

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

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November 3, 2004

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

The 2005 City of Baton Rouge and Parish of East Baton Rouge *Annual Operating Budget* is herewith presented for your review and approval.

The economy of the Baton Rouge area remains strong, as evidenced by the continued growth in sales and related tax receipts produced from retail sales and commercial activity; however, major plant and industrial expansions and projects are not currently keeping pace with prior years, and the result is a reduction in sales taxes generated from those activities. Our expert economists, Dr. Loren Scott and Dr. James Richardson, have provided guidance that causes us to use the projection of a one percent growth rate in sales and use tax revenues for the coming year of 2005. Given the strength of commercial and retail sales activity, it follows that, as the construction of industrial projects increases, so will the outlook for the revenue side of the City-Parish budget. This Administration shall continue to focus on infrastructure improvement, specifically including transportation facilities and capital projects that translate into, and precipitate, economic development and growth. A comprehensive capital improvements and infrastructure plan, including identifying the funding sources, will be developed and presented to this Council and the citizens of this Parish in 2005.

The opening of the new phases of the Baton Rouge River Center, and the continued improvement of that facility, is bringing the American Bowling Congress annual tournament to Baton Rouge, with a minimum of 60,000 bowlers and their families and well-wishers, and economic benefit of over \$60,000,000 for this area. The improvements at the Baton Rouge River Center have already produced an increase in the number, variety, and quality of events taking place in its arena and theater, and the expanded exposition space will provide an attractive, functional, and highly competitive venue for attracting seminars and conventions to Baton Rouge.

The year 2005 is not without promise in terms of local developments that will positively impact the local economy. The initial phases of construction on the sewer improvements required for compliance with the consent decree with the United States Environmental Protection Agency, the United States Department of Justice, and the Louisiana Department of Environmental Quality will reinvest local taxes and fees into this economy, as well as building a sewer infrastructure that will serve this Parish for decades. Projects creating new jobs and opportunities for Baton Rouge include the relocation and expansion of the Direct General Insurance Company offices (over 1,500 new, high-paying jobs); the relocation of the B & B ARMR Signal Company from locations in the State of Maryland and the village of Norwood to this City; and expansions and new programs at the Louisiana Technology Park, Pennington Biomedical Center, Mary Bird Perkins Cancer Center, and new medical treatment facilities.

The resurgence of “downtown” remains on track, with the renovation of the Capitol House Hotel and the unveiling of the “Arts Block” featuring the Shaw Center and the theater, museum, restaurants, and retail outlets therein. Bike paths are presently under construction, and the trolley system links the different venues in the central city one to the other. Innovations in development, smart growth, and land use, such as the Perkins Rowe, Creekstone, and Northgate mixed use developments, demonstrate the benefit of this government’s partnering with Louisiana State University, Southern University, and private sector investors to create new and exciting opportunities for residents and businesses in this community. Retail giants, including Wal-Mart, Target, and Whole Foods, choose repeatedly to expand in the Baton Rouge market.

The current downturn in manufacturing and industrial expansion is being offset by increasing diversity of the local economy and the emergence of projects and businesses heretofore absent from the commercial makeup of Baton Rouge.

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This budget continues to reflect the responsible and sound fiscal leadership that is the trademark of this government and that has positioned Baton Rouge to take full advantage of the strengths of the resources, people, and businesses that contribute to the success, happiness, and opportunity of this community. I continue to be grateful for the work and dedication of this Council that make Baton Rouge and East Baton Rouge Parish an ever better place.

### ECONOMIC OUTLOOK

Projections for many of our most important revenues, such as sales taxes, are based on estimates of future economic conditions. The economic outlook for the coming year affects estimates of revenue, which, in turn, dictate the amount of funds available for spending. This message begins, therefore, with excerpts from the *Louisiana Economic Outlook*, published annually by the College of Business Administration at Louisiana State University and the College of Business Administration at Southeastern Louisiana University.

The 2004 *Louisiana Economic Outlook* projects the following conditions for Baton Rouge's four-parish Metropolitan Statistical Area (MSA) during 2005-2006:

*The Baton Rouge MSA—comprised of East Baton Rouge, West Baton Rouge, Livingston, and Ascension Parishes—is the second largest in the state, with 308,200 non-farm workers in 2004. This MSA will expand markedly in 2005 when the Labor Department adds five additional parishes – Iberville, St. Helena, Pointe Coupee, East Feliciana, and West Feliciana.*

*The petrochemical industry is a huge factor in this MSA's economy. Several very large chemical plants are located here, and as we will see below, this is dramatically impacting the area economy and will continue to do so over the next two years. This MSA has the largest concentration of chemical industry activity in Louisiana. For example, in 1997 there were 62 plants in the four-parish area employing 9,850 workers with an annual payroll of \$598 million. East Baton Rouge Parish (\$300.3 million) has the largest concentration of chemical industry wages in the State and Ascension Parish (\$274.9 million) ranks number three.*

*Baton Rouge is home of the nation's second largest refinery—ExxonMobil—located just north of the state capital building. This refinery is actually the ninth largest in the world. Placid Refinery is also located in this MSA.*

*The chemical and refining industries are very capital-intensive, and that means when they expand, so does the **industrial construction**. Industrial construction jobs are also closely tied to “turnarounds” at these plants, i.e., when the plants are shut down completely for scheduled maintenance. The Baton Rouge MSA has an unusually high ten percent of its workforce in the construction sector, a proportion only exceeded by Lake Charles...site of another major chemical concentration.*

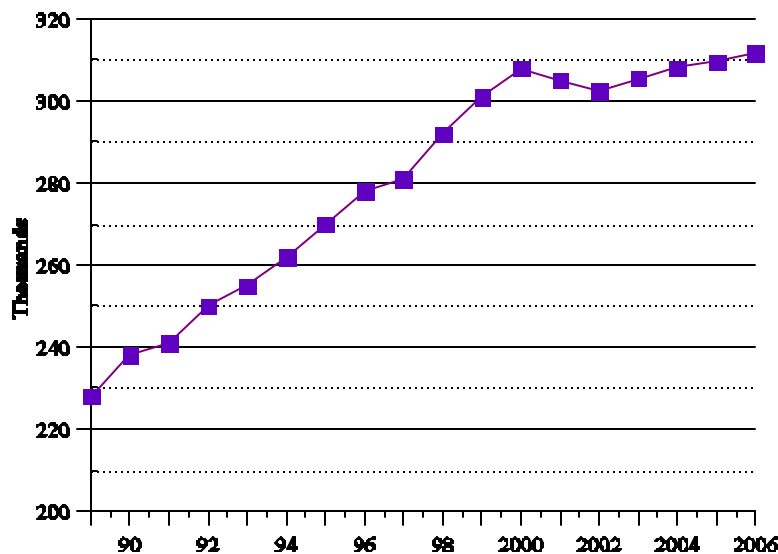
*The Baton Rouge MSA also is the location of the State Capitol and the office complex associated with it. Two major State universities—LSU and Southern—are located in Baton Rouge, along with one of the State's largest community colleges.*

*[Figure 1] illustrates employment patterns in the capital city area over [1989-04] along with forecasts for 2005-2006. Until 2001, the Baton Rouge MSA had the most enviable growth record in the state in terms of both size and consistency. The MSA was tapped by the recessionary years of 1982-87 for about 2.2 percent of its workforce, but the region immediately recovered those losses with a banner year in 1988 when it gained 10,300 new jobs. Then*

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*the MSA's employment went straight up for 13 straight years over 1988-00, adding a robust average of 7,500 jobs each time the calendar turned.*

FIGURE 1  
BATON ROUGE MSA WAGE & SALARY EMPLOYMENT



*How quickly and decidedly have things changed. Since 2001, this MSA has really struggled and unfortunately we see little relief on the horizon. The MSA lost 5,400 jobs or 1.8% of its workforce over the 2001-02 period. Employment growth has been so weak since then that by this year the area is only 300 jobs above the old 2000 peak.*

*The problem for Baton Rouge has been its **chemical industry**. We have already pointed out the dominant role played by this sector in the MSA's economy. The chemical sector has been hurt by two factors. Initially, the **national recession** hit sales in the sector very hard. It also weakened considerably the price of chemical products.*

*However, the second factor has been, and remains, the most problematic. **High natural gas prices** have radically raised operating costs for these firms. Several chemical firms in the MSA have announced layoffs or plans to close either temporarily, partially, or completely. A partial list of these announcements in this MSA includes:*

- ***Formosa Plastics** shut down two units and will lay off 89 people.*
- ***ExxonMobil** cut 200 positions at its sites in Baton Rouge.*
- ***DSM Elastomers** shut down its plant in Baton Rouge at a cost of 180 jobs, while **DSM Copolymers** will cut 40 jobs at that location.*
- ***Triad Industries** announced it laid off 84 people.*
- ***Melamine Chemicals** has terminated 76 employees.*
- ***Borden Chemicals** in Geismar cut 100 people.*
- ***PSC Nitrogen** announced it will lay off 64 workers.*
- ***CF Industries** idled its 290-worker plant in March, but indicated that workers would be retained for a period. The firm did reduce its slots at the plant by 38.*
- ***BASF** recently announced it will terminate 500 of its employees.*
- ***Mississippi Chemical** is closing the bulk of its two fertilizer and plastics manufacturing plants in Donaldsonville at a cost of 72 jobs.*

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- **Syngenta AG** (formerly Ciba-Geigy) is eliminating 60 jobs at its St. Gabriel facility.
- **Albermarle Corporation** said it will eliminate up to 40 positions in Baton Rouge.

Unfortunately, we see no relief for area chemical firms on the horizon. ...We do not expect the price of natural gas to fall from its present annual average level of near \$6 per mmbtu. These industries manufacture chemicals that are essentially **commodities**. There is almost no difference in the product produced by Firm A versus Firm B. If Firm A is located in Baton Rouge where gas is selling for \$6 per mmbtu, it will have a very difficult time competing with Firm B in Russia where gas goes for \$0.80 per mmbtu.

Problems in the chemical sector have spilled over into closely related firms, especially industrial contractors. For example, one of Baton Rouge's largest industrial contractors—**Turner Industries**—is down about 30% from its previous peak. Another firm, which is a large consumer of natural gas, has also had to adjust its workforce in response to higher energy prices. **Georgia Pacific** recently announced the elimination of 52 slots at its 1,150-person paper plant.

[Figure 1] contains LEM's forecast for the Baton Rouge MSA for 2005-06... **LEM is projecting that employment in the Baton Rouge MSA will rise by only 3,500 jobs over the next two years.** That is an average of only 0.6% a year. Only the Monroe MSA is expected to have a weaker performance among the State's MSAs.

The culprit behind this performance will be a continued weakening in the **chemical** sector. ...We are expecting this sector to lose another 1,700 jobs over the next two years statewide. About 600 of those losses are expected to occur in the Baton Rouge MSA. We also expect the construction sector's growth to be inhibited by a **weak industrial construction** component.

