



November 4, 2011

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 2012 calendar year.

Due to conservative fiscal management, Baton Rouge has weathered the slowdown in the national economy better than most U.S. cities. Although we continue to face some of the same challenges that are being faced across the nation, we have worked hard to address all of these challenges without layoffs or furloughing of employees, or reductions in basic services.

Local economists are predicting job growth in 2012 in the capital region. Sales tax collections for the 2% tax supporting the General Fund increased over 6% this August compared to August of last year. This was the largest monthly growth since December of 2008. Events in 2012, including Bayou Country Superfest and the United States Bowling Congress Open Championships, will have a major impact on our local economy. The availability of educated talent from our local universities and community college, and our cultural economy as a quality-of-life draw, also make Baton Rouge a great place to live and do business.

This budget provides for a work force at current levels, funding for the rising costs of benefits for our employees, and funding for all other commitments. 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. 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. In 2011, we completed the "FUTUREBR" planning process, an update of the land use and development plan for East Baton Rouge Parish. We are beginning the implementation stage of this very important project that will guide our future growth. 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 2012 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

The budget process began this year by assessing revenue collections and establishing estimates for funding needed to maintain the existing level of personal services, increases required in employee benefits programs, and other major budget items. A preliminary budget was established for the General Fund, and budget packets were mailed to all departments and agencies receiving funding from the City-Parish government during July. One-time funding included in the 2011 budget was not included in the preliminary budgets. In August, briefings were held with Council members. At these meetings, the Finance Department apprised them of the results of operations for 2010 and the challenges facing the City-Parish for 2011 and 2012.

The preliminary General Fund budgets for 2012 included adjustments for merit and longevity increases and increased benefit costs. The calculations for the personal services portion of the preliminary budgets did not include funding for existing vacant positions that previously had been earmarked to remain vacant until funding became available. Generally, special funds have their own dedicated funding sources, such as taxes, grants, etc.; therefore, the amount of their budget requests are limited by the level of funding generated by these sources.

Departments were told that funding could be reallocated within categories, but that the total amount requested could not be increased. All departments were instructed not to include pay plan amendments or new positions in their budget requests and that the only exception for consideration of new positions would be made for new or expanded services in self-supporting funds. They were also asked to carefully review the narrative portions of their budget requests, paying close attention to performance indicators with an emphasis on efficiency measurement. A new form was developed requiring that each performance indicator be reported under a category listed in the Mayor-President's Accomplishments, Goals, and Strategic Initiatives. The budget instructions included a request for information and ideas to improve efficiencies to maintain an efficient and effective government not only in that department or agency, but in any department or agency receiving funding through the City-Parish budget process.

Discussions were held with various departmental representatives during September to discuss funding needs and the impact on operations at the funding levels proposed in the preliminary budgets. Final decisions were made and the document was compiled during the month of October. The result of the process is the budget being presented today. A special meeting of the Metropolitan Council will be held on December 13, 2011, for the adoption of the *2012 Annual Operating Budget*.

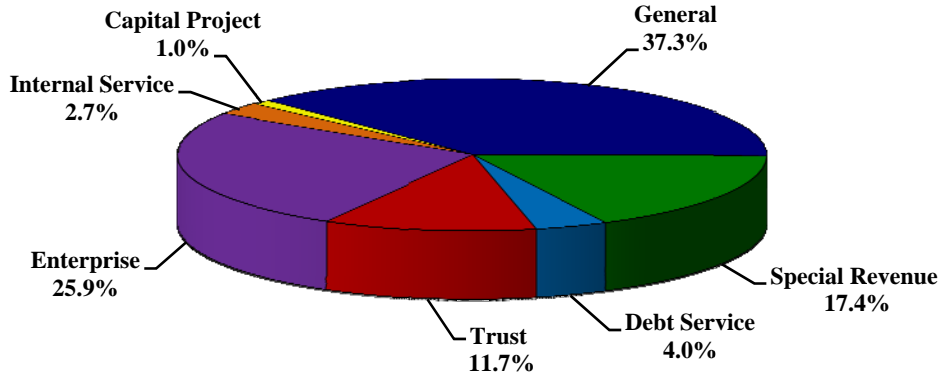
All Fund Summary

The proposed budget for the year 2012 for all funds, exclusive of operating transfers between funds, totals \$745,597,261. This is an increase of \$3,369,982 or .45% over the 2011 budget. The increase in the General Fund can be attributed mainly to employee benefits. The decreases in Special Revenue and Capital Projects Funds are the result of one-time funding for Library capital improvements in the 2011 budget. The increase in Enterprise Funds is due to debt service requirements for the Sanitary Sewer Overflow Capital Improvement Program. The increase in Pension Trust can be attributed to an increase in pension benefit payments to retirees. The graph in Figure 1 and the chart that follows depict the total annual operating budget by fund type for 2012. Following the chart is a discussion on items having a major budgetary impact.



FIGURE 1

**TOTAL ANNUAL APPROPRIATIONS BY FUND TYPE
(Excluding Transfers Between Funds)
\$745,597,261**



**APPROPRIATIONS – ALL FUNDS
2012 COMPARED TO 2011**

<u>Fund Type</u>	<u>2011</u>	<u>2012</u>	<u>2012 Budget Over</u>	
	<u>Budget</u>	<u>Budget</u>	<u>(Under) 2011 Budget</u>	
	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Percent</u>
General	\$275,955,040	\$280,567,950	\$ 4,612,910	1.67%
Special Revenue	150,773,529	131,786,261	(18,987,268)	-12.59%
Debt Service	34,811,220	35,514,880	703,660	2.02%
Capital Project	28,653,700	7,676,420	(20,977,280)	-73.21%
Enterprise	181,611,820	194,321,150	12,709,330	7.00%
Internal Service	20,330,640	20,420,190	89,550	0.44%
Pension Trust	82,432,320	87,541,260	5,108,940	6.20%
Subtotal	774,568,269	757,828,111	(16,740,158)	-2.16%
Less: Transfers Between Funds	(32,340,990)	(12,230,850)	20,110,140	-62.18%
Grand Total	\$742,227,279	\$745,597,261	\$ 3,369,982	0.45%

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 17, 2011, concerning their forecasts of sales and use tax revenue growth in East Baton Rouge Parish for 2012.

Dr. Loren C. Scott and I have reviewed the sales tax revenue estimates you have made for calendar year 2012 in preparing the 2012 Budget for the City-Parish. For the last several calendar years, sales tax collections have fluctuated widely. In 2009, sales tax collections were approximately 6 percent less than what the City-Parish collected in 2008 and sales tax collections in 2010 were almost 3% less than what the City-Parish



collected in 2009. From calendar 2008 to calendar 2010, the City-Parish saw its sales tax collections decline from \$171.4 million to \$156.3 million. This drop coincided with the national downturn (typically from December 2007 to mid 2009) and the very lethargic recovery from the downturn. Baton Rouge did not suffer the same depth of the national downturn as other parts of the country, but no city is totally exempt from national economic conditions. Employment fell from 2008 through 2010, but appears to be stabilizing in 2011.

Based on the latest projection from the *Louisiana Economic Outlook, 2012-2013*, the Baton Rouge economy is projected to experience a modest growth in employment for the next two years. We are projecting a growth of 4,400 jobs in 2012 or a 1.2% growth rate and a growth of 3,300 jobs in 2013 or a growth rate of 0.9%. We believe that this expected growth in the Baton Rouge economy will support the 1% growth projection for sales tax collections for the City-Parish in 2012.

