



November 4, 2009

Honorable Members of the Metropolitan Council
and the People of Baton Rouge:

I respectfully submit, for your review and consideration, balanced budgets for our General Fund and special funds for the Consolidated Government of the City of Baton Rouge and Parish of East Baton Rouge for the 2010 calendar year.

We have been fortunate that the economy in the Baton Rouge area has remained strong in spite of the national recession. Even though we experienced a slight decline in sales tax collections during 2009, prudent fiscal management during budget preparation has paid off resulting in no interruption of services. The 2010 budget has also been prepared in a fiscally responsible manner. This stand-still budget provides for a work force at current levels, and funding for the rising costs of benefits for our employees.

A report issued by the Brookings Institution ranked Baton Rouge as having the sixth strongest economy out of 100 major United States cities during the second quarter of this year. Reasons cited for the strong economy included stable employment and rising home prices. Local economists are predicting job growth in 2010 and 2011 in the capital region. CNNMoney.com recently named the area the ninth best place to launch a small business among midsize markets citing tax incentives for high-tech companies, educated talent from our local universities, and our cultural economy as a quality-of-life draw. The article praised our unique cultural offerings that provide for "an atmosphere where people work hard but enjoy an active social scene after hours."

Economic development opportunities were explored with Chinese business leaders, and a sister city agreement was signed this year with Malatya, Turkey, to promote development between the two cities through investment conferences, cultural events, and ongoing business talks. Our other sister cities include Cordoba, Mexico, Taichung, Taiwan, and Aix-en-Provence, France. Our hard work in promoting the film industry has paid off with three movies currently under production in Baton Rouge.

Public safety continues to be our Administration's top priority. All of our first responders have been given the necessary resources to maintain the highest possible ratings according to national standards. The crime-fighting efforts of our police officers will be enhanced next year through air support. Construction of new fire stations will provide better coverage and improved facilities to house our firefighters. Our telemedicine program will allow our emergency medical responders to provide the best possible medical care when transporting our citizens. Public education and training will ensure that our citizens and employees are prepared and ready to respond during emergencies.

Infrastructure improvements to our roads and sewer system are continuing in accordance with the Green Light Plan and Sanitary Sewer Overflow Capital Improvement Program. Development continues on our riverfront and downtown area, with many new private and public developments, including the new 19th Judicial District Courthouse opening in the summer of next year. Our commitment to quality of life remains strong through support for cultural initiatives including our various festivals and community concerts.



These highlights provide an overview of some of the many areas included in the 2010 budget, the details of which are outlined in the remainder of this message.

General Comments

UNDERSTANDING THE BUDGET

The budget for each department includes a description of its mission and a section on budget highlights. Larger departments include descriptions of their major services. Most departments include sections on performance measurement, which include goals/objectives and performance indicators. Line-item appropriation details are included in the "Budget Detail" section of the budget.

Any reader who wants to develop a thorough understanding of the budget should begin by reading the section following this budget message titled "Understanding the City-Parish Budget." This section explains the organizational structure of the City-Parish, the budget process, budgetary structure, financial policies, reporting entity, and legal requirements. It also presents revenue and appropriation assumptions.

The budget document contains budgets for our General Fund and the special funds that require the adoption of annual budgets.

BUDGET PROCESS

Revenue growth for the City-Parish stabilized in 2007, essentially matching the all-time high revenue mark in 2006, which was largely a result of post-Katrina activity. Recurring sales taxes, which is our largest revenue source, gained momentum again in 2008, posting gains of 4%. It is important to recognize that a portion of this growth was related to the industrial corridor and is eligible for rebate under the enterprise zone program. As a result of the sluggish national economy and declining motor vehicle sales, collections for the first eight months of 2009 were down 2.43%. In spite of the decline in 2009 collections, sales tax receipts are projected to be within our budget that was prepared using an adjusted base which excluded non-recurring revenue growth. With this in mind, we will continue our conservative approach to forecasting sustainable revenue growth for 2010. Recurring operations will be limited to recurring revenue streams, and the philosophy of this Administration to use fund balance to support non-recurring expenditures will continue.

The budget process began with instructions to all entities receiving funding from the City-Parish government. Agencies funded through the General Fund were given target budgets for 2010. Department heads were encouraged to explore ways to streamline current operations and to evaluate existing cost-recovery measures. These target budgets included known items that were going to have an impact on operations. In addition to their target budgets, departments could make supplemental requests for equipment and one-time expenses. All requests were reviewed by a team of Administration, Finance, Council Budget, and Human Resources staff members, and discussions were held with various departmental representatives to discuss funding needs and the impact on operations at the funding levels proposed in the target budgets.

Generally, special funds have their own dedicated funding sources such as taxes, grants, etc.; therefore, the amount of their budget requests is limited by the level of funding generated by these sources.

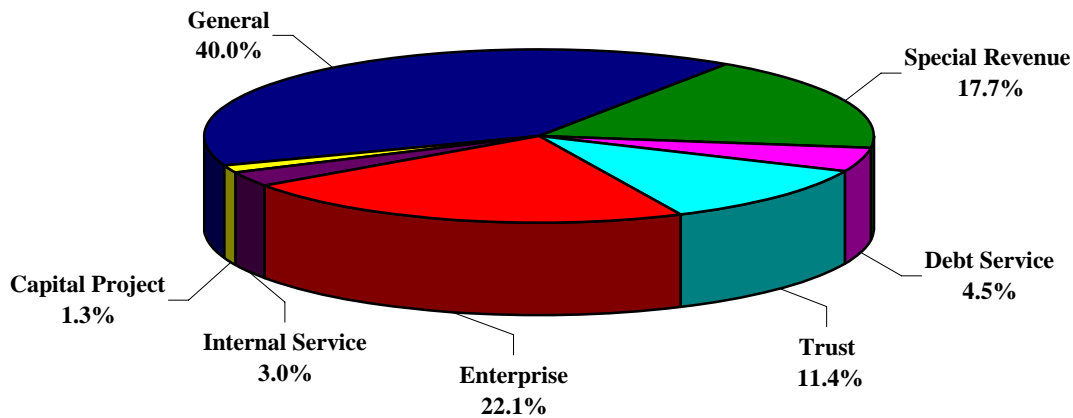


All Fund Summary

The proposed budget for the year 2010 for all funds, exclusive of operating transfers between funds, totals \$701,109,909. This increase of \$6,245,695 or .90% over the 2009 budget is the result of increases in employee benefits. The graph in Figure 1 and the chart that follows depict the total annual operating budget by fund type for 2010. Major changes in proposed funding are also discussed.

FIGURE 1

TOTAL ANNUAL APPROPRIATIONS BY FUND TYPE
(Excluding Transfers Between Funds)
\$701,109,909



APPROPRIATIONS – ALL FUNDS
2010 COMPARED TO 2009

<u>Fund Type</u>	<u>2009</u>	<u>2010</u>	<u>2010 Budget Over</u>	
	<u>Budget</u>	<u>Budget</u>	<u>(Under) 2009 Budget</u>	
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Percent</u>
General	\$ 281,873,290	\$ 283,083,950	\$ 1,210,660	0.43%
Special Revenue	129,183,384	126,612,079	(2,571,305)	-1.99%
Debt Service	33,165,220	41,058,250	7,893,030	23.80%
Capital Project	19,830,000	10,375,840	(9,454,160)	-47.68%
Enterprise	154,055,940	160,798,430	6,742,490	4.38%
Internal Service	22,096,100	20,881,000	(1,215,100)	-5.50%
Pension Trust	76,396,850	79,796,020	3,399,170	4.45%
Subtotal	716,600,784	722,605,569	6,004,785	0.84%
Less: Transfers Between Funds	(21,736,570)	(21,495,660)	240,910	-1.11%
Grand Total	\$ 694,864,214	\$ 701,109,909	\$ 6,245,695	0.90%



INDEPENDENT SALES TAX REVENUE ESTIMATE REVIEW

Following are comments from Dr. James A. Richardson, John Rhea Alumni Professor of Economics at Louisiana State University, and Dr. Loren C. Scott, Professor Emeritus of Economics at Louisiana State University, found in their letter of October 20, 2009, on their forecasts of sales and use tax revenue growth in East Baton Rouge Parish for 2010.