Given the comments in the last paragraph, why are we expecting any job growth at all over 2005-06? The answer is that the losses in chemicals and industrial construction will be offset by some other positive news in the economy. For example:

- **Direct General Corporation**, a call center, has secured a \$1.8 million grant from the State to expand its operations in Baton Rouge from 429 to nearly 2,000 employees.
- Ground will be broken this year on a \$45 million high-rise condominium called **River Place**.
- **State Farm** is consolidating 75-100 claims workers from around the State into Baton Rouge.
- Work is about to begin on the \$50 million renovation of the old **Capitol House Hotel** in Downtown Baton Rouge.
- **Air Products** will spend \$60 million on a hydrogen plant in Convent.
- **Amitech USA's** polymer concrete pipe producing facility is expected to add 100 jobs this year.
- Two new State office buildings are under construction in downtown Baton Rouge. The \$30 million **D'Iberville Building** will be completed in 2006 as will the \$30 million **Bienville Building**.

The troublesome concern about this list is how much of Baton Rouge's immediate future is dependent on temporary construction jobs. The area will be in desperate need of new, permanent job sources going forward. The recruitment process was being hampered by the looming implementation of reformulated gasoline use and industry fines by the EPA. However, an agreement has been reached between the Chamber, the City of Baton Rouge, and

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*the EPA for a stay order on the RFG issue while negotiations are pending between the three parties. There is also a good possibility that the heavy industry fines may be delayed or avoided under pending orders.*

### **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 functions. 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 (consisting of a City Sub Fund and a Parish Sub Fund) and the Special Funds that require the adoption of annual budgets.

## **ANNUAL OPERATIONS**

### **General Comments**

#### **BUDGET PROCESS**

Excerpts from the *Louisiana Economic Outlook*, which are shown earlier in this message, indicate the prospects for growth in the Baton Rouge economy. The chemical industry continues to struggle as a result of high natural gas prices and foreign competition, and several plants have laid off employees. This affects not only direct chemical employment, but also the huge industrial construction sector that supports these operations. On a positive note, a considerable number of construction projects are expected to begin or continue, and some jobs will be added by other sectors of the economy.

These issues have an impact on sales and use tax collections, which are very significant to the City-Parish government and produce about 52% of General Fund sources. Sales and use tax collections in 2004 reflect a growth rate through August of 1.43%, which is less than the 2% budgeted growth rate for 2004.

The process for the 2005 budget began with instructions to all entities receiving funding from the City-Parish government. Agencies funded through the General Fund budget were directed to submit "base" operating budget requests that met a target amount determined by the Finance Department's Budgeting Division. This target provided for a standstill budget with additions for normal merit and longevity raises, increases in retirement costs, and capital expenditures for the Police Department, Fire Department, and the Department of Public Works. Requests in excess of this amount were to be submitted as supplemental requests. Nearly \$23,000,000 in supplemental requests were received. As a result of very modest revenue growth and the increasing cost of compensation and retirement contributions, we were not able to fund requests increasing operational costs.

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Generally, special funds have their own dedicated funding sources such as taxes, grants, etc. Therefore, the amount of their budget request is limited by the level of funding generated by these sources, and in some cases, have domino effects that increase the cost on General Fund accounts.

### INDEPENDENT REVENUE ESTIMATE REVIEW

Dr. James A. Richardson, John Rhea Alumni Professor of Economics at Louisiana State University, and Dr. Loren C. Scott, Professor Emeritus in the Department of Economics at Louisiana State University, were asked to comment on their prediction of sales and use tax revenue growth in East Baton Rouge Parish for 2005. The economists indicated the following:

*“The Baton Rouge economy continues to undergo a pause in its long-term growth environment. During the 1990s, the Baton Rouge economy was the fastest growing metropolitan region in the state, a 36.5 percent growth in employment compared to a statewide growth rate of 17.2 percent. From 2000 to the estimated employment for 2004, Baton Rouge has maintained its employment at approximately 308,000 persons. The state of Louisiana has actually lost about 7,000 jobs during this time period.*

*Despite no employment growth for the metropolitan area during the last four years, Baton Rouge’s sales tax collections declined only in 2001 relative to the previous year. In 2002, City-Parish sales tax collections grew by 3.53 percent and; in 2003 sales tax collections grew by 3.08 percent; and, for the first six months of 2004, sales tax collections have grown by about 0.45 percent. The sales tax growth in 2004 is now projected to grow at 0.73 percent. The question is how do we expect the Baton Rouge economy to perform for calendar 2005 and how do we project sales tax collections to relate to the economic activity.*

*The Baton Rouge economy will benefit from a growing national economy, an improving exchange rate for US exports, ongoing activities in developing downtown Baton Rouge with construction on two new state buildings, the expansion of the Riverside Centroplex, the development of the Shaw Performing Arts Center, other projects in downtown Baton Rouge, and construction projects at the major universities and research centers. However, the downturn in the petrochemical industry is a major problem for Baton Rouge because of the significance of that industry in the Baton Rouge metropolitan area. The petrochemical industry is especially significant because of the large multiplier effects associated with this activity. We do not see any relief for the petrochemical industry over the next 12 to 24 months. Natural gas prices will remain at the \$6 per thousand cubic feet range.*

*In addition, it is estimated that state government will have about a \$500 to \$600 million budget gap to solve next spring. Any major reduction in state programs will have an impact on the Baton Rouge economy.*

*Based on these inputs we are projecting a modest recovery in Baton Rouge over the next two years. Specifically, we are projecting employment to grow by 500 jobs in 2005 and 700 jobs in*

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*2006. These are very modest growth projections, especially compared to the job growth in the 1990s of over 7,000 new jobs per year.*

*Sales tax collections grew by over 5 percent a year from 1993 through 1999. Sales tax collections have grown by about 1.6 percent a year from the year 2000 through mid 2004.*

*Based on the modest employment projections for 2005 and 2006, the continued downturn in the chemical industry in the Baton Rouge area, and the history of the sales tax collections, we believe it would be prudent to incorporate a sales tax projection of 0.5 to 1.5 percent in the 2005 budget for the City-Parish.*

*The Baton Rouge economy has long been a leader in economic growth around the State. The local economy is now in transition. The petrochemical industry will continue to be a major contributor to the economic vitality of Baton Rouge, but we have to put additional emphasis on other engines of economic development. The Baton Rouge metropolitan area has an array of assets that should allow it to enjoy economic development and growth over the long-term.”*

Based upon the advice of these experts, the proposed budget assumes a 1% growth rate for sales and use tax revenues in 2005.

### **PAY RAISES FOR EMPLOYEES**

In 2003, we contracted with MGT of America to conduct a comprehensive pay and classification study. The purpose of the study was to achieve internal equity and to move towards a salary structure that approaches relevant market conditions. In April of 2004, a partial implementation of the MGT salary structure was implemented. Due to funding limitations, the recommended pay plans were 97% of the amounts proposed by MGT. With the exception of a few employees whose salaries were already at or above the current market, all employees received a minimum increase of \$500.

Our study of the MGT recommendations for employee benefits will continue. We have identified many areas that require considerable financial and legal research, as well as employee discussions. These include potential changes in longevity and merit pay and funding higher salaries, with reduced benefits for items including sick leave, vacation leave, severance pay, and retirement. These issues will continue to be studied and comments will be solicited from employees. It is my firm belief that the City-Parish must redefine a “new employee” during this phase of the MGT study implementation. While this process will not result in short-term savings, this will provide a long-term improvement to our human resources system.

### **EMPLOYEE BENEFITS**

#### ***Retirement Contributions***

The 2005 employer’s contribution rate to the City-Parish Employees’ Retirement System was certified at 16.50% by the system’s Board of Trustees. This represents a 2% increase over the 2004 employer contribution rate. While the 2004 actuarial report indicates that an employer rate of 20.14% would be adequate to fund the system, current economic conditions do not permit that level of funding. In this budget, we continue the longstanding practice of moving towards the fully funded rate, which may increase or decrease over time as actuarial assumptions and experience factors change. The employee contribution rate will also increase from 8.8% to 9.5% in 2005. The actuary indicated that this change would reduce the employer rate from 20.14% to 19.44%.

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The transfer of law enforcement personnel to the Municipal Police Employees' Retirement System (MPERS) shifted the responsibility for payment of their pension to that system. However, the City of Baton Rouge is required to make employer contributions. Effective July 1, 2004, the employer contribution rate to that system increased from 18.25% to 21.5%. However, during the preparation of the 2004 budget, MPERS notified us that the rate would be 15.25%. This change from 15.25% to 21.5% will cost the General Fund an additional \$1,795,000 in 2005.

***Post-Employment Benefits***

The rate for post-employment benefits in 2005 will be 6.59%, which is up from 6.03% in 2004. Additional work is needed in this area to further define those non-City-Parish employees eligible for participation in post-employment benefits.

**All Fund Summary**

The proposed budget for the year 2005 for all funds, exclusive of operating transfers between funds, totals \$563,242,910. This is an increase of 3.99% or \$21,598,460 from the year 2004. The chart below and the graph in Figure 2 that follows depict the total annual operating budget by fund type for 2005. Major changes in proposed funding are also discussed.

