



Debt Service Funds account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

City Sales Tax Revenue Bonds –

1993 City STRB Public Buildings Debt Service accounts for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and related charges on the 1993 City Sales Tax Revenue Bonds. The purpose of this bond issue was to provide funding for the completion of the Courthouse Renovation Project and the relocation of the Fire Department Administrative and Training Facilities.

1997 City STRB Construction Debt Service accounts for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 1997 City Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide funding for the Airport Terminal Development Program and Solid Waste Disposal Facility improvements, as well as provide for a debt service reserve and the costs of debt issuance.

1998A City STRB Revenue and Refunding Debt Service accounts for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 1998A City Sales Tax Revenue and Refunding Bond Issue. The purpose of this bond issue was to provide sufficient funds to advance refund the Callable Series 1989 Bonds, the Callable Series 1990 Bonds, the Callable Series 1992 Bonds, and the Callable Series 1992A Bonds, and to provide funds to acquire and construct certain improvements to public buildings and facilities, as well as provide for a debt service reserve and the costs of debt issuance.

2001 City STRB Centroplex/Airport Debt Service accounts for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 2001 City Sales Tax Revenue and Refunding Bond Issue. The purpose of this bond issue was to provide funding for the local match on the Centroplex Expansion Project and to refund the Passenger Facility Charge 1997 Promissory Note of the Greater Baton Rouge Airport District to the City General Fund, as well as to provide for a debt service reserve and the costs of debt issuance.

2007A City STRB Refunding Bonds accounts for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and related charges on the 2007A City Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide sufficient funds to refund the Refundable Series 1993 Bonds, and to advance refund the Refundable Series 1997 Bonds and the Refundable Series 1998A Bonds, as well as to provide for the cost of debt issuance.

1998C Parish STRB Revenue and Refunding Debt Service accounts for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 1998C Parish Sales Tax Revenue and Refunding Bond Issue. The purpose of this bond issue was to provide sufficient funds to advance refund the Callable Series 1989 Bonds, as well as to provide for the costs of debt issuance.

1997 City SLGS Refunding Debt Service accounts for the portion of the 1997 City Sales Tax Revenue Bonds which were previously being paid from the 1997 Passenger Facility Charge Intergovernmental Obligation from the Greater Baton Rouge Airport District to the City General Fund. The proceeds reserved for refunding of the 1997 note were placed in State and Local Government Series securities (SLGS), where they will be used to service the original 1997 City Bonds.

Taxable Refunding Bonds accounts for the payment of principal, interest, and related charges for the 2002-A Fixed Rate Taxable Refunding Bonds, the 2002-B Fixed Rate Taxable Refunding Bonds.

Road & Street Improvements Debt Service –

2006A \$32.7M Road and Street Improvement STRB Debt Service provides funds for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and other related charges for long-term debt for the 2006A Road and Street Improvement Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide funding to pay the costs of widening existing public roads and streets, and/or the construction of new public roads and streets, within the Parish, as well as provide for a reserve fund surety bond and the cost of debt issuance.

2006B \$92.2M Road and Street Improvement STRB Debt Service This non-departmental budget provides funds for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and other related charges for long-term debt for the 2006B Road and Street Improvement Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide funding to pay the costs of widening existing public roads and streets, and/or the construction of new public roads and streets, within the Parish, as well as provide for a reserve fund surety bond and the cost of debt issuance.

Limited Tax Bonds accounts for transfers from the General Fund, Special Revenue Funds, and Capital Project Funds for payment of principal and interest on notes and bonds that do not require a vote of the general public. The current obligations are the 1999 Louisiana Community Development Authority (LCDA) Note and the Baton Rouge Convention and Visitors Bureau LCDA Note.

Supplemental Debt Service Information includes the following:

- Combined Schedule of Bonds Payable
- Schedule of Debt Service Requirements to Maturity
- Schedule of Debt Limitations



Debt Service Narrative

The City Sales Tax Revenue Bonds (STRB) detailed below account for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and related charges. The purpose of these bonds is to provide funding for various public improvements within the City of Baton Rouge.