*Dr. Loren C. Scott and I have reviewed the sales tax revenue estimates you have made for calendar 2010 in preparing the 2010 Budget for the City-Parish. Sales tax collections for 2009 are reduced considerably compared to 2008 sales tax collections. You have used the 2009 sales tax collections as the starting point in estimating the 2010 sales tax collections—this is a prudent sales tax base to use. The anticipated growth in sales tax collections for 2010 is 1%—a growth rate consistent with the anticipated growth in employment in the Baton Rouge Metropolitan Area in 2010 as reported in the **Louisiana Economic Outlook, 2010-2011**. We project a growth in employment of 1.1% for 2010 and 1.5% in 2011 in the Baton Rouge region. This anticipated growth in employment should be sufficient to generate the 1.0% growth in sales tax collections.*

Obviously, as in any forecast, there are uncertainties. The national economy appears to be on the road to recovery, but it will be a slow recovery. No one is now forecasting a double dip recession. The financial markets appear to be stabilizing. Energy prices, especially oil, are making a comeback—now hovering in the high \$70s. These are positive signs—not for an exuberant expansion, but for a sustained, yet slow, recovery at the national level. There are still uncertainties in terms of possible federal policy changes in energy policy, health care reform, and financial regulation—but the impact of these changes will be to affect the rate of growth of the economy as opposed to stopping the recovery in its tracks.

Finally, state budgetary issues can affect the Baton Rouge economy given the major presence of state government, two major universities, and a very vibrant community college in the region. We believe the Baton Rouge forecast takes into account the potential impact of state budgetary issues on the Baton Rouge economy.

Based upon the advice of these experts, the proposed budget assumes a 1% growth rate for sales and use tax revenues in 2010 over the 2009 anticipated collections.

FULL-TIME EQUIVALENT POSITIONS

In the 2010 budget, the number of full-time equivalent (FTE) positions for all funds in the government decreased by 11.25 positions. Seventeen positions allotted for grant programs, which received temporary funding for post-hurricane relief, were eliminated. One position previously funded through a professional services contract related to prison medical services was converted to a full-time position in an effort to provide continuity in this area to sustain and further reduce prison medical expenses. A temporary allotment for a three-month period was added to Purchasing to facilitate succession planning. The net increase of one-half of a FTE in the office of the Parish Attorney is attributed to the deletion of part-time attorneys and the addition of a temporary allotment to accommodate succession planning for airport legal services, which will be funded through the airport budget. The Baton Rouge Metropolitan Airport added one position to assist with legal matters. The Animal Control and Rescue Center added one position to address the shortage of manpower,



which is funded through a rate increase for animal licenses. Two additional positions were needed in the Mosquito Abatement and Rodent Control District to provide manpower to combat the pest population. All other increases or decreases in individual departmental budgets result from organizational changes or changes in funding sources.

EMPLOYEE COMPENSATION

The limited revenue growth was utilized to sustain current employee benefits and current service levels. With the exception of normal merit and longevity increases, there are no raises in the 2010 budget. In addition, the heads of the major departments in the General Fund, with the exception of the constitutional offices, will have to fund merit increases by identifying savings within other areas of their budget. A study is currently being conducted on current market conditions for salary levels needed to recruit and retain employees in library services. Once the study has been finalized and the 2009 property tax roll is available, budgetary and pay plan amendments may be proposed if recurring revenues are available to support the necessary changes.

EMPLOYEE BENEFITS

Health Insurance

Due to increasing health care costs, these services were reevaluated during 2009. An Employee Benefits Committee (EBC) comprising representatives from employee organizations and departments was created to work with an independent consultant to evaluate the current programs offered, obtain competitive proposals to provide a full review of the market, and make recommendations for benefits for City-Parish employees and retirees for 2010.

The City-Parish health insurance program is self-insured, and sufficient balances must be maintained in order to pay actual claims and the costs to administer the program. The EBC recommended and the Metropolitan Council approved a three-year contract for an administrator of a Health Maintenance Organization (HMO), a Point of Service Plan (POS), and a new option for a High Deductible Health Plan (HDHP). In addition, active employees who are HMO and POS plan participants will have an option to have Flexible Spending Accounts, which will allow them to use pre-tax wages to pay for qualifying health and dependent care expenses. Active employees selecting the newly offered HDHP will have an option to participate in a Health Savings Account that will allow them to use pre-tax wages to pay for qualifying health care expenses. Employee premiums for the HMO plan will increase 10%, and there will be a 20% increase in employee premiums for the POS plan to bring premiums in line with the funding needed to cover claims. The employee premiums for the HDHP plan are considerably less, but higher deductibles are in place. The employer premium will increase by 10% regardless of the plan chosen by the participants. The 2010 pharmacy benefits are changing from a three-tier to a five-tier structure. This change provides for lower co-payments for generics and higher co-payments for brand name drugs.

The projected sources and uses for the 2010 health insurance program of \$54,310,000 are shown in Figure 2 and Figure 3 below.



FIGURE 2

2010 HEALTH INSURANCE PROGRAM
SOURCES OF FUNDS
\$54,310,000

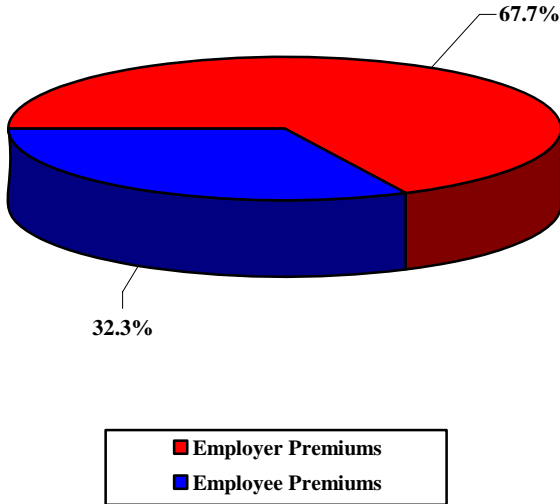
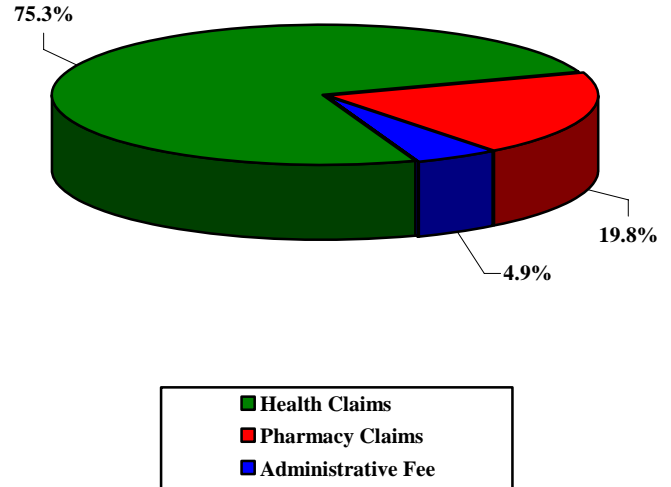


FIGURE 3

2010 HEALTH INSURANCE PROGRAM
USES OF FUNDS
\$54,310,000



Dental Insurance

There will be a 5% decrease in premiums in 2010 for the City-Parish dental program, which is fully-insured. The EBC recommended, and the Metropolitan Council approved, a three-year contract with firm rates remaining in effect through 2012. Cost-sharing will continue at the current levels with the employer paying 52% of the premium and the employee paying the remaining 48%.

Life and Ancillary Benefits

The EBC recommended, and the Metropolitan Council approved, a three-year contract for basic life benefits for active employees and retirees. The City-Parish will continue to provide life insurance coverage with a \$25,000 benefit for active employees and a \$50,000 benefit for elected officials. The benefit for retirees will be increased from \$3,000 to \$5,000. Optional life insurance can also be purchased by active employees at lower rates than were previously offered. The City-Parish is expected to save \$180,000 over the three-year term of the contract, while providing better benefits for our employees and retirees. Vision, optional cancer, accident, and critical illness policies may also be purchased by active employees, who will be responsible for 100% of the premiums.

Post-Employment Benefits

The rate for post-employment benefits in 2010 will remain at 9.5%. Post-employment benefits for the City-Parish consist of health, dental, and life insurance benefits for retirees. Historically, the City-Parish has funded post-employment benefits on a pay-as-you-go basis. Actuarial services have been retained, and our financial statements are in compliance with the reporting requirements associated with the new standards for accounting



by employers for post-employment benefits; those standards took effect in 2007. This budgeted rate takes a small step towards providing additional funding for these crucial benefits for our retirees. It is anticipated that \$2 million will be placed in reserve at the end of 2009 for payment of future benefits.