Obviously, as in any forecast, there are uncertainties. The national economy is still looking for the major recovery that typically occurs after a downturn as the country endured in 2008 and 2009. And, there are signs of a possible retreat from the recovery. We agree there are major uncertainties clouding the national outlook, but most national forecasting models are all suggesting a positive growth for the U.S. economy, albeit modest. Energy prices, especially oil, are holding in the \$80s and \$90s depending on what crude oil price index is being examined. Federal policies with respect to energy, health care reform, and financial regulation all create uncertainties that have to be eventually settled before major investment dollars will start to flow in the national economy. It is our judgment, at this moment, the impact of these changes will be to moderate the rate of growth of the national economy as opposed to stopping the recovery in its tracks.

The City-Parish is fully aware of developments that may affect its tax base: (1) 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; (2) the reaction of the energy industry to new federal policies will directly affect the coastal parishes, but will eventually work its way up to the State's Capitol; and, (3) other communities are developing retail bases for their citizens to shop and this will potentially affect the tax collections typically collected in East Baton Rouge. The last point is not an item that is of immediate concern, but it is certainly a long-term concern the City-Parish should recognize. We should also point out that there are developments in East Baton Rouge that will have a positive influence on the retail sales tax base in the long-term.

The City-Parish Department of Finance has been very cautious in its revenue estimates. It was cautious last year and actual sales tax revenues in 2011 are expected to exceed the projected sales tax collections. It is certainly possible for the City-Parish to witness a growth in sales tax collections in 2012 of more than 1%; however, we believe the 1% projection is very prudent and very reasonable in light of the general uncertainty that is still clouding up the national outlook.

Based upon the advice of these experts, the proposed budget assumes a 1% growth rate for sales and use tax revenues in 2012 over the 2011 anticipated collections.

FULL-TIME EQUIVALENT POSITIONS

In the 2012 budget, the number of full-time equivalent (FTE) positions for all funds in the government increased by 37.08 positions. There is an increase of 44.75 positions as requested by the Library Board for personnel needed for the new Fairwood and South Baton Rouge branches, and to maintain library facilities. There is a net reduction of 4.67 positions due to changes in grant-related programs. Of the three remaining positions that are being deleted, one is a net reduction due to a change in the classification of personnel needed and two are being deleted as a result of contracting services, whereby the personnel allotments are being eliminated through attrition.



EMPLOYEE COMPENSATION

With the exception of normal merit and longevity increases, there are no raises in the 2012 budget. All available resources were needed to fund the rising costs associated with employee benefit programs, which are discussed in detail below.

EMPLOYEE BENEFITS

Health Insurance

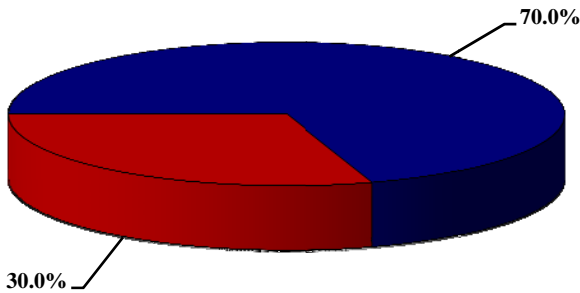
The City-Parish health insurance program is self-insured, meaning that sufficient premiums must be generated and maintained in order to pay actual claims and the costs to administer the program. These benefits are available to active employees and to retirees, who make up approximately one-third of the participants. The City-Parish has a contract with a private company to administer a Health Maintenance Organization (HMO), a Point of Service plan (POS), and a High Deductible Health Plan (HDHP). In addition, active employees who are on the HMO and POS plans have the option to have Flexible Spending Accounts (FSA), which allow them to use pre-tax wages to pay for qualifying health and dependent care expenses. Active employees selecting the HDHP, which has considerably lower premiums and higher deductibles, have the option to participate in a Health Savings Account (HSA). The HSA allows them to use pre-tax wages to pay for qualifying healthcare expenses. Estimated claims and the cost of administering the 2012 health plan are projected to be \$58,250,000.

In 2012, the City-Parish will fund an additional 5.9%, or \$2,350,000, over current funding levels of the employee medical premiums. Premiums for active employees enrolled in all three plans will increase by 3% or approximately \$550,000. No plan design changes are being implemented in 2012.

The projected sources and uses for the 2012 health insurance program of \$58,250,000 are shown in Figure 2 and Figure 3 below.

FIGURE 2

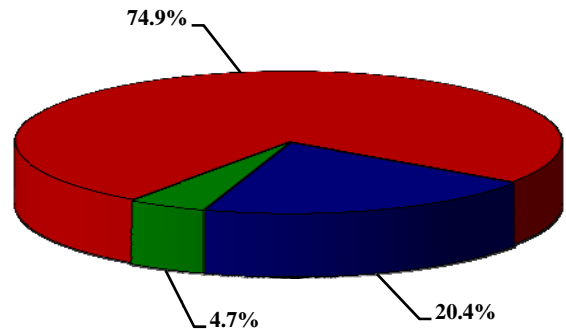
2012 HEALTH INSURANCE PROGRAM SOURCES OF FUNDS \$58,250,000



Legend for Figure 2: Employer Premiums (blue square), Employee Premiums (red square)

FIGURE 3

2012 HEALTH INSURANCE PROGRAM USES OF FUNDS \$58,250,000



Legend for Figure 3: Health Claims (red square), Pharmacy Claims (blue square), Administrative Fee (green square)



Employee Wellness and Education Programs

In line with the Mayor's "Healthy City Initiative," the *Healthy Lives* wellness program will be available to City-Parish employees and health plan participants in 2012. This comprehensive health and wellness solution will improve health outcomes and the value of health care delivery by providing health management tools, developing comprehensive programs to meet the needs of a given population, engaging targeted individuals in the management of their own health and wellness, and optimizing care collaboration and coordination with health care providers. Funding in the amount of \$200,000 is included in the 2012 health insurance program for this initiative. In addition, \$315,000 is included in the 2012 Risk Management budget to continue a special wellness program for Fire Department personnel.

Dental Insurance

There will be no increase in premiums in 2012 for the City-Parish dental program, which is fully insured. The City-Parish will contribute 52%, or \$1.8 million, towards the cost of providing dental insurance and the employees and retirees will pay the remaining 48%.

Life and Ancillary Benefits

The City-Parish will continue to provide life insurance coverage with a \$25,000 benefit for active employees, a \$50,000 benefit for elected officials, and a \$5,000 benefit for retirees. Optional ancillary benefits available to employees include life, universal life, vision, cancer, accident, and critical illness policies. Employees will be responsible for 100% of the premiums for all of these optional benefits.

Post-Employment Benefits

The rate for post-employment benefits in 2012 will increase from 9.5% to 11% of active payroll. The impact on the *Annual Operating Budget* of this increase is approximately \$2.3 million. Post-employment benefits for the City-Parish consist of health, dental, and life insurance benefits for retirees. Historically, the City-Parish has funded these benefits on a pay-as-you-go basis. While there is no current requirement that a government fund these benefits on an actuarial basis over an employee's service career, the liability must be reported in the financial statements as required by a governmental accounting standard that took effect in 2007. If the City-Parish were to fund the annual required contribution in this manner, a rate of 37.6% of active payroll would be necessary to cover both normal costs and to amortize the unfunded actuarial liability.

Significant progress must be made in the near future to address this liability for current and future retiree benefits. The Finance Department has engaged an actuary to prepare the biennial required liability calculations. In addition, the actuary will study the current benefit structure and make recommendations to reduce and/or manage this liability. The study is scheduled for completion by the end of the first quarter of 2012. The results will be presented to the Council for consideration.