Budget Summary	2006 Actual	2007 Budget	Request	2008 Proposed	Final
Revenues:					
Taxes	13,659,060	12,390,590	10,950,470	10,950,470	10,950,470
Miscellaneous	830,730	811,000	641,210	641,210	641,210
Interfund Transfers	0	0	5,060,640	5,060,640	5,060,640
Total Revenues	14,489,790	13,201,590	16,652,320	16,652,320	16,652,320
Appropriations:					
1993 City STRB Public Buildings	291,870	290,130	0	0	0
1997 City STRB Construction	1,398,220	1,415,700	225,850	225,850	225,850
1998A City STRB Construction	11,213,410	11,169,670	14,848,980	14,848,980	14,848,980
2001 City STRB Centroplex/Airport	1,598,670	1,601,030	1,611,530	1,611,530	1,611,530
2007A City STRB Refunding Bonds	0	0	1,650,030	1,650,030	1,650,030
Total Appropriation	14,502,170	14,476,530	18,336,390	18,336,390	18,336,390
% Change Over Prior Year	-----	-0.18%	26.66%	26.66%	26.66%
Fund Balance, January 1	20,392,090	20,379,710	18,863,560	18,863,560	18,863,560
Adjustments	0	(241,210)	0	0	0
Fund Balance, December 31	20,379,710	18,863,560	17,179,490	17,179,490	17,179,490
Debt Service Reserve Requirement	14,350,000	13,428,190	12,334,720	12,334,720	12,334,720
Sinking Fund Requirement	6,029,710	5,435,370	4,844,770	4,844,770	4,844,770

Purpose of Debt Issue

1993 City STRB Public Building Debt Service – Fund 215

This non-departmental budget provided funds for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 1993 \$4,000,000 City Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide funding for the completion of the Courthouse Renovation Project and the relocation of the Fire Department administrative and training facilities.

1997 City STRB Construction Debt Service - Fund 216

This non-departmental budget provides funds for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 1997 \$19,325,000 City Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide funding for the Airport Terminal Development Program and Solid Waste Disposal Facility improvements, as well as provide for a debt service reserve and the costs of debt issuance.

Debt Service Reserve for 2008	228,240
Sinking Fund Reserve for 2008	0

**Purpose of Debt Issue (Continued)**

1998A City STRB Revenue & Refunding Debt Service - Fund 217

This non-departmental budget provides funds for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 1998A \$94,450,000 City Sales Tax Revenue and Refunding Bonds. The bonds were issued for the purpose of providing sufficient funds to advance refund the Callable Series 1989 Bonds, the Callable Series 1990 Bonds, the Callable Series 1992 Bonds, and the Callable Series 1992A Bonds, and to provide funds to acquire and construct certain improvements to public buildings and facilities, as well as to provide for a debt service reserve and the costs of debt issuance.

Debt Service Reserve for 2008	4,538,080
Sinking Fund Reserve for 2008	3,476,700

2001 City STRB Centroplex/Airport Debt Service - Fund 218

This non-departmental budget provides funds for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 2001 \$23,625,000 City Sales Tax Revenue Bond Issue. The bonds were issued in order to provide the local match for Phase I of the Riverside Centroplex Convention Center (now known as the Baton Rouge River Center) Expansion Project and to refund the Passenger Facility Charge 1997 Promissory Note of the Greater Baton Rouge Airport District to the City General Fund, as well as to provide for a debt service reserve and the costs of debt issuance.

Debt Service Reserve for 2008	1,581,240
Sinking Fund Reserve for 2008	680,720

2007A City STRB Refunding Bonds - Fund 219

This non-departmental budget provides funds for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 2007A \$30,395,000 City Sales Tax Revenue Bond Issue. The bonds were issued in order to provide sufficient funds to current refund the Refundable Series 1993 Bonds, and to advance refund the Refundable Series 1997 Bonds and the Refundable Series 1998A Bonds, as well as to provide for the costs of debt issuance.

Debt Service Reserve for 2008	5,987,160
Sinking Fund Reserve for 2008	687,350

Budget Highlights

1998A City STRB Revenue & Refunding Debt Service - Fund 217

In 2008, sales tax revenue in the amount of \$331,713 will be replaced in the General Fund with a portion of the .97% state sales tax on hotel and motel rooms dedicated for riverfront improvements. By agreement, the proceeds of this tax are used to reimburse the General Fund for the debt service on the Louisiana Art & Science Museum Planetarium/Space Theatre.



Purpose of Debt Issue

This non-departmental budget provides funds for the payment of principal, interest, paying agent fees, and related charges for long-term debt for the 1998C \$4,600,000 Parish Sales Tax Revenue and Refunding Bonds. The bonds were issued for the purpose of providing sufficient funds to advance refund the Callable Series 1989 Bonds, as well as to provide for the costs of debt issuance.

