Days
Hedge Fund of Funds	54,744,137	--	Quarterly	65 Days
Private Equity	<u>46,394,163</u>	<u>28,171,848</u>	N/A	N/A
Total Investments at NAV	<u>\$1,154,523,835</u>	<u>\$28,171,848</u>		

For detailed descriptions of the individual investments, see the Retirement System's separately issued financial statements.

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 for debt instruments. The System does not have a formal policy relating to interest rate risk. The System's 2019 Core, Core-Plus, Absolute Return and Treasury Inflation-Protected Securities (TIPS) fixed income strategies are 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, 2019, fair value of \$112,540,450 with an average duration of 5.47 years, while the Absolute Return fund had a fair value of \$86,944,841 with an average duration of 2.78 years and Core fund had a fair value of \$102,193,190 with an average duration of 5.77 years. The fair value of the TIPS account was \$373,466 and carried an average duration of 7.34 years.

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, 2019, the System's fixed income securities were managed only in commingled or pooled accounts.

The System's 2019 Core, Core-Plus, Absolute Return and Treasury Inflation-Protected Securities (TIPS) fixed-income strategies are managed in pooled accounts. Assets in the Core-Plus fund had a December 31, 2019, fair value of \$112,540,450 and carried a rating of A+, while the Absolute Return fund had a fair value of \$86,944,841 and carried a rating of A and the Core fund had a fair value of \$102,193,190 and carried a rating of AA-. The TIPS account had a fair value of \$373,466 and carried a rating of AA+.

The Retirement System's *Total Plan Statement of Investment Policies and Objectives* limits the concentration in any one issuer to 7% of fair value. At December 31, 2019, the System had exposure of less than 5% in any single investment issuer.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. The Retirement System's 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

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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):

non-US or global mandates, at December 31, 2019, CPERS and CPERS-PGT 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 and the CPERS-PGT Trust were 16.84% and 13.69% respectively at December 31, 2019.

**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	\$ 605,359	\$ 959,881
Nineteenth Judicial District Court	2,246,326	2,337,430
Nineteenth Judicial District Court Building Commission	19,481,037	19,481,037
E.B.R. Parish Family Court	371,481	371,481
E.B.R. Parish Juvenile Court	381,750	388,183
E.B.R. Parish Clerk of Court	11,969,996	11,969,996
E.B.R. Redevelopment Authority (d/b/a Build Baton Rouge)	199,246	199,246
Cyntreniks Group King Hotel Special Taxing District	8,812	8,812
Bluebonnet Convention Hotel Taxing District	53,746	53,746
EBRATS Building Special Taxing District	4,903	4,903
Old LNB Building Redevelopment Taxing District	35,885	35,885
Capital Area Transit System	430,164	593,887
Total Component Units	<u>\$35,788,705</u>	<u>\$36,404,487</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	\$ 2,087,430
E.B.R. Parish Juvenile Court	277,802
E.B.R. Parish Clerk of Court	<u>11,680,033</u>
Total	<u>\$14,045,265</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, 2019, 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 \$35,788,705 is classified as "Cash and cash equivalents."

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**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 Financial Statements.

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

Cash and cash equivalents:

Deposits	\$48,887,728
Cash on hand	6,905,961
Louisiana Asset Management Pool	<u>197,853,898</u>
Sub-total cash and cash equivalents	<u>253,647,587</u>

Investments:

Deposits	332,508,444
Investments	<u>311,333,366</u>
Sub-total investments	<u>643,841,810</u>

Cash, cash equivalents and investments, December 31, 2019	<u><u>\$897,489,397</u></u>
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Summary of "Cash and cash equivalents" and "Investments" for the Primary Government on the Statement of Net Position and Agency Funds on the Statement of Fiduciary Net Position.

Statement of Net Position - Primary Government:

Cash and cash equivalents	\$200,237,903
Restricted Assets - Cash and cash equivalents	35,992,748

Statement of Fiduciary Net Position - Agency Funds

Cash and cash equivalents	<u>17,416,936</u>
Total cash and cash equivalents	<u>253,647,587</u>

Statement of Net Position - Primary Government:

Investments	478,087,769
Restricted Assets - Investments	<u>165,754,041</u>
Total investments	<u>643,841,810</u>

Total cash and cash equivalents and investments	<u><u>\$897,489,397</u></u>
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B. Component units:

Cash and cash equivalents, December 31, 2019

Deposits	<u><u>\$35,788,705</u></u>
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Summary of "Cash and cash equivalents" and "Investments" for Component Units on the Statement of Net Position:

Cash and cash equivalents	\$18,111,273
Restricted Assets - Cash and cash equivalents	<u>17,677,432</u>

Total cash and cash equivalents	<u><u>\$35,788,705</u></u>
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**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

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

Cash and cash equivalents:	
Deposits	\$ 15,010,355
Investments	5,063,701
Sub-total cash and cash equivalents	20,074,056
Investments	1,185,246,113
Cash, cash equivalents and investments, December 31, 2019	<u>\$1,205,320,169</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.

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 2019 property tax calendar is as follows:

Levy date	November 28, 2018
Millage rates adopted	November 28, 2018
Tax bills mailed	November 22, 2019
Due date	December 31, 2019
Lien date	January 1, 2020

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.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

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

	Property Taxes <u>Receivable</u>	Estimated Uncollectible Property Taxes	Net Property Taxes <u>Receivable</u>
General Fund	\$ 6,993,436	\$ 367,441	\$ 6,625,995
Library Board of Control Fund	11,222,492	556,826	10,665,666
Nonmajor Governmental Funds	<u>12,948,578</u>	<u>712,809</u>	<u>12,235,769</u>
Total	<u>\$31,164,506</u>	<u>\$1,637,076</u>	<u>\$29,527,430</u>

**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 General, Special Revenue, Capital Projects, Nonmajor Governmental 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" for grants awarded prior to December 26, 2014, and in accordance with 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements, for grants awarded on or after December 26, 2014. 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. In 2017 the City-Parish negotiated a payment agreement with the U.S. Department of Housing and Urban Development for the repayment of funds over a three year period in the amount of \$1,291,649. The final payment of \$430,549 was made in 2019. During 2019, 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:		
General Fund	\$ 1,233,086	\$ --
Grants Fund	41,271,756	--
Capital Projects Fund	19,727,093	1,711,614
Nonmajor governmental funds	7,676,772	--
Business-type activities:		
Greater Baton Rouge Airport District	5,492,845	--
Comprehensive Sewerage System Fund	--	6,148,133
Nonmajor business-type funds	<u>720,882</u>	<u>--</u>
Total primary government	<u>\$76,122,434</u>	<u>\$7,859,747</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**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 2019, 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.

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 2019 financial statements are as follows:

	State Supplemental Salaries	MERS Contribution	Total 2019 On-Behalf Payments
Primary Government:			
Governmental activities	\$7,367,446	\$1,223,294	\$8,590,740
Business-type activities	<u>147,298</u>	<u>--</u>	<u>147,298</u>
Total on-behalf payments	<u><u>\$7,514,744</u></u>	<u><u>\$1,223,294</u></u>	<u><u>\$8,738,038</u></u>

**NOTE 6 - Capital Assets**

**a. Primary government capital asset activity for the year ended December 31, 2019, was as follows:**

	Balance 1/1/2019	Increases	Decreases	Adjustments	Balance 12/31/2019
<b>Governmental Activities:</b>					
Capital assets not being depreciated:					
Land and right-of-way	\$ 179,627,985	\$ 8,042,149	\$ --	\$ 217,404	\$ 187,887,538
Construction work in progress	<u>64,049,488</u>	<u>18,330,819</u>	<u>--</u>	<u>(21,881,584)</u>	<u>60,498,723</u>
Total capital assets not being depreciated	<u>243,677,473</u>	<u>26,372,968</u>	<u>--</u>	<u>(21,664,180)</u>	<u>248,386,261</u>
Capital assets being depreciated:					
Buildings	309,315,214	8,906,675	--	15,538,129	333,760,018
Improvements (other than buildings) and infrastructure	1,063,564,911	21,911,812	--	7,166,073	1,092,642,796
Equipment and equipment under lease	<u>148,400,288</u>	<u>13,673,058</u>	<u>(3,864,695)</u>	<u>--</u>	<u>158,208,651</u>
Total capital assets being depreciated	<u>1,521,280,413</u>	<u>44,491,545</u>	<u>(3,864,695)</u>	<u>22,704,202</u>	<u>1,584,611,465</u>
Less accumulated depreciation for:					
Building	(178,955,115)	(7,018,569)	--	--	(185,973,684)
Improvements (other than buildings) and infrastructure	(541,489,296)	(34,333,587)	--	--	(575,822,883)
Equipment and equipment under lease	<u>(119,565,585)</u>	<u>(10,299,709)</u>	<u>3,863,567</u>	<u>--</u>	<u>(126,001,727)</u>
Total accumulated depreciation	<u>(840,009,996)</u>	<u>(51,651,865)</u>	<u>3,863,567</u>	<u>--</u>	<u>(887,798,294)</u>
Total capital assets being depreciated, net	<u>681,270,417</u>	<u>(7,160,320)</u>	<u>(1,128)</u>	<u>22,704,202</u>	<u>696,813,171</u>
Total governmental activities capital assets, net	<u><u>\$ 924,947,890</u></u>	<u><u>\$ 19,212,648</u></u>	<u><u>\$ (1,128)</u></u>	<u><u>\$ 1,040,022</u></u>	<u><u>\$ 945,199,432</u></u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

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

	Balance 1/1/2019	Increases	Decreases	Adjustments	Balance 12/31/2019
<b>Business-Type Activities:</b>					
Capital assets not being depreciated:					
Land and right-of-way	\$ 95,437,565	\$ 1,353,594	\$ --	\$ 53,013	\$ 96,844,172
Noise mitigation	58,676,432	--	--	--	58,676,432
Construction work in progress	<u>10,036,109</u>	<u>10,452,864</u>	<u>(2,000,000)</u>	<u>(4,286,119)</u>	<u>14,202,854</u>
Total capital assets not being depreciated	<u>164,150,106</u>	<u>11,806,458</u>	<u>(2,000,000)</u>	<u>(4,233,106)</u>	<u>169,723,458</u>
Capital assets being depreciated:					
Buildings	250,315,669	889,321	--	13,368	251,218,358
Improvements (other than buildings) and infrastructure	2,686,207,768	38,953,063	(90,434)	5,876,818	2,730,947,215
Equipment	<u>9,973,726</u>	<u>479,534</u>	<u>(543,985)</u>	<u>--</u>	<u>9,909,275</u>
Total capital assets being depreciated	<u>2,946,497,163</u>	<u>40,321,918</u>	<u>(634,419)</u>	<u>5,890,186</u>	<u>2,992,074,848</u>
Less accumulated depreciation for:					
Buildings	(154,417,916)	(9,096,931)	--	--	(163,514,847)
Improvements (other than buildings) and infrastructure	(943,505,673)	(84,009,362)	--	--	(1,027,515,035)
Equipment	<u>(9,093,543)</u>	<u>(433,370)</u>	<u>543,146</u>	<u>--</u>	<u>(8,983,767)</u>
Total accumulated depreciation	<u>(1,107,017,132)</u>	<u>(93,539,663)</u>	<u>543,146</u>	<u>--</u>	<u>(1,200,013,649)</u>
Total capital assets being depreciated, net	<u>1,839,480,031</u>	<u>(53,217,745)</u>	<u>(91,273)</u>	<u>5,890,186</u>	<u>1,792,061,199</u>
Total business-type activities capital assets, net	<u>\$ 2,003,630,137</u>	<u>\$ (41,411,287)</u>	<u>\$(2,091,273)</u>	<u>\$ 1,657,080</u>	<u>\$ 1,961,784,657</u>

The adjustments column includes the capitalization of \$1,040,022 in governmental activities and \$1,657,080 in business-type activities of donated assets from private sources. Adjustments of \$21,881,584 in governmental activities and \$4,286,119 in business-type activities were for prior year construction work in progress that was placed into service as assets during 2019.

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

**Governmental Activities:**

Governmental fund-types:	
General government	\$ 1,141,889
Public safety	6,578,191
Transportation	32,197,970
Health and welfare	2,547,311
Culture and recreation	3,465,024
Conservation and development	1,677,816
Internal service fund capital assets are charged to the various functions based on their usage of the assets	<u>4,043,664</u>
Total depreciation expense - governmental activities	<u>\$51,651,865</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**b. Depreciation expense charged to functions of the primary government (Continued):**

**Business-Type Activities:**

Airport	\$13,164,352
Sewer	75,613,814
Solid Waste Collection and Disposal	181,236
Nonmajor business-type activities	<u>4,580,261</u>
Total depreciation expense - business-type activities	<u><u>\$93,539,663</u></u>

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

	<u>Project Authorization</u>	<u>Placed in Service to Date</u>	<u>Balance in Construction Work In Progress 12/31/2019</u>	<u>Encumbered Capital Projects</u>	<u>Estimated Required Future Financing</u>
<u>Capital Projects Fund:</u>					
Miscellaneous Capital Improvements	\$111,146,850	\$ 76,832,330	\$ 5,481,597	\$ 8,922,233	None
Capital Improvement Roads, Streets, Drainage, Other	30,810,527	11,908,922	7,149,689	3,262,129	None
Parish Transportation - Capital Projects	22,011,376	7,647,789	1,746,875	874,694	None
Road and Street Improvement					
Pay-As-You-Go Dedicated Tax	169,471,149	95,069,048	9,040,339	11,510,677	None
Bonded Dedicated Sales Tax	360,163,526	160,073,416	9,174,928	4,198,618	None
LA DOTD Grants Capital Projects	120,308,803	71,576,906	21,605,989	15,106,547	None
Downtown Signage/Visitors Amenities/					
Riverfront Improvement	2,323,813	1,604,969	59,030	144,904	None
General Capital Expenditures	1,613,204	687,828	1,119,822	51,381	None
<u>Other Governmental Funds:</u>					
Parish Beautification	6,366,858	1,769,930	700,477	507,131	None
City Hall Generator	1,375,985	--	687,913	358,669	
Council on Aging Facility - Renovations	3,221,000	--	1,325,561	412,407	None
Baton Rouge Junior High Waterproofing	1,002,160	--	103,325	--	None
Emergency Operations Center First Responder Safe Room	430,672	--	264,649	--	None
State of Louisiana Recovery Act	<u>17,101,788</u>	<u>12,365,597</u>	<u>2,038,529</u>	<u>--</u>	None
Total	<u><u>\$847,347,711</u></u>	<u><u>\$439,536,735</u></u>	<u><u>\$60,498,723</u></u>	<u><u>\$45,349,390</u></u>	

**d. Construction work in progress at December 31, 2019, for primary government enterprise funds is composed of the following:**

	<u>Project Authorization</u>	<u>Expended to Date</u>	<u>Placed in Service</u>	<u>Balance in Construction Work in Progress 12/31/19</u>
<u>Greater Baton Rouge Airport District:</u>				
Runways and apron improvements	\$17,502,753	\$10,239,978	\$ 3,448,121	\$ 6,791,857
Miscellaneous project costs	<u>665,500</u>	<u>662,652</u>	<u>647,152</u>	<u>15,500</u>
Total	<u><u>18,168,253</u></u>	<u><u>10,902,630</u></u>	<u><u>4,095,273</u></u>	<u><u>6,807,357</u></u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**d. Construction work in progress at December 31, 2019 for primary government enterprise funds (Continued):**

	<u>Project Authorization</u>	<u>Expended to Date</u>	<u>Placed in Service</u>	<u>Balance in Construction Work in Progress 12/31/19</u>
<u>Comprehensive Sewerage System Fund:</u>				
South wastewater treatment plant	\$ 4,257,000	\$ 1,161,920	\$ --	\$ 1,161,920
North wastewater treatment plant	8,595,999	3,010,109	2,069,654	940,455
Rehabilitation construction	5,219,516	6,557,208	3,944,935	2,612,273
Rehabilitation of pump stations	801,000	307,612	122,114	185,498
Total	<u>18,873,515</u>	<u>11,036,849</u>	<u>6,136,703</u>	<u>4,900,146</u>
<u>Nonmajor business-type activities:</u>				
Baton Rouge River Center Fund:				
Theater renovations	19,671,725	2,495,351	--	2,495,351
Elevator upgrades	137,000	137,548	137,548	--
Total	<u>19,808,725</u>	<u>2,632,899</u>	<u>137,548</u>	<u>2,495,351</u>
Total-all enterprise funds	<u>\$56,850,493</u>	<u>\$24,572,378</u>	<u>\$10,369,524</u>	<u>\$14,202,854</u>

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.

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, Jacobs (formerly known as CH2M HILL, Inc). Their program delivery plan (PDP) was delivered to the City-Parish in November 2007, and updated in November 2018. Jacobs' estimated cost for completing the revised RMAP2 is \$1.66 billion. The construction program to reduce sanitary sewer overflows required by the modified Consent Decree was substantially complete at December 31, 2018.

In accordance with the PDP recommendation, the Central Wastewater Treatment Plant was closed in July 2016, routing its flows to the South Wastewater Treatment Plant. 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.

The City-Parish has moved into the compliance phase of the consent decree which measures how successful the RMAP2 program is in reducing SSO's and meeting discharge permit requirements at the two wastewater treatment plants for twelve consecutive months following completion of the RMAP2 projects.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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	\$ 2,375,988	\$ 127,836	\$ (34,985)	\$ 2,468,839
Less: accumulated depreciation	<u>(1,802,875)</u>			<u>(1,994,348)</u>
Total District Attorney of the Nineteenth Judicial District	<u>\$ 573,113</u>			<u>\$ 474,491</u>
<u>Nineteenth Judicial District Court</u>				
Equipment	\$ 313,618	\$ 7,864	\$ (4,752)	\$ 316,730
Less: accumulated depreciation	<u>(243,058)</u>			<u>(257,991)</u>
Total Nineteenth Judicial District Court	<u>\$ 70,560</u>			<u>\$ 58,739</u>
<u>Nineteenth Judicial District Court Building Commission</u>				
Buildings	\$107,628,256	\$ --	\$ --	\$107,628,256
Equipment	<u>5,161,423</u>	<u>70,613</u>	<u>(24,259)</u>	<u>5,207,777</u>
Total	112,789,679	70,613	(24,259)	112,836,033
Less: accumulated depreciation	<u>(32,013,257)</u>			<u>(35,551,175)</u>
Total Nineteenth Judicial District Court Building Commission	<u>\$ 80,776,422</u>			<u>\$ 77,284,858</u>
<u>E.B.R. Parish Family Court</u>				
Equipment	\$ 311,444	\$ 17,734	\$ --	\$ 329,178
Less: accumulated depreciation	<u>(240,209)</u>			<u>(287,768)</u>
Total E.B.R. Parish Family Court	<u>\$ 71,235</u>			<u>\$ 41,410</u>
<u>E.B.R. Parish Juvenile Court</u>				
Equipment	\$ 386,219	\$ 43,871	\$ --	\$ 430,090
Less: accumulated depreciation	<u>(288,030)</u>			<u>(322,303)</u>
Total E.B.R. Parish Juvenile Court	<u>\$ 98,189</u>			<u>\$ 107,787</u>
<u>E.B.R. Parish Clerk of Court</u>				
Equipment	\$ 8,519,488	\$ 119,181	\$ (1,193)	\$ 8,637,476
Less: accumulated depreciation	<u>(7,641,019)</u>			<u>(7,746,961)</u>
Total E.B.R. Parish Clerk of Court	<u>\$ 878,469</u>			<u>\$ 890,515</u>
<u>EBR Parish Redevelopment Authority (d/b/a Build Baton Rouge)</u>				
Equipment	\$ 113,794	\$ 20,645	\$ --	\$ 134,439
Less: accumulated depreciation	<u>(86,309)</u>			<u>(93,734)</u>
Total EBR Redevelopment Authority	<u>\$ 27,485</u>			<u>\$ 40,705</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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>				
Equipment	\$ 36,036,065	\$3,239,715	\$ --	\$ 39,275,780
Construction work in progress	--	534,630	--	534,630
Total	36,036,065	3,774,345	--	39,810,410
Less: accumulated depreciation	(14,709,417)			(17,682,771)
Total Capital Area Transit System	<u>\$ 21,326,648</u>			<u>\$ 22,127,639</u>
Total component units capital assets	\$160,846,295	<u>\$4,182,089</u>	<u>\$ (65,189)</u>	\$164,963,195
Less: total accumulated depreciation	(57,024,174)			(63,937,051)
Total component units capital assets, net	<u>\$103,822,121</u>			<u>\$101,026,144</u>

**NOTE 7 - Employees' Retirement Systems**

**a. Primary Government**

**1. Plan Description**

CPERS and CPERS-PGT

The City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System, a separate legal entity, administers two separate trusts. The City-Parish Employees' Retirement System regular trust (CPERS) is a cost-sharing multiple-employer defined benefit pension plan to provide benefits to any person who becomes a regular full-time employee of one of the member employers, except in the case of newly hired employees of certain participating employers who are mandated to enroll in a statewide retirement system. The CPERS - Police Guarantee Trust (CPERS-PGT), is a single employer, defined benefit plan, which was established as part of the City-Parish Employees' Retirement System on February 26, 2000, as the result of the voluntary transfer of 637 public safety employees from CPERS to the Municipal Police Employees' Retirement System (MPERS). The local government employers participating in the CPERS trust 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 City-Parish Retirement Plan, including both trusts, 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). 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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**1. Plan Description (Continued)**

**CPERS and CPERS-PGT (Continued)**

The Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. All trust accounts are administered by the Retirement System Board of Trustees. The financial report may be obtained by writing to the following address or downloading from [www.brla.gov/dept/ERS](http://www.brla.gov/dept/ERS):

Jeffrey R. Yates, Retirement Administrator  
City-Parish Employees' Retirement System  
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. 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*.

The CPERS-PGT was established as a separate legal trust fund on February 26, 2000, to provide for payment of certain guaranteed lifetime benefits for eligible police employees who transferred membership to the Municipal Police Employees' Retirement System of Louisiana (MPERS) while retaining certain rights in CPERS. When established, the Trust was funded from the original CPERS trust through a trustee-to-trustee transfer, for the full actuarially determined amount necessary to pay all present and future contractually guaranteed benefits to eligible members and their survivors. 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 Retirement System Board of Trustees established a Police Guarantee Trust to administer benefits to the transferred officers and their survivors. 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. The CPERS-PGT was closed to new members effective February 26, 2000 - the date of its inception.

As of December 31, 2018, the measurement date, the following employees were covered by the CPERS-PGT benefit terms:

Inactive plan members and beneficiaries currently receiving benefits, and deferred retirement plan participants	200
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	<u>137</u> <u>340</u>

**MPERS**

The City-Parish contributes to the Municipal Police Employees' Retirement System (MPERS) Pension Plan, a cost sharing multiple-employer defined benefit pension plan established by Act 189 of 1973 to provide retirement, disability and survivor benefits to municipal police officers in Louisiana, 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. The paragraph above 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



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**1. Plan Description (Continued)**

MPERS (Continued)

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 or downloading from [www.lampers.org](http://www.lampers.org).

LASERS

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 eligible 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 or downloading from [www.lasersonline.org](http://www.lasersonline.org).

**2. Benefit Terms**

CPERS

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. For members hired before September 1, 2015, 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.

The Retirement System has no true cost of living benefit, but did implement the Supplemental Benefit Payment in 2006, which is a non-recurring non-guaranteed lump sum payment to qualifying retirees, and which must be declared for payment by the Board each year.

The Metropolitan Council maintains the authority to establish and amend plan benefits. On August 12, 2015, the Council approved Ordinance 16039 to make the following changes for members hired on or after September 1, 2015.

1. Full retirement benefits -
  - a. Granted with 25 years of service, minimum age 50 for public safety and 55 for non-public safety.
  - b. Defined as 3% of average compensation times the number of years of service.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**2. Benefit Terms (Continued)**

CPERS (Continued)

2. Minimum eligibility benefits -

- a. Granted with 20 years of service, under age 50 for public safety and 55 for non-public safety. Defined as 2.5% of average compensation for each year of service, less an actuarially computed age penalty.
- b. Granted with 10 years of service or more, minimum age 55 for public safety and 60 for non-public safety. Defined as 2.5% of average compensation for each year of service.
- c. Granted with 10 years, under age 55 for public safety and under age 60 for non-public safety. Defined as 2.5% of average compensation for each year of service upon attaining age 55 or 60.

Average compensation is determined by the highest average compensation in 60 successive months. Benefits paid to employees shall not exceed 90% of average compensation.

CPERS-PGT

With the creation of the CPERS-PGT, each officer that elected to transfer from CPERS to MPERS effective February 26, 2000, receives the same benefit he/she would have received if they had remained with CPERS. The benefits paid from the CPERS-PGT 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.

MPERS

Members of MPERS hired prior to January 1, 2013, are eligible for normal retirement after they have been a member of the plan and have 25 years of creditable service at any age or they have 20 years of creditable service and are age 50 or have 12 years creditable service and are age 55. A member is eligible for early retirement after 20 years of creditable service at any age with an actuarially reduced benefit. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211-11:2233. Benefit rates are 3-1/3% of average monthly earnings during the highest 36 consecutive months per number of years of creditable service not to exceed 100% of final salary. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain conditions outlined in the statutes, an amount is payable to the surviving spouse and minor children.

Members of MPERS hired on or after January 1, 2013, are eligible for regular retirement, early retirement, disability and survivor benefits based on Hazardous Duty and Non Hazardous Duty sub plans. Under the Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the plan and has 25 years of creditable service at any age or has 12 years of creditable service at age 55. Under the Non Hazardous Duty sub plan, a member is eligible for regular retirement after he has been a member of the plan and has 30 years of creditable service at any age, 25 years of creditable service at age 55, or 10 years of creditable service at age 60. Under both sub plans, a member is eligible for early retirement after he has been a member for 20 years of creditable service at any age, with an actuarially reduced benefit from age 55. Under the Hazardous and Non Hazardous Duty sub plans, the benefit rates are 3% and 2.5%, respectively, of average monthly earnings during the highest 60 consecutive months per number of years of creditable service not to exceed 100% of final salary. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain conditions outlined in the statutes, an amount is payable to the surviving spouse and minor children. If deceased member had less than ten years of service, beneficiary will receive a refund of employee contributions only.

The Board of Trustees is authorized to provide annual cost-of-living adjustments computed on the amount of the current benefit, not to exceed 3% in any given year.

LASERS

The age and years of creditable service required in order for a member to retire with full benefits are established by statute, and vary depending on the member's hire date. The maximum annual retirement benefit cannot exceed the lesser of 100% of average compensation or a certain dollar amount of actuarially determined monetary limits, which vary depending upon the member's age at retirement. Judges receive a 3.5% accrual rate plus an additional annual retirement benefit equal to 1.0% of average compensation multiplied by the number of years of creditable service in their capacity. For members of LASERS

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**2. Benefit Terms (Continued)**

LASERS (Continued)

hired prior to July 1, 2006, average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment. For members hired July 1, 2006, or later, average compensation is based on the member's average annual earned compensation for the highest 60 consecutive months of employment. Members hired prior to January 1, 2011, may either retire with full benefits at any age upon completing 30 years of creditable service or at age 60 upon completing five to ten years of creditable service. Members hired on or after January 1, 2011, are eligible to retire at age 60 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. Members hired on or after July 1, 2015, are eligible to retire at age 62 after five years of creditable service and, may also retire at any age, with a reduced benefit, after 20 years of creditable service. The extra 1.0% accrual rate for each year of service for court officers employed after January 1, 2011, was eliminated. The System allows for the payment of permanent benefit increases that are funded through investment earnings when recommended by the Board of Trustees and approved by the State Legislature.

**3. Contributions**

CPERS

The City-Parish provides annual contributions to the Plan as required by Section 9.15 of The Plan of Government, which requires that the Retirement System be funded on an actuarially sound basis. Contribution rates are established and may be amended by the Retirement System's Board of Trustees, with approval by the Metropolitan Council. Under the current plan, both employee and employer contributions are set by the retirement system board on an annual basis to properly fund the system. In 2019, employees made a mandatory contribution of 9.5% of gross earnings, which was the maximum rate under Part IV, Subpart 2, Sec. 1:264A1(b), while the employer contributed 32.7% of active payroll. The total employer contribution to CPERS from the City-Parish for the year ended December 31, 2019, was \$38,810,375 and was equal to the retirement board required contributions for the year. The City-Parish recognized \$967,180 in revenue from non-employer contributions in 2019.

CPERS-PGT

Employer and employee contributions to CPERS-PGT are at the rates established for CPERS. Total employer contributions to CPERS-PGT for the year ended December 31, 2019 was \$1,167,213.

MPERS

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, 2019. For the same members, employer contributions were 32.25% from January through June, and 32.50% for July through December 2019. 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 32.25% from January through June and 32.50% for July through December 2019. Earned compensation in the MPERS system excludes certain overtime, but includes state supplemental pay. The City-Parish's contribution to MPERS for the year ended December 31, 2019, was \$13,650,338 and was equal to the statutorily required contribution for the year. The City-Parish recognized \$2,744,776 in revenue from non-employer contributions in 2019.

LASERS

Article X, Section 29(E)(2)(a) of the Louisiana Constitution of 1974 assigns the Legislature the authority to determine employee contributions. Employer contributions are actuarially determined using statutorily established methods on an annual basis and are constitutionally required to cover the employer's portion of the normal cost and provide for the amortization of the unfunded accrued liability. Employer contributions are adopted by the Legislature annually upon recommendation of the Public Retirement Systems' Actuarial Committee. Contributions for all members and employers are established by state statute and may be amended by state statute when necessary. During 2019, Judges' Plan members hired

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**3. Contributions (Continued)**

LASERS (Continued)

prior to January 1, 2011, contributed 11.50% of earned compensation while employers contributed 40.1% from January through June and 42.4% from July through December. For Judges hired on or after January 1, 2011, the contribution rate was 13.0%, and the employer rate was 39.0% from January through June and 42.0% for July through December 2019. The City-Parish's contribution to LASERS for the year ended December 31, 2019 was \$210,990 and was equal to the statutorily required contribution for the year.

**4. Net Pension Liability**

Net pension liability at December 31, 2019, is comprised of the City-Parish's proportional share of the net pension liability relating to each of the cost-sharing plans in which the City-Parish is a participating employer (CPERS, MPERS and LASERS) and the entire net pension liability relating to the CPERS-PGT single-employer plan. The net pension liability for CPERS and CPERS-PGT were measured as of December 31, 2018, rolled forward from the actuarial valuation date of January 1, 2018. MPERS and LASERS were measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City-Parish's proportion of the net pension liability for each of the cost-sharing plans in which it participates was based on the City-Parish's required contributions in proportion to total required contributions for all participating employers, actuarially determined. As of the most recent measurement date for each plan, the City-Parish's proportion for each cost-sharing plan and the change in proportion from the prior measurement date were as follows:

	<u>CPERS</u>	<u>MPERS</u>	<u>LASERS</u>
Proportion (amount) of net pension liability	\$611,142,064	\$121,081,028	\$1,976,969
Proportion (%) of net pension liability	83.33%	13.33%	0.03%
Increase/(Decrease) from prior measurement	(0.78%)	(1.54%)	0.00%

The following table presents the CPERS-PGT changes in net pension liability measured as of the year ended December 31, 2018:

	<u>CPERS-PGT</u>
Total pension liability:	
Service cost	\$ 459,750
Interest	2,098,336
Differences between expected and actual experience	2,147,899
Changes in assumptions	151,797
Benefit payments	<u>(2,371,530)</u>
Net change in total pension liability	2,486,252
Total pension liability - beginning	<u>41,869,859</u>
Total pension liability - ending	<u><u>\$44,356,111</u></u>
Plan fiduciary net position:	
Contributions - employer	\$ 778,113
Contributions - employee	54,100
Net investment income	(849,966)
Benefit payments	(2,371,530)
Administrative expenses	<u>(282,942)</u>
Net change in fiduciary net position	(2,672,225)
Plan fiduciary net position - beginning	<u>17,087,813</u>
Plan fiduciary net position - ending	<u><u>\$14,415,588</u></u>
Net pension liability	<u><u>\$29,940,523</u></u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

Changes in the net pension liability are either reported in pension expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into pension expense over a number of years. For the year ended December 31, 2019 the City-Parish recognized \$115,425,827 in pension expense related to the defined benefit plans in which it participates (CPERS \$91,985,958; CPERS-PGT \$5,137,463; MPERS \$17,953,283 and LASERS \$349,123). Revenue was recognized in the amount of \$3,711,956 in ad valorem taxes and insurance premium taxes collected from non-employer contributing entities. At December 31, 2019, the City-Parish reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources				
	<u>CPERS</u>	<u>CPERS-PGT</u>	<u>MPERS</u>	<u>LASERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ 25,328,567	\$1,073,950	\$ 254,056	\$ 12,142	\$ 26,668,715
Changes in assumptions	19,783,599	75,899	6,785,158	16,944	26,661,600
Net difference between projected and actual earnings on pension plan investments	69,809,560	1,258,582	7,866,433	68,315	79,002,890
Changes in proportion and differences between actual contributions and proportionate share of contributions	--	--	1,335,206	115,410	1,450,616
Employer contributions to the pension plans subsequent to the measurement date of the net pension liability	<u>38,810,375</u>	<u>1,167,213</u>	<u>7,246,378</u>	<u>106,558</u>	<u>47,330,524</u>
Total	<u>\$153,732,101</u>	<u>\$3,575,644</u>	<u>\$23,487,231</u>	<u>\$319,369</u>	<u>\$181,114,345</u>

	Deferred Inflows of Resources				
	<u>CPERS</u>	<u>CPERS-PGT</u>	<u>MPERS</u>	<u>LASERS</u>	<u>Total</u>
Differences between expected and actual experience	\$ --	\$ --	\$ 3,725,120	\$ 4,109	\$ 3,729,229
Changes in proportion and differences between actual contributions and proportionate share of contributions	<u>6,997,670</u>	<u>--</u>	<u>11,778,006</u>	<u>28,340</u>	<u>18,804,016</u>
	<u>\$ 6,997,670</u>	<u>\$ --</u>	<u>\$15,503,126</u>	<u>\$ 32,449</u>	<u>\$22,533,245</u>

The \$47,330,524 of deferred outflows of resources resulting from the employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability during the year ending December 31, 2020. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions to be recognized in pension expense are as follows:

<u>Year</u>	<u>CPERS</u>	<u>CPERS-PGT</u>	<u>MPERS</u>	<u>LASERS</u>	<u>Total</u>
2020	\$ 39,871,991	\$1,692,443	\$ 3,541,950	\$155,842	\$ 45,262,226
2021	22,740,534	206,840	(4,674,729)	(19,882)	18,252,763
2022	19,980,118	174,153	(93,420)	18,795	20,079,646
2023	<u>25,331,413</u>	<u>334,995</u>	<u>1,963,926</u>	<u>25,607</u>	<u>27,655,941</u>
Total	<u>\$107,924,056</u>	<u>\$2,408,431</u>	<u>\$ 737,727</u>	<u>\$180,362</u>	<u>\$111,250,576</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**6. Discount Rate**

The discount rate used to measure the City-Parish's total pension liability for each plan and the significant assumptions used in the determination of the discount rate for each plan are included below:

	<u>CPERS</u>	<u>CPERS-PGT</u>	<u>MPERS</u>	<u>LASERS</u>
Discount rate	7.04%	4.77%	7.125%	7.60%
Change in discount rate from prior measurement date	(0.21%)	(0.33%)	(0.075%)	(0.05%)
Plan cash flow assumptions*	(1)	(2)	(3)	(3)
Rates incorporated in the discount				
Long-term rate of return	7.25%	5.75%	7.89%	9.00%
Period applied*	(1)	(2)	All periods	All periods
Municipal bond rate	4.10%	4.10%	N/A	N/A

**Sensitivity of the net pension liability to the discount rate:**

Net pension liability	\$611,142,064	\$29,940,523	\$121,081,028	\$1,976,969
Net pension liability assuming a decrease				
of 1% in the discount rate	\$749,375,188	\$30,171,762	\$168,705,767	\$2,495,673
Net pension liability assuming an increase				
of 1% in the discount rate	\$495,284,096	\$29,727,559	\$ 81,128,635	\$1,539,549

**\*Plan Cash Flow Assumptions:**

- (1) Plan member and employer contributions will be made at the current contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to provide future benefit payments for 43 years. These payments were discounted using a discount rate of 7.25%. Future benefit payments beyond 43 years were discounted using a high quality municipal bond rate of 4.10%. The single equivalent discount rate was 7.04%.
- (2) Plan member contributions will be made at the current contribution rate and employer contributions will be made at rates equal to the contribution rate established for CPERS. Based on those assumptions, the pension plan's fiduciary net position was projected to provide future benefit payments for 11 years. Therefore, the long-term expected rate of return 5.75% was used to discount funded projected benefit payments and the municipal bond rate 4.10% was used to discount unfunded projected benefit payments to determine the total pension liability. The single effective discount rate was 4.77%.
- (3) Plan member contributions will be made at the current contribution rates and contributions from participating employers will be made at the actuarially determined rates approved by PRSAC taking into consideration the recommendation of the System's actuary.

The long-term expected rate of return for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These expected future real rates of return are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic or geometric real rates of return for each major asset class included in each pension plan's target asset allocation are summarized in the following tables:

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**6. Discount Rate (Continued)**

<u>Asset Class</u>	<u>CPERS*</u>		<u>CPERS-PGT*</u>		<u>LASERS**</u>
	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>	<u>Long-term expected real rate of return</u>
Domestic Fixed Income	--	--	--	--	2.79%
Domestic Equity	32.5%	7.5%	32.5%	7.5%	4.83%
Domestic Bonds	25.0%	2.5%	25.0%	2.5%	--
International Fixed Income	--	--	--	--	4.49%
International Equity	22.5%	8.5%	22.5%	8.5%	5.83%
International Bonds	5.0%	3.5%	5.0%	3.5%	--
Real Estate	5.0%	4.5%	5.0%	4.5%	--
Risk Parity	--	--	--	--	5.06%
Alternative Investments/Assets	10.0%	6.0%	10.0%	6.0%	8.32%
Cash	--	--	--	--	0.24%
Total	<u>100.0%</u>		<u>100.0%</u>		

<u>Asset Class</u>	<u>MPERS*</u>	
	<u>Target Allocation</u>	<u>Long-term expected real rate of return</u>
Equity	48.5%	3.28%
Fixed Income	33.5%	0.80%
Alternative Investments	<u>18.0%</u>	<u>1.06%</u>
Total	<u>100.0%</u>	<u>5.14%</u>
Inflation		<u>2.75%</u>
Expected Nominal Return		<u>7.89%</u>

\*Arithmetic

\*\*Geometric

**7. Actuarial Assumptions**

**CPERS and CPERS-PGT**

Valuation Date	January 1, 2018
Actuarial cost method	Entry Age Normal
Inflation	2.75%
Mortality rates (healthy and disabled)	Healthy - RP-2000 Combined Healthy Mortality with a Blue Collar adjustment, Projected to 2019 using Scale BB
	Disabled - RP-2000 Disabled Mortality Projected to 2019 using Scale BB
Ad-hoc cost-of-living increases	None
Experience study	Last performed for the period January 1, 2009 to December 31, 2013

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**7. Actuarial Assumptions (Continued)**

CPERS and CPERS-PGT (Continued)

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

Before 25 Years of Creditable Service    After 25 Years of Creditable Service

<u>Age</u>	<u>Retirement</u>	<u>Service</u>	<u>Retirement</u>
55-60	10%	25	20%
61-63	20%	26	30%
64	25%	27	40%
65+	100%	28+	100%

MPERS

Valuation Date	June 30, 2019
Actuarial cost method	Entry Age Normal Cost
Inflation	2.50%
Mortality rates	RP-2000 Employee Table set back 4 years for males and 3 years for females for active members.
	RP-2000 Disabled Lives Table set back 5 years for males and 3 years for females for disabled annuitants.
	RP-2000 Combined Healthy with Blue Collar Adjustment Sex Distinct Tables Projected to 2029 by Scale AA (set back 1 year for females) for healthy annuitants and beneficiaries.
Ad-hoc cost-of-living increases	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.
Experience study	Last performed for the period July 1, 2009 to June 30, 2014

Salary increases, including inflation and merit

<u>Years of Service</u>	<u>Salary Growth</u>
1-2	9.75%
3-23	4.75%
Over 23	4.25%



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**7. Actuarial Assumptions (Continued)**

**LASERS**

Valuation Date	June 30, 2019	
Actuarial cost method	Entry Age Normal	
Inflation	2.5%	
Mortality rates	<b>Non-disabled members</b> - Mortality rates for 2019 were based on the RP-2014 Healthy Mortality Table with mortality improvement projected using the MP-2018 Mortality Improvement Scale, applied on a fully generational basis.	
	<b>Disabled members</b> - Mortality rates based on the RP-2000 Disabled Retiree Mortality Table, with no projection for mortality improvement	
Ad-hoc cost-of-living increases	The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The projected benefit payments do not include provisions for potential future increases not yet authorized by the Board of Trustees as they were deemed not to be substantively automatic.	
Experience study	Last performed for the period July 1, 2014 to June 30, 2018	
<u>Salary increase range</u>	<u>Lower Range</u>	<u>Upper Range</u>
	2.8%	5.3%

**8. Payables to the Pension Plan**

At December 31, 2019, the City-Parish recorded total payables of \$1,681,899 to the CPERS (\$1,676,174) and CPERS-PGT (\$5,725) retirement plans.

**b. Component Units**

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

Employees of Capital Area Transit System (CATS) are members of the Capital Area Transit System Employees' Pension Trust Fund ("Plan"), a defined-benefit single employer pension plan. See separately issued financial statements for more detailed information and terms of the Plan. CATS's financial reports may be obtained by writing to: Capital Area Transit System, John Cutrone, Comptroller 2250 Florida Boulevard, Baton Rouge, LA 70802-3125.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**b. Component Units (Continued)**

**1. Capital Area Transit System Pension Plan (Continued)**

For the year ended December 31, 2019, the following amounts are recorded related to pensions:

Net pension asset	\$2,536,264
Deferred outflow for pensions	496,897
Deferred inflow for pensions	1,466,624
Pension expense	189,280

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

The District Attorney is a participating employer in two cost-sharing defined benefit pension plans. These plans are administered by two public employee retirement systems, the City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System (CPERS) and the District Attorneys' Retirement System (DARS). See separately issued financial statements for more detailed information and terms of each plan. The DARS issues a publicly available financial report that includes financial statements and required supplementary information for the DARS. That report may be obtained by writing to the District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824. See Note 7(a) for more detailed information and terms of the CPERS Plan.

For the year ended December 31, 2019, the following amounts are recorded related to pensions:

	<u>DARS</u>	<u>CPERS</u>	<u>Total</u>
Net pension liability	\$1,336,813	\$20,467,907	\$21,804,720
Deferred outflow for pensions	914,618	6,377,123	7,291,741
Deferred inflow for pensions	540,623	235,936	776,559
Pension expense	750,804	3,709,149	4,459,953

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

The Nineteenth Judicial District Court is a participating employer in three cost-sharing, multiple employer defined benefit pension plans administered by three public employee retirement systems, the Louisiana Clerks' of Court Retirement and Relief Fund (COC), the Louisiana School Employees' Retirement System (LSERS) and the Louisiana State Employees' Retirement System (LASERS). See separately issued financial statements for more detailed information and terms of each plan. The COC report may be obtained by writing to Clerks' of Court Retirement and Relief Fund, 10202 Jefferson Highway Building A, Baton Rouge, Louisiana 70809, or by calling (225)293-1162. The LSERS report may be obtained by writing to the Louisiana School Employees' Retirement System, 8660 United Plaza Blvd., Baton Rouge, Louisiana 70804, or by calling (225) 925-6484. The LASERS report may be obtained by writing to Louisiana State Employees' Retirement System, P.O. Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 925-0185.

For the fiscal year ended June 30, 2019, the following amounts are recorded related to pensions:

	<u>COC</u>	<u>LSERS</u>	<u>LASERS</u>	<u>Total</u>
Net pension liability	\$3,742,682	\$96,225	\$10,216,114	\$14,055,021
Deferred outflow for pensions	962,903	28,194	2,952,191	3,943,288
Deferred inflow for pensions	607,116	10,155	1,211,777	1,829,048
Pension expense	461,394	15,830	834,028	1,311,252

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 14  
(Continued)

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

**b. Component Units (Continued)**

**4. East Baton Rouge Parish Family Court Defined-Benefit Pension Plan**

The East Baton Rouge Parish Family Court is a participating employer in the City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System (CPERS) cost-sharing defined benefit pension plan. See Note 7 (a) for more detailed information and terms of this plan.

For the year ended December 31, 2019, the following amounts are recorded related to pensions:

Net pension liability	\$2,983,827
Deferred outflow for pensions	810,385
Deferred inflow for pensions	77,279
Pension expense	284,734

**5. East Baton Rouge Parish Juvenile Court Defined-Benefit Pension Plan**

The East Baton Rouge Parish Juvenile Court is a participating employer in the City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System (CPERS) cost-sharing defined benefit pension plan. See Note 7 (a) for more detailed information and terms of this plan.

For the year ended December 31, 2019, the following amounts are recorded related to pensions:

Net pension liability	\$4,046,293
Deferred outflow for pensions	1,531,938
Deferred inflow for pensions	166,422
Pension expense	583,680

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

The East Baton Rouge Parish Clerk of Court is a participating employer in the Louisiana Clerks of Court Retirement and Relief Fund ("System"), a multiple-employer (cost-sharing), defined-benefit public employee retirement system (PERS). See separately issued financial statements for more detailed information and terms of the plan. 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.

For the fiscal year ended June 30, 2019, the following amounts are recorded related to pensions:

Net pension liability	\$12,455,340
Deferred outflow for pensions	3,738,070
Deferred inflow for pensions	576,709
Pension expense	2,248,262

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. City -Parish OPEB Plan**

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 plan. 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.

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 the measurement period, 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 the measurement period, employees and retirees contributed 11% - 40% 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 60% - 89% of the premium base. Effective January 1, 2004, the employer portion of pay-as-you-go OPEB insurance premiums are allocated over all employers and funds that participate in the OPEB Plan. There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

As of December 31, 2018, the measurement date, 3,518 active employees and 3,074 retirees along with applicable dependents were covered by the plan.

Total OPEB Liability:

The City-Parish's proportional share (95.53%) of Total OPEB Liability (\$977,184,412) was measured as of December 31, 2018, from the actuarial valuation date of December 31, 2018. The City-Parish's proportion of the Total OPEB liability was based on a percentage of active payroll in proportion to total active payroll for all participating employers. There was a change of 0.78% to the City-Parish's proportionate share since the prior measurement period. Total OPEB Liability for the Pension Trust Funds (blended component unit) was \$3,068,562 as of the measurement date.

Actuarial Assumptions:

Inflation	2.30%
Salary Increases	3.00% per annum average, compounded annually
Discount rate	4.10% based on the Bond Buyer's 20-year bond general obligation index
Mortality	RP-2014 mortality adjusted to 2006 with generational projection per scale MP-2018

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. City -Parish OPEB Plan (Continued)**

Actuarial Assumptions (Continued):

Health cost trend rates

Medical - Medicare Eligible	5.6% for 2019, gradually decreasing to an ultimate rate of 3.9% for 2097 and beyond
Non-Medicare Eligible	4.9% for 2019, gradually decreasing to an ultimate rate of 4.0% for 2078 and beyond
Medicare Advantage	7.4% for 2019, gradually decreasing to an ultimate rate of 4.1% for 2097 and beyond

Dental

3.92% for 2019 gradually decreasing to an ultimate rate of 3.77% for 2075 and beyond

Retirement Rates

CPERS participants assumed to retire as follows:

Non-Fire - the earlier of 25.5 years of service or age 61 and 11 years of service

Fire - The earlier of 26 years of service or age 61 and 11 years of service

Sample rates for MPERS participants are as follows:

<u>Age</u>	<u>Rate</u>
47 - 49	20.5%
50	22.5
51	20.0
52 - 53	22.0
54	23.5
55	42.5
56	22.5
57 - 58	17.0
59	19.0
60 - 65	26.0
66+	100.0

Changes to the Total OPEB Liability of the City-Parish OPEB Plan:

	<u>Primary Government*</u>	<u>Component Units</u>
Balance as of December 31, 2018	\$970,673,484	\$ 53,784,019
Changes for the year:		
Service cost	21,391,868	931,547
Interest	33,163,529	1,444,172
Plan Changes	41,428,610	1,804,083
Differences between expected and actual experience	39,802,191	1,733,258
Changes in assumptions	(112,452,548)	(4,896,948)
Changes in proportion	11,033,818	(11,033,818)
Benefit payments	(24,787,978)	(1,079,202)
Net change in total OPEB liability	<u>9,579,490</u>	<u>(11,096,908)</u>
Balance as of December 31, 2019	<u>\$980,252,974</u>	<u>\$ 42,687,111</u>

\* Includes amount for Pension Trust Funds (Blended Component Unit)

Changes in assumptions reflect a increase of 0.66 percent in the discount rate from 3.44 percent to 4.10 percent.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. City -Parish OPEB Plan (Continued)**

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate:

The following table presents the Total OPEB Liability of the City-Parish calculated using the discount rate of 4.10%, as well as what the City-Parish's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.10%) or 1 percentage point higher (5.10%) than the current rate.

	<u>1% Decrease</u> <u>3.10%</u>	<u>Discount Rate</u> <u>4.10%</u>	<u>1% Increase</u> <u>5.10%</u>
Primary Government*	\$1,184,665,077	\$980,252,974	\$824,607,517
Component Units	51,588,651	42,687,111	35,909,211

\* Includes amount for Pension Trust Funds (Blended Component Unit)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate:

The following table presents the Total OPEB Liability of the City-Parish calculated using the current healthcare cost trend rates, as well as what the City-Parish's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current rates.

	<u>1% Decrease</u>	<u>Current Trend Rate</u>	<u>1% Increase</u>
Primary Government*	\$821,272,000	\$980,252,974	\$1,189,446,750
Component Units	35,763,960	42,687,111	51,796,878

\* Includes amount for Pension Trust Funds (Blended Component Unit)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to OPEB:

Changes in Total OPEB Liability are either reported in OPEB expense in the year the change occurred or recognized as a deferred outflow of resources or a deferred inflow of resources in the year the change occurred and amortized into OPEB expense over a number of years. For the year ended December 31, 2019, the City-Parish recognized \$79,763,017 in OPEB expense. At December 31, 2019, the City-Parish reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>		<u>Deferred Inflows of Resources</u>	
	<u>Primary</u> <u>Government*</u>	<u>Component</u> <u>Units</u>	<u>Primary</u> <u>Government*</u>	<u>Component</u> <u>Units</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$29,586,864	\$1,286,743	\$ --	\$ --
Changes in assumptions	2,480,117	104,821	81,230,115	3,534,030
Changes in proportion and differences between actual contributions and proportionate share of contributions	8,671,848	33,843	923,636	4,377,131
Employer payments for OPEB as benefits come due subsequent to the measurement date of the total OPEB liability	<u>26,658,809</u>	<u>763,838</u>	<u>--</u>	<u>--</u>
Total	<u>\$67,397,638</u>	<u>\$2,189,245</u>	<u>\$82,153,751</u>	<u>\$7,911,161</u>

\* Includes amount for Pension Trust Funds (Blended Component Unit)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 14  
(Continued)

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

**a. City -Parish OPEB Plan (Continued)**

Benefit payments due within one year are \$24,522,132 for Governmental Activities and \$2,136,677 for Business-Type Activities of the Primary Government. Deferred outflows of resources resulting from benefit payments subsequent to the measurement date of \$26,658,809 for the Primary Government and \$763,838 for Component Units will be recognized as a reduction of the Total OPEB liability during the year ending December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year</u>	<u>Primary Government*</u>	<u>Component Units</u>
2020	\$(16,242,086)	\$(2,398,549)
2021	(16,242,086)	(2,398,549)
2022	(9,398,144)	(1,509,941)
2023	<u>467,394</u>	<u>(178,715)</u>
Total	<u><u>\$(41,414,922)</u></u>	<u><u>\$(6,485,754)</u></u>

\* Includes amount for Pension Trust Funds (Blended Component Unit)

**b. Clerk of Court OPEB Plan**

Additional information on the Clerk's OPEB plan can be found in the separately issued financial statements for the East Baton Rouge Parish Clerk of Court. See Note 7.b.6. for information on separately issued financial statements.

For the year ended June 30, 2019, the following amounts are recorded related to OPEB:

Total OPEB liability	\$42,440,008
Deferred outflow for OPEB	4,337,298
Deferred inflow for OPEB	--
OPEB expense	3,001,933

**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.

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EXHIBIT A - 14  
(Continued)

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

**b. Accounting for Risk (Continued)**

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, 2019.

**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 \$64,557,384 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 2019, the minimum premium plan was funded with employees and retirees contributing 11%-40% of the premium and the City-Parish contributing 60%-89% of the premium, dependent upon the number of family members covered.

