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**West Baton Rouge Parish Council
Port Allen, Louisiana
December 31, 2007**

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Release Date 7/16/08

Table of Contents

Independent Auditor's Report	Page	4
Managements Discussion and Analysis	Page	6
Basic Financial Statements		
Government-Wide Financial Statements		
Statement of Net Assets	Page	14
Statement of Activities	Page	15
Fund Financial Statements		
Balance Sheet - Governmental Funds	Page	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	Page	17
Statement of Revenue, Expenditures and Changes in Fund Balances - Governmental Funds	Page	18
Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to Statement of Activities	Page	19
Statement of Revenue, Expenditures and Changes in Fund Balances - Budget and Actual (Non-GAAP Budgetary Basis)	Page	20
Notes to Financial Statements	Page	22
Special Revenue Funds	Page	40
Debt Service Funds	Page	43
Combining and Individual Fund Statements and Schedules		
Combining Balance Sheet - Non-Major Governmental Funds	Page	44
Combining Balance Sheet of Revenue, Expenditures and Changes in Fund Balances - Non-Major Governmental Funds	Page	45
Correctional Facility	Page	46
Parish Roads	Page	47
Drainage Maintenance	Page	48
Health Unit	Page	49
Community Centers	Page	50
Community Alert Network	Page	51
911	Page	52
Criminal Court	Page	53
Juvenile Detention	Page	54
Federal Grants	Page	55
Recreation	Page	56
Parish Lighting	Page	57
Central Communications	Page	58
Mosquito Control	Page	59

Table of Contents

Fixed Assets Used in the Operations of Governmental Funds		
Statement of General Fixed Assets	Page	61
Schedule of General Fixed Assets by Function and Activity	Page	62
Schedule of Changes in General Fixed Assets by Function and Activity	Page	63
Schedule of Expenditures of Federal Awards	Page	64
Notes to the Schedule of Expenditures of Federal Awards	Page	65
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	Page	66
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133	Page	68
Schedule of Findings and Questioned Costs	Page	71
Schedule of Prior Audit Findings	Page	72

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June 26, 2008

Independent Auditor's Report

West Baton Rouge Parish Council
Port Allen, Louisiana

Board Members:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the

**West Baton Rouge Parish Council
Port Allen, Louisiana**

as of and for the year ended December 31, 2007, which collectively comprise the West Baton Rouge Parish Council's basic financial statements of the primary government as listed in the table of contents. These financial statements are the responsibility of West Baton Rouge Parish Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

The financial statements referred to above include only the primary government of the West Baton Rouge Parish Council, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the West Baton Rouge Parish Council's legal entity. The financial statements do not include financial data for the West Baton Rouge Parish Council's legally separate component units, which accounting principles generally accepted in the United States of America require to be reported with the financial data of the West Baton Rouge Parish Council's primary government. As a result, the primary government financial statements do not purport to, and do not, present fairly the financial position of the reporting entity of the West Baton Rouge Parish Council, as of December 31, 2007, and for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information for the primary government of the West Baton Rouge Parish Council, as of December 31, 2007, and the respective changes in financial position and the respective budgetary comparison information for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report June 26, 2008, on our consideration of the West Baton Rouge Parish Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and important for assessing the results of our audit.

The management's discussion and analysis on pages 6 through 12 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the West Baton Rouge Parish Council's basic financial statements for the primary government. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the West Baton Rouge Parish Council. The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Yours truly,
Hawthorn, Waymouth & Carroll, L.L.P.

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2007**

INTRODUCTION

Management's Discussion and Analysis provides a narrative discussion of the Parish's financial activity as a whole for the year ended December 31, 2007 with comparisons to prior years, where appropriate. The information complements the data presented in the basic financial statements. We encourage readers to consider the information presented here in conjunction with information in the financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- West Baton Rouge Parish Council's assets exceeded its liabilities at December 31, 2007 by \$60,910,452 (net assets). Of this amount, \$16,767,139 (unrestricted net assets) may be used to meet the Parish Council's ongoing obligations to its citizens and creditors.
- The Parish's capital assets include \$51,497,904 (net of depreciation) for infrastructure, roads, equipment & buildings.
- The Parish's total net assets increased \$4,409,052 over the previous year.
- At December 31, 2007 West Baton Rouge Parish Council's governmental statements reported combined ending fund balances of \$15,035,936, a decrease in total fund balance of \$1,680,679 from the net assets of the previous year.
- The General Fund, the Parish's primary operating fund reported an unreserved fund balance of \$6,037,789 which is a decrease in total fund balance of \$146,349 from the fund balance of the previous year.
- Total bonded debt decreased by \$571,000 from the prior year.

OVERVIEW

This discussion and analysis is intended to serve as an introduction to the Parish's financial statements. The Parish's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Parish's finances, in a manner similar to a private-sector business.

The statement of net assets presents information on all of the Parish's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Parish is improving or deteriorating.

The statement of activities presents information showing how the government's net assets changed during the most recent fiscal year. Changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., accrued interest expenses, uncollected taxes).

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2007**

OVERVIEW (Continued)

Government-wide financial statements (Continued). Both of these government-wide financial statements distinguish functions of the Parish that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Parish include legislative, judicial, elections, general government, public safety, roads, drainage, engineering, parks and recreation, health and welfare and economic development.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Parish, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the calendar year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financial decisions. Both governmental funds financial statements include a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Parish maintains 46 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

West Baton Rouge Parish has implemented the new financial reporting model used in this report. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss changing financial position of the Parish as a whole.

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Parish, assets exceeded liabilities by \$60,910,452 at the close of the calendar year.

SUMMARY OF NET ASSETS
GOVERNMENTAL ACTIVITIES

	2007		2006		2005	
Assets:						
Current Assets	\$24,800,492	33%	\$23,589,394	34%	\$19,305,251	28%
Capital Assets	<u>51,497,904</u>	<u>67%</u>	<u>45,723,896</u>	<u>66%</u>	<u>41,349,933</u>	<u>72%</u>
Total Assets	<u>76,298,396</u>	100%	<u>69,313,290</u>	100%	<u>60,655,184</u>	100%

(Continued)

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2007**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

	<i>SUMMARY OF NET ASSETS</i>					
	GOVERNMENTAL ACTIVITIES					
	<u>2007</u>		<u>2006</u>		<u>2005</u>	
(Continued)						
Liabilities:						
Current Liabilities	\$3,759,849	25%	\$2,504,201	20%	\$2,485,395	22%
Deferred revenue	6,642,743	43%	4,995,994	39%	4,766,058	42%
Non-current Liabilities	<u>4,985,352</u>	<u>32%</u>	<u>5,311,695</u>	<u>41%</u>	<u>4,111,020</u>	<u>36%</u>
Total Liabilities	<u>15,387,944</u>	<u>100%</u>	<u>12,811,890</u>	<u>100%</u>	<u>11,362,473</u>	<u>100%</u>
Net Assets:						
Investments in Capital Assets	43,420,589	75%	40,008,896	71%	36,839,933	69%
Restricted For:						
Debt Service	609,141	1%	823,509	1%	807,278	2%
Other Purposes	113,583		113,583		113,584	1%
Unrestricted	<u>16,767,139</u>	<u>24%</u>	<u>15,555,412</u>	<u>28%</u>	<u>11,531,916</u>	<u>28%</u>
Total Net Assets	<u>60,910,452</u>	<u>100%</u>	<u>56,501,400</u>	<u>100%</u>	<u>49,292,711</u>	<u>100%</u>

The largest portion of the Parish's net assets represents its investment in capital assets net of depreciation (i.e. land, buildings, infrastructure, and equipment) less any outstanding debt used to acquire those assets. The Parish uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Parish's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Parish's net assets (1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (\$13,974,053) may be used to meet the government's ongoing obligations to citizens and creditors.

External restrictions may be imposed by creditors (such as through debt covenants), grantors, contributors, or statutory laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Enabling legislation may include ordinances passed by the Parish, which require that revenues collected be spent for particular purposes. Some examples of these restrictions include revenues from sales taxes, correctional sales taxes and ad valorem taxes collected for the health unit, community centers, drainage and juvenile detention.

	<i>SUMMARY OF CHANGES IN NET ASSETS</i>		
	GOVERNMENTAL ACTIVITIES		
	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Revenues:			
Program Revenues:			
Charges for Service	\$1,525,530	\$1,509,220	\$1,157,479
Operating Grants and Contributions	<u>4,523,108</u>	<u>4,408,947</u>	<u>4,897,183</u>
Total program revenues	<u>6,048,638</u>	<u>5,918,167</u>	<u>6,054,662</u>

(Continued)

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2007**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

SUMMARY OF CHANGES IN NET ASSETS

General Revenues (Continued)	GOVERNMENTAL ACTIVITIES		
	2007	2006	2005
General Revenues:			
Ad Valorem taxes	\$4,821,768	\$4,445,841	\$3,259,035
Sales and Use taxes	7,691,745	7,475,531	5,771,680
Video Poker	1,056,048	1,032,636	894,248
Other	32,700	29,528	32,815
Licenses and Permits	781,982	680,675	611,281
Interest	933,941	787,710	532,407
Rent	55,865	59,810	57,316
Miscellaneous	479,175	343,325	175,984
Total general revenues	15,853,224	14,855,056	11,334,766
Total Revenues:	21,901,862	20,773,223	17,389,428
General Expenses:			
General Government	3,668,168	3,737,625	3,449,720
Public Safety	5,650,077	4,527,257	4,621,588
Public Works	5,066,466	4,616,258	4,567,950
Parks and Recreation	1,768,307	1,213,717	2,149,755
Health and Welfare	695,247	565,050	756,399
Economic Development	77,546	59,919	57,451
Urban Housing	309,588	278,767	272,075
Interest and Fiscal Charges on Long Term Debt	257,411	219,550	222,922
Total General Expenses:	17,492,810	15,218,143	16,097,860
Change in Net Assets	4,409,052	5,555,080	1,291,568
Net Assets Beginning, as previously reported	56,501,400	49,292,711	48,001,143
Prior Period Adjustments	_____	1,653,609	_____
Net Assets, as restated	56,501,400	50,946,320	48,001,143
Net Assets Ending	60,910,452	56,501,400	49,292,711

Governmental Activities

Governmental activities account for 100% of the Parish's net assets. One of the major components of the total revenue collected by governmental activities is taxes. In 2007 taxes accounted for 86% of total general revenue. Of the total taxes, sales taxes accounted for 49%. The sales taxes are centrally collected and disbursed based on population. The Parish's percentage of sales tax declined due to annexation by one of the towns inside the parish boundaries. The parish also has a ½ % correctional sales tax which is included in the total taxes above. Ad Valorem is the second largest tax revenue and accounted for 31% of the total general revenue. In 2007, property taxes were assessed at 24.48 mills for all governmental activities which increased 3 mills due to the new central communications tax. The balance of the revenues is derived from licenses, interest, rent and miscellaneous revenues.

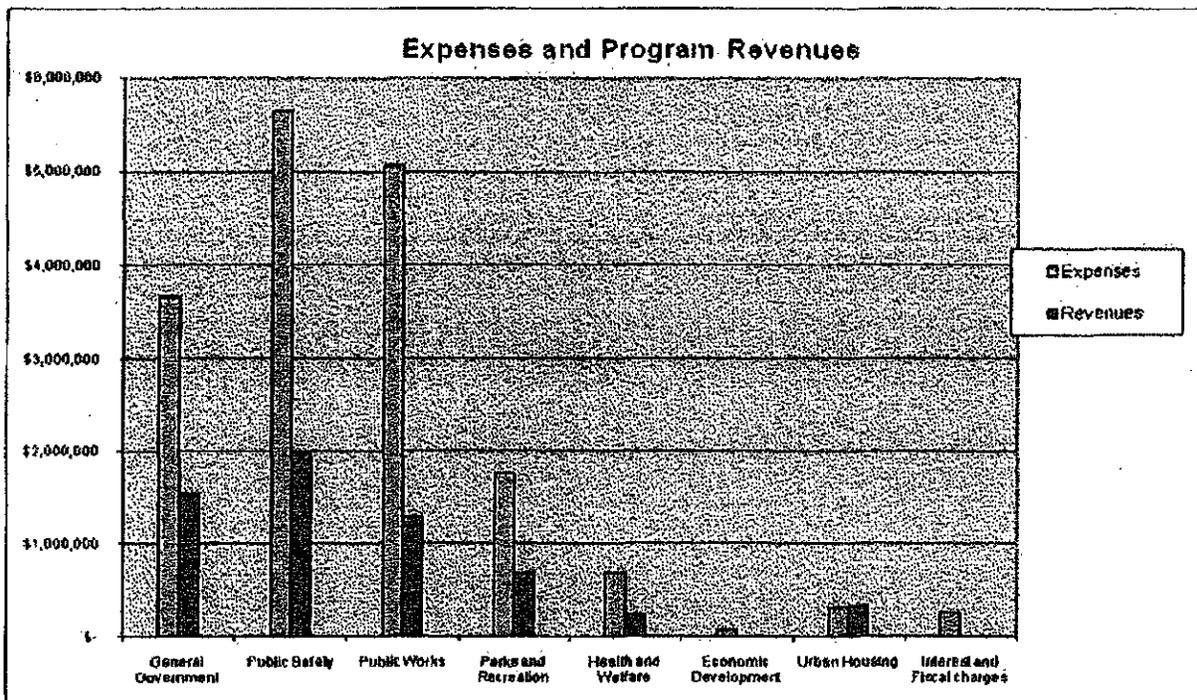
For the most part, increases in expenses closely paralleled inflation and the demand in services.

