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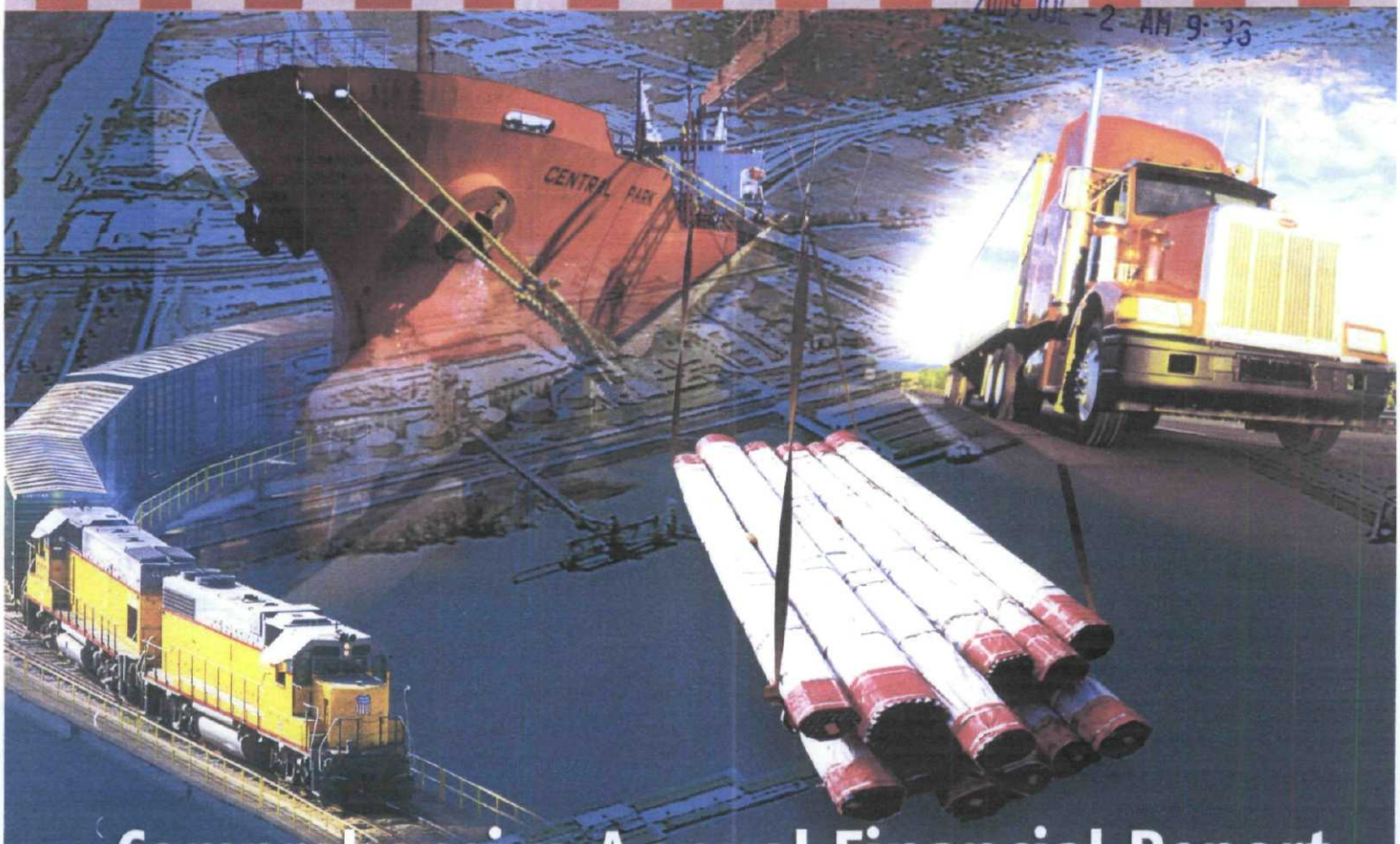

Comprehensive Annual Financial Report

A Component Unit of the State of Louisiana For the Twelve-Month Period Ended December 31, 2008

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7/22/09

Prepared by the Department of Finance and Administration
Brad Stueber, Director of Finance & Administration

2008

GREATER BATON ROUGE PORT COMMISSION
P.O. BOX 380, PORT ALLEN, LA 70767

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Introductory

2008 Comprehensive Annual Financial Report

PORT OF GREATER BATON ROUGE

Post Office Box 380 • Port Allen, Louisiana 70767-0380 • Phone (225) 342-1660 • Fax (225) 342-1666 • www.portgbr.com

June 5, 2009

The Board of Commissioners
Greater Baton Rouge Port Commission
2425 Ernest Wilson Drive
Port Allen, Louisiana 70767

Dear Board of Commissioners:

Port activity and the Baton Rouge regional economy outpaced the national and global economies and activity remained steady and strong despite the global economic downturn in 2008. Although 2008 was not the record year experienced in 2007, the port completed the year with strong growth and increased port activity.

Export and shipping activity, the number of ship calls in the port's jurisdictional area, and the value of the dollar remained strong, which contributed to the port's overall success. The strongest sector was the port's liquid bulk terminals, which reported strong growth in these commodities. We expect this segment of business and the demand for liquid bulk storage and distribution to remain strong for 2009 and sustainable well into the future due to planned expansions of both facilities resulting in total increased capacity of one third at each facility.

The port closed out the 2008 year in a strong cash position and overall tonnage was down 5 percent from 2007 levels well above the industry average. Port facilities handled 5,275,923 short tons in 2008 compared to 5,528,230 short tons in 2007. Revenues exceeded expenses in 2008, which will also provide the port with a stronger financial position for 2009.

The port continues to receive interest from new potential port customers, both domestically and internationally, that are looking to expand in the U.S. Gulf south central region. The port's excellent location and maritime facilities, intermodal access, existing transportation infrastructure, provide port shippers with a competitive advantage. The port's facilities continue to be an asset for new and existing companies that utilize waterborne commerce. In 2008, the port purchased an additional 124 acres for future port development. Port leadership and staff continue to identify projects that will further expand and upgrade port facilities. This additional acreage will allow for future expansion and improve dock utilization at the port's Inland Rivers Marine Terminal. Over the long-term, port facilities

will be enhanced which will provide job creation and growth of the port's for domestic cargo.

Review of the financial statements for 2008 reveal that operating revenue for 2008 was down from 2007. Operating revenues for 2008 were $6,078,123 as compared to $6,630,924 in 2007, a decrease of 8.3% this year. Operating expenses in 2008 increased to $7,474,440 as compared to $6,486,015 in 2007, an increase of 15.2% due to implementation of GASB 45 Accounting change for post employee retirement benefits in 2008. Non-operating revenue of $670,373 was reported, primarily derived from investment income. The income statement indicated a net loss before capital contributions of $542,149 after depreciation, and the balance sheet indicated a $55,155 increase in total net assets.

One of the port's primary goals and objectives is to expand upon its existing strengths and to continue efforts to maintain and construct efficient maritime infrastructure at public port facilities. Through the port's maintenance and rehabilitation programs and projects, our maritime infrastructure continues to be upgraded for maximum utilization and diversification of the cargo and revenue streams. This business environment is constantly changing, dynamic, and is an ultra-competitive global industry so we continually evaluate future business environments and port needs. This diversification of port cargo and revenue streams continue to be the focal point of the port's overall success and sustainability as a market leader among U.S. Gulf of Mexico ports well into the future.

Major port projects for 2008 include:

- Maritime Security Operations Center, $4.8 million. Through the leadership, cooperation and assistance of the Louisiana's congressional and state delegations, federal and state matching grants were secured and approved for port security projects. When completed, the facility is designed to function continuously as a Command Center during either landside or maritime emergencies. Anticipated completion date for this project is the spring of 2010. This project is funded through a $1 million grant from the U.S. Department of Homeland Security, and a $2 million state appropriation through the FY 07-08 State of Louisiana Capital Outlay Program and $1.8 million contribution by the port.

- Grain Dock Rehabilitation, $2.7 million. Project on-going. This project includes the repair and rehabilitation to the port's grain elevator dock structure, substructure and painting of the storage facilities. Funded through the Louisiana Port Construction and Development Priority Program, and funds from the FY 2006 Capital Outlay Program $2,416,050. State funding for this project was authorized for the project in April 2007. This project was 80% complete at year end.

- TWIC Card Implementation, completed. The port and its users entered a new phase of port security with the successful TWIC implementation. These mandated regulations became effective in mid-in January 2009. Initial TWIC enrollment in the Baton Rouge region has exceeded 60,000 applicants for entry into both public and private port facilities.

- Port-wide security grant, $11.5 million. This federal grant was awarded in 2007 with a 25% percent state match of $3.8 million from the FY 2008 State's Capital Outlay budget which will fund extensive emergency response vessel launching and mooring facilities at locations along the Mississippi River. Port staff and engineers are working with local government and municipalities in the 4-parish jurisdiction of the port to site and construct these important facilities. These security improvements are designed to provide all maritime security components, as well as easier access to the Mississippi River during marine incidents requiring rapid response. Engineering plans are complete on both projects and construction of the Mississippi River access improvement projects are scheduled to begin construction in the fall of 2009.

- Piling System Rehabilitation to the General Cargo Dock 1, completed. Total cost of this project was $3.8 million.

As a public port commission, one of our main objectives is to work closely with all private, public partnerships and port stakeholders. The port maintains working relationships with federal, state, local, and regional authorities and private sector stakeholders within the port jurisdiction to ensure a vertically integrated approach to port growth and sustainability and to insure port security. Port business development efforts focus closely on our existing customers and shippers and we continually evaluate market conditions and trends, and future needs of port users.

The port's emphasis for the year ahead will continue to be directed at fostering domestic and international trade so as to create jobs and investment opportunities for industries within the port region. Our Board of Commissioners and staff are committed to this mission, which has been a cornerstone of the port's success as it develops policy and sets a future direction for the growth and betterment of the public port facilities.

The Port staff appreciates the exceptional support and leadership of the Port Commission members. Utilizing past accomplishments and moving forward strategically together with the port commission, staff, and existing company base at the port, we will continue to leverage our resources, and provide efficient public maritime infrastructure, create jobs, and promote international trade. The development of these public-private partnerships will continue to ensure that the Port of Greater Baton Rouge remains a strategic location for use by our customers. It will also position the port and the Baton Rouge region as a excellent business location and as a leader in world commerce, particularly within the U.S. Gulf region.

Sincerely,

Jay Hardman

Jay Hardman, P.E.
Executive Director

PORT OF GREATER BATON ROUGE

Post Office Box 380 • Port Allen, Louisiana 70767-0380 • Phone (225) 342-1660 • Fax (225) 342-1666 • www.portgbr.com

June 15, 2009

Board of Commissioners & Executive Director
Greater Baton Rouge Port Commission
Port Allen, Louisiana

The Comprehensive Annual Financial Report of the Greater Baton Rouge Port Commission (the Commission), for the twelve-month period ending December 31, 2008, as prepared by the Finance Department, is hereby submitted for your review. This report was processed under the guidance of the Executive Director and by the Administration and Finance and Business Development Departments. Responsibility for the completeness, accuracy and fairness of the presentation rests with the Finance Director and support staff.

To the best of our knowledge, all data is accurate with regard to all material aspects and is reported in a manner that is designed to fairly present the financial position of the Commission. Disclosures necessary to enable the reader to understand the Commission's financial activities have been included.

A Management's Discussion and Analysis (MD&A) that is designed to complement this letter of transmittal and the basic financial statements can be found in the financial section immediately following the report of the independent auditors.

ECONOMIC OUTLOOK

Louisiana and the four parishes within the port jurisdiction followed national and international trends in 2008 experiencing a recessionary economic downturn during the fourth quarter. Fuel costs increasing to new high levels was a contributing escalating factor to the recession affecting all areas of the economy. However, the recession has been milder in this region than it has been at the national level. The port continued to grow with the purchase of additional acreage in 2008 and with several construction projects in progress totaling $19 million funded 90% through federal and state grants and 10% with designated port funds. Existing long term lease contracts, a growing investment portfolio and contract negotiations with current and new tenants and continued inquiries from promising new businesses looking at port facilities gives port staff a hopeful outlook for weathering the current recessionary period. A report released by the Louisiana State University AgCenter in April, 2009 reported that agriculture and natural resources dropped to pre-2005 levels of $9.5 billion in 2008, down from the $10.9 billion record setting 2007 figures. Current year production would have been closer to 2007 without the damaging affects of hurricanes Gustav and Ike in the last four months of the year.

The Port of Greater Baton Rouge ranked 14th in the nation in total tonnage with over 54.6 million short tons moving through the port jurisdiction which continues to make the lower Mississippi River corridor a highway of commerce and strategic to the national and international economy.

The year 2008 was a period where future growth and port facility expansion continued to be the focus. The Port of Greater Baton Rouge continues to be looked at for business relocation and expansion possibilities. The port's purchase in 2008 of 124.5 acres on the Intracoastal Waterway at its Inland River Marine Terminal complex continued to show its focus on acquiring additional land with waterfront development potential for long term future economic expansion and job growth needs.

As we examine the year's financial and statistical data, there are mixed results for the year from an operational standpoint. Operating revenues decreased by 8.3 percent from 2007 due to less rental of the dock warehouse space in the fourth quarter, to less wharfage and an examination of tonnage handled at public facilities indicates an overall tonnage decrease of 5 percent. Two of the seven major facilities indicated tonnage increases over 2007 while the others reported slight to moderate decreases. The port coke handling facility showed an increase in tonnage of 14 percent and the port molasses facility had an 8.2% increase of tonnage in 2008. In that there was lessened demand in the fourth quarter of the year for use of port warehouse space for storage purposes, it is anticipated that warehousing and distribution markets will begin to rebound in 2009 with current prospects for new clients at the port and improvement of the national and world economies.

The port's leadership and management staff continue to build upon the strategic direction that maintaining diversified operations and maximizing facility use at the port provides real business strength for the present as well as for the future. The port continues to increase its efforts to produce an economic buffer against changes in market conditions that might otherwise produce a severe negative impact on our revenue stream.

As previously mentioned, operating revenue for 2008 was down from 2007. It changed from $6,630,924 in 2007 to $6,078,123 in 2008 down 8.3 percent. Combined operating and non-operating revenues were recorded at $7,274,000, which was down by $258,956 over the same period in 2007. There was a decrease in rentals, wharfage and investment income and 2007 included additional activity that 2008 did not include for steel pipe storage and transportation in and out of the port facilities. Net assets increased by $55,155 after implementation of GASB 45 which increased expenses by the $674,287. Total net assets were $64,903,732 at year-end, as compared to $64,848,577 in the previous year.

Typically within the port industry, factors related to the local, national and international economy continue to play a significant role in the port's level of success. The goal is to continue current efforts to grow the port as opportunities for cargo movement expand and to foster economic development within the port's jurisdiction when possible. It is expected that the changes such as the strengthening

or weakening of the dollar against foreign currencies, world energy demand, a focus on the need to be less fossil fuel dependent, and an overall population of growth in the southern region of the United States, will all have a significant impact on the port's future.

As staff continues to focus on diversification and future growth, it will work to provide opportunities and incentives so that our business community will have the ability to expand or to entice new business to locate and operate within the port's jurisdiction. As this is accomplished, there will be opportunities to increase the port's revenue base as well as to stimulate new benefits for our local, state, and national economies.

MAJOR INITIATIVES

The board continued with the pursuit of acquiring additional land for future development. Negotiations in progress at year end are expected to be finalized in early 2008 for the acquisition of an additional 124.651 acres of land adjoining other port property along the United States Gulf Intracoastal Waterway

Rehabilitation of the grain dock was 80 percent complete at the end of 2008. This project is funded through state and port funding.

As part of the national U.S. Homeland Security initiative, the port continued with the placement of security equipment and fencing at port operated facilities during the year. The federal and state grants are providing for the installation of boat launch ramps to give security vessels access to the water at different points on the Mississippi River began with construction beginning towards the end of 2008. A new security command center will begin construction in 2009 with construction costs provided by federal and state grants and by port funds. When constructed, these facilities will enhance response time for maritime related emergencies which occur within the port's four parish jurisdiction.

FINANCIAL CONDITION

As demonstrated by the statements and schedules included in the financial section of this report, the Commission continues to be in sound financial condition.

REPORTING ENTITY

The Greater Baton Rouge Port Commission was established by virtue of Act 9 of the Regular Session of the 1952 Legislature of Louisiana, adopted as an amendment to the Constitution of Louisiana as Section 29, Article VI thereof, and was created as an Executive Department (now a political subdivision) of the State of Louisiana. The Commission is governed by a board of commissioners and has the power and authority to regulate the commerce and traffic within certain boundaries of the State of Louisiana and has charge of and administers public wharves, docks, sheds, landings and other structures useful for the commerce of the port area.

FINANCIAL REPORTING

The Commission is a component unit of the State of Louisiana and includes only the financial information of this component unit.

The financial statements of the Commission have been prepared in accordance with generally accepted accounting principles applicable to governments and to the guidelines set forth in the industry audit guide, *Audits of State and Local Governmental Units*. The Greater Baton Rouge Port Commission adopted the provisions of Governmental Accounting Standards Board's Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*. Governmental Accounting Standards Board's Statement No. 45 for Other Post-Retirement Employee Benefits was implemented as required in 2008.

FUND DESCRIPTION

The Greater Baton Rouge Port Commission has only one fund to which all accounts are organized and accounted for as a single entity. This fund is operated as an Enterprise Fund. Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that costs (expenses, including depreciation) of providing goods or services to the general public be financed or recovered primarily through user charges.

INTERNAL CONTROLS

The management of the Commission is responsible for establishing and maintaining internal controls over its operations. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control policies and procedures.

The objectives of internal controls are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. The concept of reasonable assurance recognizes that the costs of a control should not exceed the benefits likely to be derived and that the evaluation of the costs and benefits requires estimates and judgments by management.