Retirement Contributions

City-Parish Employees' Retirement System (CPERS)

The 2010 employer contribution rate was certified at 22.17% by the system's Board of Trustees, which is the rate recommended by the system's actuary. This budget provides funding at that level, which is a 3.61% increase over the 2009 employer contribution rate. The employee contribution rate will remain at 9.5% in 2010.

The Board of Trustees has an investment policy which outlines the goals, objectives, responsibilities, and restrictions for system investments. Through a well-diversified and prudently managed portfolio, long-term investment returns of 7.75% are expected. The target allocation for system assets is 65% investment in equities and 35% in fixed income. Gains and losses are smoothed over a five-year period in order to control rate volatility.

Investment markets, almost across the board, suffered tremendously in 2008. Equities and fixed income, both domestic and global, experienced steep declines in market value, and investments that historically provided diversification benefits provided no relief. These factors resulted in negative overall investment performance of 28.5% for the system in 2008.

In March of 2009, the markets began to gain upward momentum. For the quarter ending June 30, 2009, CPERS earned a positive investment return of nearly 15%. With few setbacks, the markets have continued to rally with another positive investment return of 14% in the third quarter of 2009. Comparing the ending third quarter of 2009 market value of investments to the previous year-end value, CPERS assets have increased by over \$100 million. These positive returns will have a significant impact on reducing the unfunded accrued liability of the system and controlling the employer contribution rates.

The Board of Trustees recently directed its investment consultant to conduct an asset/liability study to determine if assets are properly positioned. Depending on the results, which are expected by the end of 2009, the Board will entertain recommendations from the consultant relative to changes in the asset allocation. As fiduciaries of the plan, the Board will consider only investment allocation changes that it sees as beneficial to the plan and within prudent and appropriate risk parameters.

Municipal Police Employees' Retirement System (MPERS)

The transfer of law enforcement personnel shifted responsibility for payment of their pension to the MPERS system. However, the City of Baton Rouge is required to make employer contributions to the system. Effective July 1, 2009, the employer contribution rate to that system increased from 9.5% to 11%. Based on the advice of the MPERS actuary and current market conditions, we assumed the rate would increase to 20% on July 1, 2010.



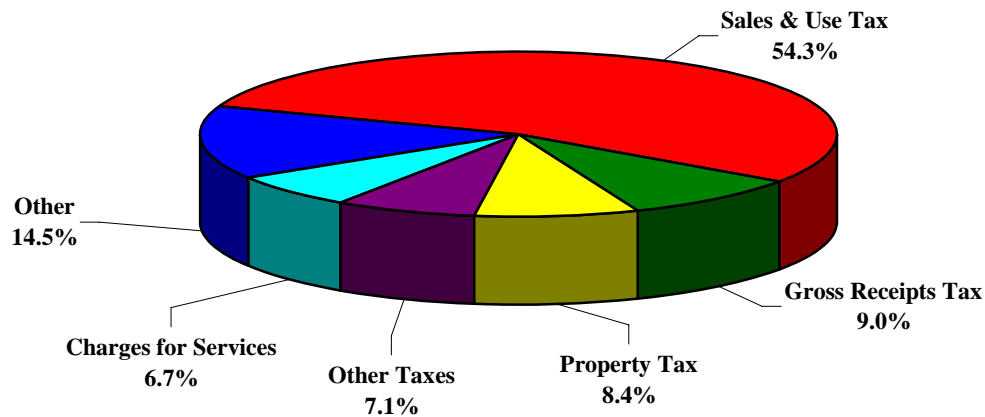
General Fund

REVENUES

As shown in Figure 1, the General Fund, excluding operating transfers in, makes up 40% of the total City-Parish budget for the year 2010. The General Fund provides for the general operations of the government and includes all revenues that are not legally dedicated for a specific purpose. The primary revenue sources, which are shown in Figure 4, include the sales and use tax, gross receipts tax, and property tax.

FIGURE 4

GENERAL FUND FUNDING SOURCES
\$283,083,950



Significant changes in General Fund funding sources include the following:

	<u>Increase (Decrease)</u>
<u>REVENUE GROWTH:</u>	
General Sales & Use Tax - 1% Over 2009 Projected	\$2,098,790
Gaming Revenues - 2010 Projection Based on New Contracts	1,000,000
Red Light Safety Camera Revenues	923,070
Fiscal Management Fees Assessed to Grants and Special Funds	886,380
On-Behalf Payments Including State Supplemental Pay	733,040
General Property Tax - 2.8% Over 2009 Projected	359,490
Sales Tax Collection Costs Assessment to Green Light Program	300,000
Gross Receipts Business Taxes - 2.4% Over 2009 Projected	(2,053,230)
Interest Earnings - Due to Decline in Rates	(1,564,000)
Licenses & Permits - Due to the Decline In Construction Activity	(1,421,650)
Other Revenues	(265,760)
TOTAL REVENUE GROWTH	<u><u>\$996,130</u></u>



Gaming Admission Revenues

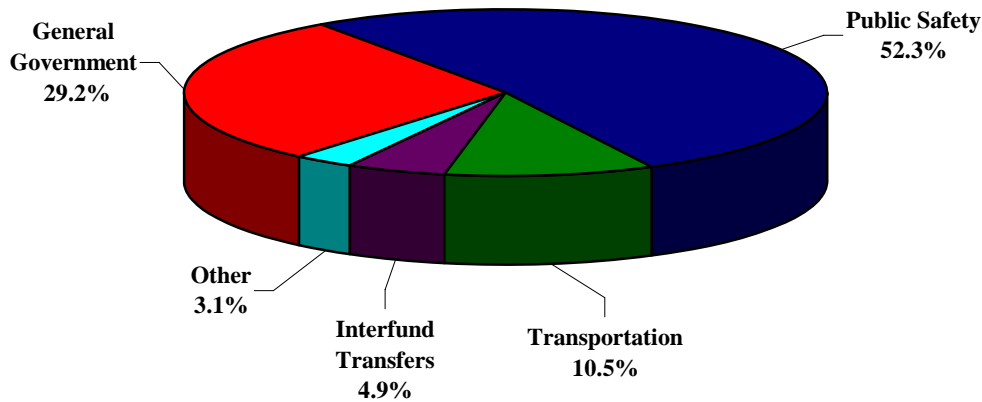
Beginning in 2009, there was a change in the fee structure paid by our riverboat gaming establishments from a \$2.50 per passenger admission fee to a percentage of monthly net gaming revenues as allowed for in State law. Our contracts with the riverboats provide for a sliding scale ranging from 3.5% to 4.5% with a rollback provision to 2% should net gaming revenues decline significantly. This change has resulted in a 30% increase in gaming admissions through September of this year. Based on these collections, we have increased general revenues from gaming from \$3 million in the 2009 budget to \$4 million in the 2010 budget. We will continue to utilize \$4 million in collections from the prior-year for sewer operations.

APPROPRIATIONS

Total appropriations for the General Fund annual operating budget increased by \$1,210,660, or .43%, compared to the 2009 budget. Our commitment to public safety continues as shown in Figure 5 with nearly 52.3%, or \$148,166,860 of the 2010 budget proposed for that function. In addition to this amount, \$1,329,600 is provided for capital needs in the Police, Fire, Coroner, and City Constable budgets. These items are budgeted in Capital Project Funds.