Retirement Contributions

City-Parish Employees' Retirement System (CPERS)

The 2012 employer contribution rate was certified at 25.71% by the CPERS Board of Trustees, which is the rate recommended by the system's actuary. The 2012 budget provides funding at this rate, which is a .81% increase over the 2011 employer contribution rate at an annual cost to the City-Parish of approximately \$1,050,000. The employee contribution rate will remain at 9.5% in 2012.



The Board of Trustees has an investment policy that outlines the goals, objectives, responsibilities, and restrictions for system investments. Through a well-diversified and prudently managed portfolio, long-term investment returns are expected to meet or exceed the required returns needed to fund the system. The investment return assumption for the system is 7.5%. The target allocation for system assets is a 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.

Municipal Police Employees' Retirement System (MPERS)

The transfer of law enforcement personnel shifted responsibility for payment of their pension to the MPERS system. As a participating employer, the City of Baton Rouge is required to make contributions to the system. Effective July 1, 2011, the employer contribution rate to that system increased from 25% to 26.5%. The annual impact of this increase on the City-Parish budget is approximately \$580,000. The contribution rate for employees participating in this system also increased from 7.5% to 10%.

General Fund

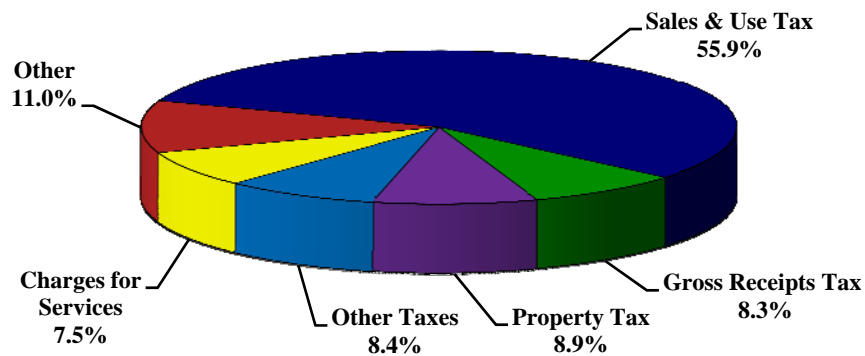
REVENUES

As shown in Figure 1, the General Fund, excluding operating transfers in, makes up approximately 37.3% of the total City-Parish budget for the year 2012. 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
\$280,567,950





Significant changes in General Fund funding sources include the following:

	<u>Increase (Decrease)</u>
<u>REVENUE GROWTH:</u>	
General Sales & Use Tax - 1% over 2011 Projected	\$4,681,900
Gaming Revenues - Projection Based on 2012 Events	700,000
Other Revenues	539,070
General Property Tax - 2% over 2011 Projected	428,310
Red Light Safety Camera Revenues	300,000
Other Tax Revenues, Occupational Licenses, and Insurance Premiums	232,300
Sales Tax Dedicated for Debt Service	(655,070)
Transfer from Communications District for Crime Canopy Maintenance	(433,200)
TOTAL REVENUE GROWTH	<u><u>\$5,793,310</u></u>
<u>CHANGE IN FUND BALANCE:</u>	
Fund Balance - Unassigned	(\$980,400)
Fund Balance - Assigned for City Court	(200,000)
Fund Balance - Committed for Budget Stabilization (<i>same as 2011</i>)	<u>0</u>
TOTAL REVENUE GROWTH AND FUND BALANCE DECLINE	<u><u>\$4,612,910</u></u>

Major Revenue Assumptions

As previously stated, a 1% growth rate over 2011 anticipated collections was used as the basis for our sales and use tax revenue estimate. The anticipated collections for 2011 sales and use taxes are based on actual collections through August and a growth rate of 1.75% for September through December. An increase of \$700,000 has been budgeted for tax collections from riverboat gaming establishments. The majority of this increase is due to the positive impact in net gaming revenues that is anticipated from 2012 events. A growth rate of 2% over 2011 projected collections was used for both gross receipts business taxes levied on utility companies and property taxes. Total revenue growth budgeted in the General Fund for 2012 is \$5,793,310.

Use of Fund Balance

Fund balance in the amount of \$6,477,210 has been used in the 2012 proposed Budget. This is a reduction of \$1,180,400 from the \$7,657,610 used in the 2011 Budget.

The City-Parish has for some time maintained a portion of the General Fund – Fund Balance in an account entitled “Committed for Budget Stabilization.” The financial policy included in the budget document states that a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures will be maintained. Currently, the balance in this account is \$14.2 million or a little more than 5% of 2011 appropriations.

In the 2011 Budget, 25% of the stabilization fund, or approximately \$3.5 million, was used to protect against reducing service levels. Due to a strong fourth quarter in 2010, the account was replenished. When preparing the 2012 budget, we would also have been faced with service reductions without the use of the \$3.5 million from this account. Even though the City-Parish has experienced positive revenue growth, it was necessary to use the majority of this growth to fund the rising costs associated with employee benefit programs.



APPROPRIATIONS

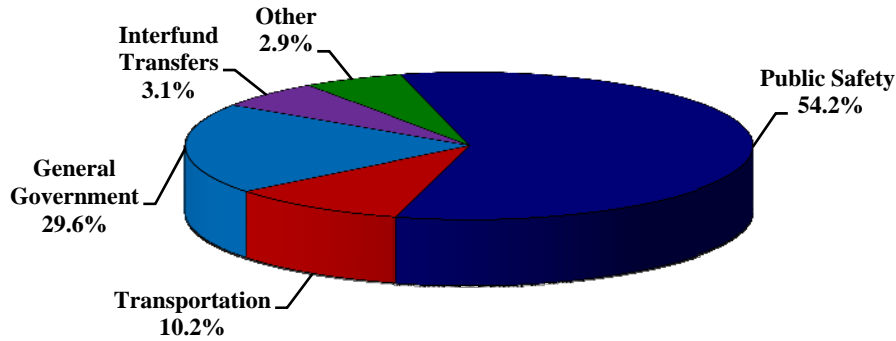
Total appropriations for the General Fund annual operating budget increased by \$4,612,910, or 1.67%, compared to the 2011 budget. Our commitment to public safety continues as shown in Figure 5 with 54.2%, or approximately \$152 million, of the 2012 budget proposed for that function.

Although the number of allotted positions in the General Fund decreased by one in 2012, it will be necessary to leave unfilled approximately 300 positions that were vacated through attrition. The departments of Human Resources and Finance reviewed all hiring requests throughout 2011 and will continue to monitor these requests throughout 2012.

As previously discussed, it was necessary to fund substantial increases in our employee benefit programs, normal merit and longevity increases for our employees, and increased funding for salaries and benefits for the employees of the constitutional offices.