BUDGETARY CONTROL

The Commission staff prepares an annual Operations and Maintenance Budget that is based on expected collections and expenditures for the fiscal year. The Board of Commissioners approves and adopts the budget, which constitutes the authority of the Commission to incur liabilities and authorize projected expenditures from the respective budgeted categories.

In addition, the Commission approves certain expenses from the general fund account for maintenance of existing facilities and for new construction, on an as needed basis.

Monthly financial statements, which compare actual performance with budget, are presented to the Commission for review of the financial status and to measure the effectiveness of the budgetary controls.

DEBT ADMINISTRATION

The Commission is authorized by the state legislature to have outstanding indebtedness of up to $100,000,000 evidenced by negotiable bonds or notes.

The Greater Baton Rouge Port Commission has outstanding Bond indebtedness of $6,185,707 through a 1999A and 1999B Series issue. These bonds mature serially to the year 2019. The bonds are limited and special obligations payable solely from lawfully available funds and certain funds held by the Trustee pursuant to the Trust Indenture. No other assets are available for payment of the principal or interest on the Bonds.

CASH MANAGEMENT

Existing Louisiana state statutes provide the Greater Baton Rouge Port Commission with legal authority to promulgate and implement reasonable standards for its cash management and investment operations. Therefore, in 1993 the Commission adopted a Statement of Investment and Cash Management Guidelines and Procedures.

The purpose of this statement is to identify policies and procedures that provide for a prudent and systematic approach to the investment and cash management activities of the Commission, including the active management of the Commission's longer term portfolios, management of cash, projections of cash flow, control of disbursements and cost effective services from bank and financial services institutions.

RISK MANAGEMENT

The Greater Baton Rouge Port Commission is constantly reviewing its property and liability coverage and is cooperating with its insurance underwriters in a program of risk reduction. The Commission requires its tenants and subcontractors to provide comprehensive coverage for all areas of risk, inclusive of worker's compensation insurance. In addition, the Commission offers employee safety education programs to reduce claims for Worker's Compensation.

Programs for employee health and life insurance are provided through the State of Louisiana. The state provides life and health coverage to its employees, their dependents and retirees. The Commission pays 100 percent for employees and up to 75 percent of costs for each eligible retiree who participates in the program. Other supplemental insurances are available to employees. Such coverages are optional to the employee or retiree and are paid entirely by the individuals electing to participate in these insurance products.

INDEPENDENT AUDIT

State statutes require an annual audit by either an independent certified public accountant or the Legislative Auditor. The Louisiana Legislative Auditor elected to contract this service to the independent Certified Public Accounting firm, Duplantier, Hrapmann, Hogan & Maher, L.L.P. for the audit years 2008-2010. The auditor's report on the component unit financial statements is included in the financial section of this report.

AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Port Commission for its comprehensive annual financial report for the year ended December 31, 2007. This was the 14th consecutive year the Port Commission received this prestigious award. To be awarded a Certificate of Achievement, the Port Commission must publish an easily readable and efficiently organized comprehensive annual financial report. This report must also satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement from the GFOA is valid for a period of one year only. The port's accounting department's evaluation concluded that this current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements. This report will be submitted to the GFOA for evaluation and to determine its eligibility for another Certificate of Achievement.

ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the staff of the finance/administration department, support of the executive department and the personnel of the professional accounting firm of Duplantier, Hrapmann, Hogan & Maher, L.L.P. Special recognition is given to the port Finance and Accounting staff, to Katie LeBlanc and to Karen St.Cyr, Director of Public Relations for their extraordinary efforts in maintaining and preserving the port's financial departments and records and the design and preparation of this years annual report.

Respectfully Submitted,

Bradley L. Stueber

Bradley L. Stueber
Director of Finance and Administration

Certificate of Achievement for Excellence in Financial Reporting

Presented to

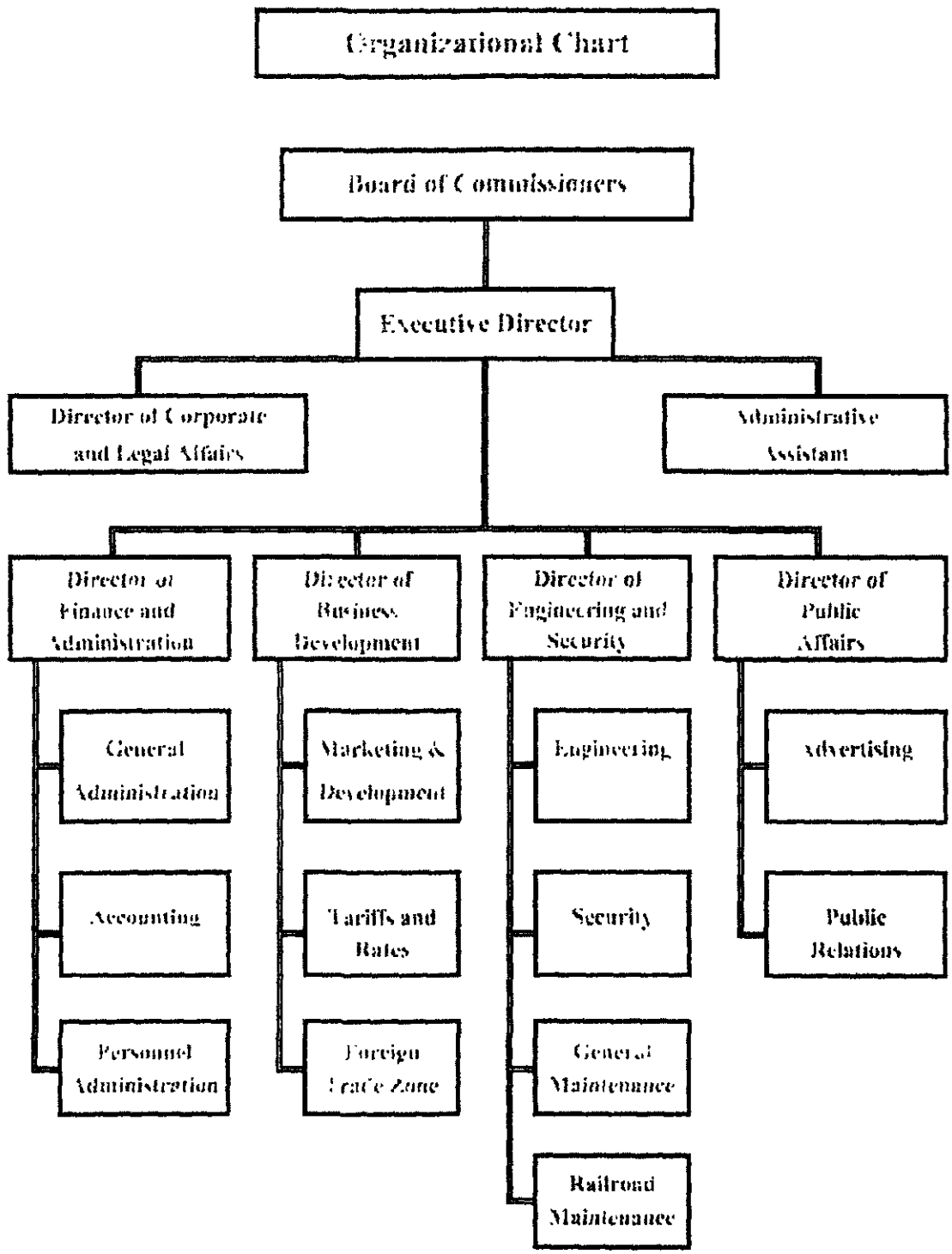
Greater Baton Rouge Port Commission, Louisiana

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director


Organizational Chart
Board of Commissioners
Executive Director
Director of Corporate and Legal Affairs
Administrative Assistant
Director of Finance and Administration
Director of Business Development
Director of Engineering and Security
Director of Public Affairs
General Administration
Accounting
Personnel Administration
Marketing & Development
Tariffs and Rates
Foreign Trade Zone
Engineering
Security
General Maintenance
Railroad Maintenance
Advertising
Public Relations

The

Greater Baton Rouge

Port Commission

(A Political Subdivision of the State of Louisiana)

BOARD OF COMMISSIONERS

Alvin Dragg
President
Raymond Loup
Vice President
Larry Johnson
Secretary
Jerald Juneau
Treasurer

COMMISSIONERS

Kirt Bennett
Randy Brian
Hall Davis, IV
Greg Ellis
Timothy Hardy
Brady Hurdle
Angela Machen
Roy Pickren, Jr
Randy Poche
Donald Schexnayder
Blaine Sheets

PORT STAFF

John G. Hardman, Jr., P.E.
Executive Director

Greg Johnson
Director of Business Development
John Polansky, Jr., P.E.
Director of Engineering and Security
Karen K. St. Cyr
Director of Public Affairs
Bradley L. Stueber
Director of Finance and Administration

Financial

2008 Comprehensive Annual Financial Report

FINANCIAL REPORT

GREATER BATON ROUGE
PORT COMMISSION
(STATE OF LOUISIANA)

AS OF AND FOR THE YEARS ENDED
DECEMBER 31, 2008 AND 2007

Submitted by:

Department of Finance

Bradley Stueber
Director of Finance and Administration

DUPLANTIER, HRAPMANN, HOGAN & MAHER, L.L.P.
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DAVID A. BURGARD, C.P.A.
LINDSAY J. CALLER, C.P.A., L.L.C.
GUY L. DUPLANTIER, C.P.A.
MICHELLE H. CUNNINGHAM, C.P.A.
DENNIS W. DIETOS, C.P.A.
ANN R. HEBERT, C.P.A.
ROBIN A. STROHMEYER, C.P.A.
GRADY C. LLOYD, III, C.P.A.
HENRY L. SILVIA, C.P.A.

A. J. DUPLANTIER, JR., C.P.A.
(1919-1985)
ELTON J. HRAPMANN, JR., C.P.A.
(1919-1990)
WILLIAM R. HOGAN, JR., C.P.A.
(1926-1996)
JAMES MAHER, JR., C.P.A.
(1921-1999)

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LA C.P.A.'S

INDEPENDENT AUDITOR'S REPORT

June 18, 2009

To the Board of Commissioners
Greater Baton Rouge Port Commission
State of Louisiana
Port Allen, Louisiana

We have audited the accompanying financial statements of the Greater Baton Rouge Port Commission, a component unit of the State of Louisiana, as of and for the years ended December 31, 2008 and 2007, as listed in the foregoing table of contents. These financial statements are the responsibility of the Greater Baton Rouge Port Commission's management. Our responsibility is to express opinions on these financial statements based on our audits.

We conducted our audits 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 audits 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 audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Greater Baton Rouge Port Commission as of December 31, 2008 and 2007, and the changes in financial position and cash flows for the years 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 dated June 18, 2009, on our consideration of the Greater Baton Rouge Port Commission'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 should be considered in assessing the results of our audit.

Management's discussion and analysis is not a required part of the basic financial statements, but is supplementary information required by the Governmental Accounting Standards Board. 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.

As discussed in Note 11 to the financial statements, the Greater Baton Rouge Port Commission was mandated to adopt the provisions of the Governmental Accounting Standards Board Statement No. 45, *Postemployment Benefits Other than Pension Benefits* as of January 1, 2007.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The accompanying supplemental information schedules and "Annual Financial Report" as required by the Louisiana Division of Administration listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The supplemental information schedules and the "Annual Financial Report" have been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory section and the statistical section, which are presented for purposes of additional analysis and are also not a required part of the basic financial statements, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Duplantier, Hrapmann, Hogan & Maher, LLP

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

The Management's Discussion and Analysis of the Greater Baton Rouge Port Commission's performance presents a narrative overview and analysis of the port's financial activities for the years ended December 31, 2008 and 2007. The report is based on twelve months activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the Port's financial statements, beginning on page 20.

The report contains comparative analysis for 2008 and 2007.

FINANCIAL HIGHLIGHTS

- The Greater Baton Rouge Port Commission's assets exceeded its liabilities at the close of fiscal year 2008 by $64,903,732, which represents an increase from last fiscal year of $55,155 (or .1%).
- During the twelve-month period, operating expenses exceeded operating revenues by $1,396,316. Total net non-operating revenue was $1,451,471. When combined, operating and non-operating performance measures indicate an increase in net assets of $55,155.
- The unrestricted investment portfolio was valued at $15,315,254 at December 31, 2008.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis

Basic Financial Statements

Required supplementary information
(other than MD&A)

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

The preceding graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements - and Management's Discussion and Analysis – for State and Local Governments*.

These financial statements consist of three sections Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

BASIC FINANCIAL STATEMENTS

The basic financial statements present information for the Greater Baton Rouge Port Commission as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statements of Net Assets; the Statements of Revenues, Expenses, and Changes in Net Assets; and the Statements of Cash Flows.

The Statements of Net Assets present the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Port Commission is improving or deteriorating.

The Statements of Revenues, Expenses, and Changes in Net Assets present information as to how the Port Commission's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statements present information showing how the Port Commission's cash changed as a result of current year operations. The cash flow statements are prepared using the direct method and include the reconciliation of operating income (loss) to net cash provided (used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

The following contains condensed Statement of Net Assets information at December 31, 2008, 2007 and 2006 (amounts in thousands).

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007	2006
Current and other assets	$ 19,958	$ 20,598	$ 17,545
Capital assets	53,614	52,832	52,956
Total assets	73,572	73,430	70,501
Current and other liabilities	2,089	2,238	1,512
Long term obligations	6,580	6,343	6,750
Total liabilities	8,669	8,581	8,262
Net assets			
Invested in capital assets, net of debt	47,128	46,242	45,978
Restricted	213	313	287
Unrestricted	17,262	18,294	15,974
Total net assets	$ 64,904	$ 64,849	$ 62,239

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements and grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on what these amounts may be used for.

Net assets of the Greater Baton Rouge Port Commission increased by $55,155 from December 31, 2007 to December 31, 2008. This increase was smaller than in previous years due to decreases in rental income, grain elevator activity, mid-river activity, and the recording of the post employment benefits liability required by the implementation of GASB 45. Net assets increased by $2,609,605 from December 31, 2006 to December 31, 2007 due to an increase in river traffic during 2007 as a result of an increase in grain activity

The following is a condensed Statement of Revenues, Expenses, and Changes in Net Assets for the years ended December 31, 2008, 2007 and 2006 (amounts in thousands).

	2008	2007	2006
Dockage & Wharfage	$ 1,970	$ 2,136	$ 1,704
Rentals	2,423	2,989	2,531
Other	1,685	1,506	1,562
Operating revenues	6,078	6,631	5,797
Direct	(2,226)	(2,023)	(2,202)
Administrative	(2,036)	(1,964)	(1,846)
Post Retirement Benefits	(677)	-	
Depreciation	(2,538)	(2,499)	(2,657)
Operating expenses	(7,477)	(6,486)	(6,705)
Operating income (loss)	(1,399)	145	(908)
Non operating revenues	1,196	902	903
Non operating expenses	(332)	(367)	(391)
Non-operating income (expenses)	854	535	512
Income (loss) before contributions	(545)	680	(396)
Capital contributions	597	1,930	728
Change in net assets	55	2,610	332
Total Net Assets - Beginning of Year	64,849	62,239	61,907
Total Net Assets - End of Year	$ 64,904	$ 64,849	$ 62,239

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

The Greater Baton Rouge Port Commission's operating revenues decreased by $552,801 and the total operating expenses increased by $988,424 from 2007 to 2008. The decrease in operating revenues resulted from lease expirations and terminations in 2008. Increased operating expenses were due to the implementation of GASB 45 which requires Other Post Employment Benefits liabilities to be recorded. The Port's operating revenues increased by $834,094 in 2007 over 2006 due to increases in grain activity. Operating expenses decreased in 2007 by $219,157 as a result of increased depreciation expense in 2006.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2008 and 2007, the Port Commission had $110,182,525 and $107,000,021, respectively, invested in a broad range of capital assets, including land, railroad tracks and yards, roadways and structures, buildings and structures, equipment, furnishings and transportation equipment. This amount represents a net increase (including additions and deductions) of $3,182,504 over last period. Accumulated depreciation at the end of 2008 and 2007 was $56,568,365 and $54,168,473, respectively. For additional information on capital asset activity see note 5 in the Notes to the Financial Statements section. Capital assets at December 31, net of accumulated depreciation, are as follows:

Capital Assets (in Thousands)

	2008	2007
Land	$ 7,380	$ 5,817
Construction in progress	1,272	2,815
Building and improvements	32,593	34,324
Equipment	1,332	1,510
Infrastructure	8,037	8,366
Totals	$ 53,614	$ 52,832

Debt

The Greater Baton Rouge Port Commission had $6,185,707 in loans payable outstanding at year-end, compared to $6,589,556 last year, a decrease of 6.1%.

No new debt was issued during the year ended December 31, 2008.

The Greater Baton Rouge Port Commission carries a BBB- debt rating on its debt.

Additional information concerning Long Term Debt is disclosed in the Notes to the Financial Statements.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

CURRENTLY KNOWN FACTS, DECISIONS, OR CONDITIONS EXPECTED TO HAVE SIGNIFICANT EFFECT ON THE FUTURE

In accordance with the requirements of GASB 34, we are not aware of any known facts, decisions or conditions that are expected to have a significant effect on the Port's financial position or results of operations.

CONTACTING THE GREATER BATON ROUGE PORT COMMISSION'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Greater Baton Rouge Port Commission's finances and to show the port commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Bradley Stueber, Director of Finance at (225) 342-1660.

STATEMENT A

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
STATEMENTS OF NET ASSETS
DECEMBER 31, 2008 AND 2007

ASSETS:	2008	2007
Current Assets:		
Cash	$ 2,557,004	$ 2,424,064
Investments	15,315,254	15,671,695
Receivables:		
Trade Accounts (Net of Allowance for Uncollectible Accounts of $2,100 in 2008 and 2007)	694,495	862,780
Due From Other Governments	294,155	396,636
Accrued Interest Receivable	43,471	64,116
Prepaid Expenses	87,117	106,387
Restricted Investments	799,375	888,486
Restricted Accrued Interest Receivable	198	198
Total Current Assets	19,791,069	20,414,362
Noncurrent Assets:		
Capital Assets:		
Land and Construction in Progress	11,652,267	8,631,820
Other Capital Assets, Net of Accumulated Depreciation	41,961,893	44,199,728
Total Capital Assets	53,614,160	52,831,548
Other Assets:		
Unamortized Debt Issue Costs	167,294	183,616
Total Other Assets	167,294	183,616
Total Noncurrent Assets	53,781,454	53,015,164
TOTAL ASSETS	$ 73,572,523	$ 73,429,526

See accompanying notes to the financial statements.