FIGURE 5

**GENERAL FUND APPROPRIATIONS
BY MAJOR FUNCTION
\$283,083,950**



Significant changes in General Fund appropriations (2009 to 2010) are shown below:

<u>APPROPRIATION CHANGES:</u>	<u>Increase (Decrease)</u>
Retirement Contributions	\$3,911,800
Health Insurance - 10% Increase in Employer Contributions	1,985,820
Prisoner Related Costs - Feeding, Transporting, and Housing Inmates Out-of-Parish	1,170,690
19th Judicial District Court Building Expenses (Partial Year)	973,000
On-Behalf Payments Including State Supplemental Pay	733,040
Red Light Camera Collection Costs	323,080



	<u>Increase (Decrease)</u>
<u>APPROPRIATION CHANGES (Continued):</u>	
Coroner's Office for Forensic Services	\$161,250
Other	95,100
Larger Departments to Self-Fund Merits	(1,835,060)
Public Building Utility Costs	(1,527,710)
Fuel Cost Reductions	(892,510)
Personal Services Including Overtime, Contract, and Temporary Employees	(840,180)
Supplies, Primarily Small Equipment in Police and Fire	(724,730)
DPW Waste Management Division Street Sweeper Function Funded in Solid Waste Disposal Fund	(657,700)
DPW Equipment Program	(657,570)
Compromised Judgments Funded from Insurance Reserve	(500,000)
Computerized Systems Funded from Fund Balance	(400,000)
Debt Service	(322,190)
TOTAL APPROPRIATION CHANGES	996,130
Fund Balance Included in the 2010 Budget to Fund Projects Listed Below	9,488,930
Less Fund Balance Included in the 2009 Budget	(9,274,400)
Total Increase in 2010 Budget Over 2009 Budget	<u>\$1,210,660</u>

Several commitments from existing programs, items capital in nature, and items funded through designations are itemized below. The source of funds for these expenditures is the surplus forecasted at the end of 2009.

FROM FUND BALANCE

		<u>Total</u>
<u>FUND BALANCE - UNDESIGNATED:</u>		
Economic Development Initiatives:		
Greater Baton Rouge Economic Partnership	\$500,000	
Business Development Support	150,000	
2012 United States Bowling Congress	114,000	
Truancy Reduction Initiative	100,000	
Census Accuracy Initiative	100,000	
Baton Rouge Area Digital Industries Consortium (including Animation Festival)	100,000	
Educational Internship Program	100,000	
USAgencies Generators	97,000	
	<u>97,000</u>	\$1,261,000
Quality of Life Initiatives:		
Debbie Allen Residency Programs/Community School for the Arts	100,000	
Blues Festival	50,000	
FestForAll	50,000	
Cultural Arts Grants Program	50,000	
Sunday in the Park	35,000	
International Heritage Festival	30,000	
Louisiana All Veterans' Reunion	25,000	
	<u>25,000</u>	340,000



		<u>Total</u>
<u>FUND BALANCE - UNDESIGNATED</u> (Continued):		
Capital Items:		
Vehicles and Equipment for Fire Department	\$500,000	
Computerized Systems Upgrades	400,000	
Vehicles for City Constable	67,500	
Vehicle and Computer Equipment for Coroner	23,600	\$991,100
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Other Items:		
Special Legislative Session Support		30,000
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Total Fund Balance - Undesignated		2,622,100
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<u>FUND BALANCE - DESIGNATIONS:</u>		
Sewerage-Operations and Maintenance from Gaming Revenues	4,000,000	
Police Vehicles and Equipment from Police Designation	1,972,500	
Compromised Judgments and Final Settlement Payment from Insurance Reserve	833,330	
2012 United States Bowling Congress from Outside Contributions	61,000	6,866,830
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TOTAL FROM FUND BALANCE		\$9,488,930
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Budget Highlights

PUBLIC SAFETY

In keeping with my promise from five years ago, I have made the public safety of our citizens and visitors my top priority. This has been accomplished through enhancing manpower, creating efficiency through technological advancements, improving facilities and equipment, and maintaining professional standards.

Police Department

Accreditation

The Baton Rouge Police Department has maintained its national accreditation with the Commission on Accreditation for Law Enforcement Agencies (CALEA) since 1996. In 2010, the department will undergo its fourth reassessment by CALEA for compliance with the latest standards and best practices in law enforcement.

Crime Victim Advocacy and Community-Oriented Policing

During 2009, a new position was approved for a Crime Victim Advocate to provide assistance to victims of serious crimes. In the past, the department has relied on its sworn officers to act as protectors, investigators, and grief counselors. The Crime Victim Advocate will provide services to crime victims through the completion of prosecution.

Under this Administration, the department has enjoyed a productive partnership with the citizens of Baton Rouge in a true community-oriented partnership. The partnership will continue in 2010 through programs



geared toward the reduction of truancy, domestic violence, and street violence. The 2010 budget includes \$100,000 to address truancy issues throughout the parish.

Technology

New businesses continue to open and the downtown area is being redesigned and developed to include a nighttime population of people attending entertainment functions in addition to the daytime population that is constantly increasing. Surveillance cameras have been installed throughout the Arts and Entertainment District. The Homeland Security Canopy continues to grow with the addition of cameras and ShotSpotter technology, which now covers approximately eight square miles.

One of the most successful pieces of technology deployed has been the “Bait Car.” To date, this unit has been responsible for more than 90 burglary and auto theft arrests. Working with the Homeland Security Canopy, a License Plate Recovery Unit is being utilized to scan and check hundreds of license plates and has provided assistance in the recovery of many stolen vehicles.

In 2010, the department will work towards equipping all of its vehicles with Wi-Fi modems that connect via air cards. This will allow units to be tracked using global positioning system data in a Windows-based environment and provide access to graphics-intensive programs that were not available using radio frequency modems.

Air Support

A Robinson R-44 helicopter purchased with federal grant funds will be delivered in late 2009 and will be flying missions and air patrol in early 2010. This unit will support the efforts of officers on the ground by giving law enforcement a unique aerial view. The Air Support Unit will allow law enforcement to arrive on the scene faster and provide a safe vantage point for observation of fleeing vehicles and suspects on the ground. This will greatly enhance the safety of our citizens and law enforcement officers.

Fire Department

Class One Rating

The current Class One rating by the Property Insurance Association of Louisiana (PIAL) shows our commitment to providing citizens with the best possible fire protection and the lowest possible insurance rates. Increased staffing and equipment needed to satisfy criteria in anticipation of the rating scheduled for late 2009 have been a priority and were addressed in previous budgets. We are confident that our resources are sufficient to maintain our rating.

Facilities

There are currently six fire stations at various stages of construction. Approximately \$12 million has been appropriated for the purchase of land, design, and construction. These stations will replace the stations located on Laurel Street, North Foster Drive, Gus Young Avenue, Osage Street, Lobdell Avenue, and Sharp Road. The Laurel Street fire station will relocate to Florida Boulevard and the North Foster Drive fire station is being relocated to the corner of Jefferson Highway and Claycut Road. The Gus Young Avenue station will be



relocated to Greenwell Springs Road, the Osage Street station will be relocated to Choctaw at Acadian Thruway, and the Lobdell Avenue station will move to Wooddale Boulevard near the State Police Headquarters. The Sharp Road station will be rebuilt on site. The moving of these stations assures continued coverage for our citizens in accordance with the PIAL standards.

Emergency Medical Services

Accreditation

Accreditation signifies that an ambulance service has met the "gold standard" determined by the ambulance industry to be essential as a modern emergency medical services provider. In 2007, the Commission on Accreditation of Ambulance Services (CAAS) awarded East Baton Rouge Parish Emergency Medical Services (EMS) full accreditation status. EMS must go through the accreditation process again in 2010 to maintain its good standing and continue to be labeled one of the nation's top EMS services.

Awards

Baton Rouge was honored by the Louisiana Municipal Association for the EMS Telemedicine Program started in March of 2009. The program, called Baton Rouge Med-Connect, earned the 2009 "Basic Services" award for cities with populations over 25,000. Telemedicine is the transfer of medical information through the use of voice, video, and data between two locations for the purpose of consulting and sometimes remote medical procedures or examinations. Baton Rouge EMS utilizes a high-speed broadband mesh network and equipment that is mounted in ambulances to connect directly to equipment in the emergency rooms of local hospitals. Emergency department physicians are able to see and talk with patients while the ambulance is still on scene and start their evaluation of the patients long before they arrive at the emergency department. EMS paramedics are able to send additional information such as 12-lead EKG strips, video from sonogram scans, audio from stethoscopes, and data from other diagnostic devices.

Facilities

Contract negotiations have begun with an architectural firm for the design of the new EMS Headquarters building to be constructed at the public safety complex on Harding Boulevard. This new facility will house all EMS administrative personnel, as well as its training facility, supply warehouse, billing department, medical decontamination facility, information technology services, and special operations division. Plans are to start construction in late 2010.

EMS will also see the completion of two new stations that are replacing older facilities. One station will be located on the corner of Jefferson Highway and Claycut Road on property donated by the East Baton Rouge Parish School Board, and the other will be located on Florida Boulevard just west of Acadian Thruway. Both facilities will provide improved access to major routes in the city and each is a shared location with the Baton Rouge Fire Department.