Budget Summary	2006 Actual	2007 Budget	Request	2008 Proposed	Final
Revenues:					
Taxes	616,490	536,550	0	0	0
Miscellaneous	30,860	27,000	1,000	1,000	1,000
Total Revenues	647,350	563,550	1,000	1,000	1,000
Appropriations:					
Debt Service	648,720	646,440	647,040	647,040	647,040
Total Appropriation	648,720	646,440	647,040	647,040	647,040
% Change Over Prior Year	-----	-0.35%	0.09%	0.09%	0.09%
Fund Balance, January 1	730,300	728,930	646,040	646,040	646,040
Adjustments	0	0	0	0	0
Fund Balance, December 31	728,930	646,040	0	0	0
Debt Service Reserve Requirement	460,000	460,000	0	0	0
Sinking Fund Requirement	268,930	186,040	0	0	0



Purpose of Debt Issue

This non-departmental budget was established to service the portion of the 1997 City Sales Tax Revenue Bonds which were previously being paid from the 1997 Passenger Facility Charge Intergovernmental Obligation from the Greater Baton Rouge Airport District to the City General Fund. In the 2001 issue, the Airport refinanced the 1997 note and signed a new Intergovernmental Obligation. The proceeds reserved for the refunding were placed in State and Local Government Series (SLGS) securities, where they will be used to service the original 1997 City Bonds. Funded debt service payments were made through final maturity on August 1, 2007.

Budget Summary	2006 Actual	2007 Budget	Request	2008 Proposed	Final
Revenues:					
Taxes	71,380	27,420	0	0	0
Total Revenues	71,380	27,420	0	0	0
Appropriations:					
Debt Service	1,041,280	612,000	0	0	0
Total Appropriation	1,041,280	612,000	0	0	0
% Change Over Prior Year	-----	-41.23%	-100.00%	-100.00%	-100.00%
Fund Balance, January 1	1,554,470	584,570	0	0	0
Adjustments	0	10	0	0	0
Fund Balance, December 31	584,570	0	0	0	0



Purpose of Debt Issue

This non-departmental budget provides funds for the payment of debt principal, interest, and related charges for the 2002-A Fixed Rate Taxable Refunding Bonds, and the 2002-B Fixed Rate Taxable Refunding Bonds.

Budget Summary	2006 Actual	2007 Budget	Request	2008 Proposed	Final
Revenues:					
Transfer from City General Fund	5,240,040	5,244,510	5,244,270	5,244,270	5,244,270
Total Revenues	5,240,040	5,244,510	5,244,270	5,244,270	5,244,270
Appropriations:					
2002-B Taxable Fixed Rate Bonds	3,379,290	3,381,430	3,382,910	3,382,910	3,382,910
2002-A Taxable Fixed Rate Bonds	1,860,750	1,863,080	1,861,360	1,861,360	1,861,360
Total Appropriation	5,240,040	5,244,510	5,244,270	5,244,270	5,244,270
% Change Over Prior Year	-----	0.09%	0.00%	0.00%	0.00%
Fund Balance, January 1	0	0	0	0	0
Adjustments	0	0	0	0	0
Fund Balance, December 31	0	0	0	0	0



Purpose of Debt Issue

2006A \$32.7M Road and Street Improvement STRB Debt Service — Fund 271

This non-departmental budget provides funds for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and other related charges for long-term debt for the 2006A Road and Street Improvement Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide funding to pay the costs of widening existing public roads and streets, and/or the construction of new public roads and streets, within the Parish, as well as provide for a reserve fund surety bond and the cost of debt issuance.

2006B \$92.2M Road and Street Improvement STRB Debt Service — Fund 272

This non-departmental budget provides funds for sales tax revenues dedicated for the payment of principal, interest, paying agent fees, and other related charges for long-term debt for the 2006B Road and Street Improvement Sales Tax Revenue Bond Issue. The purpose of this bond issue was to provide funding to pay the costs of widening existing public roads and streets, and/or the construction of new public roads and streets, within the Parish, as well as provide for a reserve fund surety bond and the cost of debt issuance.