STATEMENT A

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
STATEMENTS OF NET ASSETS
DECEMBER 31, 2008 AND 2007

LIABILITIES:	2008	2007
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable	$ 565,584	$ 379,223
Construction Contracts Payable	264,527	541,925
Other Accrued Liabilities	306,314	300,802
Revenues Received in Advance	365,735	439,535
Total Current Liabilities - Payable from Unrestricted Assets	1,502,160	1,661,485
Payable from Restricted Assets:		
Loans Payable - Current Portion	420,000	395,000
Accrued Interest Payable	108,839	117,277
Unredeemed Bonds and Coupons	57,750	63,754
Total Current Liabilities - Payable from Restricted Assets	586,589	576,031
Total Current Liabilities	2,088,749	2,237,516
Noncurrent Liabilities:		
Other Liabilities	140,048	148,877
OPEB Payable	674,287	-
Long-term Debt	5,765,707	6,194,556
Total Noncurrent Liabilities	6,580,042	6,343,433
Total Liabilities	8,668,791	8,580,949
Net Assets:		
Invested in Capital Assets, Net of Related Debt	47,428,455	46,241,993
Restricted for:		
Debt Service	212,984	312,653
Unrestricted	17,262,293	18,293,931
Total Net Assets	64,903,732	64,848,577
TOTAL LIABILITIES AND NET ASSETS	$ 73,572,523	$ 73,429,526

See accompanying notes to the financial statements.

STATEMENT B

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Operating Revenues:		
Dockage and Wharfage	$ 1,969,786	$ 2,135,885
Rentals	2,422,887	2,989,287
Other	1,685,450	1,505,752
Total Operating Revenues	6,078,123	6,630,924
Operating Expenses:		
Direct	2,226,194	2,022,649
Administrative	2,035,771	1,964,474
Post Retirement Benefits	674,287	-
Depreciation	2,538,188	2,498,892
Total Operating Expenses	7,474,440	6,486,015
Operating Income (Loss)	(1,396,317)	144,909
Nonoperating Revenues (Expenses):		
Investment Income	670,373	902,032
Interest Expense	(330,736)	(355,888)
Gain on Sale of Capital Assets	525,504	-
Amortization of Debt Issue, Premium and Deferred Refunding, Net	(7,473)	(7,473)
Trustee's Fees	(3,500)	(3,500)
Total Nonoperating Revenues (Expenses)	854,168	535,171
Income (Loss) Before Contributions	(542,149)	680,080
Capital Contributions	597,304	1,929,525
Change in Net Assets	55,155	2,609,605
Total Net Assets - Beginning of Year	64,848,577	62,238,972
TOTAL NET ASSETS - END OF YEAR	$ 64,903,732	$ 64,848,577

See accompanying notes to the financial statements.

STATEMENT C

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Customers	$ 6,172,608	$ 6,408,429
Cash Payments to Suppliers for Goods and Services	(2,219,071)	(2,424,927)
Cash Payments to Employees for Services	(1,761,513)	(1,595,089)
Net Cash Provided by Operating Activities	2,192,024	2,388,413
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Repayment of Loans	(401,004)	(380,000)
Interest Paid on Loans	(339,174)	(364,004)
Acquisition Construction of Capital Assets	(3,715,670)	(1,753,390)
Proceeds from Sale of Capital Assets	563,909	-
Loan Trustee Fees	(3,500)	(3,500)
Capital Contributions	699,785	1,557,728
Net Cash Used in Capital and Related Financing Activities	(3,195,654)	(943,166)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Investment Securities	(10,879,313)	(7,812,488)
Proceeds from Calls and Maturities of Investment Securities	11,455,030	7,098,016
Interest and Dividends Earned on Investment Securities	560,853	731,592
Net Cash Provided by Investing Activities	1,136,570	17,120
NET INCREASE IN CASH	132,940	1,462,367
CASH AT BEGINNING OF YEAR	2,424,064	961,697
CASH AT END OF YEAR	$ 2,557,004	$ 2,424,064

See accompanying notes to the financial statements.

STATEMENT C

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
STATEMENTS OF CASH FLOWS - CONTINUED
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income (Loss)	$ (1,396,317)	$ 144,909
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By Operating Activities:		
Depreciation	2,538,188	2,498,892
Changes in Unrestricted Assets and Liabilities:		
(Increase) Decrease in Trade Accounts Receivable	168,285	(340,009)
(Increase) Decrease in Prepaid Expenses	19,270	(10,652)
Increase (Decrease) in Accounts Payable	265,428	(55,238)
Increase (Decrease) in Other Accrued Liabilities	5,512	35,787
Increase (Decrease) in Revenue Received in Advance	(73,800)	117,514
Increase (Decrease) in Other Liabilities	(8,829)	(2,790)
Increase (Decrease) in Accrued OPEB Benefits	674,287	-
	$ 2,192,024	$ 2,388,413
SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Change in Unrealized Loss on Investments	$ (124,842)	$ (161,124)
Change in Accrual of Capital Contributions	$ (102,481)	$ 371,797

See accompanying notes to the financial statements.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

NATURE OF OPERATIONS:

The Greater Baton Rouge Port Commission (the Port Commission) was established by virtue of Act 9 of the Regular Session of the 1952 Legislature of Louisiana, adopted as an amendment to the Constitution of Louisiana as Section 29, Article VI, thereof, and was created as an Executive Department (now a political subdivision) of the State of Louisiana. The Port Commission is governed by a board of commissioners and has the power and authority to regulate the commerce and traffic within certain boundaries of the State of Louisiana and have charge of and administer public wharves, docks, sheds, and landings and other structures useful for the commerce of the port area

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

The accompanying financial statements have been prepared on the full accrual basis in accordance with accounting principles generally accepted in the United States of America. Revenues are recognized when they are earned, and expenses are recognized at the time liabilities are incurred or economic asset used The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting principles and reporting standards. The Port Commission applies all GASB pronouncements as well as Financial Accounting Standards (FASB) statements and interpretations issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

These financial statements were prepared in accordance with GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*. All activities of the Port Commission are accounted for within a single proprietary (enterprise) fund. This fund type is used to report any activity for which a fee is charged to external users for goods and services

Reporting Entity

As the governing authority of the state, for reporting purposes, the State of Louisiana is the financial reporting entity. The financial reporting entity consists of: (1) the primary government (state), (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the 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.

The Port Commission is considered a component unit of the State of Louisiana because the state has financial accountability over the Port Commission in that the governor appoints all the commission members and can impose his will on the Port Commission. The accompanying financial statements present information only on the funds maintained by the Port Commission and do not present information on the state, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Measurement Focus

On November 1, 2000, the Port Commission adopted the provisions of Statement No. 34 ("Statement 34") of the GASB *Basic Financial Statements — and Management's Discussion and Analysis — for State and Local Government*. Statement 34 established standards for external financial reporting for all state and local governmental entities which includes a statement of net assets, a statement of activities and changes in net assets and a statement of cash flows.

The accounts of the Port are organized and operated as an enterprise fund. Enterprise funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or non-current) associated with their activities are reported. Fund equity is classified as net assets.

Budgets and Budgetary Accounting

The Port Commission prepares the annual Operations and Maintenance budget for internal management purposes, and the budget is based on what is expected to be collected during the fiscal year. The budget is approved by the Board of Commissioners. The adopted budget constitutes the authority of the Port Commission to incur liabilities and authorize expenses from the respective budgeted funds. In addition, certain expenses are approved monthly by the Board before payment from the General Fund budget. The Port Commission is not required to present a budget comparison in its financial statements.

Cash and Investments

Cash includes cash on hand, demand deposits, interest-bearing demand deposits, and cash in trust accounts. The Port is authorized under state law to deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the United States, or laws of the United States. Under state laws, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. State Law R.S. 39:1225 provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by any governmental agency insuring bank deposits, which is organized under the laws of the United States.

State Law R.S. 33.2955 allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, which are federally sponsored; direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. government, time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana; savings accounts or shares of certain savings and loan associations and savings banks; certain accounts of federally or state chartered credit unions; certain mutual or trust fund institutions, certain guaranteed investment contracts; and investment grade commercial paper of domestic United States corporations.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, all investments are reported at fair value with gains and losses included in the statement of revenue and expenses

Receivables

Receivables consist of all revenues earned at year-end and not yet received. All known uncollectible accounts have been removed from receivables and an allowance has been made for doubtful accounts based on a periodic aging of accounts receivable. The majority of receivables consist of dockage wharfage and rentals

Capital Assets

Property and equipment are stated at cost Public domain (infrastructure) assets including roads, surface drainage, railroad tracks and yards are capitalized along with other capital assets. The Port Commission generally capitalizes assets with a cost of $500 or more. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations. Depreciation is provided on a straight-line basis over the estimated useful lives of the related assets as shown below

	Years
Railroad tracks and yards	20 to 40
Roadways and surface drainage	5 to 33
Buildings and structures	5 to 40
Equipment	5 to 25
Office furniture and fixtures	3 to 10
Transportation equipment	3 to 5

Restricted Assets

Restricted assets include cash and investments that are legally restricted as to their use. The primary restricted assets are for loan repayment and debt service

Lease Revenue Recognition

Lease rentals, as further explained in Note 9, are accounted for under the operating method whereby revenue is recognized currently as rentals become due.

Unamortized Debt Issue Expenses and Premium

Debt expense and premium, incurred in connection with obtaining loan financing, are amortized using the balance outstanding method over the term of the loans.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Compensated Absences

Employees accrue and accumulate annual and sick leave at varying rates in accordance with state law based on full-time service. The leave is accumulated without limitation. Upon separation of employment, employees or their heirs are compensated for accumulated annual leave not to exceed 300 hours at their current rate of pay. Unused annual leave in excess of 300 hours plus unused sick leave are used to compute retirement benefits. The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expense when the leave is earned. Accrued compensated absences are included in Other Accrued Liabilities on the Statement of Net Assets.

Equity Classifications

Equity is classified as net assets and displayed in three components:

- Invested in capital assets, net of related debt. This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net assets component as the unspent proceeds.

- Restricted. This component of net assets consists of constraints placed on net asset use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

- Unrestricted net assets. This component of net assets consists of net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Revenues and Expenses

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Port Commission. Operating revenues consist primarily of charges for services. Non-operating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from non-exchange transactions.

When an expense is incurred for purposes for which there are both restricted and unrestricted net assets available, it is the Port Commission's policy to apply those expenses to restricted net assets to the extent such are available and then to unrestricted net assets.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

2 DEPOSITS AND INVESTMENTS.

Deposits

At December 31, 2008 and 2007, the Port Commission has cash (book balances) totaling $2,557,004 and $ 2,424,064, respectively as follows

	2008	2007
Demand deposits	$ 2,556,504	$ 2,423,564
Petty Cash	500	500
Total	$ 2,557,004	$ 2,424,064

Custodial credit risk is the risk that, in the event of a bank failure, the Port's deposits might not be recovered. The Port's deposit policy for custodial credit risk conforms to state law, as described in Note 1 to the financial statements. At December 31, 2008, $747,341 of the Port's total demand deposit bank balance of $2,694,568 was not secured by federal deposit insurance or pledged securities held by the Port's agent in the Port's name. At December 31, 2007, the Port's demand deposit bank balance of $2,600,202 was entirely secured by federal deposit insurance and pledged securities held by the Port's agent in the Port's name.

Investments

At December 31, 2008 and 2007, investments of the Port consisted of the following:

	2008	2007
Obligations of Federally Sponsored Entities	$ 7,049,298	$ 8,106,691
Federated Treasury Money Market Fund	741,625	824,732
Louisiana Asset Management Pool	8,298,318	7,628,758
Stock	25,388	-
	$ 16,114,629	$ 16,560,181

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Port will not be able to recover the value of its investment. The Port is not exposed to custodial credit risk since the investments are held in the name of the Port or held by the Port. The Port's investment policy conforms to state law, as described in Note 1, which has no provision for custodial credit risk.

Concentration of credit risk relates to the amount of investments in any one entity. At December 31, 2008 and 2007, the Port had no investments in any one entity which exceeded 5% of total investments, except obligations of federally sponsored entities, which are implicitly guaranteed by the federal government.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

2. DEPOSITS AND INVESTMENTS (Continued)

Interest rate risk is defined as the risk that changes in interest rates will adversely affect the fair value of an investment. The Port's investment policy conforms to state law, which does not include a policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

As of December 31, 2008 and 2007, the Port had the following investment in debt securities:

		2008			
		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 - 5	6 - 10	Greater Than 10
Obligations of Federally Sponsored Entities	$ 7,049,298	$	$ 7,049,298	$ -	$
Federated Treasury Money Market Fund	11,625	11,625			
Louisiana Asset Management Pool	8,998,318	8,998,318			-
Total	$ 16,060,241	$ 9,009,943	$ 7,049,298	$ -	$ -

		2007			
		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 - 5	6 - 10	Greater Than 10
Obligations of Federally Sponsored Entities	$ 8,106,691	$ 4,394,261	$ 3,712,430	$	$ -
Federated Treasury Money Market Fund	823,732	823,732			-
Louisiana Asset Management Pool	7,628,758	628,758	-	-	-
Total	$ 16,560,181	$ 12,847,751	$ 3,712,430	$ -	$ -

Credit risk is defined as the risk that an insurer or other counterparty to an investment will not fulfill its obligations. At December 31, 2008 and 2007, the Port invested in obligations of federally sponsored entities in the amounts of $7,049,298 and $8,106,691, respectively, which are not rated. The investment in Louisiana Asset Management Pool is rated AAAm by Standard and Poors. The type of investment allowed by the state law ensures that the Port is not exposed to credit risk. At December 31, 2008, the Port had an investment of stock of Orinet Corporation in the amount of $25,388 (see Note 4)

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

2. DEPOSITS AND INVESTMENTS. (Continued)

The investment in LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. 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 in accordance with LA R.S. 33:2955. 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. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the pool shares. LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the Securities and Exchange Commission as an investment company.

3. RESTRICTED ASSETS:

At December 31, 2008 and 2007, assets restricted for debt service consist of the following:

	2008	2007
Cash and Investments	$ 799,375	$ 888,486
Accrued Interest Receivable	198	198
	$ 799,573	$ 888,684

The mortgage indentures associated with the outstanding loans require certain amounts to be transferred at certain intervals and carried in restricted asset accounts. At December 31, 2008 and 2007, the net balance of these accounts was sufficient to meet all requirements.

4. CONTRACT RECEIVABLE:

At December 31, 2008, the Port Commission owned 4,162 shares of stock of Ormet Primary Aluminum Corporation. The stock was received in 2008 as a result of bankruptcy court proceedings related to a prior contract receivable from a lease termination agreement with Ormet Primary Aluminum Corporation dated May 3, 1999. In 2005 and 2006, the Port Commission received a partial settlement of the receivable and wrote off the remainder which was deemed uncollectible due to the bankruptcy.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

5. CAPITAL ASSETS:

Capital asset activity for the year ended December 31, 2008 was as follows:

	Balance January 1, 2008	Additions	Disposals Transfers	Balance December 31, 2008
Capital Assets Not Depreciated:				
Land	$ 5,816,851	$ 1,591,588	$ (28,390)	$ 7,380,052
Other Construction in Progress	2,731,556	1,794,061	(253,372)	4,272,215
Other Assets in Process	83,410	42,597	(126,007)	-
Total Capital Assets Not Depreciated	8,631,820	3,428,246	(407,769)	11,652,267
Capital Assets Being Depreciated:				
Railroad Tracks and Yards	3,611,554	51,082		3,662,636
Roadways and Surface Drainage	10,296,554			10,296,554
Buildings and Structures	78,468,332	57,226		78,525,558
Equipment	4,917,206	61,851	(15,745)	4,963,312
Office Furniture and Fixtures	745,928	33,515	(79,787)	698,510
Transportation Equipment	330,627	105,97[illegible]	(52,910)	383,688
Total Capital Assets Being Depreciated	98,368,201	310,503	(148,445)	98,530,258
Less Accumulated Depreciation for:				
Railroad Tracks and Yards	(2,530,293)	(40,012)		(2,570,305)
Roadways and Surface Drainage	(3,012,287)	(339,991)	--	(3,352,278)
Buildings and Structures	(44,143,934)	(1,788,655)		(45,932,579)
Equipment	(3,679,871)	(267,321)	15,616	(3,931,582)
Office Furniture and Fixtures	(565,412)	(61,020)	69,770	(556,662)
Transportation Equipment	(236,683)	(41,186)	52,910	(224,959)
Total Accumulated Depreciation	(54,168,473)	(2,536,188)	138,296	(56,568,365)
Total Capital Assets Less Depreciation	44,199,728	(2,225,685)	(10,149)	41,961,893
Net Capital Assets	$ 52,831,548	$ 1,200,530	$ (417,918)	$ 53,614,160

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

5. CAPITAL ASSETS: (Continued)

Capital asset activity for the year ended December 31, 2007 was as follows:

	Balance January 1, 2007	Additions	Disposals Transfers	Balance December 31, 2007
Capital Assets Not Depreciated:				
Land	$ 5,816,854	$	$	$ 5,816,854
Other Construction in Progress	601,010	2,275,758	(148,251)	2,731,556
Other Assets in Process	9,988	95,261	(13,839)	83,410
Total Capital Assets Not Depreciated	6,422,888	2,371,019	(162,087)	8,631,820
Capital Assets Being Depreciated:				
Railroad Tracks and Yards	3,611,554			3,611,554
Roadways and Surface Drainage	10,296,554			10,296,554
Buildings and Structures	78,448,432	19,900		78,468,332
Equipment	4,885,439	109,522	(49,765)	4,917,206
Office Furniture and Fixtures	707,900	37,406	(1,378)	743,928
Transportation Equipment	330,627			330,627
Total Capital Assets Being Depreciated	98,252,506	166,828	(51,143)	98,368,201
Less Accumulated Depreciation for:				
Railroad Tracks and Yards	(2,491,983)	(38,310)		(2,530,293)
Roadways and Surface Drainage	(2,672,906)	339,991)		(3,012,287)
Buildings and Structures	(42,414,767)	(1,709,157)		(44,143,924)
Equipment	(3,497,379)	(232,260)	49,765	(3,679,874)
Office Furniture and Fixtures	(503,113)	(62,299)	-	(565,412)
Transportation Equipment	(209,808)	(26,875)		(236,683)
Total Accumulated Depreciation	(51,789,946)	(2,378,892)	49,765	(54,168,173)
Total Capital Assets Less Depreciation	46,462,560	(2,212,064)	(1,378)	44,199,728
Net Capital Assets	$ 52,956,058	$ 38,955	$ (163,465)	$ 52,831,548

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

6. LONG-TERM DEBT:

Loans Payable

The Port Commission is authorized by the State of Louisiana to have outstanding indebtedness up to $100,000,000 evidenced by negotiable bonds or notes.