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, 2019, for group health are estimated by the government's third party health care provider as follows:

Self-funded medical	<u>\$5,173,158</u>
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This amount has been included in the Government-wide Statement of Net Position for December 31, 2019.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 14  
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**NOTE 9 - Risk Management (Continued)**

**e. Changes in Liabilities for Claims**

The following is a reconciliation of changes in long-term claims payable for the years ended December 31, 2019, 2018, and 2017:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<u>Claims and judgments payable:</u>			
Beginning balance	\$24,828,034	\$31,005,777	\$30,858,763
Additions:			
Claims incurred and new estimates	44,124,809	1,852,234	3,712,189
Deductions:			
Claims paid	(2,833,781)	(3,631,004)	(2,334,548)
Claims dismissed and changes in estimates	<u>(1,561,678)</u>	<u>(4,398,973)</u>	<u>(1,230,627)</u>
Ending balance	<u>\$ 64,557,384</u>	<u>\$ 24,828,034</u>	<u>\$ 31,005,777</u>
<u>Employee benefits payable:</u>			
Beginning balance	\$ 4,929,285	\$ 5,121,692	\$ 5,493,789
Additions:			
Claims incurred	71,236,325	72,932,804	69,844,453
Deductions:			
Claims paid	<u>(70,992,452)</u>	<u>(73,125,211)</u>	<u>(70,216,550)</u>
Ending balance	<u>\$ 5,173,158</u>	<u>\$ 4,929,285</u>	<u>\$ 5,121,692</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, 2019, was determined as follows:

Fund balance committed to self-insurance, January 1, 2019	\$44,532,119
Less: Appropriations from self-insurance commitment for risk management purposes	(1,569,675)
Less: Amount reserved for risk management purposes in subsequent years	100,000
Plus: Self-insurance commitment increased for risk management surplus	3,708,310
Plus: Federal government subsidies for employee/retiree insurance purposes	924,681
Interest earned on designated funds during 2019	<u>1,168,711</u>
Insurance Commitment, December 31, 2019	<u>\$48,864,146</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(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 2019:

	Balance <u>1/1/19</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/19</u>	Due Within <u>One Year</u>
<b><u>Governmental Activities:</u></b>					
Limited tax obligation bonds	\$ 370,000	\$ --	\$ 35,962	\$ 334,038	\$ 36,838
Excess revenue contracts, loans and notes	95,831,913	--	6,447,100	89,384,813	6,709,600
Deferred premium on bonds	15,287,708	21,452,822	1,999,905	34,740,625	--
Revenue bonds payable, gross	193,835,000	139,950,000	13,195,000	320,590,000	15,380,000
Less: Intragovernment payable	(1,075,417)	--	(401,250)	(674,167)	(420,417)
Obligation payable (off-market swaps)	3,737,073	--	501,263	3,235,810	--
Derivative Instrument Liability	7,534,566	1,814,692	--	9,349,258	--
Compensated absences payable	27,590,519	8,319,521	5,668,539	30,241,501	14,868,869
Claims and judgments payable (Note 5 and 9)	25,258,583	44,124,809	4,826,008	64,557,384	1,537,209
Employee benefits payable (Note 9)	4,929,285	71,236,325	70,992,452	5,173,158	--
Arbitrage payable for governmental fund types	--	159,214	--	159,214	--
Total other postemployment benefit liability	891,685,229	32,319,143	22,538,981	901,465,391	24,522,132
Net pension liability	<u>553,282,339</u>	<u>195,063,894</u>	<u>49,276,630</u>	<u>699,069,603</u>	<u>--</u>
Total governmental activities	<u>\$1,818,266,798</u>	<u>\$514,440,420</u>	<u>\$175,080,590</u>	<u>\$2,157,626,628</u>	<u>\$62,634,231</u>
<b><u>Business-Type Activities:</u></b>					
Excess revenue contracts, loans and notes	\$ 428,545,000	\$ --	\$ --	\$ 428,545,000	\$ --
Revenue bonds payable	997,141,384	390,673,721	441,461,000	946,354,105	20,488,000
Deferred premiums and discounts	45,285,112	58,292,849	3,484,885	100,093,076	--
Revenue bonds payable from City issues	1,075,417	--	401,250	674,167	420,417
Obligation payable (off-market swaps)	36,901,285	--	15,357,557	21,543,728	--
Derivative instrument liability	65,610,461	28,206,490	7,080,940	86,736,011	--
Contingent Liability	2,000,000	491,744	2,000,000	491,744	--
Landfill closure and postclosure care liability (Note 17)	17,921,498	--	2,777,080	15,144,418	--
Compensated absences payable	2,104,945	848,365	682,162	2,271,148	1,847,461
Total other postemployment benefit liability	74,890,424	2,745,566	1,916,969	75,719,021	2,136,677
Net pension liability	<u>49,514,658</u>	<u>19,854,155</u>	<u>4,297,832</u>	<u>65,070,981</u>	<u>--</u>
Total business-type activities	<u>\$1,720,990,184</u>	<u>\$501,112,890</u>	<u>\$479,459,675</u>	<u>\$1,742,643,399</u>	<u>\$24,892,555</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, \$253,460 of compensated absences for internal service funds is included in the above amount. The compensated absences liability and net pension 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 total other post-employment benefits liability are liquidated by the General Fund.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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, 2019:

	<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>Limited tax obligation bonds</u>					
Parish of East Baton Rouge:					
Pride Fire Protection District	02/01-08/01	04/20/2018	08/01/2027	\$ 50,000	\$ 45,238
Chaneyville Fire Protection District	02/01-08/01	08/21/2018	08/01/2027	<u>320,000</u>	<u>288,800</u>
Total limited tax obligation bonds				<u>370,000</u>	<u>334,038</u>
<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	38,120,000
LA Community Development 2000A Program					
Visit Baton Rouge	Monthly	09/01/2007	11/30/2029	750,000	450,000
Parish of East Baton Rouge:					
LA Community Development 2000A Program	Monthly	09/01/2007	11/30/2029	264,713	179,813
2012 LCDA Road Improvements Project	02/01-08/01	03/01/2012	08/01/2030	33,585,000	22,425,000
2015 LCDA Road Improvements Project	02/01-08/01	04/09/2015	08/01/2030	<u>34,415,000</u>	<u>28,210,000</u>
Total excess revenue contracts, loans and notes				<u>127,089,713</u>	<u>89,384,813</u>
<u>Revenue bonds</u>					
City of Baton Rouge:					
2010B Public Improvement Sales Tax	02/01-08/01	09/28/2010	08/01/2026	19,045,000	9,255,000
2018 Public Improvement Sales Tax	02/01-08/01	05/23/2018	08/01/2033	18,000,000	17,140,000
Less: debt recorded in business-type activities				(3,840,000)	(674,167)
Parish of East Baton Rouge:					
Road and Street Improvement:					
2008A Sales Tax Bonds (Variable)	02/01-08/01	04/17/2008	08/01/2030	93,440,000	73,895,000
2009A Sales Tax Bonds	02/01-08/01	02/12/2009	08/01/2030	110,000,000	10,700,000
2015 Refunding Sales Tax Bonds	02/01-08/01	04/09/2015	08/01/2030	59,430,000	59,430,000
MOVEBR:					
2019 Sales Tax Bonds	02/01-08/01	12/04/2019	08/01/2048	129,950,000	129,950,000
2013A Public Improvement Sales Tax	02/01-08/01	06/13/2013	02/01/2028	11,000,000	7,220,000
2014A Public Improvement Sales Tax	02/01-08/01	06/27/2014	02/01/2026	4,600,000	3,000,000
2019 Public Improvement Sales Tax	02/01-08/01	11/22/2019	02/01/2034	<u>10,000,000</u>	<u>10,000,000</u>
Total revenue bonds				<u>451,625,000</u>	<u>319,915,833</u>
Total governmental activities				<u>579,084,713</u>	<u>409,634,684</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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>					
Sewerage Commission:					
2013A LCDA Sewerage Commission Projects	02/01-08/01	05/09/2013	02/01/2048	\$ 126,260,000	\$ 126,260,000
2013B (LIBOR Index) LCDA Sewerage Commission Projects	Monthly	05/10/2013	02/01/2049	92,500,000	92,500,000
2014A LCDA 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>428,545,000</u>	<u>428,545,000</u>
<u>Revenue bonds</u>					
City of Baton Rouge:					
Airport:					
2008B Public Improvement Sales Tax (Taxable)	02/01-08/01	01/24/2008	08/01/2022	9,505,000	2,350,000
2010A Public Improvement Sales Tax (GO Zone)	02/01-08/01	01/28/2010	08/01/2039	6,000,000	4,875,000
2016A-1 Public Improvement Sales Tax	02/01-08/01	04/28/2016	08/01/2037	40,765,000	40,075,000
2016A-2 Public Improvement Sales Tax (Taxable)	02/01-08/01	04/28/2016	08/01/2029	1,315,000	1,015,000
2016A-3 Public Improvement Sales Tax	02/01-08/01	04/28/2016	08/01/2041	4,915,000	4,520,000
Revenue bonds payable from City issues				3,840,000	674,167
Sewerage Commission:					
2010 Revenue Bonds (DEQ)	02/01-08/01	04/29/2010	02/01/2031	8,300,000	5,467,000
2010B Revenue Bonds (Taxable Direct Pay Build America Bonds)	02/01-08/01	05/27/2010	02/01/2045	357,840,000	--
2011A Revenue Bonds (LIBOR Index)	Monthly	07/28/2011	02/01/2046	202,500,000	92,500,000
2013A Taxable Revenue Bonds (DEQ)	02/01-08/01	03/06/2013	02/01/2034	44,714,983	38,190,983
2013B Taxable Revenue Refunding Bonds	02/01-08/01	05/02/2013	02/01/2024	25,390,000	15,880,000
2014A Taxable Revenue Refunding Bonds	02/01-08/01	12/17/2014	02/01/2031	127,455,000	122,230,000
2014B Tax-Exempt Revenue Refunding Bonds	02/01-08/01	12/17/2014	02/01/2039	205,435,000	205,435,000
2015A Taxable Revenue Bonds (DEQ)	02/01-08/01	10/08/2015	02/01/2036	18,895,362	17,925,362
2016A Taxable Revenue Bonds (DEQ)	02/01-08/01	05/17/2016	02/01/2038	11,564,760	11,140,760
2019A Revenue Refunding Bonds	02/01-08/01	10/29/2019	02/01/2045	305,340,000	305,340,000
2019B Revenue Refunding Bonds	02/01-08/01	10/29/2019	02/01/2032	<u>79,410,000</u>	<u>79,410,000</u>
Total revenue bonds				<u>1,453,185,105</u>	<u>947,028,272</u>
Total business-type activities				<u>1,881,730,105</u>	<u>1,375,573,272</u>
Total all bonds, contracts, loans and notes				<u>\$2,460,814,818</u>	<u>\$1,785,207,956</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**3. Changes in Bonds Payable**

	Outstanding January 1, 2019	<u>Issued</u>	<u>Retired</u>	Outstanding December 31, 2019
<b>Governmental Activities:</b>				
<u>Limited tax obligation bonds</u>				
Parish of East Baton Rouge:				
Pride Fire Protection District	\$ 50,000	\$ --	\$ 4,762	\$ 45,238
Chaneyville Fire Protection District	320,000	--	31,200	288,800
Total limited tax obligation bonds	<u>370,000</u>	<u>--</u>	<u>35,962</u>	<u>334,038</u>
<u>Excess revenue contracts, loans and notes</u>				
City of Baton Rouge:				
2012 Taxable Refunding	41,320,000	--	3,200,000	38,120,000
LA Community Development 2000A Program				
Visit Baton Rouge	483,800	--	33,800	450,000
Parish of East Baton Rouge:				
LA Community Development 2000A Program	193,113	--	13,300	179,813
2012 LCDA Road Improvements Project	23,930,000	--	1,505,000	22,425,000
2015 LCDA Road Improvements Project	29,905,000	--	1,695,000	28,210,000
Total excess revenue contracts, loans and notes	<u>95,831,913</u>	<u>--</u>	<u>6,447,100</u>	<u>89,384,813</u>
<u>Revenue bonds</u>				
City of Baton Rouge:				
2010B Public Improvement Sales Tax	10,650,000	--	1,395,000	9,255,000
2018 Public Improvement Sales Tax	18,000,000	--	860,000	17,140,000
Less: debt recorded in business- type activities	(1,075,417)	--	(401,250)	(674,167)
Parish of East Baton Rouge:				
Road and Street Improvement:				
2008A Sales Tax Bonds (Variable)	79,095,000	--	5,200,000	73,895,000
2009A Sales Tax Bonds	15,400,000	--	4,700,000	10,700,000
2015 Refunding Sales Tax Bonds	59,430,000	--	--	59,430,000
MOVEBR:				
2019 Sales Tax Bonds	--	129,950,000	--	129,950,000
2013A Public Improvement Sales Tax	7,910,000	--	690,000	7,220,000
2014A Public Improvement Sales Tax	3,350,000	--	350,000	3,000,000
2019 Public Improvement Sales Tax	--	10,000,000	--	10,000,000
Total revenue bonds	<u>192,759,583</u>	<u>139,950,000</u>	<u>12,793,750</u>	<u>319,915,833</u>
Total governmental activities	<u>288,961,496</u>	<u>139,950,000</u>	<u>19,276,812</u>	<u>409,634,684</u>
<b>Business-Type Activities:</b>				
<u>Excess revenue contracts, loans and notes</u>				
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	<u>428,545,000</u>	<u>--</u>	<u>--</u>	<u>428,545,000</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

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

	Outstanding January 1, 2019	Issued	Retired	Outstanding December 31, 2019
<b>Business-Type Activities: (Continued)</b>				
<u>Revenue bonds</u>				
City of Baton Rouge:				
2008B Public Improvement Sales Tax (Taxable)	\$ 3,145,000	\$ --	\$ 795,000	\$ 2,350,000
2010A Public Improvement Sales Tax (GO Zone)	5,035,000	--	160,000	4,875,000
2016A-1 Public Improvement Sales Tax	40,765,000	--	690,000	40,075,000
2016A-2 Public Improvement Sales Tax (Taxable)	1,105,000	--	90,000	1,015,000
2016A-3 Public Improvement Sales Tax	4,655,000	--	135,000	4,520,000
Revenue bonds payable from City issues	1,075,417	--	401,250	674,167
Sewerage Commission:				
2010 Revenue Bonds (DEQ)	5,895,000	--	428,000	5,467,000
2010B Revenue Bonds (Taxable Direct Pay Build America Bonds)	344,375,000	--	344,375,000	--
2011A Revenue Bonds (LIBOR Index)	176,155,000	--	83,655,000	92,500,000
2013A Taxable Revenue Bonds (DEQ)	37,945,411	2,452,572	2,207,000	38,190,983
2013B Taxable Revenue Refunding Bonds	18,255,000	--	2,375,000	15,880,000
2014A Taxable Revenue Refunding Bonds	127,455,000	--	5,225,000	122,230,000
2014B Tax-Exempt Revenue Refunding Bonds	205,435,000	--	--	205,435,000
2015A Taxable Revenue Bonds (DEQ)	17,626,088	1,201,274	902,000	17,925,362
2016A Taxable Revenue Bonds (DEQ)	9,294,885	2,269,875	424,000	11,140,760
2019A Revenue Refunding Bonds	--	305,340,000	--	305,340,000
2019B Revenue Refunding Bonds	--	79,410,000	--	79,410,000
Total revenue bonds	<u>998,216,801</u>	<u>390,673,721</u>	<u>441,862,250</u>	<u>947,028,272</u>
Total business-type activities	<u>1,426,761,801</u>	<u>390,673,721</u>	<u>441,862,250</u>	<u>1,375,573,272</u>
Total all bonds, contracts, loans and notes	<u>\$1,715,723,297</u>	<u>\$530,623,721</u>	<u>\$461,139,062</u>	<u>\$1,785,207,956</u>

**4. Interest Requirements to Maturity**

The following is a summary of bonded debt at December 31, 2019, and interest requirements to maturity:

	Debt Payable 12/31/2019	Interest Requirements to Maturity	Total
<b>Governmental Activities:</b>			
<u>Limited tax obligation bonds</u>			
Parish of East Baton Rouge:			
Pride Fire Protection District	\$ 45,238	\$ 6,026	\$ 51,264
Chaneyville Fire Protection District	<u>288,800</u>	<u>50,631</u>	<u>339,431</u>
Total limited tax obligation bonds	<u>334,038</u>	<u>56,657</u>	<u>390,695</u>
<u>Excess revenue contracts, loans and notes</u>			
City of Baton Rouge:			
2012 Taxable Refunding	38,120,000	8,352,211	46,472,211
LA Community Development 2000A Program			
Visit Baton Rouge	450,000	67,612	517,612
Parish of East Baton Rouge:			
LA Community Development 2000A Program	179,813	27,332	207,145
2012 LCDA Road Improvements Project	22,425,000	6,445,363	28,870,363
2015 LCDA Road Improvements Project	<u>28,210,000</u>	<u>9,369,500</u>	<u>37,579,500</u>
Total excess revenue contracts, loans and notes	<u>89,384,813</u>	<u>24,262,018</u>	<u>113,646,831</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

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

	Debt Payable 12/31/2019	Interest Requirements to Maturity	Total
<b>Governmental Activities: (Continued)</b>			
<u>Revenue bonds</u>			
City of Baton Rouge:			
2010B Public Improvement Sales Tax (3.02%)*	\$ 9,255,000	\$ 1,212,862	\$ 10,467,862
2018 Public Improvement Sales Tax	17,140,000	4,334,730	21,474,730
Less: Debt recorded in business-type activities	(674,167)	(30,229)	(704,396)
Parish of East Baton Rouge:			
Road and Street Improvement:			
2008A Sales Tax Bonds (Variable)	73,895,000	19,890,489	93,785,489
2009A Sales Tax Bonds (4.83%)*	10,700,000	873,150	11,573,150
2015 Refunding Sales Tax Bonds (3.10%)*	59,430,000	21,851,250	81,281,250
MOVEBR:			
2019 Sales Tax Bonds (3.18%)*	129,950,000	95,148,819	225,098,819
2013A Public Improvement Sales Tax	7,220,000	709,031	7,929,031
2014A Public Improvement Sales Tax	3,000,000	247,307	3,247,307
2019 Public Improvement Sales Tax	10,000,000	2,141,480	12,141,480
Total revenue bonds	<u>319,915,833</u>	<u>146,378,889</u>	<u>466,294,722</u>
Total governmental activities	<u>409,634,684</u>	<u>170,697,564</u>	<u>580,332,248</u>
<b>Business-Type Activities:</b>			
<u>Excess revenue contracts, loans and notes</u>			
East Baton Rouge Sewerage Commission:			
2013A LCDA Sewerage Commission Projects	126,260,000	135,126,850	261,386,850
2013B (LIBOR Index) Sewerage Commission Projects	92,500,000	117,421,488	209,921,488
2014A LCDA Sewerage Commission Projects	<u>209,785,000</u>	<u>171,161,656</u>	<u>380,946,656</u>
Total excess revenue contracts, loans and notes	<u>428,545,000</u>	<u>423,709,994</u>	<u>852,254,994</u>
<u>Revenue bonds</u>			
City of Baton Rouge:			
2008B Public Improvement Sales Tax (Taxable) (4.59%)*	2,350,000	246,675	2,596,675
2010A Public Improvement Sales Tax (GO Zone) (4.36%)*	4,875,000	2,532,800	7,407,800
2016A-1 Public Improvement Sales Tax (2.86%)*	40,075,000	18,273,425	58,348,425
2016A-2 Public Improvement Sales Tax (Taxable) (2.92%)*	1,015,000	178,054	1,193,054
2016A-3 Public Improvement Sales Tax (2.97%)*	4,520,000	1,810,906	6,330,906
Revenue bonds payable from City issues	674,167	30,229	704,396
Sewerage Commission:			
2010 Revenue Bonds (DEQ)	5,467,000	150,392	5,617,392
2011A Revenue Bonds (LIBOR Index) (Variable)	92,500,000	84,057,288	176,557,288
2013A Taxable Revenue Bonds (DEQ)	38,190,983	1,316,481	39,507,464
2013B Taxable Revenue Refunding Bonds (2.54%)*	15,880,000	1,225,462	17,105,462
2014A Taxable Revenue Refunding Bonds (3.57%)*	122,230,000	29,397,335	151,627,335
2014B Tax-Exempt Revenue Refunding Bonds (3.76%)*	205,435,000	138,141,175	343,576,175
2015A Taxable Revenue Bonds (DEQ)	17,925,362	703,109	18,628,471
2016A Taxable Revenue Bonds (DEQ)	11,140,760	490,305	11,631,065
2019A Revenue Refunding Bonds (3.14%)*	305,340,000	242,838,649	548,178,649
2019B Revenue Refunding Bonds (1.75%)*	<u>79,410,000</u>	<u>28,168,933</u>	<u>107,578,933</u>
Total revenue bonds	<u>947,028,272</u>	<u>549,561,218</u>	<u>1,496,589,490</u>
Total business-type activities	<u>1,375,573,272</u>	<u>973,271,212</u>	<u>2,348,844,484</u>
Total all bonds, contracts, loans and notes	<u>\$1,785,207,956</u>	<u>\$1,143,968,776</u>	<u>\$2,929,176,732</u>

\* True interest cost (TIC)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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:

<b>Governmental Activities:</b>										
<u>Year</u>	<u>Limited Tax Obligation Bonds</u>			<u>Excess Revenue Contracts, Loans and Notes</u>			<u>Revenue Bonds</u>			<u>Total Governmental Activities</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2020	\$ 36,838	\$12,088	\$ 48,926	\$ 6,709,600	\$ 3,900,394	\$ 10,609,994	\$ 14,959,583	\$ 11,890,604	\$ 26,850,187	\$ 37,509,107
2021	38,038	10,757	48,795	7,047,500	3,632,187	10,679,687	18,456,250	13,358,098	31,814,348	42,542,830
2022	39,338	9,382	48,720	7,405,000	3,340,552	10,745,552	19,070,000	12,548,142	31,618,142	42,412,414
2023	41,014	7,957	48,971	7,748,700	3,025,856	10,774,556	19,930,000	11,705,932	31,635,932	42,459,459
2024	42,414	6,473	48,887	8,121,100	2,688,488	10,809,588	20,830,000	10,831,195	31,661,195	42,519,670
2025-2029	136,396	10,000	146,396	46,377,913	7,413,741	53,791,654	111,145,000	39,597,462	150,742,462	204,680,512
2030-2034	--	--	--	5,975,000	260,800	6,235,800	42,960,000	19,594,756	62,554,756	68,790,556
2035-2039	--	--	--	--	--	--	21,375,000	14,129,250	35,504,250	35,504,250
2040-2044	--	--	--	--	--	--	26,005,000	9,498,450	35,503,450	35,503,450
2045-2049	--	--	--	--	--	--	25,185,000	3,225,000	28,410,000	28,410,000
Total	<u>\$334,038</u>	<u>\$56,657</u>	<u>\$390,695</u>	<u>\$89,384,813</u>	<u>\$24,262,018</u>	<u>\$113,646,831</u>	<u>\$319,915,833</u>	<u>\$146,378,889</u>	<u>\$466,294,722</u>	<u>\$580,332,248</u>

<b>Business-Type Activities:</b>							
<u>Year</u>	<u>Excess Revenue Contracts, Loans and Notes</u>			<u>Revenue Bonds</u>			<u>Total Business-Type Activities</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2020	\$ --	\$ 20,240,225	\$ 20,240,225	\$ 20,908,417	\$ 33,381,694	\$ 54,290,111	\$ 74,530,336
2021	--	20,240,225	20,240,225	28,602,750	36,707,724	65,310,474	85,550,699
2022	--	20,240,225	20,240,225	30,501,000	35,707,322	66,208,322	86,448,547
2023	--	20,240,225	20,240,225	31,668,000	34,624,200	66,292,200	86,532,425
2024	--	20,240,225	20,240,225	32,950,000	33,470,014	66,420,014	86,660,239
2025-2029	34,930,000	97,009,125	131,939,125	161,934,000	149,512,742	311,446,742	443,385,867
2030-2034	55,725,000	86,550,250	142,275,250	176,243,983	114,936,595	291,180,578	433,455,828
2035-2039	74,135,000	69,348,281	143,483,281	196,560,122	76,192,565	272,752,687	416,235,968
2040-2044	97,365,000	48,504,750	145,869,750	210,330,000	33,443,242	243,773,242	389,642,992
2045-2049	166,390,000	21,096,463	187,486,463	57,330,000	1,585,120	58,915,120	246,401,583
Total	<u>\$428,545,000</u>	<u>\$423,709,994</u>	<u>\$852,254,994</u>	<u>\$947,028,272</u>	<u>\$549,561,218</u>	<u>\$1,496,589,490</u>	<u>\$2,348,844,484</u>

**6. Future Year Obligations**

Principal and interest requirements of various bond issues for the year 2020 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
<b>Governmental Activities:</b>			
<u>Limited tax obligation bonds</u>			
Parish of East Baton Rouge:			
Pride Fire Protection District	\$ 5,238	\$ 1,298	\$ 6,536
Chaneyville Fire Protection District	31,600	10,790	42,390
Total limited tax obligation bonds	<u>36,838</u>	<u>12,088</u>	<u>48,926</u>
<u>Excess revenue contracts, loans and notes</u>			
City of Baton Rouge:			
2012 Taxable Refunding	3,295,000	1,429,598	4,724,598
LA Community Development 2000A Program			
Visit Baton Rouge	35,200	12,022	47,222
Parish of East Baton Rouge:			
LA Community Development 2000A Program	14,400	4,867	19,267
2012 LCDA Road Improvements Project	1,580,000	1,043,407	2,623,407
2015 LCDA Road Improvements Project	1,785,000	1,410,500	3,195,500
Total excess revenue contracts, loans and notes	<u>6,709,600</u>	<u>3,900,394</u>	<u>10,609,994</u>



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(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:			
2010B Public Improvement Sales Tax	\$ 1,465,000	\$ 311,513	\$ 1,776,513
2018 Public Improvement Sales Tax	990,000	541,624	1,531,624
Less: Debt recorded in business-type activities	(420,417)	(22,616)	(443,033)
Parish of East Baton Rouge:			
Road and Street Improvement:			
2008A Sales Tax Bonds (Variable)	5,445,000	3,223,543	8,668,543
2009A Sales Tax Bonds	4,945,000	533,600	5,478,600
2015 Refunding Sales Tax Bonds	--	2,971,500	2,971,500
MOVEBR:			
2019 Sales Tax Bonds	900,000	3,940,619	4,840,619
2013A Public Improvement Sales Tax	710,000	143,478	853,478
2014A Public Improvement Sales Tax	370,000	62,774	432,774
2019 Public Improvement Sales Tax	555,000	184,569	739,569
Total revenue bonds	<u>14,959,583</u>	<u>11,890,604</u>	<u>26,850,187</u>
Total governmental activities	<u>21,706,021</u>	<u>15,803,086</u>	<u>37,509,107</u>

**Business-Type Activities:**

Excess revenue contracts, loans and notes

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>10,320,500</u>	<u>10,320,500</u>
Total excess revenue contracts, loans and notes	--	<u>20,240,225</u>	<u>20,240,225</u>

Revenue bonds

City of Baton Rouge:			
2008B Public Improvement Sales Tax (Taxable)	840,000	129,250	969,250
2010A Public Improvement Sales Tax (GO Zone)	165,000	206,344	371,344
2016A-1 Public Improvement Sales Tax	720,000	1,698,387	2,418,387
2016A-2 Public Improvement Sales Tax (Taxable)	90,000	28,402	118,402
2016A-3 Public Improvement Sales Tax	140,000	148,237	288,237
Plus: Revenue bonds payable from City issues	420,417	22,616	443,033
Sewerage Commission:			
2010 Revenue Bonds (DEQ)	432,000	23,630	455,630
2011A Revenue Bonds (LIBOR Index)	--	3,837,825	3,837,825
2013A Taxable Revenue Bonds (DEQ)	2,381,000	163,766	2,544,766
2013B Taxable Revenue Refunding Bonds	2,415,000	393,569	2,808,569
2014A Taxable Revenue Refunding Bonds	5,500,000	4,136,354	9,636,354
2014B Tax-Exempt Revenue Refunding Bonds	3,005,000	9,896,625	12,901,625
2015A Taxable Revenue Bonds (DEQ)	977,000	77,638	1,054,638
2016A Taxable Revenue Bonds (DEQ)	538,000	48,794	586,794
2019A Revenue Refunding Bonds	1,850,000	9,606,199	11,456,199
2019B Revenue Refunding Bonds	1,435,000	2,964,058	4,399,058
Total revenue bonds	<u>20,908,417</u>	<u>33,381,694</u>	<u>54,290,111</u>
Total business-type activities	<u>20,908,417</u>	<u>53,621,919</u>	<u>74,530,336</u>
Total all bonds, contracts, loans and notes	<u>\$42,614,438</u>	<u>\$69,425,005</u>	<u>\$112,039,443</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

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

Amounts related to total other post-employment benefits liability due within one year for Governmental Activities and Business-Type Activities are \$24,522,132 and \$2,136,677 respectively.

**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, 2019 tax rolls	<u>\$2,075,832,003</u>
Debt limit: 10% of assessed valuation (for any one purpose)	\$ 207,583,200
Debt limit: 15% of assessed valuation (for sewerage purposes)	311,374,800
Debt limit: 35% of assessed valuation (aggregate, all purposes)	726,541,201

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, 2019 tax rolls	<u>\$5,165,231,039</u>
Debt limit: 10% of assessed valuation (for any one purpose)	\$ 516,523,104
Debt limit: 15% of assessed valuation (for sewerage purposes)	774,784,656

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, 2019 tax rolls	<u>\$5,165,231,039</u>
Debt limit: 15% of assessed valuation (for sewerage purposes)	\$ 774,784,656

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

**Governing Authority: Pride Fire Protection District No. 8 of East Baton Rouge**

On December 10, 2016, East Baton Rouge Parish voters approved a renewal of the levy and collection of a ten (10) mills ad valorem tax, commencing with the tax collection year 2018, and annually thereafter, in perpetuity, for fire purposes in the Pride Fire Protection District No. 8 of the Parish of East Baton Rouge, State of Louisiana (District). The Board of Directors of the District is authorized to issue debt payable solely from a pledge and dedication of the avails or proceeds of the ten (10) mills ad valorem tax levied and collected on all property subject to taxation within the boundaries of the District. The bonds do not constitute a pledge of full faith and credit of the City-Parish but are payable solely from the revenues of the District's ten (10) mills ad valorem tax.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**7. Legal Debt Margin - General Obligation Bonds (Continued)**

**Governing Authority: Pride Fire Protection District No. 8 of East Baton Rouge (Continued)**

Ad valorem taxes:

Assessed valuation, 2019 tax rolls	<u>\$25,233,752</u>
Debt limit: 10% of assessed valuation (for any one purpose)	<u>\$ 2,523,375</u>
Debt outstanding	<u>(45,238)</u>
Legal debt margin	<u>\$ 2,478,137</u>
Purpose: Provide funds for fire station	

**Governing Authority: Chaneyville Fire Protection District No. 7 of East Baton Rouge**

On November 18, 2017, East Baton Rouge Parish voters approved the levy and collection of a ten (10) mills ad valorem tax, commencing with the tax collection year 2018, and annually thereafter, to and including 2027, for fire purposes in the Chaneyville Fire Protection District No. 7 of the Parish of East Baton Rouge, State of Louisiana (District). The Board of Directors of the District is authorized to issue debt payable solely from a pledge and dedication of the avails or proceeds of the ten (10) mills ad valorem tax levied and collected on all property subject to taxation within the boundaries of the District. The bonds do not constitute a pledge of full faith and credit of the City-Parish but are payable solely from the revenues of the District's ten (10) mills ad valorem tax.

Ad valorem taxes:

Assessed valuation, 2019 tax rolls	<u>\$15,701,533</u>
Debt limit: 10% of assessed valuation (for any one purpose)	<u>\$ 1,570,153</u>
Debt outstanding	<u>(288,800)</u>
Legal debt margin	<u>\$ 1,281,353</u>
Purpose: Provide funds for fire truck	

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, 2019**

EXHIBIT A - 14  
(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, 2019, is as follows:

	<b>City</b>	<b>Parish</b>
Actual 2019 Revenues	<u>\$109,095,269</u>	<u>\$ 87,247,728</u>
Debt Capacity Before Outstanding Bonds (40%)	43,638,108	34,899,091
Less: Highest Annual Debt Service on Outstanding Bonds	<u>(7,485,189)</u>	<u>(2,207,886)</u>
Debt Capacity	\$ 36,152,919	\$ 32,691,205
Interest factor for \$1 of debt, 5.0%, 25 years	0.070952457	0.070952457
Additional Bond Capacity (25 Years at 5.5%)	<u>\$509,537,238</u>	<u>\$460,748,033</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, 2019, the following issues are outstanding:

<u>Bond Issue</u>	<u>Outstanding 12/31/2019</u>	<u>Primary Purpose of Issue</u>
City of Baton Rouge:		
<u>Governmental type activities:</u>		
\$19,045,000; Series 2010B	\$ 9,255,000	Advance refunding parity bond issue
\$18,000,000; Series 2018	17,140,000	Provide funds to renovate the Baton Rouge Theater for the Performing Arts
<u>Business type activities:</u>		
\$ 9,505,000; Series 2008B	2,350,000	Provide and restructure prior District Indebtedness
\$ 6,000,000; Series 2010A (GO Zone)	4,875,000	Provide capital improvement funds for airport projects
\$40,765,000; Series 2016A-1	40,075,000	Advance refunding parity bond issue
\$ 1,315,000; Series 2016A-2	1,015,000	Current refunding parity bond issues
\$ 4,915,000; Series 2016A-3	<u>4,520,000</u>	Provide capital improvement funds for airport projects
Total	<u>\$79,230,000</u>	
Parish of East Baton Rouge:		
<u>Governmental type activities:</u>		
\$11,000,000; Series 2013A	\$ 7,220,000	Provide funds for a Public Safety Complex
\$ 4,600,000; Series 2014A	3,000,000	Provide funds for a Public Safety Complex renovation
\$10,000,000; Series 2019	<u>10,000,000</u>	Provide funds for drainage improvements within the Parish
	<u>\$20,220,000</u>	

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, 2019**

EXHIBIT A - 14  
(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 2020 annual operating budget	<u>\$ 30,428,780</u>
Debt Capacity Before Outstanding Bonds (75%)	22,821,585
Less: Highest Annual Debt Service on Outstanding Bonds	<u>(16,970,747)</u>
Debt Capacity	\$ 5,850,838
Interest factor for \$1 of debt, 5.00%, 11 years	0.120388891
Additional Bond Capacity (12 Years at 5.00%)	<u>\$ 48,599,484</u>
Sales Tax Revenues (Remaining 25%)	<u>\$ 7,607,195</u>
Less: 2020 Subordinate Lien Debt	<u>5,818,906</u>
Balance Available for Capital Improvement Programs	<u><u>\$ 1,788,289</u></u>

<u>Bond Issue</u>	<u>Outstanding 12/31/2019</u>	<u>Primary Purpose of Issue</u>
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Parish of East Baton Rouge:

Road and Street Sales Tax Revenue Bonds:

Senior Lien:

\$ 93,440,000; Series 2008A	\$ 73,895,000	Road and Street Capital Improvements Program
\$110,000,000; Series 2009A	10,700,000	Road and Street Capital Improvements Program
\$ 59,430,000; Series 2015	<u>59,430,000</u>	Advance refunding parity bond issue

Total	<u><u>\$144,025,000</u></u>
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Subordinate Lien:

\$ 33,585,000; Series 2012 LCDA	\$ 22,425,000	Road and Street Capital Improvements Program
\$ 34,415,000; Series 2015 LCDA	<u>28,210,000</u>	Road and Street Capital Improvements Program

Total	<u><u>\$ 50,635,000</u></u>
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Highest Annual Debt Service on Outstanding Bonds was calculated using the fixed SWAP rate for the 2008A Variable Rate Bonds.

**10. ½% MOVEBR Sales Tax Revenue Bonds**

On December 8, 2018, East Baton Rouge Parish voters approved a 30 year one-half percent sales and use tax of the Parish of East Baton Rouge Capital Improvements District, a special capital improvements and taxing district within the parish, specifically for the purpose of public road and street repair, drainage and traffic synchronization within East Baton Rouge

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**10. ½% MOVEBR Sales Tax Revenue Bonds (Continued)**

Parish. The Parish of East Baton Rouge is authorized to issue debt secured by this additional one-half percent MOVEBR sales tax for the purpose of building new roads and improving 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 2020 annual operating budget	<u>\$ 43,215,000</u>
Debt Capacity Before Outstanding Bonds (75%)	32,411,250
Less: Highest Annual Debt Service on Outstanding Bonds	<u>(9,577,750)</u>
Debt Capacity	\$ 22,833,500
Interest factor for \$1 of debt, 5.00%, 30 years	0.065051435
Additional Bond Capacity (30 Years at 5.00%)	<u>\$351,006,861</u>

<u>Bond Issue</u>	<u>Outstanding 12/31/2019</u>	<u>Primary Purpose of Issue</u>
Parish of East Baton Rouge:		
MOVEBR Sales Tax Revenue Bonds:		
\$129,950,000; Series 2019	\$129,950,000	MOVEBR Capital Improvements Program

**11. 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.

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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

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

Anticipated sales tax revenues based on 2020 annual operating budget	\$ 47,230,000
Debt Capacity Before Outstanding Senior Lien Bonds (75%)	35,422,500
Less: Sales Tax Collection Costs (based on 2020 budget)	<u>(460,000)</u>
Sales Tax Revenue Pledged for E.B.R. Sewerage Commission Revenue Bonds	\$ 34,962,500
Budgeted 2020 Sewer User Fees and Other Revenues	94,555,000
Two year adjustment for 4% annual rate increase which continues in perpetuity	6,534,895
Less: Operating and Maintenance Expense	<u>(56,837,530)</u>
Debt Capacity Before Outstanding Bonds	79,214,865
Highest Annual Debt Service on Outstanding Senior Lien Bonds	<u>(62,519,595)</u>
Debt Capacity	\$ 16,695,270
Interest factor for \$1 of debt, 4.5%, 35 year	0.057270448
Additional Senior Lien Bond Capacity (35 Years at 4.5%)	<u>\$291,516,316</u>
Additional Sales Tax Revenues available for Subordinate Lien Debt (Remaining 25%)	\$ 11,807,500
Debt Capacity available after satisfying Senior Lien Bonds	16,695,270
2020 Debt Service on Outstanding Subordinate Lien Debt	<u>(20,240,225)</u>
Balance Available for Capital Improvement Programs	<u>\$ 8,262,545</u>

<u>Bond Issue</u>	<u>Outstanding 12/31/2019</u>	<u>Primary Purpose of Issue</u>
East Baton Rouge Sewerage Commission:		
Senior Lien:		
\$ 8,300,000; Series 2010 DEQ	\$ 5,467,000	Sewerage Capital Improvements Program
\$202,500,000; Series 2011A (LIBOR Index)	92,500,000	Sewerage Capital Improvements Program
\$ 45,000,000; Series 2013A DEQ	38,190,983	Sewerage Capital Improvements Program
\$ 25,390,000; Series 2013B	15,880,000	Sewerage Capital Improvements Program
\$127,455,000; Series 2014A	122,230,000	Sewerage Capital Improvements Program
\$205,435,000; Series 2014B	205,435,000	Sewerage Capital Improvements Program
\$ 20,000,000; Series 2015A DEQ	17,925,362	Sewerage Capital Improvements Program
\$ 12,000,000; Series 2016A DEQ	11,140,760	Sewerage Capital Improvements Program
\$305,340,000; Series 2019A	305,340,000	Sewerage Capital Improvements Program
\$ 79,410,000; Series 2019B	<u>79,410,000</u>	Sewerage Capital Improvements Program
Total	<u>\$893,519,105</u>	
Subordinate Lien:		
\$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
Total	<u>\$428,545,000</u>	

**12. 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, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. Derivative Instruments (Continued)**

As of December 31, 2019, the swap agreements can be summarized as follows:

	<u>Changes in Fair Value</u>		<u>Fair Value at December 31, 2019 *</u>		
	<u>Classification</u>	<u>Amount</u>	<u>Classification</u>	<u>Amount</u>	<u>Notional</u>
<u>Governmental Activities:</u>					
Cash Flow Hedges:					
Pay-fixed; receive variable interest rate swaps	Deferred outflows on derivative instruments	\$ 1,814,692	Non-current liability	\$ (12,585,068)	\$ 73,075,000
	Amortization of off-market swap	(501,263)			
<u>Business-Type Activities:</u>					
Cash Flow Hedges:					
Pay-fixed; receive variable interest rate swaps	Deferred outflows on derivative instruments**	21,125,550	Derivative instrument liability	(86,736,011)	185,000,000
	Deferred amount on refunding**	(7,080,940)	Obligation Payable	(21,543,728)	
	Amortization of off-market swap**	(15,357,557)			

\* Fair value at December 31, 2019, was determined by an independent third party using Level 2 inputs, in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*.

\*\* Includes change in fair value due to termination of Deutsche Bank swap.

**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	\$36,507,500	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	Aa3 / A+ / A+
Pay-fixed; receive variable interest rate swap	36,507,500	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	Aa2 / A +/- AA-
<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	Aa2 / A +/- AA-
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 / BBB+ / BBB+

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



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. 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, 2019, the swaps had a combined negative fair value of \$12,585,068. 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, 2019, 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, 2019, 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, 2019, the variable rate on the bonds was 1.68% and 70% of one-month USD-LIBOR-BBA was 1.26%. 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, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. 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, 2019, 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 Interest Rate Swap, Net**	Merrill Lynch Interest Rate Swap, Net***	Total
	Principal	Interest*			
2020	\$ 5,445,000	\$1,206,492	\$ 722,218	\$ 696,737	\$ 8,070,447
2021	5,645,000	1,110,207	667,817	644,298	8,067,322
2022	5,865,000	1,013,822	610,006	588,523	8,077,351
2023	6,130,000	913,423	549,755	530,395	8,123,573
2024	6,390,000	810,947	485,935	468,792	8,155,674
2025 - 2029	36,230,000	2,309,710	1,390,950	1,341,962	41,272,622
2030	8,190,000	79,916	48,483	46,780	8,365,179
Total	<u>\$73,895,000</u>	<u>\$7,444,517</u>	<u>\$4,475,164</u>	<u>\$4,317,487</u>	<u>\$90,132,168</u>

\* Computed using 12/31/19 variable rate (1.68%)

\*\* Computed using (imputed fixed swap rate (3.325%) - 70% of 12/31/19 LIBOR (1.26%)) x (\$46,120,000 - annual reduction)

\*\*\* Computed using (imputed fixed swap rate (3.253%) - 70% of 12/31/19 LIBOR (1.26%)) 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	
2020	\$ 238,172	\$ 34,540	\$ 238,085	\$ 60,911	\$ 571,708
2021	223,409	29,264	225,158	51,869	529,700
2022	207,561	24,327	210,900	43,338	486,126
2023	190,528	19,753	195,180	35,369	440,830
2024	172,114	15,570	177,752	28,022	393,458
2024 - 2028	532,985	31,019	561,908	56,458	1,182,370
2029 - 2030	29,783	503	32,275	935	63,496
	<u>\$1,594,552</u>	<u>\$154,976</u>	<u>\$1,641,258</u>	<u>\$276,902</u>	<u>\$3,667,688</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. 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.

On October 29, 2019, the Sewerage Commission issued \$79,410,000 Revenue Refunding Bonds Series 2019B to current refund \$79,250,000 of the Commission's \$202,500,000 Revenue Bonds, Series 2011A (LIBOR Index) maturing 2020 - 2032, and to terminate the related Deutsche Bank swap. On the termination date, the swap had a negative fair value of \$20,290,000. This mark-to-market valuation was established by market quotations obtained by the counterparty and separately verified by an independent third party. The swap termination payment resulted in the removal from the books of the imputed borrowing of \$13,209,060, and an increase to Deferred amount on refunding for the Comprehensive Sewerage Commission on the Statement of Net Position for the remaining \$7,080,940.

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

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. Derivative Instruments (Continued)**

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

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

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, 2019, this swap had a negative fair value of \$45,112,284. 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, 2019, 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, 2019, the Sewerage 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 Sewerage 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, 2019, collateral of \$30,000,000 was posted with 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.

Using interest rates as of December 31, 2019, 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		Bank of America	
	Principal	Interest*	Interest Rate Swap, Net**	Total
2020	\$ --	\$ 3,036,012	\$ 2,649,773	\$ 5,685,785
2021	--	3,027,717	2,653,019	5,680,736
2022	--	3,027,717	2,653,019	5,680,736
2023	--	3,027,717	2,653,019	5,680,736
2024	--	3,036,012	2,649,773	5,685,785
2025 - 2029	--	15,146,881	13,261,850	28,408,731
2030 - 2034	--	15,146,881	13,261,850	28,408,731
2035 - 2039	29,000,000	13,937,405	12,470,143	55,407,548
2040 - 2044	43,490,000	10,419,479	5,565,560	59,475,039
2045 - 2046	20,010,000	1,725,263	340,181	22,075,444
Total	<u>\$92,500,000</u>	<u>\$71,531,084</u>	<u>\$58,158,187</u>	<u>\$222,189,271</u>

\* Computed using (70% of 12/31/19 LIBOR (1.26%) + fixed spread of 0.50%)

\*\* Computed using (fixed swap rate (4.149%) - 70% of 12/31/19 LIBOR (1.26%)) x (\$92,500,000 - annual reduction)

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. 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, 2019, the swap had a negative fair value of \$63,167,455. 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, 2019, 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, 2019, 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, 2019, collateral of \$70,000,000 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, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. 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, 2019, 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 December 31</u>	<u>Variable-Rate Bonds</u>		<u>Deutsche Interest Rate Swap, Net**</u>	<u>Total</u>
	<u>Principal</u>	<u>Interest*</u>		
2020	\$ --	\$ 1,821,051	\$ 1,580,473	\$ 3,401,524
2021	--	1,816,076	1,583,719	3,399,795
2022	--	1,816,076	1,583,719	3,399,795
2023	--	1,816,076	1,583,719	3,399,795
2024	--	1,821,051	1,580,473	3,401,524
2025 - 2029	--	9,085,354	7,915,350	17,000,704
2030 - 2034	--	9,085,354	7,915,350	17,000,704
2035 - 2039	--	9,085,354	7,915,350	17,000,704
2040 - 2044	--	9,090,329	7,912,104	17,002,433
2045 - 2049	<u>92,500,000</u>	<u>4,792,941</u>	<u>4,173,267</u>	<u>101,466,208</u>
Total	<u>\$92,500,000</u>	<u>\$50,229,662</u>	<u>\$43,743,524</u>	<u>\$186,473,186</u>

\* Computed using (70% of 12/31/19 LIBOR (1.26%) + fixed spread of 0.70%)

\*\* Computed using (imputed fixed swap rate (2.993%) - 70% of 12/31/19 LIBOR (1.26%)) 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, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**12. 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 December 31	<u>Imputed borrowing Deutsche Bank</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 372,476	\$ 1,044,624	\$ 1,417,100
2021	390,835	1,026,265	1,417,100
2022	410,099	1,007,001	1,417,100
2023	430,312	986,788	1,417,100
2024	451,523	965,577	1,417,100
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	3,939,727	387,406	4,327,133
	<u>\$21,543,728</u>	<u>\$18,210,905</u>	<u>\$39,754,633</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.

**13. 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 2019 was \$2,764,583. In 2019, a principal payment of \$401,250 reduced the obligation payable to \$674,167. Scheduled maturities and interest are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$420,417	\$22,617	\$443,034
2021	253,750	7,612	261,362
Total	<u>\$674,167</u>	<u>\$30,229</u>	<u>\$704,396</u>

**14. 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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**14. Louisiana Community Development Authority Loans (LCDA) (Continued)**

1. The interest rate on the City's and the Parish's 2000A LCDA program 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.

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, 2019. A total of \$300,000 has been repaid, leaving an outstanding debt balance of \$450,000. Future debt service is budgeted over a 10 year period at 2.81%. 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.

In 2012, the Parish borrowed additional funds on the 2000A 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, 2019. A total of \$84,900 has been repaid, leaving an outstanding debt balance of \$179,813. Future debt service is budgeted over a 10 year period at 2.81%. 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.

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 ½% 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, 2019, \$11,160,000 has been repaid, leaving an outstanding debt balance of \$22,425,000.
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 (½%) sewer sales and use tax. This loan is serviced and recorded in the Comprehensive Sewerage System Fund. As of December 31, 2019, the outstanding debt balance is \$126,260,000.
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, 2019, the outstanding debt balance is \$92,500,000.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**14. Louisiana Community Development Authority Loans (LCDA) (Continued)**

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, 2019, the outstanding debt balance is \$209,785,000.
6. In 2015, LCDA issued \$34,415,000 Revenue Bonds (Parish of East Baton Rouge Road Improvements Project), Series 2015. 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 ½% 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, 2019, a total of \$6,205,000 has been repaid, leaving an outstanding debt balance of \$28,210,000.

**15. 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 \$5,551,130 is recognized in 2019, on the Statement of Revenues, Expenses, and Changes in Fund Net Position for the Sewerage Commission.

On October 29, 2019, the Sewerage Commission issued \$305,340,000 Revenue Refunding Bonds Series 2019A to refund the Commission's Series 2010B (Taxable Direct Pay Build America) Bonds.

**16. 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, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**16. 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, 2019, \$3,083,716 of the Deferred amount on refunding was amortized (\$331,105 in 2019 and \$2,752,611 in prior years), resulting in a deferred amount on refunding of \$1,627,459 on the entity-wide statement of net position for governmental activities as of December 31, 2019.

**17. Prior Year Refundings - Advance Refundings**

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, 2039, 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, 2019, \$155,070,000 of Sewerage Commission Series 2009A Bonds Outstanding are considered defeased.

On February 12, 2009, the Parish of East Baton Rouge issued \$110,000,000 of Road and Street Improvement Sales Tax Revenue Bonds, Series 2009A to provide sufficient funds to finance the costs of widening existing public roads and streets, and/or the construction of new public roads and streets. During 2015, the Parish defeased the maturities from August 1, 2022, through August 1, 2030, by placing funds into an irrevocable escrow trust account with an escrow agent to provide for debt service payments on these maturities. Accordingly, the new escrow trust account assets and the liability for the defeased bonds are not included in the accompanying financial statements. On December 31, 2019, \$59,695,000 of Road and Street Series 2009A Bonds Outstanding are considered defeased.

On May 27, 2010, the East Baton Rouge Sewerage Commission issued \$357,840,000 of Revenue Bonds, Series 2010B (Taxable Direct Pay Build America Bonds) to provide sufficient funds to finance a portion of the cost of upgrading, rehabilitating, extending and improving the sewer system. During 2019, the Commission defeased the maturities from February 1, 2021, through February 1, 2045, 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, 2019, \$337,435,000 of Sewerage Commission, Series 2010B Revenue Bonds Outstanding are considered defeased.

**18. Refunding of Sewerage Commission Series 2010B (Taxable Direct Pay Build America Bonds) and Series 2011A (LIBOR Index) Revenue Bonds**

On October 29, 2019, the East Baton Rouge Sewerage Commission issued \$305,340,000 Revenue Refunding Bonds, Series 2019A to advance refund and defease the Commission's \$337 million Series 2010B (Taxable Direct Pay Build America Bonds) Revenue Bonds (original true interest cost 3.94%; principal refunded - \$340,955,000). The Bonds mature on February 1, of each year beginning 2020 through 2045 with interest from 4.0 - 5.0 percent.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**18. Refunding of Sewerage Commission Series 2010B (Taxable Direct Pay Build America Bonds) and Series 2011A (LIBOR Index) Revenue Bonds (Continued)**

On October 29, 2019, the East Baton Rouge Sewerage Commission issued \$79,410,000 Revenue Refunding Bonds, Series 2019B to current refund the Commission's \$202.5 million Series 2011A (LIBOR Index) Revenue Bonds (variable interest cost; principal refunded - \$79,205,000) and to pay the termination payment due to Deutsche Bank AG in conjunction with the termination of the swap transaction between the Commission and Deutsche Bank. The Bonds mature on February 1, of each year beginning 2020 through 2032 with interest of 5.0 percent.

Sources and uses of the refunding issue are summarized as follows:

	<u>Series 2019A</u> <u>Refunding</u>	<u>Series 2019B</u> <u>Refunding</u>
<u>Sources:</u>		
Principal proceeds	\$ 305,340,000	\$ 79,410,000
Premium	41,094,695	17,198,154
Sinking and reserve fund contribution	<u>5,745,512</u>	<u>3,548,350</u>
Total Sources	<u>\$ 352,180,207</u>	<u>\$ 100,156,504</u>
<u>Uses:</u>		
Deposit with escrow agent	\$ 349,735,854	\$ --
Cash deposit	--	79,318,477
Issuance costs	2,444,353	548,027
Swap termination	<u>--</u>	<u>20,290,000</u>
Total Uses	<u>\$ 352,180,207</u>	<u>\$ 100,156,504</u>
<u>Cash Flow Difference:</u>		
Old debt service cash flows	\$ 606,698,405	\$ 108,335,677
Less: New debt service cash flows	(548,178,649)	(107,578,933)
Less: Contribution from sinking	<u>(5,745,512)</u>	<u>(3,548,350)</u>
Cash Flow Difference	<u>\$ 52,774,244</u>	<u>\$ (2,791,606)</u>
<u>Economic Gain:</u>		
Present value of old debt service cash flows*	\$ 390,469,257	\$ 98,146,950
Less: Present value of new debt service cash flows	(348,878,938)	(97,156,181)
Less: Contribution from sinking	<u>(5,745,512)</u>	<u>(3,548,350)</u>
Economic gain (loss)	<u>\$ 35,844,807</u>	<u>\$ (2,557,581)</u>

\*The above calculation assumes for the 2010B bonds a net subsidy with the current sequestration of 6.2%. For the 2011A (LBOR Index) bonds, the calculation assumes the fixed swap rate of 4.945% and a spread of 0.42%.

As a result of the refunding, the City-Parish recognized a deferred loss on refunding of \$3,682,585 on the Series 2019A bonds and \$7,194,417 on the Series 2019B bonds. The 2019A bonds were issued at a premium of \$41,094,695 and the 2019B bonds were issued at a premium of \$17,198,154. As of December 31, 2019, \$307,507 of the deferred amount on refunding and \$579,405 of the premium was amortized, resulting in a net premium of \$47,143,949 in the Comprehensive Sewer System Fund.

**19. 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.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**a. Primary Government (Continued)**

**19. Bonds of Other Governmental Units (Continued)**

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.

**20. 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.

Arbitrage rebate calculations made on December 31, 2019, for the City-Parish show accrued arbitrage rebate liabilities to the U.S. Department of Treasury. The liability for the governmental activities fund bonds is reflected as a non-current liability on the government-wide statement of net assets. There is a fund balance designation for Arbitrage Rebate in the capital project fund for the governmental activities fund bonds. The arbitrage rebate liability on December 31, 2019, is detailed as follows:

Governmental Activities:

Parish of East Baton Rouge:

\$ 10,000,000; Series 2019 (Parish)	\$ 9,531
\$129,950,000; Series 2019 (MOVEBR)	<u>149,683</u>
	\$159,214

**21. 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, 2019, there were five conduit bond obligations outstanding, with an aggregate principal amount payable of approximately \$600,000,000.