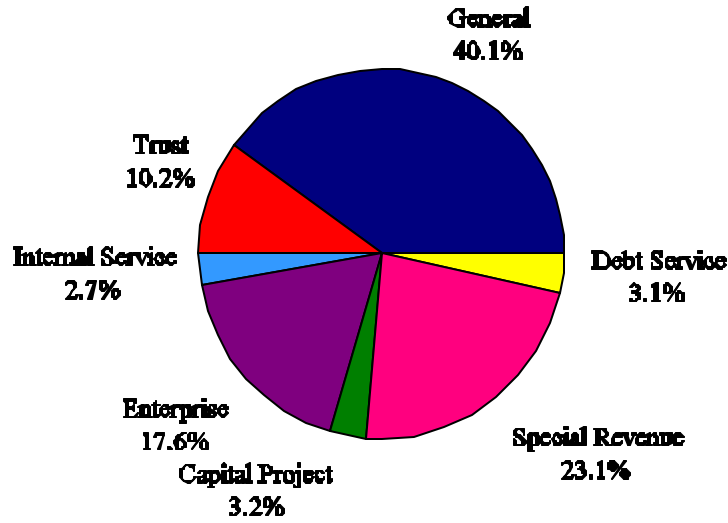
**APPROPRIATIONS - ALL FUNDS  
2005 COMPARED TO 2004**

<b><u>Fund Type</u></b>	<b>2004</b>	<b>2005</b>	<b>2005 BUDGET OVER</b>	
	<b><u>BUDGET</u></b>	<b><u>BUDGET</u></b>	<b><u>(UNDER) 2004</u></b>	
	<b><u>Amount</u></b>	<b><u>Amount</u></b>	<b><u>Amount</u></b>	<b><u>Percent</u></b>
General	\$223,558,870	\$227,879,130	\$4,320,260	1.93%
Special Revenue	119,181,950	131,452,170	12,270,220	10.30%
Debt Service	22,976,760	23,050,740	73,980	0.32%
Capital Project	36,019,740	35,017,960	(1,001,780)	-2.78%
Enterprise	100,706,470	104,480,260	3,773,790	3.75%
Internal Service	13,668,930	15,149,590	1,480,660	10.83%
Pension Trust	<u>56,039,440</u>	<u>57,448,810</u>	<u>1,409,370</u>	<u>2.51%</u>
Subtotal	572,152,160	594,478,660	22,326,500	3.90%
Less: Transfers Between				
Funds	<u>(30,507,710)</u>	<u>(31,235,750)</u>	<u>(728,040)</u>	<u>2.39%</u>
<b>GRAND TOTAL</b>	<b><u>\$541,644,450</u></b>	<b><u>\$563,242,910</u></b>	<b><u>\$21,598,460</u></b>	<b><u>3.99%</u></b>

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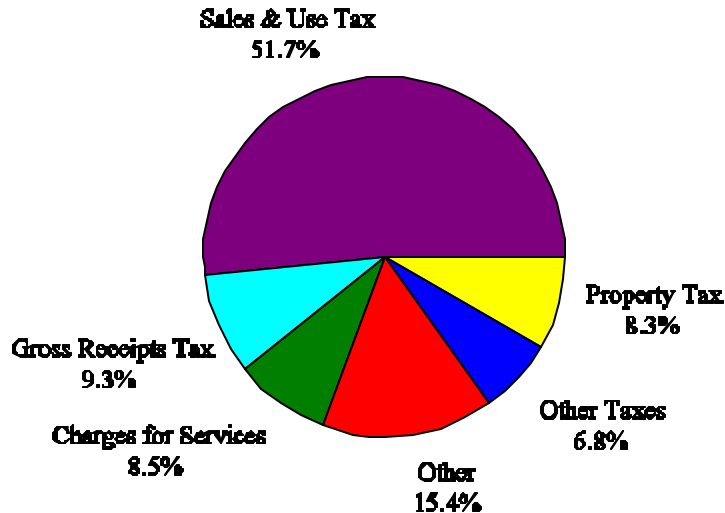
**FIGURE 2**  
**TOTAL ANNUAL APPROPRIATIONS BY FUND TYPE**  
 (Excluding Transfers Between Funds)  
 \$563,242,910



**General Fund**

As shown in Figure 2, the General Fund makes up 40.1% of the total City-Parish budget for the year 2005. 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 3, include the sales and use tax, gross receipts tax, and property tax.

**FIGURE 3**  
**GENERAL FUND FUNDING SOURCES**  
 \$227,879,130

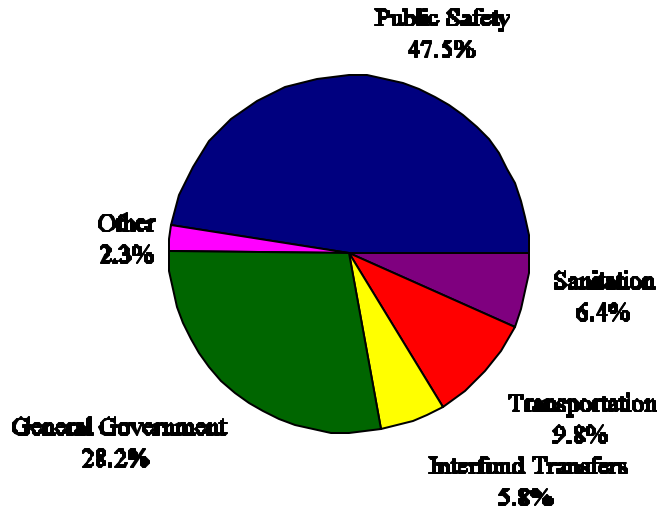


Total appropriations for the General Fund Annual Operating Budget increased by \$4,320,260 or 1.93%, compared to the 2004 budget. Our commitment to public safety continues as shown in Figure 4 with nearly 48%, or \$108,291,850 of the

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2005 budget proposed for that function. In addition to this amount, \$1,500,000 is provided for capital needs in the Police and Fire Departments, of which \$283,000 is included in the General Fund due to capitalization restrictions.

**FIGURE 4  
GENERAL FUND APPROPRIATIONS  
BY MAJOR FUNCTION  
\$227,879,130**



As mentioned previously, all departments were asked to submit a “base budget” at essentially the same level as the 2004 original budget, with additions for increases in merit and longevity pay, retirement costs, and capital expenditures as itemized below. The source of funds for the capital expenditures is surplus generated from the previous year.

<u>Department/Program</u>		<u>Department Total</u>
<b>FROM FUND BALANCE - UNDESIGNATED:</b>		
Police:		
Vehicles		\$1,000,000
Fire:		
Fire Fighting Equipment	\$ 144,500	
Vehicles	180,000	
Computers and Software	71,200	
Other Capital Needs	<u>104,300</u>	500,000
Public Works:		
Building Improvements	1,250,000	
Various Street Projects	326,700	
Capital Outlay	<u>173,300</u>	<u>1,750,000</u>
<b>TOTAL FROM FUND BALANCE UNDESIGNATED</b>		<b><u><u>\$3,250,000</u></u></b>

## **Special Funds**

Approximately 40.1% of spending authorized in this budget relates to the budgets for general operations, or the General Fund. The remaining 59.9% pertains to smaller budgets for special operations or activities. The most common reason for having separate budgets for these activities is that revenues supporting them are legally dedicated to a specific purpose.

### **SPECIAL REVENUE FUNDS**

The 2005 budgets for Special Revenue Funds increased by \$12,270,220 or 10.3% from the 2004 funding level of \$119,181,950. This is primarily the result of an increase in funding for capital improvements within the library system and the City's receipt of the Urban Area Security Initiative Grant, which is discussed later in the message. The Parish Transportation Fund increased by \$135,000 to provide for capital matching funds for the Capital Area Transit System.

### **DEBT SERVICE FUNDS**

Debt service requirements for 2005 increased by \$73,980 as compared to the prior year. This is the result of annual fluctuations in structured payments on bonds sold in prior years. For more information on our debt practices, please refer to the "Debt Management" section of this budget.

### **CAPITAL PROJECT FUNDS**

The *Annual Operating Budget* includes capital projects that are funded on a pay-as-you-go basis, other than those financed through Enterprise Funds. Capital improvements funding for the library system will increase by \$2.32 million for a total allocation of \$15.3 million in 2005, of which \$14.2 million is dedicated for the new main Library.

#### ***General Capital Expenditure Fund***

The 2005 budget continues our investment in infrastructure improvements and capital equipment with an appropriation of \$1,594,120 funded from our General Fund surplus. This includes \$1,000,000 for the replacement of 50 police vehicles; \$326,700 for miscellaneous street and road improvements; \$30,000 for computer hardware and a plotter for the Department of Public Works; \$217,000 for the replacement of ten vehicles, fire fighting equipment, and other capital needs for the Fire Department; and \$20,420 for computer hardware and furnishings for City Court.

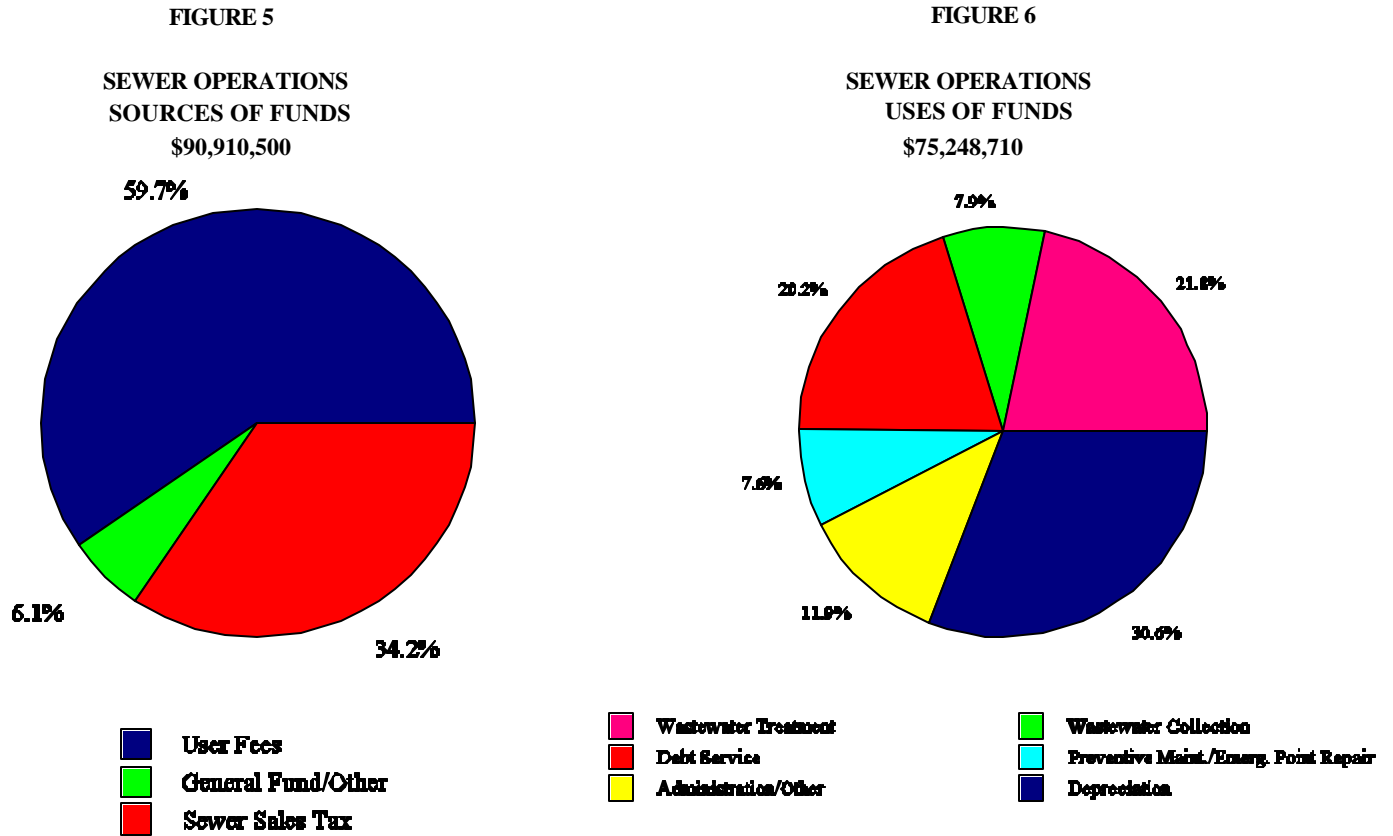
### **ENTERPRISE FUNDS**

#### ***Comprehensive Sewerage System Fund***

The Comprehensive Sewerage System Fund is the largest of the Special Funds. Operations of the sewer system are funded from four main revenue sources. These include a one-half percent sales and use tax, sewer user fees, sewer impact fees, and a \$4 million subsidy from the General Fund supported by gaming revenues. These financial resources provide for the operation and maintenance of the parish-wide system, which includes three major treatment plants and over 2,000 miles of sewer lines.