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2007**

Governmental Activities (Continued)

The following graph is a comparison of program revenues and program expenses for all governmental activities. This chart is intended to give the reader an idea of the degree to which governmental activities are self supporting.

Financial Analysis of the Parish's Funds.



As noted earlier, the Parish uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Parish's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the calendar year.

The combined ending fund balance for all governmental funds at December 31, 2007 was \$15,035,936. Of this amount, \$10,243,527 was included in unreserved fund balance with \$609,141 reserved for debt service, \$113,583 reserved for Poydras Endowment, and \$4,069,685 reserved for capital projects. The combined ending fund balance at the end of 2007 was a net decrease of \$1,680,679 from the 2006 amount of \$16,716,615.

The unreserved fund balance in the General Fund at December 31, 2007 was \$6,037,789 compared to \$6,184,138 at the end of 2006, a decrease of \$146,349.

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2007**

General Fund Budgetary Highlights

Differences between the final budgeted revenues and the actual revenues were \$41,395 (increases in revenues) and can be briefly summarized as follows:

- Total taxes were \$94 over budget
- Total licenses and permits were \$1,114 under budget
- Total inter-governmental revenue \$333 under budget
- Total charges for services were \$7,649 over budget
- All other revenues were \$35,099 over budget

Differences between the final budgeted expenses and the actual expenses were \$384,975 (decrease in expenses).

Capital Assets and Debt Administration

Capital assets: The Parish's investment in capital assets for its governmental activities as of December 31, 2007 amounts to \$51,497,904 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, infrastructure, and roads.

Major capital asset events during calendar year 2007:

- Started the Erwinville sewer project (\$2,201,631)
- Completed additions to the City Court Building (\$66,098)
- Started construction of the multi-purpose arena (\$117,150)
- Road overlays and road reconstruction (\$1,755,993)
- Purchase of equipment for various departments (1,131,512)
- Continued infrastructure work at all parish parks which included lighting, prediction systems, basketball sport court surfacing (273,981)

**WEST BATON ROUGE PARISH FIXED ASSETS
NET OF DEPRECIATION**

	<u>2007</u>	<u>2006</u>	<u>2005</u>
Land	\$1,654,963	\$1,635,155	\$1,622,422
Construction in Progress	182,964		
Construction in Progress Sewer project	3,066,667		
Buildings	20,125,125	20,101,377	19,303,877
Infrastructure	23,911,149	22,063,879	18,895,432
Equipment	<u>2,557,036</u>	<u>1,923,485</u>	<u>1,528,202</u>
<u>Total</u>	<u>51,497,904</u>	<u>45,723,896</u>	<u>41,349,933</u>

**West Baton Rouge Parish Council
Management's Discussion and Analysis
December 31, 2007**

Capital Assets and Debt Administration (Continued)

Long -Term Debt: At the end of the calendar year 2007, the Parish had total bonded debt outstanding of \$5,275,489 as compared to \$5,715,000 in the prior year. Of the total bonded debt, there are seven separate issues. Two of the issues are secured by either specified revenues sources such as parish sales taxes and parish district taxes of the general fund and the other five are secured by excess revenue.

Additional information explaining financial statement amounts is presented in the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

- Return on investments for 2007 and the upcoming year have started a downward slide. This is expected to stabilize in 2008, but at figures below 2007.
- Parochial retirement rates for 2008 will decrease from 13.25% to 12.75%.
- The current Consumer Price Index shows a 9.2 basis points increase over last year at this time.
- Sales taxes are currently exceeding budgeted projections and on par to eclipse prior year collections.
- Ad valorem taxes have shown a moderate but steady growth over past few years and are expected to continue this trend.
- The Parish will continue to try and find ways to reduce operating expenditures without a reduction in service.

Request for Information

Questions concerning any of the information provided in this report or requests for information should be address to the Department of Finance, P.O. Box 757, Port Allen, Louisiana 70767.

Basic Financial Statements

**West Baton Rouge Parish Council
Statement of Net Assets
December 31, 2007**

	<u>Primary Government Governmental Activities</u>
Assets	
Cash and cash equivalents	\$8,447,484
Investments	8,860,491
Investments - restricted	150,000
Taxes receivable	6,172,491
Restricted cash and cash equivalents	459,141
Due from other governments	591,942
Other receivables	37,526
Deferred bond issuance costs	58,173
Bond discount	23,244
Capital assets	
Non-depreciable	4,904,594
Depreciable, net	<u>46,593,310</u>
<u>Total assets</u>	<u>76,298,396</u>
Liabilities	
Accounts payable	1,520,950
Accrued liabilities	126,360
Deferred revenue	6,642,743
Due to other governments	1,393,086
Non-current liabilities	
Due in one year	719,453
Due in more than one year	<u>4,985,352</u>
<u>Total liabilities</u>	<u>15,387,944</u>
Net Assets	
Investment in capital assets, net of related debt	43,420,589
Restricted for:	
Debt service	609,141
Poydras Endowment	113,583
Unrestricted	<u>16,767,139</u>
<u>Total net assets</u>	<u>60,910,452</u>

The accompanying notes are an integral part of these statements.

West Baton Rouge Parish Council
Balance Sheet
Governmental Funds
December 31, 2007

	<u>General Fund</u>	<u>Capital Projects Funds</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Assets				
Cash and cash equivalents	\$4,409,609	\$1,236,719	\$2,801,156	\$8,447,484
Investments	3,614,224	3,716,267	1,530,000	8,860,491
Investments - restricted			150,000	150,000
Taxes receivable	887,652		5,284,839	6,172,491
Restricted cash and cash equivalents			459,141	459,141
Due from other funds	406,013		200,976	606,989
Due from other governments	138,355	71,020	382,567	591,942
Other receivables	<u>29,075</u>	<u>8,451</u>		<u>37,526</u>
<u>Total assets</u>	<u>9,484,928</u>	<u>5,032,457</u>	<u>10,808,679</u>	<u>25,326,064</u>
Liabilities				
Accounts payable	371,612	962,772	186,566	1,520,950
Accrued liabilities	50,280		76,080	126,360
Deferred revenue	911,589		5,731,154	6,642,743
Due to other funds	606,989			606,989
Due to other governments	<u>1,393,086</u>			<u>1,393,086</u>
<u>Total liabilities</u>	<u>3,333,556</u>	<u>962,772</u>	<u>5,993,800</u>	<u>10,290,128</u>
Fund Equity				
Fund Balances				
Reserved for Poydras Endowment	113,583			113,583
Reserved for debt service			609,141	609,141
Unreserved, designated for capital projects		4,069,685		4,069,685
Unreserved, undesignated, reported in:				
General Fund	6,037,789			6,037,789
Special Revenue Funds			<u>4,205,738</u>	<u>4,205,738</u>
<u>Total fund balances</u>	<u>6,151,372</u>	<u>4,069,685</u>	<u>4,814,879</u>	<u>15,035,936</u>
<u>Total liabilities and fund equity</u>	<u>9,484,928</u>	<u>5,032,457</u>	<u>10,808,679</u>	<u>25,326,064</u>

The accompanying notes are an integral part of these statements.

**West Baton Rouge Parish Council
 Reconciliation of the Governmental Funds
 Balance Sheet to the Statement of Net Assets
 December 31, 2007**

Fund Balances - Total Governmental Funds		\$15,035,936
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p>		
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds</p>		
Governmental capital assets	\$68,498,865	
Less accumulated depreciation	<u>(17,000,961)</u>	51,497,904
<p>Assets used in governmental activities that are not financial resources and, therefore are not reported in the governmental funds</p>		
Deferred bond issuance costs	58,173	
Bond discount	<u>23,244</u>	81,417
<p>Long-term liabilities, including bonds payable are not due and payable in the current period and, therefore, are not reported in the current period and, therefore, are not reported in the governmental funds:</p>		
Bonds payable	(5,275,489)	
Compensated absences payable	(285,356)	
Lease obligations	<u>(143,960)</u>	<u>(5,704,805)</u>
<u>Net assets of governmental activities</u>		<u>60,910,452</u>

The accompanying notes are an integral part of these statements.

West Baton Rouge Parish Council
Statement of Revenue, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended December 31, 2007

	<u>General Fund</u>	<u>Capital Projects Funds</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Revenue				
Taxes	\$5,961,605	\$792,036	\$6,848,620	\$13,602,261
Licenses and permits	781,982			781,982
Intergovernmental	84,246	589,962	3,848,900	4,523,108
Charges for services	1,205,523		75,536	1,281,059
Fines and forfeits			244,471	244,471
Interest	313,657	279,840	340,444	933,941
Rent	55,865			55,865
Miscellaneous	219,747	8,722	250,706	479,175
<u>Total revenue</u>	<u>8,622,625</u>	<u>1,670,560</u>	<u>11,608,677</u>	<u>21,901,862</u>
Expenditures				
Current				
General government				
Council	310,171			310,171
Finance and administration	980,613			980,613
Judicial	740,959		176,266	917,225
Elections	175,478			175,478
Government buildings	753,293			753,293
Planning and zoning	266,748			266,748
Public safety	283,317		5,136,920	5,420,237
Public works	1,139,965		2,984,391	4,124,356
Parks and recreation			1,728,427	1,728,427
Health and welfare	193,221		517,281	710,502
Economic development	79,812			79,812
Urban housing			322,365	322,365
Capital outlay		5,667,004	1,429,388	7,096,392
Debt service			828,411	828,411
<u>Total expenditures</u>	<u>4,923,577</u>	<u>5,667,004</u>	<u>13,123,449</u>	<u>23,714,030</u>
Excess revenue over (under) expenditures	<u>3,699,048</u>	<u>(3,996,444)</u>	<u>(1,514,772)</u>	<u>(1,812,168)</u>
Other Financial Sources (Uses)				
Operating transfers in	90,244	2,631,298	2,964,518	5,686,060
Bond proceeds		131,489		131,489
Operating transfers out	<u>(3,935,641)</u>	<u>(826,058)</u>	<u>(924,361)</u>	<u>(5,686,060)</u>
<u>Total other financing sources (uses)</u>	<u>(3,845,397)</u>	<u>1,936,729</u>	<u>2,040,157</u>	<u>131,489</u>
Net Changes in Fund Balances	(146,349)	(2,059,715)	525,385	(1,680,679)
Fund Balances				
Beginning of year	<u>6,297,721</u>	<u>6,129,400</u>	<u>4,289,494</u>	<u>16,716,615</u>
End of year	<u>6,151,372</u>	<u>4,069,685</u>	<u>4,814,879</u>	<u>15,035,936</u>

The accompanying notes are an integral part of these statements.

West Baton Rouge Parish Council
Reconciliation of the Statement of Revenue, Expenditures and Changes
in Fund Balances of Governmental Funds to Statement of Activities
Year Ended December 31, 2007

Net Change in Fund Balances - total governmental funds (\$1,680,679)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay	\$7,720,003	
Depreciation expense	(2,130,335)	
Loss on disposal of assets	<u>(17,874)</u>	5,571,794

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized statement of activities.

Bond proceeds	(131,489)	
Compensated absences	(21,247)	
Principal payments	571,000	
Capital lease payment	104,597	
Amortization of bond issuance costs	(3,673)	
Amortization of bond discount	<u>(1,251)</u>	<u>517,937</u>

Change in net assets of governmental activities 4,409,052

The accompanying notes are an integral part of these statements.

West Baton Rouge Parish Council
General Fund
Statement of Revenue, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

Revenue	Budgeted Amounts		Actual (Budgetary Basis)	Variance - Favorable (unfavorable)
	Original	Final		
Taxes				
Ad valorem	\$774,400	\$774,400	\$776,992	\$2,592
Sales and use	4,433,600	5,158,600	5,159,695	1,095
Video poker		48,000	47,392	(608)
Other	<u>32,000</u>	<u>32,000</u>	<u>29,015</u>	<u>(2,985)</u>
	<u>5,240,000</u>	<u>6,013,000</u>	<u>6,013,094</u>	<u>94</u>
Licenses and permits				
Occupational licenses	467,875	563,875	563,892	17
Motor vehicle	51,000	51,000	49,624	(1,376)
Building permits	<u>80,000</u>	<u>172,000</u>	<u>172,245</u>	<u>245</u>
	<u>598,875</u>	<u>786,875</u>	<u>785,761</u>	<u>(1,114)</u>
Charges for services				
Garbage collection	970,000	1,037,000	1,037,804	804
Court costs and other fees	<u>96,500</u>	<u>143,500</u>	<u>150,345</u>	<u>6,845</u>
	<u>1,066,500</u>	<u>1,180,500</u>	<u>1,188,149</u>	<u>7,649</u>
Intergovernmental	68,000	74,265	73,932	(333)
Interest	230,000	282,000	282,695	695
Rent	59,298	48,298	55,865	7,567
Miscellaneous	<u>65,000</u>	<u>215,000</u>	<u>241,837</u>	<u>26,837</u>
	<u>422,298</u>	<u>619,563</u>	<u>654,329</u>	<u>34,766</u>
Total revenue	<u>7,327,673</u>	<u>8,599,938</u>	<u>8,641,333</u>	<u>41,395</u>
Expenditures				
General government				
Legislative	<u>339,000</u>	<u>344,500</u>	<u>311,188</u>	<u>33,312</u>
General financial administration				
Salaries and benefits	590,575	586,275	562,100	24,175
Insurance	3,350	3,350		3,350
Fees, dues and services	184,500	184,500	188,024	(3,524)
Office supplies and services	46,600	46,600	60,076	(13,476)
Other	<u>131,675</u>	<u>179,475</u>	<u>166,777</u>	<u>12,698</u>
	<u>956,700</u>	<u>1,000,200</u>	<u>976,977</u>	<u>23,223</u>
Judicial				
District court	232,400	232,400	213,368	19,032
District attorney	279,548	279,598	252,486	27,112
Clerk of court	18,000	18,000	16,184	1,816
Coroner	197,300	201,000	195,127	5,873
City court	<u>56,900</u>	<u>57,080</u>	<u>56,666</u>	<u>414</u>
	<u>784,148</u>	<u>788,078</u>	<u>733,831</u>	<u>54,247</u>

(Continued)

The accompanying notes are an integral part of these statements.