Technology

EMS has implemented its Electronic Patient Care Reporting (ePCR) system which allows paramedics to record all patient reports on computers instead of handwriting paper forms. This system will increase efficiency in



patient reporting and billing between area hospitals and insurance companies. Paramedics use ruggedized computers purchased through grant money in the ambulances and are able to complete reports, obtain signatures from patients and doctors, and use special programs to access information to assist in patient care. The information collected by the system will help to identify medical trends in East Baton Rouge Parish and will become a more reliable tool for reporting to state and federal agencies.

Mayor's Office of Homeland Security and Emergency Preparedness (MOHSEP)

Parish Emergency Operations Plan (EOP) Update

The parish-wide EOP was recently revised and updated in accordance with Emergency Management Accreditation Program (EMAP) standards. The updated plan includes the first ever Pandemic Annex for East Baton Rouge Parish and serves as the formal document for reference during emergencies.

Accreditation

In 2005, MOHSEP was granted conditional accreditation by EMAP, becoming only the second city in the nation to receive the conditional accreditation. In 2007, MOHSEP was granted full accreditation by EMAP, along with only ten other accredited agencies in the country. To date, MOHSEP is only one of four local jurisdictions in the country to be EMAP certified. This accreditation represents a significant achievement and demonstrates tremendous leadership and commitment to the 54 national program standards. The accreditation process for the field of emergency management ensures that citizens are served by a department that can handle all phases of disasters. Accreditation is valid for five years from the date granted by the EMAP Commission.

Emergency Operations Center (EOC) Expansion and Technology Enhancements

Post-Gustav, the EOC underwent major improvements to upgrade its capacity and technology capabilities. Additionally, a Public Works Incident Command Center was established for Public Works officials, and the Mayor's Executive Overwatch was expanded to increase the capacity of the room. The technology upgrades inside the EOC include a video wall to replace the outdated projection screen, monitors to display Geographic Information System (GIS) information, flat screens for emergency information and notification, wireless microphone capability, an enhanced surveillance system, state-of-the-art computer and phone system, and a control server cell to host all the data. A current GIS database is maintained that allows emergency planners to readily identify road closures and other emergency related information during times of emergencies.

Red Stick Ready

A series of twelve 30-minute videos has been developed as part of an on-going public education campaign. The "Red Stick Ready" campaign addresses topics such as hurricanes, pandemics, floods, fires, hot weather, and chemical disasters. The program airs on local cable television channels, COX On Demand, and on the new "Red Stick Ready" website, www.redstickready.com. This website features tips on disaster preparedness and is also incorporated into the Hospital Loop Program, which will also feature tips on different disaster or emergency situations; these tips are sure to become a popular resource. The "Red Stick Ready" program will also include an hour-long video designed to run continuously in hospital emergency rooms.



Officials from the National League of Cities Homeland Security and Emergency Management visited Baton Rouge last month to learn more about our best practices for handling and coordinating disasters and emergency operations. The “Red Stick Ready” program was one of several programs these officials would like to use as a model for other communities, and requested that I work with them to promote this program at the national level to help train municipalities and local officials in crisis leadership.

Community Emergency Response Team (CERT), Junior CERT, and Business Emergency Response Team (BERT)

In 2009, 20 new CERT members joined a parish-wide team of volunteers trained to assist with law enforcement and emergency management during disasters. In addition, the JR CERT program trained over 3,000 children this past summer and MOHSEP implemented an innovative public outreach tool, known as “Mayor Mouse,” to interact with the children during the training and allow the participants to become more involved in the program. The local media have partnered with the JR CERT program and provide valuable information on all hazards including hurricane forecasting.

The Business Emergency Response Team (BERT) program was implemented to provide emergency preparedness training for local businesses. The program includes guidance on continuity of operations, all-hazard planning, and building business safety regulations into the daily operations. Over 20 businesses have expressed interest in participating in the new innovative program.

EFFECTIVE AND EFFICIENT GOVERNMENT

Financial Accountability

During 2009, the Auditing Division of the Finance Department was reorganized to create separate divisions for the two distinct functions of internal and revenue auditing. The mission of the Internal Auditing Division is to independently appraise City-Parish programs in an effort to enhance internal controls, improve efficiency, and promote governmental accountability. In addition, a new Financial Accountability Section was created to enhance services provided by the Internal Auditing Division. The section will focus on administrative compliance and oversight related to federal and state recovery and stimulus funding.

Excellence in Budget Presentation and Financial Reporting

The Finance Department continues to demonstrate its commitment to providing high quality customer service through excellence in financial reporting. The department received the “Distinguished Budget Presentation Award” from the Government Finance Officers Association (GFOA) of the United States and Canada for the *2009 Annual Operating Budget*. This national award is the highest professional recognition in governmental budgeting. 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. This is the 19th consecutive year that the department has received this award.

The GFOA of the United States and Canada also awarded the Certificate of Achievement for Excellence in Financial Reporting to the City-Parish for the *Comprehensive Annual Financial Report* for the fiscal year ended December 31, 2007. This prestigious national award recognizes conformance with the highest standards for preparation of state and local government financial reports. In order to receive this award, a governmental unit



must publish an easily readable and efficiently organized comprehensive annual financial report with contents conforming to program standards. The reports must also satisfy both accounting standards and applicable legal requirements. The department has produced a financial report meeting these standards and received this award 32 times since 1971.

Debt Management

Our government has invested considerable effort into maintaining a working relationship with bond rating agencies and bond insurance companies over the past several years. This allows us to keep them informed concerning issues that affect our bond ratings and bond insurance premiums. Rating agencies have cited strong financial management and the willingness to take prompt corrective budgetary action when necessary as positive attributes of our government. As a result, the City-Parish enjoys favorable bond ratings such as the underlying rate on the City 2% general sales tax revenue bonds from Moody's Investors Service (Aa3), Standard and Poor's (AA), and Fitch Investors (AA). These ratings result in very reasonable interest rates on debt.

During 2009, Standard and Poor's raised its underlying rating on outstanding revenue bonds that are supported by the pledge of a half-cent sales tax dedicated for sewerage system improvements and sewer user fees from A+ to AA-. The upgrade resulted in a 5.36% rate of interest on approximately \$165 million in bonds issued during 2009. Reasons cited for the upgrade included the strength of the system's double-barreled pledge of dedicated revenues, an expanding regional economic base, good wealth and income levels, and strong debt service coverage.

The City-Parish will continue to demonstrate strong financial practices and work with the rating agencies and insurers to prove our creditworthiness and secure the highest ratings possible in anticipation of issuing bonds for capital improvement programs in 2010 and 2011.

Workforce Development

The City-Parish adopted a nationally recognized Workforce and Succession Planning Model that was customized to work within the Civil Service System. This multi-year initiative resulted in the development of departmental plans to train, retain, and recruit talented employees. In 2009, Human Resources began offering a new training curriculum that is flexible, customized for departmental needs, and focused on filling skill gaps and addressing performance issues. This curriculum is based on shorter courses focusing on particular topics. The desired result is a more knowledgeable City-Parish workforce and increased management capacity within each department. This effort will remain a key focus in 2010.

INFRASTRUCTURE IMPROVEMENTS/GROWTH MANAGEMENT

We continue to make progress with our capital improvement programs, with some very significant projects beginning this next year. Details on these programs can be found in the section of the budget titled "Capital Improvement Programs." Below are selected highlights, including details of the activity that can be expected in 2009 and 2010.



Sanitary Sewer Overflow Capital Improvement Program

The Sanitary Sewer Overflow Capital Improvement Program (SSOCIP) has made significant progress since the program start in 2006. As mandated by the United States Environmental Protection Agency and the Louisiana Department of Environmental Quality consent decree, all SSOs in the City-Parish must be eliminated by December 31, 2014.

In 2009, work has progressed in the form of planning, design engineering, bidding services, and construction. As of the end of October 2009, 50 projects, with an approximate value of \$689 million, are either in the design phase or under construction.

Throughout 2010, many of these projects will enter into the construction phase, while some projects under construction in 2009 will be completed and closed out. Thirty-four additional projects will enter the design phase during 2010, in accordance with the overall program schedule in order to meet the program completion deadline of December 31, 2014.