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Total financial resources for the sewer system operating budget and the uses of these funds are illustrated in Figures 5 and 6. The General Fund/Other category includes the General Fund subsidy, interest earnings, and other miscellaneous fees. Any excess sources are transferred to the Sewer Capital Improvements Program.



## CAPITAL IMPROVEMENTS

We are in the process of completing or implementing a number of major capital improvements in our parish, with some very significant projects beginning this fiscal year. Details of these items can be found in the section of the budget titled “Capital Improvement Programs.” However, I would like to provide an update on some of these major projects or programs.

### **SEWER CAPITAL IMPROVEMENT PROGRAM**

The City-Parish entered into a new consent decree with the United States Environmental Protection Agency (EPA) and the Louisiana Department of Environmental Quality (DEQ) relative to wastewater improvements in East Baton Rouge Parish on March 14, 2002. This new consent decree replaced the original consent decree that East Baton Rouge Parish operated under since 1988. The new consent decree requires the City-Parish to make various wastewater treatment plant and sanitary sewer infrastructure improvements in order to reduce sanitary sewer overflows in the sewer collection system and meet wastewater discharge permit requirements under wet weather conditions. This consent decree also prevented the EPA from imposing potential penalties of \$43 million on the City-Parish and allows until December 31, 2014, for completion of the Sewer Capital Improvements Program. Additionally, the execution of this consent decree by all parties avoided a protracted and expensive lawsuit.

### *Program Description*

The objective of the Sanitary Sewer Improvement Program, and in particular the Sanitary Sewer Overflow (SSO) Corrective Action Plan, is to identify the most cost-effective methods of controlling overflows in the sewer collection system, while providing continuous service to all existing customers and potential future customers. Once implemented, this program will provide the City-Parish with the ability to protect public health through the control of sanitary sewer overflows, improve customer service, provide capacity for future growth, and implement a long-term maintenance program to protect existing and future capital investments. Goals of this program include:

- Protecting the public health through the control of sanitary sewer overflows, back-ups, and stoppages, thereby keeping sewage out of homes, yards, streets, and drainage ditches.
- Reducing potential claims against the City-Parish resulting from sewer backups, overflows, and stoppages.
- Insuring compliance with national, state, and local requirements including EPA Region Six and Louisiana DEQ policies.
- Developing and maintaining a comprehensive computerized hydraulic sewer model of the sanitary sewer gravity collection system and the pressurized sewer transmission system for the purpose of assessing the capacity of the system and evaluating corrective actions and future capacity requirements.
- Reducing peak wet-weather flow factors in a cost-effective manner through the development of inspection procedures and design criteria for sewer rehabilitation, relief sewers, and new sewer construction.
- Developing and implementing procedures for inspecting and ranking sewers in need of rehabilitation.
- Determining the cost effectiveness of current and future sewer and manhole rehabilitation projects through the collection of pre-rehabilitation and post-rehabilitation flow data.
- Resolving dry- and wet-weather flow issues in order to provide sewer and wastewater treatment capacity for future growth.

A comprehensive financing model has been developed and is being utilized by the Finance Department to manage the Sanitary Sewer Improvement Program. The first annual 4% sewer user fee increase went into effect on January 1, 2004. Annual 4% sewer user fee increases will continue to be levied throughout the life of this program. In order to mitigate additional increases in the sewer user fee, the City-Parish will continue to seek low interest loans and federal and state grants to reduce program costs.

This program will have a cost in excess of \$600 million by its scheduled completion date of December 31, 2014. It will be a major stimulant to our economy and produce numerous jobs in the construction industry and businesses supportive of this industry.

This budget will fund the following programs:

- Operations and Maintenance - The *2005 Annual Operating Budget* will provide \$3,696,000 for the preventive maintenance program. Of this amount, \$1,296,000 will be dedicated for repair and maintenance of treatment plant and pump station equipment, and \$400,000 will be used for the wet well maintenance program.
- Sewer Rehabilitation - The on-going program to rehabilitate existing sewer infrastructure in selected areas will continue. Emphasis has been placed on the inspection of sewers to determine priorities of needs, concentrating on structural rehabilitation, and the establishment of a cycle of inspection and renewal/replacement. The budget provides \$3,000,000 to fund this program and \$1,000,000 for parishwide point repair projects.

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

- Emergency Sewer Point Repair Program - The 2005 budget appropriates \$2,000,000 to continue this high priority sewer repair program.
- Parishwide Homeowners Pump Installation Program - In order to mitigate sewer backups in homes that have experienced problems, the City-Parish has been installing individual homeowner pumps to prevent sewer backups in problem areas around the Parish. Funding in the amount of \$800,000 has been provided for this project.
- Capital Improvements - The major thrust of the consent decree requires the City-Parish to upgrade its sewerage system to avoid or reduce sanitary sewer overflows in wet weather events and to insure compliance with the Clean Water Act. The City-Parish has determined that the most cost-effective method to accomplish this goal is not only to properly operate and maintain the current sewerage system for maximum efficiency, but also to either upgrade or construct additional conveyance, treatment, or holding facilities where system deficiencies occur. Some 16 projects will be under design and 15 projects will be under construction in 2005. Major projects under design are the South and Central tunnels and tunnel pump stations. Construction of relief sewers and pump station upgrades will occur in the Lake Sherwood Acres and Industriplex areas, and annual sewer rehabilitation projects that are required by the consent decree will continue. The total cost for the design and construction of these 2005 projects will be approximately \$38 million.

### ONE-HALF PERCENT ROAD AND STREET IMPROVEMENT PROGRAM

An election was held on November 17, 2001, in which our citizens approved the renewal and continuation of the one-half percent road and street improvement tax that has been in effect since 1990. The tax was extended for five and one-half years beginning July 1, 2002, with 40% dedicated for street rehabilitation and 60% dedicated for street construction.

The rehabilitation portion of the tax will generate an estimated \$65,500,000, which will allow for the rehabilitation of approximately 275 miles of streets and roads. Since the inception of the program, approximately 1,450 miles or 85% of the parish's street and road system have been rehabilitated.

The construction portion of the tax renewal will generate an estimated \$98,250,000 and will provide funds for the remaining projects originally approved in the 1997 tax election and will also provide the funding source for the design and construction of seven new street improvement projects. The projects and their estimated costs are as follows:

<u>Street</u>	<u>Location</u>	<u>Cost</u>
Completion of 1997-2001 Program		\$21,400,000
George O'Neal Road	Jones Creek Road to O'Neal Lane	6,250,000
O'Neal Lane	George O'Neal Road to South Harrell's Ferry Road	13,950,000
Comite Drive	Plank Road to Comite River	17,550,000
Lobdell Avenue	Jefferson Highway to Goodwood Boulevard	3,100,000
South Harrell's Ferry Road	South Sherwood Forest Boulevard to Millerville Road	22,500,000
Picardy Avenue	Essen Lane to Bluebonnet Boulevard	4,000,000
South Choctaw Drive	North Flannery Road to Central Thruway	<u>9,500,000</u>
<b>TOTAL PROJECT COSTS</b>		<b><u>\$98,250,000</u></b>

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

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Under the first five-year 1997-2001 Road and Street Improvement Program, the following streets were completed:

- Bluebonnet Road Realignment I-10 to Airline Highway
- Nicholson Drive Realignment Skip Bertman Drive to Burbank Drive
- South Choctaw Drive Improvement Monterrey Drive to Dumont Drive
- Stumberg Lane Improvement Jefferson Highway to Coursey Boulevard
- McClelland Drive Improvement Evangeline Street to Airline Highway

Additionally, we anticipate that the following projects under this initial program will be under construction or completed in 2005:

- Blount Road Improvement Scenic Highway to Plank Road
- I-10 Frontage Road Bluebonnet Boulevard to Siegen Lane
- North Boulevard Overpass Improvement 10<sup>th</sup> Street to 19<sup>th</sup> Street
- Central Thruway Clearing and Embankment Florida Boulevard to Sullivan Road

Under the 2002-2007 Road and Street Improvement Program, construction began in 2004 on the following streets and will be completed in 2005:

- George O'Neal Road Jones Creek Road to O'Neal Lane
- Lobdell Avenue Jefferson Highway to Goodwood Boulevard

Additionally, we anticipate that the following projects will be under construction in 2005:

- O'Neal Lane George O'Neal Road to South Harrell's Ferry Road
- Picardy Avenue Essen Lane to Bluebonnet Boulevard
- South Choctaw Drive North Flannery Road to Central Thruway

Also, under the 2002-2007 Road and Street Improvement Program, right-of-way acquisition started in 2004 and will be completed in 2005 for the following projects:

- Comite Drive Plank Road to Comite River
- South Harrell's Ferry Road South Sherwood Forest Boulevard to Millerville Road

### *Other Street Improvements*

In addition to the one-half percent Road and Street Improvement Program, the following major street or intersection improvements will be completed or under construction in 2005. These projects are funded by the use of gaming funds solely or by a combination of gaming monies with matching state and federal funds:

- Groom Road Improvements (Old Scenic Highway to LA 19)
- Millerville Road (I-12 to Old Hammond Highway)
- Old Jefferson Highway (LA 73) Intersection Improvement at Barringer-Foreman Road
- Airline Highway Intersection Improvement at Barringer-Foreman Road

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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- West Mount Pleasant-Zachary Road Intersection Improvement at U.S. 61
- Comite Drive Bridge Replacement at Comite River Crossing
- Flannery Road at Florida Boulevard Intersection Improvement
- South Sherwood Forest Boulevard at I-12 Intersection Improvement
- Highland Road at Staring Lane Intersection Improvement
- Highland Road at Bluebonnet Boulevard Intersection Improvement
- Coursey Boulevard at South Park/Royal Ascot Intersection Improvement
- State Street at Highland Road Intersection Improvement
- Joor Road at Gurney Road Intersection Improvement

Although the following transportation improvements are not directly funded by the City-Parish, it is important to note that they will be under construction or completed in 2005:

- Essen Lane/I-12 East Bound On-Ramp Connection
- Old Scenic Highway Improvement (U.S. 61 to LA 64)
- Old Scenic Highway Improvement (LA 64 to Parish Line)
- Joor Road Improvement (Mickens Road to Hooper Road)
- Old Hammond Highway Improvement (Airline Highway to Boulevard de Province)
- Airline Highway/Siegen Lane Continuous Flow Intersection

### **BATON ROUGE RIVER CENTER EXPANSION AND RIVER ROAD REALIGNMENT**

Phase I improvements to the Baton Rouge River Center and River Road are currently under construction and are nearing completion. The River Road realignment will make the area much more pedestrian-friendly and also provide additional space for the expansion. The improvements to the Baton Rouge River Center encompass over 160,000 square feet by adding approximately 70,000 square feet of exhibition space to the current facility (which presently has 60,000 square feet of exhibition space), 12,000 square feet of adjacent meeting rooms, a grand reception area and connecting galleria space, as well as renovation and expansion of the existing kitchen and extensive service areas and truck docks. The Phase I expansion will be operational in December of 2004.