West Baton Rouge Parish Council
General Fund
Statement of Revenue, Expenditures and Changes in Fund Balances -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Variance - Favorable (unfavorable)
	<u>Original</u>	<u>Final</u>		
Expenditures				
General Government (Continued)				
Elections				
Registrar of Voters	\$162,972	\$171,277	\$167,471	\$3,806
Elections	<u>20,500</u>	<u>20,500</u>	<u>18,685</u>	<u>1,815</u>
	<u>183,472</u>	<u>191,777</u>	<u>186,156</u>	<u>5,621</u>
Other				
Planning and zoning	262,600	262,600	228,348	34,252
General governmental buildings	<u>803,888</u>	<u>803,258</u>	<u>750,486</u>	<u>52,772</u>
	<u>1,066,488</u>	<u>1,065,858</u>	<u>978,834</u>	<u>87,024</u>
<u>Total general government</u>	<u>3,329,808</u>	<u>3,390,413</u>	<u>3,186,986</u>	<u>203,427</u>
Public Safety				
Sheriff	7,500	7,500	7,446	54
Civil defense	69,071	69,071	62,265	6,806
Engineering	159,980	160,980	137,624	23,356
Ambulance service	3,600	3,600	3,600	
Animal impound	<u>79,735</u>	<u>79,735</u>	<u>87,258</u>	<u>(7,523)</u>
	<u>319,886</u>	<u>320,886</u>	<u>298,193</u>	<u>22,693</u>
Public Works				
Lighting	140,000	140,000	131,385	8,615
Sanitation	<u>1,010,000</u>	<u>1,010,000</u>	<u>1,009,699</u>	<u>301</u>
	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,141,084</u>	<u>8,916</u>
Health and welfare	242,435	242,435	182,668	59,767
Economic development	<u>59,950</u>	<u>87,850</u>	<u>87,398</u>	<u>452</u>
	<u>302,385</u>	<u>330,285</u>	<u>270,066</u>	<u>60,219</u>
Capital outlay	<u>111,500</u>	<u>87,500</u>	<u>(2,220)</u>	<u>89,720</u>
<u>Total expenditures</u>	<u>5,213,579</u>	<u>5,279,084</u>	<u>4,894,109</u>	<u>384,975</u>
Excess of revenue over expenditures	<u>2,114,094</u>	<u>3,320,854</u>	<u>3,747,224</u>	<u>426,370</u>
Other Financing Sources (Uses)				
Operating transfers in	49,879	67,879	68,204	325
Operating transfers out	<u>(4,053,673)</u>	<u>(5,383,673)</u>	<u>(3,935,641)</u>	<u>1,448,032</u>
Total other financing sources (uses)	<u>(4,003,794)</u>	<u>(5,315,794)</u>	<u>(3,867,437)</u>	<u>1,448,357</u>
Net Change in Fund Balances	(1,889,700)	(1,994,940)	(120,213)	1,874,727
Fund Balance				
Beginning of year	<u>5,824,300</u>	<u>5,824,300</u>	<u>5,824,300</u>	
End of year	<u>3,934,600</u>	<u>3,829,360</u>	<u>5,704,087</u>	<u>1,874,727</u>

The accompanying notes are an integral part of these statements.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Introduction

The West Baton Rouge Parish Council is the governing authority for West Baton Rouge Parish and is a political subdivision of the State of Louisiana. The Parish Council is governed by nine (9) council members representing the various districts within the parish. The council members serve four-year terms.

Louisiana Revised Statute 33:1236 gives the Parish Council various powers in regulating and directing the affairs of the parish and its inhabitants. The more notable of these are the power to make regulations for its own government; to regulate the construction and maintenance of roads, bridges, and drainage systems; to regulate the sale of alcoholic beverages; and to provide for the health and welfare of the poor, disadvantaged, and unemployed in the parish. Funding to accomplish these tasks is provided by ad valorem taxes, sales and use taxes, video poker, beer and alcoholic beverage permits, state revenue sharing, and various other state and federal grants.

West Baton Rouge Parish covers 215 square miles and has a population of 21,621. The West Baton Rouge Parish Council maintains 135 miles of roads and has 150 employees.

Note 1-Summary of Significant Accounting Policies

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the West Baton Rouge Parish Council is the financial reporting entity for West Baton Rouge Parish. The financial reporting entity consists of (a) the primary government (Parish Council), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, established criteria for determining which component units should be considered part of the West Baton Rouge Parish Council for financial reporting purposes. The basic criteria are as follows:

1. Legal status of the potential component unit including the right to incur its own debt, levy its own taxes and charges, expropriate property in its own name, sue and be sued, and the right to buy, sell and lease property in its own name.
2. Whether the Parish Council governing authority appoints a majority of board members of the potential component unit.
3. Fiscal interdependency between the Parish Council and the potential component unit.
4. Imposition of will by the Parish Council on the potential component unit.
5. Financial benefit/burden relationship between the Parish Council and the potential component unit.

Based on the previous criteria, the Parish Council has determined that the following component units are part of the reporting entity:

West Baton Rouge Parish Library
West Baton Rouge Parish Council on Aging
West Baton Rouge Parish Tourist Commission
West Baton Rouge Parish Waterworks District No. 1
West Baton Rouge Parish Waterworks District No. 2

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 1-Summary of Significant Accounting Policies (Continued)

A. Reporting Entity (Continued)

West Baton Rouge Parish Waterworks District No. 4
West Baton Rouge Parish Public Utilities
West Baton Rouge Parish Museum
West Baton Rouge Parish Tourist Center

All component units have a fiscal year ending December 31, except for the Council on Aging which has a June 30 year end. The criteria used for all component units is that the Parish Council appoints a majority of their board members.

The Parish Council has chosen to issue financial statements of the primary government (Parish Council) only; therefore, none of the previously listed component units are included in the accompanying financial statements. Separately issued component unit financial statements may be obtained by contacting the West Baton Rouge Parish Council office, Port Allen, Louisiana.

GASB Statement No. 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (Parish Council) financial statements are not a substitute for the reporting entity's financial statements. The accompanying primary government financial statements have been prepared in conformity with generally accepted accounting principles as applied to governmental units. These financial statements which are not intended to and do not report on the reporting entity, are intended to reflect only the financial statements of the primary government (Parish Council).

Considered in the determination of component units of the reporting entity were the West Baton Rouge Parish School Board and the various municipalities in the parish. These governmental entities are not component units of the West Baton Rouge Parish Council reporting entity because they have separately elected governing bodies, are legally separate, and are fiscally independent of the West Baton Rouge Parish Council.

B. Basis of Presentation

The Parish Council's basic financial statements consist of the government-wide statements on all of the non-fiduciary activities of the primary government and the fund financial statements (individual major fund and combined non-major funds). The Statements are prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units.

The government-wide financial statements consist of the statement of net assets and the statement of activities to report information on all of the nonfiduciary activities of the primary government. The effects of interfund activity have been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. This includes internally dedicated resources such as restricted property taxes.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 1-Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

FUND FINANCIAL STATEMENTS:

Emphasis of fund financial reporting is on the major fund level. Non-major funds (by category) or fund type are summarized into a single column in the basic financial statements.

The daily accounts and operations of the Parish Council are organized on the basis of individual funds, each of which is considered a separate accounting entity. The operations of each fund, both major and non-major, are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds for the primary government are grouped into generic fund types and three fund categories as follows:

Governmental Activities Presented as Governmental Funds in the Fund Financial Statements:

General Fund - The General Fund is the general operating fund of the parish. The General Fund accounts for all financial resources except those required to be accounted for in other funds. The General Fund is always a major fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. There are no special revenue fund major funds.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs. There are no debt service fund major funds.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds) and is reported as a major fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other uses) in net current assets. Governmental funds are maintained on the modified accrual basis of accounting.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 1-Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental fund revenues resulting from exchange transactions are recognized in the fiscal year in which the exchange takes place and meets the government's availability criteria (susceptible to accrual). Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Charges for services, fines and forfeits, and most governmental miscellaneous revenues, including investment earnings are recorded as earned since they are measurable and available. The Parish Council definition of available means expected to be received within sixty days of the end of the fiscal year.

Nonexchange transactions, in which the Parish Council receives value without directly giving value in return, includes sales tax, property tax, special assessments, grants, entitlements, and donations. Property taxes are considered measurable in the calendar year of the tax levy if collected soon enough to meet the availability criteria. Sales taxes and gross receipts business taxes are considered "measurable" when the underlying transaction occurs and meets the availability criteria. Anticipated refunds of such taxes are recorded as fund liabilities and reductions of revenue when they are measurable and valid. Special Assessments are recognized as revenues only to the extent that individual installments are considered current assets in the governmental fund types. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources can be used.

Expenditures are recognized in the accounting period in which the related fund liability is incurred, if measurable, except for the following: (1) principal and interest on long-term debt are recorded when due, and (2) claims and judgments, group health claims, arbitrage payable, net pension obligation and compensated absences are recorded as expenditures in the governmental fund type when paid with expendable available financial resources. Allocations of costs such as depreciation and amortization are not recognized in the governmental funds.

D. Budget Policies and Budgetary Accounting

The Parish Council follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to November 1, the Parish President submits to the Parish Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted by an ordinance.
4. The Parish President is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Parish Council.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 1-Summary of Significant Accounting Policies (Continued)

D. Budget Policies and Budgetary Accounting (Continued)

5. Formal budgetary integration is employed as a management control device during the year for the General and Special Revenue Funds. Formal budgetary integration is not employed for Debt Service Funds because effective budgetary control is achieved through general obligation bond indenture provisions.
6. The appropriated budget for the General and Special Revenue Funds is adopted on the cash basis. Budgetary comparisons presented in this report compare the adopted budget with actual data on the budgetary (cash) basis.
7. All budgetary appropriations lapse at the end of each fiscal year.
8. Encumbrances are not recorded by the Parish Council; accordingly, no encumbrances are outstanding.
9. Budgeted amounts shown are as originally adopted or amended by the Parish Council. Each year the budgetary information for comparisons includes the amended budget.

E. Cash and Cash Equivalents and Investments

Cash and cash equivalents include cash on hand, demand deposits and interest-bearing demand deposits. It is the Parish Council's policy to include as cash equivalents amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Parish Council may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the Parish Council may invest in United States bonds, treasury notes, or certificates and mortgage backed securities. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at fair value. Unrealized gains and losses on investments recorded at fair value are included in investment income.

F. Capital Assets

Capital assets, which include land and land improvements, buildings, equipment, and infrastructure assets (streets, roads, bridges, canals and sewer and drainage systems) are reported in the applicable governmental activities columns in the government-wide financial statements. Capitalization thresholds are defined as capital assets with a cost of \$1,000 or more per unit.

All assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add value to the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized on completion of construction projects. For capitalization purposes, projects are considered substantially complete when 80% of the project has been constructed. At this point the project costs are moved out of construction work in progress and capitalized.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 1-Summary of Significant Accounting Policies (Continued)

F. Capital Assets (Continued)

Depreciation on all capital assets, excluding land and improvements, is calculated on the straight-line method over the following estimated useful lives:

<u>Type of Capital Assets</u>	<u>Number of Years</u>
Buildings and building improvements	40
Furniture	5
Machinery and equipment	5-6
Automobiles	5
Infrastructure	40

G. Revenue Susceptible to Accrual

Under the modified accrual basis of accounting, some revenues are susceptible to accrual while others are not. Major revenue treated as susceptible to accrual are sales taxes, property taxes, gross receipts business taxes, and certain state shared revenue such as tobacco tax, beer tax, and parish transportation funds. Since property tax levied in 2007 is deferred, no allowance for doubtful accounts is recorded. Any adjustments will be made in 2008 when collected.

H. Long-Term Debt

In the government-wide statement of net assets, long-term debt and other long-term obligations are reported as liabilities. Bond premiums, discounts, issuance costs, and gains (losses) on refunding are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable costs are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements governmental fund types recognize bond premiums, discounts, and bond issuance costs during the current financial period. The face amount of the debt issue is reported as "other financing sources". Premiums received on debt issuances are reported as "other financing sources" and discounts on debt are reported as "other financing uses".