FIGURE 5

**GENERAL FUND APPROPRIATIONS
BY MAJOR FUNCTION
\$280,567,950**



Significant changes in General Fund appropriations (2011 to 2012) are shown below:

	Increase (Decrease)
<u>APPROPRIATION CHANGES:</u>	
Health Care - Actives and Retirees	\$2,185,530
Retirement Contributions	916,220
Normal Merit Raises, Longevity Raises and Other Employee Benefits	558,350
Constitutional Offices - Salaries and Benefits	522,760
Increase in Prison Costs - Housing and Transporting Inmates	237,930
Traffic and Street Signal Materials	124,190
Traffic Safety Fee Collection Charges	111,000
Transfers Out to Grants and Other Agencies	109,440
Light House for the Blind Debt Service	109,200
Contractual Services	(78,510)
TOTAL APPROPRIATION CHANGES	4,796,110
Fund Balance Included in the 2012 Budget to Fund Identified Projects Below	1,926,800
Less Fund Balance for Identified Projects Included in the 2011 Budget	(2,110,000)
TOTAL INCREASE IN 2012 BUDGET OVER 2011 BUDGET	\$4,612,910



FROM FUND BALANCE

		<u>Total</u>
<u>FUND BALANCE - UNASSIGNED:</u>		
General Government:		
Fire Department Severance		\$441,800
Economic Development Initiatives:		
Greater Baton Rouge Economic Partnership	\$450,000	
City Hall Fellows	100,000	
Truancy Reduction Initiative	100,000	
Baton Rouge Area Digital Industries Consortium (including Animation Festival)	<u>100,000</u>	750,000
Quality of Life Initiatives:		
Debbie Allen Residency Programs/Community School for the Arts	70,000	
Blues Festival	50,000	
FestForAll	50,000	
Sunday in the Park	35,000	
International Heritage Festival	<u>30,000</u>	<u>235,000</u>
Total Fund Balance - Unassigned		<u>1,426,800</u>
<u>FUND BALANCE - COMMITTED:</u>		
Compromised Judgments from Insurance Reserve		<u>500,000</u>
TOTAL FROM FUND BALANCE		<u><u>\$1,926,800</u></u>

Budget Highlights

PUBLIC SAFETY

The public safety of our citizens and visitors has always been and will continue to be a top priority of this Administration. This has been accomplished through enhancing manpower, creating partnerships, creating efficiency through technological advancements, improving facilities and equipment, and maintaining professional standards.

Police Department

Accreditation

The Baton Rouge Police Department has maintained National Accreditation since 1996 and is recognized as a “Flagship Agency.” The department will continue to monitor standards and pursue any policy changes that will ensure compliance in the future.

Crime Prevention

In 2011, the Police Department joined in the creation of the East Baton Rouge Parish Violent Crimes Unit (VCU). The VCU is composed of a minimum of 31 officers from the Baton Rouge Police Department, 12 deputies from the East Baton Rouge Parish Sheriff’s Office, eight agents from the Bureau of Alcohol, Tobacco, Firearms, and Explosives, three



investigators from the District Attorney's Office, and representatives from Crime Stoppers. The purpose of the VCU is to provide real-time results on high-priority crimes in an effort to reduce violent crime. The unit offers an array of investigative resources, manpower, case management services, crime lab access, intelligence and analytics, unsolved violent crime case review, and technological support.

Since the VCU became operational, the unit has been credited with 400 homicide and major assault arrests, and has identified five violent criminal organizations. The unit continues to focus their investigative efforts on armed violent offenses, career criminals, and gun trafficking. The Police Department will continue to support this endeavor and invest in innovative ideas, personnel, and equipment to enhance the operational capacity and success of the unit.

In addition to the VCU, the department plans to initiate Data Driven Approaches to Crime and Traffic Safety (DDACTS). DDACTS is an operational model that uses the integration of location-based crime and traffic data to establish effective and efficient methods for deploying law enforcement resources. The goal is to reduce the incidence of crime, crashes, and traffic violations, thereby resulting in a reduction of social harm. In 2011, the Police Department applied for funding through the Louisiana Highway Safety Commission and was awarded approximately \$1 million in funding for this initiative for 2012 and 2013.

The Police Department continues its efforts to build a stronger community partnership. In 2011, a comparative study of regional community policing programs was conducted to ensure that the current community policing strategies and practices are successful in solidifying the relationship within the community served. The department seeks to incorporate individual community policing strategies such as strategic planning, program development, use of civilian volunteers, training, and other targeted community policing efforts. The department has also conducted community assessments, educated segments of the community, including both public and private sectors, and engaged community members in crime prevention efforts.

There is an ongoing effort to increase efficiency within the department through better utilization of existing manpower. Operational audits are ongoing and numerous changes have been made to streamline operations, eliminate redundancies, and reduce costs. Special attention has been placed on reducing overtime costs associated with courtroom testimony. Savings have been reprogrammed into enforcement efforts in the form of increased street operations, which have yielded and will continue to yield effective crime-fighting results.

Technology

The Police Department will continue to support its core mission of crime prevention by providing funding for technology that detects, deters, analyzes, or supports investigations of crime.

The crime canopy will be expanded along the Mississippi River from downtown to LSU. Locations have been added to the ShotSpotter system, which works in conjunction with the crime canopy and license plate readers. An additional "bait car" has been purchased and placed into operation.

GPS based wireless modems will continue to be installed in police units. The modems enhance officer safety, operational awareness, and response time to emergencies.

Facilities

Construction continues on a new police annex building. The acquisition of additional space to house evidence is currently underway. The downtown office became operational after renovating space in the state parking garage located at Third and Convention Streets.



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. Fire departments are rated every five years. The Baton Rouge Fire Department was rated in August of 2010 and retained the Class One rating.

Manpower

A new training academy for 35 firefighters will begin on November 19, 2011. These recruits will graduate in early 2012.

When the application period opens in 2012, the Fire Department plans to apply for funding through the Staffing for Adequate Fire and Emergency Response (SAFER) Grant. The goal of SAFER is to enhance the local fire departments' abilities to comply with staffing, response, and operational standards. A successful recipient of these federal funds must maintain its staffing during the two-year grant period and retain the firefighters funded through the grant for one full year after the end of the period. A strong case will be made in the application that these funds are needed to fund some of the vacant positions that cannot be funded in the 2012 budget. Training of new firefighters would begin immediately upon notification of the grant award.

Facilities

In 2011, a newly constructed station opened on Florida Boulevard, replacing the station located on Laurel Street. Approximately \$8.6 million was previously appropriated for the purchase of land, design, and construction to replace four other stations. The Osage Street station being relocated to Choctaw at Acadian Thruway, the Sharp Road station being rebuilt on site, and the Gus Young Avenue station being relocated to Greenwell Springs Road should all be completed in 2012. The Lobdell station is moving to Wooddale Boulevard near the State Police Headquarters and is anticipated to open in 2013. The moving of these stations assures continued coverage for our citizens in accordance with the PIAL standards.

Emergency Medical Services

Accreditation

Since 2004, the East Baton Rouge Parish Emergency Medical Services (EMS) has been fully recognized as being accredited by the Commission on Accreditation of Ambulance Services (CAAS). 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. Accredited providers must go through a re-accreditation process every three years in order to maintain this distinction of excellence. EMS will be reviewed again in 2013. It remains one of only three accredited EMS providers, and the only public accredited provider in Louisiana.

The training program at EMS is in the process of becoming an accredited program by the Commission on Accreditation of Allied Health Education Programs. Accreditation is granted when a training program is in substantial compliance with the established accreditation standards.

EMS and Baton Rouge Community College Paramedic Program

A new partnership is being established between the Department of EMS and the Baton Rouge Community College (BRCC) to train new paramedics and allow them to receive college credit for courses taught by EMS training personnel. Once students enrolled in a curriculum at BRCC complete required prerequisite courses, they can enroll in paramedic classes taught by EMS training personnel and continue their education in the EMS training center. Students will end the



program with an Associate's Degree and will be eligible to take the Paramedic National Registry Exam to become a certified EMT-Paramedic. EMS will have a steady flow of recruits as the program matures. Employees of EMS who are already certified paramedics will also have the opportunity to get college credit for training by enrolling in BRCC and taking a bridge course that will be offered by the university.