**22. 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 2019 totaled \$535,946. As of December 31, 2019, 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:

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance End of Year</u>	<u>Due within one year</u>
<u>District Attorney of the Nineteenth Judicial District</u>					
Total other postemployment benefit liability	\$ 25,508,992	\$ --	\$ 4,325,077	\$ 21,183,915	\$ 517,000
Net pension liability	<u>16,368,127</u>	<u>6,627,252</u>	<u>1,190,659</u>	<u>21,804,720</u>	<u>--</u>
Total	<u>41,877,119</u>	<u>6,627,252</u>	<u>5,515,736</u>	<u>42,988,635</u>	<u>517,000</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

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

**b. Component Units Long-Term Debt (Continued)**

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance End of Year</u>	<u>Due within one year</u>
<u>Nineteenth Judicial District Court</u>					
Compensated absences payable	\$ 545,883	\$ --	\$ 33,613	\$ 512,270	\$ 32,209
Total other postemployment benefit liability	20,591,594	1,278,380	6,442,908	15,427,066	--
Net pension liability	<u>14,354,667</u>	<u>2,075,871</u>	<u>2,375,517</u>	<u>14,055,021</u>	<u>--</u>
Total	<u>35,492,144</u>	<u>3,354,251</u>	<u>8,852,038</u>	<u>29,994,357</u>	<u>32,209</u>
<u>Nineteenth Judicial District Court Building Commission</u>					
Bonds and notes payable	94,545,000	--	1,310,000	93,235,000	1,375,000
Deferred premium on bonds	<u>2,153,070</u>	<u>--</u>	<u>64,917</u>	<u>2,088,153</u>	<u>64,917</u>
Total	<u>96,698,070</u>	<u>--</u>	<u>1,374,917</u>	<u>95,323,153</u>	<u>1,439,917</u>
<u>E.B.R. Parish Family Court</u>					
Compensated absences payable	113,399	74,410	75,749	112,060	10,000
Total other postemployment benefit liability	3,483,156	241,055	1,991,388	1,732,823	--
Net pension liability	<u>2,058,448</u>	<u>1,130,829</u>	<u>205,450</u>	<u>2,983,827</u>	<u>--</u>
Total	<u>5,655,003</u>	<u>1,446,294</u>	<u>2,272,587</u>	<u>4,828,710</u>	<u>10,000</u>
<u>E.B.R. Parish Juvenile Court</u>					
Compensated absences payable	124,183	7,594	--	131,777	--
Total other postemployment benefit liability	4,200,276	751,115	608,084	4,343,307	--
Net pension liability	<u>2,164,884</u>	<u>2,037,642</u>	<u>156,233</u>	<u>4,046,293</u>	<u>--</u>
Total	<u>6,489,343</u>	<u>2,796,351</u>	<u>764,317</u>	<u>8,521,377</u>	<u>--</u>
<u>E.B.R. Parish Clerk of Court</u>					
Compensated absences payable	975,765	69,070	133,304	911,531	--
Total other postemployment benefit liability	36,670,469	5,769,539	--	42,440,008	--
Net pension liability	<u>10,773,736</u>	<u>3,002,110</u>	<u>1,320,506</u>	<u>12,455,340</u>	<u>--</u>
Total	<u>48,419,970</u>	<u>8,840,719</u>	<u>1,453,810</u>	<u>55,806,879</u>	<u>--</u>
<u>E.B.R. Redevelopment Authority (d/b/a Build Baton Rouge)</u>					
Line of Credit	<u>--</u>	<u>295,115</u>	<u>--</u>	<u>295,115</u>	<u>--</u>
<u>Capital Area Transit System</u>					
Compensated absences payable	424,440	326,672	--	751,112	751,112
Obligation under capital leases	3,370,416	--	581,433	2,788,983	595,000
Claims and judgements payable	<u>3,680,023</u>	<u>1,032,323</u>	<u>1,275,355</u>	<u>3,436,991</u>	<u>1,065,376</u>
Total	<u>7,474,879</u>	<u>1,358,995</u>	<u>1,856,788</u>	<u>6,977,086</u>	<u>2,411,488</u>
Total component units long-term debt	<u>\$242,106,528</u>	<u>\$24,718,977</u>	<u>\$22,090,193</u>	<u>\$244,735,312</u>	<u>\$4,410,614</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

**NOTE 11 - Interfund and Intergovernmental Receivables and Payables**

**a. Balances due to/from other funds at December 31, 2019:**

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
General Fund	\$10,206,631	\$ --
Grants Fund	--	1,795,748
Library board of control major fund	--	30,367,560
Capital Projects Fund	37,601,673	--
Nonmajor governmental funds	--	15,444,967
Greater Baton Rouge Airport District	--	200,029
Totals Balance Sheet	<u>\$47,808,304</u>	<u>\$47,808,304</u>

Summary of balances due to/from other funds on the governmental funds balance sheet and the proprietary funds statement of net position:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Governmental funds - Balance Sheet	\$47,808,304	\$47,608,275
Proprietary funds - Statement of Net Position	--	200,029
Totals	<u>\$47,808,304</u>	<u>\$47,808,304</u>

**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>
<b><u>Governmental Activities:</u></b>						
General Fund	\$ --	\$ 355,981	\$60,930	\$ 21,982,001	\$21,011	\$ 22,419,923
Library Board of Control	--	--	--	37,511,530	--	37,511,530
Grants Fund	3,814,453	8,371,650	--	81,973	--	12,268,076
Capital Projects Fund	--	2,110,025	--	--	--	2,110,025
Nonmajor governmental funds	--	255,814	--	41,551,601	--	41,807,415
Adjustment to full accrual basis of accounting	945,162	--	--	--	--	945,162
<b><u>Business-type Activities:</u></b>						
Greater Baton Rouge Airport District	72,162	620,361	--	--	--	692,523
Solid Waste Collection and Disposal	--	--	--	101,711	--	101,711
Nonmajor enterprise funds	--	646,055	--	--	--	646,055
Totals	<u>\$4,831,777</u>	<u>\$12,359,886</u>	<u>\$60,930</u>	<u>\$101,228,816</u>	<u>\$21,011</u>	<u>\$118,502,420</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

**NOTE 12 - Interfund Transfers**

a. **Interfund transfers for the year ended December 31, 2019 were as follows:**

<u>Transfers Out</u>								
	<u>General</u> <u>Fund</u>	<u>Library</u> <u>Board</u> <u>of</u> <u>Control</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Nonmajor</u> <u>Govern-</u> <u>mental</u> <u>Funds</u>	<u>Greater</u> <u>Baton Rouge</u> <u>Airport</u> <u>District</u>	<u>Comprehensive</u> <u>Sewerage</u> <u>System</u> <u>Fund</u>	<u>Solid</u> <u>Waste</u> <u>Collection</u> <u>and Disposal</u>	<u>Total</u>
<b>Transfers In:</b>								
<b><u>Governmental Activities:</u></b>								
General Fund	\$ --	\$ --	\$ --	\$ 90,000	\$ --	\$ --	\$ --	\$ 90,000
Grants Fund	797,850	76	--	318,518	4,807	66,483	198,689	1,386,423
Capital Projects Fund	2,767,881	1,796,430	--	4,794,854	--	--	--	9,359,165
Nonmajor governmental funds	5,118,151	--	--	3,204,980	--	--	--	8,323,131
<b><u>Business-type Activities:</u></b>								
Solid Waste Collection and Disposal	76,477	--	--	--	--	--	--	76,477
Nonmajor enterprise funds	<u>1,792,000</u>	<u>--</u>	<u>928,746</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,720,746</u>
Totals	<u>\$10,552,359</u>	<u>\$1,796,506</u>	<u>\$928,746</u>	<u>\$8,408,352</u>	<u>\$4,807</u>	<u>\$66,483</u>	<u>\$198,689</u>	<u>\$21,955,942</u>

- The capital projects major fund was subsidized \$9,359,165 during 2019 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 \$402,583 in 2019.
- The General Fund subsidized the Baton Rouge River Center (non-major enterprise convention center) \$1,792,000 in 2019.
- The General Fund also transferred \$4,715,568 to non-major governmental funds in 2019 to service debt.
- During 2019, \$1,386,423 was transferred to the Grants Fund, including \$628,495 from the General Fund for local match and operations for grant programs and \$757,928 from various funds for local match on the federal grant for the Hurricane Barry disaster.

b. **The following exchange of funds between the Primary Government and its discretely presented component units during 2019 are classified as external transactions on the Government-wide Statement of Activities:**

	<u>Operating</u> <u>Exchanges</u> <u>(To)/From</u> <u>Primary</u> <u>Government</u>	<u>Operating</u> <u>Exchanges</u> <u>(To)/From</u> <u>Component</u> <u>Units</u>
<b><u>Primary Government:</u></b>		
General Fund (operating subsidies)	\$ --	\$(18,046,179)
<b><u>Nonmajor Special Revenue Fund:</u></b>		
Parish Transportation Fund (to Capital Area Transit-operating subsidy)	--	(550,000)
<b><u>Component Units:</u></b>		
District Attorney of the Nineteenth Judicial District	7,475,961	--
Nineteenth Judicial District Court	7,415,958	--
E.B.R. Parish Family Court	1,129,779	--
E.B.R. Parish Juvenile Court	1,398,885	--
E.B.R. Parish Clerk of Court	625,596	--
Capital Area Transit System	<u>550,000</u>	<u>--</u>
Total	<u>\$18,596,179</u>	<u>\$(18,596,179)</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 14  
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**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>							
<b><u>Receivables:</u></b>							
Property taxes	\$ 6,993,436	\$11,222,492	\$ --	\$ --	\$12,948,578	\$ --	\$31,164,506
Gross receipts business taxes	4,137,880	--	--	--	--	--	4,137,880
Sales taxes	17,869,027	--	--	7,028,280	1,585,249	--	26,482,556
Interest and penalties on taxes	56,229	--	--	--	--	--	56,229
Accounts	2,022,042	--	269,114	220,000	13,600,268	--	16,111,424
Accrued interest	<u>417,495</u>	<u>346,963</u>	<u>30,759</u>	<u>898,586</u>	<u>499,966</u>	<u>63,769</u>	<u>2,257,538</u>
Gross receivables	31,496,109	11,569,455	299,873	8,146,866	28,634,061	63,769	80,210,133
Less: allowance for uncollectibles	<u>(1,217,441)</u>	<u>(556,826)</u>	<u>--</u>	<u>(339,000)</u>	<u>(9,282,552)</u>	<u>--</u>	<u>(11,395,819)</u>
Net receivables-governmental funds	30,278,668	11,012,629	299,873	7,807,866	19,351,509	63,769	68,814,314
Adjustment to full accrual basis	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,886,513</u>	<u>--</u>	<u>1,886,513</u>
Net receivables-governmental funds	<u>\$30,278,668</u>	<u>\$11,012,629</u>	<u>\$299,873</u>	<u>\$7,807,866</u>	<u>\$21,238,022</u>	<u>\$63,769</u>	<u>\$70,700,827</u>

Governmental activities also includes a receivable for Housing and Urban Development (HUD) loans to program recipients in the amount of \$5,194,008 on the Statement of Net Position.

	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	\$ --	\$ 4,207,111	\$ --	\$ 82,275	\$ 4,289,386
Accounts	1,160,932	9,025,337	5,101,769	126,819	15,414,857
Accrued interest	<u>52,102</u>	<u>1,810,157</u>	<u>161,841</u>	<u>52,352</u>	<u>2,076,452</u>
Gross receivables	1,213,034	15,042,605	5,263,610	261,446	21,780,695
Less: allowance for uncollectibles	<u>(16,926)</u>	<u>(685,000)</u>	<u>(246,926)</u>	<u>(20,000)</u>	<u>(968,852)</u>
Net total receivables	<u>\$1,196,108</u>	<u>\$14,357,605</u>	<u>\$5,016,684</u>	<u>\$241,446</u>	<u>\$20,811,843</u>

Summary of other receivables reported on the Statement of Net Position for Business-type activities:

Current assets - receivables	\$20,333,551
Restricted assets - receivables	<u>478,292</u>
Totals	<u>\$20,811,843</u>



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 14  
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**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:

	<u>Governmental Activities</u>	<u>Business Type Activities</u>	<u>Total</u>
Net Position Restricted For:			
Capital projects:			
Federal and state capital grant funds	\$ 6,043,634	\$ --	\$ 6,043,634
Federal forfeited property	338,850	--	338,850
State road funds	12,738,980	--	12,738,980
Bond funds from dedicated road sales taxes	3,314,482	--	3,314,482
Dedicated sales tax for street construction	74,630,859	--	74,630,859
Dedicated property taxes authorized by the electorate for specific special revenue funds	29,207,328	--	29,207,328
Dedicated hotel-motel taxes for Riverfront improvements	502,643	6,942,993	7,445,636
Volunteer fire districts service charges authorized by the electorate	<u>67,269</u>	<u>--</u>	<u>67,269</u>
Total Net Position restricted for capital projects	<u>126,844,045</u>	<u>6,942,993</u>	<u>133,787,038</u>
Debt service:			
2% City sales tax revenue bonds	1,248,594	--	1,248,594
½% Road sales tax revenue bonds	4,329,168	--	4,329,168
LCDA road and street improvement projects	1,402,084	--	1,402,084
MOVEBR	112,500	--	112,500
Sewerage commission debt service	--	17,515,678	17,515,678
Greater Baton Rouge Airport District debt service	<u>--</u>	<u>689,556</u>	<u>689,556</u>
Total Net Position restricted for debt service	<u>7,092,346</u>	<u>18,205,234</u>	<u>25,297,580</u>
Passenger facility charge:			
Greater Baton Rouge Airport District (see note 16)	<u>--</u>	<u>697,799</u>	<u>697,799</u>
External legal constraints:			
Dedicated property taxes authorized by the electorate to specific special revenue funds and purposes	22,833,557	--	22,833,557
Dedicated sales tax for street maintenance and beautification	45,025,478	--	45,025,478
Court fees for juror compensation and judicial buildings	1,507,265	--	1,507,265
State road funds dedicated for transportation	3,346,051	--	3,346,051
Telephone surcharge dedicated to communications district	4,372,322	--	4,372,322
Public, Educational and Governmental programming fees	1,642,884	--	1,642,884
Volunteer fire districts service charges authorized by the electorate	380,923	--	380,923
Federal forfeited property	1,375,749	--	1,375,749
Collateral posted with swap agreement	<u>--</u>	<u>100,000,000</u>	<u>100,000,000</u>
Total Net Position restricted for external legal constraints	<u>80,484,229</u>	<u>100,000,000</u>	<u>180,484,229</u>
Total Restricted Net Position	<u>\$214,420,620</u>	<u>\$125,846,026</u>	<u>\$340,266,646</u>

b. Details of restricted, committed, and assigned fund balances at year-end are as follows:

	<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:						
Nonspendable:						
Inventory	\$ 758,981	\$ --	\$ --	\$ --	\$ --	\$ 758,981

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
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EXHIBIT A - 14  
(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</u> <u>Fund</u>	<u>Library</u> <u>Board of</u> <u>Control</u>	<u>Grants</u>	<u>Capital</u> <u>Projects</u> <u>Fund</u>	<u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u> <u>Governmental</u> <u>Funds</u>
Fund balances (Continued):						
Restricted for:						
Dedicated property taxes:						
Library services and construction	\$ --	\$87,407,043	\$ --	\$ 27,588,380	\$ --	\$114,995,423
Mosquito abatement and rodent	--	--	--	587,225	13,939,360	14,526,585
Downtown development	--	--	--	--	505,916	505,916
Council on aging	--	--	--	--	9,472,644	9,472,644
Mental Health	--	--	--	--	6,260,580	6,260,580
Emergency medical services	--	--	--	848,992	14,091,223	14,940,215
Fire department pay enhancement	--	--	--	--	2,810,920	2,810,920
Volunteer fire districts	--	--	--	182,731	2,142,906	2,325,637
Road lighting	--	--	--	--	3,783,894	3,783,894
Dedicated sales taxes:						
Street improvement/beautification	--	--	--	74,630,859	5,321,506	79,952,365
Street maintenance	--	--	--	--	40,641,837	40,641,837
Dedicated hotel-motel taxes for						
Riverfront	--	--	--	502,643	--	502,643
Bond funds for capital improvements	--	--	--	219,667,368	--	219,667,368
Debt Service	--	--	--	--	11,427,452	11,427,452
Court fees for juror compensation	--	--	--	--	128,417	128,417
Court fees for judicial buildings	--	--	--	--	683,831	683,831
Court fees for sobriety court	--	--	--	--	149,416	149,416
Court fees for technology	--	--	--	--	527,951	527,951
Court fees for witness fees	--	--	--	--	17,650	17,650
State Road funds for transportation	--	--	--	12,738,980	3,346,051	16,085,031
Telephone surcharges for public safety	--	--	--	4,372,322	7,442,393	11,814,715
Public, educational and governmental programs	1,636,884	--	--	6,000	--	1,642,884
Volunteer fire districts service charges	--	--	--	67,269	599,278	666,547
Federal and state grant programs	--	--	4,674,173	6,043,634	--	10,717,807
Federal forfeited property	--	--	--	338,850	1,431,207	1,770,057
Total Restricted	<u>1,636,884</u>	<u>87,407,043</u>	<u>4,674,173</u>	<u>347,575,253</u>	<u>124,724,432</u>	<u>566,017,785</u>
Committed to:						
Loans receivable	200,029	--	--	--	--	200,029
Self-insurance purposes	48,864,146	--	--	--	--	48,864,146
Budget stabilization	15,892,620	--	--	--	--	15,892,620
General capital improvements	--	--	--	26,686,404	--	26,686,404
City constable court costs	--	--	--	--	114,274	114,274
Gaming enforcement	--	--	--	--	108,954	108,954
Emergency medical services	--	--	--	--	23,700,348	23,700,348
Total Committed	<u>64,956,795</u>	<u>--</u>	<u>--</u>	<u>26,686,404</u>	<u>23,923,576</u>	<u>115,566,775</u>

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EXHIBIT A - 14  
(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):						
Assigned to:						
Next year's adopted budget	\$ 2,576,100	\$ --	\$ --	\$ --	\$ --	\$ 2,576,100
Approved continuing projects	12,886,906	--	--	--	--	12,886,906
Police equipment	1,085,497	--	--	--	--	1,085,497
Community centers	397,325	--	--	--	--	397,325
Sales tax refunds	2,554,912	--	--	--	--	2,554,912
Animal control	295,789	--	--	--	--	295,789
Other purposes	<u>1,145,465</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,145,465</u>
Total Assigned	<u>20,941,994</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>20,941,994</u>
Unassigned	<u>8,163,990</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>8,163,990</u>
Total fund balances	<u>\$96,458,644</u>	<u>\$87,407,043</u>	<u>\$4,674,173</u>	<u>\$374,261,657</u>	<u>\$148,648,008</u>	<u>\$711,449,525</u>

c. Governmental Fund existing resources will be used to satisfy encumbrances. The following encumbered amounts are already included in the above restricted, committed, or assigned fund balance classifications at December 31, 2019:

General fund	\$ 1,145,465
Library board of control	1,501,269
Grants fund	32,350,518
Nonmajor governmental funds	21,470,057
Capital projects fund	<u>44,203,574</u>
Total governmental fund encumbrances	<u>\$100,670,883</u>

**NOTE 15 - Restricted Assets**

The balances of the restricted asset accounts in the enterprise funds are as follows:

	<u>Greater Baton Rouge Airport District</u>	<u>Comprehensive Sewerage System</u>	<u>Other Enterprise Total</u>	<u>Total</u>
Revenue bonds construction accounts	\$ 124,577	\$ 20,822,059	\$ --	\$ 20,946,636
Collateral posted with swap agreement	--	100,000,000	--	100,000,000
Hotel-motel tax construction accounts	--	--	6,579,889	6,579,889
Passenger Facility Charges (PFC) account	511,456	--	--	511,456
Revenue bonds debt service accounts	1,598,814	72,192,269	--	73,791,083
Accounts receivable - PFC	257,682	--	--	257,682
Accrued interest receivable - sales tax revenue bonds	548	104,350	--	104,898
Accrued interest receivable - hotel-motel tax	<u>--</u>	<u>--</u>	<u>33,437</u>	<u>33,437</u>
Total restricted assets	<u>\$2,493,077</u>	<u>\$193,118,678</u>	<u>\$6,613,326</u>	<u>\$202,225,081</u>

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**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, 2019, 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 12/31/2019</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	22,926,125	
5 Airport access road	4.50	3,089,499	1,750,056	
5 Acquire A/C loading bridges	4.50	2,324,075	1,001,061	
6 Runway 4L/22R extension project	4.50	11,815,660	4,750,960	
6 Professional Fees-administration of PFC	4.50	434,000	--	
6 General Aviation Apron Facility Expansion	4.50	598,529	316,569	
7 Terminal Atrium Expansion	4.50	20,298,565	5,561,829	
7 Acquisition of Property for Development	4.50	2,802,951	753,578	
7 Taxiway Fillet Construction	4.50	1,429,025	383,372	
7 Ticket Lobby Expansion	4.50	<u>1,097,133</u>	<u>504,823</u>	
Total Approved Applications		<u>\$81,359,236</u>	<u>\$40,554,396</u>	

Since the inception of the PFC, the Airport has recorded the following revenues and expenses through the 2019 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 - 2019), net of administrative fee	\$ 38,495,176	\$ 38,237,495
Interest earnings	1,457,322	1,457,322
Claim settlement	<u>1,371,035</u>	<u>1,371,035</u>
Total revenues	<u>41,323,533</u>	<u>41,065,852</u>
Cumulative disbursements for PFC projects (1992 - 2019)	(9,791,890)	(9,732,386)
Cumulative bond principal payments	(16,296,867)	(16,296,867)
Cumulative bond interest payments	<u>(14,536,977)</u>	<u>(14,525,143)</u>
Total disbursements	<u>(40,625,734)</u>	<u>(40,554,396)</u>
Net PFC cash, December 31, 2019		<u>\$ 511,456</u>
Net Position restricted for PFC, December 31, 2019	<u>\$ 697,799</u>	

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**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 \$37,415,695. Total estimated capacity is 28,420,000 cubic yards and the projected life is 49 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, 2019, totals \$15,144,418. The liability is based on the landfill capacity used to date of 11,503,310 cubic yards or 40.48% 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 \$22,271,277 will be recognized as the remaining estimated capacity is filled. The estimated remaining useful life of the landfill as of December 31, 2019, is 23 years.

**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 2019:

District 1	Trae Welch	\$21,600
District 2	Chauna Banks	21,600
District 3	Chandler Loupe	21,600
District 4	Scott Wilson	
	Council	21,600
	Mayor ProTem	18,000
District 5	Erika Green	21,600
District 6	Donna Collins-Lewis	21,600
District 7	LaMont Cole	21,600

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**NOTE 18 - State Required Disclosures (Continued)**

**a. Council Members Compensation (Continued)**

District 8	Denise Amoroso	21,600
District 9	Dwight Hudson	21,600
District 10	Tara Wicker	21,600
District 11	Matt Watson	21,600
District 12	Barbara Freiberg	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. In 2010, Act 531 of the 2009 Louisiana Legislative Session authorized the addition of a 2% service charge to prepaid wireless telecommunication services which is distributed among the communication districts in the state by the Louisiana Department of Revenue after collection of an administrative cost.

Since the enactment of the fee, the Communications District Special Revenue Fund has collected \$56.4 million in wireless fees. Approximately \$8.3 million 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-9.

**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 2019.

	<u>Total Collections</u>	<u>Collection Cost</u>	<u>Final Distribution</u>
City of Baker	\$ 4,121,751	\$ 39,032	\$ 4,082,719
Baker School	3,204,169	30,674	3,173,495
Baker Hotel District	42,282	436	41,846
City of Zachary	8,372,460	81,598	8,290,862
Zachary School District	9,282,170	93,263	9,188,907
Zachary Hotel	205,466	2,116	203,350
City of Central	5,603,698	57,425	5,546,273
Central School District	7,320,941	71,986	7,248,955
EBRP School District	169,086,163	1,641,625	167,444,538
Street Improvements Tax for other municipalities	6,712,610	53,732	6,658,878
Visit Baton Rouge	5,696,641	6,000	5,690,641
North Baton Rouge Economic Development District	<u>207,769</u>	<u>6,000</u>	<u>201,769</u>
Total	<u>\$219,856,120</u>	<u>\$2,083,887</u>	<u>\$217,772,233</u>

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**NOTE 19 - Tax Abatement**

**a. Restoration Tax Abatement Program:**

The City of Baton Rouge – Parish of East Baton Rouge Metro-Council enters into ad valorem property tax abatement agreements on an individual basis as referred by the Louisiana Economic Development Restoration Tax Abatement Program. The abatements are permissible in accordance with the Louisiana Administrative Code, Title 13, Part I, Chapter 9:

***General***

*A. Intent of Law. To encourage the expansion, restoration, improvement, and development of existing commercial structures and owner-occupied residences in downtown, historic, and economic development districts. To provide for the development and improvement of local communities, encourage the fullest use of underutilized resources, and enhancement of the tax base.*

*B. Program Description. The Restoration Tax Abatement Program provides to commercial property owners and homeowners who expand, restore, improve or develop an existing structure in a downtown development district, economic development district or historic district (the "project"), the right for five years after completion of the work, to pay ad valorem taxes based on the assessed valuation of the property for the year prior to the commencement of the project. The application is subject to approval by the local governing authority, the state Board of Commerce and Industry, and the governor. Assessment of the improvements, made by the project to the property, is deferred for five years by a contract entered into with the Board of Commerce and Industry. The contract may be eligible for renewal, subject to the same conditions, for an additional five years. The tax abatement is now available if property taxes have been paid on the improvements made by the project. If the property is sold, the contract may be transferred, subject to local government and board approval.*

For the fiscal year ended December 31, 2019, ad valorem property taxes otherwise due to the City-Parish and its components totaling \$396,582 were abated.

More information is available at: <https://www.opportunitylouisiana.com/business-incentives/restoration-tax-abatement>

**b. Tax Increment Financing Tax Abatements:**

The City of Baton Rouge – Parish of East Baton Rouge Metro-Council considers tax abatement agreements on an individual basis. These abatements are permissible in accordance with Louisiana Revised Statutes Chapter 27 of Title 33. These abatements are provided through the use of Tax Increment Financing (TIF) whereby separate legal entities (districts) are formed for the purpose of governing the use of incremental tax revenue generated within the district. Tax abatements under this program currently include Sales and/or Occupancy tax where a portion of taxes collected by the district are rebated to the district. The goal of the TIF Tax Abatement program is to develop abandoned and/or underperforming properties for long term economic development.

For the fiscal year ended December 31, 2019, there were seven active TIF programs for a total of \$955,650.

**c. Industrial Tax Exemption Program**

*The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. With local approval, the program provides up to a 100% property tax abatement for an initial term of up to five years and the option to renew for up to three additional years at up to 80% property tax abatement on a manufacturer's qualifying capital investment related to the manufacturing process.*

*Businesses must be classified as a manufacturer or related to the manufacturing project in order to receive the benefits of the ITEP program. ITEP is only available for activities related to manufacturers.*

This program is administered by Louisiana Economic Development. More information on this program can be found in the Louisiana Administrative Code Title 13, Part I, Chapter 5.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

**NOTE 19 - Tax Abatement (Continued)**

**c. Industrial Tax Exemption Program (Continued)**

For the fiscal year ended December 31, 2019, approximately \$10,015,851 in Ad Valorem Property Taxes, depreciated proportionally on an assumed 20 year basis were abated as a result of this program.

More information is available at: <https://www.opportunitylouisiana.com/business-incentives/industrial-tax-exemption>

**NOTE 20 - Implementation of New Accounting Standard**

The City-Parish adopted Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* for the fiscal year 2019 reporting. Statement No. 95 provides temporary relief to governments and other stakeholders in light of COVID-19 pandemic. This Statement extends the effective dates of certain accounting and financing reporting provisions in Statements and Implementation Guides that were first effective for reporting periods beginning after June 15, 2018, and later.

Due to Governmental Accounting standards Board (GASB) Statement No. 95, the following statements were not required to be implemented by the City-Parish during the current fiscal year.

- a. GASB Statement No. 83, *Certain Asset Retirement Obligations*, establishes guidance for governments to recognize and measure legally enforceable liabilities associated with the retirement of certain tangible capital assets and determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to asset retirement obligations.
- b. GASB Statement No. 84, *Fiduciary Activities*, establishes improved guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and establishes criteria for identifying fiduciary activities of all state and local governments.
- c. GASB Statement No. 88, *Certain Disclosures related to Debt, including Direct Borrowings and Direct Placements*, establishes improved information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.
- d. GASB Statement No. 90, *Majority equity interests - An Amendment of GASB Statements No. 14 and No. 61*, the primary objective of this statement is to improve the consistency of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units.

**NOTE 21 - Subsequent Events**

- a. The world-wide pandemic associated with COVID-19, a respiratory illness caused by a novel strain of the coronavirus ("COVID-19"), has spread across the state of Louisiana, including East Baton Rouge Parish. As with many areas in the United States and the world, COVID-19 has had an impact on the operations of the Parish and on certain businesses within the Parish. The continued spread of COVID-19 and the stay-at-home and social distancing orders of Federal, State and Local government authorities will have a negative impact on the economy as a whole and on the revenues of the City-Parish. With respect to the 2020 fiscal year, actual sales tax collections for the first quarter of 2020 when compared to the first quarter of 2019 declined approximately 4.5% or \$2.8 million. Working with local economists, the City-Parish Finance Department anticipates a General Fund revenue shortfall of approximately \$23 million for 2020. Although this estimate is based on the current situation, the full extent of the financial impact is unknown given the evolving nature of the spread of COVID-19 and the responses of governments, businesses and individuals. Through the combination of strong financial policies on maintaining reserves at prudent levels, applying for Federal and State reimbursements for COVID-19 expenses, instituting a hiring freeze, and reductions in operational costs due to efficiencies the City-Parish expects to maintain a balanced budget for 2020.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2019**

EXHIBIT A - 14  
(Continued)

**NOTE 21 - Subsequent Events (Continued)**

a. (Continued)

Revenues for the Baton Rouge Metropolitan Airport are expected to be approximately \$2.4 million less than anticipated during the preparation of the 2020 Budget. Contracts have been reduced to bring expenditures in line with the revised revenue estimates. The Baton Rouge Metropolitan Airport also received CARES Act funding of \$8.4 million that will be utilized to pay for debt on capital improvements.

Uncertainties also exist with regard to the investment and capital markets that could impact the net position of the MPERS, LASERS, CPERS and PGT trusts, which in turn could impact the City-Parish's net pension liabilities for those plans.

b. On March 2, 2018, a petition was filed with the Louisiana Secretary of State for the incorporation of the City of St. George within the Parish of East Baton Rouge, Louisiana in accordance with LA. Revised Statutes, Title 33, Section1, et.seq. The Parish's Registrar of Voters certified in February, 2019, that proponents had gathered enough petition signatures to bring the issue to a vote. An election was held on the incorporation for voters registered within the geographical boundaries of the proposed city on October 12, 2019, and the proposition was successful. In June of 2020, the Governor of Louisiana signed into law Act 361 creating a St. George transition district.

In September of 2018, an independent contractor prepared an analysis of the potential financial impact on the City-Parish's General Fund that reflects the estimated reduction in revenues to be approximately \$48.3 million annually if such cessation from the consolidated City-Parish government were to occur, and although adjustments may be needed due to the COVID-19 pandemic, significant revenue reductions are expected. Reductions in expenses will also occur from not providing certain services to that area; however, other liabilities to consider include legacy costs from retirement and other post-employment benefits.

Act 361 specifies that the city will not exist and therefore revenue will not accrue to the new city until incorporation occurs and is formally accepted by the State. Additionally, several legal challenges to the election and City's creation are being pursued and therefore, no impact to the 2020 operations is expected. Impacts to 2021 operations will be assessed in the upcoming budgeting process.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 15

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 28,174,970	\$ 28,174,970	\$ 29,194,019	\$ 1,019,049
Gross receipts business taxes	23,441,840	23,441,840	22,489,820	(952,020)
General sales and use taxes	191,891,640	191,891,640	191,859,129	(32,511)
Occupancy taxes	1,393,400	1,393,400	1,432,585	39,185
Occupational taxes	11,213,790	11,213,790	10,963,861	(249,929)
Insurance premiums taxes	4,381,000	4,381,000	4,291,411	(89,589)
Gaming admissions taxes	9,595,000	9,595,000	8,383,824	(1,211,176)
Interest and penalties - delinquent taxes	1,557,000	1,557,000	1,458,831	(98,169)
Total taxes	271,648,640	271,648,640	270,073,480	(1,575,160)
Licenses and permits:				
Use of streets:				
Public conveyances	80,000	80,000	231,340	151,340
Occupational and professional:				
Air conditioning and heating	38,000	38,000	39,520	1,520
Electrical contractors	50,000	50,000	54,803	4,803
Plumbers	40,000	40,000	40,660	660
House moving	500	500	175	(325)
Garbage collectors	43,800	43,800	38,800	(5,000)
Classified employees	150,000	150,000	166,595	16,595
Retail clerks	118,000	118,000	101,565	(16,435)
Entertainers	6,000	6,000	3,900	(2,100)
Liquor and beer	600,400	600,400	611,681	11,281
Restaurant	35,900	35,900	37,222	1,322
Gaming	5,000	5,000	3,980	(1,020)
Chauffeurs	2,250	2,250	2,855	605
Second hand dealers	500	500	105	(395)
Construction permits:				
Air conditioning and heating	275,000	275,000	219,195	(55,805)
Electrical	425,000	425,000	338,510	(86,490)
Building	1,850,000	1,850,000	1,792,205	(57,795)
Plumbing and gas	402,000	402,000	341,985	(60,015)
House moving	1,500	1,500	--	(1,500)
Fence	1,000	1,000	1,050	50
Special events	38,000	38,000	42,985	4,985
Hotel/Motel permits	--	--	78,357	78,357
Alarm user	35,000	35,000	31,650	(3,350)
Animal control and rescue center licenses	668,380	658,380	673,929	15,549
Other permits	50,800	50,800	88,485	37,685
Total licenses and permits	4,917,030	4,907,030	4,941,552	34,522
Intergovernmental revenues:				
State grants:				
Public safety:				
Traffic signal maintenance	585,600	585,600	585,600	--
Department of Military Affairs	78,000	78,000	94,418	16,418

The notes to required supplementary information are an integral part of this schedule.

Continued

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 15  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES (continued)</b>				
Intergovernmental revenues (continued):				
State grants (continued):				
Public safety (continued):				
Juvenile meal reimbursement	\$ 55,000	\$ 55,000	\$ 47,958	\$ (7,042)
Louisiana Department of Public Safety	--	152,850	152,850	--
Transportation:				
Street maintenance	505,110	505,110	505,110	--
Culture and recreation:				
Hotel/motel sales tax	1,421,560	1,421,560	1,423,525	1,965
State shared revenues:				
Beer taxes	410,000	410,000	343,958	(66,042)
Insurance company taxes	904,000	904,000	898,228	(5,772)
Louisiana revenue sharing	1,069,700	1,069,700	1,062,895	(6,805)
Mineral royalties	20,000	20,000	9,004	(10,996)
Severance taxes	438,000	438,000	398,761	(39,239)
On-behalf payments for salaries and benefits	9,238,090	8,567,702	8,560,740	(6,962)
Retiree drug subsidy	--	--	924,681	924,681
Total intergovernmental revenues	<u>14,725,060</u>	<u>14,207,522</u>	<u>15,007,728</u>	<u>800,206</u>
Charges for services:				
General government:				
City court civil fees	1,145,000	1,145,000	1,903,890	758,890
Judiciary court costs	500,000	500,000	335,889	(164,111)
City court school fees	123,800	123,800	102,103	(21,697)
City court bench warrant fees	700,000	700,000	529,864	(170,136)
City court miscellaneous fees	438,500	438,500	163,069	(275,431)
City court expungement	30,000	30,000	14,830	(15,170)
City court home incarceration monitoring	1,450	1,450	320	(1,130)
City court mortgage recordation fees	13,000	13,000	9,250	(3,750)
City court pre-trial administrative fee	50,000	50,000	52,155	2,155
City court electronic disposition extracting fee	80,000	80,000	108,000	28,000
City court public tag agent service fee	23,900	23,900	16,630	(7,270)
City constable civil fees	900,000	900,000	807,227	(92,773)
City prosecutor bond posting fee	17,000	17,000	20,443	3,443
Central services support	8,639,910	8,639,910	8,805,274	165,364
Central services support - inventory	32,800	32,800	(11,412)	(44,212)
Central services support - auction facility	80,000	80,000	71,143	(8,857)
Sales tax collection charges	2,700,000	2,700,000	3,153,983	453,983
Occupancy tax collection charges	40,000	40,000	53,500	13,500
NSF check fees	1,000	1,000	438	(562)
Online permitting technology fees	50,000	50,000	53,725	3,725
Bench advertising	35,000	35,000	35,905	905
Board of adjustment fees	6,000	6,000	5,350	(650)
Sale of construction codes and plans	6,000	6,000	2,704	(3,296)
Adult DWI pretrial fees	70,000	70,000	58,225	(11,775)
Pre-trial diversion fees	475,000	475,000	318,882	(156,118)

The notes to required supplementary information are an integral part of this schedule.

Continued

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 15  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES (continued)</b>				
Charges for services (continued):				
General government (continued):				
Notice of intent	\$ 60,000	\$ 60,000	\$ 64,656	\$ 4,656
Adjudicated property	60,000	60,000	51,371	(8,629)
Zoning fees	110,000	110,000	109,950	(50)
Planning assistance	101,000	101,000	157,225	56,225
Planning advertising fees	30,000	30,000	43,025	13,025
Miscellaneous	14,600	84,600	117,936	33,336
Public safety:				
Subdivision inspection, testing and plan review	31,000	31,000	119,680	88,680
Flood determination fees	22,000	22,000	22,995	995
Commercial and residential plan review	535,000	535,000	361,036	(173,964)
Sale of reports and photos	275,000	275,000	274,757	(243)
Sobriety test	40,000	40,000	20,483	(19,517)
False alarm fees	250,000	250,000	177,290	(72,710)
Reimbursements for overtime	400,000	440,000	990,142	550,142
Traffic safety fees	3,500,000	3,500,000	3,062,899	(437,101)
Code enforcement fees	30,000	30,000	75,735	45,735
Weed cutting charges	20,000	20,000	9,849	(10,151)
Prison medical charges	55,000	55,000	16,758	(38,242)
Coroners fees	615,550	728,550	707,178	(21,372)
Miscellaneous	45,000	45,000	28,340	(16,660)
Transportation:				
Parking meters	250,000	250,000	87,848	(162,152)
Health and welfare:				
Animal control center enforcement income	45,000	45,000	43,779	(1,221)
Animal control credit card payment fees	5,000	--	--	--
Culture and recreation:				
Riverfront docking fees	--	10,350	12,150	1,800
Conservation and development:				
Rent/utilities/donations:				
Leo S. Butler Community Center	16,500	16,500	25,651	9,151
Jewel J. Newman Community Center	29,350	29,350	52,456	23,106
Dr. Martin Luther King, Jr. Community Center	22,400	22,400	23,457	1,057
Chaneyville Community Center	--	--	775	775
Charles R. Kelly Community Center	18,360	18,360	42,935	24,575
Total charges for services	<u>22,739,120</u>	<u>22,967,470</u>	<u>23,311,743</u>	<u>344,273</u>
Fines and forfeits:				
City court criminal fines and forfeitures	150,000	150,000	68,198	(81,802)
City court forfeitures	100,000	100,000	43,070	(56,930)
City court traffic fines	900,000	900,000	704,775	(195,225)
Alcoholic Beverage Control Board fines	58,000	58,000	153,707	95,707
Total fines and forfeits	<u>1,208,000</u>	<u>1,208,000</u>	<u>969,750</u>	<u>(238,250)</u>
Investment earnings	<u>140,500</u>	<u>140,500</u>	<u>1,908,977</u>	<u>1,768,477</u>

The notes to required supplementary information are an integral part of this schedule.

Continued

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 15  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES (continued)</b>				
Miscellaneous revenues:				
Rentals	\$ 188,170	\$ 188,170	\$ 68,237	\$ (119,933)
Oil, gas and mineral royalties	115,000	115,000	33,348	(81,652)
Airport note	439,920	439,920	439,917	(3)
Lighthouse for the Blind note	--	--	18,565	18,565
Subrogation recovery and restitution	3,000	255,783	276,211	20,428
Condemnations	90,000	90,000	151,162	61,162
Juvenile detention meals	4,000	4,000	2,401	(1,599)
Confiscated funds - police	120,000	120,000	207,390	87,390
Police - miscellaneous revenues	25,000	25,000	65,080	40,080
LCLE-CVR reimbursement	75,000	122,000	129,750	7,750
Juvenile detention reimbursement	100,000	100,000	102,096	2,096
Donations and contributions	20,000	20,000	750	(19,250)
Animal control and rescue center contributions	244,040	244,040	238,198	(5,842)
Other	10,000	51,718	188,678	136,960
Total miscellaneous revenues	<u>1,434,130</u>	<u>1,775,631</u>	<u>1,921,783</u>	<u>146,152</u>
Total revenues	<u>316,812,480</u>	<u>316,854,793</u>	<u>318,135,013</u>	<u>1,280,220</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Metropolitan council	1,601,284	1,603,284	1,304,013	299,271
Council administrator	2,214,917	2,214,917	1,701,919	512,998
Council budget office	193,818	193,818	154,441	39,377
Parish attorney	7,636,482	7,596,630	6,703,048	893,582
Public information office	671,444	655,975	547,022	108,953
Planning commission	1,595,172	1,545,172	1,431,657	113,515
City court - administration	12,769,843	10,613,155	8,974,477	1,638,678
City constable	3,211,142	3,198,846	3,083,941	114,905
Justice of peace and ward constables	66,510	65,854	65,492	362
Sheriff - costs of court	158,000	158,000	120,189	37,811
Registrar of voters	871,243	529,566	391,343	138,223
Mayor - President	2,551,444	2,555,814	2,467,503	88,311
Finance	10,717,721	10,697,536	9,741,377	956,159
Collection of funds	3,755,740	3,798,250	3,301,214	497,036
Information services	7,907,338	7,933,993	6,680,519	1,253,474
Purchasing	1,232,926	1,237,426	1,205,497	31,929
Human resources	3,344,239	3,337,577	3,103,903	233,674
Risk management	5,792,345	6,229,682	2,521,372	3,708,310
Municipal fire and police civil service board	79,600	79,600	79,253	347
Public works - business operations and capital program	3,106,723	3,106,723	2,604,495	502,228
Public works - department of buildings and grounds	12,858,093	12,942,269	12,058,687	883,582
EBR parish office of public defender	--	245,000	245,000	--
Municipal associations	143,290	143,290	138,990	4,300
Total general government	<u>82,479,314</u>	<u>80,682,377</u>	<u>68,625,352</u>	<u>12,057,025</u>

The notes to required supplementary information are an integral part of this schedule.

Continued

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 15  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES (continued)</b>				
Current (continued):				
Public safety:				
Fire protection districts	\$ 143,000	\$ 143,030	\$ 143,025	\$ 5
Sheriff - correctional institution	9,064,895	8,901,722	7,592,167	1,309,555
E.B.R. Parish Coroner	3,067,336	3,284,546	3,257,150	27,396
Police	94,557,751	95,009,944	92,956,024	2,053,920
Fire	51,589,911	52,055,051	51,904,048	151,003
Emergency medical services	5,918,883	5,918,883	5,687,348	231,535
Juvenile services	5,916,289	5,805,128	5,421,880	383,248
Emergency preparedness	892,058	840,677	790,009	50,668
Public works - department of development	9,482,407	9,557,797	7,450,533	2,107,264
Capital Region Planning Commission	56,260	59,120	59,116	4
Crimestoppers	14,000	14,000	14,000	--
Total public safety	180,702,790	181,589,898	175,275,300	6,314,598
Transportation:				
Public works - department of transportation and drainage	16,024,282	15,853,532	13,064,798	2,788,734
Public works - department of maintenance	22,938,408	22,865,328	20,957,354	1,907,974
Street maintenance	239,220	239,220	239,220	--
Total transportation	39,201,910	38,958,080	34,261,372	4,696,708
Health and welfare:				
The Butterfly Society	25,000	25,000	25,000	--
Health unit	477,220	477,220	469,039	8,181
Crisis Care Center	253,270	253,540	253,536	4
Baton Rouge Area Alcohol and Drug Center	846	846	--	846
Animal control and rescue center	2,791,622	2,856,622	2,762,576	94,046
O'Brien House	17,100	17,100	17,100	--
Bridge Center for Hope	260,000	260,000	260,000	--
Total health and welfare	3,825,058	3,890,328	3,787,251	103,077
Culture and recreation:				
Louisiana Arts and Science Museum	843,100	843,190	843,187	3
Arts Council of Greater Baton Rouge	349,260	349,290	349,288	2
Baton Rouge Symphony League	95,000	95,000	95,000	--
U.S.S. Kidd	229,570	229,590	229,588	2
Total culture and recreation	1,516,930	1,517,070	1,517,063	7
Conservation and development:				
Economic development program	1,419,780	1,421,000	824,060	596,940
Baton Rouge Film Commission	178,448	178,448	177,945	503
Office of Neighborhood Revitalization	240,136	211,382	201,216	10,166
Community centers	1,597,875	1,597,875	1,409,028	188,847
ASA-lease agreement	34,480	34,480	34,480	--
Human Development and Services	786,248	786,248	618,916	167,332
Baton Rouge Area Chamber	350,000	350,000	350,000	--

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 15  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES (continued)</b>				
Current (continued):				
Conservation and development (continued):				
Truancy Assessment and Service Center	\$ 100,000	\$ 100,000	\$ 100,000	\$ --
Score Chapter 141 - Baton Rouge	19,000	19,000	19,000	--
Earth Day	21,850	21,850	21,850	--
East Baton Rouge Redevelopment Authority	500,000	500,000	500,000	--
Metromorphosis	25,000	25,000	25,000	--
My Brother's Keeper	14,557	14,557	--	14,557
Cooperative Extension Service	61,400	61,400	52,440	8,960
Veterans Service Office	48,900	48,900	48,900	--
Big Buddy Program	256,550	256,550	256,550	--
Greater Baton Rouge Food Bank	23,000	23,000	23,000	--
CAFC/Children's Coalition	25,000	25,000	25,000	--
Downtown Merchants Association	38,000	38,000	38,000	--
City Year Louisiana	25,000	25,000	25,000	--
Total conservation and development	<u>5,765,224</u>	<u>5,737,690</u>	<u>4,750,385</u>	<u>987,305</u>
Intergovernmental expenditures:				
Equivalent three mills on industrial area assessment	279,730	322,092	322,092	--
District Attorney of the Nineteenth Judicial District	7,046,003	7,498,003	7,475,961	22,042
Nineteenth Judicial District Court	7,508,818	7,486,378	7,417,350	69,028
E.B.R. Parish Family Court	1,106,069	1,130,079	1,129,779	300
E.B.R. Parish Juvenile Court	1,394,566	1,398,981	1,398,981	--
E.B.R. Parish Clerk of Court	487,000	626,000	625,596	404
Total intergovernmental expenditures	<u>17,822,186</u>	<u>18,461,533</u>	<u>18,369,759</u>	<u>91,774</u>
Total expenditures	<u>331,313,412</u>	<u>330,836,976</u>	<u>306,586,482</u>	<u>24,250,494</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,500,932)</u>	<u>(13,982,183)</u>	<u>11,548,531</u>	<u>25,530,714</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
Emergency Medical Services Fund	<u>90,000</u>	<u>90,000</u>	<u>90,000</u>	<u>--</u>
Transfers out:				
Grants Fund	(530,550)	(811,845)	(797,850)	13,995
Capital Projects Fund	(826,040)	(2,767,881)	(2,767,881)	--
Downtown Development District	(142,500)	(145,613)	(145,613)	--
City Constable Court Costs Fund	(116,350)	(116,350)	(116,350)	--
Brownsfield Fire Protection District	(16,250)	(16,250)	(16,250)	--
Chaneyville Fire Protection District	(35,860)	(35,860)	(35,860)	--
Pride Fire Protection District	(64,000)	(64,000)	(64,000)	--
Alsen-St. Irma Lee Fire Protection District	(24,510)	(24,510)	(24,510)	--
Taxable Refunding Bonds Fund	(4,715,570)	(4,715,570)	(4,715,568)	2
Solid Waste Collection and Disposal Fund	(85,000)	(85,000)	(76,477)	8,523
Baton Rouge River Center	(1,792,000)	(1,792,000)	(1,792,000)	--
Total transfers out	<u>(8,348,630)</u>	<u>(10,574,879)</u>	<u>(10,552,359)</u>	<u>22,520</u>

The notes to required supplementary information are an integral part of this schedule.

Continued



**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 15  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>OTHER FINANCING SOURCES (USES) (continued)</b>				
Proceeds of capital asset disposition	\$ 405,000	\$ 405,000	\$ 246,688	\$ (158,312)
Total other financing sources and uses	(7,853,630)	(10,079,879)	(10,215,671)	(135,792)
Net change in fund balances	(22,354,562)	(24,062,062)	1,332,860	25,394,922
Fund balances, January 1	93,980,319	93,980,319	93,980,319	--
Fund balances, December 31	<u>\$ 71,625,757</u>	<u>\$ 69,918,257</u>	<u>\$ 95,313,179</u>	<u>\$ 25,394,922</u>

The notes to required supplementary information are an integral part of this schedule.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**LIBRARY BOARD OF CONTROL SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 16

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 46,790,380	\$ 46,790,380	\$ 50,074,760	\$ 3,284,380
Charges for services:				
Library - copy machine	75,000	75,000	48,188	(26,812)
Fines and forfeits:				
Fines	170,000	170,000	141,651	(28,349)
Investment earnings	100,000	100,000	1,988,722	1,888,722
Miscellaneous revenues:				
Donations	500	500	--	(500)
Other income	10,000	10,000	31,238	21,238
Total miscellaneous revenues	10,500	10,500	31,238	20,738
Total revenues	47,145,880	47,145,880	52,284,559	5,138,679
<b>EXPENDITURES</b>				
Current:				
Culture and recreation:				
Operations	47,589,197	47,027,097	39,496,315	7,530,782
Capital outlay	2,232,451	2,710,451	940,495	1,769,956
Total expenditures	49,821,648	49,737,548	40,436,810	9,300,738
Excess (deficiency) of revenues over (under) expenditures	(2,675,768)	(2,591,668)	11,847,749	14,439,417
<b>OTHER FINANCING USES</b>				
Transfers out:				
Grants Fund	--	(76)	(76)	--
Capital Projects Fund	(1,712,330)	(1,796,430)	(1,796,430)	--
Total other financing uses	(1,712,330)	(1,796,506)	(1,796,506)	--
Net change in fund balances	(4,388,098)	(4,388,174)	10,051,243	14,439,417
Fund balances, January 1	75,854,531	75,854,531	75,854,531	--
Fund balances, December 31	\$ 71,466,433	\$ 71,466,357	\$ 85,905,774	\$ 14,439,417

The notes to required supplementary information are an integral part of this schedule.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GRANTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 17

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental revenues:				
Federal grants:				
Department of Justice	\$ 3,193,799	\$ 3,122,135	\$ 273,497	\$ (2,848,638)
Department of Health and Human Services	20,238,464	19,337,665	15,703,902	(3,633,763)
Department of Housing and Urban Development	36,946,746	36,256,061	10,131,377	(26,124,684)
Environmental Protection Agency	76,815	76,815	56,967	(19,848)
Department of Education	206,637	206,637	197,559	(9,078)
Corporation for National and Community Service	30,000	30,000	20,000	(10,000)
State grants:				
Department of Health and Hospitals	16,358	16,358	9,160	(7,198)
Department of Transportation and Development	198,145	198,145	198,145	--
Highway Safety Commission	1,713,954	1,658,258	815,972	(842,286)
Commission on Law Enforcement	605,313	575,058	437,806	(137,252)
Governor's Office of Homeland Security and Emergency Preparedness	36,267,153	38,628,467	3,666,255	(34,962,212)
Department of Public Safety and Corrections	(90,083)	98,927	185,729	86,802
Louisiana Department of Agriculture	5,820	5,820	4,569	(1,251)
Louisiana State Supreme Court	246,697	224,929	118,195	(106,734)
Louisiana Housing Corporation	452,577	637,256	398,445	(238,811)
Louisiana Recovery Authority	8,509,508	8,509,508	2,675,892	(5,833,616)
Department of Culture, Recreation and Tourism	17,500	17,500	--	(17,500)
Louisiana Workforce Commission	11,051,324	10,783,176	4,489,423	(6,293,753)
Louisiana Department of Education	2,837,253	2,657,955	1,187,459	(1,470,496)
Louisiana Division of Administration Office of Community Development Disaster Recovery Unit	5,087,621	5,087,017	16,558	(5,070,459)
Other grants:				
Entergy	165,544	165,544	39,082	(126,462)
East Baton Rouge Parish Sheriff	202,539	202,513	174,226	(28,287)
National League of Cities	36,500	36,500	--	(36,500)
Internet Archives	2,278	2,278	--	(2,278)
Baton Rouge Area Foundation	87,660	87,660	52,419	(35,241)
International Association of Chiefs of Police	728,874	728,874	398,894	(329,980)
Capital Area United Way	47,887	47,887	20,225	(27,662)
Total intergovernmental revenues	128,882,883	129,398,943	41,271,756	(88,127,187)
Investment earnings	(207,021)	(151,895)	128,061	279,956
Miscellaneous revenues:				
Sobriety Court fees	68,636	69,915	40,219	(29,696)
Program income (Housing and Urban Development)	1,713,597	1,718,632	1,156,762	(561,870)
Headstart - in kind contributions	3,531,801	2,937,195	2,515,936	(421,259)
Other	572,115	572,116	589,731	17,615
Total miscellaneous revenues	5,886,149	5,297,858	4,302,648	(995,210)
Total revenues	134,562,011	134,544,906	45,702,465	(88,842,441)

The notes to required supplementary information are an integral part of this schedule.