Budget Summary	2006 Actual	2007 Budget	Request	2008 Proposed	Final
Revenues:					
Taxes	4,776,850	8,476,640	8,455,390	8,455,390	8,455,390
Miscellaneous	33,760	3,772,820	3,821,020	3,821,020	3,821,020
Total Revenues	4,810,610	12,249,460	12,276,410	12,276,410	12,276,410
Appropriations:					
2006-A \$32.7M Road & Street Imp. Bond	353,750	4,517,650	4,520,850	4,520,850	4,520,850
2006-B \$92.2M Road & Street Imp. Bond	1,009,700	7,730,890	7,742,140	7,742,140	7,742,140
Total Appropriation	1,363,450	12,248,540	12,262,990	12,262,990	12,262,990
% Change Over Prior Year	-----	798.35%	0.12%	0.12%	0.12%
Fund Balance, January 1	0	3,447,160	3,448,080	3,448,080	3,448,080
Adjustments	0	0	0	0	0
Fund Balance, December 31	3,447,160	3,448,080	3,461,500	3,461,500	3,461,500
Sinking Fund Requirement	3,447,160	3,448,080	3,461,500	3,461,500	3,461,500



Purpose of Debt Issue

This non-departmental budget provides funds for the payment of debt principal, interest, and related charges for long-term debt for certain Louisiana Community Development Authority (LCDA) Notes.

Budget Summary	2006	2007	2008		
	Actual	Budget	Request	Proposed	Final
Revenues:					
BR Convention and Visitors Bureau Note	0	0	83,100	83,100	83,100
Parish General Fund	416,840	437,000	436,000	436,000	436,000
Total Revenues	416,840	437,000	519,100	519,100	519,100
Appropriations:					
L.a. Community Development Authority	416,840	437,000	519,100	519,100	519,100
Total Appropriation	416,840	437,000	519,100	519,100	519,100
% Change Over Prior Year	-----	4.84%	18.79%	18.79%	18.79%
Fund Balance, January 1	0	0	0	0	0
Adjustments	0	0	0	0	0
Fund Balance, December 31	0	0	0	0	0

Budget Highlights

On May 26, 1999, the Metropolitan Council authorized the execution of a \$15 million loan agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority (the "LCDA") for funding associated with the construction of the Advanced Traffic Management and Emergency Operations Center and other capital programs. This fund accounts for a total of \$7,643,873.38 that was actually drawn down from LCDA for the Advanced Traffic Management and Emergency Operations Center over the construction period, of which \$6,761,818.40 in principal has been repaid as of August 1, 2007. This portion is expected to mature in 2009, rather than 2018.

Uses of Funds	Information as of August 1, 2007	
	Amount Drawn Down	Actual Principal Paid
Advanced Traffic Management and Emergency Operations Center (Fund 290)	\$7,643,873.38	\$6,761,818.40
Third Street Parking Facility (Fund 407)	\$2,500,000.00	\$347,000.00
Solid Waste Collection Fund (Fund 462)	\$2,629,375.00	\$603,500.00
Greater Baton Rouge Airport District (Fund 483)	\$2,499,917.06	\$125,500.00
Total	\$15,273,165.44	\$7,837,818.40

On July 25, 2007, the Metropolitan Council authorized the execution of a \$1 million loan agreement with the LCDA for the purpose of loaning the proceeds to the Baton Rouge Area Convention and Visitors Bureau to make certain improvements to their new headquarters. This loan is expected to mature in 2029. Funds are expected to be drawn on this loan in 2008.

The 2008 appropriations will provide for principal and interest payments on the remaining balance of these loans at an assumed rate of 6.0%. The interest rates on these loans fluctuate weekly with changes in the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index. The participant rate charged to the City-Parish on these loans is the weekly SIFMA Swap Index rate plus 100 basis points for the 1999 loan and 120 basis points for the 2007 loan.