Excess revenue contracts, loans, and notes are obligations of the general government and payment of these debts is normally provided by transfers from the General Fund to the various Debt Service Funds.

Sales tax revenue bonds are secured by sales tax revenues. Payment of the debt is provided by sales tax revenue recognized in the appropriate debt service fund.

I. Reserves and Designations of Fund Equity

Some portions of fund balance are reserved to indicate that a portion of fund equity is legally restricted to a specific future use or is not available for appropriation or expenditure. Other portions of fund balance are designated by the Parish Council for a specific purpose; however, these designations are subject to change.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 1-Summary of Significant Accounting Policies (Continued)

J. Compensated Absences

Employees earn vacation in varying amounts according to years of service as follows.

<u>Years Service</u>	<u>Vacation</u>
0-4	10 days/year
5-14	15 days/year
15-19	20 days/year
over 20	25 days/year

Employees accrue one working day of sick leave for each month of service. There is no maximum on accumulated sick leave.

Employees may accumulate vacation and sick leave time without limitation, however, only vacation leave is payable upon resignation, discharge, death, retirement, or removal due to reduction in force. Payment for vacation leave is limited to 300 hours under all circumstances. If an employee works to retirement eligibility, the accumulated unused sick leave is combined with vacation leave to apply toward retirement years.

In the government-wide financial statements, the total compensated absences liability is recorded as an expense and a long-term obligation and allocated on a functional basis. In accordance with GASB Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*, no compensated absences liability is recorded in the governmental fund-type fund financial statements.

K. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet and are not eliminated for financial statement purposes. Since all of the funds are governmental activities these balances are eliminated in the government-wide financial statements.

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets. Net assets are reported as restricted when there are limitations imposed on their use by external parties such as creditors, grantors, laws or regulations of other governments.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources, first, then unrestricted resources as they are needed.

Designated portions of fund balance indicate tentative future spending plans, which may be changed and are subject to subsequent authorization before expenditures can be made.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 1-Summary of Significant Accounting Policies (Continued)

M. Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. Those estimates affect the reported amounts of assets and liabilities and disclosure of assets and liabilities at the date of the financial statements. They may also affect the reported amounts of revenue and expenses of proprietary funds and the government-wide financial statements during the reporting period. Actual results could differ from these estimates.

N. New Accounting Pronouncement

In 2004, the Governmental Accounting Standards Board (GASB) issued Statement 45, "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions", which requires public agencies to account for, and report, the annual cost of Other Post-Employment Benefits (OPEB) in the same way they report pensions. As a result, the annual OPEB costs for most employers will be based on actuarially determined amount rather than in the "pay-as-you-go" method. The Parish Council is required to implement this standard for the year ending December 31, 2008, and has not yet determined the full impact that adoption of GASB Statement 45 will have on the financial statements.

Note 2-Cash and Cash Equivalents and Investments

A. Deposits

Deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

B. Cash and Cash Equivalents

At December 31, 2007, the Parish Council has cash and cash equivalents (book value) as follows:

Cash on hand	\$1,100
Interest-bearing demand deposits	<u>8,905,525</u>
Combined cash and cash equivalents	<u>8,906,625</u>

C. Custodial Credit Risks

For deposits, custodial credit risk is the risk that, in the event of the failure of the counter-party, the Parish Council will not be able to recover the value of its investment or collateral securities that are in possession of an outside party. As of December 31, 2007, the Parish Council's total bank balances were fully insured and collateralized with securities held in the name of the Parish Council by the pledging financial institution's agent, and therefore, not exposed to custodial credit risks.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 2-Cash and Cash Equivalents and Investments (Continued)

D. Investments

At December 31, 2007 the Parish Council holds investments as follows:

	<u>Carrying Amount at Cost</u>	<u>Market Value</u>
Money Market Funds	\$186,651	\$186,651
Mortgage backed securities, with maturities from 19 to 30 years	1,545,616	1,514,030
U.S. Government Agency Notes, with maturities from 1 to 15 years	2,959,000	2,954,621
Louisiana Asset Management Pool (LAMP), 4.99%	3,563,000	3,576,509
Bank investment	106,224	106,224
Certificate of Deposit	<u>650,000</u>	<u>650,000</u>
	9,010,491	8,988,035
Less restricted investments at LAMP	<u>(150,000)</u>	<u>(150,670)</u>
	<u>8,860,491</u>	<u>8,837,365</u>

The Parish Council investment policy does not address interest rate or concentration of risk.

Credit risk is defined as the risk that an issuer or other counter-party to an investment will not fulfill its obligation. The Parish Council's investment policy requires the application of the prudent-person rule. The policy states, "all investments made shall be with judgement and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The Parish Council's policy limits investments to the United States Treasury obligations by federal agencies, security repurchase agreements, certificates of deposit, and mutual or trust fund institutions.

LAMP, a local government investment pool, is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, which was formed by an initiative of the State Treasurer in 1993. While LAMP is not required to be a registered investment company under the Investment Company Act of 1940, its investment policies are similar to those established by Rule 2a7, which governs registered money market funds. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high-quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. Government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. The fair value of investments is determined on a weekly basis to monitor any variances between amortized cost and fair value. For purposes of determining participants' shares, investments are valued at amortized cost. The fair value of the participant's position is the same as the value of the pool shares. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 3-Property Taxes

All taxable property in Louisiana is required by law to be assessed annually at a percentage of its fair market value by the parish assessor, except for public utility property which is assessed by the Louisiana Tax Commission.

The 1974 Louisiana Constitution provided that, beginning in 1978, all land and residential property be assessed at 10% of fair market value; agricultural, horticultural, marsh lands, timber lands, and certain historic buildings be assessed at 10% of "use" value; and all other property be assessed at 15% of fair market value. Fair market values are determined by the elected assessor of the parish and are subject to review and final certification by the Louisiana Tax Commission. The assessor is required to reappraise all property every four years.

The Sheriff of West Baton Rouge Parish, as provided by state law, is the official tax collector of property taxes levied by the parish and parish special districts. December tax collections remitted to the Parish Council by the Sheriff in January are reported as "Due From Other Governments".

The 2007 property tax calendar was as follows:

Millage rates adopted	August 9, 2007
Board of Review	September 27, 2007
Tax bills mailed	November 12, 2007
Due date and collections	December 31, 2007
Certified delinquent notice	March 14, 2008

Property taxes are recognized as revenue in the calendar year for which they are budgeted. State law requires the Sheriff to collect property taxes in the calendar year in which the assessment is made. If taxes are not paid by the due date of December 31, they bear interest at one percent per month until paid. After notice is given to the delinquent taxpayers, the Sheriff is required by the Constitution of the State of Louisiana to sell the least quantity of property necessary to settle the taxes and interest owed.

The following is a summary of parish-wide authorized and levied and valorem taxes for the year:

	<u>Authorized Milage</u>	<u>Levied Milage</u>	<u>Expiration</u>
Primary Government, Parish-wide			
General Fund	3.52	3.52	None
Special Revenue Funds			
Health Unit	1.75	1.75	2016
Community Center	3.00	3.00	2010
Juvenile Detention Center	1.01	1.01	2010
Central Communications	3.00	3.00	2010
Recreation	5.00	5.00	2015
Primary Government, District Drainage	7.20	7.20	2015

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 4-Changes in Fixed Assets

A. A summary of changes in general fixed assets follows:

	<u>Balance December 31, 2006</u>	<u>Additions</u>	<u>Adjustments and Deletions</u>	<u>Balance December 31, 2007</u>
Capital assets not being depreciated				
Land	\$1,635,155	\$19,808		\$1,654,963
Construction in progress		182,964		182,964
Construction in progress - sewer project		<u>3,066,667</u>		<u>3,066,667</u>
<u>Total capital assets not being depreciated</u>	<u>1,635,155</u>	<u>3,269,439</u>		<u>4,904,594</u>
Capital assets being depreciated				
Buildings	27,638,332	670,115		28,308,447
Equipment	6,311,886	1,028,646	(\$723,806)	6,616,726
Infrastructure	25,545,496	2,549,649		28,095,145
Equipment under capital lease	<u>169,585</u>	<u>404,368</u>		<u>573,953</u>
<u>Total capital assets being depreciated</u>	<u>59,665,299</u>	<u>4,652,778</u>	<u>(723,806)</u>	<u>63,594,271</u>
Less accumulated depreciation for				
Buildings	(7,536,955)	(646,367)		(8,183,322)
Equipment	(4,532,177)	(703,483)	705,932	(4,529,728)
Equipment under capital lease	(25,809)	(78,106)		(103,915)
Infrastructure	<u>(3,481,617)</u>	<u>(702,379)</u>		<u>(4,183,996)</u>
<u>Total accumulated depreciation</u>	<u>(15,576,558)</u>	<u>(2,130,335)</u>	<u>705,932</u>	<u>(17,000,961)</u>
Total capital assets being depreciated, net	<u>44,088,741</u>	<u>2,522,443</u>	<u>(17,874)</u>	<u>46,593,310</u>
Total capital assets	<u>45,723,896</u>	<u>5,791,882</u>	<u>(17,874)</u>	<u>51,497,904</u>

Adjustments and deletions includes infrastructure and assets either traded or scrapped.

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

Public Works	\$1,206,155
General Government	358,204
Public Safety	444,680
Health and Welfare	12,907
Culture and Recreation	<u>108,389</u>
<u>Total depreciation expense-governmental activities</u>	<u>2,130,335</u>

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 4-Changes in Fixed Assets

C. Commitments

The Parish Council entered into contracts in 2007 for a variety of improvements around the parish. There were two major contracts being worked at December 31, 2007 with approximately \$527,000 remaining to be expended.

Assets shown as construction in progress - sewer fund will be transferred to West Baton Rouge Public utilities upon completion of the project.

Note 5-Pension Plan

Plan Description

Substantially all employees of the West Baton Rouge Parish Council are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the Parish Council are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 10 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980, plus 3 percent of final-average salary for each year of service credited after the revision date. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14619, Baton Rouge, Louisiana 70898-4619, or by calling (225) 928-1361.

Funding Policy

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the West Baton Rouge Parish Jury is required to contribute at an actuarially determined rate. The current rate is 13.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the West Baton Rouge Parish Council are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The West Baton Rouge Parish Council's contributions to the System under Plan A for the year ending December 31, 2007, was \$888,167.

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 6-Parish Council Member's Compensation

The Parish Council has elected the monthly payment method of compensation. The monthly compensation is \$963 for the Council President and \$856 for the other council members.

Compensation for the year ended December 31, 2007:

Larry Johnson, Chairperson	\$11,556
Curtis Anderson	10,272
Randal Mouch	10,272
Huey Brown	10,272
Harlan Cashiola	10,272
Dantin LeBlanc	10,272
Jeff Kershaw	10,272
Betty Nelson	10,272
Keith Washington	<u>10,272</u>
	<u>93,732</u>

Note 7-Long-Term Debt

A. Changes in General Long-Term Debt Obligations

	<u>Certificates of Indebtedness</u>	<u>Compensated Absences</u>	<u>Capital Lease</u>	<u>Total</u>
Long-term obligations payable at January 1, 2007	\$5,715,000	\$264,109	\$46,343	\$6,025,452
Additions	131,489	113,193	202,214	446,896
Deductions	<u>(571,000)</u>	<u>(91,946)</u>	<u>(104,597)</u>	<u>(767,543)</u>
Long-term obligations payable at December 31, 2007	<u>5,275,489</u>	<u>285,356</u>	<u>143,960</u>	<u>5,704,805</u>
Due within one year	<u>533,000</u>	<u>100,000</u>	<u>86,453</u>	<u>719,453</u>

Certificates of Indebtedness at December 31, 2007, are comprised of the following:

\$2,100,000 Road Improvement Revenue Bonds, (Series 2004), due in annual installments of \$170,000 to \$255,000 through May 1, 2013, plus interest at 3.4%. The bonds are secured and payable from excess revenue. \$1,375,000

\$1,715,000 Public Improvement Sales Tax Refunding Bonds, (Series 2003), due in annual installments of \$105,000 to \$175,000 through November 1, 2014, plus interest at 4.5%. The bonds are secured and payable from a special one-half of one percent sales and use tax. 1,075,000

(Continued - Amounts brought forward) 2,450,000

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 7-Long-Term Debt (Continued)

B. Summary of Certificates of Indebtedness (Continued)

Certificates of Indebtedness at December 31, 2007, are comprised of the following: (Continued)