On March 1, 1999, the Port entered into a loan agreement with the Louisiana Local Government Environmental Facilities and Community Development Authority (the Authority). Under the agreement, the Authority issued $5,700,000 Series 1999A Revenue and Refunding Bonds and $3,300,000 Series 1999B Revenue Bonds and loaned the proceeds to the Port. From the proceeds of the loan, the Port was required to fund a reserve fund to receive the bond proceeds and make loan payments, and a construction fund to receive bond proceeds and make payments on private activity and governmental projects for which the bond proceeds were lent. The Bonds were issued for the purpose of 1) with respect to the proceeds of the Series 1999A Bonds, currently refunding certain prior bonds and paying the costs of certain private activity projects, 2) with respect to the proceeds of the Series 1999B Bonds, paying the costs of certain governmental projects, and 3) paying the costs of issuance of the bonds.

Under the loan agreement, the Port is required to repay the loan by making the debt service payments, including principal, interest, and reserve requirements for the Authority's two bond issues. At December 31, 2008 and 2007 the outstanding indebtedness consisted of the following:

2008 Bonds Series	Maturing Serially To	Call Prices (%)	Interest Rate	Payable at 01/01/08	Additions	Reductions	Payable at 12/31/08
1999A	2019	100-107	[illegible] 8%	$4,110,000	$ -	$ (250,000)	$3,860,000
1999B	2019	100-102	[illegible]	2,380,000		(145,000)	2,235,000
Unamortized Premium on Bonds Payable				99,556	-	(8,849)	90,707
				$6,589,556	$ -	$ (403,849)	6,185,707
Less: Amounts Due Within One Year Payable from Restricted Assets							(420,000)
Amounts Due After One Year							$5,765,707

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

6. LONG-TERM DEBT: (Continued)

2007 Bond Series	Maturity Serials To	Call Price (%)	Interest Rate	Payable at 01/01/07	Additions	Reductions	Payable at 12/31/07
1999A	2019	101/102	[illegible]	[illegible]	$	$ (240,000)	$3,110,000
1998B	[illegible]	100/102	[illegible]	[illegible]		(140,000)	2,980,000
Unamortized Premium on Bonds Payable				98,106		(8,550)	89,556
				$6,928,106	$ -	$(388,550)	6,539,556
Less: Amounts Due Within One Year							
Payable from Restricted Assets							1,095,000
Amounts Due After One Year							$5,444,556

The bonds maturing March 1, 2010 and thereafter are subject to optional redemption on or after March 1, 2009, in whole on any date or in part, as selected by the trustee by lot at the discretion of the Authority, on any interest payment date.

Debt service requirements to maturity, including interest requirements are as follows:

	Principal	Interest	Total
2009	$ 420,000	$ 314,376	$ 734,376
2010	440,000	290,955	730,955
2011	465,000	267,682	732,682
2012	490,000	242,960	732,960
2013	520,000	216,619	736,619
2014-2018	3,080,000	622,315	3,702,315
2019	710,000	19,200	729,200
Total	$ 6,095,000	$ 1,974,107	$ 8,069,107

Compensated Absences

The following is a summary of the changes in compensated absences for the years ended December 31, 2008 and 2007:

2008	Balance 01/01/08	Additions	Reductions	Balance 12/31/08	Amount Due in One Year
Compensated Absences	$ 228,015	$ 97,715	$ 102,302	$ 223,428	$ 119,465

2007	Balance 01/01/07	Additions	Reductions	Balance 12/31/07
Compensated Absences	$ 213,480	$ 107,061	$ 92,526	$ 228,015

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

6. LONG-TERM DEBT: (Continued)

The balance of compensated absences is included as other accrued liabilities in the statements of net assets.

7. CHANGES IN AMOUNTS INVESTED IN CAPITAL ASSETS, NET OF RELATED DEBT:

The change in amounts invested in capital assets, net of related debt is summarized as follows:

	2008	2007
Balance at January 1	$ 46,241,993	$ 45,977,653
Change in Capital Assets	782,613	(124,510)
Change in Related Debt	403,849	388,850
Balance at December 31	$ 47,428,455	$ 46,241,993

8. RESTRICTED NET ASSETS:

Restricted net assets at December 31, 2008 and 2007, consist of $212,984 and 312,653, respectively, restricted for debt service.

The requirements for the debt service, at December 31, 2008 and 2007 were computed as follows:

	2008	2007
Assets Restricted for Loan Repayment and Debt Service	$ 799,573	$ 888,684
Current Liabilities Payable from Restricted Assets	(586,589)	(576,031)
	$ 212,984	$ 312,653

9 LEASES:

Various facilities, terminals and other properties of the Port Commission have been leased to tenants for various terms. The lessees bear substantially all ordinary operating and maintenance expenses of the leased properties and have the option of renewing the leases at the end of the original term.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

9. LEASES: (Continued)

The carrying values and depreciation expense of the properties leased under long-term leases by the Port Commission are as follows:

	2008	2007
Railroad Tracks and Yards	$ 562,680	$ 562,680
Roadways and Surface Drainage	4,733,640	4,733,640
Buildings and Structures	39,993,116	39,970,071
Equipment	2,308,409	2,309,468
Total Leased Property	47,597,845	47,575,859
Less: Accumulated Depreciation	(29,757,795)	(28,614,017)
Net Leased Property	$17,840,050	$ 18,961,842
Depreciation Expense	$ 1,143,778	$ 1,143,378

The following is a schedule by years of future minimum rental payments receivable on non-cancelable long-term leases as of December 31, 2008

Year Ended December 31	Future Rental Revenues
2009	$ 1,104,662
2010	884,247
2011	610,098
2012	383,586
2013	321,653
Later Years	2,339,018
Total Minimum Future Rentals	$ 5,643,264

For the purpose of these statements, the lease amount as set forth in the original lease agreement or set by the most recent appraisal was used in the determination of the minimum future rentals on long-term leases and thus is subject to change.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

10. RETIREMENT SYSTEM.

Substantially all employees of the Port Commission are members of the Louisiana State Employees Retirement System (System), a cost-sharing, multiple-employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time Port Commission employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to $300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service. Vested employees may retire at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) at age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. 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 Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members hired before July 1, 2006 are required by state statute to contribute 7.5% of gross salary and members hired July 1, 2006 or after are required by state statute to contribute 8.0% of gross salary. The Port Commission is required to contribute at an actuarially determined rate as required by Louisiana Revised Statute 11:102. The contribution rates for the years ended December 31, 2008, 2007 and 2006 were 18.5%, 20.4% and 19.1%, respectively, of annual covered payroll. The Port Commission's contributions to the System for the years ended December 31, 2008, 2007 and 2006 were $259,129, $234,874, and $223,489, respectively, and were equal to the required contributions for each year.

11. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS:

During the year ended December 31, 2008, the Port Commission was mandated to implement GASB 45, *Postemployment Benefits Other than Pension Benefits*. The Port Commission elected to implement prospectively, therefore prior year comparative data is not available.

Substantially all Port Commission employees become eligible for post-employment health care and life insurance benefits if they reach normal retirement age while working for the Port Commission. These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the Port Commission. At December 31, 2008, thirty one retirees were receiving post-employment benefits.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

11. POSTRETIREMENT HEALTHCARE AND LIFE INSURANCE BENEFITS: (Continued)

Plan Description

The Port Commission's employees may participate in the State of Louisiana's Other Postemployment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan (for fiscal year 2008) that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The State administers the plan through the Office of Group Benefits. LRS 42:801-883 assigns the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits does not issue a publicly available financial report of the OPEB Plan; however, it is included in the State of Louisiana Comprehensive Annual Financial Report (CAFR). You may obtain a copy of the CAFR on the Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov osrap.

Funding Policy

The contribution requirements of plan members and the Port Commission are established and may be amended by LRS 42:801-883. Employees do not contribute to their postemployment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. The Office of Group Benefits offers three standard plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Exclusive Provider Organization (EPO) plan and the Health Maintenance Organization (HMO) plan. Retired employees who have Medicare Part A and Part B coverage also have access to two OGB Medicare Advantage plans which includes one HMO plan and one private fee-for-service (PFFS) plan. Depending upon the plan selected, during the year ended December 31, 2008, employee premiums for a single member receiving benefits range from $34 to $95 per month for retiree-only coverage with Medicare or from $125 to $176 per month for retiree-only coverage without Medicare. The premiums for a retiree and spouse for the year ended December 31, 2008 range from $69 to $171 per month for those with Medicare or from $440 to $512 per month for those without Medicare.

The plan is currently financed on a pay as you go basis, with the Port Commission contributing anywhere from $236 to $246 per month for retiree-only coverage with Medicare or from $838 to $873 per month for retiree-only coverage without Medicare during the year ended December 31, 2008. Also, the Port Commission's contributions range from $425 to $442 per month for retiree and spouse with Medicare or $1,288 to $1,341 for retiree and spouse without Medicare.

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life and Employee Accidental Death and Dismemberment coverage, which is underwritten by The Prudential Insurance Company of America. The total premium is approximately $1 per thousand dollars of coverage of which the employer pays one half of the premium. Maximum coverage is capped at $50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with AD&D coverage ceasing at age 70 for retirees.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

11. POSTRETIREMENT HEALTHCARE AND LIFE INSURANCE BENEFITS: (Continued)

Annual OPEB Cost

The Port Commission's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. A level percentage of payroll amortization method, open period, was used. The total ARC for the Plan's fiscal year beginning July 1, 2007 is $841,300 as set forth below:

Normal Cost	$ 410,400
30-year UAL amortization amount	398,542
Interest on the above	32,358
Annual required contribution (ARC)	$ 841,300

The following table presents the Port Commission's OPEB Obligation for the year ended December 31, 2008:

Beginning Net OPEB Obligation January 1, 2008	$ --
Annual required contribution	841,300
OPEB Cost	841,300
Contributions made	--
Claim costs	167,013
Change in Net OPEB Obligation	674,287
Ending Net OPEB Obligation December 31, 2008	$674,287

Utilizing the pay-as-you-go method, the Port Commission contributed 19.85% of the annual post employment benefits cost during the year ended December 31, 2008.

Funded Status and Funding Progress

In the year ended December 31, 2008, the Port Commission, through the Office of Group Benefits, established a post employment benefits plan trust. The Office of Group Benefits has not funded the trust, has no assets and has a funded ratio of zero. The actuarial accrued liability of $10,428,300 is unfunded.

The funded status of the plan as of the most recent valuation date of July 1, 2007 is as follows:

Actuarial accrued liability (AAL)	$ 10,428,300
Actuarial value of plan assets	--
Unfunded actuarial accrued liability (UAAL)	$ 10,428,300
Funded ratio (actuarial value of plan assets AAL)	0%
Covered payroll (annual payroll of active employees covered by the plan)	$ 1,327,787
UAAL as a percentage of covered payroll	785%

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

11. POSTRETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS: (Continued)

Actuarial Methods and Assumptions

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2007, actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0 percent investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 9.5% and 10.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at July 1, 2007, was thirty years.

12. RISK MANAGEMENT AND CONTINGENT LIABILITIES:

The Port Commission is exposed to various risks of losses related to general liability; theft of, damage to, and destruction of assets; errors and omissions; workers' compensation; employee health and accident; and natural disasters. The Port Commission is a party to various legal proceedings incidental to its business. Certain claims, suits, and complaints arising in the ordinary course of business have been filed or are pending against the Port. In the opinion of management, all such matters are adequately covered by commercial insurance purchased by the Port, or if not so covered, are not expected to have a material effect on the financial statements of the Port Commission. Settlement amounts have not exceeded insurance coverage for the current period or the three prior years.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

12. RISK MANAGEMENT AND CONTINGENT LIABILITIES: (Continued)

At December 31, 2008, the Port is a codefendant in two lawsuits involving asbestos exposure while the plaintiffs were employed by others on Port property. In the opinion of the Port's attorney, it is reasonably possible that there may be an unfavorable outcome to the Port. In the event that the Port is found liable and damages are imposed, the liability to the Port in excess of insurance could range from $2,200,000 to $2,800,000. Management intends to vigorously defend these matters

13. DEFERRED COMPENSATION PLAN:

Certain employees of the Port Commission participate in the Louisiana Deferred Compensation Plan adopted under the provisions of Internal Revenue Code Section 457. Complete disclosures relating to the State of Louisiana Public Employees Deferred Compensation Plan are included in the financial statements of the State of Louisiana. Effective November 1, 2000, the Port Commission may make a discretionary matching contribution up to 5% of the employees' base pay not to exceed $4,000 per calendar year. The Port Commission contributions for the years ended December 31, 2008 and 2007 were $45,211 and $48,301, respectively

14. CONSTRUCTION IN PROGRESS:

Details of construction in progress at December 31, 2008 and 2007 are as follows:

	2008	2007
Port Security Grant Projects (1)	$ 177,522	$ 19,615
Command Center (2)	325,851	133,839
Grain Dock Rehabilitation Project (3)	2,539,131	2,179,016
Northline RR Siding (4)	643,919	23,821
Boat Launch (1)	184,377	--
Other projects	401,415	375,265
Total	$ 4,272,215	$ 2,731,556

1) Seventy five percent of the costs of these projects are funded by grants received from the U.S. Department of Homeland Security and twenty five percent is funded by State Port Security Grants.
2) Construction costs of $1 million and $2 million will be paid by Port Security Grants and state appropriations, respectively. All other costs will be paid by the Port.
3) Ninety percent of the cost of this project is funded by the Louisiana Department of Transportation and Development. The remaining ten percent is the responsibility of the Port.
4) One hundred percent of the cost of this project is funded by the Port.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2008 AND 2007

15. ENVIRONMENTAL REMEDIATION LIABILITY:

The presence of chlorinated hydrocarbons near the Port's property was first discovered during testing performed in connection with a neighboring property owner's own environmental remediation issues. Rollins Environmental Services, Inc. (REN) conducted additional testing to identify the source and extent of chlorinated organic compounds. The preliminary site assessment revealed the presence of chlorinated hydrocarbons in the area of the barge terminal on the Port's property. A plausible explanation of the presence of these chemicals is the vertical migration resulting from surface spillage caused by the transfer or piping of such materials during prior storage or shipment on the premises. An independent remediation contractor developed a remediation plan based on estimated annual expenses ranging from $35,000 to $40,000 for a period of 12 to 14 years. The remediation plan was proposed to and approved by the Louisiana Department of Environmental Quality. The resulting estimated potential liability of $500,000 is being shared equally by the Port and two other potentially responsible parties. This liability could change due to price increases, changes in technology, or other factors. The Port paid $8,829 and $2,790 in 2008 and 2007, respectively, on this cost. The liability balance as of December 31, 2008 and 2007 is $140,048 and $148,877, respectively.

16. RECLASSIFICATIONS:

Certain reclassifications have been made to the 2007 comparative information to conform to the 2008 presentation. Such reclassifications had no effect on the change in net assets.

SUPPLEMENTAL INFORMATION

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SUPPLEMENTAL INFORMATION SCHEDULES
AS OF DECEMBER 31, 2008

Schedule of Lease Information

The schedule of lease information provides information regarding property and facilities currently being leased by the port to various lessees.

Schedule of Future Lease Rent Revenue Without Options

The schedule of future lease rent revenue indicates the estimated revenues to be received from the leases currently in effect.

Schedule of Operating Expenses by Major Category

The schedule of operating expenses by major category groups details expenses by major expense category.

Schedule of Administrative Expenses

The schedule of administrative expenses details the administrative expenses by major type.

Summary Schedule of Operating Income (Loss) by Facility

The summary schedule of operating income (loss) by facility details the operating revenues, operating expenses, and depreciation expense by the various port facilities.

Schedule of Commissioners' Per Diem

The schedule of per diem paid board members was prepared in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Per diem payments are authorized by Louisiana Revised Statute 34.1221 and are included in personal services expenses. Board members are paid $75 per day, to a maximum of 24 days per year, for board meetings and official business. During the period of an emergency as declared and determined by the governor, the Port Commission shall be authorized to hold as many meetings or emergency activities as the board deems necessary and the members shall be paid per diem for such meetings or activities.