Technology

Patient report efficiency has continued to increase with the Electronic Patient Care Reporting (ePCR) system that was initiated over a year ago. EMS is able to produce more meaningful and accurate reports, as well as improve billing efficiency due to the reduction of errors in information collection.

Our BR Med-Connect project is in operation now with all of the area hospitals. Paramedics are able to send data directly to the emergency rooms from the field, thus reducing the time a patient has to wait for time-sensitive procedures to be set up in the receiving hospital. This allows for faster recoveries and potentially shorter hospital stays for the patients. Planned expansions of the system will improve the kinds of data, video, and voice transmissions that can be shared directly from the field to the receiving hospitals.

EMS has seen a significant decrease in the number of injuries, bad driving habits, and vehicle damage since installing a digital video system in all vehicles. EMS is able to coach employees on issues such as improper distance between vehicles, seatbelt usage, and distracted driving.

Facilities

Construction is about to begin on the new EMS Headquarters Building that will be located on Harding Boulevard. This new 32,000-square-foot facility will house all administrative personnel, as well as an advanced training facility and a supply warehouse. The facility is scheduled to open in late 2012.

Advancements in Treatment

EMS continues to be committed to adding new and proven medical treatments that can be used when treating the sick and injured residents of the parish. The Induced Hypothermia Protocol, implemented in April of 2011, involves internal cooling of the post-cardiac arrest patient. Since implementation, ten patients have received induced hypothermia treatment. Of the ten patients, seven were released from the hospital with little or no neurological deficits. EMS has worked closely with the area hospitals to offer these patients a continuum of care in an effort to improve patient outcomes after a cardiac arrest.

EKG Screenings of Student Athletes

Community service is a big part of what EMS does for the citizens of the parish. Studies have shown that there are a growing number of young athletes that suffer from undiagnosed heart conditions. In many cases, there are no obvious signs or symptoms before serious medical problems occur sometimes resulting in death. EMS has partnered with the East Baton Rouge Parish School System and a local cardiology group to perform EKG screenings and examinations on athletes at local high schools. Abnormal results will trigger a follow-up examination with a cardiologist and the athlete's personal physician.

Mayor's Office of Homeland Security and Emergency Preparedness

Re-Accreditation

In 2005, the Mayor's Office of Homeland Security and Emergency Preparedness (MOHSEP) was granted conditional accreditation by the Emergency Management Accreditation Program (EMAP), becoming only the second program in the



nation to receive the conditional accreditation. In 2007, MOHSEP was granted full accreditation. The MOHSEP team is currently working towards re-accreditation for February of 2012. East Baton Rouge Parish is one of only six parishes or counties nationwide whose emergency management office is fully accredited under this program. This accreditation represents a significant achievement and demonstrates tremendous leadership and commitment to the 64 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.

Training and Exercises

MOHSEP participates in various disaster exercises and drills every year to ensure readiness for any emergency. In 2012, it will participate in a graded exercise at the River Bend Nuclear Station. The Nuclear Regulatory Committee requires that the nuclear power plant test its emergency capabilities with a graded exercise every two years. MOHSEP plays a vital role in this exercise. As the largest parish in the Emergency Planning Zone, East Baton Rouge Parish is expected to assist not only its own residents, but also residents from other parishes. MOHSEP works year round with the River Bend Nuclear Station to ensure that all preparations are made for a real disaster.

In 2011, MOHSEP was selected by the Naval Postgraduate School - Center for Homeland Defense and Security to host a Mobile Education Training Seminar for public officials. The workshop focused on catastrophic disaster management and tested participants by pushing them to explore what tasks their agencies would perform during an emergency of epic proportion. All those in attendance received information on how to better assess vulnerabilities within their department or agency, and how to mitigate consequences that could arise during an emergency.

Best Practices

East Baton Rouge Parish has been recognized as a place of “best practices” for emergency management and featured in a training program by the Emergency Management Institute (EMI). The video, Emergency Management Involving the Whole Community, features how local elected officials in Baton Rouge prepare their community and aid in the development of emergency preparedness and response programs. The ultimate goal is to show how a successful community’s program is transferable to other communities. EMI intends to use the video as a base for an independent study course, which will be available free of charge to the public in the near future. EMI serves as the national focal point for the development and delivery of emergency management training.

2011 Mississippi River Flood Response

In 2011, MOHSEP faced a problem that had not been seen in more than 90 years. The Mississippi River levels began to rise in April and, when cresting predictions reached 47.5 feet, 12.5 feet over flood stage, MOHSEP became command central for the fight to protect life and property from the rising flood waters. MOHSEP hosted and coordinated meetings with local industry, City-Parish response agencies, community leaders, local businesses, medical partners, and others to ensure that all who might be affected received the most up-to-date and accurate information available. Personnel from the Department of Public Works, Army Corps of Engineers, and Louisiana National Guard were present in the Emergency Operations Center to answer questions and provide assistance. The Baton Rouge Police Department, Constable’s Office, and East Baton Rouge Parish Sheriff’s Office monitored the levee 24 hours a day to ensure that the safety of the public was not compromised.

Truancy Initiative

The Truancy Initiative is a collaborative community initiative in which the Mayor’s Office, the Office of the District Attorney, the East Baton Rouge Parish Sheriff’s Office, the Louisiana Division of Administration, the Louisiana Board of Elementary and Secondary Education, and the East Baton Rouge Parish School System are stakeholders. The result of this collaboration will be the East Baton Rouge Parish Family and Youth Service Center, which is expected to be fully functional for the 2012-2013 school year. Multiple organizations will co-locate at this one-stop Center in an effort to



proactively address the challenges faced by truant students and their families. This approach will allow for team-based collaborative problem-solving strategies and will empower families and community networks to target the issues related to truancy and juvenile crime, while addressing issues related to the family unit. Services to be provided include educational remediation, physical and mental health, parenting skills, housing, and workforce development.

A successful truancy initiative will result in a better educated community and enhanced community safety. The 2012 budget includes the third year in funding of a \$100,000 three-year annual contribution. This contribution is being matched by equal contributions from the East Baton Rouge Parish School System and the Office of the District Attorney.

Animal Control and Rescue

On August 1, 2011, the City-Parish entered into a cooperative endeavor agreement with the Companion Animal Alliance (CAA) for animal sheltering operations. The mission of this non-profit animal welfare organization is to drive excellence in animal care, humane education, and progressive animal welfare programs. CAA performs the sheltering operation in a City-Parish-owned facility located on Progress Road. This budget includes \$459,970 for next year's sheltering operations.

The cities of Baker, Zachary, and Central also fund a portion of the cost associated with animal control and rescue services. Their pro rata share is based on the population counts from the 2010 census.

EFFECTIVE AND EFFICIENT GOVERNMENT

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 *2011 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. The document must be rated as proficient or outstanding by two of three reviewers in all four categories. The 2011 document also received a special recognition for performance measure reporting as a result of receiving an outstanding rating by all three reviewers in this area. This is the 21st 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, 2009. 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 34 times since 1971.

Debt Management

Our government has invested considerable effort into maintaining a working relationship with bond rating agencies over the past several years. This allows us to keep them informed concerning issues that affect our bond ratings. 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 (Aa2), Standard and Poor's (AA+), and Fitch Investors (AA+). These ratings result in very reasonable interest rates on debt.



The City-Parish financial management team continually monitors debt to determine if refinancing prior debt issues would result in savings. The team is currently considering the benefits of refunding debt that provided for the transfer of the pension obligation of law enforcement personnel to the Municipal Police Employees' Retirement System. Savings resulting from the refunding are estimated to be \$2.5 million.