(Continued - Amounts carried forward)	\$2,450,000
\$300,000 Certificate of Indebtedness (Series 2000), due in annual installments of \$25,000 to \$40,000 through November, 2010. Interest is payable semiannually at 5.5%. Certificate is secured and payable from excess revenue.	110,000
\$1,100,000 Tourist Center Bonds (Series 2000), due in annual installments of \$55,000 to \$105,000 through September, 2015. Interest is payable semiannually from 5.0% to 6.1%. The Bonds are secured and payable by funds the Parish receives from the West Baton Rouge Parish Visitor Enterprise Fund held by the Louisiana State Treasurer, and from excess revenue.	700,000
\$300,000 Tourist Center Bonds (Series 2000A), due in annual installments of \$15,000 to \$30,000 through September, 2015. Interest is payable semiannually from 5.25% to 6.1%. The Bonds are secured and payable by funds the Parish receives from the West Baton Rouge Parish Visitor Enterprise Fund held by the Louisiana State Treasurer, and from excess revenue.	200,000
\$500,000 Tourist Center Bonds (Series 2006), due in annual installments of \$46,000 to \$66,000 through May 1, 2015. Interest is payable semiannually at 3.95%. The Bonds are secured and payable by funds the Parish receives from the West Baton Rouge Parish Visitor Enterprise Fund held by the Louisiana State Treasurer and from excess revenue.	454,000
\$1,250,000 Louisiana Local Government Environmental Facilities and Community Development Authority Bonds (Series 2006), due in annual installments of \$20,000 to \$80,000 through August 1, 2036. Interest is payable semiannually from 5.0% to 5.5%.	1,230,000
\$765,000 Sewerage Revenue Bond anticipation notes of which \$131,489 has been drawn in 2007. These bonds are in relation to the sewer project. The interest rate will be 4.50%.	<u>131,489</u>
	<u>5,275,489</u>

The annual requirements to amortize the Certificates of Indebtedness outstanding at December 31, 2007, are as follows:

<u>Year Ended December 31,</u>	
2008	\$533,000
2009	556,000
2010	583,000
2011	580,000
2012	603,000
2013 to 2036	<u>2,420,489</u>
	<u>5,275,489</u>

West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 7-Long-Term Debt (Continued)

B. Summary of Certificates of Indebtedness (Continued)

The following is a summary of Certificates of Indebtedness principal and interest requirements:

	<u>2008</u>	<u>To Maturity</u>
Principal requirements	\$533,000	\$4,611,000
Interest requirements	<u>252,202</u>	<u>2,888,097</u>
Total requirements	<u>785,202</u>	<u>7,499,097</u>

C. Bonds of Other Governmental Units

Bonds of the West Baton Rouge Parish School Board, West Baton Rouge Parish Library, West Baton Rouge Parish Tourist Commission, West Baton Rouge Parish Council on Aging, West Baton Rouge Parish Public Utility, and West Baton Rouge Parish Water Works Districts Number 1, 2 and 4, Town of Brusly, Town of Addis, City of Port Allen and Atchafalaya Levee Districts, are obligations of other governmental units located within the limits of the Parish of West Baton Rouge. These bonds are not included in this statement because they are not obligations of this primary government.

D. Port Authority Bonds

West Baton Rouge and other surrounding parishes are situated within the limits of the Greater Baton Rouge Port Commission. Outstanding obligations of the port are secured by a pledge of the full faith and credit of West Baton Rouge and other parishes in the district. However, the Supreme Court of the State of Louisiana has held that the pledge of the full faith and credit of the State comes before the pledges of the credit of the various parishes. Therefore, West Baton Rouge Parish does not have any potential liability with respect to the bonds of the port.

E. Industrial Development Revenue Bonds

The Parish and Special Districts have issued industrial development revenue bonds and industrial pollution control revenue bonds. These bonds are limited obligations of the Parish or District payable from revenue of the projects. The bonds are not a charge upon other income of the Parish or District nor are they a charge against the credit or taxing power of the District, or the Parish of West Baton Rouge.

F. Bond Restrictions

1. Louisiana Local Government Environmental Facilities and Community Development Authority Revenue Bond - Series 2006; Tourist Center Bond - Series 2000A; and Tourist Center Bond - Series 2000 and Series 2006:

- a. The Debt Service Fund requires monthly transfers equal to one-twelfth of the principal and interest.
- b. The Reserve Fund is required to have an amount equal to the highest combined principal and interest falling due in a year. This fund is restricted to payment of principal and interest in case of default.

**West Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007**

Note 7-Long-Term Debt (Continued)

F. Bond Restrictions (Continued)

2. Certificate of Indebtedness - Series 1997A and Series 2000; Road Improvement Bonds - Series 2003; Sales Tax Refunding - Series 2002; and Tourist Center Bonds - Series 2006:

a. The Debt Service Fund requires monthly transfers equal to one-twelfth of the principal and interest.

The Parish Council was in compliance with all bond covenants in 2007.

Note 8-Receivables and Payables

Interfund receivables and payables at year end, as shown in the governmental statements, are as follows:

	<u>Receivables</u>	<u>Payables</u>	
General Fund	\$406,013		
Correctional Facility	200,976		
Sales tax	_____	<u>\$606,989</u>	
	<u>606,989</u>	<u>606,989</u>	

Due from other governments consists of amounts due from the State of Louisiana, and local parish agencies for routine funds due the West Baton Rouge Parish Council primary government.

Due to other governments consist of routine sales tax collections due the West Baton Rouge Parish School Board and other local government agencies.

Note 9-Interfund Transfers

Operating Transfers by fund are as follows:

	<u>In</u>	<u>Out</u>
General Fund	<u>\$90,244</u>	<u>\$3,935,641</u>
Special Revenue Funds		
Correctional Facility	455,000	177,489
Parish Roads	1,068,050	
Criminal Court		68,203
Federal Grants		22,040
Drainage Maintenance	<u>646,118</u>	
	<u>2,169,168</u>	<u>267,732</u>

(Continued)

West Balon Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 9-Interfund Transfers (Continued)

(Continued)	<u>In</u>	<u>Out</u>
Debt Service Funds		
2002 Sales Tax Refunding Bonds	\$177,489	\$440,000
2003 Road Bond	245,400	
1997 Roads/Courthouse Bonds	68,612	
2002 and 2006 Tourist Center Bonds	212,951	212,951
LA Local Government Environmental Facilities Bonds	<u>90,898</u>	<u>3,678</u>
	<u>795,350</u>	<u>656,629</u>
Capital Project Fund		
Parish Road Trust	1,163,320	123,500
Video Poker Capital Trust		702,558
Special Recreation Projects	270,131	
Land, building and sewer improvements	<u>1,197,847</u>	
	<u>2,631,298</u>	<u>826,058</u>
	<u>5,686,060</u>	<u>5,686,060</u>

Note 10-Contingent Liabilities

The Parish Council is a defendant in several pending lawsuits. The government's policy is to pay judgements against the Parish Council on a current basis from available financial resources.

Note 11-Budgetary - GAAP Reporting Reconciliation

The accompanying schedule presents comparisons of the legally adopted budgets (as described in Note 1) with actual data on a budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, reconciliations of differences in the excess of revenue and other sources of financial resources over expenditures and other uses of financial resources for the current year are presented as follows.

	<u>General Funds</u>	<u>Special Revenue Funds</u>
Net change in fund balance (Budgetary Basis)	(\$120,213)	\$783,016
Adjustments - to adjust for accruals	<u>(26,136)</u>	<u>(43,263)</u>
Net change in fund balance (GAAP basis).	<u>(146,349)</u>	<u>739,753</u>

West.Baton Rouge Parish Council
Notes to Financial Statements
December 31, 2007

Note 12-Deferred Revenue

Deferred revenue consists of property tax received, which will not be recognized as revenue until 2008, and deferred grant revenue recorded in the Federal Grant Special Revenue Fund as follows:

Deferred property tax revenue	\$6,339,689
Deferred grant revenue	<u>303,054</u>
	<u>6,642,743</u>

Note 13-Post Retirement Benefits

During 2007, the Parish Council provided life and health insurance benefits to 32 qualifying retired employees at a cost of \$152,380. All retired employees receiving full retirement benefits qualify. The Parish Council adopted a resolution on April 8, 1993 approving surviving spouses coverage under the plan. These benefits are financed and recorded on a "pay as you go" basis.

Note 14-Lease Commitments

The Parish Council is the lessee of equipment under capital leases expiring in various years through 2009. The rates for these leases range from 1.20% to 5.25%. The lease payments are expected to remain the same throughout the term of the lease. The title to the equipment will transfer to the Parish Council at the end of the lease.

The future minimum lease payments are as follows:

Lease amount owed	\$149,311
Amount representing interest	<u>(5,351)</u>
Net present value of minimum lease payments	<u>143,960</u>

**Combining and Individual
Fund Statements and Schedules**

**West Baton Rouge Parish Council
Special Revenue Funds
December 31, 2007**

Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Correctional Facility:

To account for operations of the parish correctional facility.

Parish Roads:

To account for the construction of new roads and bridges and the maintenance of existing roads and roadside areas. Financing is provided by the State of Louisiana Parish Transportation Fund, the Parish Royalty Fund, and amounts transferred from the general fund.

Drainage Maintenance:

To account for the operation and maintenance of all off-road drainage projects. Financing is provided by ad valorem taxes, severance taxes and state revenue sharing funds.

Health Unit:

To account for the operation of the Parish Health Unit. Financing is provided by ad valorem taxes.

Community Centers:

To account for property taxes used to fund operations for the Community Centers.

Community Alert Network:

To account for a program which alerts the community in case of an emergency.

911:

To provide the citizens of West Baton Rouge with a one number service for all emergencies. Funds are provided by a monthly charge of \$.85 per month for residents and \$1.75 per month for businesses on all telephone bills.

Criminal Court:

This fund was established under Section 571.11 of Title 15 of the Louisiana Revised Statutes of 1950, which provides that fines and forfeitures imposed by district courts and district attorneys' conviction fees, in criminal cases, be transferred to the parish treasurer and deposited into a special "Criminal Court Fund" account, to be used for expenses of the Criminal Court of the Parish. Expenditures are made from the fund on motion of the district attorney and approval of the district judges.

The statutes also require that one-half of the fund balance remaining in the Criminal Court Fund at December 31st of each year be transferred to the Parish's General Fund.

Juvenile Detention:

To account for the receipts and subsequent expenditure of funds received from the oil field settlement of Port Hudson field for special projects. Funds are currently dedicated for the cost of juvenile detention in the Parish.

Recreation:

To account for the operation, maintenance, and construction of the recreation parks in the Parish.

**West Baton Rouge Parish Council
Special Revenue Funds
December 31, 2007**

(Continued)

Lighting Fund:

To account for future lighting districts around the Parish.

Central Communication:

To provide centralized 911 dispatching for the Parish.

Mosquito Control:

To account for a mosquito abatement program for the Parish.

Federal Grants:

To account for the receipt and subsequent expenditure of funds received from the Department of Housing and Urban Development to aid low income families in obtaining decent, safe and sanitary housing and also, from the Department of Social Services for low income energy assistance.

Miscellaneous:

To account for miscellaneous funds which are in the process of being dissolved because their purpose is no longer necessary.

**West Baton Rouge Parish Council
Debt Service Funds
December 31, 2007**

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

2002 Sales Tax Refunding Bonds:

To record monies for payments of the 2003, \$1,715,000 Sales Tax Refunding Bonds which refunded the 1994 Correctional Facilities Bonds. Financing is to be provided by sales and use tax.

2000 Museum Bonds:

To record monies for payment of the 2000, \$300,000 West Baton Rouge Museum Bonds. Financing is to be provided by excess revenues.

2000 Tourist Center Bonds:

To record monies for payment of the 2000, \$1,100,000 Tourist Center Bonds. Financing is from the State Treasurer and increased sales and other tax revenues to the Parish from economic development services and facilities provided by the West Baton Rouge Parish Tourist Commission.

1997 Roads/Courthouse Renovations Bonds:

To account for transfers from the general fund for the debt service of the 1997, \$500,000 Roads/Courthouse Renovations Certificate of Indebtedness

1996 Council on Aging Bonds:

To account for intergovernmental revenue from the Council on Aging component unit for the debt service of the 1996, \$500,000 Council on Aging Certificate of Indebtedness.

2006 LA Local Government Environmental Facilities and Community Development

To record monies for payment of the 2006, \$1,250,000 LA Local Government Environmental Facilities and Community Development Bonds.