Phase II is now underway and includes refurbishing the exterior of the older buildings, re-lighting the plaza areas, establishing a connection to downtown, converting the old 30,000-square-foot exhibit hall into a hotel-quality ballroom, adding a new 26,000-square-foot gallery and pre-function space with a new east entrance, and refurbishing 100,000 square feet of existing arena space. The Phase II work will be accomplished in a series of sub-phases which will be completed over the next two years depending on the availability of state and local funds.

The State of Louisiana has proposed \$30,400,000 in state capital outlay funds for these projects. Of this amount, \$28,500,000 is allocated for the Baton Rouge River Center expansion and \$1,900,000 is available for the realignment of River Road. The City-Parish has funding in the amount of \$21,165,000 from a dedicated local occupancy tax, state-shared hotel/motel taxes, and bond proceeds supported by dedicated taxes available for these projects. This will support an expansion to the Baton Rouge River Center in the amount of \$42,330,000, with the City-Parish and state paying 50% each as provided under the current cost-sharing arrangement. To tap the remaining state funds, an additional \$7,335,000 in local match would be required.

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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The City-Parish requested that total funding for the Baton Rouge River Center and parking facilities in the vicinity of the Baton Rouge River Center be increased to \$65,783,660. If this request is approved by the state, the City-Parish will be required to contribute an additional \$3,441,830 as the local share under a revised cost-sharing agreement should we choose to take advantage of all of the increased funding. This would bring the total state funding for the project up to \$33,841,830, increase the local share to \$31,941,830, and require the issuance of debt or provision of funding from other sources by the City-Parish.

### **LOUISIANA ART AND SCIENCE MUSEUM**

#### ***Planetarium/Space Theater***

Construction of a two-story, 18,000-square-foot, state-of-the-art world-class planetarium and space theater was completed in May 2003. It is located adjacent to the existing Louisiana Art and Science Museum (LASM) on the Mississippi riverfront. This new 150-seat facility is preeminent among demonstration-type classrooms throughout the world and is presently the only major planetarium in the State of Louisiana. The planetarium's space theater projects a realistic presentation of more than 15,000 stars as seen from planet Earth. Additionally, the space theater features large-format films, many using IMAX technology. Funding for the project in the amount of \$9.76 million was provided by the State of Louisiana and the City-Parish. A grant from the Pennington Foundation will help keep admission fees affordable for families and school groups.

#### ***Train Exhibit Renovation/Plaza Improvements***

An architect is currently under contract to develop plans and specifications to improve the appearance of the train exhibit and plaza area located on the north side of the LASM Building. Construction on this improvement began in 2004. Under this project, some of the existing railroad passenger cars will be refurbished, some will be removed from the site, and the locomotive coal tender will be painted. The plan proposes a protective pavilion for the train and for visiting families, school groups, and tourists to congregate, relax in the shade, or enjoy a picnic. Attractive landscaping and permanent benches and tables will also be provided. There will also be a small concession area and an attractive wrought-iron fence installed along the existing Illinois Central/Canadian National railroad tracks. The total site area is approximately 33,000 square feet. State capital outlay funding in the amount of \$500,000 is available for this project, and \$200,000 was provided in the 2003 budget from gaming monies.

### **COMITE RIVER DIVERSION CANAL**

On July 15, 2000, voters in East Baton Rouge Parish, Livingston Parish, and Ascension Parish approved a three-mill, ten-year property tax that provided part of the local match for the Comite River flood control project. The project involves the construction of a 250-foot-wide diversion canal that will be approximately 12 miles long, running between the Comite River and Mississippi River. It is being designed and managed by the U. S. Army Corps of Engineers and is estimated to cost \$153 million. The local property tax is expected to generate \$6 million over ten years. The federal government will contribute \$107.1 million, and the state will provide the remaining part of the local match, or \$39.9 million. In addition, East Baton Rouge Parish has agreed to contribute to the maintenance of the canal once it is built. The estimated annual maintenance cost is \$493,000.

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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The Project Cooperative Agreement among federal, state, and local governments was signed on September 27, 2001. Right-of-way acquisitions and engineering design on several phases of the project is currently underway. The first phase, the Lilly Bayou Control Structure was completed mid-year 2004, and construction of the second phase of the control structure began in November of 2004 at a cost of \$27,600,000.

The proposed project, when completed, will greatly reduce flooding along parts of the Comite and Amite Rivers and waterways that empty into them. This will be of great benefit to thousands of property owners in East Baton Rouge Parish who are impacted by flood waters, as well as to many in Livingston Parish and Ascension Parish. The Comite River Diversion Canal Project is expected to be completed in 2010.

### **PARKING FACILITIES**

With the resurgence of downtown, the number of surface lots has diminished and the need for parking has steadily increased. The recent opening of the Louisiana Art and Science Museum Planetarium/Space Theater and completion of construction of Phase I on the Baton Rouge River Center in 2004 will increase demand for additional parking facilities.

The City-Parish entered into a cooperative endeavor agreement with the State of Louisiana to construct a 468-space parking facility to address the private sector needs within the Central Business District and the public sector needs adjacent to the Baton Rouge River Center and new Shaw Center for the Arts. Under the agreement, the City-Parish will contribute \$2.5 million for construction of the state-owned and operated facility and is entitled to monies generated from parking revenues on a portion of the spaces, which can be applied to the City-Parish's share of operating expenses and debt service on funds borrowed for the project. The garage will be constructed on state-owned land at the corner of Third and Convention streets. A General Fund subsidy in the amount of \$252,730 is provided for the debt on this new facility, as well as for some renovations to our existing parking garages. The new garage will be completed in the first half of 2005.

In addition, the City received a HUD grant for a financial feasibility study for the construction of a new garage in the Baton Rouge River Center area. The study will be completed by the fourth quarter of 2004. It is anticipated that the proposed garage will have approximately 1,000 parking spaces and also retail components. The garage may also serve as additional parking for the Central Business District should the trolley service hours be extended beyond their current operations.

### **MEDICAL FORENSIC FACILITY**

Construction of a Medical Forensic Facility was completed in 2004 at a cost of approximately \$1.5 million. The project consisted of the construction of a 5,600-square-foot administration building and a 1,800-square-foot forensic building. The facility is located behind the Advanced Traffic Management and Emergency Operations Center. This new state-of-the-art facility will allow the Coroner's Office to perform and administer its duties more efficiently and will provide for better security. It will accommodate 12 bodies.

### **FIRE/EMERGENCY MEDICAL SERVICES (EMS) STATION**

Funding in the amount of \$850,000 was approved in the 2003 budget to rebuild Fire Station #3 located on Evangeline Street. This station will also include an adjacent building for an EMS Station. The EMS Station was funded through a supplemental appropriation of \$375,000 from fund balance dedicated to Emergency Medical Services and \$200,000 from the General Fund. The total cost for the new joint station is \$1,425,000. Architectural work for the facility began in 2003

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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and demolition and construction began in 2004, with an estimated completion date of mid-year 2005. The new station will be manned by existing personnel from both the Fire and EMS Departments. The operating costs associated with this facility will be borne by the budgets of the departments housed there.

### **WORK RELEASE FACILITY**

East Baton Rouge Parish courts deal with approximately 26,000 criminal cases each year, of which 5,000 are felonies and 21,000 are misdemeanors. Many individuals charged with DWI, shoplifting, non-support, spousal abuse, writing bad checks, contempt of court, and other misdemeanors do not visit prison in any capacity. Many criminals graduate from misdemeanors to felonies. In an effort to break this cycle, the City-Parish and Sheriff's Office completed construction on a 96-bed work release building near the existing Parish Prison. Prisoners will spend nights and weekends at the facility, but will be allowed to leave to maintain their jobs. They will be required to pay for costs associated with the facility including lodging, meals, security, medical needs, utilities, and the rental of land.

Construction on the \$808,000 project began in June of 2003 and was completed in January of 2004. Funding in the amount of \$750,000 was provided by a federal grant approved by the Louisiana Department of Corrections, and additional monies needed for construction and equipment were funded by the Sheriff's Office. Minimum security will be provided by the Sheriff's Office, as will programs aimed at eliminating various addictions. Meals and medical needs will be supplied by the Parish Prison.

The program has been endorsed by the Mayor's Prison Committee and judges of the Nineteenth Judicial District Court, Baton Rouge City Court, East Baton Rouge Juvenile Court, and East Baton Rouge Family Court.

### **BICYCLE PATHS**

Bicycle paths along our scenic waterways have been a vision for many of our residents. The City-Parish entered into a contract with the U. S. Army Corps of Engineers and the Louisiana Department of Transportation and Development (DOTD) to develop construction plans for approximately four miles of bicycle/pedestrian transportation to be built on top of the East Baton Rouge Parish Mississippi River levee. The path will be 15 feet in width, with ten feet for bicycles and five feet for pedestrian travel. The first phase of the path will run from the Baton Rouge downtown casino area for approximately two miles to Skip Bertman Drive. The second phase will run from Skip Bertman Drive to Farr Park. Construction for the first phase began in 2004 and will be completed in 2005. The City-Parish will contribute a 5% match for construction plus testing costs from the Department of Public Works' budget. Design of the second phase continues and will be completed in 2005, although construction funds are not currently available.

A second project involves a bicycle path along Dalrymple Drive and an upgrade to the existing path along the banks of University Lakes. This project is currently under design. The Louisiana DOTD has approved \$328,000 for this project, and the City-Parish will contribute a 5% match for construction plus testing costs from the Department of Public Works' budget. Construction will be phased due to funding constraints. However, the first phase is expected to be under construction in late 2005.

## **DEBT MANAGEMENT**

Our government has invested considerable effort into maintaining a working relationship with rating agencies and bond insurance companies over the past several years. This allows us to keep them informed concerning issues that affect our bond ratings and bond insurance premiums. Rating agencies have cited strong financial management and the willingness to take prompt corrective budgetary action when necessary as positive attributes of our government. As a result, the City-Parish enjoys favorable bond ratings such as those on the 2% general sales tax revenue bonds from Moody's Investors Service (A1), Standard and Poor's (AA-), and Fitch Investors (AA-). These ratings result in very reasonable interest rates on debt.