Schedule of Funding Progress for OPEB Plan

The schedule of funding progress presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF LEASE INFORMATION
DECEMBER 31, 2008

Lessee	Facility	Minimum Annual Rent for 2009	Current Lease Date of Expiration
Agway Systems	Five Tracts of Land	$ 40,000	May 31, 2013
Baton Rouge Marine Contractors LLC	Tract of Land	10,000	June 30, 2012
Cargill Inc. (Grain Elevator)	Grain Storage Facility	235,000	October 31, 2010
Community Coffee	Building & Land	23,373	April 30, 2009
Criterion Catalysts & Technologies	Rail Track Rental	24,000	December 31, 2017
Critical Response Networks	Facility	40,000	April 30, 2009
Dow Chemicals	Container Yard	81,000	May 31, 2009
ExxonMobil - Paxon	Railroad Servitude	1,000	November 5, 2009
Inchcape Shipping Services	Office Space	1,000	Month-to-Month
Kateon Name of Louisiana IRMI	Warehouse	9,625	Month-to-Month
Kinder Morgan Bulk Terminal (formerly Hall-Buck)	Barge Terminal	196,515	December 31, 2011
Louisiana Sugar Products, Inc	Tract of Land	29,304	September 30, 2011
Petroleum Fuel & Terminal (Apex)	Tract of Land	35,000	September 30, 2010
Rail Link, Inc	Office Space	1,000	Month-to-Month

SCHEDULE 1

Remarks
Rent is payable monthly in advance
Rent is payable annually in advance
Lessee pays costs of insurance and maintaining or replacing equipment and has the option to renew for an additional five years at $235,000 per year
Rent is payable monthly in advance and can fluctuate in amount based on the PPI (Producer Price Index)
Rent is payable annually in advance
Lessee has the option to renew at the end of the lease. Rent is payable monthly in advance
Rent is payable monthly in advance
Rent is payable annually in advance
Rent is payable monthly in advance
Rent is payable monthly in advance
Lessee pays costs of insurance, maintaining the facility and maintaining or replacing equipment and has the option to renew at the end of the lease. Rent is payable in semi-annual installments
Rent is payable monthly in advance. Lessee has option to renew for four additional five-year periods
Lessee has option to renew for two additional three-year periods. Rent is payable annually in advance
Rent is payable monthly in advance

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF LEASE INFORMATION (CONTINUED)
DECEMBER 31, 2008

Lessee	Facility	Minimum Annual Rent for 2009	Current Lease Date of Expiration
South Louisiana Cement Inc	Tract of Land	11,740	December 31, 2010
Stone Oil Distributor	Tract of Land	93,600	October 31, 2013
U S Corps of Engineers	Office & Warehouse Space	14,500	August 30, 2009
West Baton Rouge Parish Communications District	Building	18,000	December 31, 2012
Westway Feed Products	Building	36,000	December 31, 2015
Westway Terminal Company	Rail Track	166,886	December 31, 2026
Others	Various	4,119	Various
		$ 1,101,662	

SCHEDULE I

Remarks
Rent is payable monthly in advance. Lease provides for a progressive increase in wharfage rates on cement and aggregate. A progressive increase of minimum tonnage per year is guaranteed in the lease
Lessee has option to renew for one additional five-year period. Rent is payable semi-annually in advance
Rent is payable monthly in advance
Rent is payable monthly in advance
Rent is payable monthly in advance
Rent is payable monthly in advance
The Port Commission has leased minor items of property and equipment to others. Annual rent, expiration dates and other terms vary with each lease

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF FUTURE LEASE RENT REVENUE WITHOUT OPTIONS
DECEMBER 31, 2008

Lessee	Facility	2009	2010
Agway Systems	Five Tracts of Land	$ 40,000	$ 40,000
Baton Rouge Marine Contractors # 1	Tract of Land	10,000	10,000
Cargill, Inc. (Grain Elavator)	Grain Storage Facility	235,000	195,833
Community Coffee	Building & Land	23,373	-
Criterion Catalysts & Technologies	Rail Track Rental	24,000	24,000
Critical Response Networks	Facility	40,000	-
Dow Chemical	Container Yard	81,000	-
ExxonMobil - Paxon	Railroad Servitude	1,000	-
Incheape Shipping Services	Office Space	1,000	-
Katoen Natie Louisiana IRM1	Warehouse	9,625	-
Kinder Morgan Bulk Terminal (Formerly Hall-Buck)	Barge Terminal	196,515	196,515
Louisiana Sugar Products, Inc	Tract of Land	29,304	29,304
Petroleum Fuel & Terminal (Apex)	Tract of Land	35,000	26,250
Rail Link, Inc.	Office Space	1,000	-
South Louisiana Cement, Inc	Tract of Land	44,740	44,740
Stone Oil Distributor	Tract of Land	93,600	93,600
U.S. Army Corps of Engineers	Warehouse & Office	14,500	-
West Baton Rouge Parish Communications	Building	18,000	18,000
Westway Terminal Company	Tract of Land	166,886	166,886
Westway Feed Products	Building	36,000	36,000
Others	WBR Parish	100	100
	Judson Baptist	1,000	-
	Savoie Industries, Inc.	3,019	3,019
		$ 1,104,662	$ 884,247

SCHEDULE 2

2011	2012	2013	Later	Options End
$ 40,000	$ 40,000	$ 16,667	$	5 31 2013
10,000	5,000	-	-	6 30 2012
-	-	-	-	10 31 2010
-	-	-	-	4 30 2009
24,000	24,000	24,000	96,000	12 31 2017
-	-	-	-	4 30 2009
-	-	-	-	5 31 2009
-	-	-	-	11 5 2009
-	-	-	-	Month-to-Month
-	-	-		Month-to-Month
196,515	-	-	-	12 31 2011
21,978	-	-	-	9 30 2011
-	-	-	-	9 30 2010
-	-	-	-	Month-to-Month
-	-			12 31 2010
93,600	93,600	78,000	-	10 31 2013
-	-	-	-	8 30 2009
18,000	18,000	-		12 31 2012
166,886	166,886	166,886	2,169,518	12 31 2026
36,000	36,000	36,000	72,000	12 31 2015
100	100	100	1,500	12 31 2028
-	-	-	-	12 31 2009
3,019	-	-	-	12 31 2011
$ 610,098	$ 383,586	$ 321,653	$ 2,339,018	

SCHEDULE 3

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF OPERATING EXPENSES BY MAJOR CATEGORY
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

Major Category	2008	2007
Personnel Services	$ 2,360,403	$ 2,188,338
Operating Services	1,381,388	1,209,411
Other Post Employment Benefits	674,287	-
Travel	11,849	15,442
Supplies	316,683	213,521
Professional Services	154,271	357,466
Depreciation	2,538,188	2,498,892
Other	37,371	2,945
Total	$ 7,474,440	$ 6,486,015

SCHEDULE 4

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	2008	2007
Director's Salary	$ 150,449	$ -
Other Salaries and Wages	672,266	677,834
Annual, Sick and Compensatory Leave	83,482	94,510
Legal	39,222	199,505
Advertising	133,956	115,272
Travel	11,817	13,546
Trade and Sales Solicitation	35,150	41,574
Education Expenses	9,089	7,346
Auditing	24,250	22,950
Engineering	5,369	32,592
Consulting Fees	1,813	18,917
Legislative Consultant Fees	42,000	42,000
Contributions to State Retirement System, Payroll Taxes and Group Insurance Program	550,454	492,333
Office Supplies and Postage	36,126	27,385
Bad Debt Expense	20,459	-
Telephone and Telegraph	8,067	6,938
Dues and Subscriptions	30,034	13,562
Utilities	20,086	20,227
Office Repairs and Maintenance	65,752	53,032
Automobile Expenses	6,603	6,634
Insurance	46,831	41,594
Outside Administrative Services	7,662	13,903
Miscellaneous	16,909	1,707
Commissioners' Per Diem	17,925	19,875
	$ 2,035,771	$ 1,963,236

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SUMMARY SCHEDULE OF OPERATING INCOME (LOSS) BY FACILITY
FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	Operating Revenues		Operating Expenses	
	2008	2007	2008	2007
Grain Elevator	$ 664,986	$ 650,563	$ 42,192	$ 39,424
General Cargo Docks	1,008,961	1,859,486	451,234	440,894
Baton Rouge Barge Terminal	483,740	448,859	3,298	24,645
Molasses Tank Farm	425,253	324,053	40,610	37,884
West Bank Railroad Facility	233,812	330,269	295,530	335,955
Petroleum Terminal	623,247	637,069	41,022	39,353
Midstream Bulk Handling Facility			-	915
Miscellaneous River Activities	500,975	510,131	-	-
Miscellaneous East and West Bank Activities	1,550,948	1,298,402	1,892,155	1,001,283
Inland Rivers Marine Terminal	499,274	547,092	132,890	102,384
Foreign Trade Zone	35,000	25,000	1,550	1,150
Totals Before Administrative Expenses	6,026,196	6,630,924	2,900,481	2,023,887
Administrative Expenses	51,927	-	2,035,771	1,963,236
Total	$ 6,078,123	$ 6,630,924	$ 4,936,252	$ 3,987,123

SCHEDULE 5

Depreciation		Operating Income (Loss)	
2008	2007	2008	2007
$ 142,467	$ 142,467	$ 480,327	$ 468,672
1,165,306	1,165,212	(607,579)	253,380
-	-	480,442	424,214
112,341	112,341	272,302	173,828
9,363	6,007	(71,081)	(11,693)
12,250	12,250	569,975	585,466
-	-	-	(915)
-	-	500,975	510,131
430,433	435,623	(771,640)	(138,504)
389,094	374,070	(22,710)	70,638
-	-	33,450	23,850
2,261,254	2,247,970	864,461	2,359,067
276,934	250,922	(2,260,778)	(2,214,158)
$ 2,538,188	$ 2,498,892	$ (1,396,317)	$ 144,909

SCHEDULE 6

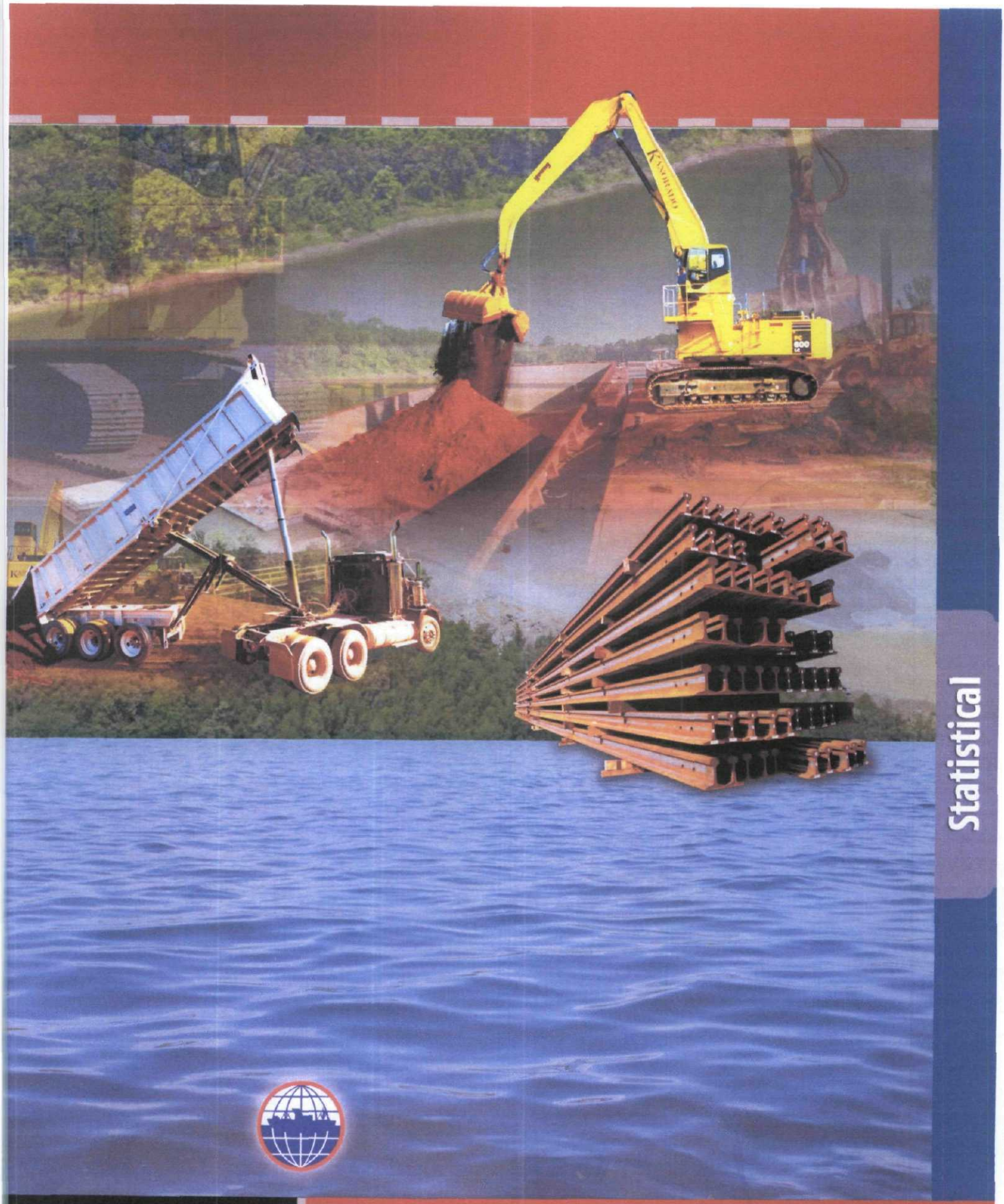
GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF COMMISSIONER'S PER DIEM
FOR THE YEAR ENDED DECEMBER 31, 2008

Commissioner	Number of Days for Which Paid	Amount
Brian, Randy	21	$ 1,575
Crawford, Jr., Grady	12	900
Davis IV, Hall	13	975
Delpit, Joseph	5	375
Dragg, Alvin	19	1,425
Ferdinand, Barbara	9	675
Hurdle, Brady	4	300
Ishmael, Calvin	5	375
Johnson, Larry	20	1,500
Loup, Raymond	16	1,200
Pugh, William	17	1,275
Rigell, William	15	1,125
Temple III, Collis	10	750
Thibaut, Charles	13	975
Watts, Robert	17	1,275
Sheets, Blaine	14	1,050
Bennett, Kirt	4	300
Ellis, Greg	4	300
Hardy, Timothy	3	225
Juneau, Jerald	4	300
Machen, Angela	4	300
Pickren, Jr., Roy	3	225
Poche, Randy	4	300
Schexnayder, Donald	3	225
		$ 17,925

SCHEDULE 7

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF FUNDING PROGRESS FOR
GREATER BATON ROUGE PORT COMMISSION'S OPEB PLAN
DECEMBER 31, 2008

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Project Unit Cost (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
July 1, 2007	$ -	$ 10,428,300	$ 10,428,300	0%	$ 1,327,787	785%



Statistical

2008 Comprehensive Annual Financial Report

STATISTICAL REPORT

GREATER BATON ROUGE
PORT COMMISSION
(STATE OF LOUISIANA)

AS OF AND FOR THE YEARS ENDED
DECEMBER 31, 2008 AND 2007

Submitted by:

Department of Finance

Katie G. LeBlanc
Accountant
And
Bradley L. Stueber
Director of Finance and Administration

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA

Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2008

SUMMARY OF
STATISTICAL SECTION

This part of the Greater Baton Rouge Port Commission comprehensive financial report presents detailed information which provides further clarification to the information contained in the financial statements, note disclosures, and all required supplementary information. The information contained in this section includes important indicators about the Greater Baton Rouge Port Commission's overall financial well being. Reports in this section have been prepared according to GASB 44 guidelines.

Contents

Financial Trends Information:
The following schedules contain trend information to help the reader understand how the financial performance and condition of the Greater Baton Rouge Port Commission has changed over the past ten years.

1) Ten Year Comparative Schedule of Net Assets
2) Summary of Revenues, Expenses, and Net Income (Loss)

Revenue Capacity Information:
The following schedules contain information to help the reader assess the most significant sources of revenue of the Greater Baton Rouge Port Commission.

1) Revenue by Type and Related Average
2) Revenue Rates
3) Ten Year Tonnage Comparison

Debt Capacity Information:
The following schedule contains information to help the reader assess the capability of the Greater Baton Rouge Port Commission to meet its current level of debt services and its ability to issue debt in the future.

1) Bond Indebtedness for Fiscal Years 1999 through 2008

Demographics and Economic Information:
The following schedule contains information to help the reader understand demographic and economic indicators related to the financial activities of the Greater Baton Rouge Port Commission in its current environment.

1) Population by Parishes within the Jurisdiction of the Greater Baton Rouge Port Commission

Operating Information:
The following schedule contains the number of government personnel employed by the Greater Baton Rouge Port Commission.