**West Baton Rouge Parish Council
Non Major Governmental Funds
Combining Balance Sheet
December 31, 2007**

Special Revenue

	Correctional Facility	Parish Roads	Drainage Maintenance	Health Unit	Community Centers	Community Alert Network	911	Criminal Court	Juvenile Detention	Recreation	Parish Lighting
Assets											
Cash and											
cash equivalents	\$3,636	\$25,992	\$316,933	\$648,359	\$248,104	\$3,446	\$122,296	\$68,463	\$666,787	\$73,278	\$246,569
Investments			500,000	500,000	15,000		65,000		450,000		
Investments - restricted											
Taxes receivable			1,815,651	441,304	756,522				254,695	1,260,869	
Restricted cash and cash equivalents											
Due from other funds	200,976										
Due from other governments	<u>146,516</u>	<u>71,752</u>	<u>1,326</u>	<u>20,563</u>	<u>2,543</u>	<u>—</u>	<u>26,716</u>	<u>3,153</u>	<u>—</u>	<u>—</u>	<u>23,673</u>
Total assets	<u>351,128</u>	<u>97,744</u>	<u>2,633,910</u>	<u>1,610,226</u>	<u>1,022,169</u>	<u>3,446</u>	<u>214,012</u>	<u>71,616</u>	<u>1,371,482</u>	<u>1,334,147</u>	<u>270,242</u>
Liabilities											
Accounts payable	47,257	12,985	14,235	6,711	12,411	20	7,564	1,740		14,207	
Accrued liabilities	2,947	17,308	19,477	6,702	5,926		1,626	1,047		12,371	
Deferred revenue			1,864,614	453,205	776,923				261,564	1,294,871	
Total liabilities	<u>50,204</u>	<u>30,293</u>	<u>1,898,326</u>	<u>466,618</u>	<u>795,260</u>	<u>20</u>	<u>9,190</u>	<u>2,787</u>	<u>261,564</u>	<u>1,321,449</u>	<u>—</u>
Fund Equity											
Reserved for debt service											
Unreserved	<u>300,924</u>	<u>67,451</u>	<u>735,584</u>	<u>1,143,608</u>	<u>226,909</u>	<u>3,426</u>	<u>204,822</u>	<u>68,829</u>	<u>1,109,918</u>	<u>12,698</u>	<u>270,242</u>
Total fund equity	<u>300,924</u>	<u>67,451</u>	<u>735,584</u>	<u>1,143,608</u>	<u>226,909</u>	<u>3,426</u>	<u>204,822</u>	<u>68,829</u>	<u>1,109,918</u>	<u>12,698</u>	<u>270,242</u>
Total liabilities and fund equity	<u>351,128</u>	<u>97,744</u>	<u>2,633,910</u>	<u>1,610,226</u>	<u>1,022,169</u>	<u>3,446</u>	<u>214,012</u>	<u>71,616</u>	<u>1,371,482</u>	<u>1,334,147</u>	<u>270,242</u>

Special Revenue				Debt Service								
									2006			
Central				Special	Sales Tax	2000	2002	1997	Louisiana Local	Debt	Total	
Communications	Mosquito Control	Federal Grants	Miscellaneous	Revenue Total	Refunding Bonds	Museum Bonds	Tourist Center Bonds	Court-house and Roads Bonds	2003 Road Bonds	Facilities and Community Development	Service Total	Non Major Governmental Funds
\$21,205	\$87,156	\$256,847	\$12,085	\$2,801,156								\$2,801,156
				1,530,000								1,530,000
							\$150,000				\$150,000	150,000
755,798				5,284,839								5,284,839
					\$1,910	\$48,261	280,187			\$128,783	459,141	459,141
				200,976								200,976
		<u>86,325</u>		<u>382,567</u>								<u>382,567</u>
<u>777,003</u>	<u>87,156</u>	<u>343,172</u>	<u>12,085</u>	<u>10,199,538</u>	<u>1,910</u>	<u>48,261</u>	<u>430,187</u>			<u>128,783</u>	<u>609,141</u>	<u>10,808,679</u>
		69,436		186,566								186,566
3,826		151	4,699	76,080								76,080
<u>776,923</u>	<u>84,505</u>	<u>218,549</u>		<u>5,731,154</u>								<u>5,731,154</u>
<u>780,749</u>	<u>84,505</u>	<u>288,136</u>	<u>4,699</u>	<u>5,993,800</u>								<u>5,993,800</u>
					1,910	48,261	430,187			128,783	609,141	609,141
<u>(3,746)</u>	<u>2,651</u>	<u>55,036</u>	<u>2,386</u>	<u>4,205,738</u>								<u>4,205,738</u>
<u>(3,746)</u>	<u>2,651</u>	<u>55,036</u>	<u>2,386</u>	<u>4,205,738</u>	<u>1,910</u>	<u>48,261</u>	<u>430,187</u>			<u>128,783</u>	<u>609,141</u>	<u>4,814,879</u>
<u>777,003</u>	<u>87,156</u>	<u>343,172</u>	<u>12,085</u>	<u>10,199,538</u>	<u>1,910</u>	<u>48,261</u>	<u>430,187</u>			<u>128,783</u>	<u>609,141</u>	<u>10,808,679</u>

West Baton Rouge Parish Council
Non Major Governmental Funds
Combining Statement of Revenue, Expenditures and Changes in Fund Balances
December 31, 2007

Special Revenue

	Correctional Facility	Parish Roads	Drainage Main- tenance	Health Unit	Community Centers	Community Alert Network	911	Criminal Court	Juvenile Detention	Recreation	Parish Lighting
Revenue											
Taxes	\$2,553,012		\$1,616,259	\$392,841	\$673,441				\$226,725	\$1,122,330	\$264,012
Intergovernmental	1,596,774	\$604,876	95,485	17,914	23,135	\$10,675	\$285,258				
Charges for services					57,566					17,970	
Fines and forfeits								\$244,471			
Interest	267	594	73,667	66,676	23,211	265	17,183	6,314	59,014	28,522	6,230
Miscellaneous	<u>125,829</u>		<u>20,025</u>				<u>82,500</u>				
Total revenue	<u>4,275,882</u>	<u>605,470</u>	<u>1,805,436</u>	<u>472,431</u>	<u>777,353</u>	<u>10,940</u>	<u>385,441</u>	<u>250,785</u>	<u>285,739</u>	<u>1,168,822</u>	<u>270,242</u>
Expenditures											
Judicial								176,266			
Public safety	4,564,507					13,853	382,954		79,492		
Public works		1,285,305	1,699,086								
Health and welfare				290,182							
Culture and recreation					509,899					1,034,123	
Urban housing											
Capital outlay	5,158	398,714	575,769	26,547	29,472		212,451		12,000	157,029	
Debt service											
Principal payments											
Interest											
Fees and refunding costs											
Total expenditures	<u>4,569,665</u>	<u>1,684,019</u>	<u>2,274,855</u>	<u>316,729</u>	<u>539,371</u>	<u>13,853</u>	<u>595,405</u>	<u>176,266</u>	<u>91,492</u>	<u>1,191,152</u>	
Excess Revenue Over (Under) Expenditures	<u>(293,783)</u>	<u>(1,078,549)</u>	<u>(469,419)</u>	<u>160,702</u>	<u>237,982</u>	<u>(2,913)</u>	<u>(209,964)</u>	<u>74,519</u>	<u>194,247</u>	<u>(22,330)</u>	<u>270,242</u>
Other Financing Sources											
Operating transfers in	455,000	1,068,050	646,118								
Operating transfers out	<u>(172,489)</u>							<u>(68,203)</u>			
Total other financing sources (uses)	<u>277,511</u>	<u>1,068,050</u>	<u>646,118</u>					<u>(68,203)</u>			
Net change in fund balances	<u>(16,272)</u>	<u>(10,499)</u>	<u>176,699</u>	<u>160,702</u>	<u>237,982</u>	<u>(2,913)</u>	<u>(209,964)</u>	<u>6,316</u>	<u>194,247</u>	<u>(22,330)</u>	
Fund Balance											
Beginning of year	<u>317,196</u>	<u>77,950</u>	<u>558,885</u>	<u>982,906</u>	<u>(11,073)</u>	<u>6,339</u>	<u>414,786</u>	<u>62,513</u>	<u>915,671</u>	<u>35,028</u>	
End of year	<u>300,924</u>	<u>67,451</u>	<u>735,584</u>	<u>1,143,608</u>	<u>226,909</u>	<u>3,426</u>	<u>204,822</u>	<u>68,829</u>	<u>1,109,918</u>	<u>12,698</u>	<u>270,242</u>

Special Revenue				Debt Service								
Central Communi- cations	Mosquito Control	Federal Grants	Miscel- lanous	Special Revenue Total	Sales Tax Refunding Bonds	2000 Museum Bonds	2002 and 2006 Tourist Center Bonds	1997 Roads and Court- house Bonds	2003 Road Bonds	2006		Total Non Major Governmental Funds
										Louisiana Local Government Environmental Facilities and Community Development	Debt Service Total	
				\$6,848,620								\$6,848,620
		\$618,663		3,253,280		\$37,700	\$557,920				\$595,620	3,848,900
				75,536								75,536
				244,471								244,471
\$81	\$2,651	5,981	\$86	290,742	\$20,452	2,678	21,738			\$4,834	49,702	340,444
		<u>2,600</u>	<u>19,752</u>	<u>250,706</u>								<u>250,706</u>
<u>81</u>	<u>2,651</u>	<u>627,244</u>	<u>19,838</u>	<u>10,963,355</u>	<u>20,452</u>	<u>40,378</u>	<u>579,658</u>			<u>4,834</u>	<u>645,322</u>	<u>11,608,677</u>
				176,266								176,266
3,827		87,722	4,565	5,136,920								5,136,920
				2,984,391								2,984,391
		227,099		517,281								517,281
			14,405	1,558,427			170,000				170,000	1,728,427
		322,365		322,365								322,365
			12,248	1,429,388								1,429,388
					125,000	30,000	136,000	\$65,000	\$195,000	20,000	571,000	571,000
					53,400	7,700	76,701	3,087	50,065	62,381	253,334	253,334
					<u>325</u>		<u>2,892</u>	<u>525</u>	<u>335</u>		<u>4,077</u>	<u>4,077</u>
<u>3,827</u>		<u>637,186</u>	<u>31,218</u>	<u>12,125,038</u>	<u>178,725</u>	<u>37,700</u>	<u>385,593</u>	<u>68,612</u>	<u>245,400</u>	<u>82,381</u>	<u>998,411</u>	<u>13,123,449</u>
<u>(3,746)</u>	<u>2,651</u>	<u>(9,942)</u>	<u>(11,380)</u>	<u>(1,161,683)</u>	<u>(158,273)</u>	<u>2,678</u>	<u>194,065</u>	<u>(68,612)</u>	<u>(245,400)</u>	<u>(77,547)</u>	<u>(353,089)</u>	<u>(1,514,772)</u>
				2,169,168	177,489		212,951	68,612	245,400	90,898	795,350	2,964,518
		<u>(22,040)</u>		<u>(267,732)</u>	<u>(440,000)</u>		<u>(212,951)</u>			<u>(3,678)</u>	<u>(656,629)</u>	<u>(924,361)</u>
		<u>(22,040)</u>		<u>1,901,436</u>	<u>(262,511)</u>			<u>68,612</u>	<u>245,400</u>	<u>87,220</u>	<u>138,721</u>	<u>2,040,157</u>
		<u>(31,982)</u>	<u>(11,380)</u>	<u>739,753</u>	<u>(420,784)</u>	<u>2,678</u>	<u>194,065</u>			<u>9,673</u>	<u>(214,368)</u>	<u>525,385</u>
		<u>87,018</u>	<u>18,766</u>	<u>3,465,985</u>	<u>422,694</u>	<u>45,583</u>	<u>236,122</u>			<u>119,110</u>	<u>823,509</u>	<u>4,289,494</u>
<u>(3,746)</u>	<u>2,651</u>	<u>55,036</u>	<u>7,386</u>	<u>4,205,738</u>	<u>422,694</u>	<u>48,261</u>	<u>430,187</u>			<u>128,783</u>	<u>609,141</u>	<u>4,814,879</u>

West Baton Rouge Parish Council
Special Revenue Fund - Correctional Facility
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenue				
Sales tax	\$2,201,010	\$2,555,010	\$2,555,988	\$978
Intergovernmental	1,913,000	1,582,000	1,584,150	2,150
Interest	4,000	4,000	267	(3,733)
Miscellaneous	<u> </u>	<u>123,000</u>	<u>126,182</u>	<u>3,182</u>
<u>Total revenue</u>	<u>4,118,010</u>	<u>4,264,010</u>	<u>4,266,587</u>	<u>2,577</u>
Expenditures				
Current				
Public safety				
Operations	3,938,811	4,607,686	4,598,754	8,932
Capital outlay	<u>115,000</u>	<u>1,000</u>	<u>5,158</u>	<u>(4,158)</u>
<u>Total expenditures</u>	<u>4,053,811</u>	<u>4,608,686</u>	<u>4,603,912</u>	<u>4,774</u>
Excess of revenue over (under) expenditures	<u>64,199</u>	<u>(344,676)</u>	<u>(337,325)</u>	<u>7,351</u>
Other Financing Sources (Uses)				
Operating transfers in	115,000	455,000	455,000	
Operating transfers out	<u>(178,753)</u>	<u>(178,753)</u>	<u>(177,489)</u>	<u>1,264</u>
<u>Total other financing sources (uses)</u>	<u>(63,753)</u>	<u>276,247</u>	<u>277,511</u>	<u>1,264</u>
Net change in fund balance	446	(68,429)	(59,814)	8,615
Fund Balance				
Beginning of year	<u>63,450</u>	<u>63,450</u>	<u>63,450</u>	<u> </u>
End of year	<u>63,896</u>	<u>(4,979)</u>	<u>3,636</u>	<u>8,615</u>

West Baton Rouge Parish Council
Special Revenue Fund - Parish Roads
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenue				
Intergovernmental	\$478,000	\$550,600	\$586,444	\$35,844
Interest			594	594
<u>Total revenue</u>	<u>478,000</u>	<u>550,600</u>	<u>587,038</u>	<u>36,438</u>
Expenditures				
Current				
Public works				
Operations	1,406,275	1,406,275	1,255,615	150,660
Capital outlay	<u>428,000</u>	<u>428,000</u>	<u>398,715</u>	<u>29,285</u>
<u>Total expenditures</u>	<u>1,834,275</u>	<u>1,834,275</u>	<u>1,654,330</u>	<u>179,945</u>
Excess of revenue over (under) expenditures	(1,356,275)	(1,283,675)	(1,067,292)	216,383
Other Financing Sources				
Operating transfers in	<u>1,357,000</u>	<u>1,302,000</u>	<u>1,068,050</u>	<u>(233,950)</u>
Net change in fund balance	725	18,325	758	(17,567)
Fund Balance				
Beginning of year				
End of year	<u>725</u>	<u>18,325</u>	<u>758</u>	<u>(17,567)</u>