On October 28, 2004, the Parish of East Baton Rouge issued \$24,865,000 of Public Improvement Sales Tax Revenue Refunding Bonds. This transaction resulted in over \$1.3 million in net present value savings on debt service over the term of the bonds. The sewer capital improvement program will receive the benefits of this transaction.

Application has been made to the Louisiana Department of Environmental Quality for a loan from the state revolving loan fund for sewer improvements. They have indicated that \$25 million will be available at an interest rate of 3.95% for the first loan, which should be completed in 2004. Subsequent loans of \$15 million per year, at an interest rate to be determined by market conditions, may be available depending on the availability of grant funds from the federal government. Additional bond issuances through 2012 will be needed to provide funds for the Sanitary Sewer Overflow program. These obligations will be supported by sewer user fee revenues and sales taxes dedicated for sewer improvements.

## **DEPARTMENT INITIATIVES**

### **BATON ROUGE POLICE DEPARTMENT**

#### ***CALEA Accreditation***

After achieving its first CALEA accreditation in 1996, the Baton Rouge Police Department achieved its third CALEA accreditation in July of 2004. To achieve this goal, a compliance office was created under the Office of Professional Standards. To complete a successful onsite review, the department worked closely with the City-Parish Office of Employee Training and Development. In 2005, the department and the Accreditation Team will work to maintain re-accreditation status, update all policies and procedures according to CALEA standards, evaluate all general orders and intra-divisional procedures, and distribute revised general orders.

#### ***Grant Development***

The Police Department was successful in obtaining grant funding in 2004 for a variety of purposes. These include the Integrated Criminal Apprehension Project, Drug Abuse Resistance Education, Operation Crossroads, Local Law Enforcement Block Grant, Bulletproof Vest Partnership Grant, and Law Enforcement Terrorism Prevention Program.

The department will continue efforts to identify and secure alternate sources of funding for worthwhile projects. In addition to continuing the programs mentioned above, the department plans to seek funding for projects such as upgrading and

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

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replacing the voice radio system from analog to digital technology and acquiring equipment and training related to Homeland Security and Emergency Preparedness.

### *Community Policing Model District*

In the Fourth District, partnerships have been formed in and with the following neighborhoods: University Place, Brookstown Homeowners, Community Against Drugs and Violence, United Civic Association for Community Improvement, Park Vista, Southern Heights, Crestworth, Mason-Shada, Gibbens Road, and Zion City. Officers assigned to these neighborhoods meet periodically with these groups. In addition, Bike Patrol officers participate in directed patrols, special operations, and self-initiated patrols. Recently, four more officers were bike-certified. The Fourth District officers serve on the Blight Elimination Team and the Crime Prevention Housing Coalition. Through the COMPSTAT process, officers are deployed to problem areas to conduct directed patrols. Efforts are underway to address those repetitive calls for service, which can be reduced by using the Scanning Analysis Response and Assessment problem-solving model.

In 2005, the department will seek funding for community policing training and to equip and train Bike Patrol officers. Training must go beyond police tactics and strategies such as crime fighting and include problem solving and ethics. Increasing the number of bicycles and replacing aging bicycles will provide officers with more flexibility and more interaction with citizens.

### *Computer Operations*

The department's Computer Operations Division is changing all switches and the tape backup system at Headquarters and replacing 125 desktop computers, all mobile laptop computers, and outdated modems to accommodate faster technology. Programmers have also developed a system that allows sharing of information between divisions within the Criminal Investigation Bureau.

In 2005, the division plans to replace an additional 125 desktop computers and upgrade printers for all districts. In addition, it will continue to convert old laptops to newer models and provide updates to mobile laptops through the development of a wireless system.

### *Crime Statistics*

The Uniform Crime Report is the primary function of the Crime Statistics and Research Division. Goals achieved include completing the 2003 Uniform Crime Reports in a timely manner, developing a new internal reporting package that aids in accuracy of the reports, and moving the verification process to a management quality function. In addition, a web site was implemented that provides the latest crime information to the public and enhanced the internal performance tracking system, while maintaining necessary confidentiality for ongoing investigations.

For 2005, the division plans to rebuild certain skills that were lost in the transition of personnel. Training will center on data processing and mapping capabilities. Cross training between analysts will continue and they will be encouraged to utilize the City-Parish Office of Employee Training and Development to increase their skills. Additionally, the unit will continue to move toward the paperless office concept.

***Fleet Management***

During 2004, 70 older vehicles were replaced in order to achieve savings on fuel and repairs. Emergency lighting equipment was installed on 50 new units and a new lighting system was installed on motorcycles to produce more visible light and reduce voltage use. In 2005, older police units will continue to be replaced to cut the cost of repairs and fuel consumption. The department will continue to research and evaluate new products in police equipment.

**BATON ROUGE FIRE DEPARTMENT**

***Suppression***

In 2003, the Baton Rouge Fire Department responded to approximately 21,000 calls throughout the City-Parish.

The process of installing computers in all fire stations was begun, with computers being installed in five fire stations where District Chiefs are housed. The District Chiefs were trained in the use of these computers.

An ongoing firefighter academy began on July 12, 2004, and these recruits will graduate on November 12, 2004. The class consists of 36 prospective firefighters. In addition to training recruits, the Training Department facilitated 266 training classes, had 4,529 employees in attendance, and logged approximately 19,824 hours of training from January 1 through August 2, 2004.

Firefighters facilitated 28 fire station tours with approximately 340 participants in attendance and fire trucks visited 41 different locations throughout the city with approximately 1,070 participants.

***Administration***

Fire Station #3, located at 3142 Evangeline Street, was demolished and ground work for rebuilding has begun. A new fire truck is being acquired for station #15 at 3150 Brightside Lane and should be in service before the end of 2004. The department also purchased eight new automobiles for various divisions within the Fire Department, with an emphasis on response.

Under the Wellness and Fitness Program, treadmills have been placed in all fire stations. Firefighters have logged 6,054 miles and 1,575 hours on these units.

The department has implemented the use of a new digital imaging system. This system allows the storage and retrieval of paper documentation in a more efficient manner. In addition, the system has increased the number of individuals who can access older documentation for various purposes. The system is used by the department's Personnel, Training, Safety, Special Services, Fire Prevention, Accounting, and Hazardous Materials personnel.

***Prevention***

The Fire Department provided over 120 fire education and safety classes during the first seven months of 2004 that reached over 10,950 people. These classes instructed citizens ranging from preschoolers to senior citizens. More than 10,500

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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businesses were also inspected during this same time period to assess their compliance with the local fire code and as a fire prevention effort.

During 2005, the department plans to maintain an ISO Class 1 rating, providing citizens with the best possible fire protection and lowest possible fire insurance rates. Construction will be completed on Fire Station #3, located at 3142 Evangeline Street, and computer systems will be upgraded to include a network of all fire stations, drastically reducing the amount of paperwork and man-hours used to effectively communicate with all employees. The department plans to purchase Air Purifier Respirators for all firefighters with a non-stop capacity, and purchase advanced communication equipment for all firefighters. In addition, the Fire Department plans to enhance the safety of Fire Department employees through the installation of a vehicle exhaust removal system in all fire stations.

### **EMERGENCY MEDICAL SERVICES**

After a two-year process, Emergency Medical Services (EMS) obtained full accreditation status from the Commission on Accreditation of Ambulance Services (CAAS) on September 30, 2004. CAAS is a non-profit organization which was established to encourage and promote high-quality patient care in America's medical transportation system. This is accomplished by establishing national standards that not only address the delivery of patient care, but also the ambulance service's total operation and its relationships with other agencies, the general public, and the medical community. The Commission's standards usually exceed state or local licensing requirements.

The National Association of Emergency Medical Technicians (NAEMT) presented the EMT-Paramedic Emergency Medical Services of the Year Award to East Baton Rouge Parish Emergency Medical Services. This award was given for exemplifying outstanding professionalism and community service. It recognizes America's EMS providers and organizations that demonstrate exceptional leadership within the profession and outstanding commitment to pre-hospital medical care. The award was presented during the 2004 NAEMT Awards Banquet on October 23, 2004, in Atlanta, Georgia. During NAEMT's 29-year history, EMS was the first service in the country to receive this award twice. EMS first won this award in 1995 and was first runner-up for the award in 1994.

EMS continues its commitment to provide the best pre-hospital medical care to the citizens of East Baton Rouge Parish. Many different policies and programs have been developed to increase efficiency and reduce the cost of operations.

EMS streamlined its billing procedures and increased patient privacy security with the addition of a document imaging system last year. This sophisticated system allows the large amount of paperwork that is generated by the department to be secured and routed much faster to personnel, which decreases processing time and improves accuracy.

As the population of East Baton Rouge Parish continues to increase, EMS must also grow to provide a fast response. In 2005, EMS will open its newest station on Evangeline Street. This station will service the citizens in the north areas of Baton Rouge, as well as provide overlap coverage for the downtown and mid-city areas. This station will be the twelfth physical station that provides a base of operations for a paramedic unit and serves as a joint station between EMS and the Baton Rouge Fire Department.

Vehicle remounts of ambulance modules on new truck chassis is a program that has saved EMS major maintenance costs over the last several years. About every 100,000 miles, ambulance boxes or patient compartments are remounted onto new truck frames, which allows the department to maintain a newer ambulance fleet.

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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EMS continues to be a nationally recognized agency for being first in many areas of public safety. The department was chosen to host the International Police Mountain Bike Association (IPMBA) Conference in 2007. EMS has operated a paramedic bicycle response team since 1994, which has become known as one of the best in the country. The IPMBA organization consists of public safety agencies which have specialized units that utilize bicycle teams as response units. This will be the first time in the conference's history that the host agency will be a paramedic service. Hundreds of public safety officers will be coming to Baton Rouge to compete in bike competitions and receive special training. The competition will involve the new Baton Rouge River Center complex, the downtown area, LSU, and some of the BREC parks. This conference will give further recognition to Baton Rouge and benefit many of our local merchants.

EMS strives to use the latest technology in its everyday operations. The most advanced heart defibrillators and other diagnostic equipment are carried on all EMS ambulances along with computer technology that assists medics in getting to the call. The department continues to review new systems and equipment to provide the best care to patients. Mobile Data Terminals are being installed in all units and will give paramedics important call information about the address to which they are responding. Future add-ons to this system include real-time mapping of the ambulance to the call, which will reduce response times by giving the paramedic the quickest route to the call and eliminate confusion in unfamiliar areas. Paramedics will also have access to databases that will assist them in identifying hazardous materials and reviewing medical treatments from the ambulance.