Continued

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GRANTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 17  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Current:				
Public safety:				
FEMA - Hurricane Gustav	\$ 6,405,006	\$ 5,847,293	\$ --	\$ 5,847,293
FEMA - Flood August 2016	5,487,150	10,088,556	364,541	9,724,015
FEMA - Hurricane Barry	3,031,712	3,031,712	2,545,366	486,346
Seniors and Teens Education Outreach	23,149	1,510	1,510	--
Reduce Underage Drinking	251,223	251,223	83,396	167,827
Local Government Assistance Program:				
Brownsfield Fire Protection District	5,694	5,694	--	5,694
Central Volunteer Fire Department	5,694	5,694	5,655	39
Chaneyville Fire Protection District	6,298	5,694	--	5,694
Pride Fire Protection District	5,694	5,694	--	5,694
Community Water Enrichment Fund	116,383	116,383	--	116,383
Volunteer Fire Assistance	11,639	11,639	9,138	2,501
Domestic Violence Intervention Program	15,725	12,188	12,188	--
Baton Rouge City Court DWI Court	235,750	219,260	87,884	131,376
Louisiana Commission of Law Enforcement				
Victims Advocacy	1,170	--	--	--
National League of Cities	36,500	36,500	--	36,500
Drug Abuse Resistance Education	207,471	207,471	195,966	11,505
Joint Warrant Task Force	4,582	4,582	1,602	2,980
Byrne Criminal Justice Innovation	91,693	20,030	20,030	--
Targeted Violent Offender Program	74	--	--	--
Police Department Year-Round Overtime Grant:				
Occupant Protection and Speeding	547,005	517,160	282,803	234,357
DWI and Juvenile Underage Drinking Enforcement	976,361	963,691	475,749	487,942
Edward Byrne Memorial Justice Assistance Grant	1,666,059	1,849,692	121,206	1,728,486
Collective Healing	728,874	728,874	613,960	114,914
Body-worn Camera Program	684,601	684,601	677,857	6,744
Camera Interface Program	13,000	52,419	52,419	--
Project Safe Neighborhoods	212,267	212,267	64,742	147,525
Public Safety Partnership and Community Policing	295,399	295,399	--	295,399
Stop School Violence Program	271,133	271,133	115,241	155,892
Title IV-E Reimbursements	189,010	189,010	122,602	66,408
Families in Need of Services	188,716	187,632	125,519	62,113
Disproportionate Minority Contact	26,383	--	--	--
State Homeland Security Program	418,511	210,588	179,044	31,544
Hazard Mitigation Planning Grants	819,423	816,723	3,585	813,138
Flood Mitigation Assistance Grant	715,404	715,404	422	714,982
Emergency Preparedness Entergy Grant	165,544	165,544	42,533	123,011
Weiner Creek Emergency Watershed Protection	(107,628)	40,800	40,800	--
Non-grant funds:				
Metropolitan Medical Response System	267,595	5,618	5,618	--
Total public safety	24,020,264	27,777,678	6,251,376	21,526,302
Transportation:				
CRPC Transportation Planning	12,000	--	--	--

The notes to required supplementary information are an integral part of this schedule.

Continued

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GRANTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 17  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES (continued)</b>				
Current (continued):				
Health and welfare:				
Resiliency in Communities After Stress and Trauma Grant	\$ 2,123,132	\$ 2,123,132	\$ 1,132,384	\$ 990,748
Americorps Volunteers in Service to America Program	57,124	57,124	39,816	17,308
Cities Readiness Initiative	13,858	13,858	7,833	6,025
Low Income Housing Energy Assistance Program	452,577	637,256	431,174	206,082
Federal Emergency Management Agency Emergency Shelter	32,927	32,927	9,725	23,202
Non-grant funds:				
Temporary Assistance to Needy Families	61,315	61,315	--	61,315
Total health and welfare	<u>2,740,933</u>	<u>2,925,612</u>	<u>1,620,932</u>	<u>1,304,680</u>
Culture and recreation:				
Community Webs	2,278	2,278	--	2,278
Beauregard Historic District	35,550	35,550	20,273	15,277
Total culture and recreation	<u>37,828</u>	<u>37,828</u>	<u>20,273</u>	<u>17,555</u>
Conservation and development:				
TeenWorkPrepBR Grant	4,460	4,460	--	4,460
Baton Rouge Area Foundation Flood Relief Grant	12,660	12,660	--	12,660
Environmental Protection Agency Brownfields Pilot Program	76,815	76,815	74,641	2,174
Louisiana Recovery Act	4,270,934	2,660,052	540,972	2,119,080
Performance Partnership Pilot for Disconnected Youth	206,637	206,637	197,559	9,078
Headstart	12,633,962	11,781,349	10,127,735	1,653,614
Ryan White HIV/AIDS Treatment Grant	5,404,676	5,404,674	5,249,362	155,312
Headstart Food Program	2,837,253	2,657,644	1,188,105	1,469,539
Community Services Block Grant	2,036,599	2,051,612	1,352,408	699,204
Capital Area United Way - VITA Grant	10,500	10,500	10,500	--
Workforce Investment Act:				
Adult Program	2,373,761	2,546,343	1,086,412	1,459,931
Youth Program	3,696,162	3,410,458	1,449,674	1,960,784
Dislocated Workers Program	2,944,803	2,771,020	659,624	2,111,396
Section 8 Voucher Program	1,107,401	729,594	729,594	--
Emergency Solutions Grant	606,631	592,240	292,573	299,667
Community Development Block Grant	11,919,705	10,407,661	3,703,627	6,704,034
Community Development Block Grant Disaster Recovery Funds	9,972,096	9,972,096	9,819,515	152,581
HOME Investment Partnerships Program	8,063,598	7,901,238	2,819,795	5,081,443
Continuum of Care - Supportive Housing Program	59,746	--	--	--
Housing Opportunities for Persons with AIDS	7,527,680	7,527,680	4,045,418	3,482,262
Non-grant funds:				
Headstart programs	7,999	7,999	--	7,999
Rental rehabilitation local funds	118,930	185,466	51,977	133,489
Headstart - in kind services	3,531,801	2,937,195	2,515,936	421,259
Small and Emerging Business Development Program	34,702	34,702	34,702	--
Louisiana Job Employment Training	35,363	35,363	35,363	--
Office of Community Development Local Funds	177,013	607,563	584,939	22,624
Total conservation and development	<u>79,671,887</u>	<u>74,533,021</u>	<u>46,570,431</u>	<u>27,962,590</u>

The notes to required supplementary information are an integral part of this schedule.

Continued

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**GRANTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 17  
(Continued)

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>EXPENDITURES (continued)</b>	<b>Original</b>	<b>Final</b>		
Capital outlay	\$ 29,167,727	\$ 34,141,458	\$ 25,206,751	\$ 8,934,707
Total expenditures	135,650,639	139,415,597	79,669,763	59,745,834
Excess (deficiency) of revenues over (under) expenditures	(1,088,628)	(4,870,691)	(33,967,298)	(29,096,607)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	283,734	815,900	797,850	(18,050)
Library Board of Control Fund	76	76	76	--
Mosquito Abatement and Rodent Control Fund	284,356	284,356	284,356	--
East Baton Rouge Communications District	1,588	1,588	1,588	--
Emergency Medical Services Fund	17,287	17,287	17,287	--
City Constable Court Costs Fund	10,036	10,037	10,037	--
Pride Fire Protection District	5,250	5,250	5,250	--
Greater Baton Rouge Airport District	4,807	4,807	4,807	--
Comprehensive Sewerage System Fund	66,483	66,483	66,483	--
Solid Waste Collection and Disposal Fund	198,689	198,689	198,689	--
Total transfers in	872,306	1,404,473	1,386,423	(18,050)
Transfers out:				
General Fund	(558,024)	--	--	--
Proceeds of capital asset disposition	(101,428)	(80,871)	55,964	136,835
Total other financing sources and uses	212,854	1,323,602	1,442,387	118,785
Net change in fund balances	(875,774)	(3,547,089)	(32,524,911)	(28,977,822)
Fund balances, January 1	4,848,566	4,848,566	4,848,566	--
Fund balances, December 31	\$ 3,972,792	\$ 1,301,477	\$ (27,676,345)	\$ (28,977,822)

The notes to required supplementary information are an integral part of this schedule.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
BUDGETARY REPORTING  
FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT A - 18

Budgetary comparisons presented in this report are on the budgetary basis.

As discussed in the Notes to the Financial Statements (Note 1d), 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:

	General Fund	Library Board of Control	Grants Fund
Net change in fund balances (Budget Basis)	\$1,332,860	\$10,051,243	\$(32,524,911)
Adjustments:			
To adjust for encumbrances	<u>1,145,465</u>	<u>1,501,269</u>	<u>32,350,518</u>
Net change in fund balances (GAAP Basis)	<u>\$2,478,325</u>	<u>\$11,552,512</u>	<u>\$ (174,393)</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.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY**  
**AND RELATED RATIOS**

EXHIBIT A - 19

	2019		2018	
	Primary Government*	Component Units	Primary Government*	Component Units
<b>Total OPEB liability:</b>				
Service cost	\$ 21,391,868	\$ 931,547	\$ 18,931,503	\$ 1,048,975
Interest	33,163,529	1,444,172	33,773,477	1,871,353
Plan Changes	41,428,610	1,804,083	(5,686,535)	(315,085)
Differences between expected and actual experience	39,802,191	1,733,258	1,282,638	71,070
Changes in other assumptions	(112,452,548)	(4,896,948)	3,746,638	207,597
Changes in proportion	11,033,818	(11,033,818)	--	--
Benefit payments	(24,787,978)	(1,079,202)	(21,847,948)	(1,210,572)
<b>Net change in total OPEB liability</b>	<b>9,579,490</b>	<b>(11,096,908)</b>	<b>30,199,773</b>	<b>1,673,338</b>
<b>Total OPEB liability - beginning</b>	<b>970,673,484</b>	<b>53,784,019</b>	<b>940,473,711</b>	<b>52,110,681</b>
<b>Total OPEB liability - ending</b>	<b>\$ 980,252,974</b>	<b>\$ 42,687,111</b>	<b>\$ 970,673,484</b>	<b>\$ 53,784,019</b>
 Covered-employee payroll	 \$ 164,126,247	 \$ 8,914,061	 \$ 164,089,236	 \$ 9,088,821
 Total OPEB liability as a percentage of covered-employee payroll	 597.26%	 478.87%	 591.55%	 591.76%

\* Includes amount for Pension Trust Funds (Blended Component Unit)

**Notes to Schedule:**

Amounts are determined as of the measurement date of December 31 of the previous fiscal year.

There are no assets accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement 75.

**Actuarial methods and assumptions:**

Inflation	2.30%
Salary increases	3.00% per annum average, compounded annually
Discount rate	4.10% based on the Bond Buyer's 20-year bond general obligation index
Mortality	RP-2014 mortality adjusted to 2006 with generational projection per scale MP-2018
Health cost trend rates	
Medical	Medicare Eligible - 5.6% for 2019, gradually decreasing to an ultimate rate of 3.9% for 2097 and beyond. Non-Medicare Eligible - 4.9% for 2019, gradually decreasing to an ultimate rate of 4.0% for 2078 and beyond. Medicare Advantage - 7.4% for 2019, gradually decreasing to an ultimate rate of 4.1% for 2097 and beyond.
Dental	3.92% for 2019, gradually decreasing to an ultimate rate of 3.77% for 2075 and beyond
Retirement rates	CPERS participants assumed to retire as follows: Non-Fire - the earlier of 25.5 years of service or age 61 and 11 years of service Fire - the earlier of 26 years of service or age 61 and 11 years of service

Sample rates for MPERS participants are as follows:

Age	Rate
47 - 49	20.5%
50	22.5
51	20.0
52 - 53	22.0
54	23.5
55	42.5
56	22.5
57 - 58	17.0
59	19.0
60 - 65	26.0
66+	100.0

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



**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF COST SHARING PLAN PROPORTIONATE SHARE OF THE**  
**NET PENSION LIABILITY**

EXHIBIT A - 20

	<u>Proportion of net pension liability (asset)</u>	<u>Proportionate share of net pension liability (asset)</u>	<u>Covered payroll</u>	<u>Proportionate share of the net pension liability as a percentage of covered payroll</u>	<u>Plan fiduciary net position as a percentage of the total pension liability</u>
<b><u>CPERS (1)</u></b>					
2019	83.33%	\$ 611,142,064	\$ 116,678,973	523.78%	59.36%
2018	84.11%	450,343,140	115,687,619	389.28%	68.80%
2017	84.62%	502,832,286	119,349,389	421.31%	64.09%
2016	85.31%	492,062,840	121,186,985	406.04%	63.95%
2015	85.27%	374,980,224	116,867,744	320.86%	70.95%
<b><u>MPERS (2)</u></b>					
2019	13.33%	\$ 121,081,028	\$ 41,601,220	291.05%	71.01%
2018	14.88%	125,757,667	43,935,267	286.23%	71.89%
2017	15.55%	135,798,265	46,453,714	292.33%	70.08%
2016	14.85%	139,224,992	41,640,652	334.35%	70.73%
2015	14.80%	115,962,107	39,616,014	292.72%	70.73%
<b><u>LASERS (2)</u></b>					
2019	0.03%	\$ 1,976,969	\$ 520,581	379.76%	62.90%
2018	0.03%	1,914,143	476,624	401.60%	64.30%
2017	0.02%	1,636,340	459,417	356.18%	62.54%
2016	0.02%	1,786,318	292,379	610.96%	57.73%
2015	0.01%	366,395	217,449	168.50%	62.66%

(1) Amounts determined as of the measurement date of December 31 of the previous fiscal year.

(2) Amounts determined as of the measurement date of June 30 in the current fiscal year.

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

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF COST SHARING PLAN CONTRIBUTIONS**

EXHIBIT A - 21

	Actuarially determined contribution	Contributions in relation to the actuarially determined Contribution	Contribution deficiency/ (excess)	Covered payroll	Contributions as a percentage of covered payroll
<b><u>CPERS</u></b>					
2019	\$ 38,810,375	\$ 38,810,375	\$ --	\$ 117,160,345	33.13%
2018	39,160,468	39,160,468	--	116,678,973	33.56%
2017	35,505,618	35,505,618	--	115,687,619	30.69%
2016	34,906,833	34,906,833	--	119,349,389	29.25%
2015	33,082,498	33,082,498	--	121,186,985	27.21%
<b><u>MPERS</u></b>					
2019	\$ 13,650,338	\$ 13,650,338	\$ --	\$ 41,928,626	32.56%
2018	13,702,767	13,702,767	--	43,340,928	31.62%
2017	13,609,676	13,609,676	--	43,600,843	31.21%
2016	13,503,584	13,503,584	--	43,765,133	30.85%
2015	12,439,406	12,439,406	--	42,247,313	29.44%
<b><u>LASERS</u></b>					
2019	\$ 210,990	\$ 210,990	\$ --	\$ 517,127	40.80%
2018	205,027	205,027	--	519,020	39.50%
2017	116,639	116,639	--	447,572	26.06%
2016	156,293	156,293	--	405,234	38.57%
2015	88,594	88,594	--	226,219	35.63%

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

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF CHANGES IN NET PENSION LIABILITY**  
**AND RELATED RATIOS**

POLICE GUARANTEE TRUST

	<u>2019</u>	<u>2018</u>	<u>2017</u>
<b>Total pension liability:</b>			
Service cost	\$ 459,750	\$ 467,379	\$ 477,571
Interest	2,098,336	2,281,368	2,423,493
Differences between expected and actual experience	2,147,899	163,883	2,243,050
Changes in other assumptions	151,797	287,842	555,501
Benefit payments, including refunds of member contributions	<u>(2,371,530)</u>	<u>(2,340,178)</u>	<u>(2,651,397)</u>
<b>Net change in total pension liability</b>	<u>2,486,252</u>	<u>860,294</u>	<u>3,048,218</u>
<b>Total pension liability - beginning</b>	<u>41,869,859</u>	<u>41,009,565</u>	<u>37,961,347</u>
<b>Total pension liability - ending</b>	<u>44,356,111</u>	<u>41,869,859</u>	<u>41,009,565</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	778,113	641,699	581,007
Contributions - member	54,100	70,460	63,856
Net investment income	(849,966)	1,727,482	974,589
Benefit payments, including refunds of member contributions	<u>(2,371,530)</u>	<u>(2,340,178)</u>	<u>(2,651,397)</u>
Administrative expenses	<u>(282,942)</u>	<u>(275,799)</u>	<u>(269,510)</u>
Net change in plan fiduciary net position	<u>(2,672,225)</u>	<u>(176,336)</u>	<u>(1,301,455)</u>
Plan fiduciary net position - beginning	<u>17,087,813</u>	<u>17,264,149</u>	<u>18,565,604</u>
Plan fiduciary net position - ending	<u>14,415,588</u>	<u>17,087,813</u>	<u>17,264,149</u>
Net pension liability - ending	<u><u>\$ 29,940,523</u></u>	<u><u>\$ 24,782,046</u></u>	<u><u>\$ 23,745,416</u></u>
Plan fiduciary net position as a percentage of the total pension liability	32.50%	40.81%	42.10%
Covered payroll	\$ 10,581,519	\$ 12,773,613	\$ 13,708,300
Net pension liability as a percentage of covered payroll	282.95%	194.01%	173.22%

Amounts are determined as of the measurement date of December 31 of the previous fiscal year.

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

<u>2016</u>	<u>2015</u>
\$ 454,961	\$ 437,310
2,338,200	2,565,879
1,721,888	--
(979,283)	340,742
(1,853,004)	(1,679,506)
<u>1,682,762</u>	<u>1,664,425</u>
36,278,585	34,614,160
<u>37,961,347</u>	<u>36,278,585</u>
951,261	763,873
99,365	90,774
(403,640)	796,414
(1,853,004)	(1,679,506)
(313,560)	(333,744)
<u>(1,519,578)</u>	<u>(362,189)</u>
20,085,182	20,447,371
<u>18,565,604</u>	<u>20,085,182</u>
<u>\$ 19,395,743</u>	<u>\$ 16,193,403</u>

48.91%	55.36%
\$ 14,928,102	\$ 14,428,038
129.93%	112.24%

**REQUIRED SUPPLEMENTARY INFORMATION**  
**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF SINGLE EMPLOYER PLAN CONTRIBUTIONS**

EXHIBIT A - 23

POLICE GUARANTEE TRUST

	Actuarially determined contribution	Contributions in relation to the actuarially determined Contribution	Contribution deficiency/ (excess)	Covered payroll	Contributions as a percentage of covered payroll
2019	\$ 3,169,155	\$ 1,167,213	\$ 2,001,942	\$ 8,860,834	13.17%
2018	2,455,093	778,113	1,676,980	10,581,519	7.35%
2017	3,795,014	641,699	3,143,546	12,773,613	5.10%
2016	2,752,642	581,007	2,171,635	13,708,300	4.24%
2015	3,029,216	951,261	2,077,955	14,928,102	6.37%

**Notes to Schedule:**

Valuation date: January 1, 2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Asset valuation method	Expected Value Method, with 20% of investment gains (or losses) recognized each year
Inflation	2.75%
Salary increases	1.0% - 4.0% based on members age
Investment rate of return	7.25% per year, compounded annually, net of investment expenses
Retirement age	100% at earlier of 25.5 years of service or age 61 with 11 years of service
Mortality	RP-2000 Combined Healthy Mortality with a Blue Collar adjustment, projected to 2019 using Scale BB RP-2000 Disabled Mortality Projected to 2019 using Scale BB

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

## 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.

**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.

**Council on Aging Fund** accounts for the special property tax levy required to operate and maintain facilities, programs, services, and activities for the elderly citizens of East Baton Rouge Parish.

**Mental Health and Substance Abuse Services Fund** accounts for the special property tax levy required to operate and maintain a treatment center for mental health and substance abuse services.

**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.

**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.

**Third-Florida Economic Development District** accounts for the sales tax increments from the Third-Florida Economic Development District dedicated by the City and a district tax for the construction and development of a hotel.

**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.

Continued

## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds (Continued)

**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.

**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.

**City Court Technology Fund** accounts for receipt of fees assessed in civil, criminal, and traffic cases where the defendant is convicted after trial or who pleads guilty or forfeits bond. These monies will fund the new case management system.

**19<sup>th</sup> JDC-Off Duty Police Witness Fees** accounts for receipt of fees assessed for the purpose of paying witness fees to off duty law enforcement officers.

**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.

**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.

**B.R. 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.

**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.

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.

**MOVEBR Debt Service Fund** accounts for sales tax revenues dedicated for the payment of principal and interest requirements of the 2019 MOVEBR Sales Tax Revenue Bonds of the Parish of East Baton Rouge Capital Improvement District.

**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, 2019**

	<b>Special Revenue</b>			
	<b>Mosquito Abatement and Rodent Control</b>	<b>Downtown Development District</b>	<b>Gaming Enforcement Division</b>	<b>Council On Aging</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,436,209	\$ --	\$ 112,473	\$ --
Investments	4,218,157	--	--	--
Property taxes receivable - net	2,037,046	163,970	--	2,161,959
Sales taxes receivable - net	--	--	--	--
Accounts receivable	3	--	--	--
Accrued interest receivable	27,086	17	478	--
Due from other governments	7,143,838	454,286	--	7,522,777
Total assets	<u>\$ 14,862,339</u>	<u>\$ 618,273</u>	<u>\$ 112,951</u>	<u>\$ 9,684,736</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	\$ 103,997	\$ 12,693	\$ 1,900	\$ 99
Due to other funds	587,225	80,042	--	99
Due to other governments	--	--	--	--
Accrued salaries payable	32,106	8,347	2,097	--
Total liabilities	<u>723,328</u>	<u>101,082</u>	<u>3,997</u>	<u>198</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	199,651	11,275	--	211,894
Unavailable revenue - revenue sharing	--	--	--	--
Total deferred inflows of resources	<u>199,651</u>	<u>11,275</u>	<u>--</u>	<u>211,894</u>
<b>FUND BALANCES:</b>				
Restricted	13,939,360	505,916	--	9,472,644
Committed	--	--	108,954	--
Total fund balances	<u>13,939,360</u>	<u>505,916</u>	<u>108,954</u>	<u>9,472,644</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 14,862,339</u>	<u>\$ 618,273</u>	<u>\$ 112,951</u>	<u>\$ 9,684,736</u>

Continued

Special Revenue					
Mental Health and Substance Abuse Services	Federal Forfeited Property	E.B.R. Parish Communications District	Emergency Medical Services	Capitol House Economic Development District	Lafayette- Main Economic Development District
\$ --	\$ 447,094	\$ 2,758,649	\$ 6,046,214	\$ 95,421	\$ 6,728
--	1,313,120	8,102,172	17,757,777	--	--
1,441,306	--	--	3,007,526	--	--
--	--	--	--	61,129	4,284
--	2,081	923,169	4,147,590	--	--
--	7,762	52,523	109,910	--	--
5,015,047	--	--	10,579,862	--	--
<u>\$ 6,456,353</u>	<u>\$ 1,770,057</u>	<u>\$ 11,836,513</u>	<u>\$ 41,648,879</u>	<u>\$ 156,550</u>	<u>\$ 11,012</u>
\$ 81	\$ --	\$ 306,798	\$ 1,069,844	\$ 156,550	\$ 11,012
54,429	338,850	4,087,322	2,220,716	--	--
--	--	--	--	--	--
--	--	--	271,980	--	--
<u>54,510</u>	<u>338,850</u>	<u>4,394,120</u>	<u>3,562,540</u>	<u>156,550</u>	<u>11,012</u>
141,263	--	--	294,768	--	--
--	--	--	--	--	--
<u>141,263</u>	<u>--</u>	<u>--</u>	<u>294,768</u>	<u>--</u>	<u>--</u>
6,260,580	1,431,207	7,442,393	14,091,223	--	--
--	--	--	23,700,348	--	--
<u>6,260,580</u>	<u>1,431,207</u>	<u>7,442,393</u>	<u>37,791,571</u>	<u>--</u>	<u>--</u>
<u>\$ 6,456,353</u>	<u>\$ 1,770,057</u>	<u>\$ 11,836,513</u>	<u>\$ 41,648,879</u>	<u>\$ 156,550</u>	<u>\$ 11,012</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	<b>Special Revenue</b>			
	<b>Third- Florida Economic Development District</b>	<b>Civil Juror Compensation</b>	<b>Criminal Juror Compensation</b>	<b>City Court Judicial Building</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 21,562	\$ --	\$ 107,313	\$ 700,784
Investments	--	--	--	--
Property taxes receivable - net	--	--	--	--
Sales taxes receivable - net	10,910	--	--	--
Accounts receivable	--	3,606	18,813	--
Accrued interest receivable	--	24	547	2,982
Due from other governments	--	--	--	--
Total assets	<u>\$ 32,472</u>	<u>\$ 3,630</u>	<u>\$ 126,673</u>	<u>\$ 703,766</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	\$ 32,472	\$ --	\$ 308	\$ 19,935
Due to other funds	--	1,578	--	--
Due to other governments	--	--	--	--
Accrued salaries payable	--	--	--	--
Total liabilities	<u>32,472</u>	<u>1,578</u>	<u>308</u>	<u>19,935</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	--	--	--	--
Unavailable revenue - revenue sharing	--	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>FUND BALANCES:</b>				
Restricted	--	2,052	126,365	683,831
Committed	--	--	--	--
Total fund balances	<u>--</u>	<u>2,052</u>	<u>126,365</u>	<u>683,831</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 32,472</u>	<u>\$ 3,630</u>	<u>\$ 126,673</u>	<u>\$ 703,766</u>

Continued

Special Revenue					
<b>Sobriety Court</b>	<b>City Court Technology</b>	<b>19th JDC- Off Duty Police Witness Fees</b>	<b>City Constable Court Costs</b>	<b>Consolidated Road Lighting District No. 1</b>	<b>Parish Transportation</b>
\$ 155,025	\$ 525,723	\$ 16,176	\$ 121,704	\$ 875,416	\$ 773,650
--	--	--	--	2,571,104	2,272,216
--	--	--	--	83,779	--
--	--	--	--	--	--
--	--	--	--	--	--
666	2,228	62	--	15,417	71,144
--	--	1,412	--	257,584	255,813
<u>\$ 155,691</u>	<u>\$ 527,951</u>	<u>\$ 17,650</u>	<u>\$ 121,704</u>	<u>\$ 3,803,300</u>	<u>\$ 3,372,823</u>
\$ 6,275	\$ --	\$ --	\$ 4,919	\$ --	\$ 26,772
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	2,511	--	--
<u>6,275</u>	<u>--</u>	<u>--</u>	<u>7,430</u>	<u>--</u>	<u>26,772</u>
--	--	--	--	4,636	--
--	--	--	--	14,770	--
--	--	--	--	19,406	--
149,416	527,951	17,650	--	3,783,894	3,346,051
--	--	--	114,274	--	--
<u>149,416</u>	<u>527,951</u>	<u>17,650</u>	<u>114,274</u>	<u>3,783,894</u>	<u>3,346,051</u>
<u>\$ 155,691</u>	<u>\$ 527,951</u>	<u>\$ 17,650</u>	<u>\$ 121,704</u>	<u>\$ 3,803,300</u>	<u>\$ 3,372,823</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	<b>Special Revenue</b>			
	<b>Parish Beautification</b>	<b>Parish Street Maintenance</b>	<b>B. R. Fire Department Pay Enhancement</b>	<b>District No. 1 Fire Protection District</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,353,160	\$ 10,372,227	\$ --	\$ 36,969
Investments	3,974,241	30,463,313	--	--
Property taxes receivable - net	--	--	2,870,660	129,316
Sales taxes receivable - net	109,516	1,333,410	--	--
Accounts receivable	--	--	--	--
Accrued interest receivable	23,069	172,226	--	168
Due from other governments	--	--	8,544,062	359,439
Total assets	<u>\$ 5,459,986</u>	<u>\$ 42,341,176</u>	<u>\$ 11,414,722</u>	<u>\$ 525,892</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	\$ 138,480	\$ 1,349,165	\$ 219,257	\$ --
Due to other funds	--	--	7,882,101	--
Due to other governments	--	347,019	--	--
Accrued salaries payable	--	3,155	147,045	--
Total liabilities	<u>138,480</u>	<u>1,699,339</u>	<u>8,248,403</u>	<u>--</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	--	--	355,399	5,814
Unavailable revenue - revenue sharing	--	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>355,399</u>	<u>5,814</u>
<b>FUND BALANCES:</b>				
Restricted	5,321,506	40,641,837	2,810,920	520,078
Committed	--	--	--	--
Total fund balances	<u>5,321,506</u>	<u>40,641,837</u>	<u>2,810,920</u>	<u>520,078</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,459,986</u>	<u>\$ 42,341,176</u>	<u>\$ 11,414,722</u>	<u>\$ 525,892</u>

Continued

Special Revenue				
Brownsfield Fire Protection District	Chaneyville Fire Protection District	Pride Fire Protection District	Alsen- St. Irma Lee Fire Protection District	Total
\$ 12,357	\$ --	\$ 327,219	\$ 260,391	\$ 26,562,464
--	--	--	--	70,672,100
133,720	41,331	75,819	89,337	12,235,769
--	--	--	--	1,519,249
--	--	--	1,263	5,096,525
476	--	1,717	2,435	490,937
861,952	262,923	355,958	192,462	41,807,415
<u>\$ 1,008,505</u>	<u>\$ 304,254</u>	<u>\$ 760,713</u>	<u>\$ 545,888</u>	<u>\$ 158,384,459</u>
\$ 32,262	\$ 6,937	\$ 12,017	\$ 45,042	\$ 3,556,815
--	192,605	--	--	15,444,967
--	--	--	--	347,019
--	--	--	--	467,241
<u>32,262</u>	<u>199,542</u>	<u>12,017</u>	<u>45,042</u>	<u>19,816,042</u>
27,811	2,518	23,044	10,106	1,288,179
44,912	--	--	--	59,682
<u>72,723</u>	<u>2,518</u>	<u>23,044</u>	<u>10,106</u>	<u>1,347,861</u>
903,520	102,194	725,652	490,740	113,296,980
--	--	--	--	23,923,576
<u>903,520</u>	<u>102,194</u>	<u>725,652</u>	<u>490,740</u>	<u>137,220,556</u>
<u>\$ 1,008,505</u>	<u>\$ 304,254</u>	<u>\$ 760,713</u>	<u>\$ 545,888</u>	<u>\$ 158,384,459</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2019**

	<b>Debt Service</b>			
	<b>City Sales Tax Bonds</b>	<b>Parish Sales Tax Bonds</b>	<b>Taxable Refunding Bonds</b>	<b>Road and Street Improvement</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,378,391	\$ --	\$ --	\$ 4,787,439
Investments	--	--	--	2,257,508
Property taxes receivable - net	--	--	--	--
Sales taxes receivable - net	--	--	--	--
Accounts receivable	--	--	--	--
Accrued interest receivable	--	--	--	9,029
Due from other governments	--	--	--	--
Total assets	<u>\$ 1,378,391</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,053,976</u>
<b>LIABILITIES</b>				
Accounts and contracts payable	\$ --	\$ --	\$ --	\$ 15,832
Due to other funds	--	--	--	--
Due to other governments	--	--	--	--
Accrued salaries payable	--	--	--	--
Total liabilities	<u>--</u>	<u>--</u>	<u>--</u>	<u>15,832</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	--	--	--	--
Unavailable revenue - revenue sharing	--	--	--	--
Total deferred inflows of resources	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<b>FUND BALANCES:</b>				
Restricted	1,378,391	--	--	7,038,144
Committed	--	--	--	--
Total fund balances	<u>1,378,391</u>	<u>--</u>	<u>--</u>	<u>7,038,144</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,378,391</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,053,976</u>

Debt Service				
LCDA Road and Street Improvement Project	MOVEBR	Excess Revenue and Limited Tax	Total	Total Nonmajor Governmental Funds
\$ 2,424,545	\$ 586,372	\$ --	\$ 9,176,747	\$ 35,739,211
--	--	--	2,257,508	72,929,608
--	--	--	--	12,235,769
--	--	--	--	1,519,249
--	--	--	--	5,096,525
--	--	--	9,029	499,966
--	--	--	--	41,807,415
<u>\$ 2,424,545</u>	<u>\$ 586,372</u>	<u>\$ --</u>	<u>\$ 11,443,284</u>	<u>\$ 169,827,743</u>
\$ --	\$ --	\$ --	\$ 15,832	\$ 3,572,647
--	--	--	--	15,444,967
--	--	--	--	347,019
--	--	--	--	467,241
<u>--</u>	<u>--</u>	<u>--</u>	<u>15,832</u>	<u>19,831,874</u>
--	--	--	--	1,288,179
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>59,682</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>1,347,861</u>
2,424,545	586,372	--	11,427,452	124,724,432
--	--	--	--	23,923,576
<u>2,424,545</u>	<u>586,372</u>	<u>--</u>	<u>11,427,452</u>	<u>148,648,008</u>
<u>\$ 2,424,545</u>	<u>\$ 586,372</u>	<u>\$ --</u>	<u>\$ 11,443,284</u>	<u>\$ 169,827,743</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, 2019**

	<b>Special Revenue</b>			
	<b>Mosquito Abatement and Rodent Control</b>	<b>Downtown Development District</b>	<b>Gaming Enforcement Division</b>	<b>Council On Aging</b>
<b>REVENUES</b>				
Taxes:				
Property	\$ 9,536,975	\$ 687,963	\$ --	\$ 10,048,127
Sales	--	--	--	--
TIF district tax	--	--	--	--
Occupancy	--	--	--	--
Intergovernmental revenues	--	--	6,000	--
Charges for services	--	--	137,260	--
Fines and forfeits	--	--	--	--
Investment earnings	177,645	3,406	2,415	10,729
Miscellaneous revenues	--	1,500	--	--
Total revenues	<u>9,714,620</u>	<u>692,869</u>	<u>145,675</u>	<u>10,058,856</u>
<b>EXPENDITURES</b>				
Current:				
General government	--	--	170,301	--
Public safety	--	--	--	--
Transportation	--	--	--	--
Health and welfare	5,107,349	--	--	9,617,154
Conservation and development	--	768,974	--	--
Debt service:				
Principal retirement	--	--	--	--
Interest and fiscal charges	--	--	--	--
Capital outlay	120,909	--	--	--
Intergovernmental	--	--	--	--
Total expenditures	<u>5,228,258</u>	<u>768,974</u>	<u>170,301</u>	<u>9,617,154</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,486,362</u>	<u>(76,105)</u>	<u>(24,626)</u>	<u>441,702</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	145,613	--	--
Transfers out	(284,356)	--	--	--
Proceeds of capital asset disposition	--	--	1,350	--
Total other financing sources and uses	<u>(284,356)</u>	<u>145,613</u>	<u>1,350</u>	<u>--</u>
Net change in fund balances	4,202,006	69,508	(23,276)	441,702
Fund balances, January 1	<u>9,737,354</u>	<u>436,408</u>	<u>132,230</u>	<u>9,030,942</u>
Fund balances, December 31	<u>\$ 13,939,360</u>	<u>\$ 505,916</u>	<u>\$ 108,954</u>	<u>\$ 9,472,644</u>

Continued

Special Revenue					
<b>Mental Health and Substance Abuse Services</b>	<b>Federal Forfeited Property</b>	<b>E.B.R. Parish Communications District</b>	<b>Emergency Medical Services</b>	<b>Capitol House Economic Development District</b>	<b>Lafayette- Main Economic Development District</b>
\$ 6,501,951	\$ --	\$ --	\$ 14,123,211	\$ --	\$ --
--	--	--	--	103,403	89,084
--	--	--	--	--	--
--	--	--	--	866,304	--
--	--	--	4,467,859	--	--
--	--	5,990,550	18,485,957	--	--
--	76,131	--	--	--	--
(248)	39,600	281,453	603,960	--	--
--	38,443	4,089	196,374	--	--
<u>6,501,703</u>	<u>154,174</u>	<u>6,276,092</u>	<u>37,877,361</u>	<u>969,707</u>	<u>89,084</u>
--	--	--	--	--	--
--	65,712	2,320,986	32,862,791	--	--
--	--	--	--	--	--
241,123	--	--	--	--	--
--	--	--	--	969,707	89,084
--	--	--	--	--	--
--	--	--	--	--	--
--	32,405	5,100	822,607	--	--
--	--	--	--	--	--
<u>241,123</u>	<u>98,117</u>	<u>2,326,086</u>	<u>33,685,398</u>	<u>969,707</u>	<u>89,084</u>
6,260,580	56,057	3,950,006	4,191,963	--	--
--	--	--	3,204,980	--	--
--	--	(4,306,568)	(2,107,287)	--	--
--	--	--	3,000	--	--
<u>--</u>	<u>--</u>	<u>(4,306,568)</u>	<u>1,100,693</u>	<u>--</u>	<u>--</u>
6,260,580	56,057	(356,562)	5,292,656	--	--
<u>--</u>	<u>1,375,150</u>	<u>7,798,955</u>	<u>32,498,915</u>	<u>--</u>	<u>--</u>
<u>\$ 6,260,580</u>	<u>\$ 1,431,207</u>	<u>\$ 7,442,393</u>	<u>\$ 37,791,571</u>	<u>\$ --</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, 2019**

	<b>Special Revenue</b>			
	<b>Third- Florida Economic Development District</b>	<b>Civil Juror Compensation</b>	<b>Criminal Juror Compensation</b>	<b>City Court Judicial Building</b>
<b>REVENUES</b>				
Taxes:				
Property	\$ --	\$ --	\$ --	\$ --
Sales	86,907	--	--	--
TIF district tax	85,599	--	--	--
Occupancy	--	--	--	--
Intergovernmental revenues	--	3,606	--	--
Charges for services	--	47,640	162,663	238,455
Fines and forfeits	--	--	--	--
Investment earnings	--	57	2,541	15,060
Miscellaneous revenues	--	--	--	--
Total revenues	<u>172,506</u>	<u>51,303</u>	<u>165,204</u>	<u>253,515</u>
<b>EXPENDITURES</b>				
Current:				
General government	--	51,231	212,716	199,094
Public safety	--	--	--	--
Transportation	--	--	--	--
Health and welfare	--	--	--	--
Conservation and development	172,506	--	--	--
Debt service:				
Principal retirement	--	--	--	--
Interest and fiscal charges	--	--	--	--
Capital outlay	--	--	--	--
Intergovernmental	--	--	--	--
Total expenditures	<u>172,506</u>	<u>51,231</u>	<u>212,716</u>	<u>199,094</u>
Excess (deficiency) of revenues over (under) expenditures	<u>--</u>	<u>72</u>	<u>(47,512)</u>	<u>54,421</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Proceeds of capital asset disposition	--	--	--	--
Total other financing sources and uses	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	--	72	(47,512)	54,421
Fund balances, January 1	<u>--</u>	<u>1,980</u>	<u>173,877</u>	<u>629,410</u>
Fund balances, December 31	<u>\$ --</u>	<u>\$ 2,052</u>	<u>\$ 126,365</u>	<u>\$ 683,831</u>

Continued

Special Revenue					
<u>Sobriety Court</u>	<u>City Court Technology</u>	<u>19th JDC- Off Duty Police Witness Fees</u>	<u>City Constable Court Costs</u>	<u>Consolidated Road Lighting District No. 1</u>	<u>Parish Transpor- tation</u>
\$ --	\$ --	\$ --	\$ --	\$ 341,065	\$ --
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	24,945	3,205,307
32,994	119,510	25,699	562,472	--	--
--	--	--	21,535	--	--
3,316	10,830	250	389	78,441	338,347
250	--	--	--	--	--
<u>36,560</u>	<u>130,340</u>	<u>25,949</u>	<u>584,396</u>	<u>444,451</u>	<u>3,543,654</u>
20,735	--	10,702	579,156	--	--
--	--	--	--	--	--
--	--	--	--	530,106	392,895
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	550,000
<u>20,735</u>	<u>--</u>	<u>10,702</u>	<u>579,156</u>	<u>530,106</u>	<u>942,895</u>
<u>15,825</u>	<u>130,340</u>	<u>15,247</u>	<u>5,240</u>	<u>(85,655)</u>	<u>2,600,759</u>
--	--	--	116,350	--	--
--	--	--	(10,037)	--	(1,614,854)
--	--	--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>106,313</u>	<u>--</u>	<u>(1,614,854)</u>
15,825	130,340	15,247	111,553	(85,655)	985,905
<u>133,591</u>	<u>397,611</u>	<u>2,403</u>	<u>2,721</u>	<u>3,869,549</u>	<u>2,360,146</u>
<u>\$ 149,416</u>	<u>\$ 527,951</u>	<u>\$ 17,650</u>	<u>\$ 114,274</u>	<u>\$ 3,783,894</u>	<u>\$ 3,346,051</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, 2019**

	<b>Special Revenue</b>			
	<b><u>Parish Beautification</u></b>	<b><u>Parish Street Maintenance</u></b>	<b><u>B. R. Fire Department Pay Enhancement</u></b>	<b><u>District No. 1 Fire Protection District</u></b>
<b>REVENUES</b>				
Taxes:				
Property	\$ --	\$ --	\$ 12,063,104	\$ 475,166
Sales	1,293,032	15,511,799	--	--
TIF district tax	--	--	--	--
Occupancy	--	--	--	--
Intergovernmental revenues	--	--	--	27,378
Charges for services	--	--	--	66,626
Fines and forfeits	--	--	--	--
Investment earnings	114,720	915,935	(68,715)	4,508
Miscellaneous revenues	--	--	--	--
Total revenues	<u>1,407,752</u>	<u>16,427,734</u>	<u>11,994,389</u>	<u>573,678</u>
<b>EXPENDITURES</b>				
Current:				
General government	--	--	--	--
Public safety	--	--	12,120,353	514,581
Transportation	62,127	15,952,842	--	--
Health and welfare	--	--	--	--
Conservation and development	--	--	--	--
Debt service:				
Principal retirement	--	--	--	--
Interest and fiscal charges	--	--	--	--
Capital outlay	1,129,841	--	--	--
Intergovernmental	--	--	--	--
Total expenditures	<u>1,191,968</u>	<u>15,952,842</u>	<u>12,120,353</u>	<u>514,581</u>
Excess (deficiency) of revenues over (under) expenditures	<u>215,784</u>	<u>474,892</u>	<u>(125,964)</u>	<u>59,097</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	--	--	--
Transfers out	--	--	--	--
Proceeds of capital asset disposition	--	--	--	--
Total other financing sources and uses	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Net change in fund balances	215,784	474,892	(125,964)	59,097
Fund balances, January 1	<u>5,105,722</u>	<u>40,166,945</u>	<u>2,936,884</u>	<u>460,981</u>
Fund balances, December 31	<u>\$ 5,321,506</u>	<u>\$ 40,641,837</u>	<u>\$ 2,810,920</u>	<u>\$ 520,078</u>

Continued

Special Revenue				
Brownsfield Fire Protection District	Chaneyville Fire Protection District	Pride Fire Protection District	Alsen- St. Irma Lee Fire Protection District	Total
\$ 932,222	\$ 284,729	\$ 388,886	\$ 298,157	\$ 55,681,556
--	--	--	--	17,084,225
--	--	--	--	85,599
--	--	--	--	866,304
133,851	15,761	16,300	4,792	7,905,799
106,149	47,011	55,155	11,883	26,090,024
--	--	--	--	97,666
7,693	(1,498)	9,000	14,250	2,564,084
49,397	13,119	62,707	23,023	388,902
<u>1,229,312</u>	<u>359,122</u>	<u>532,048</u>	<u>352,105</u>	<u>110,764,159</u>
--	--	--	--	1,243,935
1,027,766	417,621	306,213	333,243	49,969,266
--	--	--	--	16,937,970
--	--	--	--	14,965,626
--	--	--	--	2,000,271
--	31,200	18,062	--	49,262
--	11,291	6,852	--	18,143
--	266,278	--	350,130	2,727,270
--	--	--	--	550,000
<u>1,027,766</u>	<u>726,390</u>	<u>331,127</u>	<u>683,373</u>	<u>88,461,743</u>
<u>201,546</u>	<u>(367,268)</u>	<u>200,921</u>	<u>(331,268)</u>	<u>22,302,416</u>
16,250	35,860	64,000	24,510	3,607,563
--	(80,000)	(5,250)	--	(8,408,352)
--	--	--	--	4,350
<u>16,250</u>	<u>(44,140)</u>	<u>58,750</u>	<u>24,510</u>	<u>(4,796,439)</u>
217,796	(411,408)	259,671	(306,758)	17,505,977
685,724	513,602	465,981	797,498	119,714,579
<u>\$ 903,520</u>	<u>\$ 102,194</u>	<u>\$ 725,652</u>	<u>\$ 490,740</u>	<u>\$ 137,220,556</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, 2019**

**Debt Service**

	<b>City Sales Tax Bonds</b>	<b>Parish Sales Tax Bonds</b>	<b>Taxable Refunding Bonds</b>	<b>Road and Street Improvement</b>
<b>REVENUES</b>				
Taxes:				
Property	\$ --	\$ --	\$ --	\$ --
Sales	3,242,131	1,241,736	--	17,090,811
TIF district tax	--	--	--	--
Occupancy	--	--	--	--
Intergovernmental revenues	--	--	--	--
Charges for services	--	--	--	--
Fines and forfeits	--	--	--	--
Investment earnings	17,748	--	--	94,498
Miscellaneous revenues	--	33,377	--	--
Total revenues	<u>3,259,879</u>	<u>1,275,113</u>	<u>--</u>	<u>17,185,309</u>
<b>EXPENDITURES</b>				
Current:				
General government	--	--	--	--
Public safety	--	--	--	--
Transportation	--	--	--	--
Health and welfare	--	--	--	--
Conservation and development	--	--	--	--
Debt service:				
Principal retirement	2,255,000	1,040,000	3,200,000	9,900,000
Interest and fiscal charges	1,045,652	235,113	1,515,568	7,261,343
Capital outlay	--	--	--	--
Intergovernmental	--	--	--	--
Total expenditures	<u>3,300,652</u>	<u>1,275,113</u>	<u>4,715,568</u>	<u>17,161,343</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,773)</u>	<u>--</u>	<u>(4,715,568)</u>	<u>23,966</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	--	--	4,715,568	--
Transfers out	--	--	--	--
Proceeds of capital asset disposition	--	--	--	--
Total other financing sources and uses	<u>--</u>	<u>--</u>	<u>4,715,568</u>	<u>--</u>
Net change in fund balances	(40,773)	--	--	23,966
Fund balances, January 1	<u>1,419,164</u>	<u>--</u>	<u>--</u>	<u>7,014,178</u>
Fund balances, December 31	<u>\$ 1,378,391</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 7,038,144</u>

<b>Debt Service</b>				
<b>LCDA Road and Street Improvement Project</b>	<b>MOVEBR</b>	<b>Excess Revenue and Limited Tax</b>	<b>Total</b>	<b>Total Nonmajor Governmental Funds</b>
\$ --	\$ --	\$ --	\$ --	\$ 55,681,556
5,792,836	586,300	--	27,953,814	45,038,039
--	--	--	--	85,599
--	--	--	--	866,304
--	--	--	--	7,905,799
--	--	--	--	26,090,024
--	--	--	--	97,666
30,904	72	--	143,222	2,707,306
--	--	46,254	79,631	468,533
<u>5,823,740</u>	<u>586,372</u>	<u>46,254</u>	<u>28,176,667</u>	<u>138,940,826</u>
--	--	--	--	1,243,935
--	--	--	--	49,969,266
--	--	--	--	16,937,970
--	--	--	--	14,965,626
--	--	--	--	2,000,271
3,200,000	--	33,800	19,628,800	19,678,062
2,621,656	--	12,454	12,691,786	12,709,929
--	--	--	--	2,727,270
--	--	--	--	550,000
<u>5,821,656</u>	<u>--</u>	<u>46,254</u>	<u>32,320,586</u>	<u>120,782,329</u>
<u>2,084</u>	<u>586,372</u>	<u>--</u>	<u>(4,143,919)</u>	<u>18,158,497</u>
--	--	--	4,715,568	8,323,131
--	--	--	--	(8,408,352)
--	--	--	--	4,350
<u>--</u>	<u>--</u>	<u>--</u>	<u>4,715,568</u>	<u>(80,871)</u>
2,084	586,372	--	571,649	18,077,626
<u>2,422,461</u>	<u>--</u>	<u>--</u>	<u>10,855,803</u>	<u>130,570,382</u>
<u>\$ 2,424,545</u>	<u>\$ 586,372</u>	<u>\$ --</u>	<u>\$ 11,427,452</u>	<u>\$ 148,648,008</u>



**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, 2019**

EXHIBIT B - 3

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 8,871,560	\$ 8,871,560	\$ 9,536,975	\$ 665,415
Investment earnings	10,000	10,000	177,645	167,645
Total revenues	8,881,560	8,881,560	9,714,620	833,060
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Operations	7,493,800	7,493,800	5,187,164	2,306,636
Capital outlay	257,940	257,940	120,954	136,986
Total expenditures	7,751,740	7,751,740	5,308,118	2,443,622
Excess (deficiency) of revenues over (under) expenditures	1,129,820	1,129,820	4,406,502	3,276,682
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out:				
Grants Fund	--	(284,356)	(284,356)	--
Proceeds of capital asset disposition	4,000	4,000	--	(4,000)
Total other financing sources and uses	4,000	(280,356)	(284,356)	(4,000)
Net change in fund balances	1,133,820	849,464	4,122,146	3,272,682
Fund balances, January 1	9,737,354	9,737,354	9,737,354	--
Fund balances, December 31	\$ 10,871,174	\$ 10,586,818	\$ 13,859,500	\$ 3,272,682

**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, 2019**

EXHIBIT B - 4

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 620,090	\$ 620,090	\$ 687,963	\$ 67,873
Investment earnings	--	--	3,406	3,406
Miscellaneous revenues:				
Donations	--	--	1,500	1,500
Total revenues	<u>620,090</u>	<u>620,090</u>	<u>692,869</u>	<u>72,779</u>
<b>EXPENDITURES</b>				
Current:				
Conservation and development Operations	845,605	845,605	768,974	76,631
Capital outlay	<u>--</u>	<u>3,113</u>	<u>--</u>	<u>3,113</u>
Total expenditures	<u>845,605</u>	<u>848,718</u>	<u>768,974</u>	<u>79,744</u>
Excess (deficiency) of revenues over (under) expenditures	(225,515)	(228,628)	(76,105)	152,523
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	<u>142,500</u>	<u>145,613</u>	<u>145,613</u>	<u>--</u>
Net change in fund balances	(83,015)	(83,015)	69,508	152,523
Fund balances, January 1	<u>436,408</u>	<u>436,408</u>	<u>436,408</u>	<u>--</u>
Fund balances, December 31	<u>\$ 353,393</u>	<u>\$ 353,393</u>	<u>\$ 505,916</u>	<u>\$ 152,523</u>

**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, 2019**

EXHIBIT B - 5

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental revenues:				
State shared revenues:				
On-behalf payments	\$ 6,600	\$ 6,600	\$ 6,000	\$ (600)
Charges for services:				
Gaming fees	140,000	130,000	137,260	7,260
Investment earnings	300	300	2,415	2,115
Total revenues	146,900	136,900	145,675	8,775
<b>EXPENDITURES</b>				
Current:				
General government:				
Operations	167,333	178,023	170,301	7,722
Excess (deficiency) of revenues over (under) expenditures	(20,433)	(41,123)	(24,626)	16,497
<b>OTHER FINANCING SOURCES</b>				
Proceeds of capital asset disposition	--	--	1,350	1,350
Net change in fund balances	(20,433)	(41,123)	(23,276)	17,847
Fund balances, January 1	132,230	132,230	132,230	--
Fund balances, December 31	<u>\$ 111,797</u>	<u>\$ 91,107</u>	<u>\$ 108,954</u>	<u>\$ 17,847</u>

**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 COUNCIL ON AGING SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT B - 6

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 9,243,010	\$ 9,668,010	\$ 10,048,127	\$ 380,117
Investment earnings	--	--	10,729	10,729
Total revenues	9,243,010	9,668,010	10,058,856	390,846
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Operations	9,243,010	9,668,010	9,617,154	50,856
Excess (deficiency) of revenues over (under) expenditures	--	--	441,702	441,702
Fund balances, January 1	9,030,942	9,030,942	9,030,942	--
Fund balances, December 31	<u>\$ 9,030,942</u>	<u>\$ 9,030,942</u>	<u>\$ 9,472,644</u>	<u>\$ 441,702</u>

**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)**  
**MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT B - 7

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ --	\$ 6,869,530	\$ 6,501,951	\$ (367,579)
Investment earnings	--	--	(248)	(248)
Total revenues	--	6,869,530	6,501,703	(367,827)
<b>EXPENDITURES</b>				
Current:				
Health and welfare:				
Operations	--	241,123	241,123	--
Excess (deficiency) of revenues over (under) expenditures	--	6,628,407	6,260,580	(367,827)
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ 6,628,407	\$ 6,260,580	\$ (367,827)

**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, 2019**

EXHIBIT B - 8

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Fines and forfeits:				
Forfeited property	\$ 350,000	\$ 87,000	\$ 76,131	\$ (10,869)
Investment earnings	--	--	39,600	39,600
Miscellaneous revenues:				
Other income	--	--	38,443	38,443
Total revenues	<u>350,000</u>	<u>87,000</u>	<u>154,174</u>	<u>67,174</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Dedicated funds	918,753	788,348	65,712	722,636
Capital outlay	<u>165,000</u>	<u>32,405</u>	<u>32,405</u>	<u>--</u>
Total expenditures	<u>1,083,753</u>	<u>820,753</u>	<u>98,117</u>	<u>722,636</u>
Excess (deficiency) of revenues over (under) expenditures	(733,753)	(733,753)	56,057	789,810
Fund balances, January 1	<u>1,375,150</u>	<u>1,375,150</u>	<u>1,375,150</u>	<u>--</u>
Fund balances, December 31	<u>\$ 641,397</u>	<u>\$ 641,397</u>	<u>\$ 1,431,207</u>	<u>\$ 789,810</u>

**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, 2019**

EXHIBIT B - 9

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services:				
Enhanced 911	\$ 6,160,000	\$ 6,160,000	\$ 5,990,550	\$ (169,450)
Investment earnings	10,000	10,000	281,453	271,453
Miscellaneous revenues:				
Other income	--	--	4,089	4,089
Total revenues	<u>6,170,000</u>	<u>6,170,000</u>	<u>6,276,092</u>	<u>106,092</u>
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Communications	2,515,200	2,415,200	2,358,716	56,484
Capital outlay	<u>--</u>	<u>--</u>	<u>5,100</u>	<u>(5,100)</u>
Total expenditures	<u>2,515,200</u>	<u>2,415,200</u>	<u>2,363,816</u>	<u>51,384</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,654,800</u>	<u>3,754,800</u>	<u>3,912,276</u>	<u>157,476</u>
<b>OTHER FINANCING USES</b>				
Transfers out:				
Grants Fund	--	(1,588)	(1,588)	--
Capital Projects Fund	(1,000,000)	(1,100,000)	(1,100,000)	--
Emergency Medical Services Fund	<u>(3,654,000)</u>	<u>(3,654,000)</u>	<u>(3,204,980)</u>	<u>449,020</u>
Total other financing uses	<u>(4,654,000)</u>	<u>(4,755,588)</u>	<u>(4,306,568)</u>	<u>449,020</u>
Net change in fund balances	(999,200)	(1,000,788)	(394,292)	606,496
Fund balances, January 1	<u>7,798,955</u>	<u>7,798,955</u>	<u>7,798,955</u>	<u>--</u>
Fund balances, December 31	<u>\$ 6,799,755</u>	<u>\$ 6,798,167</u>	<u>\$ 7,404,663</u>	<u>\$ 606,496</u>