West Baton Rouge Parish Council
Special Revenue Fund - Drainage Maintenance
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Property tax	\$1,584,000	\$1,584,000	\$1,589,301	\$5,301
Intergovernmental	25,000	25,000	95,485	70,485
Interest	65,000	65,000	73,667	8,667
Miscellaneous	<u> </u>	<u> </u>	<u>20,025</u>	<u>20,025</u>
<u>Total revenue</u>	<u>1,674,000</u>	<u>1,674,000</u>	<u>1,778,478</u>	<u>104,478</u>
Expenditures				
Current				
Public works				
Operations	1,830,050	1,830,050	1,669,838	160,212
Capital outlay	<u>582,500</u>	<u>582,500</u>	<u>575,769</u>	<u>6,731</u>
<u>Total expenditures</u>	<u>2,412,550</u>	<u>2,412,550</u>	<u>2,245,607</u>	<u>166,943</u>
Excess of revenue over (under) expenditures	(738,550)	(738,550)	(467,129)	271,421
Other Financing Sources (Uses)				
Operating transfers in	<u>741,500</u>	<u>741,500</u>	<u>646,118</u>	<u>(95,382)</u>
Net change in fund balance	2,950	2,950	178,989	176,039
Fund Balance				
Beginning of year	<u>637,944</u>	<u>637,944</u>	<u>637,944</u>	<u> </u>
End of year	<u>640,894</u>	<u>640,894</u>	<u>816,933</u>	<u>176,039</u>

West Baton Rouge Parish Council
Special Revenue Fund - Health Unit
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Property tax	\$385,000	\$385,000	\$386,288	\$1,288
Intergovernmental	18,000	18,000	17,915	(85)
Interest	<u>38,000</u>	<u>38,000</u>	<u>66,676</u>	<u>28,676</u>
<u>Total revenue</u>	<u>441,000</u>	<u>441,000</u>	<u>470,879</u>	<u>29,879</u>
Expenditures				
Current				
Health and welfare				
Operations	<u>343,720</u>	<u>343,720</u>	<u>312,512</u>	<u>31,208</u>
<u>Total expenditures</u>	<u>343,720</u>	<u>343,720</u>	<u>312,512</u>	<u>31,208</u>
Excess of revenue over expenditures	97,280	97,280	158,367	61,087
Fund Balance				
Beginning of year	<u>989,992</u>	<u>989,992</u>	<u>989,992</u>	<u> </u>
End of year	<u>1,087,272</u>	<u>1,087,272</u>	<u>1,148,359</u>	<u>61,087</u>

West Baton Rouge Parish Council
Special Revenue Fund - Community Centers
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenue				
Property tax	\$660,000	\$660,000	\$662,209	\$2,209
Intergovernmental	22,000	22,000	23,135	1,135
Charges for services	53,900	63,175	58,651	(4,524)
Interest	<u>15,000</u>	<u>23,000</u>	<u>23,212</u>	<u>212</u>
<u>Total revenue</u>	<u>750,900</u>	<u>768,175</u>	<u>767,207</u>	<u>(968)</u>
Expenditures				
Current				
Culture and recreation				
Operations	518,890	518,890	508,904	9,986
Capital outlay	<u>15,000</u>	<u>30,500</u>	<u>30,022</u>	<u>478</u>
<u>Total expenditures</u>	<u>533,890</u>	<u>549,390</u>	<u>538,926</u>	<u>10,464</u>
Excess of revenue over expenditures	217,010	218,785	228,281	9,496
Fund Balance				
Beginning of year	<u>34,824</u>	<u>34,824</u>	<u>34,824</u>	—
End of year	<u>251,834</u>	<u>253,609</u>	<u>263,105</u>	<u>9,496</u>

West Baton Rouge Parish Council
Special Revenue Fund - Community Alert Network
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual	Final
	<u>Original</u>	<u>Final</u>	(Budgetary	Variance
			Basis)	Favorable
				(Unfavorable)
Revenue				
Intergovernmental	\$12,000	\$12,000	\$10,675	(\$1,325)
Interest	<u>400</u>	<u>400</u>	<u>265</u>	<u>(135)</u>
<u>Total revenue</u>	<u>12,400</u>	<u>12,400</u>	<u>10,940</u>	<u>(1,460)</u>
Expenditures				
Current				
Public safety				
Operations	<u>12,700</u>	<u>13,700</u>	<u>14,064</u>	<u>(364)</u>
<u>Total expenditures</u>	<u>12,700</u>	<u>13,700</u>	<u>14,064</u>	<u>(364)</u>
Excess of revenue over (under) expenditures	(300)	(1,300)	(3,124)	(1,824)
Fund Balance				
Beginning of year	<u>6,569</u>	<u>6,569</u>	<u>6,569</u>	_____
End of year	<u>6,269</u>	<u>5,269</u>	<u>3,445</u>	<u>(1,824)</u>

West Baton Rouge Parish Council
Special Revenue Fund - 911
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenue				
Taxes - 911 charge	\$256,000	\$256,000	\$281,766	\$25,766
Interest	16,000	16,000	17,183	1,183
Miscellaneous income	<u>115,000</u>	<u>115,000</u>	<u>82,500</u>	<u>(32,500)</u>
<u>Total revenue</u>	<u>387,000</u>	<u>387,000</u>	<u>381,449</u>	<u>(5,551)</u>
Expenditures				
Current				
Public safety				
Operations	367,000	400,379	398,468	1,911
Capital outlay	<u>100,000</u>	<u>194,200</u>	<u>194,169</u>	<u>31</u>
<u>Total expenditures</u>	<u>467,000</u>	<u>594,579</u>	<u>592,637</u>	<u>1,942</u>
Excess of revenue over (under) expenditures	(80,000)	(207,579)	(211,188)	(3,609)
Fund Balance				
Beginning of year	<u>398,484</u>	<u>398,484</u>	<u>398,484</u>	_____
End of year	<u>318,484</u>	<u>190,905</u>	<u>187,296</u>	<u>(3,609)</u>

West Baton Rouge Parish Council
Special Revenue Fund - Criminal Court
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary</u>	<u>Favorable</u>
			<u>Basis)</u>	<u>(Unfavorable)</u>
Revenue				
Fines and forfeits	\$184,000	\$245,000	\$245,721	\$721
Interest	<u>1,000</u>	<u>1,000</u>	<u>6,314</u>	<u>5,314</u>
<u>Total revenue</u>	<u>185,000</u>	<u>246,000</u>	<u>252,035</u>	<u>6,035</u>
Expenditures				
Current				
Judicial				
Operations	<u>146,451</u>	<u>177,451</u>	<u>168,129</u>	<u>9,322</u>
<u>Total expenditures</u>	<u>146,451</u>	<u>177,451</u>	<u>168,129</u>	<u>9,322</u>
Excess of revenue over expenditures	38,549	68,549	83,906	15,357
Other Financing Sources (Uses)				
Operating transfers out	_____	<u>68,203</u>	<u>68,203</u>	_____
Net change in fund balance	38,549	346	15,703	15,357
Fund Balance				
Beginning of year	<u>52,761</u>	<u>52,761</u>	<u>52,761</u>	_____
End of year	<u>91,310</u>	<u>53,107</u>	<u>68,464</u>	<u>15,357</u>

West Baton Rouge Parish Council
Special Revenue Fund - Juvenile Detention
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenue				
Property tax	\$220,000	\$220,000	\$222,943	\$2,943
Interest	<u>45,000</u>	<u>45,000</u>	<u>59,014</u>	<u>14,014</u>
<u>Total revenue</u>	<u>265,000</u>	<u>265,000</u>	<u>281,957</u>	<u>16,957</u>
Expenditures				
Current				
Public safety				
Operations	<u>175,000</u>	<u>175,000</u>	<u>94,902</u>	<u>80,098</u>
<u>Total expenditures</u>	<u>175,000</u>	<u>175,000</u>	<u>94,902</u>	<u>80,098</u>
Excess of revenue over expenditures	90,000	90,000	187,055	97,055
Fund Balance				
Beginning of year	<u>929,732</u>	<u>929,732</u>	<u>929,732</u>	<u>_____</u>
End of year	<u>1,019,732</u>	<u>1,019,732</u>	<u>1,116,787</u>	<u>97,055</u>

West Baton Rouge Parish Council
Special Revenue Fund - Federal Grants
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual (Budgetary Basis)</u>	<u>Final Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenue				
Intergovernmental	\$676,675	\$646,775	\$564,834	(\$81,941)
Miscellaneous	<u> 100</u>	<u> 100</u>	<u> 8,557</u>	<u> 8,457</u>
<u>Total revenue</u>	<u>676,775</u>	<u>646,875</u>	<u>573,391</u>	<u>(73,484)</u>
Expenditures				
Current				
Health and welfare				
Operations	84,560	222,115	245,477	(23,362)
Urban housing				
Operations	342,192	370,092	306,820	63,272
Capital outlay				
Operations	<u>250,000</u>	<u> 65,000</u>	<u> 37,035</u>	<u> 27,965</u>
<u>Total expenditures</u>	<u>676,752</u>	<u>657,207</u>	<u>589,332</u>	<u> 67,875</u>
Excess of revenue over (under) expenditures	23	(10,332)	(15,941)	(5,609)
Other Financing Sources (Uses)				
Operating transfers out	<u> </u>	<u> </u>	<u>(22,040)</u>	<u>(22,040)</u>
Net change in fund balance	23	(10,332)	(37,981)	(27,649)
Fund Balance				
Beginning of year	<u>106,433</u>	<u>106,433</u>	<u>106,433</u>	<u> </u>
End of year	<u>106,456</u>	<u> 96,101</u>	<u> 68,452</u>	<u>(27,649)</u>

West Baton Rouge Parish Council
Special Revenue Fund - Recreation
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenue				
Property tax	\$1,100,000	\$1,100,000	\$1,103,681	\$3,681
Interest	28,000	28,000	28,522	522
Park revenues	<u>13,500</u>	<u>13,500</u>	<u>17,970</u>	<u>4,470</u>
<u>Total revenue</u>	<u>1,141,500</u>	<u>1,141,500</u>	<u>1,150,173</u>	<u>8,673</u>
Expenditures				
Current				
Culture and Recreation				
Operations	1,017,738	1,027,188	1,024,279	2,909
Capital outlay	<u>160,000</u>	<u>160,000</u>	<u>157,030</u>	<u>2,970</u>
<u>Total expenditures</u>	<u>1,177,738</u>	<u>1,187,188</u>	<u>1,181,309</u>	<u>5,879</u>
Excess of revenue over (under) expenditures	(36,238)	(45,688)	(31,136)	14,552
Fund Balance				
Beginning of year	<u>104,414</u>	<u>104,414</u>	<u>104,414</u>	_____
End of year	<u>68,176</u>	<u>58,726</u>	<u>73,278</u>	<u>14,552</u>

West Baton Rouge Parish Council
Special Revenue Fund - Parish Lighting
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual	Final
	<u>Original</u>	<u>Final</u>	(Budgetary	Variance
			Basis)	Favorable
				(Unfavorable)
Revenue				
Intergovernmental	\$210,000	\$240,000	\$240,338	\$338
Interest	<u>10,000</u>	<u>10,000</u>	<u>6,231</u>	(3,769)
<u>Total revenue</u>	<u>220,000</u>	<u>250,000</u>	<u>246,569</u>	(3,431)
Expenditures				
Current				
Public safety				
Operations				
Capital outlay	_____	_____	_____	_____
<u>Total expenditures</u>	_____	_____	_____	_____
Excess of revenue over (under) expenditures	220,000	250,000	246,569	(3,431)
Fund Balance				
Beginning of year	_____	_____	_____	_____
End of year	<u>220,000</u>	<u>250,000</u>	<u>246,569</u>	(3,431)

West Baton Rouge Parish Council
Special Revenue Fund - Central Communications
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final</u>
	<u>Original</u>	<u>Final</u>	<u>(Budgetary</u>	<u>Variance</u>
			<u>Basis)</u>	<u>Favorable</u>
				<u>(Unfavorable)</u>
Revenue				
Property taxes			\$21,125	\$21,125
Interest			80	80
<u>Total revenue</u>			<u>21,205</u>	<u>21,205</u>
Expenditures				
Current				
Public safety				
Operations				
Capital outlay			_____	_____
<u>Total expenditures</u>			_____	_____
Excess of revenue over (under) expenditures			21,205	21,205
Fund Balance				
Beginning of year			_____	_____
End of year			<u>21,205</u>	<u>21,205</u>

West Baton Rouge Parish Council
Special Revenue Fund - Mosquito Control
Statement of Revenue, Expenditures and Changes in Fund Balance -
Budget and Actual (Non-GAAP Budgetary Basis)
Year Ended December 31, 2007