2008 Annual Operating Budget

**Combined Schedule of Bonds Payable
For the Year Ending December 31, 2007**

	Interest Dates	Issue Date	Final Maturity/ Date	Original Authorized and Issued	Principal Outstanding
Governmental Activities:					
<u>Excess Revenue Contracts, Loans, and Notes</u>					
City of Baton Rouge:					
2002A Fixed Rate Taxable Refunding	01/15-07/15	05/17/02	01/01/2029	25,900,000	22,695,000
2002B Fixed Rate Taxable Refunding	01/15-07/15	10/01/02	01/15/2029	47,550,000	42,400,000
Parish of East Baton Rouge:					
Louisiana Community Development Authority 1999	Monthly	08/11/99	05/31/2018	7,643,873	720,055
Total Excess Revenue Contracts, Loans, and Notes				<u>81,093,873</u>	<u>65,815,055</u>
<u>Revenue Bonds</u>					
City of Baton Rouge:					
1993 Public Improvement Sales Tax	02/01-08/01	10/01/93	08/01/2018	4,000,000	-
1997 Public Improvement Sales Tax	02/01-08/01	10/01/97	08/01/2017	19,325,000	420,000
1998A Public Improvement Sales Tax	02/01-08/01	11/01/98	08/01/2016	94,450,000	24,050,000
2001A Public Improvement Sales Tax	02/01-08/01	08/15/01	08/01/2026	23,625,000	20,635,000
2007A Public Improvement Sales Tax	02/01-08/01	03/28/07	08/01/2018	30,395,000	30,395,000
Less: Debt Recorded in Business-Type Activities				(103,245,452)	(25,351,330)
Parish of East Baton Rouge:					
1998C Public Improvement Sales Tax	02/01-08/01	11/01/98	08/01/2008	4,600,000	620,000
Road and Street Improvement					
2006A Sales Tax Bonds	02/01-08/01	05/03/06	08/01/2015	32,760,000	29,690,000
2006B Sales Tax Bonds (Variable Rate)	02/01-08/01	05/03/06	08/01/2030	92,240,000	92,240,000
Total Revenue Bonds				<u>198,149,548</u>	<u>172,698,670</u>
Total Governmental Activities				<u>279,243,421</u>	<u>238,513,725</u>
Business-Type Activities:					
<u>Excess Revenue Contracts, Loans, and Notes</u>					
City of Baton Rouge:					
Louisiana Community Development Authority (Airport) 2001	Monthly	10/04/01	11/30/2029	9,000,000	8,174,800
Louisiana Community Development Authority (Airport) 2004	Monthly	04/08/04	11/30/2029	12,274,417	11,726,017
Parish of East Baton Rouge:					
La. Community Development 1999 Program	Monthly		05/31/2018	8,101,646	6,820,646
Total Excess Revenue Contracts, Loans and Notes				<u>29,376,063</u>	<u>26,721,463</u>
<u>Revenue Bonds</u>					
City of Baton Rouge:					
2005B Public Improvement Sales Tax (Taxable)	02/01-08/01	04/19/05	08/01/2029	2,100,000	1,960,000
Revenue Bonds Payable From City Issues				103,245,452	25,351,330
Parish of East Baton Rouge:					
Sewer Sales Tax Bonds:					
1999 Public Improvement Sales Tax	02/01-08/01	08/01/99	02/01/2024	43,000,000	2,425,000
2005A Public Improvement Sales Tax	02/01-08/01	05/05/05	02/01/2024	33,255,000	33,020,000
2005B Public Improvement Sales Tax	02/01-08/01	11/03/05	02/01/2014	25,855,000	22,830,000
Sewerage Commission					
2006 Revenue Refunding Bonds	02/01-08/01	08/17/06	02/01/2036	196,930,000	195,290,000
Total Revenue Bonds				<u>404,385,452</u>	<u>280,876,330</u>
Total Business-Type Activities				<u>433,761,515</u>	<u>307,597,793</u>
Total All Bonds, Contracts, and Loans				<u>\$ 713,004,936</u>	<u>\$ 546,111,518</u>



2008 Annual Operating Budget

Schedule of Debt Service Requirements to Maturity
For the Year Ending December 31, 2007

Year	Excess Revenue Contracts	Revenue Bonds	Total
2008	\$ 8,291,697	\$ 41,778,997	\$ 50,070,694
2009	8,166,498	39,751,352	47,917,850
2010	7,834,799	39,820,291	47,655,090
2011	7,819,702	35,612,182	43,431,884
2012	7,812,090	35,767,982	43,580,072
2013	7,802,839	41,026,499	48,829,338
2014	7,793,734	32,591,938	40,385,672
2015	7,785,027	28,836,328	36,621,355
2016	7,736,339	28,348,517	36,084,856
2017	7,480,778	26,275,355	33,756,133
2018	7,059,331	25,907,691	32,967,022
2019	6,792,253	25,738,201	32,530,454
2020	6,794,346	25,773,446	32,567,792
2021	6,791,847	25,763,943	32,555,790
2022	6,787,476	26,152,995	32,940,471
2023	6,786,284	26,292,920	33,079,204
2024	6,783,110	26,514,082	33,297,192
2025	6,777,265	22,437,169	29,214,434
2026	6,761,821	22,470,086	29,231,907
2027	6,756,468	21,033,338	27,789,806
2028	6,746,994	21,030,973	27,777,967
2029	5,240,234	21,048,100	26,288,334
2030	---	20,897,614	20,897,614
2031	---	12,442,875	12,442,875
2032	---	9,397,875	9,397,875
2033	---	9,389,512	9,389,512
2034	---	9,380,288	9,380,288
2035	---	9,374,412	9,374,412
2036	---	9,366,100	9,366,100
2037	---	---	---
	<u>\$ 158,600,932</u>	<u>\$ 720,221,061</u>	<u>\$ 878,821,993</u>