**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, 2019**

EXHIBIT B - 10

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 13,191,920	\$ 13,191,920	\$ 14,123,211	\$ 931,291
Intergovernmental revenues:				
Louisiana Department of Public Safety	--	--	30,767	30,767
Medicaid supplemental payment program	--	--	4,437,092	4,437,092
Total intergovernmental revenues	--	--	4,467,859	4,467,859
Charges for services:				
Emergency transport charges	10,500,000	10,500,000	13,247,626	2,747,626
Medicaid supplemental payments for ambulances	900,000	1,745,000	5,107,587	3,362,587
EMS training fees	25,000	25,000	75,637	50,637
CPR card and medical record fees	30,000	30,000	55,107	25,107
Total charges for services	11,455,000	12,300,000	18,485,957	6,185,957
Investment earnings	35,000	35,000	603,960	568,960
Miscellaneous revenues:				
Other income	20,000	20,000	196,374	176,374
Total revenues	24,701,920	25,546,920	37,877,361	12,330,441
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	29,532,001	34,857,001	33,165,859	1,691,142
Capital outlay	536,083	1,156,083	849,906	306,177
Total expenditures	30,068,084	36,013,084	34,015,765	1,997,319
Excess (deficiency) of revenues over (under) expenditures	(5,366,164)	(10,466,164)	3,861,596	14,327,760
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
East Baton Rouge Parish Communications District	3,654,000	3,654,000	3,204,980	(449,020)
Transfers out:				
General Fund	(90,000)	(90,000)	(90,000)	--
Grants Fund	--	(17,287)	(17,287)	--
Capital Projects Fund	--	(2,000,000)	(2,000,000)	--
Total transfers out	(90,000)	(2,107,287)	(2,107,287)	--
Proceeds of capital asset disposition	--	--	3,000	3,000
Total other financing sources and uses	3,564,000	1,546,713	1,100,693	(446,020)
Net change in fund balances	(1,802,164)	(8,919,451)	4,962,289	13,881,740
Fund balances, January 1	32,498,915	32,498,915	32,498,915	--
Fund balances, December 31	\$ 30,696,751	\$ 23,579,464	\$ 37,461,204	\$ 13,881,740



**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, 2019**

EXHIBIT B - 11

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 76,210	\$ 76,210	\$ 103,403	\$ 27,193
Occupancy taxes	1,055,260	895,260	866,304	(28,956)
Total taxes	1,131,470	971,470	969,707	(1,763)
<b>EXPENDITURES</b>				
Current:				
Conservation and development:				
Operations	1,131,470	971,470	969,707	1,763
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ --	\$ --	\$ --

**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, 2019**

EXHIBIT B - 12

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 94,680	\$ 89,084	\$ 89,084	\$ --
<b>EXPENDITURES</b>				
Current:				
Conservation and development:				
Operations	94,680	89,084	89,084	--
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	--	--	--	--
Fund balances, December 31	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>

**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)**  
**THIRD-FLORIDA ECONOMIC DEVELOPMENT DISTRICT SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT B - 13

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 80,000	\$ 86,907	\$ 86,907	\$ --
TIF district tax	80,000	85,599	85,599	--
Total taxes	160,000	172,506	172,506	--
<b>EXPENDITURES</b>				
Current:				
Conservation and development:				
Operations	160,000	172,506	172,506	--
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ --	\$ --	\$ --

**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, 2019**

EXHIBIT B - 14

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental revenues:				
Nineteenth Judicial District Court	\$ --	\$ --	\$ 3,606	\$ 3,606
Charges for services:				
Civil juror fees	55,000	51,000	47,640	(3,360)
Investment earnings	<u>--</u>	<u>--</u>	<u>57</u>	<u>57</u>
Total revenues	55,000	51,000	51,303	303
<b>EXPENDITURES</b>				
Current:				
General government:				
Juror compensation	<u>55,000</u>	<u>52,980</u>	<u>51,231</u>	<u>1,749</u>
Excess (deficiency) of revenues over (under) expenditures	--	(1,980)	72	2,052
Fund balances, January 1	<u>1,980</u>	<u>1,980</u>	<u>1,980</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 1,980</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 2,052</u></u>	<u><u>\$ 2,052</u></u>

**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, 2019**

EXHIBIT B - 15

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services:				
Criminal juror fees	\$ 170,000	\$ 150,000	\$ 162,663	\$ 12,663
Investment earnings	--	--	2,541	2,541
Total revenues	170,000	150,000	165,204	15,204
<b>EXPENDITURES</b>				
Current:				
General government:				
Juror compensation	170,000	220,000	212,716	7,284
Excess (deficiency) of revenues over (under) expenditures	--	(70,000)	(47,512)	22,488
Fund balances, January 1	173,877	173,877	173,877	--
Fund balances, December 31	<u>\$ 173,877</u>	<u>\$ 103,877</u>	<u>\$ 126,365</u>	<u>\$ 22,488</u>

**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, 2019**

EXHIBIT B - 16

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services:				
Civil and traffic fees	\$ 295,000	\$ 253,000	\$ 238,455	\$ (14,545)
Investment earnings	--	--	15,060	15,060
Total revenues	295,000	253,000	253,515	515
<b>EXPENDITURES</b>				
Current:				
General government:				
Judicial	605,841	605,841	215,943	389,898
Excess (deficiency) of revenues over (under) expenditures	(310,841)	(352,841)	37,572	390,413
Fund balances, January 1	629,410	629,410	629,410	--
Fund balances, December 31	<u>\$ 318,569</u>	<u>\$ 276,569</u>	<u>\$ 666,982</u>	<u>\$ 390,413</u>

**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, 2019**

EXHIBIT B - 17

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services:				
Sobriety court costs	\$ 60,000	\$ 31,850	\$ 32,994	\$ 1,144
Investment earnings	--	--	3,316	3,316
Miscellaneous revenues:				
Donations	--	--	250	250
Total revenues	60,000	31,850	36,560	4,710
<b>EXPENDITURES</b>				
Current:				
General government:				
Sobriety court	81,430	81,430	27,935	53,495
Excess (deficiency) of revenues over (under) expenditures	(21,430)	(49,580)	8,625	58,205
Fund balances, January 1	133,591	133,591	133,591	--
Fund balances, December 31	\$ 112,161	\$ 84,011	\$ 142,216	\$ 58,205

**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 TECHNOLOGY FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT B - 18

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services:				
Civil technology fee	\$ 64,000	\$ 52,000	\$ 56,796	\$ 4,796
Traffic technology fee	75,000	57,000	60,197	3,197
Criminal technology fee	3,200	3,200	2,517	(683)
Total charges for services	<u>142,200</u>	<u>112,200</u>	<u>119,510</u>	<u>7,310</u>
Investment earnings	<u>--</u>	<u>--</u>	<u>10,830</u>	<u>10,830</u>
Total revenues	<u>142,200</u>	<u>112,200</u>	<u>130,340</u>	<u>18,140</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
City court case fees	76,600	76,600	--	76,600
Capital outlay	<u>9,000</u>	<u>9,000</u>	<u>--</u>	<u>9,000</u>
Total expenditures	<u>85,600</u>	<u>85,600</u>	<u>--</u>	<u>85,600</u>
Excess (deficiency) of revenues over (under) expenditures	56,600	26,600	130,340	103,740
Fund balances, January 1	<u>397,611</u>	<u>397,611</u>	<u>397,611</u>	<u>--</u>
Fund balances, December 31	<u><u>\$ 454,211</u></u>	<u><u>\$ 424,211</u></u>	<u><u>\$ 527,951</u></u>	<u><u>\$ 103,740</u></u>



**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)**  
**19TH JUDICIAL DISTRICT COURT OFF DUTY POLICE WITNESS SPECIAL REVENUE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT B - 19

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services:				
Witness fees	\$ 24,000	\$ 24,000	\$ 25,699	\$ 1,699
Investment earnings	--	--	250	250
Total revenues	24,000	24,000	25,949	1,949
<b>EXPENDITURES</b>				
Current:				
General government:				
Court attendance fees	24,000	24,000	10,702	13,298
Excess (deficiency) of revenues over (under) expenditures	--	--	15,247	15,247
Fund balances, January 1	2,403	2,403	2,403	--
Fund balances, December 31	<u>\$ 2,403</u>	<u>\$ 2,403</u>	<u>\$ 17,650</u>	<u>\$ 15,247</u>

**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, 2019**

EXHIBIT B - 20

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services:				
Judiciary court costs	\$ 226,200	\$ 316,200	\$ 344,495	\$ 28,295
Criminal bond posting fees	76,810	76,810	67,720	(9,090)
Constable civil fees	--	35,000	109,848	74,848
School security fees	8,680	8,680	8,425	(255)
Constable bench warrant fees	10,140	10,140	10,234	94
Evidence testing	55,800	55,800	12,240	(43,560)
Reimbursements for overtime	--	--	9,510	9,510
Total charges for services	<u>377,630</u>	<u>502,630</u>	<u>562,472</u>	<u>59,842</u>
Fines and forfeits:				
City court forfeitures	39,760	36,560	21,535	(15,025)
Investment earnings	<u>--</u>	<u>--</u>	<u>389</u>	<u>389</u>
Total revenues	<u>417,390</u>	<u>539,190</u>	<u>584,396</u>	<u>45,206</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Judicial	<u>536,420</u>	<u>656,109</u>	<u>579,156</u>	<u>76,953</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(119,030)</u>	<u>(116,919)</u>	<u>5,240</u>	<u>122,159</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	116,350	116,350	116,350	--
Transfers out:				
Grants Fund	<u>--</u>	<u>(10,037)</u>	<u>(10,037)</u>	<u>--</u>
Total other financing sources and uses	<u>116,350</u>	<u>106,313</u>	<u>106,313</u>	<u>--</u>
Net change in fund balances	<u>(2,680)</u>	<u>(10,606)</u>	<u>111,553</u>	<u>122,159</u>
Fund balances, January 1	<u>2,721</u>	<u>2,721</u>	<u>2,721</u>	<u>--</u>
Fund balances, December 31	<u>\$ 41</u>	<u>\$ (7,885)</u>	<u>\$ 114,274</u>	<u>\$ 122,159</u>

**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, 2019**

EXHIBIT B - 21

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 285,580	\$ 285,580	\$ 341,065	\$ 55,485
Intergovernmental revenues:				
State shared revenues				
Louisiana revenue sharing	25,160	25,160	24,945	(215)
Investment earnings	10,000	10,000	78,441	68,441
Total revenues	320,740	320,740	444,451	123,711
<b>EXPENDITURES</b>				
Current:				
Transportation:				
Operations	555,890	555,890	530,106	25,784
Excess (deficiency) of revenues over (under) expenditures	(235,150)	(235,150)	(85,655)	149,495
Fund balances, January 1	3,869,549	3,869,549	3,869,549	--
Fund balances, December 31	<u>\$ 3,634,399</u>	<u>\$ 3,634,399</u>	<u>\$ 3,783,894</u>	<u>\$ 149,495</u>

**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, 2019**

EXHIBIT B - 22

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Intergovernmental revenues:				
State shared revenues				
State road fund	\$ 2,650,000	\$ 2,650,000	\$ 3,205,307	\$ 555,307
Investment earnings	50,000	50,000	338,347	288,347
Total revenues	2,700,000	2,700,000	3,543,654	843,654
<b>EXPENDITURES</b>				
Current:				
Transportation:				
Operations	962,796	962,796	556,392	406,404
Intergovernmental	550,000	550,000	550,000	--
Total expenditures	1,512,796	1,512,796	1,106,392	406,404
Excess (deficiency) of revenues over (under) expenditures	1,187,204	1,187,204	2,437,262	1,250,058
<b>OTHER FINANCING USES</b>				
Transfers out:				
Capital Projects Fund	(1,400,000)	(1,614,854)	(1,614,854)	--
Net change in fund balances	(212,796)	(427,650)	822,408	1,250,058
Fund balances, January 1 restated	2,360,146	2,360,146	2,360,146	--
Fund balances, December 31	\$ 2,147,350	\$ 1,932,496	\$ 3,182,554	\$ 1,250,058

**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, 2019**

EXHIBIT B - 23

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 1,280,600	\$ 1,280,600	\$ 1,293,032	\$ 12,432
Investment earnings	7,500	7,500	114,720	107,220
Total revenues	1,288,100	1,288,100	1,407,752	119,652
<b>EXPENDITURES</b>				
Current:				
Transportation:				
Operations	2,271,152	1,084,499	83,738	1,000,761
Capital outlay	3,807,637	4,994,290	1,636,973	3,357,317
Total expenditures	6,078,789	6,078,789	1,720,711	4,358,078
Excess (deficiency) of revenues over (under) expenditures	(4,790,689)	(4,790,689)	(312,959)	4,477,730
Fund balances, January 1	5,105,722	5,105,722	5,105,722	--
Fund balances, December 31	\$ 315,033	\$ 315,033	\$ 4,792,763	\$ 4,477,730

**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, 2019**

EXHIBIT B - 24

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 15,098,140	\$ 15,428,140	\$ 15,511,799	\$ 83,659
Investment earnings	25,000	25,000	915,935	890,935
Total revenues	15,123,140	15,453,140	16,427,734	974,594
<b>EXPENDITURES</b>				
Current:				
Transportation:				
Street maintenance	50,743,857	51,073,857	36,229,769	14,844,088
Excess (deficiency) of revenues over (under) expenditures	(35,620,717)	(35,620,717)	(19,802,035)	15,818,682
Fund balances, January 1	40,166,945	40,166,945	40,166,945	--
Fund balances, December 31	<u>\$ 4,546,228</u>	<u>\$ 4,546,228</u>	<u>\$ 20,364,910</u>	<u>\$ 15,818,682</u>

**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, 2019**

EXHIBIT B - 25

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 11,801,880	\$ 11,801,880	\$ 12,063,104	\$ 261,224
Investment earnings	--	--	(68,715)	(68,715)
Total revenues	11,801,880	11,801,880	11,994,389	192,509
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	12,123,550	12,123,550	12,120,353	3,197
Excess (deficiency) of revenues over (under) expenditures	(321,670)	(321,670)	(125,964)	195,706
Fund balances, January 1	2,936,884	2,936,884	2,936,884	--
Fund balances, December 31	<u>\$ 2,615,214</u>	<u>\$ 2,615,214</u>	<u>\$ 2,810,920</u>	<u>\$ 195,706</u>

**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, 2019**

EXHIBIT B - 26

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 494,300	\$ 494,300	\$ 475,166	\$ (19,134)
Intergovernmental revenues:				
Insurance company taxes	27,540	27,540	27,378	(162)
Charges for services:				
Fire protection service charges	63,660	64,000	66,626	2,626
Investment earnings	670	330	4,508	4,178
Total revenues	586,170	586,170	573,678	(12,492)
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	407,480	535,430	514,581	20,849
Excess (deficiency) of revenues over (under) expenditures	178,690	50,740	59,097	8,357
Fund balances, January 1	460,981	460,981	460,981	--
Fund balances, December 31	<u>\$ 639,671</u>	<u>\$ 511,721</u>	<u>\$ 520,078</u>	<u>\$ 8,357</u>



**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, 2019**

EXHIBIT B - 27

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 884,630	\$ 904,260	\$ 932,222	\$ 27,962
Intergovernmental revenues:				
Insurance company taxes	34,110	34,110	33,372	(738)
Louisiana revenue sharing	77,440	77,440	76,479	(961)
On-behalf payments for salaries and benefits	24,000	24,000	24,000	--
Total intergovernmental revenues	135,550	135,550	133,851	(1,699)
Charges for services:				
Fire protection service charges	105,310	106,140	106,149	9
Investment earnings	900	70	7,693	7,623
Miscellaneous revenues:				
Other income	24,410	24,410	49,397	24,987
Total revenues	1,150,800	1,170,430	1,229,312	58,882
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	1,008,660	1,028,290	1,027,766	524
Excess (deficiency) of revenues over (under) expenditures	142,140	142,140	201,546	59,406
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	16,250	16,250	16,250	--
Net change in fund balances	158,390	158,390	217,796	59,406
Fund balances, January 1	685,724	685,724	685,724	--
Fund balances, December 31	\$ 844,114	\$ 844,114	\$ 903,520	\$ 59,406

**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, 2019**

EXHIBIT B - 28

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 271,100	\$ 282,090	\$ 284,729	\$ 2,639
Intergovernmental revenues:				
Insurance company taxes	17,350	17,350	15,761	(1,589)
Charges for services:				
Fire protection service charges	44,000	44,500	47,011	2,511
Investment earnings	500	--	(1,498)	(1,498)
Miscellaneous revenues:				
Other income	11,500	11,500	13,119	1,619
Total revenues	344,450	355,440	359,122	3,682
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	340,560	389,288	417,621	(28,333)
Debt service:				
Principal retirement	31,200	31,200	31,200	--
Interest and fiscal charges	11,300	11,300	11,291	9
Total debt service	42,500	42,500	42,491	9
Capital outlay	303,768	333,041	295,162	37,879
Total expenditures	686,828	764,829	755,274	9,555
Excess (deficiency) of revenues over (under) expenditures	(342,378)	(409,389)	(396,152)	13,237
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	35,860	35,860	35,860	--
Transfers out:				
Capital Projects Fund	--	(80,000)	(80,000)	--
Total other financing sources and uses	35,860	(44,140)	(44,140)	--
Net change in fund balances	(306,518)	(453,529)	(440,292)	13,237
Fund balances, January 1	513,602	513,602	513,602	--
Fund balances, December 31	\$ 207,084	\$ 60,073	\$ 73,310	\$ 13,237

**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, 2019**

EXHIBIT B - 29

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 360,550	\$ 360,550	\$ 388,886	\$ 28,336
Intergovernmental revenues:				
Insurance company taxes	17,000	17,000	16,300	(700)
Charges for services:				
Fire protection service charges	50,000	50,250	55,155	4,905
Investment earnings	750	500	9,000	8,500
Miscellaneous revenues:				
Donations	250	250	250	--
Other income	5,000	5,000	62,457	57,457
Total miscellaneous revenues	5,250	5,250	62,707	57,457
Total revenues	433,550	433,550	532,048	98,498
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	289,239	330,239	306,213	24,026
Debt service:				
Principal retirement	59,300	59,300	18,062	41,238
Interest and fiscal charges	23,990	23,990	6,852	17,138
Total debt service	83,290	83,290	24,914	58,376
Total expenditures	372,529	413,529	331,127	82,402
Excess (deficiency) of revenues over (under) expenditures	61,021	20,021	200,921	180,900
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in:				
General Fund	64,000	64,000	64,000	--
Transfers out:				
Grants Fund	--	--	(5,250)	(5,250)
Total other financing sources and uses	64,000	64,000	58,750	(5,250)
Net change in fund balances	125,021	84,021	259,671	175,650
Fund balances, January 1	465,981	465,981	465,981	--
Fund balances, December 31	\$ 591,002	\$ 550,002	\$ 725,652	\$ 175,650

**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, 2019**

EXHIBIT B - 30

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General property taxes	\$ 384,740	\$ 300,740	\$ 298,157	\$ (2,583)
Intergovernmental revenues:				
Insurance company taxes	5,430	5,430	4,792	(638)
Charges for services:				
Fire protection service charges	12,650	12,860	11,883	(977)
Investment earnings	790	580	14,250	13,670
Miscellaneous revenues:				
Donations	--	--	13,000	13,000
Other income	9,050	9,050	10,023	973
Total miscellaneous revenues	9,050	9,050	23,023	13,973
Total revenues	412,660	328,660	352,105	23,445
<b>EXPENDITURES</b>				
Current:				
Public safety:				
Operations	369,690	343,303	333,243	10,060
Capital outlay	--	361,578	350,130	11,448
Total expenditures	369,690	704,881	683,373	21,508
Excess (deficiency) of revenues over (under) expenditures	42,970	(376,221)	(331,268)	44,953
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	24,510	24,510	24,510	--
Net change in fund balances	67,480	(351,711)	(306,758)	44,953
Fund balances, January 1	797,498	797,498	797,498	--
Fund balances, December 31	\$ 864,978	\$ 445,787	\$ 490,740	\$ 44,953

**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, 2019**

EXHIBIT B - 31

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 3,256,890	\$ 3,242,570	\$ 3,242,131	\$ (439)
Investment earnings	3,000	17,320	17,748	428
Total revenues	3,259,890	3,259,890	3,259,879	(11)
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	2,255,000	2,255,000	2,255,000	--
Interest and fiscal charges:				
Bond interest	1,043,560	1,043,560	1,043,552	8
Paying agent fees	2,100	2,100	2,100	--
Total interest and fiscal charges	1,045,660	1,045,660	1,045,652	8
Total expenditures	3,300,660	3,300,660	3,300,652	8
Excess (deficiency) of revenues over (under) expenditures	(40,770)	(40,770)	(40,773)	(3)
Fund balances, January 1	1,419,164	1,419,164	1,419,164	--
Fund balances, December 31	\$ 1,378,394	\$ 1,378,394	\$ 1,378,391	\$ (3)

**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, 2019**

EXHIBIT B - 32

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 1,256,080	\$ 1,241,750	\$ 1,241,736	\$ (14)
Miscellaneous revenues:				
Other income	19,040	33,370	33,377	7
Total revenues	1,275,120	1,275,120	1,275,113	(7)
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	1,040,000	1,040,000	1,040,000	--
Interest and fiscal charges:				
Bond interest	228,920	228,920	228,913	7
Paying agent fees	6,200	6,200	6,200	--
Total interest and fiscal charges	235,120	235,120	235,113	7
Total expenditures	1,275,120	1,275,120	1,275,113	7
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ --	\$ --	\$ --

**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, 2019**

EXHIBIT B - 33

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	\$ 3,200,000	\$ 3,200,000	\$ 3,200,000	\$ --
Interest and fiscal charges:				
Bond interest	1,515,470	1,515,470	1,515,468	2
Paying agent fees	100	100	100	--
Total interest and fiscal charges	1,515,570	1,515,570	1,515,568	2
Total expenditures	4,715,570	4,715,570	4,715,568	2
<b>OTHER FINANCING SOURCES</b>				
Transfers in:				
General Fund	4,715,570	4,715,570	4,715,568	(2)
Net change in fund balances	--	--	--	--
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ --	\$ --	\$ --

**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, 2019**

EXHIBIT B - 34

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 17,182,110	\$ 17,134,730	\$ 17,090,811	\$ (43,919)
Investment earnings	14,000	82,670	94,498	11,828
Swap earnings	1,220,000	1,312,340	1,312,340	--
Total revenues	18,416,110	18,529,740	18,497,649	(32,091)
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	9,900,000	9,900,000	9,900,000	--
Interest and fiscal charges:				
Bond interest	4,938,280	5,007,880	5,007,879	1
Paying agent fees	384,150	384,150	384,147	3
Total interest and fiscal charges	5,322,430	5,392,030	5,392,026	4
Swap expenses	3,181,660	3,181,660	3,181,657	3
Total expenditures	18,404,090	18,473,690	18,473,683	7
Excess (deficiency) of revenues over (under) expenditures	12,020	56,050	23,966	(32,084)
Fund balances, January 1	7,014,178	7,014,178	7,014,178	--
Fund balances, December 31	\$ 7,026,198	\$ 7,070,228	\$ 7,038,144	\$ (32,084)



**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, 2019**

EXHIBIT B - 35

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ 5,819,240	\$ 5,793,620	\$ 5,792,836	\$ (784)
Investment earnings	4,500	30,120	30,904	784
Total revenues	5,823,740	5,823,740	5,823,740	--
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	3,200,000	3,200,000	3,200,000	--
Interest and fiscal charges:				
Bond interest	2,613,910	2,613,910	2,613,906	4
Paying agent fees	7,750	7,750	7,750	--
Total interest and fiscal charges	2,621,660	2,621,660	2,621,656	4
Total expenditures	5,821,660	5,821,660	5,821,656	4
Excess (deficiency) of revenues over (under) expenditures	2,080	2,080	2,084	4
Fund balances, January 1	2,422,461	2,422,461	2,422,461	--
Fund balances, December 31	<u>\$ 2,424,541</u>	<u>\$ 2,424,541</u>	<u>\$ 2,424,545</u>	<u>\$ 4</u>

**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)**  
**MOVEBR DEBT SERVICE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT B - 36

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes:				
General sales and use taxes	\$ --	\$ 586,370	\$ 586,300	\$ (70)
Investment earnings	--	--	72	72
Total revenues	--	586,370	586,372	2
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ 586,370	\$ 586,372	\$ 2

**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, 2019**

EXHIBIT B - 37

	<b>Budgeted Amounts</b>		<b>Actual Amounts (Budgetary Basis)</b>	<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Miscellaneous revenues:				
Contributions from government agencies	\$ 47,860	\$ 46,670	\$ 46,254	\$ (416)
<b>EXPENDITURES</b>				
Debt service:				
Principal:				
Bond principal	33,800	33,800	33,800	--
Interest and fiscal charges:				
Bond interest	14,060	12,870	12,454	416
Total expenditures	47,860	46,670	46,254	416
Excess (deficiency) of revenues over (under) expenditures	--	--	--	--
Fund balances, January 1	--	--	--	--
Fund balances, December 31	\$ --	\$ --	\$ --	\$ --

## 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, 2019**

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	\$ 2,073,020	\$ 931,286	\$ 3,004,306
Investments	--	2,735,195	2,735,195
Accounts receivable - net	106,819	--	106,819
Accrued interest receivable	2,668	16,247	18,915
Due from other governments	646,055	--	646,055
Prepaid items	82,684	--	82,684
Inventory	94,446	--	94,446
Total current assets	<u>3,005,692</u>	<u>3,682,728</u>	<u>6,688,420</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	1,650,394	--	1,650,394
Investments	4,847,220	--	4,847,220
Sales taxes receivable	82,275	--	82,275
Accrued interest receivable	33,437	--	33,437
Total restricted assets	<u>6,613,326</u>	<u>--</u>	<u>6,613,326</u>
Capital assets:			
Land	1,024,914	1,629,303	2,654,217
Buildings	92,240,034	10,639,195	102,879,229
Improvements (other than buildings)	19,513,185	22,685	19,535,870
Equipment	1,283,330	11,696	1,295,026
Construction work in progress	2,495,351	--	2,495,351
Total capital assets	<u>116,556,814</u>	<u>12,302,879</u>	<u>128,859,693</u>
Accumulated depreciation	<u>(82,749,701)</u>	<u>(10,273,313)</u>	<u>(93,023,014)</u>
Net capital assets	<u>33,807,113</u>	<u>2,029,566</u>	<u>35,836,679</u>
Total noncurrent assets	<u>40,420,439</u>	<u>2,029,566</u>	<u>42,450,005</u>
Total assets	<u>43,426,131</u>	<u>5,712,294</u>	<u>49,138,425</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows for OPEB	--	74,639	74,639
Deferred outflows for pensions	--	176,063	176,063
Total deferred outflows of resources	<u>--</u>	<u>250,702</u>	<u>250,702</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF NET POSITION**  
**NONMAJOR ENTERPRISE FUNDS**  
**DECEMBER 31, 2019**

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	\$ 761,918	\$ 117,203	\$ 879,121
Accrued salaries payable	30,750	--	30,750
Unearned revenue	1,171,252	--	1,171,252
Compensated absences payable	65,185	--	65,185
Total other post employment benefit liability	--	25,538	25,538
Total current liabilities	<u>2,029,105</u>	<u>142,741</u>	<u>2,171,846</u>
Noncurrent liabilities:			
Total other post employment benefit liability	--	1,217,697	1,217,697
Net pension liability	--	666,418	666,418
Total noncurrent liabilities	<u>--</u>	<u>1,884,115</u>	<u>1,884,115</u>
Total liabilities	<u>2,029,105</u>	<u>2,026,856</u>	<u>4,055,961</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflow for OPEB	--	97,391	97,391
Deferred inflow for pensions	--	5,819	5,819
Total deferred inflows of resources	<u>--</u>	<u>103,210</u>	<u>103,210</u>
<b>NET POSITION</b>			
Net investment in capital assets	33,807,113	2,029,566	35,836,679
Restricted for capital projects	6,942,993	--	6,942,993
Unrestricted	<u>646,920</u>	<u>1,803,364</u>	<u>2,450,284</u>
Total net position	<u>\$ 41,397,026</u>	<u>\$ 3,832,930</u>	<u>\$ 45,229,956</u>

**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, 2019**

EXHIBIT C - 2

	<b>Baton Rouge River Center</b>	<b>Greater Baton Rouge Parking Authority</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 5,583,261	\$ 645,769	\$ 6,229,030
Miscellaneous revenues	1,115,795	1,948	1,117,743
Total operating revenues	<u>6,699,056</u>	<u>647,717</u>	<u>7,346,773</u>
<b>OPERATING EXPENSES</b>			
Personal services	2,304,741	183,451	2,488,192
Employee benefits	443,171	260,660	703,831
Supplies	1,263,298	3,015	1,266,313
Contractual services	4,420,577	555,014	4,975,591
Depreciation	4,553,898	26,363	4,580,261
Management fee	325,686	--	325,686
Total operating expenses	<u>13,311,371</u>	<u>1,028,503</u>	<u>14,339,874</u>
Operating income (loss)	<u>(6,612,315)</u>	<u>(380,786)</u>	<u>(6,993,101)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Occupancy taxes	1,367,245	--	1,367,245
Operating grants	612,688	--	612,688
Investment earnings	186,643	101,870	288,513
Total non-operating revenues (expenses)	<u>2,166,576</u>	<u>101,870</u>	<u>2,268,446</u>
Income (loss) before contributions and transfers	(4,445,739)	(278,916)	(4,724,655)
Capital contributions	108,194	--	108,194
Transfers in	<u>2,720,746</u>	<u>--</u>	<u>2,720,746</u>
Change in net position	(1,616,799)	(278,916)	(1,895,715)
Total net position - January 1	<u>43,013,825</u>	<u>4,111,846</u>	<u>47,125,671</u>
Total net position - December 31	<u>\$ 41,397,026</u>	<u>\$ 3,832,930</u>	<u>\$ 45,229,956</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT C - 3

	<b>Baton Rouge River Center</b>	<b>Greater Baton Rouge Parking Authority</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 5,380,408	\$ 647,717	\$ 6,028,125
Cash payments to suppliers for goods and services	(6,260,730)	(482,422)	(6,743,152)
Cash payments to employees for services and benefits	(2,778,483)	(331,081)	(3,109,564)
Net cash provided by (used for) operating activities	<u>(3,658,805)</u>	<u>(165,786)</u>	<u>(3,824,591)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Operating grants received	612,688	--	612,688
Transfers in from other funds	1,792,000	--	1,792,000
Net cash provided by (used for) noncapital financing activities	<u>2,404,688</u>	<u>--</u>	<u>2,404,688</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Receipts from occupancy taxes	1,366,161	--	1,366,161
Acquisition and construction of capital assets	(261,870)	(104,000)	(365,870)
Capital contributed by other governments	217,498	--	217,498
Net cash provided by (used for) capital and related financing activities	<u>1,321,789</u>	<u>(104,000)</u>	<u>1,217,789</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of investments	(4,847,220)	(2,735,195)	(7,582,415)
Proceeds from sales and maturities of investments	3,513,343	2,680,043	6,193,386
Interest received on investments	174,122	85,630	259,752
Net cash provided by (used for) investing activities	<u>(1,159,755)</u>	<u>30,478</u>	<u>(1,129,277)</u>
Net increase (decrease) in cash and cash equivalents	(1,092,083)	(239,308)	(1,331,391)
Cash and cash equivalents, January 1	<u>4,815,497</u>	<u>1,170,594</u>	<u>5,986,091</u>
Cash and cash equivalents, December 31	<u><u>\$ 3,723,414</u></u>	<u><u>\$ 931,286</u></u>	<u><u>\$ 4,654,700</u></u>
Classified as:			
Current assets	\$ 2,073,020	\$ 931,286	\$ 3,004,306
Restricted assets	1,650,394	--	1,650,394
Totals	<u><u>\$ 3,723,414</u></u>	<u><u>\$ 931,286</u></u>	<u><u>\$ 4,654,700</u></u>

Continued



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT C - 3  
(Continued)

	<b>Baton Rouge River Center</b>	<b>Greater Baton Rouge Parking Authority</b>	<b>Total Nonmajor Enterprise Funds</b>
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	<u>\$ (6,612,315)</u>	<u>\$ (380,786)</u>	<u>\$ (6,993,101)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	4,553,898	26,363	4,580,261
Increase (decrease) in compensated absences payable	4,242	(41,310)	(37,068)
Increase (decrease) in total other post employment benefit liability	--	12,142	12,142
Increase (decrease) in deferred inflows for OPEB	--	97,391	97,391
(Increase) decrease in deferred outflows for OPEB	--	(39,355)	(39,355)
Increase (decrease) in net pension liability	--	228,586	228,586
(Increase) decrease in deferred outflows for pensions	--	(103,927)	(103,927)
Increase (decrease) in deferred inflows for pensions	--	(36,849)	(36,849)
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	222,764	--	222,764
Decrease (increase) in prepaid items	190,420	--	190,420
Decrease (increase) in inventory	(32,067)	--	(32,067)
Increase (decrease) in accounts and contracts payable	(409,522)	75,607	(333,915)
Increase (decrease) in accrued salaries payable	(34,813)	(3,648)	(38,461)
Increase (decrease) in unearned revenue	(1,541,412)	--	(1,541,412)
Total adjustments	<u>2,953,510</u>	<u>215,000</u>	<u>3,168,510</u>
Net cash provided by (used for) operating activities	<u><u>\$ (3,658,805)</u></u>	<u><u>\$ (165,786)</u></u>	<u><u>\$ (3,824,591)</u></u>
<b>Non cash investing, capital, and financing activities:</b>			
Gain in fair value of investments	\$ 36,105	\$ 16,247	\$ 52,352
Contributions/accruals of capital assets	(109,304)	--	(109,304)

## 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.

**Fleet Management 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, 2019**

EXHIBIT D - 1

	<b><u>Fleet Rental and Replace- ment Fund</u></b>	<b><u>Fleet Management</u></b>	<b><u>Total</u></b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 3,360,064	\$ 167,802	\$ 3,527,866
Investments	9,868,536	492,837	10,361,373
Accrued interest receivable	63,769	--	63,769
Inventory	--	165,730	165,730
Total current assets	<u>13,292,369</u>	<u>826,369</u>	<u>14,118,738</u>
Capital assets:			
Land	--	47,568	47,568
Buildings	--	2,355,428	2,355,428
Improvements (other than buildings)	--	7,190	7,190
Equipment	47,639,274	219,323	47,858,597
Total capital assets	<u>47,639,274</u>	<u>2,629,509</u>	<u>50,268,783</u>
Accumulated depreciation	<u>(33,502,623)</u>	<u>(2,443,823)</u>	<u>(35,946,446)</u>
Net capital assets	<u>14,136,651</u>	<u>185,686</u>	<u>14,322,337</u>
Total assets	<u>27,429,020</u>	<u>1,012,055</u>	<u>28,441,075</u>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts and contracts payable	1,980,497	470,704	2,451,201
Accrued salaries payable	--	42,854	42,854
Compensated absences payable	--	192,105	192,105
Total liabilities	<u>1,980,497</u>	<u>705,663</u>	<u>2,686,160</u>
Noncurrent liabilities:			
Compensated absences payable	<u>--</u>	<u>61,355</u>	<u>61,355</u>
Total liabilities	<u>1,980,497</u>	<u>767,018</u>	<u>2,747,515</u>
<b>NET POSITION</b>			
Net investment in capital assets	14,136,651	185,686	14,322,337
Unrestricted	<u>11,311,872</u>	<u>59,351</u>	<u>11,371,223</u>
Total net position	<u>\$ 25,448,523</u>	<u>\$ 245,037</u>	<u>\$ 25,693,560</u>

**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, 2019**

EXHIBIT D - 2

	<u><b>Fleet Rental and Replace- ment Fund</b></u>	<u><b>Fleet Management</b></u>	<u><b>Total</b></u>
<b>OPERATING REVENUES</b>			
Charges for services:			
Billings to departments	\$ 7,287,499	\$ 12,969,534	\$ 20,257,033
<b>OPERATING EXPENSES</b>			
Personal services	--	1,807,665	1,807,665
Employee benefits	--	1,166,714	1,166,714
Supplies	13,630	129,209	142,839
Contractual services	4,582,061	1,098,101	5,680,162
Cost of materials	--	8,474,083	8,474,083
Depreciation	3,996,777	46,887	4,043,664
Total operating expenses	<u>8,592,468</u>	<u>12,722,659</u>	<u>21,315,127</u>
Operating income (loss)	<u>(1,304,969)</u>	<u>246,875</u>	<u>(1,058,094)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment earnings	326,792	(8,063)	318,729
Gain (loss) on disposition of capital assets	558,159	5,094	563,253
Total non-operating revenues (expenses)	<u>884,951</u>	<u>(2,969)</u>	<u>881,982</u>
Change in net position	(420,018)	243,906	(176,112)
Total net position - January 1	<u>25,868,541</u>	<u>1,131</u>	<u>25,869,672</u>
Total net position - December 31	<u><u>\$ 25,448,523</u></u>	<u><u>\$ 245,037</u></u>	<u><u>\$ 25,693,560</u></u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT D - 3

	<b>Fleet Rental and Replace- ment Fund</b>	<b>Fleet Management</b>	<b>Total</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 7,287,499	\$ 12,969,534	\$ 20,257,033
Cash payments to suppliers for goods and services	(4,618,642)	(9,579,761)	(14,198,403)
Cash payments to employees for services and benefits	--	(2,956,535)	(2,956,535)
Net cash provided by (used for) operating activities	<u>2,668,857</u>	<u>433,238</u>	<u>3,102,095</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Proceeds from sale of capital assets	559,031	5,094	564,125
Acquisition and construction of capital assets	(7,241,935)	--	(7,241,935)
Net cash provided by (used for) capital and related financing activities	<u>(6,682,904)</u>	<u>5,094</u>	<u>(6,677,810)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of investments	(9,868,536)	(492,837)	(10,361,373)
Proceeds from sales and maturities of investments	11,756,548	--	11,756,548
Interest received on investments	351,055	(8,063)	342,992
Net cash provided by (used for) investing activities	<u>2,239,067</u>	<u>(500,900)</u>	<u>1,738,167</u>
Net increase (decrease) in cash and cash equivalents	(1,774,980)	(62,568)	(1,837,548)
Cash and cash equivalents, January 1	<u>5,135,044</u>	<u>230,370</u>	<u>5,365,414</u>
Cash and cash equivalents, December 31	<u>\$ 3,360,064</u>	<u>\$ 167,802</u>	<u>\$ 3,527,866</u>
<b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>			
Operating income (loss)	<u>\$ (1,304,969)</u>	<u>\$ 246,875</u>	<u>\$ (1,058,094)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	3,996,777	46,887	4,043,664
Increase (decrease) in compensated absences payable	--	4,702	4,702
Change in assets and liabilities:			
Decrease (increase) in inventory	--	11,675	11,675
Increase (decrease) in accounts and contracts payable	(22,951)	109,957	87,006
Increase (decrease) in accrued salaries payable	--	13,142	13,142
Total adjustments	<u>3,973,826</u>	<u>186,363</u>	<u>4,160,189</u>
Net cash provided by (used for) operating activities	<u>\$ 2,668,857</u>	<u>\$ 433,238</u>	<u>\$ 3,102,095</u>
<b>Non cash investing, capital, and financing activities:</b>			
Gain in fair value of investments	\$ 63,769	\$ --	\$ 63,769
Gain (loss) on disposal of capital assets	(872)	--	(872)

## **FIDUCIARY FUNDS**

### **Pension Trust Funds**

**City-Parish Employees Retirement System (CPERS) Regular Pension Trust Fund** accounts for a cost-sharing multiple-employer defined benefit pension system established for employees of the City-Parish government, some of the government's discretely presented component agencies and related organizations.

**CPERS Police Guarantee Trust Fund** accounts for a single-employer special trust set up by CPERS to administer certain benefits to police employees who transferred to the State Municipal Police Employees Retirement System (MPERS) in 2000. This fund covers benefits that were included in the CPERS system that are not covered by the MPERS system.

### **Agency Funds**

**Sales Tax Suspense Fund** accounts for the collection of the City-Parish 3% sales tax and distribution thereof to the General Fund, City of Baker, City of Zachary, City of Central and Consolidated School District.

**City Court Receipts Suspense Fund** accounts for the receipt of advance court costs and collections and the disbursements for garnishments, court costs, and civil fees.

**City Court Appearance Bond Fund** accounts for the appearance cash bond deposits and the disbursements of refunds and forfeits.

**Indigent Defender Fund** accounts for the designated court costs and disbursements to the attorneys of indigent clients.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**DECEMBER 31, 2019**

EXHIBIT E - 1

	<b>CPERS Regular Retirement System</b>	<b>CPERS Police Guaranty System</b>	<b>Total Pension Trust Funds</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 16,669,756	\$ 3,404,300	\$ 20,074,056
Receivables:			
Employee contributions	845,526	1,787	847,313
Employer contributions	2,083,104	5,725	2,088,829
Non-employer contributions	1,227,486	--	1,227,486
Interest and dividends	49,688	3,770	53,458
Pending trades	2,976,027	147,000	3,123,027
Other contributions	213,503	8,351	221,854
Total receivables	<u>7,395,334</u>	<u>166,633</u>	<u>7,561,967</u>
Investments, at fair value			
Fixed income - domestic	266,384,918	4,936,180	271,321,098
Fixed income - international	30,232,611	499,851	30,732,462
Equity securities - domestic	311,202,356	2,772,316	313,974,672
Equity securities - international	283,032,979	1,845,881	284,878,860
Real estate investments	77,617,990	--	77,617,990
Alternative investments	205,243,766	1,477,265	206,721,031
Total investments	<u>1,173,714,620</u>	<u>11,531,493</u>	<u>1,185,246,113</u>
Capital assets:			
Land	550,628	--	550,628
Buildings	781,948	--	781,948
Equipment	48,540	--	48,540
Accumulated depreciation	(749,837)	--	(749,837)
Total capital assets	<u>631,279</u>	<u>--</u>	<u>631,279</u>
Total assets	<u>1,198,410,989</u>	<u>15,102,426</u>	<u>1,213,513,415</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows for OPEB	<u>151,058</u>	<u>30,940</u>	<u>181,998</u>
<b>LIABILITIES</b>			
Accrued expenses and benefits payable	1,057,894	280,602	1,338,496
Pending trades payable	940,730	3,904	944,634
Total other postemployment liabilities	<u>2,546,907</u>	<u>521,655</u>	<u>3,068,562</u>
Total liabilities	<u>4,545,531</u>	<u>806,161</u>	<u>5,351,692</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows for OPEB	<u>825,669</u>	<u>169,113</u>	<u>994,782</u>
<b>NET POSITION</b>			
Net position restricted for pensions	<u>\$ 1,193,190,847</u>	<u>\$ 14,158,092</u>	<u>\$ 1,207,348,939</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT E - 2

	<b>CPERS Regular Retirement System</b>	<b>CPERS Police Guaranty System</b>	<b>Total Pension Trust Funds</b>
<b>ADDITIONS</b>			
Contributions:			
Employee	\$ 13,553,565	\$ 52,178	\$ 13,605,743
Employer	46,806,504	1,167,213	47,973,717
Non-employer	1,227,486	--	1,227,486
Severance contributions from employee	2,698,674	--	2,698,674
Total contributions	<u>64,286,229</u>	<u>1,219,391</u>	<u>65,505,620</u>
Investment income			
<i>From investment activities:</i>			
Net appreciation (depreciation) in fair value of investments	180,800,986	1,817,359	182,618,345
Interest	1,396,867	93,728	1,490,595
Total investment income	<u>182,197,853</u>	<u>1,911,087</u>	<u>184,108,940</u>
Less: investment expense	6,563,882	122,982	6,686,864
Net income from investing activities	<u>175,633,971</u>	<u>1,788,105</u>	<u>177,422,076</u>
Total additions	<u>239,920,200</u>	<u>3,007,496</u>	<u>242,927,696</u>
<b>DEDUCTIONS</b>			
Benefit payments	110,324,188	2,312,226	112,636,414
Refunds and withdrawals	2,811,623	--	2,811,623
Administrative expenses	1,372,143	279,405	1,651,548
Total deductions	<u>114,507,954</u>	<u>2,591,631</u>	<u>117,099,585</u>
Change in net position	125,412,246	415,865	125,828,111
Net position - beginning of year, restated (Note 2)	<u>1,067,778,601</u>	<u>13,742,227</u>	<u>1,081,520,828</u>
Net position - end of year	<u><u>\$ 1,193,190,847</u></u>	<u><u>\$ 14,158,092</u></u>	<u><u>\$ 1,207,348,939</u></u>



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**DECEMBER 31, 2019**

EXHIBIT E - 3

	<u>Sales Tax Suspense</u>	<u>City Court Receipts Suspense</u>	<u>City Court Appearance Bond</u>	<u>Indigent Defender</u>	<u>Total Agency Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 13,780,344	\$ 3,108,962	\$ 448,449	\$ 79,181	\$ 17,416,936
Taxes receivable for other governments	18,771,874	--	--	--	18,771,874
Other receivables	<u>178,633</u>	<u>--</u>	<u>--</u>	<u>61,768</u>	<u>240,401</u>
Total assets	<u>\$ 32,730,851</u>	<u>\$ 3,108,962</u>	<u>\$ 448,449</u>	<u>\$ 140,949</u>	<u>\$ 36,429,211</u>
<b>LIABILITIES</b>					
Accounts payable	\$ 28,895,430	\$ 97,255	\$ --	\$ 140,949	\$ 29,133,634
Deposits and escrow accounts	<u>3,835,421</u>	<u>3,011,707</u>	<u>448,449</u>	<u>--</u>	<u>7,295,577</u>
Total liabilities	<u>\$ 32,730,851</u>	<u>\$ 3,108,962</u>	<u>\$ 448,449</u>	<u>\$ 140,949</u>	<u>\$ 36,429,211</u>

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT E - 4

	<b>Balance January 1, 2019</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2019</b>
<b><u>Sales Tax Suspense Fund:</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 15,282,097	\$ 385,054,709	\$ 386,556,462	\$ 13,780,344
Taxes receivable for other governments	18,954,087	18,771,874	18,954,087	18,771,874
Other receivables	87,527	10,144,096	10,052,990	178,633
Total assets	<u>\$ 34,323,711</u>	<u>\$ 413,970,679</u>	<u>\$ 415,563,539</u>	<u>\$ 32,730,851</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 30,041,228	\$ 249,074,817	\$ 250,220,615	\$ 28,895,430
Deposits and escrow accounts	4,282,483	397,385,001	397,832,063	3,835,421
Total liabilities	<u>\$ 34,323,711</u>	<u>\$ 646,459,818</u>	<u>\$ 648,052,678</u>	<u>\$ 32,730,851</u>
 <b><u>City Court Receipts Suspense Fund:</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>\$ 3,208,352</u>	<u>\$ 12,938,953</u>	<u>\$ 13,038,343</u>	<u>\$ 3,108,962</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 148,498	\$ 9,657,470	\$ 9,708,713	\$ 97,255
Deposits and escrow accounts	3,059,854	12,876,496	12,924,643	3,011,707
Total liabilities	<u>\$ 3,208,352</u>	<u>\$ 22,533,966</u>	<u>\$ 22,633,356</u>	<u>\$ 3,108,962</u>
 <b><u>City Court Appearance Bond Fund:</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	<u>\$ 394,243</u>	<u>\$ 154,482</u>	<u>\$ 100,276</u>	<u>\$ 448,449</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 7,400	\$ 58,032	\$ 65,432	\$ --
Deposits and escrow accounts	386,843	151,750	90,144	448,449
Total liabilities	<u>\$ 394,243</u>	<u>\$ 209,782</u>	<u>\$ 155,576</u>	<u>\$ 448,449</u>
 <b><u>Indigent Defender Fund:</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 47,461	\$ 1,649,118	\$ 1,617,398	\$ 79,181
Receivables	55,337	62,176	55,745	61,768
Total assets	<u>\$ 102,798</u>	<u>\$ 1,711,294</u>	<u>\$ 1,673,143</u>	<u>\$ 140,949</u>
<b>LIABILITIES</b>				
Accounts payable	<u>\$ 102,798</u>	<u>\$ 1,655,882</u>	<u>\$ 1,617,731</u>	<u>\$ 140,949</u>

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT E - 4  
(Continued)

	<b>Balance January 1, 2019</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance December 31, 2019</b>
<b><u>Total all agency funds</u></b>				
<b>ASSETS</b>				
Cash and cash equivalents	\$ 18,932,153	\$ 399,797,262	\$ 401,312,479	\$ 17,416,936
Taxes receivable for other governments	18,954,087	18,771,874	18,954,087	18,771,874
Other receivables	142,864	10,206,272	10,108,735	240,401
Total assets	<u>\$ 38,029,104</u>	<u>\$ 428,775,408</u>	<u>\$ 430,375,301</u>	<u>\$ 36,429,211</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 30,299,924	\$ 260,446,201	\$ 261,612,491	\$ 29,133,634
Deposits and escrow accounts	7,729,180	410,413,247	410,846,850	7,295,577
Total liabilities	<u>\$ 38,029,104</u>	<u>\$ 670,859,448</u>	<u>\$ 672,459,341</u>	<u>\$ 36,429,211</u>

## **SUPPLEMENTARY SCHEDULES**

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINED SCHEDULE OF CASH, CASH EQUIVALENTS  
AND INVESTMENTS  
DECEMBER 31, 2019**

EXHIBIT F - 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	1.68 - 2.88	\$ 162,382,759
Certificates of Deposit - Hancock Bank	1.28 - 1.70	295,000,000
Certificates of Deposit - JP Morgan	1.43	20,000,000
U.S. Government Obligations	1.49 - 2.54	306,411,435
U.S. Agency Obligations	1.56	4,921,931
Cash in Bank - Capital One		14,816,959
Total Cash and Investments - Consolidated Cash Account		803,533,084
<u>Other Cash Items</u>		
Petty Cash		14,637
Cash on Hand		6,891,324
Total Other Cash Items		6,905,961
<u>Baton Rouge River Center</u>		
Cash in Bank - Investar Bank		1,338,576
<u>East Baton Rouge Sewerage Commission</u>		
Louisiana Asset Management Pool	1.68 - 2.88	35,471,139
Certificates of Deposit - Hancock Bank	1.60	15,250,936
Capital One Bank:		
Cash in Bank		21,470,194
Total East Baton Rouge Sewerage Commission		72,192,269
<u>2008A Road and Street Improvement Sales Tax Revenue Bonds</u>		
Certificates of Deposit - Hancock Bank	1.60	1,343,899
Capital One Bank:		
Cash in Bank		2,154,971
Total 2008A Road and Street Improvement Sales Tax Revenue Bonds		3,498,870
<u>2008A-2 and 2008B (Taxable) Public Improvement Sales Tax Revenue Bonds</u>		
Capital One Bank:		
Cash in Bank		404,103
<u>2009A Road and Street Improvement Sales Tax Revenue Bonds</u>		
Certificates of Deposit - Hancock Bank	1.60	913,609
Capital One Bank:		
Cash in Bank		1,366,215
Total 2009A Road and Street Improvement Sales Tax Revenue Bonds		2,279,824
<u>2010A Public Improvement Sales Tax Revenue Bonds</u>		
Capital One Bank:		
Cash in Bank		528,372
<u>2010B Public Improvement Sales Tax Revenue Bonds</u>		
Capital One Bank:		
Cash in Bank		740,675

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINED SCHEDULE OF CASH, CASH EQUIVALENTS  
AND INVESTMENTS  
DECEMBER 31, 2019**

EXHIBIT F - 1  
(Continued)

<u>Description</u>	<u>Interest Rate (%)</u>	<u>Carrying Amount</u>
<b><u>PRIMARY GOVERNMENT (Continued)</u></b>		
<u>2012 LCDA Road Improvements Project</u>		
Capital One Bank:		
Cash in Bank		\$ 1,093,761
<u>2015 Road and Street Improvement Sales Tax Revenue Refunding Bonds</u>		
Capital One Bank:		
Cash in Bank		1,238,890
<u>2015 LCDA Road Improvements Project</u>		
Capital One Bank:		
Cash in Bank		1,332,177
<u>2016A-1 Public Improvement Sales Tax Revenue Refunding Bonds</u>		
Capital One Bank:		
Cash in Bank		1,008,282
<u>2016A-2 (Taxable) Public Improvement Sales Tax Revenue Refunding Bonds</u>		
Capital One Bank:		
Cash in Bank		49,365
<u>2016A-3 Public Improvement Sales Tax Revenue Bonds</u>		
Capital One Bank:		
Cash in Bank		120,174
<u>2018 Public Improvement Sales Tax Revenue Bonds</u>		
Capital One Bank:		
Cash in Bank		638,572
<u>2019 MOVEBR Public Improvement Sales Tax Revenue Bonds</u>		
Capital One Bank:		
Cash in Bank		586,442
Grand Total Cash, Cash Equivalents and Investments - Primary Government excluding Employees' Retirement System Pension Trust Fund		\$ 897,489,397

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINED SCHEDULE OF CASH, CASH EQUIVALENTS  
AND INVESTMENTS  
DECEMBER 31, 2019**

EXHIBIT F - 1  
(Continued)

<u>Description</u>	<u>Interest Rate (%)</u>	<u>Carrying Amount</u>
<u>Employees' Retirement System Pension Trust Fund</u>		
Cash in Bank		\$ 15,010,355
U.S. Treasury Inflation - Protected Securities		373,466
Other securities held in trust		6,319
International Equities and Fixed Income		231,873,085
Emerging Markets Equities		83,738,237
Domestic Equities and Fixed Income		584,915,985
Short-Term Investment Fund/Cash Equivalents		5,063,701
Equity Real Estate Fund		77,617,990
Risk Parity		105,582,731
Hedge Fund of Funds		54,744,137
Private Equity		46,394,163
Total Employees' Retirement System Pension Trust Fund		<u>\$ 1,205,320,169</u>

**COMPONENT UNITS**

District Attorney of the Nineteenth Judicial District	\$ 605,359
Nineteenth Judicial District Court	2,246,326
Nineteenth Judicial District Court Building Commission	19,481,037
E.B.R. Parish Family Court	371,481
E.B.R. Parish Juvenile Court	381,750
E.B.R. Parish Clerk of Court	11,969,996
E.B.R. Redevelopment Authority (d/b/a Build Baton Rouge)	199,246
Cyntreniks Group King Hotel Special Taxing District	8,812
Bluebonnet Convention Hotel Taxing District	53,746
EBRATS Building Special Taxing District	4,903
Old LNB Building Redevelopment Taxing District	35,885
Capital Area Transit System	430,164
Grand Total Cash, Cash Equivalents and Investments - Component Units	<u>\$ 35,788,705</u>