1) Government Employees at the Port Department

Ten Year Comparative Schedule of Net Assets
For the Fiscal Years Ended October 31, 1999 through 2000,
the Fourteen month period Ended December 31, 2001, and
the Fiscal Years Ended December 31 2002 through 2008

	1999	2000	2001	2002
Net Assets				
Invested in Capital Assets, Net of Related Debt	$ 23,843,908	$ 25,804,629	$ 36,524,578	$ 41,929,688
Restricted for				
Capital Projects	0	0	3,143,263	3,358,737
Debt Service	471,015	494,111	333,028	313,134
Unrestricted	23,123,581	24,364,691	11,603,148	13,158,160
Total Net Assets	$ 47,438,504	$ 50,663,431	$ 52,604,017	$ 58,759,719

(CONTINUED)

2003	2004	2005	2006	2007	2008
$ 47,273,121	$ 46,973,032	$ 46,671,621	$ 45,977,653	$ 46,241,993	$ 47,426,455
3,291,718	1,012,863	0	0	0	0
296,339	276,489	273,466	286,976	312,653	212,984
11,887,222	13,758,241	14,962,260	15,974,343	18,293,931	17,262,293
$ 62,748,400	$ 62,020,625	$ 61,907,347	$ 62,238,972	$ 64,848,577	$ 64,903,732

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA

Summary of Revenues, Expenses, and Net Income (Loss)

For the Fiscal Years Ended October 31, 1999 through 2000,
the Transition month period Ended December 31, 2001, and
the Fiscal Years Ended December 31, 2002 through 2006
(Unaudited)

	1999	2000	2001	2002
OPERATING REVENUES				
Dockage and Wharfage	$ [illegible]	$ [illegible]	$ 1,443,921	$ 1,054,449
Rentals	[illegible]	[illegible]	[illegible]	2,183,590
Facility handling	[illegible]	[illegible]	[illegible]	
Storage	[illegible]	[illegible]	[illegible]	[illegible]
Other	[illegible]	921,284	1,515,196	1,248,890
Total	$ 3,621,050	$ [illegible]	$ 5,112,937	$ 4,492,895
OPERATING EXPENSES				
Direct	$ 1,853,062	$ 1,515,138	$ [illegible]	$ 1,862,434
Administrative	1,296,006	1,762,111	2,085,068	1,987,163
Post Retirement Benefits				
Depreciation	1,554,938	1,836,683	2,312,267	2,006,211
Total	$ 3,403,066	$ 5,064,332	$ 6,448,012	$ 5,855,818
Operating Income (Loss)	$ (78,102)	$ (1,301,618)	$ (1,335,075)	$ (1,362,923)
NONOPERATING REVENUES (Expenses)				
Investment income	$ 833,011	$ 1,176,111	$ 1,277,918	$ 787,017
Interest expense	(468,375)	(516,865)	(576,055)	(469,248)
Gain on sale of capital assets	3,803,079	[illegible]	741	123
Income from lease termination	2,636,169			-
Settlement income		2,000,000		
Gain (Loss) from Litigation				
Intergovernmental Revenues		-		
Environmental Remediation Expense	-			
Amortization of debt issuance and bond premium net	(11,120)	(17,068)	(18,981)	(17,706)
Trustee fees	(2,232)	(8,311)	(5,314)	(1,260)
Total	$ 5,992,543	$ 2,565,251	$ [illegible]	$ 296,776
Net Income (Loss) before extraordinary item	$ 7,810,500	$ 1,261,200	$ (657,601)	$ (1,066,147)
Extraordinary items	-	-	-	-
Net Income (Loss)	$ 810,500	$ 1,261,200	$ (657,601)	$ (1,066,147)

(CONTINUED)

2003	2004	2005	2006	2007	2008
$ 1,051,913	$ 1,117,551	$ 1,286,169	$ 1,703,502	$ 2,135,585	$ 1,969,786
1,992,765	2,093,115	2,32[illegible]	[illegible]	2,989,287	3,422,887
2,732					
1,402,225	[illegible]	1,561,108	1,561,515	[illegible]	1,685,450
$ 4,448,665	$ 4,[illegible]012	$ 5,175,440	$ 5,296,840	$ 6,630,924	$ 6,078,123
$ 2,023,181	$ 1,886,18[illegible]	$ 1,922,[illegible]56	$ 2,201,761	$ 2,072,649	$ 2,226,194
2,001,838	2,062,902	2,168,305	1,845,906	1,963,173	2,035,771
					673,287
2,005,206	2,351,840	2,549,009	2,657,505	2,495,892	2,538,188
$ 6,089,02[illegible]	$ 7,280,929	$ 6,439,870	$ 6,705,172	$ 6,386,013	$ 7,474,450
$ (1,640,356)	$ (2,677,887)	$ (1,264,430)	$ (908,332)	$ 243,909	$ (1,396,327)
$ [illegible]	$ [illegible]	$ 292,168	$ (98,917)	$ [illegible]	$ 570,373
(117,562)	(338,178)	(402,978)	(380,008)	(453,888)	(330,736)
9,954	1,3[illegible]	8,20	29,382		525,502
	(80,000)				
			(74,692)		
		(166,00[illegible])			
(31,756)	(1,[illegible]2)	(1,372)	(7,473)	(7,473)	(7,473)
(3,675)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)
$ (75,458)	$ (108,589)	$ (28,[illegible]79)	$ 511,931	$ [illegible]	$ 854,168
$ (1,715,817)	$ (2,786,176)	$ (1,552,309)	$ (396,421)	$ 680,080	$ (542,149)
$ (1,715,817)	$ (2,786,176)	$ (1,552,309)	$ (396,421)	$ 680,080	$ (542,149)

Revenue by Type and Related Average
For the Fiscal Years Ended October 31, 1999 through 2000
the Fourteen month period Ended December 31, 2001 and
the Fiscal Years Ended December 31, 2002 through 2008
(Unaudited)

	1999	2000	2001	2002
Dockage	$ 828,088	$ 688,101	$ 877,049	$ 545,185
Wharfage	539,486	481,503	566,872	509,253
Rentals	1,317,279	1,662,419	2,346,758	2,183,799
Other Operating Revenue	906,286	961,164	1,322,258	1,254,657
Total Operating Revenue	3,621,039	3,763,187	5,112,937	4,492,895
Cargo Tonnage	6,777,846	7,344,317	8,905,974	6,596,384
Average Wharfage Revenue per Cargo Ton	$ 0.08	$ 0.07	$ 0.06	$ 0.08
Ships, each	78	86	72	58
Average Dockage Revenue per Ship	$ 10,616.51	$ 14,306.55	$ 12,181.23	$ 9,399.75

(CONTINUED)

2003	2004	2005	2006	2007	2008
$ 551,811	$ 609,444	$ 745,507	$ 1,145,320	$ 1,161,277	$ 1,086,312
497,402	537,610	540,682	599,182	971,608	881,474
1,992,268	2,093,118	2,327,843	2,550,810	2,989,287	2,422,887
1,404,457	1,332,373	1,561,408	1,561,518	1,505,752	1,685,450
4,448,668	4,573,042	5,175,440	5,796,830	6,630,924	6,078,123
5,801,944	6,603,422	5,521,304	3,539,841	4,840,569	4,776,290
$ 0.09	$ 0.08	$ 0.10	$ 0.16	$ 0.20	$ 0.18
50	37	62	46	51	58
$ 11,090,82	$ 16,481,96	$ 12,024,31	$ 24,898,26	$ 13,860,43	$ 18,764,00

Revenue Rates
For the Fiscal Years Ended October 31, 1999 through 2000,
the Fourteen-month period Ended December 31, 2001, and
the Fiscal Years Ended December 31, 2002 through 2008
(Unaudited)

	1999	2000	2001	2002
Dockage Rates at General Cargo Docks (LOA)				
Ships & Ocean Going Barges				
First day, per ft				
0-199	$ 1.85	$ 1.85	$ 1.91	$ 1.91
200-349	2.30	2.30	2.50	2.50
350-399	2.35	2.35	2.50	2.50
400-449	3.10	3.10	3.4	3.41
450-499	3.30	3.30	3.41	3.41
500-549	4.25	4.25	4.58	4.58
550-599	4.35	4.35	4.58	4.58
600-649	4.95	4.95	5.33	5.33
650-699	5.30	5.30	5.33	5.33
700-749	6.45	6.45	6.96	6.96
800-899	7.75	7.75	8.14	8.14
900 ft +	9.25	9.25	9.74	9.74
Additional days, per ft per day				
0-199	0.75	0.75	0.78	0.78
200-399	0.90	0.90	0.93	0.93
400-449	1.00	1.00	1.30	1.30
450-499	1.26	1.26	1.30	1.30
500-549	1.12	1.12	1.84	1.84
550-599	1.79	1.79	1.84	1.84
600-649	2.10	2.10	2.54	2.54
650-699	2.4	2.4	2.54	2.54
700-749	2.73	2.73	3.57	3.57
750-799	3.47	3.47	3.57	3.57
800-899	4.52	4.52	4.65	4.65
900 ft	5.25	5.25	5.41	5.41
Liquid Bulk Barges				
First day, per ft				
0-199	0.75	0.75	0.75	0.75
200-399	0.80	0.80	0.80	0.80
400-449	1.05	1.05	1.05	1.05
450-499	1.30	1.30	1.30	1.30
Each day thereafter	15.00	15.00	15.00	15.00
Dockage Rates at Grain Elevator				
Ships (per GRT, per day)	0.19	0.19	0.19	0.19
Barges (per day)	45.00	45.00	45.00	45.00

(CONTINUED)

2003	2004	2005	2006	2007	2008
$ 1.91	$ 1.91	$ 1.94	$ 2.06	$ 2.06	$ 2.06
2.50	2.55	2.55	2.70	2.70	2.70
2.50	2.55	2.55	2.70	2.70	2.70
3.41	3.48	3.48	3.68	3.68	3.68
3.41	3.48	3.48	3.68	3.68	3.68
4.58	4.6	4.67	4.95	4.95	4.95
4.58	4.6	4.67	4.95	4.95	4.95
5.33	5.43	5.43	5.75	5.75	5.75
5.33	5.43	5.43	5.75	5.75	5.75
6.96	6.89	6.89	7.30	7.30	7.30
8.14	8.30	8.30	8.79	8.79	8.79
9.24	9.93	9.93	10.53	10.53	10.53
0.78	0.97	0.97	1.03	1.03	1.03
0.93	1.27	1.2	1.35	1.35	1.35
1.30	1.74	1.74	1.84	1.84	1.84
1.30	1.74	1.74	1.84	1.84	1.84
1.84	2.33	2.33	2.48	2.48	2.48
1.84	2.33	2.33	2.48	2.48	2.48
2.54	2.71	2.71	2.88	2.88	2.88
2.54	2.71	2.71	2.88	2.88	2.88
3.37	3.44	3.44	3.65	3.65	3.65
3.57	3.44	3.44	3.65	3.65	3.65
4.65	4.15	4.15	4.40	4.40	4.40
5.41	4.96	4.96	5.27	5.2	5.27
0.75	0.75	0.75	0.75	0.75	0.75
0.80	0.80	0.80	0.80	0.80	0.80
1.05	1.05	1.05	1.05	1.05	1.05
1.30	1.30	1.30	1.30	1.30	1.30
15.00	15.00	15.00	15.00	15.00	15.00
0.19	0.19	0.19	0.19	0.19	0.19
45.00	45.00	45.00	45.00	45.00	45.00

Revenue Rates
For the Fiscal Years Ended October 31, 1999 through 2000,
the Fourteen-month period Ended December 31, 2001, and
the Fiscal Years Ended December 31, 2002 through 2008
(Unaudited)

	1999	2000	2001	2002
Wharfage Rates (per ton)				
All articles not provided for below	$ 1.75	$ 2.00	$ 2.00	$ 2.00
Automobiles				
Each set up	2.34	2.34	2.34	2.34
Each knocked down	1.74	[illegible]	1.74	1.74
Bulk Commodities				
Bauxite			-	1.00
Fluorspar	0.90	0.90	0.90	0.90
Grains	0.90	0.90	0.90	0.90
Lead Concentrates	0.90	0.90	0.90	0.90
Logs	0.90	0.90	0.90	0.90
Zinc Residue	0.90	0.90	0.90	0.90
Bulk Liquids				
Liquid Fertilizers	0.45	0.45	0.45	0.45
Molasses	0.17	0.17	0.17	0.17
Other Bulk Liquid	1.83	1.83	0.75	0.75
Bundled Galvanized Pipe		-		
Campers, each	3.25	3.25	3.25	3.25
Caustic Soda				0.50
Hides	1.61	1.61	1.61	1.61
Freight Trucks (each)	3.25	3.25	3.25	3.25
Heavy Lifts in excess of 6,000 lbs	10.00	10.00	10.00	10.00
Iron, steel, or other metals				
Fabrications or structures	1.61	1.61	1.61	1.61
Coils, rails, bars, ingots, etc	1.00	1.63	1.00	1.00
Limestone Blocks	1.61	1.61	1.61	1.61
Lumber	1.61	1.61	1.61	1.61
Motor Heavies, each	3.25	3.25	3.25	3.25
Paper Products 40 Lbs	1.7	1.4	1.47	1.47
Cylinderboard, Newsprint, Blackboard, Pulpboard)				
Particle Board	1.61	1.61	1.61	1.61
Pipe, coated or uncoated				
<20,000 short tons	1.00	1.30	1.30	1.30
Over 20,000 short tons	1.00	1.00	1.00	1.00
Plywood	1.61	1.61	1.61	1.61
Project Cargo		Quoted upon request	Quoted upon request	Quoted upon request
PVC Pipe Ties	1.61	1.61	1.61	1.61
Silica Sand	1.61	1.61	1.61	1.61
Single Lifts in excess of 20,000 lbs		Quoted upon request	Quoted upon request	Quoted upon request
Tractors, each	3.25	3.25	3.25	3.25
Woodpulp, bales or rolled	1.37	1.37	1.37	1.37

(CONTINUED)

2003	2004	2005	2006	2007	2008
$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00	$ 2.00
2.34	2.34	2.34	-		
1.74	1.74	1.74			-
1.00	1.00	1.00	1.00	1.00	1.00
0.90	0.90	0.90	0.90	0.90	0.90
0.90	0.90	0.90	0.90	0.90	0.90
0.90	0.90	0.90	0.90	0.90	0.90
0.90	0.90	0.90	0.90	0.90	0.90
0.90	0.90	0.90	1.00	1.00	1.00
0.45	0.45	0.45	0.45	0.45	0.45
0.17	0.1	0.17	0.17	0.17	0.17
0.75	0.75	0.75	0.75	0.75	0.75
			1.00	1.00	1.00
3.25	3.25	3.25			-
0.50	0.50	0.50	0.50	0.50	0.50
1.61	1.61	1.61	1.61	1.61	1.61
3.25	3.25	3.25			-
10.00	10.00	10.00	10.00	10.00	10.00
1.61	1.61	1.61	1.61	1.61	1.61
1.00	1.00	1.00	1.00	1.00	1.00
1.61	1.61	1.61			
1.61	1.61	1.61	1.61	1.61	1.61
3.25	3.25	3.25			
1.37	1.4	1.37			-
1.61	1.61	1.61	1.61	1.61	1.61
1.40	1.40	1.40	1.40	1.40	1.40
1.00	1.00	1.00	1.00	1.00	1.00
1.61	1.61	1.61	1.61	1.61	1.61
Quoted upon request	Quoted upon request	Quoted upon request	Quoted upon request	Quoted upon request	Quoted upon request
1.61	1.61	1.61	1.61	1.61	1.61
1.61	1.61	1.61			
Quoted upon request	Quoted upon request	Quoted upon request	Quoted upon request	Quoted upon request	Quoted upon request
3.25	3.25	3.25			
1.37	1.37	1.37			

Ten Year Tonnage Comparison
For the Fiscal Years Ended October 31, 1999 through 2000,
the Fourteen month period Ended December 31, 2001 and
the Fiscal Years Ended December 31, 2002 through 2008
(Unaudited)

	1999	2000	2001	2002
Cargo Docks	222,308	143,437	121,131	15,556
Coke Handling Facility	1,677,254	1,557,809	1,675,117	1,222,082
Inland River Marine	4,721	66,963	129,811	174,776
Midstream Buoys	45,100	195,038	726,933	
Petroleum Terminal	880,980	1,301,471	1,606,581	2,064,609
Molasses Terminal	112,307	216,905	250,915	296,220
Grain Elevator	676,921	265,772	362,639	74,685
Burnside Terminal	3,488,355	3,543,922	4,029,150	2,748,456
	6,777,846	7,344,317	8,905,574	6,596,384

(CONTINUED)

2003	2004	2005	2006	2007	2008
21,019	41,921	116,359	90,280	174,445	146,563
1,393,356	1,150,428	1,188,287	813,198	970,552	1,104,710
276,717	259,497	358,918	178,612	266,595	226,724
414					
1,368,863	1,556,460	1,540,970	1,937,1[illegible]	2,510,500	2,444,888
366,631	108,830	516,632	296,505	164,469	299,180
282,614	163,113	173,886	323,769	760,308	554,225
2,092,330	3,026,212	1,726,252			-
5,801,944	6,603,422	5,521,301	3,539,841	4,840,869	4,776,290

Greater Baton Rouge Port Commission
Note Indebtedness for 1999 thru 2008 Fiscal Years

Fiscal Year End	1999A Revenue & Refunding Notes			
	Principal Paid	Interest Paid 8 - 5.5%	Total Payment	Year End Principal Balance
1999	$ -	$ 170,280	$ 170 280	$ 5,700,000
2000	$ 165,000	$ 333,960	$ 498,960	$ 5,535,000
2001	$ 170,000	$ 320,560	$ 490,560	$ 5,365,000
2002	$ 180,000	$ 306,560	$ 486,560	$ 5,185,000
2003	$ 190,000	$ 290,397	$ 480,397	$ 4,995,000
2004	$ 205,000	$ 270,285	$ 475,285	$ 4,790,000
2005	$ 215,000	$ 263,694	$ 478,694	$ 4,575,000
2006	$ 225,000	$ 249,013	$ 474,013	$ 4,350,000
2007	$ 240 000	$ 233,788	$ 473,788	$ 4,110,000
2008	$ 250,000	$ 217,863	$ 467,863	$ 3,860,000

Note A Please refer to Footnote 6 in the Financial Section on for a detailed description of the notes and the usage of funding

Note B. Notes will mature in 2019

(CONTINUED)

1999B Revenue Notes				Combined
Principal Paid	Interest Paid 8 - 5.25%	Total Payment	Year End Principal Balance	YE Balance 1999A & B
$ -	$ 95,100	$ 95,100	$ 3,300,000	$ 9,000,000
$ 95,000	$ 186,400	$ 281,400	$ 3,205,000	$ 8,740,000
$ 100,000	$ 178,600	$ 278,600	$ 3,105,000	$ 8,470,000
$ 105,000	$ 170,452	$ 275,452	$ 3,000,000	$ 8,185,000
$ 110,000	$ 158,166	$ 268,166	$ 2,890,000	$ 7,885,000
$ 115,000	$ 152,493	$ 267 493	$ 2,775 000	$ 7,565,000
$ 125,000	$ 146,780	$ 271,780	$ 2 650,000	$ 7 225,000
$ 130,000	$ 138,655	$ 268,655	$ 2,520,000	$ 6,870,000
$ 140,000	$ 130,217	$ 270,217	$ 2,380,000	$ 6,490,000
$ 145,000	$ 121,311	$ 266,311	$ 2,235,000	$ 6,095,000

Population by Parishes within the Jurisdiction of the Greater Baton Rouge Port Commission

Year	Ascension Parish	East Baton Rouge Parish	Iberville Parish	West Baton Rouge Parish
1990 Census	58,214	380,105	31,049	19,419
2000 Census	76,627	412,852	33,320	21,601
2001 Estimate	78,944	411,472	33,234	21,627
2002 Estimate	81,043	410,619	33,049	21,652
2003 Estimate	83,504	411,714	32,760	21,583
2004 Estimate	85,806	413,107	32,372	21,737
2005 Estimate	89,056	412,196	32,229	21,534
2006 Estimate	95,449	431,278	32,847	22,220
2007 Estimate	99,056	430,317	32,501	22,625
2008 Estimate	101,789	428,360	32,545	22,553

Source: U.S. Census Bureau

Greater Baton Rouge Port Commission
Government Employees at the Port by Departmen

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Executive	[illegible]	[illegible]	4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Finance & Administration	[illegible]	[illegible]	[illegible]	[illegible]		[illegible]		[illegible]	[illegible]	[illegible]
Operations	4	4	4	2	2		[illegible]	[illegible]	[illegible]	
Barge Terminal			[illegible]						[illegible]	
Engineering & Security	[illegible]	26	[illegible]	[illegible]	[illegible]	[illegible]	18	[illegible]	18	[illegible]
Business Development	[illegible]	[illegible]	[illegible]	[illegible]	1	[illegible]		[illegible]	1	1
Public Affairs	1		1		1	1	1	1	1	1
	[illegible]	[illegible]	[illegible]	[illegible]	34	[illegible]	31	29	[illegible]	[illegible]

Compliance

2008 Comprehensive Annual Financial Report

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

Submitted by:

Department of Finance

Bradley Stueber
Director of Finance and Administration

DUPLANTIER, HRAPMANN, HOGAN & MAHER, L.L.P.