The City-Parish will continue to demonstrate strong financial practices and work with the rating agencies to prove our creditworthiness and secure the highest ratings possible in anticipation of issuing bonds for capital improvement programs in 2012.

Human Resources Initiatives

In 2011, the Human Resources Department continued to make progress in the areas of workforce and succession planning and employee training.

A Workforce and Succession Planning Committee was formed in 2011 and included representatives from all departments across the City-Parish. The committee began to standardize the process for creating written departmental plans regarding the long-term cross-training, development, and retention of key institutional knowledge within the workforce. In 2012, this will become part of the annual budget process.

The City-Parish continues to expand training capacity by developing departmental trainers via the Training Development Institute (TDI). The TDI trainers received the necessary certifications and began teaching classes within their departments in 2011. This initiative, as well as the Leadership Development Institute, will continue in 2012.

Mandatory Direct Deposit

In 2012, all City-Parish employees will be required to use direct deposit or receive a payroll card for their wages. Payroll cards look and function like normal debit or ATM cards. These electronic payment methods have been mandatory for all new hires since April of 2006, and currently 85% of all employees participate. Employees will have the option of having wages deposited into a checking or savings account or receiving the "MY PayCard." The Baton Rouge City-Parish Employees' Federal Credit Union offers low-cost options for checking and/or savings accounts for all employees and their immediate family members.

Department of Public Works (DPW) Initiatives

DPW is in the process of making improvements in the areas of permitting, blight elimination, and response time to service requests from citizens. In addition, a study is currently underway to determine the most efficient organizational structure for the department.

In October of this year, the permit software was replaced with a web-based system. The new system offers a multitude of online functions for use anywhere, 24/7, by contractors, architects, engineers, and owners, as well as by Inspection Division personnel. Through the new software, the Inspection Division has now established direct online connectivity with all departments and agencies, both internal and external, associated with the permitting process. This allows for secure posting and real-time tracking of all approvals. The previous paper system has been replaced with a complete digital system, thereby drastically reducing operating expenses related to paper, copiers, and fax machines. Additionally, tasks previously requiring clerical attention, such as receiving inspection requests by phone, receiving inspection results from individual inspectors, and manually entering data into a database are now automated. This will allow for a permanent reduction of clerical staff.

Under the Litter Court Program, City-Parish employees and contract workers address code violations. The majority of property owners correct the problems voluntarily. Property owners who refuse to correct the violation are summoned before an Administrative Hearing Officer in "Litter Court" and may face a \$117 fine for each violation and \$50 in court



costs. 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. In 2011, existing resources were realigned to more efficiently address these violations. DPW hired a Blight Elimination Manager and code enforcement personnel were moved to the Operations Division and now report directly to this individual. DPW expects to further improve response time to litter court violations through additional re-organization.

DPW recently selected new software for the 311 system. The new software will be implemented in 2012, and is specifically designed for municipal government call centers. The new software will provide citizens with more options to document requests related to City-Parish services. There will be a knowledge center for frequently asked questions as well as an internet access to document requests. In addition, there will be an app for smart phones users to access the system.

In the fall of 2011, an independent study began to look at the reorganization of the Department of Public Works. The study is a continuation of the reorganization done in the summer of 2006 and an acknowledgement of the changing personnel needs as a result of the Sanitary Sewer Overflow program. The department also continues to look at efficiencies in providing services to the public. The study is in its early stages and its recommendations are expected to be implemented in 2012.

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 has occurred or can be expected in 2011 and 2012.

Sanitary Sewer Overflow Capital Improvement Program

The Sanitary Sewer Overflow Capital Improvement Program (SSOCIP) has made significant progress since the program began in 2006. As mandated by a United States Environmental Protection Agency and Louisiana Department of Environmental Quality Consent Decree, all sewer overflows in the City-Parish must be reduced to meet design storm parameters by January 1, 2015.

The current program manager’s first task was to develop a comprehensive Program Delivery Plan. The plan was written as the master plan for design and construction of the wet weather projects, which will implement corrective actions to reduce overflows. During the fourth quarter of 2010, the plan was revised to refine the design of several projects. By combining some projects, the City-Parish will be able to realize a significant cost-savings, as well as reduce construction inconveniences to residents and business owners.

In 2011, work has progressed in the areas of design engineering, bidding services, and construction. A total of 97 projects, or 91% of the program valued at \$1.05 billion, are currently active. Of the 97 projects, 44 projects with a construction value of \$593 million are under construction, 35 projects with an estimated construction value of \$342 million are in design, and 18 projects with a total construction value of \$115 million have been completed. The program has continued the implementation of numerous improvement projects that were not related to the Consent Decree, such as installing generators at all pump stations within the system and design and incorporation of an electronic, centralized monitoring and controls system, or Supervisory Control and Data Acquisition (SCADA), for all pump stations, storage facilities, and treatment plants.

The SSOCIP has an estimated cost of \$1.4 billion. The financial model for the program is constantly being monitored by the financial team to ensure that the operations, as well as the capital needs of the sewer system can be met. In 2010, the City-Parish borrowed approximately \$8 million from the Louisiana Department of Environmental Quality’s State Revolving Loan Fund at an interest rate of .95% in order to partially finance the Sharp Road - Florida Boulevard Rehabilitation Project. In 2010, the City-Parish issued \$375 million in bonds and utilized \$33 million in pay-as-you-go



funding to meet the schedule required by the consent decree. Of the \$375 million in bonds issued by the City-Parish, \$358 million were issued as Build America Bonds (BABs). BABs were authorized by the 2009 American Recovery and Reinvestment Act and provide significant savings to issuers in the taxable bond market due to a 35% subsidy from the United States Treasury. Issuing these bonds in the traditional tax-exempt market would have yielded a higher interest cost. In 2011, the City-Parish issued \$202 million in bonds to continue the financing of the SSOCIP. The City-Parish also appropriated \$45 million in self-generated funds to provide additional funding for the program.

Throughout 2012, many projects will enter into the construction phase, while some projects currently under construction will be completed. Projecting through the end of 2012, 42 projects will be completed, 47 projects will be under construction, and 17 projects will be under design. Complete information on the program can be found on the website at www.brprojects.com.

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 “pothole” 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 the 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. The City-Parish has taken advantage of available federal dollars to provide a portion of the funding for the Central Thruway project. All collections in Baker, Zachary, and Central dedicated for street improvements are remitted directly to and administered by those municipalities.

The budget includes the appropriation of \$7,387,260 in anticipated revenue collections for 2012. The uses for the pay-as-you-go funding include: program administration and inspection services, \$3,358,010; Stumberg Lane Extension right-of-way acquisitions, \$1,500,000; Sullivan Road construction, \$1,264,250; and Nicholson Drive engineering services (Segment 1), \$1,265,000.

A detailed chart is included in the section of the budget titled “Capital Improvement Programs” outlining the current status of the projects in the program. Also, complete information on this program can also be found on the City-Parish’s website, www.brgov.com, under the Department of Public Works.

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.

A major expansion of the River Center is underway and will be completed in time for the 2012 Bowling Congress to be held at the facility. Meeting rooms and an event lounge are being added, which will allow the River Center to host larger meetings and conventions. The new entrance facing St. Louis Street will be the main entrance for patrons. This entrance will include a circular driveway, and valet service will be provided. The current service entry area will be replaced with a new lobby and exhibit area.

Construction on the North Boulevard Town Square and Galvez Plaza will also be completed in February in time for the 2012 Bowling Congress. Designed with pedestrians in mind, the Town Square will be an open green-space that will be a hub for social, recreational, and cultural events. Galvez Plaza will include a permanent stage providing downtown with a first class outdoor entertainment venue. The Town Square will provide a critical link between downtown landmarks and



will be the premier gateway for the Arts and Entertainment District. This area will be a hotbed of activity that will act as a social hub attracting thousands of people to the downtown area.