The following projects will be under construction in 2010:

- Staring Lane – Boone Drive Sewer Rehabilitation
- Gardere Lane – Burbank Road Sewer Rehabilitation
- Oak Villa Boulevard – Choctaw Street Sewer Rehabilitation
- Scotland Avenue – Progress Road Sewer Rehabilitation
- Sullivan Road – Lovett Road – Wax Road Area Capacity Improvements Project
- Comite Road – Foster Road – Phase I Capacity Improvements Project
- Comite Road – Foster Road – Phase II Capacity Improvements Project
- Staring Lane Force Mains A – Burbank to Highland Capacity Improvements Project
- Foster Road – Hooper Road Capacity Improvements Project
- South Wastewater Treatment Plant Immediate Action Projects
- RMAP1 – Industriplex
- RMAP1 – Pump Station 136
- Elm Grove Garden Road – Harding Boulevard Sewer Rehabilitation
- South Capacity Group Project 2
- Sharp Road – Florida Boulevard Sewer Rehabilitation
- South Boulevard – St. Joseph Street Capacity Improvements Project
- 25th Street – North Acadian Thruway Capacity Improvements Project
- Highland Road – Buchanan Street Capacity Improvements Project
- Kenilworth Parkway – Boone Drive Sewer Rehabilitation
- Downtown Area – Pump Stations 15, 19, 57, and 60 Capacity Improvements Project
- Capitol Lake Drive – Gayosa Street Capacity Improvements Project
- Staring Lane Force Mains B – Highland to Perkins Improvements Project
- Citiplace/Essen Area – Pump Station 119 and Force Mains Improvements Project
- Foster Drive – Government Street Sewer Rehabilitation
- South Wastewater Treatment Plant – Phase I Wet Weather Improvements Project
- Brookstown Road – Evangeline Street – Phase I Sewer Rehabilitation



- Highland Road – Burbank Drive Capacity Improvements Project
- Central Consolidation Pump Station 42 Capacity Improvements Project
- Hooper Storage System Improvements Project
- Zachary Area Transmission Network Improvements Project
- Veterans Memorial Parkway – Gravity Mains Capacity Improvements Project
- Pump Station 58A Overflow Pump Station Capacity Improvements Project
- Veterans Memorial Parkway – Pump Station and Force Mains Capacity Improvements Project
- Staring Lane Force Mains C – Perkins to Pump Station 58 Capacity Improvements Project
- Choctaw Storage, Pump Stations, and Force Mains Capacity Improvements Project
- Central Consolidation Force Mains Capacity Improvements Project
- Perkins/Old Perkins Area – Booster Pump Station 514 Capacity Improvements Project
- Central Consolidated Pump Stations Capacity Improvements Project
- Plank Road – Kleinpeter Road Capacity Improvements Project
- Sewer System Backup Power Program
- North Wastewater Treatment Plant Odor Control

The financial model that has been developed for the operational, as well as capital needs of the sewer system is currently being reviewed by our financial team. It is anticipated that the City-Parish will continue to meet the funding requirements of the SSOCIP estimated at \$1.2 billion. The City-Parish has made application to the Louisiana Department of Environmental Quality to borrow \$8.3 million from its State Revolving Loan Fund at an interest rate of .95% in order to finance the Sharp Road-Florida Boulevard Rehabilitation Project. In 2010, the City-Parish will issue bonds and utilize pay-as-you-go funding for approximately \$400 million to meet the schedule required by the consent decree.

Green Light Plan

In October of 2005, the citizens of East Baton Rouge Parish approved an extension of the current one-half percent (1/2%) sales and use tax for street and road improvements. With this vote, the tax that was previously referred to as the “pot-hole” tax was extended until the year 2030. The tax proposition called for 70% of the proceeds to be used for transportation improvements, including all costs associated with construction of new roads, widening of existing roads, and intersection and signalization improvements. The projects funded through this portion of the tax are part of the Green Light Plan (GLP). Twenty-seven percent of the proceeds of the tax are being used to continue the road rehabilitation program and the remaining three percent will be used for beautification and street enhancement projects. All sales taxes collected in the municipalities of Baker and Zachary are distributed directly to the municipalities. The City-Parish is currently escrowing Central’s portion of this tax and administers it at their request. The construction component is currently being used for design of the Hooper Road/Sullivan Road project.

At the time of the vote, it was estimated that the street and road improvement portion of the tax, interest earnings, and the issuance of road improvement sales tax bonds would generate over \$755 million dollars for the program. Thirty of the priority projects in addition to the remaining projects from the 1997-2002 bond program election call were in active status during 2009, with projects valued at \$350 million dollars.



The following seven projects have been completed:

- Veterans Memorial Boulevard Extension (Harriet Quimby to Blount Road)
- Burbank Drive (Segment 2, Bluebonnet Boulevard to Highland Road/Siegen Lane)
- North Harrell's Ferry Road (Sharp Road to South Sherwood Forest Boulevard)
- Burbank Drive (Segment 1, West Lee to Bluebonnet Boulevard)
- Coursey Boulevard at South Sherwood Forest Boulevard Intersection Improvements
- Comite Drive (Clearing and Grubbing)
- Foster at Government Street Intersection Improvements

The following three projects are anticipated to be completed and open to traffic by the end of 2009:

- Lobdell Improvements (Goodwood Boulevard to Florida Boulevard)
- Picardy Avenue (Essen Lane to Bluebonnet Boulevard)
- Downtown Signal Synchronization (approximately 30 Signals)

In addition, the following 14 projects are under or will be under construction by the end of 2009:

- Central Thruway (Comite and Beaver Bayou Bridges, No.1)
- Highland Road (Perkins Road to Airline Highway)
- Staring Lane Extension I (Highland Road to Burbank Drive)
- Jones Creek Road (Segment 3, South Harrell's Ferry Road to Coursey Boulevard)
- Siegen Lane (Highland Road/Burbank Drive to Perkins Road)
- Pecue Lane Realignment at Perkins Road
- Brightside Lane (River Road to Nicholson Drive)
- Central Thruway (Sullivan Drainage and ICCN Railroad)
- O'Neal Lane (Segment 1, South Harrell's Ferry Road to I-12)
- South Harrell's Ferry Road (Segment 2, Millerville Road to O'Neal Lane)
- Comite Drive (Plank Road to Comite River)
- South Harrell's Ferry Road (Segment 1, Sherwood Forest to Millerville Road)
- Perkins Road at Stanford Avenue/Acadian Thruway Intersection Improvement
- South Choctaw at North Flannery Intersection Improvements

In 2010, nine additional projects are expected to reach construction in addition to other program activities for an estimated program value increase of \$120 million. Two projects will be in the planning and design study phase, and two projects will be under final design and/or contract execution.

The following three projects are anticipated to be completed and open to traffic by the end of 2010:

- Pecue Lane Realignment at Perkins Road
- Perkins Road at Stanford Avenue/Acadian Thruway Intersection Improvement
- South Choctaw at North Flannery Intersection Improvements



In addition, the following nine projects will be under construction by the end of 2010:

- Elm Grove Garden (Fairchild to Rosenwald)
- Ford Street (Plank Road to Mickens Road)
- O'Neal Lane (George O'Neal to South Harrell's Ferry Road)
- Staring Lane (Highland Road to Perkins Road)
- Stumberg Extension (Jefferson Highway to Airline Highway)
- Central Thruway (Phase II Embankment)
- Central Thruway (Beaver Bayou Bridges, Numbers 2 and 3)
- Central Thruway at Greenwell Springs Intersection Improvements

The Finance Department, the Department of Public Works, and the program manager CSRS, Inc., are currently evaluating the financial model to determine the funding availability and schedule to complete the planned projects.

Riverfront Development

As the riverfront and downtown Baton Rouge continue their remarkable transformation, new investments are helping change the skyline. The vision is captured in several recent plans and will be manifested in many current and planned development projects.

In 2010, many of these plans will become reality. Construction on the \$4.5 million North Boulevard Town Square is anticipated to begin in the first quarter of 2010. The town square will provide a critical link between downtown landmarks and will be the premier gateway for the Arts and Entertainment District. The town square will be a hotbed of activity that will act as a social hub attracting thousands of people to the downtown area. Also in the works for 2010 is the implementation of recommended initiatives from Plan Baton Rouge II, an urban design vision and implementation plan for downtown. Plan Baton Rouge II initiatives include a greenbelt civic campus and economic incentives that will help increase the residential, commercial, and retail base in downtown.