**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, 2019**

EXHIBIT F - 2

<u>Purpose</u>	<u>Amount</u>
Salary	\$ 175,000
Benefits - Life Insurance	120
Benefits - Employer Retirement Contributions	62,108
Benefits - Employer Medicare Contributions	2,538
Travel (Conferences & Meetings)	9,124
Unvouchered Expense (Travel Per Diem)	132
Registration fees	1,325
Cell Phone	1,074
Special meals	197
Total Compensation, Benefits and Other Payments to Mayor-President	<u>\$ 251,618</u>



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
BALANCE SHEET SCHEDULE  
LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT F - 3

	<b>Gustav/Ike Disaster Recovery Program</b>	<b>FEMA Public Assistance Nonfederal Share Match Program</b>	<b>Total LCDBG Programs</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ (226,833)	\$ --	\$ (226,833)
Due from other governments	<u>1,385,683</u>	<u>--</u>	<u>1,385,683</u>
Total assets	<u><u>\$ 1,158,850</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 1,158,850</u></u>
<b>LIABILITIES</b>			
Accounts and contracts payable	\$ 577,202	\$ --	\$ 577,202
<b>FUND BALANCES</b>			
Restricted	<u>581,648</u>	<u>--</u>	<u>581,648</u>
Total liabilities and fund balances	<u><u>\$ 1,158,850</u></u>	<u><u>\$ --</u></u>	<u><u>\$ 1,158,850</u></u>

This schedule is provided to comply with grantor oversight reporting requirements.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES**  
**LOUISIANA COMMUNITY DEVELOPMENT BLOCK GRANTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

EXHIBIT F - 4

	<b>Gustav/Ike Disaster Recovery Program</b>	<b>FEMA Public Assistance Nonfederal Share Match Program</b>	<b>Total LCDBG Programs</b>
<b>REVENUES</b>			
Louisiana Division of Administration Office of Community Development Disaster Recovery Unit	\$ 2,675,892	\$ 2,903	\$ 2,678,795
Investment earnings	(2,908)	--	(2,908)
Miscellaneous revenues	580,000	--	580,000
	<u>3,252,984</u>	<u>2,903</u>	<u>3,255,887</u>
Total revenues			
	<u>3,252,984</u>	<u>2,903</u>	<u>3,255,887</u>
<b>EXPENDITURES</b>			
Current:			
Construction	2,675,893	--	2,675,893
Public Facilities	--	2,903	2,903
	<u>2,675,893</u>	<u>2,903</u>	<u>2,678,796</u>
Total expenditures			
	<u>2,675,893</u>	<u>2,903</u>	<u>2,678,796</u>
Excess (deficiency) of revenues over (under) expenditures	577,091	--	577,091
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	5,800	--	5,800
	<u>5,800</u>	<u>--</u>	<u>5,800</u>
Net change in fund balances	582,891	--	582,891
Fund balances, January 1	(1,243)	--	(1,243)
	<u>(1,243)</u>	<u>--</u>	<u>(1,243)</u>
Fund balances, December 31	<u>\$ 581,648</u>	<u>\$ --</u>	<u>\$ 581,648</u>

This schedule is provided to comply with grantor oversight reporting requirements.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**STATISTICAL SECTION**  
**DECEMBER 31, 2019**

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><b>INDEX</b></u>	<u><b>Exhibit</b></u>	<u><b>Page Number</b></u>
<b><u>FINANCIAL TRENDS INFORMATION</u> - These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</b>		
Net Position by Component, Last Ten Fiscal Years . . . . .	G-1	236
Changes in Net Position, Last Ten Fiscal Years . . . . .	G-2	238
Governmental Activities Tax Revenues By Source, Last Ten Fiscal Years . . . . .	G-3	242
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Tax Revenues by Source, Governmental Funds, Last Ten Fiscal Years . . . . .	G-6	248
<b><u>REVENUE CAPACITY INFORMATION</u> - These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</b>		
Assessed and Estimated Actual Value of Taxable Property, Last Ten Years . . . . .	G-7	250
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<b><u>DEBT CAPACITY INFORMATION</u> - These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</b>		
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Pledged Revenue Coverage, Last Ten Fiscal Years . . . . .	G-17	266
<b><u>DEMOGRAPHIC AND ECONOMIC INFORMATION</u> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</b>		
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Principal Employers, Current Year and Nine Years Ago . . . . .	G-19	269
<b><u>OPERATING INFORMATION</u> - These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</b>		
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Capital Asset Statistics by Function/Program, Last Ten Fiscal Years . . . . .	G-22	274

**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)**  
**(UNAUDITED)**

	FISCAL YEAR			
	2019	2018	2017	2016
Governmental activities				
Net investment in capital assets	\$ 760,977	\$ 732,715	\$ 719,354	\$ 681,551
Restricted	214,421	179,353	168,597	163,768
Unrestricted	(1,309,265)	(1,194,603)	(757,716)	(706,958)
Total governmental activities net position	<u>(333,867)</u>	<u>(282,535)</u>	<u>130,235</u>	<u>138,361</u>
Business-type activities				
Net investment in capital assets	556,878	588,422	621,252	603,449
Restricted	125,846	97,539	92,504	125,916
Unrestricted	(49,094)	(4,623)	37,002	45,256
Total business-type activities net position	<u>633,630</u>	<u>681,338</u>	<u>750,758</u>	<u>774,621</u>
Primary government				
Net investment in capital assets	1,317,855	1,321,137	1,340,606	1,285,000
Restricted	340,267	276,892	261,101	289,684
Unrestricted	(1,358,359)	(1,199,226)	(720,714)	(661,702)
Total primary government net position	<u>\$ 299,763</u>	<u>\$ 398,803</u>	<u>\$ 880,993</u>	<u>\$ 912,982</u>

Source: Audited Comprehensive Annual Financial Reports

FISCAL YEAR					
2015	2014	2013	2012	2011	2010
\$ 665,195	\$ 650,424	\$ 626,659	\$ 601,094	\$ 533,154	\$ 496,724
166,069	195,913	198,502	217,949	256,925	216,364
(650,016)	(238,705)	(210,528)	(180,056)	(128,550)	(24,683)
<u>181,248</u>	<u>607,632</u>	<u>614,633</u>	<u>638,987</u>	<u>661,529</u>	<u>688,405</u>
652,391	668,571	704,172	698,119	645,336	541,065
136,123	160,489	71,309	106,355	80,202	41,844
35,333	54,088	150,046	137,766	201,564	315,079
<u>823,847</u>	<u>883,148</u>	<u>925,527</u>	<u>942,240</u>	<u>927,102</u>	<u>897,988</u>
1,317,586	1,318,995	1,330,831	1,299,213	1,178,490	1,037,789
302,192	356,402	269,811	324,304	337,127	258,208
(614,683)	(184,617)	(60,482)	(42,290)	73,014	290,396
<u>\$ 1,005,095</u>	<u>\$ 1,490,780</u>	<u>\$ 1,540,160</u>	<u>\$ 1,581,227</u>	<u>\$ 1,588,631</u>	<u>\$ 1,586,393</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)**  
**(UNAUDITED)**

	FISCAL YEAR			
	2019	2018	2017	2016
<b>Expenses</b>				
Governmental activities:				
General government	\$ 115,599	\$ 96,788	\$ 99,348	\$ 108,208
Public safety	334,062	267,250	288,727	314,981
Transportation	94,043	81,787	84,410	79,124
Sanitation	--	--	--	--
Health and welfare	24,550	21,449	11,741	10,929
Culture and recreation	52,697	47,393	49,786	49,086
Conservation and development	48,142	46,067	48,900	47,512
Interest and fiscal charges on long-term debt	13,117	12,178	12,473	13,205
Total governmental activities expenses	<u>682,210</u>	<u>572,912</u>	<u>595,385</u>	<u>623,045</u>
Business-type activities:				
Airport	31,273	31,769	29,642	29,919
Sewer	202,922	194,938	183,169	168,850
Convention center	13,311	13,836	13,031	13,795
Parking facilities	1,028	1,202	721	784
Solid waste collection and disposal	43,091	43,467	42,878	40,969
Total business-type activities	<u>291,625</u>	<u>285,212</u>	<u>269,441</u>	<u>254,317</u>
Total primary government expenses	<u>973,835</u>	<u>858,124</u>	<u>864,826</u>	<u>877,362</u>
<b>Program Revenues</b>				
Governmental activities				
Charges for services:				
General government	20,041	21,137	19,259	20,789
Public safety	36,959	38,125	39,299	30,512
Transportation	88	78	140	194
Sanitation	--	--	--	--
Health and welfare	956	954	929	982
Culture and recreation	233	248	267	281
Conservation and development	4,399	3,277	4,641	4,038
Operating grants and contributions	53,814	55,737	55,264	83,745
Capital grants and contributions	31,376	24,837	39,293	26,155
Total governmental activities program revenues	<u>147,866</u>	<u>144,393</u>	<u>159,092</u>	<u>166,696</u>
Business-type activities				
Charges for Services:				
Airport	19,012	18,447	19,737	19,694
Sewer	90,302	89,873	88,474	80,646
Convention center	6,699	6,512	6,719	6,973
Parking facilities	648	740	746	915
Solid waste collection and disposal	49,337	47,999	42,433	41,764
Operating grants and contributions	6,299	7,426	7,974	8,237
Capital grants and contributions	11,614	16,084	24,389	12,161
Total business-type activities program revenues	<u>183,911</u>	<u>187,081</u>	<u>190,472</u>	<u>170,390</u>
Total primary government total revenues	<u>331,777</u>	<u>331,474</u>	<u>349,564</u>	<u>337,086</u>

FISCAL YEAR					
2015	2014	2013	2012	2011	2010
\$ 104,655	\$ 99,148	\$ 97,833	\$ 88,157	\$ 98,488	\$ 94,444
243,512	233,012	237,028	238,291	219,904	211,382
69,402	66,921	68,812	69,225	66,118	66,622
--	6	6	6	6	244
10,463	9,797	9,500	9,333	9,251	9,436
46,112	43,762	38,171	34,725	34,556	33,379
43,998	46,084	50,034	55,607	48,284	58,013
14,074	13,413	15,625	14,821	15,594	15,515
<u>532,216</u>	<u>512,143</u>	<u>517,009</u>	<u>510,165</u>	<u>492,201</u>	<u>489,035</u>
27,754	28,542	28,609	26,609	25,778	23,144
158,218	156,351	131,780	101,595	89,582	84,555
13,902	13,382	13,305	13,352	10,908	10,484
700	2,745	1,111	782	816	677
39,821	40,893	37,196	36,692	36,368	34,861
<u>240,395</u>	<u>241,913</u>	<u>212,001</u>	<u>179,030</u>	<u>163,452</u>	<u>153,721</u>
<u>772,611</u>	<u>754,056</u>	<u>729,010</u>	<u>689,195</u>	<u>655,653</u>	<u>642,756</u>
23,309	22,796	22,639	21,608	22,939	22,485
29,478	27,007	28,032	24,576	23,778	25,010
151	216	269	267	269	310
--	51	55	61	41	35
952	800	798	788	807	892
316	299	321	289	335	342
3,577	3,520	3,555	4,469	3,213	3,371
45,073	44,261	48,211	57,785	48,551	62,410
17,957	24,403	13,128	15,751	14,931	24,863
<u>120,813</u>	<u>123,353</u>	<u>117,008</u>	<u>125,594</u>	<u>114,864</u>	<u>139,718</u>
17,633	17,237	17,581	16,866	14,868	13,580
78,673	75,420	74,405	73,315	72,056	69,787
6,466	6,491	6,460	7,418	5,804	5,879
854	853	1,091	1,237	1,088	1,137
39,029	37,590	36,333	38,440	37,982	38,019
7,449	7,712	7,612	7,729	7,634	4,385
17,012	10,352	9,627	17,766	18,596	23,050
<u>167,116</u>	<u>155,655</u>	<u>153,109</u>	<u>162,771</u>	<u>158,028</u>	<u>155,837</u>
<u>287,929</u>	<u>279,008</u>	<u>270,117</u>	<u>288,365</u>	<u>272,892</u>	<u>295,555</u>

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)**  
**(UNAUDITED)**

	FISCAL YEAR			
	2019	2018	2017	2016
Net (expense)/revenue:				
Governmental activities	\$ (534,344)	\$ (428,519)	\$ (436,293)	\$ (456,349)
Business-type activities	(107,714)	(98,131)	(78,969)	(83,927)
Total primary government net expense	<u>(642,058)</u>	<u>(526,650)</u>	<u>(515,262)</u>	<u>(540,276)</u>
<b>General Revenues and Other Changes</b>				
<b>in Net Position</b>				
Governmental activities				
Taxes:				
Property	135,967	122,295	119,187	102,274
Gross receipts business	22,490	22,981	23,275	23,136
Sales	278,544	241,051	247,571	246,245
TIF district taxes	86	2	--	--
Occupancy	2,299	2,311	2,218	2,436
Occupational	10,964	11,128	11,173	10,978
Insurance premium	4,291	4,318	4,156	3,992
Gaming admissions	8,384	8,952	10,366	9,979
Interest and penalties - delinquent taxes	1,459	1,474	1,680	1,339
Miscellaneous	33	18	19	16
Unrestricted grants and contributions	5,077	5,342	5,894	6,294
Investment earnings	11,095	7,889	3,572	1,825
Gain (loss) on sale of capital assets	870	143	668	2,190
Transfers	(2,527)	(1,971)	(1,612)	2,758
Total governmental activities general revenues	<u>479,032</u>	<u>425,933</u>	<u>428,167</u>	<u>413,462</u>
Business-type activities				
Taxes:				
Sales	46,939	46,655	47,924	47,563
Occupancy	1,367	960	282	358
Miscellaneous	--	--	--	--
Investment earnings	9,168	8,748	5,261	2,992
Gain (loss) on sale of capital assets	5	307	26	14
Special item-closing of Central Treatment Plant	--	--	--	(13,468)
Transfers	2,527	1,971	1,612	(2,758)
Total business-type activities general revenues	<u>60,006</u>	<u>58,641</u>	<u>55,105</u>	<u>34,701</u>
Total primary government general revenues	<u>539,038</u>	<u>484,574</u>	<u>483,272</u>	<u>448,163</u>
<b>Change in Net Position</b>				
Governmental activities	(55,312)	(2,586)	(8,126)	(42,887)
Business-type activities	(47,708)	(39,490)	(23,864)	(49,226)
Total primary government change in net position	<u>\$ (103,020)</u>	<u>\$ (42,076)</u>	<u>\$ (31,990)</u>	<u>\$ (92,113)</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					
2015	2014	2013	2012	2011	2010
\$ (411,403)	\$ (388,790)	\$ (400,001)	\$ (384,571)	\$ (377,337)	\$ (349,317)
(73,279)	(86,258)	(58,892)	(16,259)	(5,424)	2,116
<u>(484,682)</u>	<u>(475,048)</u>	<u>(458,893)</u>	<u>(400,830)</u>	<u>(382,761)</u>	<u>(347,201)</u>
99,623	98,253	94,352	92,526	89,006	86,395
23,910	24,762	23,093	20,817	23,334	24,510
231,488	223,780	219,610	216,521	201,831	192,910
--	--	--	--	--	--
2,410	2,211	2,201	2,393	2,064	1,956
10,656	10,664	10,383	9,687	9,945	9,870
3,917	3,734	3,774	3,589	3,580	3,590
9,850	9,219	9,438	7,575	5,845	5,741
1,468	1,483	2,525	1,421	1,344	1,294
16	18	11	539	--	--
6,112	5,552	7,675	5,330	9,420	4,918
754	413	659	901	889	1,672
339	814	596	--	--	801
686	886	1,330	2,843	1,062	(1,456)
<u>391,229</u>	<u>381,789</u>	<u>375,647</u>	<u>364,142</u>	<u>348,320</u>	<u>332,201</u>
44,792	43,583	42,997	42,145	39,431	37,441
--	--	--	--	--	--
--	--	75	--	--	425
1,318	1,035	1,348	2,284 *	(3,912) *	(12,934)
41	147	(911)	18	80	101
--	--	--	--	--	--
(686)	(886)	(1,330)	(2,843)	(1,062)	1,456
<u>45,465</u>	<u>43,879</u>	<u>42,179</u>	<u>41,604</u>	<u>34,537</u>	<u>26,489</u>
436,694	425,668	417,826	405,746	382,857	358,690
(20,174)	(7,001)	(24,354)	(20,429)	(29,017)	(17,116)
(27,814)	(42,379)	(16,713)	25,345	29,113	28,605
<u>\$ (47,988)</u>	<u>\$ (49,380)</u>	<u>\$ (41,067)</u>	<u>\$ 4,916</u>	<u>\$ 96</u>	<u>\$ 11,489</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)**  
**(UNAUDITED)**

	<u>General Property Taxes</u>	<u>Gross Receipts Business Taxes</u>	<u>General Sales and Use Taxes</u>	<u>TIF District Taxes</u>	<u>Occupancy Taxes</u>	<u>Occu- pational Taxes</u>
2019	\$ 135,967	\$ 22,490	\$ 278,544	\$ 86	\$ 2,299	\$ 10,964
2018	122,294	22,981	241,051	2	2,311	11,128
2017	119,187	23,275	247,571	--	2,218	11,173
2016	102,274	23,136	246,245	--	2,436	10,978
2015	99,623	23,910	231,488	--	2,410	10,656
2014	98,253	24,762	223,780	--	2,211	10,664
2013	94,352	23,093	219,609	--	2,201	10,383
2012	92,526	20,817	216,521	--	2,393	9,687
2011	89,006	23,334	201,831	--	2,064	9,945
2010	86,395	24,510	192,910	--	1,956	9,870

Source: Audited Comprehensive Annual Financial Reports

<u>Insurance Premiums Taxes</u>	<u>Gaming Admissions Taxes</u>	<u>Interest and Penalties- Delinquent Taxes</u>	<u>Total</u>
\$ 4,291	\$ 8,384	\$ 1,459	\$ 464,484
4,318	8,952	1,474	414,511
4,156	10,366	1,680	419,626
3,992	9,979	1,339	400,379
3,917	9,850	1,468	383,322
3,734	9,219	1,483	374,106
3,774	9,438	2,525	365,375
3,589	7,575	1,421	354,529
3,580	5,845	1,344	336,949
3,590	5,741	1,294	326,266

**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)**  
**(UNAUDITED)**

	FISCAL YEAR			
	2019	2018	2017	2016
General Fund (per GASB 54)*				
Nonspendable	\$ 759	\$ 806	\$ 738	\$ 726
Restricted	1,637	1,145	751	182
Committed	64,957	59,672	56,227	51,411
Assigned	20,942	26,694	30,717	30,195
Unassigned	8,164	5,663	9,964	12,922
General Fund (prior GASB 54)**				
Reserved	--	--	--	--
Unreserved	--	--	--	--
Total General Fund	<u>\$ 96,459</u>	<u>\$ 93,980</u>	<u>\$ 98,397</u>	<u>\$ 95,436</u>
All other governmental funds (per GASB 54)*				
Restricted	\$ 564,381	\$ 361,030	\$ 319,677	\$ 324,334
Committed	50,610	44,437	45,423	36,361
All other governmental funds (prior GASB 54)**				
Reserved	--	--	--	--
Unreserved, reported in:				
Special revenue funds	--	--	--	--
Capital projects fund	--	--	--	--
Total all other governmental funds	<u>\$ 614,991</u>	<u>\$ 405,467</u>	<u>\$ 365,100</u>	<u>\$ 360,695</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					
2015	2014	2013	2012	2011	2010
\$ 657	\$ 557	\$ 615	\$ 640	\$ 584	\$ --
518	1,257	706	271	55	--
59,145	62,493	64,391	58,677	53,161	--
28,346	32,590	29,981	27,786	32,409	--
13,138	15,436	15,654	15,483	16,559	--
--	--	--	--	--	30,018
--	--	--	--	--	66,684
<u>\$ 101,804</u>	<u>\$ 112,333</u>	<u>\$ 111,347</u>	<u>\$ 102,857</u>	<u>\$ 102,768</u>	<u>\$ 96,702</u>
\$ 321,516	\$ 280,287	\$ 282,470	\$ 305,133	\$ 322,519	\$ --
32,914	30,123	28,671	24,812	32,135	--
--	--	--	--	--	314,160
--	--	--	--	--	85,333
--	--	--	--	--	1,299
<u>\$ 354,430</u>	<u>\$ 310,410</u>	<u>\$ 311,141</u>	<u>\$ 329,945</u>	<u>\$ 354,654</u>	<u>\$ 400,792</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)**  
**(UNAUDITED)**

	FISCAL YEAR			
	2019	2018	2017	2016
<b>REVENUES</b>				
Taxes	\$ 463,466	\$ 414,914	\$ 421,288	\$ 398,229
Licenses and permits	4,942	5,054	4,921	5,034
Intergovernmental	83,912	72,413	92,426	110,410
Charges for services	49,450	49,095	50,615	43,382
Fines and forfeits	1,209	1,818	1,945	2,331
Investment earnings	10,777	7,592	3,422	1,755
Miscellaneous revenues	8,436	8,642	8,388	8,166
Total revenues	<u>622,192</u>	<u>559,528</u>	<u>583,005</u>	<u>569,307</u>
<b>EXPENDITURES</b>				
Current:				
General government	69,501	70,544	69,098	76,089
Public safety	230,047	234,926	235,185	263,867
Transportation	53,904	47,736	46,288	43,420
Health and welfare	20,301	19,070	9,869	9,465
Culture and recreation	39,706	39,923	40,435	39,119
Conservation and development	40,694	42,463	43,139	42,200
Debt service:				
Principal retirement	19,678	18,253	18,147	19,529
Interest and fiscal charges	12,710	13,186	14,015	14,395
Other charges	1,478	135	--	--
Capital outlay	62,435	36,408	76,172	48,552
Intergovernmental	18,918	17,961	17,811	17,565
Total expenditures	<u>569,372</u>	<u>540,605</u>	<u>570,159</u>	<u>574,201</u>
Excess (deficiency) of revenues over (under) expenditures	<u>52,820</u>	<u>18,923</u>	<u>12,846</u>	<u>(4,894)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	19,159	31,684	20,143	35,832
Transfers out	(21,686)	(33,655)	(21,755)	(33,028)
Long-term debt proceeds	139,950	18,370	--	--
Refunding bonds issued	--	--	--	--
Premium on debt issuance	21,453	--	--	--
Sale of capital assets	307	628	272	1,987
Payments to refunded bond escrow agent	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total other financing sources and uses	<u>159,183</u>	<u>17,027</u>	<u>(1,340)</u>	<u>4,791</u>
Net change in fund balances	<u>\$ 212,003</u>	<u>\$ 35,950</u>	<u>\$ 11,506</u>	<u>\$ (103)</u>
Debt service as a percentage of noncapital expenditures	6.4%	6.2%	6.5%	6.5%

Source: Audited Comprehensive Annual Financial Reports

FISCAL YEAR					
2015	2014	2013	2012	2011	2010
\$ 383,835	\$ 374,403	\$ 365,556	\$ 353,706	\$ 338,742	\$ 328,816
4,907	4,681	4,346	3,912	4,163	4,212
60,647	63,357	66,321	76,536	69,058	98,203
44,208	41,503	45,339	37,235	39,842	42,963
2,121	2,573	2,598	3,360	3,518	3,288
725	396	638	876	869	1,656
8,548	7,844	7,170	8,066	10,041	13,753
<u>504,991</u>	<u>494,757</u>	<u>491,968</u>	<u>483,691</u>	<u>466,233</u>	<u>492,891</u>
76,855	74,057	67,988	66,547	66,356	72,665
209,673	204,081	202,155	203,370	185,844	178,572
37,486	37,056	38,445	39,464	41,551	43,990
9,486	8,906	8,641	8,502	8,597	8,864
38,849	37,303	32,856	29,635	29,547	29,100
40,441	42,862	46,652	51,670	44,527	54,749
17,866	16,831	15,754	21,921	18,245	17,847
13,312	14,133	14,589	14,877	16,143	16,949
1,082	57	94	1,195	972	327
51,623	48,985	72,146	94,254	79,726	122,128
16,723	16,063	15,658	18,416	19,323	17,808
<u>513,396</u>	<u>500,334</u>	<u>514,978</u>	<u>549,851</u>	<u>510,831</u>	<u>562,999</u>
<u>(8,405)</u>	<u>(5,577)</u>	<u>(23,010)</u>	<u>(66,160)</u>	<u>(44,598)</u>	<u>(70,108)</u>
26,366	28,710	15,009	18,846	35,760	26,830
(25,680)	(27,820)	(13,679)	(16,002)	(34,698)	(28,253)
34,415	4,600	11,000	33,850	1,500	19,045
59,430	--	--	58,075	--	--
17,241	--	--	4,385	--	716
107	343	366	231	599	606
<u>(69,984)</u>	<u>--</u>	<u>--</u>	<u>(57,845)</u>	<u>--</u>	<u>(19,562)</u>
<u>41,895</u>	<u>5,833</u>	<u>12,696</u>	<u>41,540</u>	<u>3,161</u>	<u>(618)</u>
<u>\$ 33,490</u>	<u>\$ 256</u>	<u>\$ (10,314)</u>	<u>\$ (24,620)</u>	<u>\$ (41,437)</u>	<u>\$ (70,726)</u>
6.8%	6.9%	6.9%	8.1%	8.0%	7.9%



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**  
**(amounts expressed in thousands)**  
**(UNAUDITED)**

	General Property Taxes	Gross Receipts Business Taxes	General Sales and Use Taxes	TIF District Taxes	Occupancy Taxes	Occu- pational Taxes
2019	\$ 134,950	\$ 22,490	\$ 278,544	\$ 85	\$ 2,299	\$ 10,964
2018	122,697	22,981	241,051	2	2,311	11,128
2017	120,849	23,275	247,571	--	2,218	11,173
2016	100,125	23,136	246,245	--	2,436	10,978
2015	100,137	23,910	231,488	--	2,410	10,656
2014	98,550	24,762	223,780	--	2,211	10,664
2013	94,516	23,093	219,626	--	2,201	10,383
2012	91,535	20,817	216,689	--	2,393	9,687
2011	90,578	23,334	202,051	--	2,064	9,945
2010	88,831	24,510	193,025	--	1,956	9,869

Source: Audited Comprehensive Annual Financial Reports

Insurance Premiums Taxes	Gaming Admissions Taxes	Interest and Penalties- Delinquent Taxes	Total
\$ 4,291	\$ 8,384	\$ 1,459	\$ 463,466
4,318	8,952	1,474	414,914
4,156	10,366	1,680	421,288
3,992	9,979	1,339	398,230
3,917	9,850	1,467	383,835
3,734	9,219	1,483	374,403
3,774	9,438	2,525	365,556
3,589	7,575	1,421	353,706
3,580	5,845	1,345	338,742
3,590	5,741	1,294	328,816

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN YEARS**  
**(amounts expressed in thousands)**  
**(UNAUDITED)**

EXHIBIT G - 7

<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>						
2019	\$ 2,075,832	\$ --	\$ 2,075,832	6.90	\$ 18,871,200	11.00 %
2018	2,031,877	--	2,031,877	6.90	18,471,609	11.00
2017	2,028,576	--	2,028,576	6.90	18,441,600	11.00
2016	1,950,078	--	1,950,078	6.90	17,727,982	11.00
2015	1,911,391	--	1,911,391	7.12	17,376,282	11.00
		--				
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

Parish of East Baton Rouge

2019	\$ 5,165,231	\$ 776,443	\$ 4,388,788	3.32	\$ 46,956,645	11.00 %
2018	4,955,735	739,933	4,215,802	3.32	45,052,136	11.00
2017	4,866,291	794,444	4,071,847	3.32	44,239,009	11.00
2016	4,646,527	759,618	3,886,909	3.32	42,241,155	11.00
2015	4,582,080	651,496	3,930,584	3.44	41,655,273	11.00
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

\*Actual Valuation (Market Value) as compared to Assessed Valuation

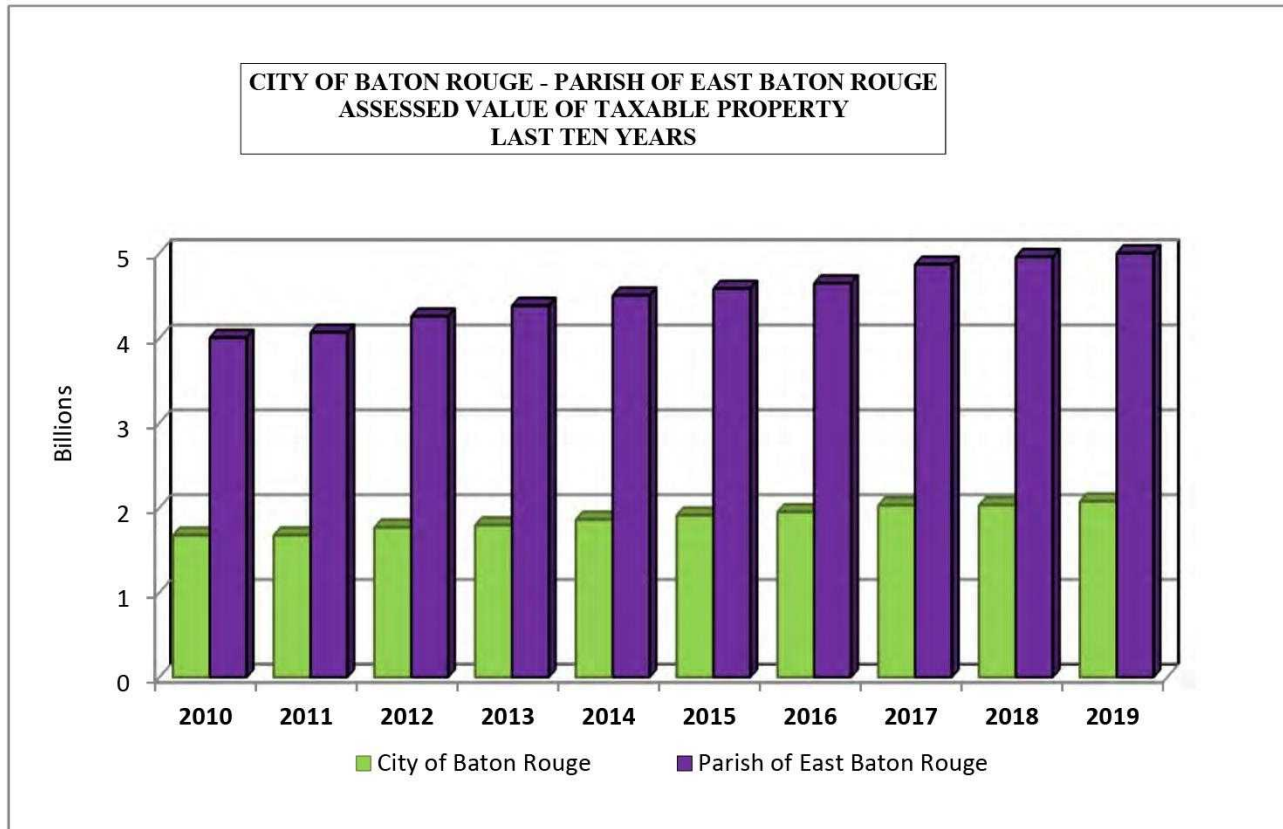
Residential Properties are assessed at 10% of fair market value. Other property and electric cooperative properties, excluding land, are to be assessed at 15%; and public service properties, excluding land, are to be assessed at 25% of fair market value. The overall assessed value is estimated to be 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  
(UNAUDITED)**

EXHIBIT G - 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**  
**(UNAUDITED)**

Year	City		Parish				
	Operating	Municipal Fire Salaries and Benefits	Operating	Debt Service (2)	Mosquito and Rodent Tax	East Baton Rouge Council on Aging	Mental Health and Substance Abuse Services
<u>TAX RATES (mills per dollar)</u>							
2019	6.90	6.00	3.32	--	2.12	2.25	1.50
2018	6.90	6.00	3.32	--	2.12	2.25	--
2017	6.90	6.00	3.32	--	2.12	2.25	--
2016	6.90	6.00	3.32	--	1.41	--	--
2015	7.12	6.00	3.44	--	1.41	--	--
2014	7.12	6.00	3.44	--	1.41	--	--
2013	7.12	6.00	3.44	--	1.41	--	--
2012	7.12	6.00	3.44	--	1.41	--	--
2011	7.42	6.00	3.54	--	1.45	--	--
2010	7.42	6.00	3.54	--	1.45	--	--

TAX LEVIES

2019	\$ 14,407,920	\$ 12,173,029	\$ 17,197,837	\$ --	\$ 10,981,751	\$ 11,655,161	\$ 7,770,107
2018	14,019,953	11,851,754	16,453,040	--	10,506,158	11,150,403	--
2017	13,997,176	11,827,998	16,156,087	--	10,316,537	10,949,155	--
2016	13,455,539	11,408,541	15,426,470	--	6,551,603	--	--
2015	13,609,103	11,176,431	15,762,356	--	6,460,733	--	--
2014	13,255,235	10,972,597	15,491,537	--	6,349,729	--	--
2013	12,782,590	10,769,906	15,068,687	--	6,176,409	--	--
2012	12,588,453	10,608,247	14,640,832	--	6,001,039	--	--
2011	12,432,005	10,052,834	14,398,676	--	5,897,763	--	--
2010	12,427,786	10,049,472	14,178,016	--	5,806,700	--	--

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.

<u>Emergency Medical Services</u>	<u>Library Board of Control</u>	<u>School District</u>	<u>Recreation and Park</u>	<u>Law Enforcement District</u>	<u>Assessor's Salary and Expense Fund</u>	<u>Total</u>
<u>TAX RATES (mills per dollar)</u>						
3.13	11.10	43.45	14.46	14.99	1.29	110.51
3.13	11.10	43.45	14.46	14.99	1.29	109.01
3.13	11.10	43.45	14.46	14.99	1.29	109.01
3.13	11.10	43.45	14.46	14.99	1.29	106.05
3.13	10.78	43.45	14.46	14.99	1.34	106.12
3.13	10.78	43.45	14.04	14.99	1.34	105.70
3.13	10.78	43.45	14.04	14.99	1.34	105.70
3.13	10.78	43.45	14.04	14.99	1.34	105.70
3.13	11.10	43.45	14.46	14.99	1.38	106.92
3.13	11.10	43.45	14.46	14.99	1.38	106.92

TAX LEVIES

\$ 16,213,623	\$ 57,498,792	\$ 196,616,839	\$ 74,919,372	\$ 77,649,269	\$ 6,682,292	\$ 503,765,992
15,511,450	55,008,657	187,911,174	71,674,793	74,286,465	6,392,898	474,766,745
15,231,492	54,015,833	185,690,729	70,381,170	72,945,706	6,277,516	467,789,399
14,543,630	51,576,450	178,553,748	67,202,720	69,651,440	5,994,020	434,364,161
14,341,912	49,394,826	175,282,745	66,270,628	68,685,384	6,139,988	427,124,106
14,095,497	48,546,154	172,553,638	63,218,080	67,505,273	6,034,494	418,022,234
13,710,753	47,221,059	168,092,732	61,492,507	65,662,678	5,869,779	406,847,100
13,321,455	45,880,282	163,119,091	59,746,512	63,798,277	5,703,115	395,407,303
12,731,033	45,148,390	156,255,861	58,827,132	60,970,664	5,613,043	382,327,401
12,535,916	44,456,394	154,151,395	57,924,991	60,036,218	5,527,001	377,093,889

- (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**  
**(UNAUDITED)**

EXHIBIT G - 9

Taxpayer	Type of Business	2019			2010		
		Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation	Assessed Valuation (1)	Rank	Percentage of Total Assessed Valuation
ExxonMobil Corporation	Petroleum Products	\$399,114,261	1	7.73 %	\$295,936,640	1	7.39 %
Georgia-Pacific Corporation	Pulp and Paper Products	100,151,520	2	1.94	59,432,790	3	1.48
Entergy, Inc.	Electric and Gas Utility	100,408,590	3	1.94	74,575,620	2	1.86
J P Morgan/Chase	Bank	46,407,830	4	0.90	50,074,450	4	1.25
State Farm Insurance	Insurance	27,118,550	5	0.53	20,090,300	8	0.50
Wal-Mart	Retail Store	24,307,290	6	0.48	20,109,700	7	0.50
Coca-Cola Bottling Company	Beverage Corporation	18,576,630	7	0.36	--	--	--
Bellsouth Communications	Telephone Utility	20,280,380	8	0.39	42,326,750	5	1.06
Genesis Marine	Import/Export Terminal	17,209,010	9	0.33	--	--	--
Capital One/Hibernia	Bank	18,504,540	10	0.36	17,319,400	10	0.43
Maryland Marine	Public Utility (Watercraft)	--	--	--	22,211,450	6	0.56
Baton Rouge Water Company	Water Utility	--	--	--	17,649,720	9	0.44
		<u>\$772,078,601</u>		<u>14.96 %</u>	<u>\$619,726,820</u>		<u>15.47 %</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**  
**(UNAUDITED)**

EXHIBIT G - 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</u>						
2019	\$ 14,349,643					
2018	14,019,953	\$ 13,853,040	98.81 %	\$ 148,898	\$ 14,001,938	99.87 %
2017	13,997,176	13,774,929	98.41	187,824	13,962,753	99.75
2016	13,455,539	13,191,567	98.04	263,012	13,454,579	99.99
2015	13,609,103	13,439,133	98.75	133,983	13,573,116	99.74
2014	13,255,235	13,042,284	98.39	159,067	13,201,351	99.59
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
<u>Parish of East Baton Rouge</u>						
2019	\$ 14,870,192					
2018	14,157,236	\$ 14,073,779	99.41 %	\$ 98,260	\$ 14,172,039	100.10 %
2017	13,876,659	13,672,976	98.53	110,808	13,783,784	99.33
2016	13,177,704	12,920,330	98.05	133,893	13,054,223	99.06
2015	13,417,386	13,257,437	98.81	87,060	13,344,497	99.46
2014	13,156,222	12,957,191	98.49	84,151	13,041,342	99.13
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

"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)**  
**(UNAUDITED)**

EXHIBIT G - 11

	2% City-Parish General	2% City-Parish Dedicated to Economic Development	1/2 % Roads Improvement and Maintenance	1/2 % Sewerage Improvement and Maintenance	1/2 % MOVEBR Improvement and Maintenance	Total
2019	\$ 196,343	\$ 279	\$ 46,976	\$ 46,938	\$ 34,946	\$ 325,482
2018	192,305	2,088	46,658	46,655	-	287,706
2017	197,523	2,126	47,921	47,924	-	295,494
2016	196,799	1,882	47,564	47,563	-	293,808
2015	185,021	1,674	44,793	44,791	-	276,279
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

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, 2019.

Entity/Area	Parish	School Board Operating	School Board Capital Improvement	Municipal	State	Total
East Baton Rouge	3.50%	1.00%	1.00%	-	4.45%	9.95%
Baton Rouge	1.50%	1.00%	1.00%	2.00%	4.45%	9.95%
Baker	1.50%	2.00%	-	2.50%	4.45%	10.45%
Zachary	1.50%	1.00%	1.00%	2.00%	4.45%	9.95%
Central	1.50%	1.00%	1.50%	2.00%	4.45%	10.45%



**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)**  
**(UNAUDITED)**

North American Industry Classification	FISCAL YEAR			
	2019	2018	2017	2016
Agriculture, Forestry, and Fishing	\$ 977	\$ 960	\$ 1,949	\$ 1,954
Mining	2,931	2,881	974	1,954
Construction	148,513	197,815	155,892	155,379
Manufacturing	939,932	894,007	855,457	843,345
Transportation and Public Utilities	34,197	40,331	52,614	46,907
Wholesale Trade	514,911	482,053	435,523	420,207
Other Retail Trade	4,383,091	4,439,304	4,555,944	4,483,508
Vehicle	793,373	729,801	826,228	1,008,496
Food Stores	569,626	575,199	562,186	563,859
Finance, Insurance, and Real Estate	280,416	270,795	278,657	281,441
Services	<u>2,102,633</u>	<u>1,969,504</u>	<u>2,017,826</u>	<u>1,965,200</u>
Total	<u>\$ 9,770,600</u>	<u>\$ 9,602,650</u>	<u>\$ 9,743,250</u>	<u>\$ 9,772,250</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					
2015	2014	2013	2012	2011	2010
\$ 1,850	\$ 1,800	\$ 1,750	\$ 1,729	\$ 1,627	\$ 1,565
1,850	--	875	--	814	3,129
140,606	148,517	156,627	154,729	155,418	133,783
843,637	830,797	866,260	934,427	805,568	724,461
49,027	36,004	38,500	42,356	52,077	43,030
405,168	416,749	389,379	366,510	351,521	332,501
4,237,608	4,105,379	4,003,171	3,969,371	3,876,491	3,599,615
796,459	760,589	725,383	644,850	580,985	836,337
555,024	542,763	500,506	482,341	444,283	483,495
299,713	298,835	252,003	267,967	225,396	218,277
<u>1,919,458</u>	<u>1,859,617</u>	<u>1,815,646</u>	<u>1,779,820</u>	<u>1,642,870</u>	<u>1,447,357</u>
<u>\$ 9,250,400</u>	<u>\$ 9,001,050</u>	<u>\$ 8,750,100</u>	<u>\$ 8,644,100</u>	<u>\$ 8,137,050</u>	<u>\$ 7,823,550</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)**  
**(UNAUDITED)**

<b>Year</b>	<b>Governmental Activities</b>				<b>Business - Type Activities</b>	
	<b>Limited Tax Obligation Bonds</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>
2019	\$ 334	\$ 89,385	\$ 354,656	\$ --	\$ 428,545	\$ 1,047,121
2018	370	95,832	208,048	--	428,545	1,043,501
2017	--	102,099	203,690	--	429,300	1,029,380
2016	--	108,366	217,322	--	431,051	1,037,995
2015	--	114,511	232,165	--	431,757	1,031,195
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

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) (in dollars) Debt Per Capita
\$ 1,920,041	8.08%	\$ 4,363
1,776,296	7.84%	4,028
1,764,469	8.11%	3,954
1,794,734	8.87%	4,015
1,809,628	8.83%	4,051
1,777,396	9.24%	3,985
1,548,996	7.94%	3,479
1,351,374	7.09%	3,040
1,330,042	7.39%	3,013
1,162,745	6.58%	2,637

**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)**  
**(UNAUDITED)**

EXHIBIT G - 14

Year	Limited Tax Obligation Bonds (4)	Excess Revenue Contracts Loans and Notes (1)	Less: Amount Available In Debt Service Fund	Total	Percentage of Estimated Actual Value of Property (2)	(in dollars) Debt Per Capita (3)
2019	\$334	\$89,385	\$ 2,425	\$87,294	0.46%	\$198
2018	370	95,832	2,422	93,780	0.51%	213
2017	--	102,099	2,409	99,690	0.54%	223
2016	--	108,366	2,396	105,970	0.60%	237
2015	--	114,511	2,396	112,115	0.65%	251
2014	--	84,712	1,093	83,619	0.49%	187
2013	--	89,263	1,093	88,170	0.54%	198
2012	--	93,712	1,094	92,618	0.58%	208
2011	--	59,929	--	59,929	0.39%	136
2010	--	60,514	--	60,514	0.40%	137

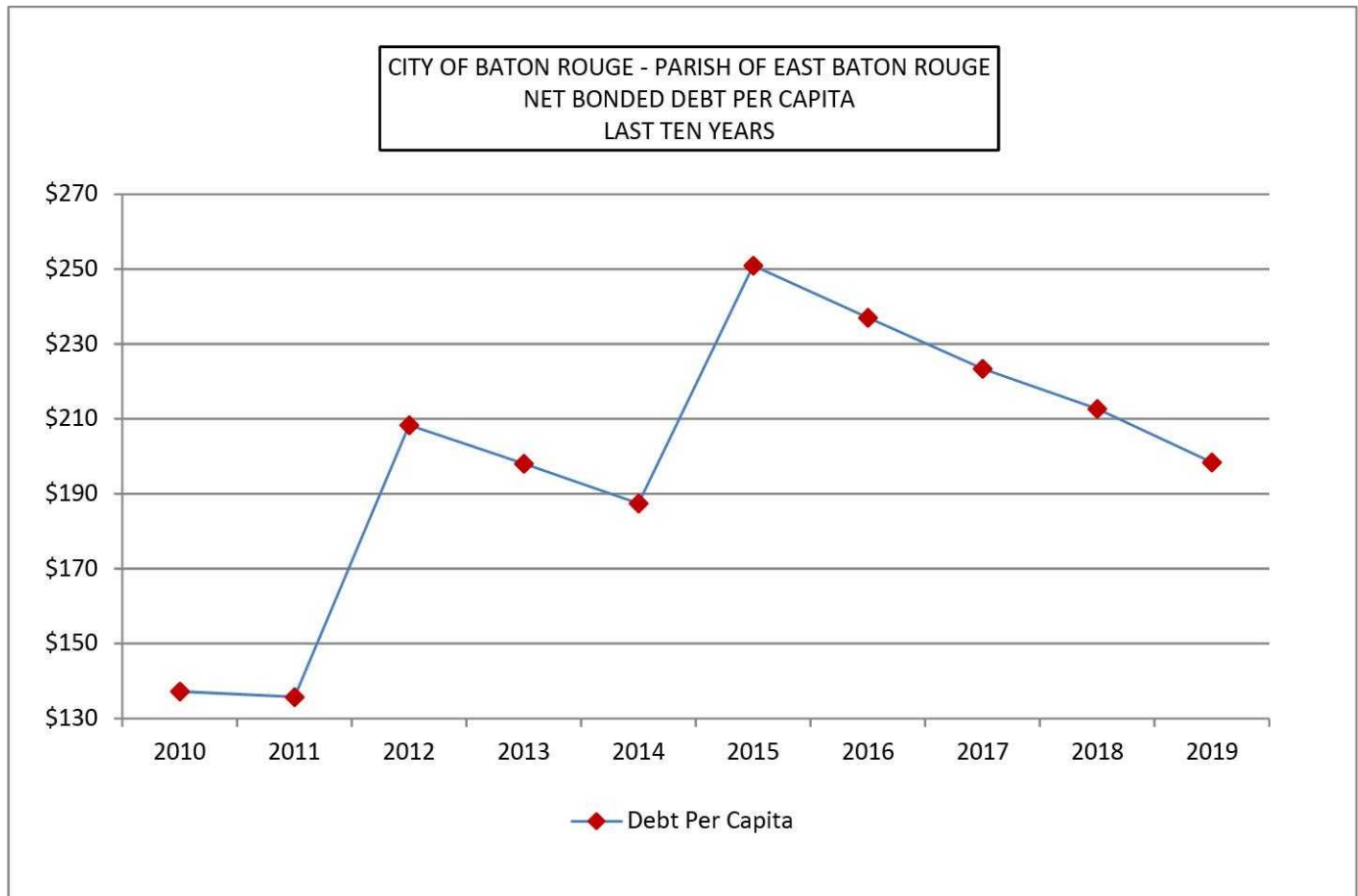
Note: Details regarding outstanding debt can be found in the notes to the financial statements (Note 10).

- (1) Excess revenue contracts, loans and notes of governmental activities.
- (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) Limited Tax Obligation Bonds of governmental activities.