City

2% General Sales and Use Tax:

Act No. 328 of the 1988 Regular Session of the Louisiana Legislature, House Bill No. 1599, Section 8(a.) imposes a limit on debt service obligations of sales tax revenue bonds then outstanding to be 40% of the gross avails of the sales and use tax for the last completed year.

Anticipated 2007 Revenues	89,475,400
Limit of 40%	0.40
Debt Capacity Before Outstanding Bonds	35,790,160
Less: Highest Annual Debt Service on Outstanding Bonds (In the year 2008)	(13,428,171)
Debt Capacity	\$22,361,989
Interest factor for \$1 of debt, 6% 25 years	0.07822672
Additional Bonding Capacity (Debt Capacity/Interest Factor)	\$285,861,266

<u>Bonds</u>	Original Authorized and Issued	Principal Outstanding 12/31/2007
1993 Public Improvement Sales Tax	4,000,000	--
1997 Public Improvement Sales Tax	19,325,000	420,000
1998A Public Improvement Sales Tax	94,450,000	24,050,000
2001 Public Improvement Sales Tax	23,625,000	20,635,000
2007A Public Improvement Sales Tax	30,395,000	30,395,000
	\$171,795,000	\$75,500,000

Parity provisions set forth in the bond resolutions further restrict the issuance of bonds and for this issue change bonding capacity slightly.

Ad Valorem Tax:

Louisiana Revised Statute 39:562 imposes an ad valorem tax debt limitation of 10% of the assessed valuation of property in a political subdivision for any one of the purposes specified by law. However, this limit may be exceeded by a municipality, provided the aggregate outstanding debt for all such purposes does not exceed 35% of the assessed valuation of taxable property of the municipality. The Louisiana Constitution of 1921, in Article 14, Section 3(d), authorizes for East Baton Rouge Parish, any municipal corporation in said parish, and any sewerage district in said parish, a debt limitation for sewerage purposes of 15% of the assessed valuation of property in such political subdivision. This constitutional provision was continued as a statute in accordance with Article XIV, Section 16(10) of the Louisiana Constitution of 1974.

Assessed Valuation - 2007 Tax Roll	\$1,501,385,710
Limit of 10%	\$150,138,571
Limit of 15%	\$225,207,857
Limit of 35%	\$525,484,999

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



Parish

2% General Sales and Use Tax:

Act No. 328 of the 1988 Regular Session of the Louisiana Legislature, House Bill No. 1599, Section 8(a.) imposes a limit on debt service obligations of sales tax revenue bonds then outstanding to be 40% of the gross avails of the sales and use tax for the last completed year.

Anticipated 2007 Revenues	58,513,260
Limit of 40%	0.40
Debt Capacity Before Outstanding Bonds	<u>23,405,304</u>
Less: Highest Annual Debt Service on Outstanding Bonds (In the year 2008)	<u>(646,040)</u>
Debt Capacity	\$22,759,264
Interest factor for \$1 of debt, 6% 25 years	<u>0.07822672</u>
Additional Bonding Capacity (Debt Capacity/Interest Factor)	<u><u>\$290,939,778</u></u>

<u>Bonds</u>	<u>Authorized and Issued</u>	<u>Outstanding 12/31/2007</u>
1998C Public Improvement Sales Tax	<u>\$4,600,000</u>	<u>\$620,000</u>

Parity provisions set forth in the bond resolutions further restrict the issuance of bonds and for this issue change bond capacity slightly.

1/2% Sewer Sales and Use Tax:

Louisiana Revised Statute 39:698.4 requires that the maturities of sales tax bonds be so arranged that the total amount of principal and interest falling due in any year, together with principal and interest falling due in such year on all bonds theretofore issued, and then outstanding, shall never exceed 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. Provided however, 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 (after payment of Debt Service on the Outstanding Sales Tax Revenue Bonds) 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. The Parish is no longer authorized to issue additional 1/2% Sewer Sales Tax parity bonds.