	<u>Budgeted Amounts</u>		Actual (Budgetary Basis)	Final Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenue				
Intergovernmental		\$84,505	\$84,505	
Interest		<u>2,700</u>	<u>2,651</u>	(\$49)
<u>Total revenue</u>		<u>87,205</u>	<u>87,156</u>	<u>(49)</u>
Expenditures				
Current				
Public safety				
Operations		_____	_____	_____
<u>Total expenditures</u>		_____	_____	_____
Excess of revenue over (under) expenditures		87,205	87,156	(49)
Fund Balance				
Beginning of year		_____	_____	_____
End of year		<u>87,205</u>	<u>87,156</u>	<u>(49)</u>

**Fixed Assets used in the Operations
of Governmental Funds**

**West Baton Rouge Parish Council
Statement of General Fixed Assets
December 31, 2007**

General Fixed Assets	
Land	\$1,654,963
Buildings	28,308,447
Equipment	7,190,679
Infrastructure	28,095,145
Construction in progress	<u>3,249,631</u>
<u>Total general fixed assets</u>	<u>68,498,865</u>
Investment in General Fixed Assets	
General fund	26,617,033
Donation of land	234,400
Capital Project Fund	
Community Center	1,365,985
Sewer project	3,066,667
Special Revenue funds	
Drainage	2,127,928
Roads	24,269,343
Health Unit	103,478
Correctional facility	<u>10,714,031</u>
<u>Total invested in general fixed assets</u>	<u>68,498,865</u>

**West Baton Rouge Parish Council
Schedule of General Fixed Assets
By Function and Activity
December 31, 2007**

	<u>Construction in Progress</u>	<u>Infrastructure</u>	<u>Equipment</u>	<u>Buildings</u>	<u>Land</u>	<u>Totals</u>
Culture and recreation	\$182,964		\$741,168	\$10,355,667	\$600,614	\$11,880,413
Economic development			5,425	180,005		185,430
General government						
Administrative			7,190	1,842,352	73,250	1,922,792
Elections			6,910	10,140	7,200	24,250
Judicial			79,979	3,873,391	210,631	4,164,001
Legislative			115,864			115,864
Other			94,105	190,130	11,601	295,836
Health and welfare			103,478	435,464		538,942
Public safety						
Fire			4,180	106,950	224,900	336,030
Correctional facility			297,434	10,417,163	146,156	10,860,753
Sheriff			104,147			104,147
911 Service			857,701		282,445	1,140,146
Other			150,477	799,120	26,000	975,597
Public works	3,066,667	\$28,095,145	4,048,668	98,065	72,166	35,380,711
Equipment under lease			<u>573,953</u>			<u>573,953</u>
	<u>3,249,631</u>	<u>28,095,145</u>	<u>7,190,679</u>	<u>28,308,447</u>	<u>1,654,963</u>	<u>68,498,865</u>

West Baton Rouge Parish Council
Schedule of Changes in General Fixed Assets
By Function and Activity
Year Ended December 31, 2007

	<u>General Fixed Assets January 1, 2007</u>	<u>Additions</u>	<u>Adjustments and Deletions</u>	<u>General Fixed Assets December 31, 2007</u>
Culture and recreation	\$11,136,676	\$750,653	(\$6,916)	\$11,880,413
Economic development	22,538	162,892		185,430
General government				
Administrative	1,906,731	16,061		1,922,792
Elections	24,250			24,250
Judicial	4,055,501	108,500		4,164,001
Legislative	92,727	23,137		115,864
Other	287,176	8,660		295,836
Health and welfare	527,113	11,829		538,942
Public safety				
Fire	336,030			336,030
Corrections facility	10,843,303	17,450		10,860,753
Sheriff	92,147	12,000		104,147
911 Service	1,140,146			1,140,146
Other	926,207	49,390		975,597
Public works	29,740,324	6,357,277	(716,890)	35,380,711
Equipment under capital lease	<u>169,585</u>	<u>404,368</u>		<u>573,953</u>
	<u>61,300,454</u>	<u>7,922,217</u>	<u>(723,806)</u>	<u>68,498,865</u>

**West Baton Rouge Parish Council
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2007**

<u>Federal Grantor/Pass-Through Grantor/ Program Title or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-Through Entity Number</u>	<u>Federal Expenditures</u>
U.S. Federal Emergency Management Agency			
Pass-through Program of the Louisiana Military Department (Office of Emergency preparedness):			
Homeland Security Grant (SHSP 04)	97.004		\$36,374
Citizen Corp	97.053		21,670
Section 8 DHAP	97.109		27,810
Emergency Food and Shelter	97.024		<u>12,118</u>
<u>Total U.S. Federal Emergency Management Agency</u>			<u>97,972</u>
U.S. Department of Health and Human Services			
Pass-through Program of the Louisiana Department of Labor:			
Community Services Block Grant	93.569		64,764
Pass-through Program of the Louisiana Office of Addictive Disorders			
Office of Addictive Disorders	93.243		23,639
Substance Abuse Prevention and Treatment (SAPT) Block Grant	93.959		79,470
Pass-through Program of the Louisiana Housing Finance Agency:			
Low Income Home Energy Assistance	93.568	416	<u>150,242</u>
<u>Total U.S. Department of Health and Human Services</u>			<u>318,115</u>
U.S. Department of Housing and Urban Development			
Section 8 Housing Choice Vouchers*	14.871	LA 204VO	256,647
Section 8 Katrina Vouchers*	14.871		<u>22,363</u>
<u>Total U.S. Department of Housing and Urban Development</u>			<u>279,010</u>
<u>Total expenditures of federal awards</u>			<u>695,097</u>

*Denotes major program.

See accompanying notes to schedule of federal awards.

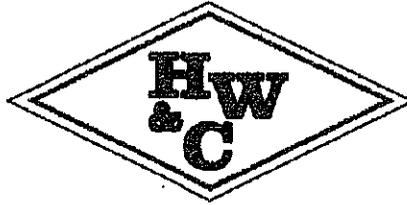
West Baton Rouge Parish Council
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2007

Note 1-Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the West Baton Rouge Parish Council and is presented on the budgetary basis. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the primary government financial statements.

HAWTHORN, WAYMOUTH & CARROLL, L.L.P.

J. CHARLES PARKER, C.P.A.
LOUIS C. McKNIGHT, III, C.P.A.
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CERTIFIED PUBLIC ACCOUNTANTS

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June 26, 2008

**Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards***

West Baton Rouge Parish Council
Port Allen, Louisiana

Board Members:

We have audited the financial statements of the

**West Baton Rouge Parish Council
Port Allen, Louisiana**

as of and for the year ended December 31, 2007, which collectively comprise the West Baton Rouge Parish Council's basic financial statements of the primary government, and have issued our report thereon dated June 26, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered West Baton Rouge Parish Council's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of West Baton Rouge Parish Council's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of West Baton Rouge Parish Council's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control. We consider the deficiency described as 2007-1 in the accompanying schedule of findings and questioned costs to be a significant deficiency in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weaknesses.

Compliance and Other Matters

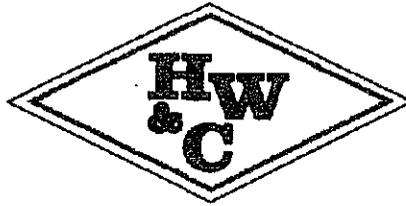
As part of obtaining reasonable assurance about whether the West Baton Rouge Parish Council's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the West Baton Rouge Parish Council, management, the Louisiana State Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Louisiana Legislative Auditor as a public document.

Yours truly,
Hawthorn, Waymouth & Canall, L.L.P.

HAWTHORN, WAYMOUTH & CARROLL, L.L.P.

J. CHARLES PARKER, C.P.A.
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June 26, 2008

**Report on Compliance with Requirements Applicable
to Each Major Program and Internal Control Over
Compliance in Accordance With OMB Circular A-133**

West Baton Rouge Parish Council
Port Allen, Louisiana

Compliance

We have audited the compliance of the West Baton Rouge Parish Council with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended December 31, 2007. The West Baton Rouge Parish Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of West Baton Rouge Parish Council's management. Our responsibility is to express an opinion on the West Baton Rouge Parish Council's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the West Baton Rouge Parish Council's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the West Baton Rouge Parish Council's compliance with those requirements.

In our opinion, the West Baton Rouge Parish Council complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2007.

Internal Control Over Compliance

The management of the West Baton Rouge Parish Council is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the West Baton Rouge Parish Council's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the West Baton Rouge Parish Council, management, the Louisiana State Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513 this report is distributed by the Louisiana Legislative Auditor as a public document.

Yours truly,

Hawthorn, Weymouth & Carroll, L.L.P.

**West Baton Rouge Parish Council
Schedule of Findings and Questioned Costs
Year Ended December 31, 2007**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:
Unqualified

Internal control over financial reporting

* Material weakness(es) identified:

Yes No

* Significant deficiencies identified that are not considered to be material weaknesses:

Yes No

Noncompliance material to financial statements noted:

Yes No

Federal Awards

Internal control over major programs

* Material weakness(es) identified:

Yes No

* Significant deficiencies identified that are not considered to be material weaknesses:

Yes No

Type of auditor's report issued on compliance for major programs:

Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133:

Yes No

Identification of major programs:

CFDA Numbers

14.871

Federal Program or Cluster

Section 8 Housing

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee:

Yes No

**West Baton Rouge Parish Council
Schedule of Findings and Questioned Costs
Year Ended December 31, 2007**

Findings - Financial Statement Audit

2007-1 Internal Controls

Condition

As part of the audit process, we have always assisted management in drafting the financial statements and related notes for the year-end audit procedures. The definition of internal control over financial reporting is that policies and procedures exist that pertain to an entity's ability to initiate, record, process, and report financial data consistent with the assertions embodied in the annual financial statements, which for the Parish Council, is that financial statements are prepared in accordance with generally accepted accounting principles (GAAP). Because our involvement is so key to that process, there is an indication that the internal control over financial reporting of the Parish Council meets the definition of a significant deficiency as defined above.

Management's Response

The Management has evaluated the cost versus benefits of establishing internal control over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the West Baton Rouge Parish Council to continue contracting with independent auditors and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentations.

**West Baton Rouge Parish Council
Schedule of Prior Audit Findings
Year Ended December 31, 2007**

Findings - Financial Statement Audit

2006-1 Cash Receipts

Condition

There were instances where cash was received for culverts reimbursements, scrap iron sales, animal control fees, and farm crop sales, but never deposited in the bank. These cash receipts amounted to approximately \$19,000. This matter has been handed over to the District Attorney.

Recommendation

For the culverts and scrap iron, we recommend the duties of preparing the invoice and collecting the cash be segregated. We also recommend that a numbered receipt book be kept and a receipt should be issued upon payment.

For the farm crop sales, we recommend the cash be counted in front of the person bringing the cash from the jail. A receipt should be issued to the jail employee from a numbered receipt book.

For the animal control, we recommend that a receipt be issued upon receipt of cash.

We recommend that petty cash be reconciled on a monthly basis.

For all the instances where receipts are given, a reconciliation should be performed on a monthly basis reconciling the receipts to the bank deposits and the amount on the general ledger. This reconciliation should be performed by someone other than the person counting the cash, or taking the deposits to the bank.

Management's Response

For finding 2006-1 cash receipts, all the recommendations were implemented immediately after the incident was discovered.

All mail is opened in the presence of no less than two people. All invoices are reviewed by the Director before being turned over to the AP person, all money or checks are immediately coded and prepared for deposit. The Director takes all of the mail deposits and places them in the bank bag then puts the bag into a locked box inside the vault until ready to deposit. All monies and checks received during the course of the day must have a receipt issued. These monies and checks are dropped into the lock box for the Director to code and add to the daily bank deposit. The Director brings the deposit to the bank before 2:00 PM every day. Invoicing is handled by two people, one who prepares the invoices and the second employee issues a control number for our internal tracking purposes. An open folder and paid folder is kept in the administrative office and is reconciled to deposit records, the control number log and cash receipts book on a monthly basis. Cash is no longer accepted for culverts, only checks or money orders.

Farm crop revenue will not be received in the administrative office unless two people are present to receive it. The money is counted in the presence of the person delivering the money and a receipt is issued and the log book from the sheriff's office is signed. This money is handled in the same manner as mentioned above.

The animal control department issues receipts to all customers and when they turn money into the administrative office, a receipt is issued to them and the deposit is handled the same as above.

Petty cash is reconciled monthly.

Resolution: This finding was resolved in the current year.

**West Baton Rouge Parish Council
Schedule of Prior Year Findings
Year Ended December 31, 2007**

Findings - Financial Statement Audit

2006-2 Bond Proceeds

Condition

Bond proceeds, issuance costs and amount owed that dealt with a bond issuance were not recorded on the Parish's books.

Recommendation

We recommend that all transactions in the bond accounts be recorded on the Parish's books.

Management's Response

This particular bond issue was handled differently than all prior bond issues in that none of the funds were deposited into our clearing account, rather they were deposited into a holding account not to be expended until other funds were spent for this particular project and then they could only be drawn down on a reimbursement basis. Our current accounting package is on the cash basis, therefore, I did not recognize it as received. I have since booked the bond proceeds and bond related cost into a quickbook program and reconcile these accounts monthly. This oversight will not happen again.

Resolution: This finding was resolved in the current year.