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(1928-1996)
JAMES MAHER, JR., C.P.A.
(1921-1999)

MEMBERS
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
SOCIETY OF LA. C.P.A.'S

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*

June 18, 2009

To the Board of Commissioners
Greater Baton Rouge Port Commission
State of Louisiana
Port Allen, Louisiana

We have audited the financial statements of the Greater Baton Rouge Port Commission as of and for the year ended December 31, 2008, and have issued our report thereon dated June 18, 2009. 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 the Greater Baton Rouge Port Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Greater Baton Rouge Port Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Greater Baton Rouge Port Commission's internal control over financial reporting.

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 Greater Baton Rouge Port Commission'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 Greater Baton Rouge Port Commission's financial statements that is more than inconsequential will not be prevented or detected by the Greater Baton Rouge Port Commission's internal control.

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 Greater Baton Rouge Port Commission's internal control

Our consideration of 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 internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Baton Rouge Port Commission'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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings as item 2008-1.

The Greater Baton Rouge Port Commission's response to the findings identified in our audit is described in the accompanying schedule of findings. We did not audit the Greater Baton Rouge Port Commission's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Greater Baton Rouge Port Commission, management, the Legislative Auditor of the State of Louisiana, 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. However, this report is a matter of public record and its distribution is not limited.

Duplantier, Hrapmann, Hogan & Maher, LLP

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF FINDINGS
FOR THE YEAR ENDED December 31, 2008

A. Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

• Material weakness(es) identified?		yes	X	no
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	X	yes		none reported
Noncompliance material to financial statements noted?		yes	X	no

B. Findings – Financial Statement Audit
Significant deficiency:

2008-1 At December 31, 2008, the Greater Baton Rouge Port Commission had $747,341 of cash on deposit in excess of federally insured limits and pledged securities. Louisiana Revised Statutes require that deposits be secured in their entirety by federal deposit insurance or pledged securities. We recommend that management closely monitor cash balances and transfer excess balances to other banks or investment accounts to reduce the potential for loss and to remain in compliance with state law.

Management's Response: The unsecured cash at December 31, 2008 resulted from an investment account transfer that had yet to be reinvested at year end. The situation was remedied soon after and represents an isolated occurrence. We will closely monitor cash balances in the future to ensure that the Port Commission's cash is entirely secured.

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED December 31, 2008

None

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending December 31, 2008

GREATER BATON ROUGE PORT COMMISSION
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Legislative Auditor
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Baton Rouge Louisiana 70804-9397

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Bradley L. Stueber, Director of Finance and Administration of the Greater Baton Rouge Port Commission who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of the Greater Baton Rouge Port Commission at December 31, 2008 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 20th day of June, 2009

Signature of Agency Official

NOTARY PUBLIC

Prepared by: Bradley L Stueber

Title, Director of Finance and Administration

Telephone No.: (225) 342-1660

Date: June 20, 2009

GREATER BATON ROUGE PORT COMMISSION
STATE OF LOUISIANA
Annual Financial Statements
December 31, 2008

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Management's Analysis and Discussion

Please refer to the Management's Discussion and Analysis of the Greater Baton Rouge Port Commission in the Financial Section of this Comprehensive Annual Financial Report for the twelve-month period ending December 31, 2008.

Statement A
STATE OF LOUISIANA
Greater Baton Rouge Port Commission (BTA)
BALANCE SHEET
AS OF December 31, 2008

ASSETS
CURRENT ASSETS

[illegible]	$ [illegible]
Investments	[illegible]
[illegible]	[illegible]
[illegible]	294,155
[illegible]	[illegible]
Restricted cash	[illegible]
Restricted receivables	108
Total current assets	[illegible]
NONCURRENT ASSETS	
Capital assets [illegible]	
Land	[illegible]
Buildings and improvements	[illegible]
Machinery and equipment	1,332,307
Infrastructure	[illegible]
Construction in progress	[illegible]
Other noncurrent assets	[illegible]
Total noncurrent assets	[illegible]
Total assets	$ [illegible]

LIABILITIES
CURRENT LIABILITIES

Accounts payable and accrued [illegible]	$ 1,146,[illegible]
Deferred revenues	165,235
Compensated [illegible]	[illegible]
Other current liabilities	166,[illegible]
Total current liabilities	[illegible]
NONCURRENT LIABILITIES (Note 8)	
Long-term debt	[illegible]
OPEB liability	[illegible]
Other long-term liabilities	149,048
Total noncurrent liabilities	[illegible]
Total liabilities	[illegible]

NET ASSETS

Invested in capital assets, net of related debt	17,428,453
Restricted for	
Debt service	217,984
Unrestricted	[illegible]
Total net assets	[illegible]
Total liabilities and net assets	$ [illegible]

The accompanying notes are an integral part of this financial statement.

Statement B

STATE OF LOUISIANA
Greater Baton Rouge Port Commission (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED December 31, 2008

Depreciation	2,548,188
Total operating expenses	3,174,340
Operating income (loss)	(1,396,317)
NON-OPERATING REVENUES (EXPENSES)	
State appropriations	
Intergovernmental revenues (expenses)	
Taxes	
Use of money and property	
Gain on disposal of fixed assets	525,501
Loss on disposal of fixed assets	
Investment revenue	600,333
Federal grants	
Interest expense	(330,361)
Other revenue	-
Other expense	(10,973)
Total non-operating revenues (expenses)	854,168
Income (loss) before contributions, extraordinary items & transfers	(542,149)
Capital contributions	597,304
Extraordinary item - Loss on impairment of capital assets	
Transfers in	
Transfers out	
Change in net assets	55,155
Total net assets - beginning	64,848,577
Total net assets - ending	$ 64,903,732

The accompanying notes are an integral part of this financial statement

Statement C
STATE OF LOUISIANA
Greater Baton Rouge Port Commission (B1 X)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED December 31 2008

See Appendix A for instructions

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
Entity	$ 7,816,115	$ 6,078,123	$	$ 597,308	$ (1,140,721)
General revenues					
Taxes					
State appropriations					
Grants and contributions not restricted to specific programs					
Interest					670,372
Gain on sale of fixed assets					525,504
Miscellaneous					
Special items					
Extraordinary item - Loss on impairment of capital assets					
Transfers					
Total general revenues, special items and transfers					1,195,876
Change in net assets					55,155
Net assets - beginning as restated					64,848,577
Net assets - ending					$ 64,903,732

The accompanying notes are an integral part of this statement

Statement D
STATE OF LOUISIANA
Greater Baton Rouge Port Commission
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED December 31, 2008

Cash flows from operating activities		
Cash received from customers	$ 6,172,608	
Cash payments to suppliers for goods and services	(2,219,073)	
Cash payments to employees for services	(1,761,513)	
Net cash provided (used) by operating activities		2,192,024
Cash flows from capital and related financing activities		
Repayment of loans	(401,004)	
Interest paid on loans	(339,174)	
Acquisition construction of capital assets	(3,715,620)	
Proceeds from sale of capital assets	563,909	
Capital contributions	690,785	
Other	(3,500)	
Net cash provided (used) by capital and related financing activities		(3,195,654)
Cash flows from investing activities		
Purchases of investment securities	(10,859,313)	
Proceeds from sale of investment securities	11,455,030	
Interest and dividends earned on investment securities	560,853	
Net cash provided (used) by investing activities		1,156,570
Net increase (decrease) in cash and cash equivalents		132,940
Cash and cash equivalents at beginning of year		2,424,064
Cash and cash equivalents at end of year		$ 2,557,004

Statement D
(Continued)

STATE OF LOUISIANA
Greater Baton Rouge Port Commission
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED December 31, 2008

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		$ (1,396,317)
Adjustments to reconcile operating income(loss) to net cash provided by operating activities		
Depreciation amortization	2,538,188	
Changes in assets and liabilities		
(Increase)decrease in accounts receivable, net	168,285	
(Increase)decrease in prepayments	19,270	
Increase(decrease) in accounts payable and accruals	265,428	
Increase(decrease) in deferred revenues	(73,800)	
Increase(decrease) in OPEB payable	674,287	
Increase(decrease) in other liabilities	(3,317)	
Net cash provided(used) by operating activities		$ 2,192,024

Schedule of noncash investing, capital, and financing activities

Borrowing under capital lease	$
Contributions of fixed assets	
Purchases of equipment on account	
Asset trade-ins	
Other (specify)	
Change in unrealized loss on investments	(124,842)
Change in accrual of capital contributions	(102,481)
Total noncash investing, capital, and financing activities:	$ (227,323)

The accompanying notes are an integral part of this statement

STATE OF LOUISIANA
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INTRODUCTION

The Greater Baton Rouge Port Commission was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 29, Article VI. The following is a brief description of the operations of the Port Commission which includes the parish parishes in which the port is located.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Greater Baton Rouge Port Commission present information only as to the transactions of the programs of the Port Commission as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Port Commission are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration - Office of Statewide Reporting and Accounting Policy as follows.

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting, therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The budget is prepared by the staff of the Greater Baton Rouge Port Commission as follows.

The Port Commission prepares the annual Operations and Maintenance budget for the internal management purposes, and the budget is based on what is expected to be collected during the fiscal year. The Board of Commissioners approves the budget. The adopted budget constitutes the authority of the Port Commission to incur liabilities and authorize expenses from the respective budgeted funds. In addition, certain expenses are approved monthly by the Board before payment from the General Fund budget. The Port Commission is not required to present a budget comparison in its financial statements.

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	APPROPRIATIONS
Original approved budget	$ 4,528,569
Amendments	-
Final approved budget	$ 4,528,569

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix B for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Greater Baton Rouge Port Commission may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Port Commission may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits 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 pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

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The deposits at December 31, 2008, consisted of the following:

	Cash	Non-negotiable Certificates of Deposit	Other (Describe)	Total
Balance per agency books	$ 2,557,004	$	$	$ 2,557,004
Deposits in bank accounts per bank	$ 2,694,568	$	$	$ 2,694,568
Bank balances of deposits exposed to custodial credit risk				
a. Deposits not insured and uncollateralized	$ 747,341	$	$	$ 747,341
b. Deposits not insured and collateralized with securities held by the pledging institution	$ 1,447,227	$	$	$ 1,447,227
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency but not in the entity's name	$	$	$	$ -

Note: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above

	Bank or Institution	Program	Amount
1	Hancock Bank		$ 1,697,227
2	Chase Bank		997,341
3			
4			
Total			$ 2,694,568

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet

Cash in State Treasury	$ -
Petty cash	$ 500

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2 INVESTMENTS

The Greater Baton Rouge Port Commission does maintain investment accounts as authorized by the laws of the State of Louisiana

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the table on this page, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by the three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

Type of Investment	Uninsured, *Unregistered, and Held by Counterparty	*Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name	Reported Amount Per Balance Sheet	Fair Value
U.S. Government Obligations **	$	$	$ 7,049,298	$ 7,049,298
Other (Identify)				
Louisiana Asset Management Pool			8,298,318	8,298,318
Federated Treasury MM Fund			741,625	741,625
Stock			25,388	25,388
Total investments	$	$	$ 16,114,629	$ 16,114,629

* Unregistered - not registered in the name of the government entity

** These obligations actually are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendix B for the definition of U.S. Government Obligations)

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3. DERIVATIVES

The institution does not invest in derivatives as part of its investment policy

Technical Bulletin 2003-1 requires certain note disclosures for derivatives that are not reported at fair value on the Statement of Net Assets See Appendix B for more details and disclose any of these required note disclosures below, if applicable

4. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end, including the rating agency used (Moody's, S&P, etc.). All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount)

Rating Agency	Rating	Fair Value
N/A	Not Rated	$ 7,039,298
	Total	$ 7,039,298

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note This is the prescribed method, *segmented time distribution*, for the CAFR Also, total debt investments reported in this table should equal total debt investments reported in Section A Credit Risk of Debt Investments.)

		Investment Maturities (in Years)			
Type of Debt Investment	Fair Value	Less Than 1	1 5	6 10	Greater Than 10
U.S. Government obligations	$ 7,039,298	$	$ 7,039,298	$	$
Federated Treasury MM Fund	741,628	741,628			
Louisiana Asset Management Pool	8,298,318	8,298,318			
Total debt investments	$ 16,079,241	$ 9,039,946	$ 7,039,298	$	$

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2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See Appendix B for examples of debt investments that are highly sensitive to changes in interest rates.

Debt Investment	Fair Value	Terms
	$	
Total	$	

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools)

Issuer	Amount	% of Total Investments
	$	
Total	$	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies), list by currency denomination and investment type, if applicable.

Foreign Currency	Fair Value in U.S. Dollars: Bonds	Fair Value in U.S. Dollars: Stocks
	$	$
Total	$	$

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5 POLICIES

State Law R.S. 33:2955 allows the investment in direct United States Treasury obligations; bonds, debentures, notes or other evidence of indebtedness issued or guaranteed by federal agencies or U.S. government instrumentalities, which are federally sponsored, direct security repurchase agreements of any federal book entry only securities guaranteed by the U.S. government, time certificates of deposit of any bank domiciled or having a branch office in the State of Louisiana, savings accounts or shares of certain savings and loan associations and savings banks, certain accounts of federally or state chartered credit unions; certain mutual or trust fund institutions; certain guaranteed investment contracts; and investment grade commercial paper of domestic United States corporations

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, all investments are reported at fair value with gains and losses included in the statement of revenue and expenses

6 OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

a Investments in pools managed by other governments or mutual funds

b. Securities underlying reverse repurchase agreements

c Unrealized investment losses

d Commitments as of (fiscal closed) to resell securities under yield maintenance repurchase agreements:

1 Carrying amount and market value at December 31 of securities to be resold

2 Description of the terms of the agreement

e Losses during the year due to default by counterparties to deposit or investment transactions

f Amounts recovered from prior-period losses which are not shown separately on the balance sheet

Legal or Contractual Provisions for Reverse Repurchase Agreements

g Source of legal or contractual authorization for use of reverse repurchase agreements

h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year

Reverse Repurchase Agreements as of Year-End

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i Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest

j Commitments on December 31, 2008 (fiscal close) to repurchase securities under yield maintenance agreements

k Market value on December 31, 2008 (fiscal close) of the securities to be repurchased

l Description of the terms of the agreements to repurchase

m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements

n. Amounts recovered from prior-period losses which are not separately shown on the operating statement

Fair Value Disclosures

o Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices

p. Basis for determining which investments, if any, are reported at amortized cost

q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool

r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares

s Any involuntary participation in an external investment pool

t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate

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u. Any income from investments associated with one fund that is assigned to another fund

D. CAPITAL ASSETS - INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

	Year ended December 31, 2008					
	Balance 12-31-2007	Prior Period Adjustment	Adjusted Balance 12-31-2008	Additions	Retirements	Balance 12-31-2008
Capital assets not being depreciated						
Land	$ 5,816,854	$ -	$ 5,816,854	$ 1,561,588	$ (28,390)	$ 7,360,052
Construction in progress	2,814,966	-	2,814,966	1,530,628	(479,379)	4,272,215
Total capital assets not being depreciated	8,631,820	-	8,631,820	3,128,216	(507,769)	11,632,267
Other capital assets						
Machinery and equipment	5,991,76[illegible]	-	5,991,[illegible]	507,[illegible]93	(148,456)	6,015,510
Less accumulated depreciation	(4,381,969)	-	(4,381,969)	(369,530)	158,296	(4,593,203)
Total Machinery and equipment	1,609,792	-	1,609,792	(267,346)	(10,149)	1,332,307
Buildings and improvements	78,168,332	-	78,168,332	57,226	-	78,225,558
Less accumulated depreciation	(44,844,924)	-	(44,844,924)	(1,088,655)	-	(45,932,579)
Total buildings and improvements	33,323,408	-	33,323,408	(1,031,429)	-	32,292,979
Infrastructure	13,909,190	-	13,909,190	-	-	13,909,190
Less accumulated depreciation	(5,543,662)	-	(5,543,662)	(379,921)	-	(5,923,583)
Total infrastructure	8,365,528	-	8,365,528	(379,921)	-	8,036,607
Total other capital assets	43,298,728	-	43,298,728	(1,678,696)	(10,149)	41,661,893
Capital Asset Summary:						
Capital assets not being depreciated	8,631,820	-	8,631,820	3,128,216	(107,769)	11,652,267
Other capital assets at cost	96,368,201	-	96,368,201	310,502	(148,445)	96,530,258
Total cost of capital assets	104,900,021	-	104,900,021	3,438,718	(256,214)	108,182,525
Less accumulated depreciation	(54,168,373)	-	(54,168,373)	(2,538,188)	138,296	(56,568,365)
Capital assets, net	$ 52,831,648	$ -	$ 52,831,648	$ 1,200,530	$ (117,918)	$ 53,614,160

* Should be used only for those completed projects carried out of construction in process to fixed assets not associated with transfers reported elsewhere in this parcel

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F. INVENTORIES

The Greater Baton Rouge Port Commission does not maintain any inventories

I. RESTRICTED ASSETS

Restricted assets in the Greater Baton Rouge Port Commission at December 31, 2008 reflected at $799,573 in the non-current assets section on Statement A, consisting of $57,750 in unpaid bond coupons, $741,625 in cash invested with fiscal agents, and $198 in interest receivables

G. LEAVE

1. COMPENSATED ABSENCES

The Greater Baton Rouge Port Commission has the following policy on annual and sick leave.