Other downtown developments that will come to fruition in 2010 include: Hotel Indigo, a 93-room boutique hotel with a 60-seat bar/restaurant, a \$14 million four-lane underpass that will provide public access to more than 80 acres of riverfront development, and various Third Street property renovations.

The new 19th Judicial District Courthouse is also expected to open during the summer of 2010. The 12-story building will include various courtrooms, a large litigation room, and a food court. The new facility will house the 19th Judicial District Court, the Family Court, and those departments of the East Baton Rouge Parish Clerk of Court's Office which are directly related to the judicial process. This facility is located on North Boulevard between St. Louis and St. Ferdinand Streets. This state-of-the-art building will enhance security and provide a more efficient place to conduct the administration of justice for all citizens. Construction began on this facility in July 2007 and was funded through a \$100 million bond issue by the District Court in 2007 and \$6 million from state capital outlay monies. Funding in the amount of \$973,000 is included for the operational needs of the building in 2010.



Several sizable projects are in the planning stages, such as River Park, a \$600 million mixed-use development along the riverfront, a \$17 million expansion of the River Center, the extension of the Mississippi River levee bike and pedestrian path north of Laurel Street, and the Downtown Gateways Enhancement project.

Reconnecting the city to the riverfront still remains very high on the priority list. Funding sources continue to be identified for a pedestrian bridge that would provide uninhibited access to the riverfront. Over \$1 million of intersection improvements to River Road will continue.

Library Capital Improvements

The Library Design Collaborative Team continues to work through the first phase of the design process for the new Main Library to be located in Independence Park. After the site concept plan was developed, several design options were presented to the public, library staff, and the Library Board of Control. After holding public meetings and receiving comments from the public and library staff on the design options, one concept was chosen for the architects to continue the design work. The Library Design Collaborative Team then presented a three-dimensional model of the chosen concept at the February 2009 board meeting. In May 2009, two special board meetings were held to discuss the concept design. The public, library staff, and board members were given the opportunity to discuss their likes, dislikes, concerns, and recommendations to the concept design. The design phase for the new Main Library continues with discussion of the possibility of the library applying for Leadership in Energy and Environmental Design (LEED) certification. Construction is expected to begin in the spring of 2011.

An architect was chosen in 2009 for the design of the new Fairwood Branch Library expected to break ground in the fall of 2010. In addition, a feasibility study was performed on the downtown River Center Library. The study involved four options; those being analyzing the facilities in the current River Center Branch; renovating the current building; renovating and expanding the current building; and constructing a new facility.

The \$6 million requested for a potential branch in the Burbank area is not included in the proposed 2010 budget. Previous budgets included funding of \$6,035,580 for a branch in south Baton Rouge. Negotiations have been underway for a developer to provide land for a library to be built in a mixed-use development off of Perkins Road near College Drive. In accordance with previous statements made by Director David Farrar, the library system is financially unable to build two branches in the south.

Also not included in the 2010 proposed budget for the system were pay increases for library personnel prompted by current market conditions, and additional staffing needs for expanded services such as the new bookmobile. Once a revised working financial model for the entire system, including all the commitments made in the last tax renewal, has been updated the budget may be amended as necessary.

Horizon Plan Update

There have been significant changes in East Baton Rouge Parish since the adoption of the existing Comprehensive Plan (Horizon Plan), including the tremendous impacts from Hurricanes Katrina, Rita, and most recently Gustav. The impact of the storms on our public safety, transportation, and housing resources underscored the need to move Baton Rouge in a new direction.



A new vision for East Baton Rouge Parish is needed to prepare for our community's future development and to create the next Great American City. It is time to initiate an overall update to the existing Comprehensive Plan, known as the Horizon Plan, to provide direction in the areas of land use, infrastructure, community services, growth management, and quality of life for the community. Although each element is important, there will be strong emphasis on the land-use and transportation elements. In 2009, the City-Parish solicited proposals and selected a firm to update the plan. This contract will be funded from Community Development Block Grant funds allocated to the Parish to assist with hurricane recovery.

A number of important steps have been taken to implement our comprehensive plan in the areas of infill development, public education/outreach, and GIS. The Infill Small Planned Unit Development (ISPUD) zoning classification provides a tool to enable growth to occur in older sections of the City-Parish. The Land Development Application Search Tool (LDAST) combines public outreach and GIS to better serve the community. The LDAST provides a mechanism for the public to utilize the City-Parish website to research proposed land development applications which are scheduled to go before the Planning Commission and Metropolitan Council for approval.

QUALITY OF LIFE/CULTURAL INITIATIVES

Recognized by the White House as a Preserve America Community, Baton Rouge continues to celebrate heritage, use historic assets for community revitalization and development, and build an appreciation for the performing and visual arts, as well as cultural events. Of equal importance is the development of partnerships to promote and provide educational opportunities for our citizens, our health, and the general appearance of our Parish. The following on-going cultural, educational, health improvement, and clean-up initiatives support our commitment in these areas:

Cultural Initiatives

- Partnerships with non-profit agencies to provide funding and support for festivals and cultural events including the Baton Rouge Blues Festival, FestForAll, International Heritage Festival, Louisiana All Veterans' Reunion, Live After Five, Sunday in the Park, and Earth Day.
- Support for facilities and programs to enrich and promote cultural life and preserve heritage that include the Baton Rouge Symphony, the USS Kidd Veterans Memorial, the Louisiana Art and Science Museum, the Louisiana State University Museum of Art, and the Arts Council of Greater Baton Rouge. The 2010 budget includes \$150,000 of support through the Arts Council for arts programming.

Educational Initiatives

- Volunteers in Public Schools Program to allow City-Parish employees to volunteer in the public school system eight hours a month.
- Partners in Education Program to actively encourage businesses to become involved in the local school system.
- The Greater Baton Rouge Literacy Coalition to advance adult literacy in our community.
- Baton Rouge Initiative Developing the Genius in Every Student (B.R.I.D.G.E.S.) to develop standards for after-school programs and promote awareness of program availability through an interactive GIS mapping of after-school programs on the City-Parish website.



- The Mayor’s Youth Advisory Council, with one or two 11th grade representatives from every high school in East Baton Rouge Parish, to encourage and develop leadership among high school youth.
- The Scotlandville Magnet High School Training Program for pre-engineering students to assist with data development for the City-Parish GIS system.
- The Breakfast Club to encourage positive interaction between the youth and police officers in their community.
- Truancy Task Force to develop a comprehensive approach to address the truancy problem in East Baton Rouge Parish in collaboration with the East Baton Rouge Parish District Attorney and East Baton Rouge Parish School System.
- Junior Achievement “JA in a Day” program to allow City-Parish employees to help to educate and inspire elementary school youth about free enterprise, business, and economics.
- Sherwin Williams training and certification of professional painters to provide training to high school youth, as well as under-employed individuals and single mothers.

Healthy Baton Rouge Initiative

In response to America’s growing obesity problem and its relationship to chronic diseases, the U.S. Conference of Mayors launched the “Mayors’ Healthy Cities Initiative” to promote the benefits of a healthy lifestyle. The initiative focuses on best practices for addressing obesity and creating healthy communities. A local committee was formed to discuss the vision for a healthier Baton Rouge and to motivate community members to make healthy choices and to join the movement to make Baton Rouge a healthier community. Their mission was to identify and coordinate the many resources available to local residents related to healthy eating and active living. The committee discovered that there was no need to recreate anything because the city had numerous resources already available, such as walking trails, parks, scheduled races, bicycle routes, community events, and school health education programs. The Healthy BR website, www.healthybr.com, provides information, links and events coordinated and planned by the city’s leading advocates of health, nutrition, and fitness to help families lead a healthier lifestyle and live an active life.

Cleaner Baton Rouge Initiative

In early 2009, listening tours were hosted throughout the Parish to identify and address the needs of our citizens. One of the main concerns voiced at each stop on the tour was the amount of junk, debris, and litter on public and private property, as well as poorly maintained private property causing blight in our neighborhoods. The City-Parish realigned existing resources and developed a process which began in August to enhance litter abatement and code enforcement activities.

City-Parish employees and contract workers take pictures of code violations and determine the source. The violator or property owner is sent a notice that includes the picture and is given 15 days to voluntarily correct the civil violation. Property owners who refuse to correct the violation are summoned before an Administrative Hearing Officer in “Litter Court” and may face a \$117 for each violation and \$50 in court costs. If the property owner fails to correct the problem, the City-Parish Department of Public Works may take measures to correct the problem, and the cost of those efforts are placed on the property owner’s property tax bill. The most common types of violations include illegal signs, property neglect, swimming pools that are not properly maintained, and property blighted with junk or debris.