Continued

**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)**  
**(UNAUDITED)**

EXHIBIT G - 14  
(Continued)





**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
DECEMBER 31, 2019  
(UNAUDITED)**

EXHIBIT G - 15

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Amount Applicable to Primary Government</u>
<u>Overlapping Debt:</u>			
Baton Rouge Recreation and Park Commission	\$ 25,110,000	100.00%	\$ 25,110,000
Central Community School System	31,635,000	5.00%	1,581,750
City of Zachary	23,529,729	1.00%	235,297
East Baton Rouge Parish School System	19,491,935	88.00%	17,152,903
Hospital Service District No. 1 (Lane Memorial Hospital)	16,870,000	100.00%	16,870,000
Nineteenth Judicial District Court	93,235,000	100.00%	93,235,000
Zachary Community School Board	84,006,199	6.00%	<u>5,040,372</u>
Total overlapping debt			159,225,322
City of Baton Rouge/Parish of EBR direct debt			<u>304,249,204</u>
Total direct and overlapping debt			<u><u>\$ 463,474,526</u></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**  
**(UNAUDITED)**

EXHIBIT G - 16

<b>CITY OF BATON ROUGE</b>					
<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>
2019	\$207,583,200	\$311,374,800	\$726,541,201	\$ --	\$726,541,201
2018	203,187,731	304,781,597	711,157,059	--	711,157,059
2017	202,857,630	304,286,445	710,001,706	--	710,001,706
2016	195,007,813	292,511,719	682,527,345	--	682,527,345
2015	191,139,089	286,708,633	668,986,810	--	668,986,810
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
<b>PARISH OF EAST BATON ROUGE</b>					
<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>
2019	\$516,523,104	\$774,784,656	no limit	\$ --	\$774,784,656
2018	495,573,483	743,360,225	no limit	--	743,360,225
2017	486,629,124	729,943,686	no limit	--	729,943,686
2016	464,652,700	696,979,050	no limit	--	696,979,050
2015	458,208,035	687,312,053	no limit	--	687,312,053
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

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**  
**(UNAUDITED)**

EXHIBIT G - 17

**SCHEDULE A - CITY SALES TAX (2%)**

<u>Year</u>	<u>Gross Revenue (3)</u>	<u>Expenses (4)</u>	<u>Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest (1)</u>	<u>Total</u>	
2019	\$ 109,113,017	\$ --	\$ 109,113,017	\$ 4,125,000	\$ 3,339,948	\$ 7,464,948	14.62
2018	108,487,127	--	108,487,127	3,380,000	2,804,695	6,184,695	17.54
2017	111,616,795	--	111,616,795	3,590,000	2,941,460	6,531,460	17.09
2016	109,938,263	--	109,938,263	5,285,000	2,740,156	8,025,156	13.70
2015	104,103,683	--	104,103,683	5,525,000	3,494,067	9,019,067	11.54
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

**SCHEDULE B - PARISH SALES TAX (2%)**

<u>Year</u>	<u>Gross Revenue (3)</u>	<u>Expenses (4)</u>	<u>Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest (1)</u>	<u>Total</u>	
2019	\$ 87,281,105	\$ --	\$ 87,281,105	\$ 1,040,000	\$ 235,113	\$ 1,275,113	68.45
2018	83,845,965	--	83,845,965	1,005,000	256,961	1,261,961	66.44
2017	85,933,027	--	85,933,027	970,000	276,059	1,246,059	68.96
2016	86,891,134	--	86,891,134	935,000	296,403	1,231,403	70.56
2015	80,939,830	--	80,939,830	905,000	316,048	1,221,048	66.29
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	--	--	--	-- (9)
2011	75,032,120	--	75,032,120	--	--	--	-- (9)
2010	70,524,675	--	70,524,675	--	--	--	-- (9)

**SCHEDULE C - MOVEBR SALES TAX (1/2%)**

<u>Year</u>	<u>Gross Revenue (12)</u>	<u>Expenses (2)</u>	<u>Available for Debt Service</u>	<u>Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest (1)</u>	<u>Total</u>	
2019	\$ 35,220,062	\$ 231,304	\$ 34,988,758	\$ --	\$ --	\$ --	--

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**SUMMARY OF REVENUE BOND COVERAGE**  
**LAST TEN YEARS**  
**(UNAUDITED)**

EXHIBIT G - 17  
(Continued)

**SCHEDULE D - ROAD AND STREET IMPROVEMENT SALES TAX (1/2%)**

<u>Year</u>	<u>Gross Revenue (5)</u>	<u>Expenses (2)</u>	<u>Available for Debt Service</u>	<u>Total Senior Lien Debt Service (6)</u>	<u>Senior Lien Coverage</u>	<u>Total Sub Lien Debt Service</u>	<u>Sub Lien Coverage (11)</u>
2019	\$ 32,691,973	\$ 285,279	\$ 32,406,694	\$ 18,473,683	1.75	\$ 5,821,656	1.33
2018	31,716,040	301,720	31,414,320	18,541,164	1.69	5,786,256	1.29
2017	31,602,182	281,327	31,320,855	18,304,145	1.71	5,757,106	1.30
2016	30,802,061	282,399	30,519,662	17,737,753	1.72	5,758,756	1.30
2015	29,126,895	249,575	28,877,320	17,052,382	1.69	3,147,517	1.43
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	--	--

**SCHEDULE E - EAST BATON ROUGE SEWERAGE COMMISSION**

<u>Year</u>	<u>Gross Revenue (7)</u>	<u>Expenses (8)</u>	<u>Available for Debt Service</u>	<u>Total Senior Lien Debt Service (10)</u>	<u>Senior Lien Coverage</u>	<u>Total Sub Lien Debt Service</u>	<u>Sub Lien Coverage</u>
2019	\$ 142,994,725	\$ 52,524,444	\$ 90,470,281	\$ 54,963,689	1.65	\$ 20,633,168	1.20
2018	142,236,294	49,035,973	93,200,321	50,601,659	1.84	21,081,993	1.30
2017	139,473,125	45,513,710	93,959,415	49,969,382	1.88	15,947,731	1.43
2016	129,552,440	44,387,591	85,164,849	47,454,341	1.79	10,680,326	1.46
2015	123,941,562	40,419,170	83,522,392	43,356,611	1.93	5,172,899	1.72
2014	119,056,182	38,507,830	80,548,352	54,988,340	1.46	5,147,212	1.34
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	--	--

- (1) Fiscal charges included
- (2) Total sales tax collection costs
- (3) 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
- (4) Refunding bond issuance costs
- (5) 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
- (6) Includes liquidity fees, remarketing fees and transactions associated with the SWAP on the variable rate bonds
- (7) Total operating revenues plus interest earnings on these revenues, Sewer Sales Tax Revenues pledged from the Parish
- (8) Total operating expenses less depreciation, sales tax collection costs, change in total OPEB liability, and net pension liability.
- (9) There were no outstanding Parish 2% Sales Tax Bonds.
- (10) 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.
- (11) 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.
- (12) Total general sales and use taxes in the MovEBR capital projects and debt service funds and interest earnings - MovEBR pledged revenues

The City-Parish is in compliance with all legal debt covenants at December 31, 2019.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN CALENDAR YEARS**

EXHIBIT G - 18

<u>Year</u>	<u>Popu- lation (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Median Age (1)</u>	<u>Public School Enrollment (3)</u>	<u>EBR Parish Unemploy- ment Rate (4)</u>	<u>Labor Market Area Unemploy- ment Rate (5)</u>
2019	440,059	23,763,626,059 (6)	54,001 (6)	33.2 (6)	53,383	4.4	4.4
2018	440,956	22,658,991,000	51,386	34.2	52,698	4.3	4.4
2017	446,268	21,764,720,000	48,771	33.8	52,306	4.4	4.5
2016	447,037	20,227,581,000	45,248	33.3	52,540	5.1	5.2
2015	446,753	20,499,964,000	45,887	33.6	53,602	5.4	5.5
2014	446,042	19,227,032,000	43,106	33.3	54,055	5.7	5.8
2013	445,227	19,518,293,000	43,839	33.0	53,881	6.2	6.2
2012	444,526	19,047,316,000	42,849	32.7	54,439	6.7	6.8
2011	441,438	18,004,796,000	40,787	32.7	53,981	7.2	7.4
2010	440,909	17,660,971,000	40,056	32.6	53,790	7.1	7.4

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 2019) 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 2019) average annual unemployment rate, not seasonally adjusted. Figures for Baton Rouge Metropolitan Statistical Area (MSA).
- (6) Finance Department Estimate

CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO

EXHIBIT G - 19

2019 *				2010			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Parish Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Parish Employment</u>
Louisiana State Government	24,706	1	9.53 %	Louisiana State Government	29,382	1	12.35 %
Turner Industries	9,875	2	3.81	Turner Industries	9,671	2	4.07
Louisiana State University	6,250	3	2.41	East Baton Rouge Parish School System	6,252	3	2.63
East Baton Rouge Parish School System	5,756	4	2.22	Louisiana State University	5,600	4	2.35
Performance Contractors	5,500	5	2.12	City-Parish Government	4,391	5	1.85
Our Lady of the Lake Regional Medical Center	4,500	6	1.74	ExxonMobil Corporation	4,275	6	1.80
City-Parish Government	4,476	7	1.73	The Shaw Group	4,243	7	1.78
ExxonMobil Corporation	4,214	8	1.63	Our Lady of the Lake Regional Medical Center	4,009	8	1.69
Baton Rouge General Medical Center	4,000	9	1.54	Performance Contractors	3,500	9	1.47
Parish Water Company	3,196	10	1.23	Baton Rouge General Medical Center	3,000	10	1.26
	<u>72,473</u>		<u>27.96 %</u>		<u>74,323</u>		<u>31.25 %</u>

\* Source 2019: 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**  
**(UNAUDITED)**

	<b>Full-time Equivalent Employees Allotted in Annual Budget</b>			
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b><u>GENERAL FUND:</u></b>				
Building & Grounds (1)	100.00	100.00	100.00	106.00
Business Operations & Capital Programs (1)	37.00	36.00	36.00	36.00
City Constable	43.00	40.00	40.00	40.00
City Court and City Court Judicial	154.65	154.65	154.63	155.63
Community Centers	21.30	21.30	21.30	20.55
Metropolitan Council and Administration	41.00	41.00	41.00	41.00
Emergency Preparedness	7.00	7.00	7.00	7.00
Development (1)	108.00	108.00	108.00	108.00
EMS - Prison Medical Services	--	--	--	36.00
Finance	120.00	120.00	121.00	121.00
Fire - (City Fire Department Only)	610.00	610.00	610.00	610.00
Human Development & Services	7.42	7.62	7.62	8.12
Human Resources	38.00	38.00	38.00	38.00
Information Services	55.00	57.00	57.00	57.00
Juvenile Services	84.00	84.00	84.00	84.00
Maintenance (1)	286.00	289.00	289.00	319.00
Mayor-President	15.00	15.00	16.00	16.00
Municipal Fire & Police Civil Service	1.00	1.00	1.00	1.00
Parish Attorney	86.50	86.50	95.50	95.50
Planning Commission	24.00	24.00	24.00	24.00
Police (City Police Only)	882.00	883.00	883.00	881.00
Public Information Office	3.00	3.00	3.00	3.00
Public Works (1)	--	--	--	--
Purchasing	15.00	13.00	13.00	13.00
Transportation & Drainage (1)	107.00	107.00	107.00	110.00
<b>TOTAL GENERAL FUND</b>	<b>2,845.87</b>	<b>2,846.07</b>	<b>2,857.05</b>	<b>2,930.80</b>
<b><u>SPECIAL FUNDS:</u></b>				
Major Funds:				
Library Board of Control Fund	414.50	412.50	403.75	402.25
Grants Fund	328.69	331.57	331.57	357.07
Comprehensive Sewerage System Fund	282.20	282.20	293.20	315.20
G. B. R. Airport District Fund	81.00	81.00	81.00	81.00
Solid Waste Collection Fund	6.00	6.00	6.00	6.00
Solid Waste Disposal Facility	20.80	20.80	20.80	20.80
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
City Court Sobriety Court (2)	1.00	1.00	1.00	1.00
Downtown Development District	5.00	5.00	5.00	5.00
Emergency Medical Services	215.00	169.00	169.00	169.00
Employees' Retirement System	12.00	12.00	13.00	13.00
E.B.R. Parish Communications District	--	52.00	52.00	52.00
Gaming Enforcement Division	2.50	2.50	2.50	2.50
G. B. R. Parking Authority	9.00	9.00	--	9.00
Mosquito Abatement and Rodent Control	42.00	37.00	37.00	37.00
Parish Street Maintenance	3.00	3.00	3.00	3.00
<b>TOTAL SPECIAL FUNDS</b>	<b>1,494.69</b>	<b>1,496.57</b>	<b>1,490.82</b>	<b>1,545.82</b>
<b>TOTAL ALL FUNDS</b>	<b>4,340.56</b>	<b>4,342.64</b>	<b>4,347.87</b>	<b>4,476.62</b>

Source: City of Baton Rouge-Parish of East Baton Rouge Annual Operating Budget

Full-time Equivalent Employees Allotted in Annual Budget					
2015	2014	2013	2012	2011	2010
106.00	--	--	--	--	--
36.00	--	--	--	--	--
40.00	40.00	40.00	40.00	40.00	40.00
155.63	156.63	156.63	156.63	157.63	157.63
20.55	20.55	20.55	20.55	20.55	20.55
41.00	41.00	41.00	41.00	41.00	41.00
7.00	7.00	6.00	6.00	5.00	5.00
109.00	--	--	--	--	--
36.00	36.00	36.00	36.00	36.00	36.00
121.00	121.00	121.00	125.00	125.00	125.00
610.00	610.00	610.00	610.00	610.00	610.00
8.37	8.62	8.62	8.62	8.75	8.75
38.00	38.00	38.00	38.00	38.00	38.00
47.00	47.00	45.00	45.00	45.00	45.00
84.00	84.00	84.00	84.00	84.00	84.00
319.00	--	--	--	--	--
16.00	16.00	15.00	15.00	15.00	15.00
1.00	1.00	1.00	1.00	1.00	1.00
95.50	96.50	96.50	95.50	95.50	95.00
27.00	27.00	27.00	27.00	27.00	27.00
886.00	886.00	886.00	886.00	886.00	886.00
3.00	3.00	3.00	3.00	3.00	3.00
--	681.00	691.00	691.00	692.00	692.00
13.00	13.00	13.00	13.00	13.00	13.00
111.00	--	--	--	--	--
<u>2,931.05</u>	<u>2,933.30</u>	<u>2,939.30</u>	<u>2,942.30</u>	<u>2,943.43</u>	<u>2,942.93</u>
401.75	400.75	388.00	379.75	335.00	335.00
367.82	377.57	377.57	382.82	401.77	407.23
318.20	327.40	326.40	326.40	326.40	326.40
81.00	81.00	80.00	82.00	84.00	84.00
6.00	6.00	6.00	6.00	6.00	6.00
20.80	22.60	22.60	22.60	22.60	22.60
22.00	22.00	22.00	22.00	22.00	32.00
45.00	45.00	45.00	45.00	45.00	45.00
5.00	5.00	5.00	5.00	5.00	5.00
1.00	--	--	--	--	--
5.00	5.00	4.00	4.00	4.00	4.00
170.00	170.00	170.00	166.00	166.00	166.00
13.00	13.00	12.00	12.00	12.00	12.00
52.00	52.00	51.00	47.00	47.00	47.00
2.50	2.50	2.50	2.50	2.50	2.00
9.00	9.00	9.00	9.00	9.00	9.00
37.00	33.00	33.00	33.00	33.00	33.00
3.00	3.00	3.00	3.00	3.00	3.00
<u>1,560.07</u>	<u>1,574.82</u>	<u>1,557.07</u>	<u>1,548.07</u>	<u>1,524.27</u>	<u>1,539.23</u>
<u>4,491.12</u>	<u>4,508.12</u>	<u>4,496.37</u>	<u>4,490.37</u>	<u>4,467.70</u>	<u>4,482.16</u>

- (1) Public Works was divided into multiple new departments in 2015 and all positions were allocated to each new department (Building & Grounds, Business Operations & Capital Programs, Development, Maintenance, and Transportation & Drainage)
- (2) The City Court Sobriety Court Fund was established pursuant to the provisions of R.S. 13:1894.2 passed by Act 810 of the 2014 Legislative Session, which became effective August 1, 2014.



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**OPERATING INDICATORS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	FISCAL YEAR			
	2019	2018	2017	2016
<b>Function:</b>				
Public Safety:				
Police				
Physical arrests	11,219	11,761	12,829	13,320
Parking violations	8,291	7,066	6,613	5,507
Traffic violations (1)	34,002	23,553	33,198	43,186
Fire				
Number of responses	37,163	35,529	33,157	33,157
Inspections	21,599	21,355	21,241	21,241
Emergency Medical Services				
Number of emergency responses	63,517	63,292	62,749	62,067
Number of patient transports	36,525	35,911	36,001	36,819
Communications district				
Number of 911 calls (in thousands)	330,693	332,318	355,343	450,431
Transportation:				
Parish street maintenance program				
Number of miles of new streets	0	0	125	126
Rehab streets and roads	37	17	16	14
Number of potholes repaired	2,158	2,327	2,567	1,164
Airport				
Number of enplanements	412,283	401,558	386,987	373,069
Sanitation:				
Wastewater				
Average daily sewerage treatment (millions of gallons)	23,777	24,372	24,997	26,591
Solid Waste Disposal				
Average daily tonnage accepted at Landfill (2)	1,760	1,703	1,652	1,548
Administration Office and Boards				
Construction Permits				
Total Number of Permits issued	23,163	25,859	24,937	28,651
Total Valuation	702,756,120	866,640,251	994,503,563	902,656,342
Culture-Recreation				
Libraries				
Total registered borrowers	264,732	251,578	296,417	294,505
Total items circulated	3,105,034	2,972,067	2,924,461	2,729,254
Total reference questions answered	970,069	1,020,679	1,003,595	847,860
New branch libraries opened	0	0	0 (5)	0

Sources:

City only:

Baton Rouge Police Department - Crime Stat & Traffic Records

Baton Rouge Fire Department

Parish-wide:

EBR Parish Emergency Medical Services

EBR Parish Communications District

City-Parish Public Works

GBR Airport District

EBR Parish Library

FISCAL YEAR					
2015	2014	2013	2012	2011	2010
15,244	15,620	16,458	20,913	25,829	28,114 (3)
5,471	3,176	7,662	14,442	20,424	19,554
49,630	66,453	72,562	65,200	87,643	75,677
32,769	31,384	29,434	30,097	29,869	29,939
19,883	20,216	20,558	16,254	18,885	15,174
59,627	55,946	51,875	52,689	51,467	49,184
35,663	33,865	31,095	31,170	30,720	29,712
432,119	457,870	416,231	387,583	385,970	340,000
1	6	1	1	3	0
14	17	22	25	19	25
1,620	1,173	1,337	1,457	1,666	1,731
378,772	394,772	407,235	413,873	404,735	390,847
24,546	24,978	25,158	23,696	22,819	23,211
1,428	1,337	1,243	1,457	1,491	1,526
24,553	22,985	22,569	21,698	21,759	22,565
776,909,600	794,214,720	679,202,454	603,507,068	729,876,485	710,536,043
373,481	346,363	325,303	304,431	425,540	410,109
2,761,471	2,563,226	2,434,723	2,338,802	2,340,208	2,392,827
1,007,100	898,255	885,764	868,222	971,205	879,514
0 (4)	0 (4)	1	0	0	0

## Notes:

- (1) Moving violations only
- (2) Tonnage without recycling. No adjustment for unscheduled closings of the landfill.
- (3) Projected from data thru Nov 2010. 25,614 adults, 2,500 juveniles
- (4) New Main Library at Goodwood is not included
- (5) Greenwell Springs Library reopening not included

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Major Programs	FISCAL YEAR			
	2019	2018	2017	2016
General Government				
Number of general government buildings	7	7	10	10
Public Safety				
Number of police stations	5	5	5	5
Police patrol units	729	762	753	632
Number of fire stations	19	19	19	19
Fire trucks	41	41	41	41
Number of EMS stations	11	11	13	13
Ambulances	25	25	25	24
Correction facilities	2	2	2	2
Transportation				
Miles of streets	2,192	2,184	2,076	1,997
Number of streetlights	36,146	36,027	36,019	35,423
Number of traffic signals	505	505	505	502
Sanitation				
Miles of sanitary sewers	2,132	2,087	2,161	2,036 (1)
Miles of storm sewers	179	142	117	580 (1)
Culture and Recreation				
Number of library branches	14	14	14	14
Number of community centers	5	5	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

(1) Beginning in 2015, the Geographic Information System (GIS) was utilized to determine the total miles of streets, miles of sanitary sewers and storm (drainage) sewers.

Sources:

City only:

Baton Rouge Fire Department

Parish-wide:

EBR Parish Emergency Medical Services

EBR Parish Communications District

City-Parish Public Works

EBR Parish Library

City Parish Capital Asset Records

FISCAL YEAR					
2015	2014	2013	2012	2011	2010
10	10	10	10	10	10
5	5	5	5	5	5
520	536	509	513	511	467
19	19	19	19	19	19
41	41	41	41	41	41
13	12	13	13	13	12
25	23	21	21	21	21
2	2	2	2	2	2
1,956 (1)	1,783	1,775	1,774	1,772	1,771
34,523	35,200	35,136	35,134	35,006	34,725
499	499	489	489	482	472
1,786	1,784	1,783	1,781	1,780	1,778
105	104	103	102	100	98
14	14	14	13	13	13
6	6	6	6	6	6
7	7	7	7	7	7
7	7	7	7	7	7



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**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE**  
**REPORTS ON COMPLIANCE AND INTERNAL CONTROL**  
**DECEMBER 31, 2019**

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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, 2019, 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 29, 2020. 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 the 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. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency identified as item 2019-002.



### **Compliance and Other Matters**

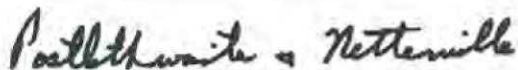
As part of obtaining reasonable assurance about whether City-Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs within item 2019-001.

### **City-Parish's Response to Findings**

The City-Parish's responses to the 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 the financial statements and, accordingly, we express no opinion on them.

### **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.



Baton Rouge, Louisiana  
June 29, 2020

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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 City of Baton Rouge and Parish of East Baton Rouge's (the City-Parish) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City-Parish's major federal programs for the year ended December 31, 2019. 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) and the Capital Area Transit System (the Transit System), which expended \$1,723,254 and \$10,829,157, respectively, of federal awards during their most recent respective fiscal years ending during 2019, which is not included in the accompanying Schedule of Expenditures of Federal Awards for the year ended December 31, 2019. Our audit, described below, does not include the federal award activity of the District Attorney or the Transit System because the component units of the City-Parish separately engaged those audits of compliance in accordance with the Uniform Guidance.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance 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 qualified and unmodified opinions on compliance for each major federal program. However, our audit does not provide a legal determination of the City-Parish's compliance.

### ***Basis for Qualified 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 2019-003 and 2019-005 for certain special tests and provisions and 2019-006 for eligibility. Compliance with such requirements is necessary, in our opinion, for the City-Parish to comply with the requirements applicable to that program.

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. 14.239 – Home Investment Partnership Program for the year ended December 31, 2019.

### ***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, 2019.

### ***Other Matters***

The results of our auditing procedures disclosed another instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2019-004. Our opinion on each major federal program is not modified with respect to this matter.

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 responses.

### **Report on Internal Control over Compliance**

Management of 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 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 the Uniform Guidance, 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 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 2019-003, 2019-005 and 2019-006 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 deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2019-004 to be a significant deficiency.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
June 29, 2020



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>FEDERAL EXPENDITURES</u>	<u>AMOUNTS PROVIDED TO SUBRECIPIENTS</u>
<b><u>FEDERAL AGENCY - SCHEDULE A</u></b>		
U.S. Department of Housing and Urban Development	\$ 14,141,934	\$ 6,066,626
U.S. Department of Agriculture	1,239,986	-
U.S. Department of Interior	2,773	-
U.S. Department of Justice	1,220,270	411,484
U.S. Department of Labor	3,154,234	-
U.S. Department of Transportation	19,059,274	-
U.S. Department of the Treasury	10,500	-
U.S. Environmental Protection Agency	56,967	-
U.S. Department of Education	197,559	-
U.S. Department of Health and Human Services	17,559,434	3,845,123
U.S. Corporation for National Community Service	20,000	-
U.S. Department of Homeland Security	4,321,864	-
	<hr/>	<hr/>
<b>TOTAL FEDERAL AGENCY - SCHEDULE A</b>	<b><u><u>\$ 60,984,795</u></u></b>	<b><u><u>\$ 10,323,233</u></u></b>
<b><u>FEDERAL AGENCY - SCHEDULE B</u></b>		
U.S. Department of Transportation	\$ 1,813,382	\$ --
U.S. Environmental Protection Agency	3,891,809	--
	<hr/>	<hr/>
<b>TOTAL FEDERAL AGENCY - SCHEDULE B</b>	<b><u><u>\$ 5,705,191</u></u></b>	<b><u><u>\$ --</u></u></b>
	<hr/>	<hr/>
<b>TOTAL FEDERAL AGENCY - SCHEDULE A AND B</b>	<b><u><u>\$ 66,689,986</u></u></b>	<b><u><u>\$ 10,323,233</u></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, 2019

SCHEDULE A

<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>Amounts Provided to Subrecipients</u>
<b><u>FEDERAL GRANTS</u></b>					
<b><u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u></b>					
<u>Direct Programs:</u>	131013				
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-09-MC-22-0002	\$ 33,714	\$ --
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-10-MC-22-0002	319,212	22,600
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-12-MC-22-0002	(25,051)	27,003
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-13-MC-22-0002	9,122	9,122
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-14-MC-22-0002	76,702	--
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-15-MC-22-0002	590,538	--
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-16-MC-22-0002	3,228,270	2,691,546
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-17-MC-22-0002	257,742	19,830
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-18-MC-22-0002	1,371,459	420,807
Community Development Block Grants/Entitlement Grants	2800..431013	14.218	B-19-MC-22-0002	98,184	--
SUBTOTAL CFDA NUMBER 14.218 (1)				5,959,892	3,190,908
Emergency Solutions Grant Program	2800..431013	14.231	S-17-MC-22-0002	16,954	16,590
Emergency Solutions Grant Program	2800..431013	14.231	S-18-MC-22-0002	210,208	191,490
Emergency Solutions Grant Program	2800..431013	14.231	S-19-MC-22-0002	10,007	--
SUBTOTAL CFDA NUMBER 14.231				237,169	208,080
Home Investment Partnerships Program	2810..431013	14.239	M-03-MC-22-0204	87,772	--
Home Investment Partnerships Program	2810..431013	14.239	M-07-MC-22-0204	98,835	--
Home Investment Partnerships Program	2810..431013	14.239	M-09-MC-22-0204	388,898	--
Home Investment Partnerships Program	2810..431013	14.239	M-10-MC-22-0204	77,362	--
Home Investment Partnerships Program	2810..431013	14.239	M-12-MC-22-0204	(161,487)	--
Home Investment Partnerships Program	2810..431013	14.239	M-13-MC-22-0204	172,141	--
Home Investment Partnerships Program	2810..431013	14.239	M-14-MC-22-0204	(392,041)	--
Home Investment Partnerships Program	2810..431013	14.239	M-16-MC-22-0204	183,291	--
Home Investment Partnerships Program	2810..431013	14.239	M-17-MC-22-0204	820,700	--
Home Investment Partnerships Program	2810..431013	14.239	M-18-MC-22-0204	211,847	--
Home Investment Partnerships Program	2810..431013	14.239	M-19-MC-22-0204	59,658	--
SUBTOTAL CFDA NUMBER 14.239				1,546,976	--
Housing Opportunities for Persons with AIDS	2830..431013	14.241	LAH14F002	499,370	499,370
Housing Opportunities for Persons with AIDS	2830..431013	14.241	LAH15F002	362,455	362,455
Housing Opportunities for Persons with AIDS	2830..431013	14.241	LAH17F002	872,087	771,598
Housing Opportunities for Persons with AIDS	2830..431013	14.241	LAH18F002	1,234,105	631,549
Housing Opportunities for Persons with AIDS	2830..431013	14.241	LAH19F002	21,490	--
SUBTOTAL CFDA NUMBER 14.241				2,989,507	2,264,972
Section 8 Housing Choice Vouchers	2500..431013	14.871	LA-48-E0003-001/004	8,590	--
Section 8 Housing Choice Vouchers	2500..431013	14.871	LA-219 CEO-001-015	721,004	--
SUBTOTAL CFDA NUMBER 14.871 (2)				729,594	--
<u>Passed through Louisiana Office of Community Development Disaster Recovery Unit</u>					
	132495				
Community Development Block Grants/State's Program	2710..432495	14.228	CEA #684377	2,675,893	402,666
Community Development Block Grants/State's Program	2704..432609	14.228 (3)	B-16-DL-22-0001/YEAR 2016	2,903	--
SUBTOTAL CFDA NUMBER 14.228				2,678,796	402,666
Total U.S. Department of Housing and Urban Development				14,141,934	6,066,626
(1) CDBG-Entitlement Grants Cluster	\$ 5,959,892				
(2) Housing Voucher Cluster	\$ 729,594				
(3) Prior Year Expenditures for 2016 Flood					

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, 2019**

**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>Amounts Provided to Subrecipients</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>					
<u>Passed through Louisiana Department of Education</u>	132607				
School Breakfast Program	1000..432106	10.553 (4)	N/A	\$ 19,183	\$ --
National School Lunch Program	1000..432106	10.555 (4)	N/A	28,775	--
Child and Adult Care Food Program	2600..432607	10.558	93-188	754,252	--
Child and Adult Care Food Program	2600..432607	10.558	93-188	433,207	--
SUBTOTAL CFDA NUMBER 10.558				1,187,459	--
<u>Passed through Louisiana Department of Agriculture</u>	132105				
Cooperative Forestry Assistance	2500..432105	10.664	N/A	4,569	--
Total U.S. Department of Agriculture				1,239,986	--
<b><u>U.S. DEPARTMENT OF INTERIOR</u></b>					
<u>Passed through Louisiana Department of Culture &amp; Recreation &amp; Tourism</u>	132501				
Historic Preservation Fund Grants-In-Aid	2500..432501	15.904	19-HP-10	2,773	--
Total U.S. Department of Interior				2,773	--
<b><u>U.S. DEPARTMENT OF JUSTICE</u></b>					
<u>Direct Programs:</u>	131003				
Project Safe Neighborhoods	2500..431003	16.609	2018-GP-BX-0015	64,742	--
Innovations in Community-Based Crime Reduction	2500..431003	16.817	2013-AJ-BX-0002	20,030	3,646
Body Worn Camera Policy and Implementation	2500..431003	16.835	2017-BC-BX-0056	78,343	59,250
STOP School Violence	2500..431003	16.839	2018-YS-BX-0073	110,381	48,498
<u>Passed through East Baton Rouge Parish Sheriff's Office</u>	134007				
Edward Byrne Memorial Justice Assistance Grant Program	2500..434007	16.738	2016-DJ-BX-0831	12,502	--
Edward Byrne Memorial Justice Assistance Grant Program	2500..434007	16.738	2017-DJ-BX-0519	76,158	--
Edward Byrne Memorial Justice Assistance Grant Program	2500..434007	16.738	2018-DJ-BX-0644	83,964	--
Edward Byrne Memorial Justice Assistance Grant Program	2500..434007	16.738	2017-DJ-01-4727	1,602	--
<u>Passed through Louisiana Commission on Law Enforcement</u>	132102				
Edward Byrne Memorial Justice Assistance Grant Program	2500..432102	16.738	2017-DJ-06-4672	18,203	--
SUBTOTAL CFDA NUMBER 16.738				192,429	--
Violence Against Women Formula Grants	2500..432102	16.588	2017-WF-06-4255	9,141	--
Edward Byrne Memorial Competitive Grant Program	2500..432102	16.751 (3)	2017-DJ-01-4103/ 2017-EL-BX-001	346,310	--
<u>Passed through International Association of Chiefs of Police</u>	114104				
Crime Victim Assistance/Discretionary Grant	2500..434104	16.582	2016-MU-GX-K026	398,894	300,090
Total U.S. Department of Justice				1,220,270	411,484

(3) Prior Year Expenditures for 2016 Flood

(4) Child Nutrition Cluster \$ 47,958

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, 2019

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>Amounts Provided to Subrecipients</u>
<b><u>U.S. DEPARTMENT OF LABOR</u></b>					
<u>Passed through Louisiana Workforce Commission</u>	132604				
WIOA Adult Program	2610..432604	17.258	FY2018	\$ 35,751	\$ --
WIOA Adult Program	2610..432604	17.258	FY2018	175,000	--
WIOA Adult Program	2610..432604	17.258	PY2018	178,122	--
WIOA Adult Program	2610..432604	17.258	FY2019	625,171	--
WIOA Adult Program	2610..432604	17.258	PY2019	61,671	--
SUBTOTAL CFDA NUMBER 17.258 (5)				1,075,715	--
WIOA Youth Activities	2610..432604	17.259	PY2017	449,666	--
WIOA Youth Activities	2610..432604	17.259	PY2018	979,936	--
SUBTOTAL CFDA NUMBER 17.259 (5)				1,429,602	--
WIOA Dislocated Worker Formula Grants	2610..432604	17.278	FY2018	268,814	--
WIOA Dislocated Worker Formula Grants	2610..432604	17.278	FY2019	160,671	--
WIOA Dislocated Worker Formula Grants	2610..432604	17.278	PY2018	219,432	--
SUBTOTAL CFDA NUMBER 17.278 (5)				648,917	--
Total U.S. Department of Labor				3,154,234	--
<b><u>U.S. DEPARTMENT OF TRANSPORTATION</u></b>					
<u>Passed through Louisiana Department of Transportation and Development-Office of Highways</u>	132100				
Highway Planning and Construction	4650..432100	20.205	H.013024	423,935	--
Baton Rouge Bike Share Program					
Highway Planning and Construction	4650..432100	20.205	H.4343.5 H.007137.6	369,583	--
Jones Creek Rd (Tiger Bend to Coursey)					
Highway Planning and Construction	4650..432100	20.205	H.002301.3	614,240	--
North Sherwood Forest - Choctaw to Greenwell Springs					
Highway Planning and Construction	4650..432100	20.205	H.012233 H.012232	5,435,326	--
Dijon Drive Extension					
Highway Planning and Construction	4650..432100	20.205	H.004104	1,398,421	--
GLP - Pecue Lane					
Highway Planning and Construction	4650..432100	20.205	H.003047	3,632,350	--
GLP - Pecue Lane					
Highway Planning and Construction	4650..432100	20.205	H.011774	572,526	--
Gardere (Burbank to Nicholson)					
Highway Planning and Construction	4650..432100	20.205	H.011773.6	475,951	--
Hanks Drive/Landis Drive					
Highway Planning and Construction	4650..432100	20.205	H.011364	53,347	--
Goodwood Blvd Rehab Lobdell - Airline					
Highway Planning and Construction	4650..432100	20.205	H.011363	1,920,868	--
Sherwood Frst (Airline - Old Hammond)					
Highway Planning and Construction	4650..432100	20.205	H.007440	2,063,723	--
North Blvd Pedestrian Improvements					
Highway Planning and Construction	4650..432100	20.205	H.009799.6	276,680	--
Mississippi River Levee Bike Bath					
Highway Planning and Construction	4650..432100	20.205	H.009783	775,960	--
Downtown Greenway Multi-Use Path					
Highway Planning and Construction	2704..432100	20.205 (3)	H.013552	110,579	--
Emergency Relief Program-EBR Maintained Signal Repairs					
Highway Planning and Construction	2704..432100	20.205 (3)	H.013608	59,922	--
Emergency Relief Program-EBR Maintained Intersections					
SUBTOTAL CFDA NUMBER 20.205 (6)				18,183,411	--
(3) Prior Year Expenditures for 2016 Flood					
(5) WIOA Cluster	\$	3,154,234			
(6) Highway Planning and Construction Cluster	\$	18,183,411			

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, 2019**

**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>Amounts Provided to Subrecipients</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 Louisiana Highway Safety Commission (LHSC)</u></b>					
	132101				
State and Community Highway Safety	2500..432101	20.600	2018-30-13	\$ 4,908	\$ --
State and Community Highway Safety	2500..432101	20.600	2019-30-13	241,020	--
State and Community Highway Safety	2500..432101	20.600	2020-30-13	36,876	--
State and Community Highway Safety	2500..432101	20.600	2019-20-18	1,510	--
				<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 20.600 (7)				284,314	--
				<hr/>	<hr/>
Alcohol Open Container Requirements	2500..432101	20.607	2018-30-13	4,700	-
Alcohol Open Container Requirements	2500..432101	20.607	2019-30-13	406,812	-
Alcohol Open Container Requirements	2500..432101	20.607	2020-30-13	64,236	-
Alcohol Open Container Requirements	2500..432101	20.607	2019-10-30	42,183	-
Alcohol Open Container Requirements	2500..432101	20.607	2020-10-30	18,891	-
<b><u>Passed through Louisiana Supreme Court &amp; Specialty Court Office</u></b>					
	132107				
Alcohol Open Container Requirements	2500..432107	20.607	2019-10-20	54,727	--
				<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 20.607				591,549	--
				<hr/>	<hr/>
Total U.S. Department of Transportation				19,059,274	--
				<hr/>	<hr/>
<b><u>U.S. DEPARTMENT OF THE TREASURY</u></b>					
<b><u>Passed through Capital Area United Way</u></b>					
	111072				
Volunteer Income Tax Assistance (VITA) Matching Grant Program	2500..434602	21.009	FY2019	10,500	--
				<hr/>	<hr/>
Total U.S. Department of the Treasury				10,500	--
				<hr/>	<hr/>
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u></b>					
<b><u>Direct Programs:</u></b>					
	131016				
Brownfields Assessment and Cleanup Cooperative Agreements	2500..431016	66.818	BF-01F07401-0	29,099	--
Brownfields Assessment and Cleanup Cooperative Agreements	2500..431016	66.818	BF-01F07301-0	27,868	--
				<hr/>	<hr/>
Total U.S. Environmental Protection Agency				56,967	--
				<hr/>	<hr/>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>					
<b><u>Direct Programs:</u></b>					
	131022				
Performance Partnership Pilots for Disconnected Youth	2500..431022	84.420	V420A150039	197,559	--
				<hr/>	<hr/>
Total U.S. Department of Education				197,559	--
				<hr/>	<hr/>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u></b>					
<b><u>Direct Programs:</u></b>					
	131012				
Substance Abuse and Mental Health Services Projects	2500..431012	93.243	1H79SM080227-01	3,730	--
Substance Abuse and Mental Health Services Projects	2500..431012	93.243	5H79SM080227-02	1,038,105	--
Substance Abuse and Mental Health Services Projects	2500..431012	93.243	5H79SM080227-03	70,550	--
				<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 93.243				1,112,385	--
				<hr/>	<hr/>
Head Start	2600..431012	93.600	06CH7167-04	61,079	--
Head Start	2600..431012	93.600	06CH7167-05	10,039,242	--
				<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 93.600				10,100,321	--
				<hr/>	<hr/>
HIV Emergency Relief Project Grants	2600..431012	93.914	H89HA11432-10	818,285	677,595
HIV Emergency Relief Project Grants	2600..431012	93.914	H89HA11432-11	3,672,912	3,167,528
				<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 93.914				4,491,197	3,845,123
				<hr/>	<hr/>
(7) Highway Safety Cluster	\$	284,314			

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, 2019**

**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>Amounts Provided to Subrecipients</u>
<b><u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)</u></b>					
<u>Passed through Louisiana Department of Health &amp; Hospitals</u>	132001				
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements	2500..432001	93.074	2000374951	\$ 9,160	\$ --
<u>Passed through Louisiana Housing Corporation</u>	132401				
Low-Income Home Energy Assistance Program	2600..432401	93.568	2016/2018	2	--
Low-Income Home Energy Assistance Program	2600..432401	93.568	2017/2019	(8,793)	--
Low-Income Home Energy Assistance Program	2600..432401	93.568	2018/2020	407,236	--
SUBTOTAL CFDA NUMBER 93.568				398,445	--
<u>Passed through Louisiana Workforce Commission</u>	132604				
Community Services Block Grant	2600..432604	93.569	2018P0019	570,773	--
Community Services Block Grant	2600..432604	93.569	2019P0019	764,416	--
SUBTOTAL CFDA NUMBER 93.569				1,335,189	--
<u>Passed through Louisiana Department of Public Safety &amp; Corrections Office of Juvenile Services</u>	132104				
Foster Care Title IV-E	2501..432104	93.658	031-LA-1401	112,737	--
Total U.S. Department of Health and Human Services				17,559,434	3,845,123
<b><u>U.S. CORPORATION FOR NATIONAL COMMUNITY SERVICE</u></b>					
<u>Direct Programs:</u>	131023				
Volunteers in Service to America	2500.431023	94.013	17VSWLA005	20,000	--
Total U.S. Corporation for National Community Services				20,000	--
<b><u>U.S. DEPARTMENT OF HOMELAND SECURITY</u></b>					
<u>Passed through Louisiana Governor's Office of Homeland Security and Emergency Preparedness</u>	132103				
Flood Mitigation Assistance	2500..432103	97.029	FMA-PJ-06-LA-2017-019	1,074,793	--
Disaster Grants-Public Assistance(Presidentially Declared Disasters)	2704..432103	97.036	FEMA-DR-4277	1,843,062	--
Hazard Mitigation Grant	2500..432103	97.039	HMPG 1786-022-0002	12,530	--
Hazard Mitigation Grant	2500..432103	97.039	HMPG 4080-033-0001	652,822	--
Hazard Mitigation Grant	2500..432103	97.039	HMPG 1792-033-0005	49,407	--
Hazard Mitigation Grant	2500..432103	97.039	HMPG 1786-0186-LA	74,787	--
Hazard Mitigation Grant	2500..432103	97.039	HMPG 1786-033-0006	242,254	--
SUBTOTAL CFDA NUMBER 97.039				1,031,800	--
Emergency Management Performance Grants	1000..432103	97.042	EMT-2018-EP-00009-S01	60,645	--
Homeland Security Grant Program	2500..4321013	97.067	EMW-2016-SS-00018-S01	163,298	--
Homeland Security Grant Program	2500..4321013	97.067	EMW-2017-SS-00058-S01	138,541	--
SUBTOTAL CFDA NUMBER 97.067				301,839	--
<u>Passed through Capital Area United Way</u>	111072				
Emergency Food and Shelter National Board Program	2600..434602	97.024	36-3614-00 0001	9,725	--
Total U.S. Department of Homeland Security				4,321,864	--
<b>TOTAL FEDERAL GRANTS - SCHEDULE A</b>				<b>\$ 60,984,795</b>	<b>\$ 10,323,233</b>

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, 2019

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>Amounts Provided to Subrecipients</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>	131006				
Airport Improvement Program	5821..431006	20.106	3-22-0006-106	\$ 239,727	\$ --
Airport Improvement Program	5821..438101	20.106	3-22-0006-108-2017	66,837	--
Airport Improvement Program	5821..431006	20.106	3-22-0006-110/112	1,330,004	--
Airport Improvement Program	5821..438101	20.106	3-22-0006-110/112	176,814	--
				<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 20.106				1,813,382	--
				<hr/>	<hr/>
Total U.S. Department of Transportation- FAA				1,813,382	--
				<hr/>	<hr/>
<b><u>U.S. ENVIRONMENTAL PROTECTION AGENCY</u></b>					
<u>Passed through Louisiana Department of Environmental Quality</u>					
Capitalization Grants for Clean Water State Revolving Funds	5440	66.458	N/A	2,452,572	--
Capitalization Grants for Clean Water State Revolving Funds	5437	66.458	N/A	540,748	--
Capitalization Grants for Clean Water State Revolving Funds	5436	66.458	N/A	898,489	--
				<hr/>	<hr/>
SUBTOTAL CFDA NUMBER 66.458 (8)				3,891,809	--
				<hr/>	<hr/>
Total U.S. Environmental Protection Agency				3,891,809	--
				<hr/>	<hr/>
<b>TOTAL FEDERAL GRANTS - SCHEDULE B</b>				<hr/> <b>\$ 5,705,191</b> <hr/>	<hr/> <b>\$ --</b> <hr/>

(8) Clean Water State Revolving Fund Cluster \$ 3,891,809

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, 2019**

**Note A – General**

The City-Parish Schedule of Expenditures of Federal Awards (SEFA) 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, 2019. 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 – Indirect Cost Rate**

The City-Parish has a negotiated indirect cost rate. The City-Parish did not elect to use the 10% de minimis cost rate as allowed by 2 CFR 200.414 Indirect (F&A) costs.

**Note D – 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 E – Disaster Grants-Public Assistance (Presidentially Declared Disaster)  
CFDA # 97.036**

Non-Federal entities must record expenditures on the SEFA when: (1) Federal Emergency Management Agency (FEMA) has approved the non-Federal entity's project worksheet (PW), and (2) the non-Federal entity has incurred the eligible expenditures.

In 2019, FEMA approved \$1,062,257 of eligible expenditures that were incurred in the prior year and are included on the Schedule.

**CITY OF BATON ROUGE – PARISH OF EAST BATON ROUGE  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**Note F – Loan Assistance Received**

The City-Parish received loan assistance for the following program:

<u>Program</u>	<u>CFDA Number</u>	<u>Outstanding Balance as of 12/31/2019</u>	<u>New Loans Made During the Year Ended 12/31/19</u>
Capitalization Grants for Clean Water State Revolving Funds	66.458	\$7,867,210	\$3,891,809

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**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?   x   yes    \_\_\_\_\_ no
- Other matter reported? \_\_\_\_\_ 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:

Qualified - CFDA No. 14.239

Unmodified - CFDA No. 20.205 and 93.600

Any audit findings disclosed that are required

to be reported in accordance with 2 CFR 200.516(a)?      x   yes    \_\_\_\_\_ no

Identification of major programs:

CFDA Numbers                      Name of Federal Program

14.239	Home Investment Partnerships Program (HOME)
20.205	Highway Planning and Construction Cluster
93.600	Head Start

- The threshold for distinguishing types A & B programs was program expenditures exceeding \$2,000,699.
- The City of Baton Rouge and Parish of East Baton Rouge did not qualify as a low-risk auditee.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Financial Reporting**

**2019-001) Underfunded Retirement Plan**

Criteria: The City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System - Police Guarantee Trust (CPERS-PGT) Retirement Plan was established in 2000 to provide for payment of certain guaranteed lifetime benefits for eligible police employees who transferred membership to the Municipal Employees' Police Retirement System (MPERS) while retaining certain rights in the CPERS. In cases where the CPERS benefit exceeds the MPERS benefit in aggregate, the benefits paid or to be paid from the CPERS-PGT trust equal the difference between the benefit the employee would have received from CPERS had the transfer not occurred, and the benefit paid or to be paid from MPERS. Section 9.15 of the Plan of Government requires the Retirement Systems be funded on actuarially sound basis.

Condition: At December 31, 2019, the CPERS-PGT plan was significantly underfunded. The plan fiduciary net position as a percentage of the total pension liability at December 31, 2019 was 31.67% and the net pension liability was \$30,547,125 based on the most recent actuarial valuation. Although initially believed to be funded on an actuarially sound basis when established, changes in conditions have since occurred that resulted in its unfunded status. Contributions have been increased in recent years', however; they remain below the level recommended by the System's actuary.

*This finding is repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2018-001.*

Cause: The stock market decline of 2008 combined with other demographic conditions such as an aging workforce and longevity of retirement have caused required contribution levels to increase. Additionally, the rate of return accruing to deferred retirement option program "DROP" participant accounts is 6.40%, which exceeds the long term expected rate of return on the trust's investments. Substantial contribution increases were delayed while the City-Parish considered solutions to this complex issue.

Effect: The assets held in trust are deficient of the amount needed to pay the pension benefits promised to these police department employees over the long term.

Recommendation: The City-Parish should develop a plan to ensure that the CPERS-PGT retirement plan is actuarially funded in accordance with the Plan of Government. Additional contributions to the plan from the General Fund, benefit changes or both may be required.



**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Financial Reporting (Continued)**

**2019-001) Underfunded Retirement Plan (Continued)**

*View of Responsible Official:*

*The City-Parish continues its efforts to increase funding to the PGT and did increase the employer contributions to \$1,000,000 in 2019. In addition, the 2020 Budget includes \$1,400,000. The Retirement Board continues to explore all possibilities and recently changed the PGT amortization of accrued liability to a 4-year open amortization method more appropriately suited to the member profile in the PGT closed defined benefit plan. This method more clearly demonstrates the funding requirements of the system than the method employed by the previous system actuary. PGT investments will continue to be more defensively postured in order to hedge against market volatility. Due to the contractual nature of the voluntary transfer, adjustments to benefits are not permissible. Therefore, the City-Parish has committed to increasing employer contributions a minimum of \$200,000 each year. In the year 2029, the bonded indebtedness that funded the transfer of assets to MPERS will mature. In addition, there should be no more active employees so liabilities will be more clearly defined. A decision as to the funding needs of the system, which may include Pension Obligation Bonds coupled with a strategy to lessen risk, will be made.*

**2019-002) Inventory control – Mosquito Abatement and Rodent Control Board (MARC)**

Criteria: Best practices for inventory control call for perpetual inventory recordkeeping that tracks purchases, distributions and amounts held in inventory. Such systems allow for management of supplies on hand and a means for ensuring accountability.

Condition: The Mosquito Abatement and Rodent Control Commission stocks certain material and supplies for vehicle maintenance and pest control. However, a perpetual inventory system is not employed.

***This finding is repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2018-003.***

Effect: Without such an inventory system, management of materials and supplies is more difficult and items are more susceptible to theft and misuse.

Cause: Such a system has never been employed.

Recommendation: The MARC should consider implementing a perpetual inventory system.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Financial Reporting (Continued)**

**2019-002) Inventory control – Mosquito Abatement and Rodent Control Board (MARC)  
(Continued)**

*View of Responsible Official:*

*Mosquito Abatement and Rodent Control agrees with the suggestion that a perpetual inventory system should be evaluated as opposed to the periodic method that is currently in use. MARC would also like to create an inventory manager position. The inventory manager would be responsible for ordering, dispensing and tracking inventory.*

**C. Findings – Federal Award Programs**

**2019-003) Special Tests and Provisions Housing Quality Standards**

**Department of Housing and Urban Development**

**Questioned Costs: Not Determined**

**14.239 Home Investment Partnerships Program (HOME)**

**Grant No(s):** M-03-MC-22-0204, M- 07- MC-22-0204; M-(09-10) -MC-22-0204, M-(12-14) -MC-22-0204, M-(16-19) -MC-22-0204

**Criteria:** The HOME program, as operated by the City-Parish's Office of Community Development (OCD), includes rental properties that received assistance. The OCD is required by its grant to perform onsite inspections of these rental units to determine if the units continue to meet certain property standards. The inspections are required for a certain number of years based on the number of units in the property.

*Parts of this finding are repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2018-007.*

**Condition:** The OCD was not able to provide documentation demonstrating that the required onsite inspections of the rental units as required by the grant were performed. The OCD records indicated there are 7 projects that include rental units that are subject to the housing quality inspections. None of these seven had documentation that an onsite inspection was completed as required by the federal grant.

**Effect:** The OCD was not able to demonstrate it complied with the requirements for onsite inspections.

**Cause:** The OCD did not devote personnel to complete the required inspections on the HOME rental units or to maintain and provide documentation demonstrating the required inspections were performed.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**C. Findings – Federal Award Programs (Continued)**

**2019-003) Special Tests and Provisions Housing Quality Standards (Continued)**

**Recommendation:** The OCD should perform the inspections and ensure the documentation of inspections on HOME funded projects is maintained. Personnel should be appropriately assigned to ensure compliance with federal guidelines.

*View of Responsible Official:*

*The OCD has transitioned this responsibility to Build Baton Rouge (BBR). BBR will review and update the list of projects in the affordability period as well as analyze the on-site monitoring requirements for each property. Upon completion of these updates, a staff member will be assigned to perform Housing Quality Standard (HQS) inspections for each of these projects. Long term monitoring files will be created for each project in the affordability period and the inspection documentation will be placed in the project folder for future audits.*

**2019-004) Special Tests and Provisions Wage Rate Requirements**

**Department of Housing and Urban Development**

**Questioned Costs: Not Determined**

**14.239 Home Investment Partnerships Program (HOME)**

**Grant No(s):** M-13-MC-22-0204

**Criteria:** The Office of Community Development (OCD) provides federal assistance to developers to construct affordable housing that is designated for low or very low income persons through the HOME program. The agreement with the developers includes a requirement that prevailing wages in the area must be paid to persons employed by the developer or subcontractor as a condition for receiving the federal assistance. The prevailing wage requirement is commonly known as being established through the Davis Bacon Act. The National Affordable Housing Act Section 286(a) specifies that construction of affordable housing with 12 or more units must require the contractor to pay prevailing wages. The HOME program provided \$100,000 in federal assistance to one project during 2019 that included 12 or more units.

***Parts of this finding are repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2018-007.***

**Condition:** OCD was not able to provide documentation to demonstrate the contractor complied with paying prevailing wages to employees on a HOME funded project meeting the criteria to do so.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**C. Findings – Federal Award Programs (Continued)**

**2019-004) Special Tests and Provisions Wage Rate Requirements (Continued)**

Effect: The OCD was not able to demonstrate it complied with the requirements for prevailing wage rate requirements of the HOME program.

Cause: The OCD was not able to provide the documentation to demonstrate that the contractor on a HOME assistance project paid its employees or subcontractors the prevailing wages.

Recommendation: The OCD should ensure the documentation of prevailing wages being paid as applicable on HOME funded projects is maintained and personnel are appropriately assigned to ensure compliance with federal guidelines.

*View of Responsible Official:*

*On behalf of OCD, Build Baton Rouge will conduct the wage rate reviews for this project using documentation provided for CDBG-DR funding. The reviews will be placed in the project folder. To prevent further noncompliance with this requirement, the City-Parish HOME policy manual will be updated to reflect that the prevailing wage requirements are operable without regard to whether the HOME funds are used for construction or non-construction activities.*

**2019-005) Special Tests and Provisions Maximum per Unit Subsidy and Underwriting Requirements**

**Department of Housing and Urban Development**

**Questioned Costs: Not Determined**

**14.239 Home Investment Partnerships Program (HOME)**

Grant No(s): M-03-MC-22-0204, M- 07- MC-22-0204; M-(09-10) -MC-22-0204, M-(12-14) -MC-22-0204, M-(16-19) -MC-22-0204

Criteria: The Office of Community Development (OCD) provides federal assistance to developers to construct affordable housing that is designated for low or very low income persons through the HOME program. Prior to committing HOME funds to a project, the OCD is required to evaluate that the proposed project meets the HOME program guidelines and also evaluate that the combination of federal assistance given to the project from all sources is only what is necessary for provide affordable housing that is financially viable.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**C. Findings – Federal Award Programs (Continued)**

**2019-005) Special Tests and Provisions Maximum per Unit Subsidy and Underwriting Requirements (Continued)**

Condition: The OCD provided assistance to two projects in 2019 where the required evaluation documentation was completed; however, there were four projects that received assistance during 2019 that were originally approved in a prior year where OCD was not able to provide documentation to demonstrate that the required evaluations were completed prior to the commitment of HOME funds.

Effect: The OCD was not able to demonstrate it complied with the requirements to evaluate the maximum per unit subsidy and underwriting requirements of the HOME programs on four of the projects that were originally approved for funding prior to 2019.

Cause: The OCD was not able to locate or produce the documentation to demonstrate that an evaluation was completed on projects prior to committing HOME funds on projects prior to 2019.

Recommendation: The OCD should ensure the documentation to support the evaluation of maximum per unit subsidy and underwriting requirements is maintained in a manner that can be located when requested in order to demonstrate compliance with the grant requirements.

*View of Responsible Official:*

*On behalf of OCD, Build Baton Rouge will conduct a formal subsidy layering review for all open HOME projects. The review will be added to the project file.*

**2019-006) Eligibility**

**Department of Housing and Urban Development**

**Questioned Costs: Not Determined**

**14.239 Home Investment Partnerships Program (HOME)**

Grant No(s): M-03-MC-22-0204, M- 07- MC-22-0204; M-(09-10) -MC-22-0204, M-(12-14) -MC-22-0204, M-(16-19) -MC-22-0204

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**C. Findings – Federal Award Programs (Continued)**

**2019-006) Eligibility (Continued)**

- Criteria: Rental housing projects developed with HOME program assistance are required to be occupied by low income families and must meet certain limits on rental amounts charged. The HOME program contract with the rental project developers includes a requirement that the developer annually file a schedule of the rental units, the maximum and minimum rents charged, any subsidy allowances, actual rents charged, the certification documentation showing families receiving rental subsidies qualified for low income, and any other documentation to support compliance with the Affordable Housing Restrictions of the HOME Program.
- Condition: The Office of Community Development (OCD) was unable to provide the documentation of receipt of the required annual reports from all developers of rental housing projects funded with HOME program assistance as required by the Housing Loan Program Contracts. The assistance provided to the developers are forgivable loans that are contingent on continuing to comply with the terms of the contract.
- Effect: The OCD was unable to demonstrate that the required documentation for compliance from the rental housing projects was received per the terms of the Housing Loan Program Contracts. Without the receipt and review of these required schedules, the OCD is unable to determine if the rental housing projects are actually being occupied by families who qualify as low income. The annual reports required to be filed by the developers is necessary to monitor this continuing compliance and to determine if the loan balance can be forgivable.
- Cause: The OCD could not locate or provide the documentation of receipt or review of the required annual reports from project developers. A complete listing of all project developers who are required to file the annual report with updated contact information of the persons who are responsible submitting the annual report was also lacking.
- Recommendation: The OCD should determine the developers who have received rental housing HOME Program assistance and locate the schedules that have been filed or require the developers to file the schedules. These schedules need to be reviewed and evaluated to determine if the rental housing development continues to comply with the eligibility program requirements.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**C. Findings – Federal Award Programs (Continued)**

**2019-006) Eligibility (Continued)**

*View of Responsible Official:*

*The OCD has transitioned this responsibility to Build Baton Rouge (BBR). BBR will review and update the list of projects in the affordability period. BBR will research IDIS and historical file data to compile a complete and accurate listing. Upon completion of these updates, a staff member will be assigned to collect current rental information per unit. Long term monitoring files will be created for each project in the affordability period and the inspection documentation will be placed in the project folder for future audits.*

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2019**

**A. Findings Related to the Financial Statements**

**2019-001 Underfunded Retirement Plan**

Management's response and corrective action is as follows:

The City-Parish continues its efforts to increase funding to the PGT and did increase the employer contributions to \$1,000,000 in 2019. In addition, the 2020 Budget includes an additional \$1,400,000. The Retirement Board continues to explore all possibilities and recently changed the PGT amortization of accrued liability to a 4-year open amortization method more appropriately suited to the member profile in the PGT closed defined benefit plan. This method more clearly demonstrates the funding requirements of the system than the method employed by the previous system actuary. PGT investments will continue to be more defensively postured in order to hedge against market volatility. Due to the contractual nature of the voluntary transfer, adjustments to benefits are not permissible. Therefore, the City-Parish has committed to increasing employer contributions a minimum of \$200,000 each year. In the year 2029, the bonded indebtedness that funded the transfer of assets to MPERS will mature. In addition, there should be no more active employees so liabilities will be more clearly defined. A decision as to the funding needs of the system, which may include Pension Obligation Bonds coupled with a strategy to lessen risk, will be made.

Expected Implementation Date: December 2029

Contact person: Linda Hunt, Director, Finance Department

**2019-002 Inventory control – Mosquito Abatement and Rodent Control Board (MARC)**

Management's response and corrective action is as follows:

MARC believes the best solution is to create an inventory manager position whose function would be to order, dispense and track inventory. MARC has reached out to various City-Parish Departments regarding their inventory methods and how the Munis System could be utilized. Security measures have been increased including restricting access to tools, vehicle supplies and pesticides. Rodenticide inventory is distributed and tracked daily by the assigned Pest Control Inspector.

Expected Implementation Date: June 2021

Contact person: Randy Vaeth, Interim Director, Mosquito Abatement and Rodent Control

**B. Findings and Questioned Costs Related to Federal Awards**

**2019-003 Special Tests and Provisions Housing Quality Standards**

Management's response and corrective action is as follows:

The OCD has transitioned the responsibility of inspections of HOME funded projects to BBR. BBR will update the list of HOME projects in the affordability period and analyze the on-site monitoring requirements for each property. A staff member at BBR will be assigned to perform Housing Quality Standard (HQS) inspections for each of the properties that are in the affordability period. Monitoring files that include inspection documentation will be created for each.

Expected Implementation Date: September 2020

Contact person: Tasha Saunders, Grant Director, Build Baton Rouge



**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
CORRECTIVE ACTION PLAN  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings and Questioned Costs Related to Federal Awards (Continued)**

**2019-004 Special Tests and Provisions Wage Rate Requirements**

Management's response and corrective action is as follows:

Build Baton Rouge, on behalf of the OCD, will conduct wage rate reviews for HOME affordable housing projects with 12 or more units. The OCD will update the HOME policy manual to reflect that the prevailing wage requirements must be met for construction and non-construction activities if HOME funds are used.

Expected Implementation Date: October 2020

Contact person: Tasha Saunders, Grant Director, Build Baton Rouge

**2019-005 Special Tests and Provisions Maximum per Unit Subsidy and Underwriting Requirements**

Management's response and corrective action is as follows:

The OCD has transitioned the responsibility of subsidy and underwriting requirements to BBR. Build Baton Rouge will compile a list of all open HOME projects and conduct formal subsidy layering reviews for all projects. For all future HOME projects, BBR will include all subsidy and underwriting requirements in the project folders. These folders will be made readily available for future requests.