### **OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS**

The East Baton Rouge Parish Office of Homeland Security and Emergency Preparedness (OHSEP), formerly the Office of Emergency Preparedness, is the coordinating agency for emergency and disaster activities. With authority for the direction of local government specified in various state and federal laws, the office develops programs to mitigate, prepare for, respond to, and recover from any disaster, whether it is natural, man-made or technological, to include the current threat from terrorism.

Currently, the OHSEP is leveraging in excess of \$10 million in federal and state grant funding to facilitate the enhancement of local planning and response, with the added emphasis of coordinating a regional response to any major disaster. This is being accomplished through established and developing relationships with numerous federal, state, and local government and private sector partners.

As the first community in the United States to enroll in the Emergency Management Accreditation Program, the OHSEP is dedicated to accreditation. This will be accomplished through the development and sustainment of innovative programs that streamline inter/intra-agency communications, implement one-call internal/external notifications, plan and train for responses to all hazards, and implement recommendations of the East Baton Rouge Parish Disaster Audit.

The OHSEP has formally documented a comprehensive business plan based on customer-driven considerations and the organization's needs and vision that incorporates quality planning and goals. The East Baton Rouge Parish Emergency Operations Plan is available on the Internet to provide for easier access by all citizens and agencies utilizing the plan. The OHSEP has recently added a Training Officer position to address the training needs of City-Parish employees involved in Emergency Preparedness and Public Safety. Community interaction is enhanced through the development, publication, and distribution of emergency preparedness brochures, pamphlets and hurricane tracking charts. Over 5,000 citizens have participated through presentations, tours, and expos, and over 1,000 emergency responders have participated in training classes.

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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The OHSEP is strategically poised to meet the challenges faced by the community we serve. The office continues to integrate the latest technology, identify potential threats and vulnerabilities, and develop new partnerships for coordination to meet any adversity.

### **DEPARTMENT OF PUBLIC WORKS**

The Department of Public Works is charged with the responsibility of delivering a number of services to the public. It provides engineering for capital improvements, maintains supply warehouses, receives complaints from citizens, and provides maintenance and custodial operations for public buildings and grounds. The department is responsible for regulating the building industry through inspections and maintaining traffic control devices, streets and roads, and the storm sewer system of bridges, canals, ditches, and subsurface drainage. It also provides street sweeping services and beautification, and monitors contracts for garbage and trash collection.

Street and road improvements funded by the one-half percent sales tax are well under way. The progress in completing projects in this program is set forth in the "Capital Improvements" section of this message.

The Sanitary Sewer Overflow Program is progressing very well. Many of the sewer line rehabilitation and replacement contracts are under construction. New pump stations are being designed, particularly those at the Central Plant and the South Treatment Plant. The contract for design on the deep tunnel is also being finalized.

Other major capital improvements that are under construction include the Baton Rouge River Center Expansion, the River Road Realignment Project, and various bridge replacements. Turning lane improvements such as those at Staring Lane at Hyacinth, Staring Lane at Highland Road, Highland Road at Bluebonnet, and Oak Villa at Florida Boulevard are only a few of the projects either under construction or completed. Many other capital improvement projects are included in other sections of the Budget Message.

Litter pickup, grass cutting, and beautification services have been expanded this year. The Blight Elimination Team's new anti-litter campaign required an expansion of services in residential areas in an attempt to clean up the Parish.

The transfer of the Citizens Services Division to the Department of Public Works in 2002 was very beneficial to the department. This change allowed improved responses to the public, and, with the new Hansen software system, collecting and dispersing information to the public has improved. The Geographic Information System allows the general public to access information on many properties in East Baton Rouge Parish and complements our e-government initiatives.

### **BATON ROUGE METROPOLITAN AIRPORT**

The Airport Terminal Project was completed in the spring of 2004. It took six years and \$42 million to complete. This project consisted of demolishing the old terminal building, which consisted of 87,733 square feet with four airline gates, and rebuilding a new facility with 136,658 square feet and ten airline gates.

Construction on a new Air Cargo Facility began in July of 2004. The new facility will consist of approximately 32,000 square feet, of which 27,000 square feet is for the storage of cargo and 5,000 square feet is to be used for tenant office space.

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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Phase II of the Parking Garage commenced in the fall of 2004. The \$6.5 million project is being built adjacent to the existing garage and will also double as the "Rental Car Ready Lot" for the rental car agencies. The new facility will include 327 parking spaces for the rental car agencies and add an additional 299 parking spaces for the traveling public. This project will also expand and renovate the current Rental Car Facility and connect it to the Terminal Building.

The Baton Rouge Metro Airport was recognized at the Federal Aviation Administration's (FAA) Annual Partnering Conference in the spring of 2004 for the "undisputable efforts made through the concepts of embracing environmental protection, conservation, and enhancement of the environment." In general, the Airport was recognized for the progress made in its Noise Mitigation Program, Compressed Natural Gas fuel station project, and waste paper recycling program.

The \$23 million reconstruction of runway 4L/22R was completed at the end of 2004. This project consisted of replacing the old runway pavement and electrical components with new material, as well as making pavement repairs to taxiway Alpha. In an effort to progress with the recommendations outlined in the Master Plan, the Airport conducted an environmental assessment and benefit cost analysis on several projects, which included extending runway 4L/22R and relocating Plank and Blount Roads. At the present time, the environmental assessment for these projects is being reviewed by the FAA.

The Airport continues its Noise Abatement Program by soundproofing those homes located in the noise contours as established by the FAA. At this time, the Airport has mitigated 1,537 homes, two schools, and two churches. Presently there are 710 homes under contract for sound mitigation. The FAA and the state have appropriated approximately \$71 million since 1986 for this program.

### **EAST BATON ROUGE PARISH LIBRARY**

The East Baton Rouge Parish library system comprises a main library and 12 branches which include Baker, Bluebonnet Regional, Carver, Central, Delmont Gardens, Eden Park, Greenwell Springs Road Regional, Jones Creek Regional, Pride/Chaneyville, River Center (formerly Centroplex), Scotlandville, and Zachary. They will open a cumulative total of 888 hours weekly in 2005 to meet the information needs of their patrons. The number of hours open per week in 2005 will increase by 32 hours from the 856 hours open in 2004. This is a result of three new libraries opening in 2005 (Carver, Delmont Gardens, and Pride/Chaneyville), and expanding the number of hours of operation. The library employs a well-trained service-oriented staff, selects and organizes up-to-date collections and databases, and provides convenient outlets with sufficient hours seven days a week to serve the public. To meet the cultural, recreational and information needs of the diverse Baton Rouge community, the library provides:

- Books, newspapers, magazines, videos, art prints, books on tape, CDs, DVDs, and electronic databases that are resources for the young and the old.
- Special activities such as children's summer reading programs, story time, Prime Time-Family Reading Time, author/illustrator workshops, and many other exhibits and programs for all age groups.
- Information services, interlibrary loans, library publications, subject bibliographies, reader's advisory services, public access computers, and dial-in access to the online catalog.

The entire world of information delivery in public libraries is rapidly changing and the East Baton Rouge Parish Library must be effective and efficient in connecting its community to the electronic world of information. The library's home page, created and maintained by library staff, can be accessed at [www.ebr.lib.la.us](http://www.ebr.lib.la.us).

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

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The East Baton Rouge Parish Library is the busiest library system of any type in Louisiana. In 2003, the library staff circulated 2,486,000 items, answered 599,000 reference questions, and registered over 541,000 visits to the Library's web page. Approximately 111,000 people attended 3,060 programs presented by the library in 2003. The library's meeting room facilities accommodated 2,160 meetings during the year. In 2003, patrons logged on to the library's public access computers 272,000 times. Library staff assisted those patrons using the public access computer 73,000 times.

Since 1986, funding for the library system comes from a dedicated property tax. An 11.1 mill tax was approved in 1995 for a ten-year period to operate and maintain the existing system, improve services, and replace substandard facilities in Baker, Carver, Central, Eden Park, Pride/Chaneyville, and Scotlandville. In 2004, the millage rate was adjusted downward to 9.97 as the result of the reassessment of property.

Major accomplishments for the system include:

- The new 18,000 square-foot Zachary Branch opened on May 4, 2004.
- The expansion of the Delmont Gardens Branch is underway and will be completed in early 2005. Approximately 11,377 square feet will expand this branch to a 19,267 square-foot facility.
- The redesign phase to increase the square footage was implemented for the new Eden Park Branch. The Library Board of Control voted to increase the square footage of the library from the previously approved 12,000 square feet to 14,000 square feet. The branch will be constructed on property near the intersection of Greenwell Springs Road and North Foster Road.
- Construction continues on the new Carver Branch. The new 12,000-square-foot library will replace the existing leased 3,000-square-foot facility. The new branch is located at 720 Terrace Avenue and will open in early 2005.
- The design phase was completed for the new Pride/Chaneyville Branch to be constructed near the new Northeast School. Construction is underway, and the Pride/Chaneyville Branch is expected to open in early 2005.
- *The Source*, a monthly newsletter detailing information on services, programs, resources, and current events at the library entered its fourth year of publication.
- Outreach services were provided to individuals living in retirement homes and in assisted-living facilities through visits in the outreach van.
- Library Lagniappe, a web site created by library staff, was designed to keep library employees apprised of current events at the library.
- Under the direction of the new library director, the library held its first in-house annual training day for all library staff.

The library system has many plans for the future, including the following:

- Increasing the number of library cardholders.
- Implementing a ten-year property tax for the continued operation of the library system.
- Continuing the pay-as-you-go capital improvement program by reserving funds for future construction.
- Opening of the new Eden Park Branch and locating land for a new branch in the South Baton Rouge area.
- Continuing to introduce patrons to the world of the Internet and the mechanics of graphical access.
- Expanding electronic networked databases that can be accessed throughout the library system and from the library web site from home computers.
- Distributing approximately 100 new public-access computers among the 13 outlets.

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

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- Expanding traditional print and non-print collections in the system by 60,000 items.
- Continuing programs that are educational, interesting, and fun for all age groups.

### DOWNTOWN DEVELOPMENT DISTRICT

Notable changes marked the landscape of the Downtown Development District in 2004. Public and private sector investment continued the vibrant redevelopment of the city's center. Numerous projects were unveiled and many commenced construction that will be completed in the coming year.

#### *Public and Private Sectors*

The City of Baton Rouge and the State of Louisiana continued construction on major projects such as the expansion of the Baton Rouge River Center, realignment of River Road, the Shaw Center for the Arts, and the construction of the final Capitol Park buildings.

As the year 2004 ends, Phase I of the renovations to the Baton Rouge River Center will be completed and the first convention will commence in January of 2005. The year 2005 will also mark the opening of major public buildings such as the Shaw Center for the Arts, the state's Visitor Center, the Third Street Garage, the State Museum, and a bike and jogging trail that will connect downtown's riverfront to LSU's campus. The two final Capitol Park office towers, the D'Iberville and Bienville Buildings, will be completed in 2006.