Other downtown projects underway include Repentance Park and the Downtown Greenway. Repentance Park will provide a venue for large events and serve as a component of the southern anchor of the Arts and Entertainment District. One of the main attractions will be an interactive fountain. The Downtown Greenway, a 2.75 mile interconnected network of bike and pedestrian pathways, will enhance inner-city connectivity featuring lighting, landscaping, signage, recreational links and facilities, and public art. The American Queen steamboat is scheduled to return along the Mississippi River in April 2012 and will dock at the riverfront landing facility across from the River Center.

Downtown is nearing the goal of having 1,000 hotel rooms within walking distance of the River Center. With the opening of the Hampton Hotel, a total of over 837 rooms will be available for conventioners and other visitors among the four downtown hotels. Restaurants have increased from 35 to 61 over the last 10 years, and the nightlife scene brings thousands downtown on any given weekend. The availability of residential housing has also increased with the development of a new 22-unit affordable housing project on Main Street, which joins recent residential developments such as the Historic Kress Building and Oneleven.

Library Capital Improvements

The groundbreaking for the new Main Library in Independence Park was held in mid-October. Based on its design, this new 115,000-square-foot facility will qualify for the Leadership in Energy and Environmental Design (LEED) Silver Certification. It is anticipated that construction of the new facility will take approximately 18 months.

The groundbreaking for the new Fairwood Branch Library was held in early September, 2011. It is estimated that construction will take approximately 18 months. The 2012 Budget includes appropriations of \$289,260 to complete the funding needed to furnish the facility. In addition, the South Baton Rouge Branch Library is in the final stage of design. This branch is expected to be operational in 2013.

Earlier this year an architect was chosen by the City-Parish Design and Planning Selection Board for the replacement of the River Center Branch Library. It is estimated that the design process will take roughly one year, with construction to begin as early as 2013.

A listing detailing the Library's approximately \$118 million in completed and on-going capital improvement projects is included in the section of the budget titled "Capital Improvement Programs."

Greater Baton Rouge Airport District

Design is complete and the bid process is currently underway for a terminal expansion and renovation project. This project will add an additional 15,430 square feet, and is projected to be completed in 2013. The purpose of the project is to relocate the checkpoint area to allow for additional screening lanes and to add additional space necessary for new equipment. It also expands the waiting area to provide additional space for greeters to congregate while waiting for passengers.

QUALITY OF LIFE/CULTURAL INITIATIVES

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 volunteerism and educational opportunities for our citizens, our health, and the general appearance of our parish. The following ongoing cultural, educational, and health-improvement initiatives support our commitment in these areas:



Healthy Baton Rouge Initiatives

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.

A key component to encouraging Baton Rouge residents to adopt healthier and more active lifestyles is the promotion and identification of resources available in the community to fight chronic diseases and childhood obesity.

The initiative in Baton Rouge is composed of community organizations and is subdivided into three separate but compatible parts: Healthy BR focuses on healthier eating and a more active lifestyle; MedLine BR focuses on access to care and health outcomes; and the Innovation Center focuses on community efforts to address childhood obesity. Each group engages a variety of partner organizations in a cooperative effort among local and state governments, area hospitals, and local health organizations. Healthy Living in BR is a monthly television program that offers 30 minutes of information on health topics and scheduled events in the community, and MedLine BR is a 24-hour nurse line designed to provide Baton Rouge residents with free medical advice.

There are also community events including a 5k walk/run, a family bike ride, and Fitness Skillastics with the YMCA. During the past year, the City-Parish has received national recognition for the work that has been accomplished. Baton Rouge was selected as one of four cities to participate in its Municipal Leadership for Healthy Southern Cities technical assistance project by the National League of Cities Institute for Youth, Education, and Families.

FUTUREBR

FUTUREBR is an update of East Baton Rouge Parish's comprehensive master plan for land use and development. This update is based on an inclusive, parish-wide process to craft a new vision, policy framework, and implementation strategies that reflect the needs and aspirations of parish residents.

There are four components of FUTUREBR: the Vision, Comprehensive Plan, Strategic Implementation Plan, and Monitoring Plan. The City-Parish began the process of updating the plan in 2010. More than 1,500 citizens participated in public workshops and meetings over the year-long planning effort, with more than 3,400 citizens providing input through an extensive survey process assisting in the development of the "Vision" for the parish. A draft of the Comprehensive Plan was released in February of this year, and the final plan was recently adopted unanimously by the Planning Commission and the Metropolitan Council.

Last week the Strategic Implementation Plan was presented and the FUTUREBR Implementation Team was named. The team will work with City-Parish departments and agencies on the implementation of the plan and the development of funding mechanisms for plan priorities. The Implementation Plan is divided into four components: transportation, urban renewal, upgrading the City-Parish zoning codes, and achieving a balanced housing market.

The plan is an opportunity to shape future growth in the City and Parish over the next 30 years. FUTUREBR will guide future policy decisions related to land use, urban design, housing, economic development, open space and transportation.

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, 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.



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.
- The Mayor’s Youth Advisory Council, composed of one or two eleventh-grade students from every high school in East Baton Rouge Parish, to encourage and develop leadership among high school youth. Each high school is also represented by a high school senior who served on the Council in the previous year. These seniors serve as mentors and advisors to the current Council.
- Teen Talk, a Channel 21 monthly television program that is hosted by members of the Mayor’s Youth Advisory Council on topics of interest for the youth of our area.
- 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.
- The Truancy Task Force to develop a comprehensive approach to address the truancy problem in East Baton Rouge Parish.
- Collaboration with Circle K to provide incentives to reward school attendance.
- 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 underemployed individuals and single mothers.
- Good News in East Baton Rouge Parish Schools, a monthly recognition of extraordinary teachers, schools, programs, and/or exemplary students.

Volunteerism Initiative

In March of this year, the City-Parish launched “Baton Rouge Proud,” a high-impact service plan that will provide residents with opportunities to contribute to their community through service. This initiative targets Baton Rouge’s most pressing challenges while encouraging the growth of a volunteer force across a range of neighborhoods and agencies. The plan matches volunteers with service initiatives such as revitalization of blighted neighborhoods and preparation of disadvantaged pre-K youngsters for success in school. The creation of this innovative plan was made possible through receipt of the Cities of Service Leadership Grant award funded jointly by the Rockefeller Foundation and the Bloomberg Philanthropies.

In accessing the City’s challenges and identifying where volunteers could make a difference, many people pointed to the links between neighborhood blight, lack of community organizations, and higher crime rates. One way to combat these issues is to increase the stability of a neighborhood through the active participation of its residents. The “Love Your Block” initiative is a competitive grant award program that gives residents the opportunity to apply for grants to physically transform public spaces. Acceptable projects include community gardens, landscaping projects, neighborhood signage, and block clean-up. In a partnership with the Home Depot Foundation and ExxonMobil, 21 groups will receive these grants aimed at encouraging neighbors and volunteers to work together to make their block a better place to live.

ECONOMIC DEVELOPMENT INITIATIVES

Greater Baton Rouge Economic Partnership

For the last five years, the City-Parish has engaged 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. Upon close out of BRAC’s 2010



activities, LSU independently analyzed the results and determined that last year's economic development outcomes would provide a ten-year return on investment to the General Fund of "145%, receiving \$2.45 in additional tax revenue for each \$1.00 of public investment," over and above the cost of any parish incentives and the professional services contract with BRAC. This partnership is performance-based subject to continued achievement through the professional services provided. BRAC leverages the economic development agreement with the City-Parish with external funding. BRAC's overall budget is derived over 80% from private sources. The 2012 budget includes an appropriation for a \$450,000 professional services agreement for business development efforts between BRAC and the City-Parish.