Expected Implementation Date: October 2020

Contact person: Tasha Saunders, Grant Director, Build Baton Rouge

**2019-006 Eligibility**

Management's response and corrective action is as follows:

On behalf of the OCD, BBR will research historical file data and update the list of HOME projects in the affordability period. Upon completion of the list, a BBR staff member will be assigned to collect current rental information per unit. Long term monitoring files will be created for each project in the affordability period and the inspection documentation will be placed in the project folder.

Expected Implementation Date: October 2020

Contact person: Tasha Saunders, Grant Director, Build Baton Rouge

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**A. Findings – Financial Reporting**

**2018-001) Underfunded Retirement Plan**

Criteria: The City of Baton Rouge and Parish of East Baton Rouge Employees' Retirement System - Police Guarantee Trust (CPERS-PGT) Retirement Plan was established in 2000 to provide for payment of certain guaranteed lifetime benefits for eligible police employees who transferred membership to the Municipal Employees' Police Retirement System (MPERS) while retaining certain rights in the CPERS. In cases where the CPERS benefit exceeds the MPERS benefit in aggregate, the benefits paid or to be paid from the CPERS-PGT trust equal the difference between the benefit the employee would have received from CPERS had the transfer not occurred, and the benefit paid or to be paid from MPERS. Section 9.15 of the Plan of Government requires the Retirement Systems be funded on actuarially sound basis.

Condition: At December 31, 2018, the CPERS-PGT plan was significantly underfunded. The plan fiduciary net position as a percentage of the total pension liability at December 31, 2018 was 32.50% and the net pension liability was \$29,940,523 based on the most recent actuarial valuation. Although initially believed to be funded on an actuarially sound basis when established, changes in conditions have since occurred that resulted in its unfunded status. Contributions have been minimal and insufficient to restore the plan to an actuarially sound status.

***This finding is repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2017-001.***

Cause: The stock market decline of 2008 combined with other demographic conditions such as an aging workforce and longevity of retirement have caused required contribution levels to increase. Additionally, the rate of return accruing to deferred retirement option program "DROP" participant accounts is 7.70%, which exceeds the long term expected rate of return on the trust's investments.

Effect: The assets held in trust are deficient of the amount needed to pay the pension benefits promised to these police department employees over the long term.

Recommendation: The City-Parish should develop a plan to ensure that the CPERS-PGT retirement plan is actuarially funded in accordance with the Plan of Government. Additional contributions to the plan from the General Fund, benefit changes or both may be required.

***View of Responsible Official:***

*As plan sponsor, the City-Parish has made efforts to increase funding to the PGT, such as ear - marking contribution savings from MPERS, employer rate reductions and budgeting additional dollars in excess of*

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**A. Findings – Financial Reporting (Continued)**

**2018-001) Underfunded Retirement Plan (Continued)**

*View of Responsible Official (Continued):*

*the approved employer rate. The City-Parish and the Retirement Board will continue to explore ways and methods to increase the funded level of the PGT in order to timely meet obligations to our retirees and survivors.*

***Updated Response: The City-Parish continues its efforts to increase funding to the PGT and did increase the employer contributions to \$1,000,000 in 2019. In addition, the 2020 Budget includes an additional \$1,200,000. The Retirement Board continues to explore all possibilities and recently changed the PGT amortization of accrued liability to a 4-year open amortization method more appropriately suited to the member profile in the PGT closed defined benefit plan. This method more clearly demonstrates the funding requirements of the system than the method employed by the previous system actuary. PGT investments will continue to be more defensively postured in order to hedge against market volatility. Due to the contractual nature of the voluntary transfer, adjustments to benefits are not permissible. Therefore, the City-Parish has committed to increasing employer contributions a minimum of \$200,000 each year. In the year 2029, the bonded indebtedness that funded the transfer of assets to MPERS will mature. In addition, there should be no more active employees so liabilities will be more clearly defined. A decision as to the funding needs of the system, which may include Pension Obligation Bonds coupled with a strategy to lessen risk, will be made.***

**2018-002) Contracting for Program Management Services – Mosquito Abatement and Rodent Control Board (MARC)**

**Criteria:** City-Parish ordinance 8931 of 1989, section 5, requires contracts in amounts greater than \$10,000 for engineering, construction management, geo-technical and related services to be awarded based upon the recommendation of the Engineer and Surveyor Selection Board (Board) which is tasked with reviewing proposals and selecting the best qualified service provider. The dollar threshold was subsequently raised to \$50,000 through amending ordinances.

**Condition:** Costs were incurred in 2018 of \$270,400 under a contract initially awarded in 2015 for program management services in overseeing the construction of the Mosquito Abatement and Rodent Control (MARC) District's new facility. The selection of the MARC facility Program Manager did not appear before the Board, and therefore the contract was awarded by the Metro Council without the recommendation of the Board in apparent violation of the aforementioned ordinance. The contract was initially

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**A. Findings – Financial Reporting (Continued)**

**2018-002) Contracting for Program Management Services – Mosquito Abatement and Rodent Control Board (MARC) (Continued)**

**Condition (Continued):**

approved for \$478,790 in 2015 and was amended to \$1,242,882 through four amendments approved by the Metro Council. For context, the construction contract for the project being managed increased from \$7,227,000 to \$7,951,943 through Council approvals.

**Effect:** Non-compliance with ordinances and other laws established as a component of internal controls can lead to weaknesses in internal control over contracts which can result in higher costs and selection of vendors outside of the approved process.

**Cause:** Unknown

**Recommendation:** All construction program management contracts for construction under the purview of the Mayor-President and the Metro Council should be awarded based upon the recommendation of the Engineer and Surveyor Selection Board in accordance with the ordinance. The City-Parish purchasing department should implement controls in the contracting process that checks for compliance with the ordinance prior to being placed on the council agenda.

***View of Responsible Official:***

*Mosquito Abatement and Rodent Control acknowledges that City-Parish ordinances require certain contracts to go through a selection process under the purview of the Engineer and Surveyors Selection Board. In the case of the contract for Program Management Services for the new MARC facility, MARC did not go through the selection board process because key staff members were not aware of the selection board process requirement.*

***Updated Response: Mosquito Abatement and Rodent Control will rely on the recommendation of the Engineer and Surveyors Selection Board for selecting a provider for all applicable contracts. At this time, there have been no new contracts that meet the requirements to go through the selection process.***

**2018-003) Inventory control – Mosquito Abatement and Rodent Control Board (MARC)**

**Criteria:** Best practices for inventory control call for perpetual inventory recordkeeping that tracks purchases, distributions and amounts held in inventory. Such systems allow for management of supplies on hand and a means for ensuring accountability.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**A. Findings – Financial Reporting (Continued)**

**2018-003) Inventory control – Mosquito Abatement and Rodent Control Board (MARC)  
(Continued)**

Condition: The Mosquito Abatement and Rodent Control Commission stocks certain material and supplies for vehicle maintenance and pest control. However, a perpetual inventory system is not employed.

Effect: Without such an inventory system, management of materials and supplies is more difficult and items are more susceptible to theft and misuse.

Cause: Such a system has never been employed.

Recommendation: The MARC should consider implementing a perpetual inventory system.

*View of Responsible Official:*

*Mosquito Abatement and Rodent Control acknowledges that it does not have a perpetual inventory recordkeeping system that tracks purchases, distributions, and amounts held in inventory. MARC has grown substantially over the last fifteen years and the inventory controls have not evolved with the growth of the department.*

*Updated Response: Attempts at implementing a perpetual inventory system have been unsuccessful due to staff shortages and differential work schedules. MARC has reached out to other City-Parish departments for assistance in this matter. MARC recognizes how important it is particularly with inventory items that could be easily taken and misused.*

**B. Findings – Federal Award Programs**

**2018-004) Procurement**

**Department of Housing and Urban Development**

**Questioned Costs: \$ None**

**14.241 Housing Opportunities for Persons with AIDS (HOPWA)**

Grant No(s): LA (H15-H18) F002

**Department of Health and Human Services**

**Questioned Costs: \$ None**

**93.914 HIV Emergency Relief Project Grants (HERP)**

Grant No(s): H89HA11432 (09-10)

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-004) Procurement (Continued)**

Criteria: The Uniform Guidance federal regulations were fully effective as of December 26, 2017 and therefore, the City-Parish, as a recipient of federal awards was required to implement and comply with the Uniform Guidance for the year ended December 31, 2018. The regulations require, among other things, that for purchases of goods and services in an amount between \$10,000 to \$250,000, an adequate number of prices\quotes be obtained.

Condition: While testing compliance with the federal procurement regulations, we selected all of the 5 vendors with expenditures greater than \$10,000 and less than \$250,000 and inquired or reviewed the documentation to support the procurement process. These 5 vendors provided professional services and the contracts with each were renewed during 2018. Our compliance test focused on the renewal of the contracts to determine compliance with the procurement regulations. Two of the contracts renewed were for the HOPWA award for a total of \$80,000. Three of the contracts renewed were for the HERP award for a total of \$123,000. The City-Parish department responsible for administering and contracting with these 5 vendors is the Department of Health and Human Services (DHDS). No evidence was provided to demonstrate that quotes and prices were obtained from an adequate number of vendors or providers as required by Federal procurement regulations.

Effect: The City-Parish is not in compliance with the requirements of the Uniform Guidance Subpart D Procurement regulations.

Cause: Personnel administering the grants and those in the City-Parish purchasing department did not execute and enforce the revised purchasing policy containing the new Uniform Guidance requirements.

Recommendation: We recommend for the City-Parish to more fully implement and follow its revised policies and procedures for purchases made with federal awards so that these newly required federal procurement regulations are followed.

*View of Responsible Official:*

*The OCD is working with DHDS along with Purchasing to ensure that procurement of the contract workers is in accordance with the Uniform Guidance. Policy and procedures will be updated to reflect the federal regulations. DHDS will adhere to the revised Purchasing policy containing the Uniform Guidance requirements.*

***Updated Response: The OCD procured the contract workers for HOPWA and ESG grants management in accordance with the Uniform Guidance. DHDS is no longer responsible for procuring grants management services for the HOPWA and ESG grants as it relates to the OCD.***

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-005) Reporting**

**Department of Housing and Urban Development**

**Questioned Costs: None**

**14.241 Housing Opportunities for Persons with AIDS (HOPWA)**

**Grant No(s):** LA (H15-H18) F002

**Criteria:** Federal regulations require the preparation and reporting annually of the Consolidated Annual Performance and Evaluation Report (CAPER) HUD-40110-D. Federal reports should be completed accurately and include all appropriate information based on accounting and information systems of the grantee. The CAPER report is to include financial data of each HUD funded program administered by OCD in Part 3 of the report.

*Parts of this finding are repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2017-006.*

**Condition:** The CAPER filed by the OCD did not include Part 3 and was therefore incomplete.

**Effect:** The OCD was non-compliant with Federal reporting requirements.

**Cause:** The non-compliance is a result of a lack of procedures requiring follow through to ensure the reports are completed and filed on time.

**Recommendation:** The OCD should take steps to ensure complete and accurate preparation of the CAPER and for timely submission. Written policies and procedures should be prepared by OCD that includes instructions on information to be included in the federal report and review and approval processes to ensure accuracy in reporting.

*View of Responsible Official:*

*Due to staff turnover, the OCD was unaware of the requirement to submit Part 3 of the CAPER until after the deadline. The OCD contacted the local HUD representative and was advised to submit once complete and send the date of completion. The OCD will be receiving technical assistance from HUD to ensure accuracy. The CAPER has been presented to the HUD Technical Assistance staff for review and will be submitted by July 31, 2019. The FY 18 HOPWA CAPER will be submitted on time and will continue to be submitted by the OCD staff with the assistance of the Grants Management consultants.*

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-005) Reporting (Continued)**

*Updated Response: The OCD has established processes to submit the CAPER in a timely manner. Staff turnover has prevented the CAPER from being reported timely. As such, we continue to work with our partnering agencies along with grants management consultants and Cloudburst to work through the established timelines and established processes.*

**2018-006) Special Tests and Provisions**

**Department of Housing and Urban Development**

**Questioned Costs: Not Determined**

**14.218 Community Development Block Grants/Entitlement Grants (CDBG-E)**

**Grant No(s):** B- (13 – 18)- MC-22-0002

**Criteria:** The CDBG-E projects require an environmental review (ER) unless the projects meet certain criteria for exemption. The City-Parish's Office of Community Development (OCD) is responsible for the compliance requirements of this award. As such, the OCD should conduct the environmental reviews, if required, and maintain documentation of its completion or an explanation why one was not required or exempt.

**Condition:** Of 15 grants\projects that may have been subject to a requirement for an environmental review, we selected 3 for compliance testing. One of the 3 grants tested, the CDBG-E grant, also identified as the Declared Disaster Recovery (DDR) project, includes a cooperative endeavor agreement (CEA) between OCD and a sub-recipient. According to the CEA and CDBG-E grant award, the OCD retained the responsibility to complete and comply with the ER requirements of this grant while all other compliance requirements were to be performed by the sub-recipient. The OCD did not provide documentary evidence to demonstrate compliance with the environmental review requirements of this grant award.

**Effect:** The OCD may not be in compliance with the terms of its grant award.

**Cause:** The OCD did not implement a process to ensure the completion of the environmental reviews, as required, that are necessary for this grant award or maintain the necessary documentation demonstrating the completion of the environmental review, if required, or the documentation explaining why an environmental review was not necessary or exempt for a project.



**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-006) Special Tests and Provisions (Continued)**

**Recommendation:** The OCD should complete or obtain the documentation necessary to demonstrate compliance with the environmental review requirements of the grant award and establish the appropriate controls to ensure future compliance with grant terms.

*View of Responsible Official:*

*The OCD has ensured that the responsibility of environmental clearance as it relates to the DDR funds has been established as the responsibility of the State. All environmental documents are shared with the OCD as part of the payment process. This process will continue until all funds are expended and no environmental reviews are required. The management plan will be updated to specify the responsibilities.*

***Updated Response:*** *The responsibility of environmental clearance as it relates to DDR funds will remain the responsibility of the State until all funds are expended and no environmental reviews are required. All environmental documents continue to be shared with the OCD as part of the payment process.*

**2018-007) Special Tests and Provisions**

**Department of Housing and Urban Development**

**Questioned Costs: Not Determined**

**14.239 Home Investment Partnerships Program (HOME)**

**Grant No(s):** M- (07) - MC-22-0204; M-(13-18) -MC-22-0204

**Criteria:** The HOME program includes rental properties that received assistance. The Office of Community Development (OCD) is required by the grant to perform onsite inspections of these rental units to determine if the units continue to meet certain property standards. The inspections are required after a certain number of years based on the number of units in the property. The HOME program also includes a requirement for the contractor to pay the employees prevailing wages on a project funded with HOME funds that includes construction of affordable housing with 12 or more units.

***Parts of this finding are repeated from the prior year. See the Summary Schedule of Prior Year Findings Item 2017-010.***

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-007) Special Tests and Provisions (Continued)**

- Condition: The OCD was not able to provide documentation demonstrating that the required onsite inspections of the rental units as required by the grant were performed. A listing of rental units required to be inspected or a listing of rental units actually inspected was not able to be provided. Also, the OCD was not able to provide documentation to demonstrate the contractor complied with paying prevailing wages to employees on a HOME funded project meeting the criteria to do so.
- Effect: The OCD was not able to demonstrate it complied with the requirements for onsite inspections of rental units and prevailing wage rate requirements of the HOME program.
- Cause: The OCD did not devote personnel to complete the required inspections on the HOME rental units or able to provide documentation demonstrating the required inspections were performed. Further, the OCD was not able to provide documentation showing that the contractor on HOME funded projects paid the prevailing wages to employees.
- Recommendation: The OCD should ensure the documentation of inspections and prevailing wages being paid as applicable on HOME funded projects is maintained and personnel are appropriately assigned to ensure compliance with federal guidelines.

*View of Responsible Official:*

*The OCD entered into a cooperative endeavor agreement (CEA) with the Build Baton Rouge Redevelopment Authority (formerly East Baton Rouge Redevelopment Authority) to administer HOME monitoring in accordance with the OCD's HOME project monitoring schedule for developers as it relates to special testing, long term monitoring and wage reporting. HOME projects within the affordability period submit annual compliance reporting as it relates to multi-family rental to Build Baton Rouge for review by the OCD Grants Monitor.*

*The OCD entered into a memorandum of understanding (MOU) with the East Baton Rouge Housing Authority (EBRHA) to administer HOME monitoring for the OCD's single-family rental units. HOME single-family projects within the affordability period submit monthly rental payments to EBRHA and the EBRHA submits the remittances report along with payment for review and deposit by the OCD Grants Monitor. The EBRHA is also responsible for yearly inspections of units maintained within the MOU.*

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-007) Special Tests and Provisions (Continued)**

*Updated Response: All contracts are monitored for assurance according to the policies and terms and conditions. Contract assurance defines who is responsible, accountable, consulted, and informed (RACI). The Contract Management Checklist (CPM) is used to measure compliance. CPM is used along with monitoring checklist performed of all contracts. Monitoring Policy is included within the policies and procedures for OCD.*

**2018-008) Earmarking**

**Department of Housing and Urban Development**

**Questioned Costs: Not Determined**

**14.218 Community Development Block Grants/Entitlement Grants (CDBG-E)**

**Grant No(s):** B- (13 – 18)- MC-22-0002

**Criteria:** The CDBG-E program includes an earmarking provision that requires that not less than 70% of grant funds must be used for activities that benefit low and moderate income persons. Compliance with this earmarking requirement is determined by the Office of Community Development (OCD) over a period of one year as included in its certification.

**Condition:** The documentation provided by the OCD to demonstrate compliance with the earmarking requirements showed grant funds used to benefit low-moderate income persons were less than 70% of the total grant funds expended with a reported percentage of 67.47%.

**Effect:** The OCD is non-compliant with the earmarking requirements of the CDBG-E program.

**Cause:** Based on the documentation provided, the costs identified as being used for activities that benefit low and moderate income persons was less than the 70% earmarking requirement. It is unclear as to whether this non-compliance is attributable to recordkeeping or reporting errors or actual failure to provide the benefits to the targeted recipients.

**Recommendation:** The OCD should monitor the expenditure and/or design of their program to ensure that grant funds reach the intended recipients. The OCD should also develop a method of reporting\ demonstrating compliance with the 70% requirement.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-008) Earmarking (Continued)**

*View of Responsible Official:*

*The OCD ensures that all projects under CDBG meet a national objective and that all funds are expended on low to moderate-income persons. The OCD will ensure all projects are setup in IDIS correctly for earmarking and will work closer with Finance to ensure the reports on the drawdowns of project expenditures are calculating correctly. Tools are in place to track the compliance for proper reporting.*

***Updated Response: All contracts are monitored for assurance according to the policies and terms and conditions. Contract assurance defines who is responsible, accountable, consulted, and informed (RACI). The Contract Management Checklist (CPM) is used to measure compliance. CPM is used along with a monitoring checklist performed of all contracts. Monitoring Policy is included within the policies and procedures for OCD.***

**2018-009) Equipment and Real Property Management      Questioned Costs: Not determined**

**Department of Transportation - Federal Aviation Administration**

**20.106      Airport Improvement Program (AIP)**

**Grant No(s):**      3-22-0006 (104, 106, 108-2017, 110-112) 3-22-0007 (107-2017)

**Criteria:**      Proceeds from the sale of property and equipment that were originally purchased with federal grant funding should be remitted to the granting authority or used within the same program that provided the funding. In order to ensure compliance with these restrictions, sale proceeds should be properly segregated and accounted.

**Condition:**      Land initially acquired by the Greater Baton Rouge Airport Authority (GBRA or the Airport) for noise mitigation under the AIP was sold for \$129,500 during 2018. The proceeds were accounted for within the Airport's general operating fund\account rather than their restricted accounts.

**Effect:**      Funds restricted for AIP projects could be inadvertently used for other purposes if not properly accounted for.

**Cause:**      An error was made in the coding of the transaction and internal controls did not detect the error.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-009) Equipment and Real Property Management (Continued)**

**Recommendation:** Proceeds of sales of assets initially purchased from AIP grants should be accounted for within restricted funds and accounts.

*View of Responsible Official:*

*The Greater Baton Rouge Airport Authority sold land that was purchased through an AIP Noise grant. The funds were deposited in the Sale of Airport Noise Property revenue account. Due to a change in the accounting system, funds deposited to that revenue account are no longer automatically deposited to a restricted cash account. On June 5th, 2019, the Airport sent an email to Finance asking them to prepare a journal entry to place the funds in the correct cash account.*

***Updated Response:*** *Due to changes in the accounting system, funds received from the sale of Airport Noise Property are not automatically deposited into a restricted cash account. The Airport's Business Office has implemented a policy that initiates requests in future instances that warrant the transfer of revenue generated from the sale of noise property into a restricted cash account.*

**2018-010) Special Test and Provisions (Prevailing Wage Rate Compliance)**

**Questioned Costs: Not determined**

**Department of Transportation - Federal Aviation Administration**

**20.106 Airport Improvement Program (AIP)**

**Grant No(s):** 3-22-0006-111-2018

**Criteria:** Grantees must monitor contractors for compliance with prevailing wage rate requirements.

**Condition:** The GBRA had five open contracts during 2018 that were subject to the prevailing wage rate compliance of which we selected three for testing. For one out of three construction contracts tested, the GBRA provided no documentation of their reviews of contractor payrolls for compliance with prevailing wage rates as required under federal regulations.

**Effect:** The GBRA may be out of compliance with Federal regulations for grant administration.

**CITY OF BATON ROUGE AND PARISH OF EAST BATON ROUGE  
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2019**

**B. Findings – Federal Award Programs (Continued)**

**2018-010) Special Test and Provisions (Prevailing Wage Rate Compliance) (Continued)**

Cause: The GBRA did not adhere to its process for tracking contractors' payroll reports and maintaining documented evidence of their review of those reports. We noted there has been turnover in the position that is assigned the duties of prevailing wage rate compliance monitoring.

Recommendation: The GBRA should perform its reviews of contractor payrolls as required by grant regulations, maintain documented evidence of their review of contractor payrolls and ensure assigned personnel receive appropriate training and oversight.

*View of Responsible Official:*

*The contract in question was for the South GA Taxiway Connector project. When the project was bid, the Airport was using local funds for the construction. Since local funds were used, the Davis-Bacon Act was not applicable. However, after construction began, the Airport received a FAA AIP grant. When this happened, the Davis-Bacon Act was applicable. Therefore, the Airport should have requested and verified the payrolls from the Contractor. To alleviate this from happening in the future, the Airport will require all contractors to submit their payrolls on any project if Federal funding has been requested.*

***Updated Response: The Airport has implemented a policy that will require all contractors to submit their payrolls at commencement on any project where Federal funding will be requested. This policy was implemented in July 2019 along with the Airport's Business Office and Program Management consultant.***



**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, 2019.

***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 compliance for City-Parish's Passenger Facility Charge Program 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 on compliance for City-Parish's Passenger Facility Charge Program. 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 compliance requirements referred to above that could have a direct and material effect to its Passenger Facility Charge Program for the year ended December 31, 2019.



## **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.

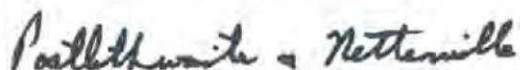
*A deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance on a timely basis. A *material weakness in internal 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 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, 2019, and have issued our report thereon dated June 29, 2020, 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, 2019 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.



Baton Rouge, Louisiana  
June 29, 2020



**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, 2019**

	FY 2018 <u>Program Total</u>	Quarter 1 <u>Jan - Mar</u>
Revenue		
Passenger Facility Charge Net Collections	\$ 36,613,580	\$ 369,762
Interest Earned on Investments	1,451,035	833
Claim settlement	1,371,035	-
Total Revenue	<u>39,435,650</u>	<u>370,595</u>
Disbursements		
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	22,354,818	102,630
00-05-C-00-BTR Airport access road	1,702,300	16,677
00-05-C-00-BTR Acquire A/C loading bridges	930,466	24,653
05-06-C-00-BTR Expand general aviation apron	306,599	3,482
05-06-C-00-BTR Extend runway 4L/22R	4,512,728	83,194
09-07-C-00-BTR Terminal atrium expansion	5,067,376	172,670
09-07-C-00-BTR Acquisition of property for development	686,584	23,395
09-07-C-00-BTR Taxiway fillet construction	349,290	11,902
09-07-C-00-BTR Ticket lobby expansion	459,943	15,673
Total Disbursements	<u>38,976,127</u>	<u>454,276</u>
Net PFC Revenue		(83,681)
PFC Account Balance (cash basis)	\$ 459,523	\$ 375,842

Quarter 2 <u>Apr - Jun</u>	Quarter 3 <u>Jul - Sep</u>	Quarter 4 <u>Oct - Dec</u>	FY 2019 <u>Total</u>	FY 2019 <u>Program Total</u>
\$ 420,970	\$ 394,095	\$ 439,088	\$ 1,623,915	\$ 38,237,495
580	3,810	1,064	6,287	1,457,322
-	-	-	-	1,371,035
<u>421,550</u>	<u>397,905</u>	<u>440,152</u>	<u>1,630,202</u>	<u>41,065,852</u>
-	-	-	-	1,315,124
-	-	-	-	1,290,899
1,780	191,258	275,639	571,307	22,926,125
-	31,079	-	47,756	1,750,056
-	45,942	-	70,595	1,001,061
-	6,488	-	9,970	316,569
-	155,038	-	238,232	4,750,960
-	321,783	-	494,453	5,561,829
-	43,599	-	66,994	753,578
-	22,180	-	34,082	383,372
-	29,207	-	44,880	504,823
<u>1,780</u>	<u>846,574</u>	<u>275,639</u>	<u>1,578,269</u>	<u>40,554,396</u>
419,770	(448,669)	164,513	51,933	511,456
\$ 795,612	\$ 346,943	\$ 511,456	\$ 511,456	511,456
Accrued PFC revenues				257,682
Accrued interest revenues				-
Accrued interest payable				(11,834)
Accrued project expenses				<u>(59,505)</u>
Total Net Position Restricted for PFC included in EXHIBIT A-10				<u>\$ 697,799</u>

# **SPECIAL ACKNOWLEDGMENTS**

## **Finance - Accounting**

**Shalanda Nalencz**  
Accounting Manager

**Tammy Morgan**  
**Mary Ourso**  
Assistant Accounting Managers

**Shannon Hargrave**  
Debt Management Officer

## **Chief Financial Analyst**

Jonathan Alford  
Kay Ellzey  
Chelsea Faulk  
Lauren Foster  
Kathleen Kreko  
Jeanine Romero  
Nick Vidrine

## **Senior Fiscal Specialist**

Angela Banks  
Valerie Brown  
Charez Edwards  
Linda Hickerson  
Gregory Spears

## **Senior Financial Analyst**

Leah Fleig  
T.J. Fleig  
Daniel Hutton  
Tran Van

## **Financial Analyst**

Karin Kreko  
DeAnna Mitchell  
Valencia McNeely  
Rhonda Patt

## **Accounting Associate II**

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**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**

**REPORT TO MANAGEMENT**

**DECEMBER 31, 2019**



**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE**

**REPORT TO MANAGEMENT**

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*A Professional Accounting Corporation*

June 29, 2020

Members of the Metropolitan Council  
City of Baton Rouge, Parish of East Baton Rouge  
Baton Rouge, Louisiana

We have audited the financial statements of the City of Baton Rouge-Parish of East Baton Rouge (City-Parish), for the year ended December 31, 2019 and have issued our report thereon. As part of our audit, we evaluated the system of internal accounting control to the extent we considered necessary as required by auditing standards generally accepted in the United States of America. Under these standards, the purposes of such evaluation are to establish a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City-Parish's internal control.

The objective of internal control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of the financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

No matter how good a system, there are inherent limitations that should be recognized in considering the potential effectiveness of internal accounting. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management either with respect to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the degree of compliance with the procedures may deteriorate. We say this simply to suggest that any system needs to be constantly reviewed and improved where necessary.

However, during the course of our audit, we became aware of several matters that are opportunities for strengthening internal controls or operating efficiency and other matters. Our comments and suggestions regarding those matters are set forth below. This letter does not affect our reports dated June 29, 2020, on the financial statements of the City-Parish and the City-Parish's internal control over financial reporting.



## **2019-1**

### **Theft of Public Assets**

**Condition:** Louisiana Revised Statute 14:67 defines theft as the misappropriation or taking anything of economic value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. An instances, or likely instances, of misappropriation were identified by the City-Parish and reported to the Legislative Auditor which are presented in attachment A to this letter.

**Recommendation:** Employees are to be reminded of the proper procedures and their ethical responsibilities as public servants. We recommend the City-Parish continue their prosecution of these matters and that the internal controls of the City be reviewed and potentially revised to deter such instances from occurring in the future.

#### *Management's Response:*

*The City-Parish works to maintain a strong control environment. In both instances, the misappropriations were reported as required and referred to law enforcement. In the instance involving a City-Parish employee, the employee terminated and was arrested for theft. Additionally, the City-Parish received restitution. The City-Parish will strengthen internal controls in the areas where the misappropriations occurred. The City-Parish will continue to take immediate action to recover public monies and assets. Finally, the City-Parish will continue educating employees on their ethical responsibilities through the annual Ethics Training for Public Servants by the Louisiana Board of Ethics.*

## **2019-2**

### **Metro Council Review of Financial Statements; Fund Balance**

**Condition:** Best practices in internal controls over an entity's finances call for review of financial statements on an interim basis by those charged with governance. The Finance Department produces quarterly statements which are published on the City-Parish's website that are available for review by the public and the Metro Council. While these financial statements are made available, there is no procedure for acknowledgement of review by the Council.

Best practices would also warrant inclusion of fund balance in the financial reports in addition to revenues and expenditures, as this is an important financial indicator of financial position.

**Recommendation:** We recommend that the Council's review or acceptance of quarterly financial statements be made a formal; part of meetings and that review or acceptance of the financial statements be reflected in the minutes. We also recommend that the quarterly financial statements and the annual budget that are presented include fund balances.

*Management's Response:*

*The Finance Department provides the Mayor-President and the Metropolitan Council periodic financial updates through quarterly financial reports posted on the City-Parish website, a mid-year financial presentation, and during the Council presentation of the upcoming Annual Operating Budget. In addition, the proposed budget for the upcoming year includes a budget-to-projected comparison of the current year. The Section 2.16 of the Plan of Government requires the Council Budget Officer to provide financial reports to the Metropolitan Council.*

**2019-3**

**Capitalization vs Expense of Sewer System Rehabilitation Costs**

**Condition:**

Despite recent completion of a massive sewer system rehabilitation program, upgrades to sewer system infrastructure are still necessary and continue to occur. Such upgrades require certain up-front costs related to inspection to determine the scope of work and design, that are capitalized and included in the cost of the upgrade and depreciated over their estimated useful lives. These costs sometimes relate to projects that do not materialize. In these instances, these costs should be expensed.

**Recommendation:**

The City-Parish's environmental services department reviews costs to determine whether such costs should be capitalized or expensed. We recommend that the department enhance its processes to ensure that such up-front costs are revisited on a periodic basis in order to determine that costs related to projects that do not materialize are written off to expense timely.

*Management's Response:*

*The Department of Environmental Services will start to review the inspection reports quarterly to determine which expenditures are capital in nature and which are O&M in nature. DES will determine which inspection costs are related to other capital projects or will become rehabilitation projects in the near future. Costs that do not materialize into a project in a timely manner will be expensed.*

**2019-4**

**Disaster Recovery and Business Continuity Policies**

**Condition:**

Information technologies (IT) plays a critical role in the financial and non-financial operations of the City-Parish. The City-Parish's policies should address areas of best practices regarding (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event and testing if stored backups can be actually restored so that business can continue in the event of a disaster. We reviewed the City-Parish's policies on computer disaster recovery and business continuity and noted that several of these best practices were either not included or lacked the same specificity as these best practices. Although these procedures may actually be done or personnel have knowledge of how to handle these in the event of a disruption, these written processes and procedures did not reflect all components of these best practices.





**Recommendation:** The City-Parish's should review all of its written IT policies and procedures for disaster or other business disruption and amend them as necessary to include all of these best practices. We also recommend the policy be updated to include a requirement for the written processes to be periodically tested to determine if the components of the policy are in place and working properly.

*Management's Response:*

*The City-Parish will review current IT policies and procedures to ensure alignment with best practices. The City-Parish will work towards revising current procedures to include testing requirements for disaster recovery. The City-Parish is currently working with a consultant to create a formal disaster recovery plan that will augment the existing Continuity of Operations Plan.*

**2019-5**

**Passenger Facility Charge Program Project Reporting**

**Condition:** The Great Baton Rouge Airport (GRBA) uses passenger facility charges (PFC's) to service debt whose proceeds were initially used to construct, purchase and refinance multiple projects approved by the Federal Aviation Administration (FAA). The use or expenditure of the PFC's for this debt service must be reported to the FAA by project both quarterly and annually. Since the debt service relates to several projects, both PFC and non-PFC funded, allocations are made to assign the debt payments to the appropriate projects. The GBRA's allocation methodology is not clearly documented.

**Recommendation:** The GRBA should enhance its documentation of its allocation methodology to ensure future business managers can continue to accurately report the debt service expenditures by project.

*Management's Response:*

*Management is streamlining the allocation method on PFC debt. At the beginning of the allocation spreadsheets, detailed instructions will be entered to assist employees.*

We have already discussed these matters with the City-Parish's management. Their views on these matters and plans for corrective action are identified herein. This letter does not affect our report dated June 29, 2020 on the financial statements of the City-Parish, and furthermore, this letter is intended for use only by the City-Parish's management and audit committee and is not intended to be used, and should not be used, by anyone other than these specified parties.

Sincerely,

*Postlethwaite & Netterville*

## Status of Prior Year Management Letter Comments

### **2018-1**

#### **Theft of Public Assets**

**Condition:** Louisiana Revised Statute 14:67 defines theft as the misappropriation or taking anything of economic value which belongs to another, either without the consent of the other to the misappropriation or taking, or by means of fraudulent conduct, practices, or representations. An instances, or likely instances, of misappropriation were identified by the City-Parish and reported to the Legislative Auditor which are presented in attachment A to this letter.

**Recommendation:** Employees are to be reminded of the proper procedures and their ethical responsibilities as public servants. We recommend the City-Parish continue their prosecution of these matters and that the internal controls of the City be reviewed and potentially revised to deter such instances from occurring in the future.

#### *Management's Response:*

*The City-Parish is fully committed to protecting public resources. We will continue to report instances of misappropriation and refer them to law enforcement. The departments will also strengthen internal controls and monitoring in the areas where a misappropriation occurred. Immediate action will be taken to recover public monies and as sets. Finally, the City-Parish will continue educating employees on their ethical responsibilities through the annual Ethics Training for Public Servants by the Louisiana Board of Ethics.*

#### *Status of Management's Response:*

*Steps have been taken to monitor areas where misappropriation has occurred including installing security cameras and a second cash drawer. Changes to work schedules have been made in order to strengthen internal controls.*

### **2018-2**

#### **Metro Council Review of Financial Statements**

**Condition:** Best practices in internal controls over an entity's finances call for review of financial statements on an interim basis by those charged with governance. The Finance Department produces quarterly statements which are published on the City-Parish's website that are available for review. While Metro Council members may be reviewing the financial statements, that review is not made a formal agenda item and is not documented in minutes.

**Recommendation:** We recommend that the Council's review or acceptance of quarterly financial statements be made a formal; part of meetings and that review or acceptance of the financial statements be reflected in the minutes.

#### *Management's Response:*

*The Finance Department will develop and implement a procedure to ensure that quarterly financial statements are presented at the Metro Council meetings to be reviewed and accepted by the members of the Council.*

*Status of Management's Response:*

*The Finance Department provides the Mayor-President and the Metropolitan Council periodic financial updates through quarterly financial reports posted on the City-Parish website, a mid-year financial presentation, and during the Council presentation of the upcoming Annual Operating Budget. In addition, the proposed budget for the upcoming year includes a budget-to-projected comparison of the current year. The Section 2.16 of the Plan of Government requires the Council Budget Officer to provide financial reports to the Metropolitan Council.*

**2018-3**

**Internal controls over facilities and construction costs**

**Condition:** During the audit of the City-Parish's financial statements, we observed an instance in the construction of the Mosquito Abatement and Control (MARC) facility where greater cost controls could have been applied. Auto-tinted windows were a component of the building and may have been of higher costs than alternative windows with the same functionality. Additionally, a large back-up generator was purchased through a government surplus sale that does not function.

**Recommendation:** City Parish and the MARC Board should implement stronger costs controls over construction costs to ensure costs are justified given the benefits and that the taxpayer receives appropriate value for the money expended.

*Management's Response:*

*Mosquito Abatement and Rodent Control is aware of the concern regarding expenditure of public funds with respect to the construction of the new MARC facility. The new facility construction project supervision and management should have included City-Parish departmental subject matter experts with regard to the expenditure of public funds and all procurements associated with the construction. MARC staff members and commission members will consult with the Parish Attorney's Office and the Purchasing Department in all future construction or purchasing transactions to ensure that all expenditures of public funds are allowable, appropriate, and reasonable.*

*Status of Management's Response:*

*Actions have been taken to cancel a project that was deemed unnecessary. MARC staff and board members are aware of previous excessive expenditures and plan to be judicious in future building plans. In addition, MARC signed a sublease agreement for the old facility to be used in a productive manner.*

## Attachment A to Management Letter

The following 18 elements of the instances of misappropriation are presented below:

Element of Finding		Misappropriation #1 (Caterpillar Loader)	Misappropriation #2 (Limestone)
1	A general statement describing the fraud or misappropriation that occurred.	A 2000 Caterpillar loader owned by City Parish was reported missing.	Theft of limestone in May 2019
2	A description of the funds or assets that were the subject of the fraud or misappropriation (ex., utility receipts, petty cash, computer equipment).	2000 Caterpillar Loader	Limestone
3	The amount of funds or approximate value of assets involved.	\$68,000	\$3,965
4	The department or office in which the fraud or misappropriation occurred.	Development Department - Blight Division	Maintenance Department
5	The period of time over which the fraud or misappropriation occurred.	Unknown - the location of the loader was last verified in December 2017, and a police report was filed in January 2020.	May-19
6	The title/agency affiliation of the person who committed or is believed to have committed the act of fraud or misappropriation.	Unknown	Maintenance Department
7	The name of the person who committed or is believed to have committed the act of fraud or misappropriation, if formal charges have been brought against the person and/or the matter has been adjudicated.	Unknown	The employee's name is Ralph Garvin. He was arrested and charged with theft in May 2019. He resigned his position in June 2019.
8	Is the person who committed or is believed to have committed the act of fraud still employed by the agency?	Unknown	No
9	If the person who committed or is believed to have committed the act of fraud is still employed by the agency, do they have access to assets that may be subject to fraud or misappropriation?	N/A	N/A
10	Has the agency notified the appropriate law enforcement body about the fraud or misappropriation?	Yes. BRPD case # 20-5144	Yes. BRPD case # 19-42401.
11	What is the status of the investigation at the date of the auditor's/accountant's report?	BRPD detectives were unable to locate the loader and identify the perpetrator.	The employee resigned and was arrested, and the City Parish received restitution in the amount of \$3,965.
12	If the investigation is complete and the person believed to have committed the act of fraud or misappropriation has been identified, has the agency filed charges against that person?	Investigation is ongoing.	Yes
13	What is the status of any related adjudication at the date of the auditor's/accountant's report?	Charges filed with case pending further investigation.	Case closed
14	Has restitution been made or has an insurance claim been filed?	The City is self insured.	Yes, restitution has been made.
15	Has the agency notified the Louisiana Legislative Auditor and the District Attorney in writing, as required by Louisiana Revised Statute 24:523 (Applicable to local governments only)?	Yes	Yes
16	Did the agency's internal controls allow the detection of the fraud or misappropriation in a timely manner?	Yes. The matter was self reported to Internal Audit from an employee of Development Department - Blight Division	Yes. The matter was self reported to Internal Audit from an employee of the Maintenance Department.
17	If the answer to the last question is "no," describe the control deficiency/significant deficiency/material weakness that allowed the fraud or misappropriation to occur and not be detected in a timely manner.	N/A	N/A
18	Management's plan to ensure that the fraud or misappropriation does not occur in the future	The caterpillar loaders will be GPS enabled. The system will track all vehicles in the parish.	Supervisors and Managers approve the purchase of materials. Only a small amount of material is stored at the Maintenance Office for emergency purposes.

Independent Accountants' Report  
On Applying Agreed-Upon Procedures

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

We have performed the procedures enumerated below, which were agreed to by the City of Baton Rouge / Parish of East Baton Rouge (the Entity) and the Louisiana Legislative Auditor (LLA) on the control and compliance (C/C) areas identified in the LLA's Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period January 1, 2019 through December 31, 2019. The Entity's management is responsible for those C/C areas identified in the SAUPs. The sufficiency of these procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures performed and the results thereof are set forth below. The procedure is stated first, followed by the results of the procedure presented in italics. If the item being subjected to the procedures is positively identified or present, then the results will read "*no exceptions noted*". If not, then a description of the exception ensues. Additionally, certain procedures listed below may not have been performed in accordance with guidance provided by the Louisiana Legislative Auditor, the specified user of the report. For those procedures, "procedure was not performed due to no exceptions occurring for this procedure in the prior year or the existence of mitigating internal controls as asserted by the entity" is indicated.

Procedures related to Collections items 4 through 7 listed below were performed by the Entity's Internal Auditor. A separate report has been issued for the results of those procedures. We take no responsibility for the sufficiency of those procedures or the results reported.

***Written Policies and Procedures***

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1. Obtain the Entity's written policies and procedures and report whether those written policies and procedures address each of the following financial/business functions (or report that the Entity does not have any written policies and procedures), as applicable:

- a) **Budgeting**, including preparing, adopting, monitoring, and amending the budget.

*No exceptions noted.*

- b) **Purchasing**, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law or state purchasing rules and regulations; and (5) documentation required to be maintained for all bids and price quotes.

*No exceptions noted.*



- c) **Disbursements**, including processing, reviewing, and approving.

*No exceptions noted.*

- d) **Receipts**, including receiving, recording, and preparing deposits.

*No exceptions noted.*

- e) **Payroll/Personnel**, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked.

*No exceptions noted.*

- f) **Contracting**, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review (4) approval process, and (5) monitoring process

*No exceptions noted.*

- g) **Credit Cards (and debit cards, fuel cards, P-Cards, if applicable)**, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers, and (5) monitoring card usage

*No exceptions noted.*

- h) **Travel and expense reimbursement**, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers

*No exceptions noted*

- i) **Ethics**, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) requirement that all employees including elected officials annually attest through signature verification that they have read the Entity's ethics policy.

*No exceptions noted*

- j) **Debt Service**, including (1) debt issuance approval, (2) EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.

*No exceptions noted.*

- k) **Disaster Recovery/Business Continuity**, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.



*We performed the above procedures and noted the following exceptions as no documentation was provided containing the following:*

- *Written procedures regarding the identification of critical data and frequency of data backups.*
- *Written procedures regarding the storage of backups in a separate physical location isolated from the network.*
- *Written procedures regarding periodic testing/verification that backups can be restored.*
- *Written procedures regarding the use of antivirus software on all systems.*
- *Written procedures regarding the timely application of all available system and software patches/updates.*
- *Written procedures regarding the identification of personnel, processes, and tools needed to recover operations after a critical event.*

*Although some of the above procedures may actually be performed, written documentation of the requirements to perform the procedures was lacking.*

***Board (or Finance Committee, if applicable)***

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2. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and:

- a) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.

*No exceptions noted.*

- b) For those entities reporting on the governmental accounting model, observe that the minutes referenced or included monthly budget-to-actual comparisons on the general fund and major special revenue funds, as well as monthly financial statements (or budget-to-actual comparisons, if budgeted) for major proprietary funds. *Alternately, for those entities reporting on the non-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds if those public funds comprised more than 10% of the entity's collections during the fiscal period.*

*The minutes did not include or reference budget-to-actual comparisons on the General Fund and other major funds.*

- c) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.

*No exceptions noted.*

***Bank Reconciliations- Procedures 3 was not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.***

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3. Obtain a listing of client bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for selected each account, and observe that:
  - a) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated, electronically logged);
  - b) Bank reconciliations include evidence that a member of management/board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation (e.g., initialed and dated, electronically logged); and
  - c) Management has documentation reflecting that it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.

***Collections- Procedures 4 thru 7 were performed by the Entity's Internal Auditor. See separate report.***

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4. Obtain a listing of deposit sites for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).
5. For each deposit site selected, obtain a listing of collection locations and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.
6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:



- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.

**Non-Payroll Disbursements - Procedures 8 through 10 were not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.**

8. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).
9. For each location selected under #8 above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, inquire of employees about their job duties), and observe that job duties are properly segregated such that:
  - a) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.
  - b) At least two employees are involved in processing and approving payments to vendors.
  - c) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files.
  - d) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments.

[Note: Exceptions to controls that constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); should not be reported.])
10. For each location selected under #8 above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction and:
  - a) Observe that the disbursement matched the related original invoice/billing statement.
  - b) Observe that the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under #9, as applicable.

**Credit Cards/Debit Cards/Fuel Cards/P-Cards**

11. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and P-cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. Obtain management's representation that the listing is complete.

*No exceptions noted.*

12. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement), obtain supporting documentation, and:

- a) Observe that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder. [Note: Requiring such approval may constrain the legal authority of certain public officials (e.g., mayor of a Lawrason Act municipality); these instances should not be reported.]]

*We selected 3 credit cards and 2 fuel cards. The credit card statement contained the documentation. The fuel card statements did not have written documentation it was reviewed and approved by someone other than the authorized user; however, we did interview the personnel responsible for processing the fuel cards who acknowledged that fuel card documentation is reviewed electronically and exception reports are investigated as necessary.*

- b) Observe that finance charges and late fees were not assessed on the selected statements.

*No exception noted.*

13. Using the monthly statements or combined statements selected under #12 above, excluding fuel cards, randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (i.e. each card should have 10 transactions subject to testing). For each transaction, observe that it is supported by: (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and note whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

*No exceptions noted.*

**Travel and Expense Reimbursement – Procedure 14 was not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.**

14. Obtain from management a listing of all travel and travel-related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements, obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected:

- a) If reimbursed using a per diem, agree the reimbursement rate to those rates established either by the State of Louisiana or the U.S. General Services Administration ([www.gsa.gov](http://www.gsa.gov)).
- b) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased.
- c) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by written policy (procedure #1h).



- d) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.

***Contracts - Procedure 15 was not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.***

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- 15. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. *Alternately, the practitioner may use an equivalent selection source, such as an active vendor list.* Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, excluding the practitioner's contract, and:
  - a) Observe that the contract was bid in accordance with the Louisiana Public Bid Law (e.g., solicited quotes or bids, advertised), if required by law.
  - b) Observe that the contract was approved by the governing body/board, if required by policy or law (e.g. Lawrason Act, Home Rule Charter).
  - c) If the contract was amended (e.g. change order), observe that the original contract terms provided for such an amendment.
  - d) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.

***Payroll and Personnel - Procedures 16-19 were not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.***

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- 16. Obtain a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees/officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.
- 17. Randomly select one pay period during the fiscal period. For the 5 employees/officials selected under #16 above, obtain attendance records and leave documentation for the pay period, and:
  - a) Observe that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory). (Note: Generally, an elected official is not eligible to earn leave and does not document his/her attendance and leave. However, if the elected official is earning leave according to policy and/or contract, the official should document his/her daily attendance and leave.)
  - b) Observe that supervisors approved the attendance and leave of the selected employees/officials.
  - c) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
- 18. Obtain a listing of those employees/officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees/officials, obtain related documentation of the hours and pay rates used in management's termination payment calculations, agree the hours to the employee/officials' cumulative leave records, and agree the pay rates to the employee/officials' authorized pay rates in the employee/officials' personnel files.

19. Obtain management's representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.

***Ethics – Procedure 20 was not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.***

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20. Using the 5 randomly selected employees/officials from procedure #16 under "Payroll and Personnel" above, obtain ethics documentation from management, and:
  - a. Observe that the documentation demonstrates each employee/official completed one hour of ethics training during the fiscal period.
  - b. Observe that the documentation demonstrates each employee/official attested through signature verification that he or she has read the entity's ethics policy during the fiscal period.

***Debt Service - Procedures 21-22 were not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.***

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21. Obtain a listing of bonds/notes issued during the fiscal period and management's representation that the listing is complete. Select all bonds/notes on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each bond/note issued.
22. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).

***Other – Procedures 23-24 were not performed as the entity did not have exceptions in this category in the prior year, or mitigating controls exist as asserted by management.***

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23. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled.
24. Observe that the entity has posted on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds.

***Corrective Action***

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25. Obtain management's response and corrective action plan for any exceptions noted in the above agreed-upon procedures.

*See management's responses in the attached "Responses to Statewide Agreed Upon Procedures 2019".*





We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the LLA as a public document. Additionally, a separate report has been prepared by the Entity's Internal Auditor, dated June 29, 2020, to reflect the results of that auditor's performance of certain of the Statewide Agreed Upon Procedures. We were not engaged to perform, and have not performed, any of the State-Wide Agreed Upon Procedures performed by the Internal Auditor, and we take no responsibility for the sufficiency of those procedures or results reported and the procedures performed by the Internal Auditor have been excluded from this report.

*Postlethwaite & Netterville*

Baton Rouge, Louisiana  
June 29, 2020



**Department of Finance**  
**Internal Auditing Division**

City of Baton Rouge  
Parish of East Baton Rouge

222 St. Louis Street  
Post Office Box 1471  
Baton Rouge, Louisiana 70821

(225) 389-3076  
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June 29, 2020

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

**REFERENCE:      East Baton Rouge City-Parish - Louisiana Legislative Auditor's  
Statewide Agreed-Upon Procedures–Collections (Numbers 4, 5, 6 & 7)  
- 2019**

In accordance with an agreement with Postlethwaite and Netterville, the Internal Auditing Division performed the Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures (SAUP) for Collections (numbers 4, 5, 6, & 7) for the period of January 1, 2019 through December 31, 2019. The results of the review are presented below. The procedures are detailed in Attachment A.

**Results and Comments:**

4.      *The five sample deposit/collection sites are as follows: Animal Control; City Constable; Juvenile Services; Planning Commission; and Police-Records Division.*
5.      *Written procedures were not available for one site. (Juvenile Services) Written procedures were obtained for the remaining four collection sites, however, revisions and updates were needed.*
  - 5(a).    *No exceptions.*
  - 5(b).    *At one site, the employee responsible for reconciling collection documentation doesn't reconcile to system reports. (Animal Control) At another site, employees responsible for collecting cash are responsible for preparing bank deposits. (City Constable)*
  - 5(c).    *At one collection site, employees who accept payments also post payments to subsidiary ledgers. (City Constable) At another site, an employee who takes the deposit to the bank also updates the general ledger. (Juvenile Services)*



5(d). *No exceptions.*

6. *No exceptions.*

7(a). *At one site, invoices and logs are not pre-numbered and, at another site, they are not used. Neither site issues receipts. (City Constable & Juvenile Services)*

7(b). *Collection logs did not trace to the deposit slip. (Juvenile Services)*

7(c). *No exceptions.*

7(d). *For three collection sites, lag time between collection and deposit could either not be calculated or exceeded one business day. (Animal Control, City Constable, Juvenile Services)*

7(e). *All deposits traced from the bank statement to the general ledger. However, three collection sites had lag times of one week or more between deposit and input into the general ledger. (Animal Control, City Constable, and Planning Commission)*

We also noted additional issues not related to SAUP testing. We will discuss all issues and corrective action with the collection sites (departments). If you want more information, you may contact me at 389-5159 x232 or at [bbaughman@brla.gov](mailto:bbaughman@brla.gov).



Barbara Baughman  
Auditing Manager

#### Attachment

cc: Linda Hunt, Finance Director  
Angie Savoy, Asst. Finance Director  
Shalanda Nalencz, Accounting Manager  
Darryl Gissel, Chief Administrative Officer  
Freddy Smith, Director, Postlethwaite & Netterville

## Attachment A

### Louisiana Legislative Auditor's Statewide Agreed Upon Procedures Year 3 - Collections

4. Obtain a listing of deposit sites<sup>9</sup> for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).

<sup>9</sup>A deposit site is a physical location where a deposit is prepared and reconciled.

5. For each deposit site selected, obtain a listing of collection locations<sup>10</sup> and management's representation that the listing is complete. Randomly select one collection location for each deposit site (i.e. 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if no written policies or procedures, inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that:
  - a) Employees that are responsible for cash collections do not share cash drawers/registers.
  - b) Each employee responsible for collecting cash is not responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g. pre-numbered receipts) to the deposit.
  - c) Each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit.
  - d) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation.

<sup>10</sup>A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit.

6. Inquire of management that all employees who have access to cash are covered by a bond or insurance policy for theft.
7. Randomly select two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day)<sup>11</sup>. *Alternately, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc.* Obtain supporting documentation for each of the 10 deposits and:

<sup>11</sup> If "bank reconciliations" have been rotated off for Year 2, the practitioner should insert a procedure with the same selection methodology that would have been used for bank reconciliations.

- a) Observe that receipts are sequentially pre-numbered.
- b) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.
- c) Trace the deposit slip total to the actual deposit per the bank statement.
- d) Observe that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100).
- e) Trace the actual deposit per the bank statement to the general ledger.



## Department of Finance

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June 29, 2020

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

**REFERENCE: Louisiana Legislative Auditor's Statewide Agreed-Upon Procedures—2019**

In response to the exceptions noted in the Independent Accountants' Report on Applying Agreed-Upon Procedures, I offer the following response:

The City-Parish will address each exception with the applicable department and will work with them to implement corrective action. The following comments are offered for the noted exceptions:

*Written Policies and Procedures*

*The City-Parish will develop written policies and procedures to address the exceptions noted.*

*Board or Finance Committee*

*The Annual Operating Budget for the next fiscal year is presented to and authorized by the Metropolitan Council annually; it reflects budget-to-projected comparisons for the required fund types. Additionally, the Finance Department posts quarterly budget-to-actual comparisons on the City-Parish website.*

*Collections*

*The Internal Auditing Division informed the applicable departments and the departments will be responsible for corrective action.*

Credit Cards/Debit Cards/Fuel Cards/P-Cards

*The City-Parish will continue to review controls associated with the fuel program. The fuel program software automatically generates scheduled exception reports that are emailed to supervisors of employees with fuel cards. Additionally, the fuel program database manager reviews exceptions and investigates as necessary. Due to the electronic report format, visible evidence of review may not be recorded.*

If you have questions or want additional information, please contact me at 389-3061 or at [lhunt@brla.gov](mailto:lhunt@brla.gov).



Linda Hunt  
Finance Director