Budgeted 2008 Revenues	38,641,650
Less: 2008 Debt Service on Outstanding Bonds	<u>(6,825,075)</u>
Sales Tax Revenue Pledged for E.B.R. Sewerage Commission Revenue Bonds	<u><u>\$31,816,575</u></u>

<u>Bonds</u>	<u>Original Authorized and Issued</u>	<u>Principal Outstanding 12/31/2007</u>
1999 Public Improvement Sales Tax	43,000,000	2,425,000
2005A Public Improvement Sales Tax	33,255,000	33,020,000
2005B Public Improvement Sales Tax	<u>25,855,000</u>	<u>22,830,000</u>
	<u><u>\$102,110,000</u></u>	<u><u>\$58,275,000</u></u>



Parish

1/2% Road and Street Sales and Use Tax:

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%) of the sales tax revenues estimated by the governing authority to be received by it in the calendar year in which the bonds are issued.

Budgeted 2008 Revenues	24,628,300
Limit of 75%	0.75
Debt Capacity Before Outstanding Bonds	18,471,225
Less: Highest Annual Debt Service on Outstanding Bonds (In the year 2030)	(8,440,239)
Debt Capacity	\$10,030,986
Interest factor for \$1 of debt, 6% 25 years	0.07822672
Additional Bonding Capacity (Debt Capacity/Interest Factor)	<u>\$128,229,667</u>

<u>Bonds</u>	<u>Original Authorized and Issued</u>	<u>Principal Outstanding 12/31/2007</u>
2006A Road and Street Improvement Sales Tax	32,760,000	29,690,000
2006B Road and Street Improvement Sales Tax (Variable Rate)	92,240,000	92,240,000
	<u>\$125,000,000</u>	<u>\$121,930,000</u>

Highest Annual Debt Service on Outstanding Bonds was calculated using the fixed SWAP rate for the 2006B Variable Rate Bonds.

Ad Valorem Tax:

Louisiana Revised Statute 39:562 imposes an ad valorem tax debt limitation of 10% of the assessed valuation of property in a political subdivision for any one of the purposes specified by law. The Louisiana Constitution of 1921, in Article 14, Section 3(d), authorizes for East Baton Rouge Parish, any municipal corporation in said parish, and any sewerage district in said parish, a debt limitation for sewerage purposes of 15% of the assessed valuation of property in such political subdivision. This constitutional provision was continued as a statute in accordance with Article XIV, Section 16(10) of the Louisiana Constitution of 1974.

Assessed Valuation - 2007 Tax Roll	\$3,466,560,930
Limit of 10%	\$346,656,093
Limit of 15%	\$519,984,140

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



East Baton Rouge Sewerage Commission

Sewer User Fees and 1/2% Sewer Sales and Use Tax:

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.

1/2% Sewer Sales Tax Revenue pledged for E.B.R Sewerage Commission Revenue Bonds	31,816,575
Limit of 75%	0.75
Debt Capacity Provided By 1/2% Sewer Sales Tax Revenue	23,862,431
Budgeted 2008 Sewer User Fees and Other Revenues	107,729,150
Debt Capacity Before Outstanding Bonds	131,591,581
Less: Highest Annual Debt Service on Outstanding Bonds (In the year 2008)	(12,604,400)
Debt Capacity	\$118,987,181
Interest factor for \$1 of debt, 6% 25 years	0.07822672
Additional Bonding Capacity (Debt Capacity/Interest Factor)	\$1,521,055,516

<u>Bonds</u>	<u>Original Authorized and Issued</u>	<u>Principal Outstanding 12/31/2007</u>
2006 Revenue Refunding Bonds	\$196,930,000	\$195,290,000

Ad Valorem Tax:

The Louisiana Constitution of 1921, in Article 14, Section 3(d), authorizes for East Baton Rouge Parish, any municipal corporation in said parish, and any sewerage district in said parish, a debt limitation for sewerage purposes of 15% of the assessed valuation of property in such political subdivision. This constitutional provision was continued as a statute in accordance with Article XIV, Section 16(10) of the Louisiana Constitution of 1974.

Assessed Valuation - 2007 Tax Roll	\$3,466,560,930
Limit of 15%	\$519,984,140

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