ECONOMIC DEVELOPMENT INITIATIVES

Greater Baton Rouge Economic Partnership

For the last three years, the City-Parish has partnered with the Greater Baton Rouge Economic Partnership, a non-profit affiliate of the Baton Rouge Area Chamber (BRAC), to manage a professional business development program targeting high quality job growth and increased economic opportunities for the Baton Rouge area.

Business development through October of 2009 included six business recruitment, retention, and/or expansion projects within the parish, securing 527 jobs with an average annual wage of \$42,281, more than \$22 million in annual payroll, and over \$16 million in new capital investment. Some of these projects are described as follows:

- **Fairshare LLC**, previously located in Dallas, Texas, has selected Baton Rouge as the start-up location for its web-enabled electronic payment software solutions and services company. BRAC procured the lead in January 2009 and provided state statutory incentive assistance, workforce information, and site location/lease negotiation that ultimately lead to a decision to locate at the Louisiana Technology Park. The location will create 25 new jobs at an average hourly wage of \$38.46.
- **USAgencies** is a distributor and producer of non-standard personal automobile insurance policies and related products and services for individual consumers in targeted geographic markets. Two hundred jobs with an existing payroll of approximately \$8 million have been retained in East Baton Rouge with an addition of 56 new jobs with an approximate payroll of \$1.5 million. BRAC engaged USAgencies and parent company Affirmative Insurance Holdings, Inc., in November 2008 to relocate their operations from Burr Ridge, Illinois, to Baton Rouge. USAgencies will locate the new operations center at the Bon Carre Business Center.
- **Goulds Pumps Industrial Products**, a subsidiary of ITT Corporation, will consolidate operations in Baton Rouge. This location will retain 30 jobs and create 61 new jobs with wages averaging \$27.75 per hour. The capital investment is expected to be approximately \$5.6 million. The new site for Goulds Pumps/ITT will be on Hooper Road in the City of Central.
- **CORE LLC** is a leader in medical surveillance, travel medicine, Department of Transportation issues, workers' compensation case management, and off-site testing. They currently have a presence in over 16 states nationwide and have chosen Baton Rouge as the location for their corporate headquarters expansion. This expansion will create 40 new jobs with an average annual salary of \$50,000. The expansion will include a state-of-the-art 12,000-square-foot facility that will provide resources for much needed operational and administrative efficiencies. Capital investment for this expansion is estimated at \$3,760,000.
- **Orion Instruments/Magnetrol International** is a manufacturer of magnetic level indicators and instrumentation. Orion will retain the existing 70 employees at wages greater than \$29 per hour and will create 35 new jobs with an average salary of \$40,000. Additionally, Orion has purchased a six-acre site on Oak Villa Drive just north of Cortana Mall and plans a \$5 million capital expenditure inclusive of a new 60,000-square-foot manufacturing facility.



- **Moran Printing**, specializing in offset and digital printing and fulfillment services, has experienced tremendous growth. With the recent acquisition of new equipment, they have increased local employment by 40 jobs.

Other anticipated business expansions with substantial capital investments projected at over \$15 million and creating 100 additional jobs include **Schering-Plough Animal Health Corporation, Air Products and Chemicals, and Lighthouse for the Blind.**

The 2010 Budget includes an appropriation for a \$500,000 professional services agreement between BRAC and the City-Parish. BRAC will strive to accelerate the creation of jobs in the parish through aggressive recruitment, retention, and expansion of “economic driver” industries.

Activities under this program are divided into three categories:

- **Marketing** – Creating an awareness of the Baton Rouge area in the national marketplace and a positive perception of Baton Rouge as an attractive place for business expansion.
- **Sales** – Responding to business prospects with detailed information about Baton Rouge, presenting a business-case for selecting Baton Rouge, and overcoming objections through the judicious use of public incentives when appropriate.
- **Reporting and Recommendations** – Presenting elected officials and citizens with regular progress reports documenting the use of public funds under this contract, quantifying results (public return on investment), and providing a year-end report listing areas of strength and weakness within the East Baton Rouge Parish business climate to include recommendations for enhancing the parish’s competitiveness.

BRAC’s business development staff continues to market the City-Parish at national trade shows and site consultant events, promote the Baton Rouge area through display advertising in economic development and specialized trade publications, and serve as the “one-stop” sales office for business recruitment and expansion prospects for community information, state and local incentive coordination, site details and visits, and project management.

BRAC, through a partnership with LSU’s Department of Economics, conducts fiscal and/or economic impact analysis on all projects utilizing public incentives provided by the City-Parish to ensure that tax incentives and expenditures for business development projects provide the parish with a positive public return on investment for the use of public funds.

In order to maintain accountability and transparency, BRAC’s business development team presents quarterly reports to the Administration and Metropolitan Council on projects, job and investment levels, and current activity.

Baton Rouge Film Commission

This economic development agency of the City-Parish has been tasked with increasing the diversity of business within East Baton Rouge Parish as it relates to film and television production, post production, and digital media production. The role of the Baton Rouge Film Commission is to provide services including location scouting and script analysis, assistance in securing competitive rates on housing and accommodations through



partnership with the Baton Rouge Area Convention and Visitors Bureau, assistance in securing permits, connection with local production resources, and liaison services between production companies, the community, and local government throughout the entire production schedule. While the organization heavily markets and promotes Baton Rouge at sales events in major production hubs like New York and Los Angeles, the Baton Rouge Film Commission staff also actively participates in community outreach through local speaking engagements and youth media events.

More than 85 motion picture productions have been filmed in Baton Rouge since 2007. During the month of October 2009, three major productions were being filmed in Baton Rouge including Columbia Pictures' "Battle: Los Angeles," the largest motion picture project ever to film in our city. The total budgets of the projects filmed and scouted here in the month of October 2009 exceed \$100 million. The Baton Rouge Film Commission looks forward to the return of Home Box Office (HBO) hit series "True Blood" to our market in 2010. "True Blood" is currently the most successful series on HBO.

Since 2007, in excess of \$150 million in local economic impact can be credited to the Baton Rouge Film Commission. This budget includes \$160,000 for the operation of the Commission in 2010.

Upcoming Baton Rouge Events

Major events that will be held in Baton Rouge next year include the Bayou Country Superfest, the 2010 United States Youth Soccer Region III Championships, and the Red Stick Animation Festival. In 2009, the City-Parish matched a \$300,000 contribution made by the Baton Rouge Area Convention and Visitors Bureau to assist and support the multi-day country music festival that will be held here in May at LSU's Tiger Stadium. Performers on the festival's lineup include Kenny Chesney, Taylor Swift, Keith Urban, Brooks and Dunn, and Jason Aldean. It is anticipated that 60,000 fans will attend this festival and approximately \$21 million in direct spending will be generated. The youth regional soccer championship tournament that will showcase 184 of the top U-14 through U-19 teams in the region will be held in June and is expected to bring over 5,000 visitors to the Baton Rouge area. Baton Rouge will once again be the host city for the Red Stick International Animation Festival. The 2010 Budget includes \$100,000 for the Baton Rouge Area Digital Industries Consortium, which includes support for the largest animation festival in the United States. Festival venues include the Shaw Center for the Arts, the Manship Theatre, the Louisiana Art and Science Museum, and the Louisiana Old State Capitol.

Included in the budget is the 2010 commitment of \$233,000 in private donations and City-Parish contributions for the 2012 United States Bowling Congress, which is expected to bring over 100,000 attendees and generate \$100 million in spending. In the fall of 2009, Baton Rouge was selected to host the International Planetarium Society at the Louisiana Art and Science Center Museum's Irene W. Pennington Planetarium to be held in July of 2012.

Conclusion

Our Administration continues to seek ways to provide greater services with increased efficiency to the citizens of our parish. We have worked very hard to prioritize funding in order to address the needs voiced by the citizens during our "Listening Tour" earlier this year.



In closing, I would like to express my sincere appreciation to our Metropolitan Council, and all of the employees, for their service to the citizens of East Baton Rouge Parish.

Sincerely,

A handwritten signature in black ink that reads "Melvin L. 'Kip' Holden". The signature is written in a cursive style.

Melvin L. "Kip" Holden
Mayor-President