Design on downtown's new way-finding program and trolley/bus shelters also commenced in 2004, with the design phase to be completed by early 2005 and fabrication to begin immediately thereafter. The project will redefine the streetscape of downtown Baton Rouge. The architectural team of Washer Hill and Lipscomb, Sasaki Associates, ABMB Engineering, and Fergus Engineering are the design consultants for the project. The Sasaki Firm is noted internationally for their design of way-finding systems. This will be one more distinction for our city.

In the private sector, a number of projects were announced in 2004. In July, it was announced that the Hilton Hotel would be the flag of the soon-to-be-renovated Capitol House Hotel. The reopening of this hotel in 2006 will mark the end of a 20-year period of non-use of that building. Once again, the hotel will serve as a vital anchor to the downtown area.

Also in the private sector, a number of residential projects made their mark on downtown's landscape. The Mayer Building (the site of the original Piccadilly Cafeteria) contains eight loft apartments, renovations were underway on two luxury lofts in the Thirsty Tiger Building overlooking the Mississippi River, and tremendous progress was made on One River Place, a new condominium project which will require approximately 16 months to complete. The year 2005 will also mark the 200th celebration of Baton Rouge's oldest neighborhood—Spanish Town.

In retail and restaurant development for 2004, a new Brazilian steak house opened in the Central Business District, as did the second location of a national chain within four blocks of its existing location and another national chain along the Third Street corridor. An Arts and Entertainment Corridor classification for Third Street emerged, and once again, Third Street will serve as a socio-economic hub for the city center. Complementing this development was the Council's approval of an outdoor dining ordinance that allows restaurants to serve food and beverages along the city's sidewalks.

***Economic Climate***

The economic climate of downtown Baton Rouge is maturing. Investment by the public and private sectors has created an environment that is predictable and gaining tremendous strength. Increasing downtown's presence as the financial, cultural, governmental, tourism, residential, and commercial center for the Parish of East Baton Rouge has created an environment that is welcoming to local, regional, and national investors.

Future projects shaping downtown's landscape include the proposed 19th Judicial District Courthouse, which will greatly shape the civic fabric of our city, and the construction of an additional parking garage to manage the growth being experienced in the private-sector industries, as well as the exponential growth of the tourism and convention industries. Serving as the northern terminus of the Riverfront Promenade is DeSoto Park, which is modeled after the great riverfront park located in the City of New York—Batture Park. This new park will serve the Baton Rouge community as a gathering place for civic events, as well as personal excursions.

Exploring the future, investors are currently researching the development of an Arts Cinema that would complement projects such as the Shaw Center and the emerging Third Street Arts and Entertainment District. Creative condominium and loft development is under exploration, with development that may span several buildings and continue to develop the emerging uniqueness of our downtown area.

**HUMAN RESOURCES DEPARTMENT**

The Human Resources Department focuses on serving customers and has made progress in diversifying the City-Parish government. A diversification plan has been developed that includes: 1) leveling the playing field/equal employment opportunity; 2) systematic educational programming; 3) workforce succession planning; and 4) performance appraisal. Achieving diversification is viewed as a process, not an event. It will take not only time, but all City-Parish employees to accomplish the goal of this plan.

During the year 2004, the department successfully implemented the MGT pay study recommendations effective April 3, 2004. Budgetary constraints affected the implementation strategy. The average increase for regular employees was 5.65% for the lowest paid employees (\$20,700 annually and below) and 3.58% for all other regular employees. The average increase was 5.31% for Police Department employees and 6.62% for Police Officers, while the average increase for Fire Department employees and firefighters was 5.24%.

The department provided input to changes in civil service rules by appointing several staff members to serve on the MCORE Rules Subcommittee. A major accomplishment included obtaining approval from the Metropolitan Council to place an item before the electorate to amend the *Plan of Government*. If approved, a department will receive the names of the individuals in the top five grade groups when a list of eligible candidates is requested during the process of hiring an employee. A department currently receives only three names, and this is viewed as an impediment to hiring the most qualified personnel.

In order to improve customer service and citizen accessibility, the department participates in career days at local colleges and universities and sponsors job fairs at local malls to reach external customers. Employees are also actively recruited through the Internet, and an annual report and Internet communications are provided to internal customers. Training on the subject of equal employment opportunity has been provided to 85% of employees.

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

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Through e-government enhancements, the department has successfully implemented a new imaging system that allows the transfer of information within and between departments more efficiently. Recruiting efforts through the Internet have been significantly increased, resulting in dramatic increases in international e-mail inquiries concerning employment. The new Job Content Questionnaire is also now accessible on the Internet.

During 2005, the department will strive to continue implementation of the MGT pay study recommendations, change procedures to incorporate five names of eligible employees on employment lists if changes to the *Plan of Government* are approved by the electorate, and validate testing and grading to assure they are not discriminatory and are appropriate for the job. Options for reducing the cost of providing fringe benefits to employees will be investigated, with particular emphasis on new employees. Departmental personnel will also become fully informed regarding new Fair Labor Standards Act requirements for governmental employees.

### FINANCIAL AND ADMINISTRATIVE

#### *Legislative Issues*

In 2004, the Louisiana Legislature convened for its regular session, which was a general session covering all subjects except fiscal matters. There were approximately 2,500 items of legislation filed, with a great number affecting the City-Parish and its various departments. The City-Parish presented a package of four items to the East Baton Rouge Parish legislative delegation for its sponsorship and support. Three of these bills successfully completed the process to become law and addressed the following matters:

- Authorizing the Baton Rouge City Court to destroy records of eviction proceedings after two years if they are deemed by the presiding judge to have no further use or value.
- Clarifying existing law to provide that the bond fee collected by the Sheriff in connection with criminal proceedings should be distributed among the appropriate law enforcement agency, prosecutor, and court system.
- Requiring additional notices of tax sales to all mortgagees and others with a vested or contingent interest in the property in order to satisfy due process and increase the likelihood that property will be redeemed.

A number of other legislative items of importance to the City-Parish were enacted in 2004, including:

- Increasing vehicle inspection fees in the ozone nonattainment parishes by \$5.00.
- Adjusting the state revenue sharing distribution for East Baton Rouge Parish to include the Baker and Zachary school systems.
- Authorizing parishes with a population in excess of 200,000 to use state sales taxes for tax increment financing of cooperative economic development.
- Clarifying existing law to provide that the Capital Transportation Corporation (now known as the Capital Area Transit System) in Baton Rouge is a political subdivision and that its assets are public property.
- Increasing the time for accepting public bids on a new facility for the 19th Judicial District Court from two to three years.
- Creating crime prevention districts in Concord Estates and South Burbank subdivisions, subject to voter approval.

## BUDGET MESSAGE FROM THE MAYOR-PRESIDENT

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The Appropriations Act of 2004 contained \$9,844,862 in various appropriations to the City-Parish. The Capital Outlay Act of 2004 contained the following projects that are important to the City-Parish. Funding for these projects is often provided in phases that span several years.

<u>Project</u>	<u>State Capital Outlay Funding</u>
Comite River Diversion Canal	\$29,980,000
Highway 61 and Mount Pleasant Road Turning Lane Improvements	700,000
East Baton Rouge Parish Cooperative Extension Service/Louisiana State University Agricultural Center Office Building	1,000,000
Baton Rouge River Center Expansion, Parking Facility, and Street Realignment	26,500,000
Signage/Visitors Amenities Program	110,000
Bluebonnet Road Extension	6,500,000
Southern University Baseball Stadium Improvements	345,000
Third Street Arts Block Project	25,765,000
Baton Rouge Metropolitan Airport	10,250,000
Louisiana Art and Science Museum Planetarium/Space Theater and Train Renovations and Pavilion	500,000

### ***E-Government Implementation***

E-government is about government agencies working together using technology to better provide individuals and businesses with government services and information. This past year, our e-government team worked closely with the Finance Department, City Court, Department of Public Works, and the Planning Commission to focus on improving services and information to more efficiently serve the citizens of the parish.

The first phase of e-government, which included five core processes, has been completed. Citizens of the parish now have the ability to go online and inquire about the status of building permits, pay parking and traffic fines, remit sales taxes, renew business licenses, and submit requests for services.

In January of 2004, we launched the Geographical Information System (GIS) online service to the citizens of the parish. With the introduction of this service, daily visits to the City-Parish web site increased from 4,000 to more than 6,000. In addition, an automated citizens' information system called "AskBR" was added to the City-Parish web site. This system provides citizens with convenient access to community and government information 24 hours a day, seven days a week via the Internet and/or telephone.

The second phase of e-government will focus on back-end databases and processes. We plan to work with the Baton Rouge Police Department to add accident reports and other functions online. The GIS will be enhanced with online maps and other services, and we will continue to work with the Department of Public Works to provide online applications for the Building Permit Department for occupancy permitting.

## **BUDGET MESSAGE FROM THE MAYOR-PRESIDENT**

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In the coming year, we will continue our efforts to provide citizens with online services that will provide them the opportunity to interact with City-Parish Government agencies at their convenience.

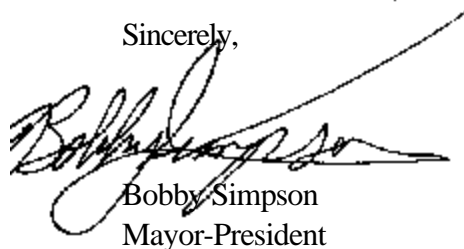
### **DISTINGUISHED BUDGET PRESENTATION**

The Finance Department received the “Distinguished Budget Presentation Award” from the Government Finance Officers Association (GFOA) of the United States and Canada for the *2004 Annual Operating Budget*. This national award is the highest professional recognition in governmental budgeting. To receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communications device. This is the 14th consecutive year that the department has received this award. Employees of the Finance Department have repeatedly demonstrated that they have the highest commitment to quality in the services they provide to their customers. I commend their superior performance.

### **CONCLUSION**

The cooperation and spirit of the employees and managers of this City and Parish in making the adjustments that enable us to achieve this balanced budget are worthy of our recognition and gratitude. I am truly amazed by the abilities of the staff of this government, which are always present, but never more evident than during the budget process. Through these workers, we, this Administration and Council, are able to be partners with the businesses and citizens of Baton Rouge and East Baton Rouge Parish, the congressional and state legislative delegations, as well as the other elected and appointed officials serving this Parish, in creating an environment where security, opportunity, and happiness are available to every citizen. I give my thanks to all who have participated in this vital process.

Sincerely,

A handwritten signature in black ink, appearing to read "Bobby Simpson", with a long, sweeping flourish extending to the right.

Bobby Simpson  
Mayor-President