Business development through October 15, 2011, included four business recruitment, retention, and/or expansion projects within the parish, securing 271 jobs, more than \$5.7 million in annual payroll, and over \$63 million in new capital investment. Some of these projects are described as follows:

- Electronic Arts will expand its North American Testing Center operations with the completion of the \$30 million Louisiana Digital Media Center on LSU's main campus. The digital media giant will add 200 testing and management positions, bringing the total number of Baton Rouge employees to 600.
- Honeywell, Inc., has added a new line to its refrigerant plant and completed modernization efforts at the facility to comply with new EPA regulations. This \$30 million expansion will prevent the Baton Rouge facility from closure as the original fluorine products were being phased out. Two hundred jobs were retained and an additional 11 were created that have an average annual wage of \$84,000.
- BitRaider MMO, LLC, will locate its 22-job headquarters at the Louisiana Technology Park. The company has created a specialized technology for instant streaming of downloaded games and software. Recognized world-wide, the company will utilize the shared-services of the Tech Park and strong engineering base of East Baton Rouge Parish.
- Baton Rouge Shrimp Company has established operations in East Baton Rouge Parish for processing and distributing fresh, Louisiana-caught Gulf shrimp. The \$2 million Neosho Road facility will create 38 jobs by December, and operate year-round using an environmentally safe process resulting in no chemical waste.

Currently, BRAC is actively pursuing prospects estimated to have capital investments of over \$220 million and 800 jobs. It is anticipated that three to four additional projects that have an estimated 250 new jobs will close before the end of 2011.

To yield these results, BRAC's business development team marketed Baton Rouge at national trade shows and site consultant events; conducted site consultant familiarization tours in the parish; conducted visits to existing small businesses and large employers which are economic driver firms; advertised in targeted-sector trade publications; and served as the "one-stop" office for business recruitment and expansion prospects, consultation on state and local incentives, site details and visits, and project management. According to a recent prospect pipeline review, 77% of the current prospect activity for East Baton Rouge Parish was generated by BRAC's efforts.

BRAC has continued its targeted efforts in the digital media sector through the Baton Rouge Area Digital Industries Consortium (BRADIC). This recruitment initiative has allowed East Baton Rouge Parish to compete internationally for new projects in the digital media and software industry. Additionally, BRADIC is working to establish digital media Masters Degree program at LSU, expected to begin in August 2012. Funding in the amount of \$100,000 is included in the 2012 budget for BRADIC; this includes funding for the Red Stick Animation Festival.

To maintain transparency and accountability, BRAC's business development team presents monthly reports to the Administration and quarterly reports to the Metropolitan Council on projects, jobs and investment levels, and current



activity. These reports keep both entities abreast of the overall activities of the team, and additional information is provided to individual Council members regarding potential projects in their districts as they arise.

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 and post-production. The role of the Baton Rouge Film Commission is both to market the City-Parish as a premiere international destination for film and television production and to provide continuous logistical support to all productions filming in our market. Our hospitality and attention to detail continue to set Baton Rouge apart from the competition. Specific services include 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 among production companies, the community, and local government throughout the entire production schedule.

In 2012, the Baton Rouge Film Commission in partnership with the Baton Rouge Area Convention and Visitors Bureau and Reel Scout, the nation's leading film industry database, will launch a "BY BATON ROUGE" software application. This app will provide productions with the opportunity to scout locations and crew with a touch of a button. It will also promote local businesses to the film industry and will increase awareness of the Baton Rouge region as additional incentives are recognized.

The Baton Rouge Film Commission continues to market heavily at sales events in major entertainment hubs like New York and Los Angeles. Advertising is strategically placed in major trade publications through the partnership with the Baton Rouge Area Convention and Visitors Bureau. The Baton Rouge Film Commission continues community outreach through local speaking engagements and participation in industry-related events.

Local direct spending from film and television production was an unprecedented \$200 million in 2010. These numbers are based on certified applications with the Louisiana Entertainment Office for Film and Television Production. Although the number of productions has remained the same since 2009, it was the quality of projects that had a significant impact. Baton Rouge was host to both Summit Entertainment's "Twilight Saga: Breaking Dawn" part one, and Universal Studio's "Battleship." Breaking Dawn will be released this month, and Battleship will premiere in May of 2012.

In 2011, the type of productions being filmed in Baton Rouge has expanded from feature films to a television series with the arrival of filming of Fox Broadcasting Company's A & E series "Breakout Kings." Ten episodes will be shot over a 17-week period from October 2011 to February 2012. CBS Broadcasting, Inc., is slated to shoot a television pilot in Baton Rouge this month. If the pilot is successful and becomes a series, filming will return for continuing episodes as well. Universal Studios continues to acknowledge Baton Rouge as a viable location to shoot a major feature film with the filming of "Oblivion." The budget for this film is over \$100 million dollars. Preparations for filming began in October, and they will wrap up in August of 2012.

Since the inception of the Baton Rouge Film Commission in 2007, the organization's efforts have attracted well over 100 productions to film in our area and have generated direct spending of over \$300 million. This budget includes \$170,000 for the operations of the Commission in 2012.

Upcoming Baton Rouge Events

Festivals and events have a huge impact on our area economy. This impact is even greater when events attract people who do not live in our community but choose to come to Baton Rouge to spend their discretionary dollars.

The 2012 United States Bowling Congress Open Championships will be held at the Baton Rouge River Center from February 11, 2012, through July 10, 2012. This is the 109th running of the event, and the second time that it has been



held in Baton Rouge. The event was held here in 2005, and featured more than 65,000 bowlers. Bowlers come from all 50 states and many foreign countries. It is estimated that approximately 120,000 people, including bowlers, friends, and family members will visit Baton Rouge during the tournament. A hosting community can expect to realize an economic impact of as much as \$100 million. The event is being held earlier in the year than normal so that bowlers and their guests will have a chance to experience the local flavor of Mardi Gras.

Our city will host the third Bayou Country Superfest in Louisiana State University's Tiger Stadium on Memorial Day weekend next year. This event has been a huge success with attendance in excess of 85,000 each year over the two-day event. The estimated economic impact to our area is over \$30 million. More than one-third of these visitors come from outside of the State of Louisiana with over one-half staying in area hotels. Performers in the 2012 lineup include Carrie Underwood, Rascal Flatts, Keith Urban, Jason Aldean, Eric Church, Dierks Bentley, Little Big Town, Sara Evans, Jerrod Niemann, and Joe Nichols.

Baton Rouge will once again be the host city for the Red Stick International Animation Festival. The 2012 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.

The International Planetarium Society is the global association of planetarium professionals. In mid-July, Baton Rouge will host the International Planetarium Society at the Louisiana Art and Science Center Museum's Irene W. Pennington Planetarium and the Baton Rouge River Center. Seven hundred members from 35 countries around the world will attend representing schools, colleges and universities, museums, and public facilities.

Conclusion

Our Administration continues to seek ways to provide greater services with increased efficiency to the citizens of our parish. During prosperous years, we were able to increase funding for many of our departments and agencies to provide enhanced services. As difficult as it may be, we now have a responsibility to tighten our belts and bring our spending in line with our available resources.

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,

Melvin L. "Kip" Holden
Mayor-President