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expense when the leave is earned

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour for hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at December 31, 2008 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be $0. The leave payable is recorded in the accompanying financial statements

H. RETIREMENT SYSTEM

Substantially all of the employees of the Port Commission are members of the Louisiana State Employees' Retirement System, a cost sharing multiple-employer, defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees

All full-time Port Commission employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to $300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

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Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. 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 State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members hired before July 1, 2006 are required by state statute to contribute 7.5% of gross salary and those members hired on or after July 1, 2006 are required by state statute to contribute 8.0%. The Port Commission is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for years ended December 31, 2008, 2007, and 2006 were 18.5%, 20.4% and 19.1%, respectively, of annual covered payroll. The Port Commission contributions to the System for the twelve month fiscal years ending December 31, 2008, December 31, 2007 and December 31, 2006 were $259,129, $234,874 and $223,489, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS

N/A - OGB is only the provider for healthcare and life insurance benefits

J. LEASES

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year December 31, 2008 amounted to $0. A schedule of payments for operating leases follows:

Nature of lease	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014 2018	FY 2019-2023
Office Space	$	$	$	$	$	$	$
Equipment							
Land							
Other							
Total	$	$	$	$	$	$	$

2. CAPITAL LEASES

Capital leases (are are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on

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Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules.

Capital leases are defined as an arrangement in which any one of the following conditions apply. (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 12/31/2008. In Schedule B, report only those new leases entered into during fiscal year 2007-2008.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES (EXCEPT LEAF)

Nature of lease	Gross Amount of Leased Asset (Historical Costs)	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	$ _____	$ _____	$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	$ _____	$ _____	$ _____

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest. (Note: If lease payments extend past FY2028, create additional rows and report these future minimum lease payments in five year increments.)

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Year ending December 31, 2008	Total
2009	$
2010	
2011	
2012	
2013	
2014-2018	
2019-2023	
2024-2028	
Total minimum lease payments	
Less amounts representing executory costs	
Net minimum lease payments	
Less amounts representing interest	
Present value of net minimum lease payments	$

SCHEDULE B – NEW AGENCY CAPITAL LEASES (EXCEPT LEASE)

Nature of lease	Gross Amount of Leased Asset (Historical Costs)	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	$	$	$
b. Equipment			
c. Land			
Total	$	$	$

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest. (Note: If lease payments extend past FY 2028, create additional rows and report these future minimum lease payments in five year increments.)

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Year ending December 31, 2008	Total
2009	$
2010	
2011	
2012	
2013	
2014-2018	
2019-2023	
2024-2028	
Total minimum lease payments	-
Less amounts representing executory costs	
Net minimum lease payments	-
Less amounts representing interest	
Present value of net minimum lease payments	$ -

SCHEDULE OF LEAL CAPITAL LEASES

Nature of Lease	Gross Amount of Leased Asset (Historical Cost)	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	$	$	$
b. Equipment			
c. Land			
Total	$	$	$ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2028, create additional rows and report those future minimum lease payments in five year increments.)

Year ending December 31, 2008	Total
2009	$
2010	
2011	
2012	
2013	
2014-2018	
2019-2023	
2024-2028	
Total minimum lease payments	-
Less amounts representing executory costs	
Net minimum lease payments	-
Less amounts representing interest	
Present value of net minimum lease payments	$ -

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3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied

- Collectibility of the minimum lease payments is reasonably predictable
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease

Provide a general description of the direct financing agreement and complete the chart below:

Composition of lease	Date of lease	Minimum lease payment receivable	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space		$	$	$
b. Equipment				
c. Land				
Less amounts representing executory costs				
Minimum lease payment receivable				
Less allowance for doubtful accounts				
Net minimum lease payments receivable				
Less estimated residual value of leased property				
Less unearned income				
Net investment in direct financing lease		$		

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2008 were $ for office space, $ for equipment, and $ for land

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of (the last day of your fiscal year): (Note: If lease receivables extend past FY2028, please create additional rows and report these future minimum lease payment receivables in five year increments.)

Year ending December 31, 2008	
2009	$
2010	
2011	
2012	
2013	
2014-2018	
2019-2023	
2024-2028	
Total	$

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4 LESSOR OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of December 31, 2008:

	Cost	Accumulated depreciation	Carrying amount
a. Facility space	$ 39,993,116	$ (26,069,073)	$ 13,924,043
b. Equipment	2,308,409	(2,308,409)	
c. Land	5,706,320	(1,380,313)	3,916,007
Total	$ 47,507,845	$ (29,757,795)	$ 17,840,050

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of December 31. (Note: If lease receivables extend past FY2028, please create additional columns and report these future minimum lease payment receivables in five year increments.)

Year Ended December 31	Facility Space	Equipment	Land	Other	Total
2009	$ 550,640	$	$ 554,022	$	$ 1,104,662
2010	446,348		437,899		884,247
2011	250,515		359,583		610,098
2012	54,000		329,586		383,586
2013	46,000		285,653		321,653
Later	2,000		2,267,018		2,269,018
Total	$ 1,409,503	$	$ 4,233,761	$	$ 5,643,264

Current year lease revenues received in fiscal year 2008 totaled $2,422,887.

There were no contingent rentals from operating leases received in the fiscal year for office space, equipment or for land.

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended December 31, 2008.
(Balances at December 31st should include current and non current portion of long-term liabilities.)

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

	Year ended December 31, 2008				
	Balance December 31, 2007	Additions	Reductions	Balance December 31, 2008	Amounts due within one year
Notes and bonds payable:					
Notes payable	$ 6,589,556	$ --	$ 403,849	$ 6,185,707	$ 420,000
Total notes and bonds	6,589,556	-	403,849	6,185,707	420,000
Other liabilities:					
OPEB payable	-	674,287	-	674,287	
Other long-term liabilities	148,877	--	8,829	140,048	
Total other liabilities	148,877	674,287	8,829	814,335	-
Total long-term liabilities	$ 6,738,433	$ 674,287	$ 412,678	$ 7,000,042	$ 420,000

(Send OSRAP a copy of the amortization schedule for any new debt issued.)

I. CONTINGENT LIABILITIES

GAAP requires that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. Losses or ending litigation that is probable should be reflected on the balance sheet.

The Greater Baton Rouge Port Commission is a defendant in litigation seeking damages as follows: (Only list litigation not being handled by the Office of Risk Management or the Attorney General.)

Date of Action	Description of Litigation and Probable outcome/Reasonably possible or probable	Estimated Settlement Not for Claims & Litigation (Opinion of legal counsel)	Insurance Coverage
01/06	Adverse Claim - Reasonably Possible	$1,800,000 - $2,000,000	Unknown
06/07	Adverse Claim - Reasonably Possible	$700,000 - $800,000	Unknown
Totals		$2,500,000 - $2,800,000	-

*Note: Liability for claims and judgments should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

Those agencies collecting federal funds, who have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance on a separate line in the chart

Program	Date of Disallowance	Amount	*Probability of Payment	Estimated Settlement Amount
1.		$		$
2.				
3				
4.				

* Reasonably possible, probable, or unknown

(Only answer the following questions for those claims and litigation not being handled by the Office of Risk Management)

Indicate the way in which risks of loss are handled (circle one).

purchase of commercial insurance,
participation in a public entity risk pool (e.g., Office of Risk Management claims)
risk retention (e.g , Use of an internal service fund is considered risk retention because the entity as a whole has retained the risk of loss)
Other (explain)

For entities participating in a risk pool (other than the Office of Risk Management), describe the nature of the participation, including the rights and the responsibilities of both the entity and the pool.

Describe any significant reductions in insurance coverage from coverage in the prior year by major categories of risk Also, indicate whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years.

Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it can not be estimated

Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

M. RELATED PARTY TRANSACTIONS

FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions. There were no related party transactions during the current financial reporting period.

N. ACCOUNTING CHANGES

The Greater Baton Rouge Port Commission did not adopt any changes in the fiscal year 2008 that would result in the change in format and content of the basic financial statements.

O. IN-KIND CONTRIBUTIONS

There were no in-kind contributions that were not included in the accompanying financial statements.

P. DEFEASED ISSUES

There were no defeased issues during the twelve month period ended December 31, 2008 for the Greater Baton Rouge Port Commission.

Q. REVENUES PLEDGED OR SOLD (GASB 48)

1. PLEDGED REVENUES

Pledged revenues are specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit. Pledged revenues must be disclosed for each period in which the secured debt remains outstanding and for each secured debt issued.

Provide the following information about the specific revenue pledged.

a. Identify the specific pledged revenue:
   - Pledged revenue is
   - Debt secured by the pledge revenue (amount)
   - Approximate amount of pledge
     (equal to the remaining principal and interest requirements)

b. Term of the commitment.
   [number of years (beginning and ending dates by month and year)
   that the revenue will not be available for other purposes]

c. General purpose for the debt secured by the pledge

d. Relationship of the pledged amount to the specific revenue.

   (the proportion of the specific revenue that has been pledged)

e. Comparison of the pledged revenues (current year information)
   - Principal requirements
   - Interest requirements.
   - Pledge revenues recognized during the period

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

(gross pledged revenue minus specified operating expenses)

NOTE: For the first year of this note, please send a copy of the following sections of the official bond statement

- Cover page
- Introductory statement
- Plan of financing
- Security for the bond (pledged revenue information)

2 FUTURE REVENUES REPORTED AS A SALE

Future revenues reported as a sale are proceeds that an agency entity received in exchange for the rights to future cash flows from specific future revenues and for which the agency entity's continuing involvement with those revenues or receivables is effectively terminated. (see Appendix G)

Provide the following information in the year of the sale ONLY:

a. Identify the specific revenue sold:
   - the revenue sold is
   - the approximate amount
   - significant assumptions used in determining the approximate amount

b Period of the sale

c. Relationship of the sold amount to the total for that specific revenue

d Comparison of the sale:
   - proceeds of the sale
   - present value of the future revenues sold
   - significant assumptions in determining the present value

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2008.

CFDA Number	Program Name	State Match Percentage	Total Amount of Grant
97.056	2005 Port Security Grant	0%	$ 99,882
97.056	2006 Port Security Grant	0%	180,022
Total government mandated nonexchange transactions (grants)			$ 279,904

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

S VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At December 31, 2008, the Greater Baton Rouge Port Commission had no violations of finance-related legal or contractual provisions.

T SHORT-TERM DEBT

The Greater Baton Rouge Port Commission does not issue short-term notes

The Greater Baton Rouge Port Commission does not use a revolving line of credit for financing purposes prior to the issuance of related bonds

U DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at December 31, 2008, were as follows:

Fund (per fund gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
	$	$	$	$	$ -
					-
Gross receivables	$ 696,595	$	$ 294,135	$ 43,669	$ 1,034,419
Less allowance for uncollectible accounts	2,100				2,100
Receivables, net	$ 694,495	$	$ 294,135	$ 43,669	$ 1,032,319

V DISAGGREGATION OF PAYABLE BALANCES

Payables at December 31, 2008, were as follows

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	$ 859,361	$ 951,351	$ 108,839	$ 57,750	$ 1,977,301
Total payables	$ 859,361	$ 951,351	$ 108,839	$ 57,750	$ 1,977,301

W SUBSEQUENT EVENTS

There were no material event(s) affecting the Port Commission occurring between the close of the fiscal period and issuance of the financial statement

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

X SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

A Condensed balance sheet

(1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTAs should be reported separately
(2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTAs should be reported separately
(3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted, and amounts invested in capital assets, net of related debt

Condensed Balance sheet

	Segment #1	Segment #2
Current assets	$ 191,069	$
Due from other funds		
Capital assets	5,614,100	
Other assets	167,291	
Current liabilities	(2,088,739)	
Due to other funds		
Long term liabilities	(6,580,042)	
Restricted net assets	(212,934)	
Unrestricted net assets	(17,262,293)	
Invested in capital assets, net of related debt	$ 17,428,458	

B Condensed statement of revenues, expenses, and changes in net assets.

(1) Operating revenues (by major source)
(2) Operating expenses. Depreciation (including any amortization) should be identified separately.
(3) Operating income (loss)
(4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
(5) Capital contributions and additions to permanent and term endowments.

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

(6) Special and extraordinary items
(7) Transfers
(8) Change in net assets
(9) Beginning net assets
(10) Ending net assets

Condensed Statement of Revenues, Expenses, and Changes in Net Assets.

	Segment #1	Segment #2
Operating revenues	$ 6,078,123	$
Operating expenses	4,936,252	
Depreciation and amortization	2,538,188	
Operating income (loss)	(1,396,317)	-
Nonoperating revenues (expenses)	854,168	
Capital contributions additions to permanent and term endowments	597,304	
Special and extraordinary items		
Transfers in		
Transfers out		
Change in net assets	55,155	-
Beginning net assets	64,848,577	
Ending net assets	64,903,732	-

C. Condensed statement of cash flows

(1) Net cash provided (used) by
  (a) Operating activities
  (b) Noncapital financing activities
  (c) Capital and related financing activities
  (d) Investing activities
(2) Beginning cash and cash equivalent balances
(3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows

	Segment #1	Segment #2
Net cash provided (used) by operating activities	$ 2,192,024	$
Net cash provided (used) by noncapital financing activities		
Net cash provided (used) by capital and related financing activities	(1,195,654)	
Net cash provided (used) by investing activities	1,136,870	
Beginning cash and cash equivalent balances	2,424,164	
Ending cash and cash equivalent balances	2,557,004	

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

Y. DUE TO DUE FROM AND TRANSFERS

1. List by fund type the amounts due from other funds detailed by individual fund at fiscal year end (Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

Type of Fund	Name of Fund	Amount
		$
Total due from other funds		$

2. List by fund type the amounts due to other funds detailed by individual fund at fiscal year end

Type of Fund	Name of Fund	Amount
		$
Total due to other funds		$

3. List by fund type all transfers from other funds for the fiscal year:

Type of Fund	Name of Fund	Amount
		$
Total transfers from other funds		$

4. List by fund type all transfers to other funds for the fiscal year.

Type of Fund	Name of Fund	Amount
		$
Total transfers to other funds		$

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets in the Greater Baton Rouge Port Commission at December 31, 2008, reflected at $586,589 in Current Liabilities Payable from Restricted Assets on Statement A, consist of $420,000 in Current Portion of Loans Payable, $108,839 in Accrued Loan Interest and $57,750 in Unredeemed Bonds and Coupons.

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

AA. PRIOR YEAR RESTATEMENT OF NET ASSETS

There were no adjustments made to restate beginning net assets for January 1, 2008

Ending net assets 12/31/07 as reported to OSRAP on PY AFR	*Adjustments to end net assets 12/31/07 (after AFR was submitted to OSRAP)	Restatements (Adjustments to beg. Balance 1/1/07)	Beg net assets at 1/1/07 as restated
$	$	$	$

Each adjustment must be explained in detail on a separate sheet.
*Include all audit adjustments accepted by the agency or entity

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46)

Of the total net assets reported on Statement A at December 31, 2008, $0 are restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation. Refer to Appendix C for more details on the determination of the amount to be reported as required by GASB Statement 46. List below the net assets restricted by enabling legislation, the purpose of the restriction, and the Louisiana Revised Statute (LRS) that authorized the revenue:

Purpose of Restriction	LA Revised Statute Authorizing Revenue	Amount
		$
Total		$

CC. IMPAIRMENT OF CAPITAL ASSETS

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets and for insurance recoveries. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. See Appendix D for more information on GASB 42 and the Impairment of Capital Assets.

The following capital assets became permanently impaired in FY 2008: (Insurance recoveries related to impairment losses should be used to offset those impairment losses if received in the same year as the

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

impairment. Include these insurance recoveries in the third column in the table below. Calculate the net impairment loss after insurance recoveries received in the current fiscal year in the fourth column. Include in the Financial Statement Classification column the account line in which the net impairment loss is reported in the financial statements. There are five indicators of impairment described in Appendix D, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

Type of asset	Amount of Impairment Loss	Insurance Recovery in the same FY	Net Impairment Loss per Financial Stmts	Financial Statement Classification	Appendix D Indicator of Impairment	Reason for Impairment (e.g. hurricane)
Buildings						
Movable Property						
Infrastructure						

Insurance recoveries received in FY 2008 related to impairment losses occurring in previous years, and insurance recoveries received in FY 2008 other than those related to impairment of capital assets, should be reported as program revenues, nonoperating revenues, or extraordinary items, as appropriate. Indicate in the following table the amount and financial statement classification (account line in which the insurance recovery is reported in the financial statements) of insurance recoveries not included in the table above:

Type of asset	Amount of Insurance Recovery	Financial Statement Classification	Reason for insurance recovery (e.g. fire)
Buildings			
Movable Property			
Infrastructure			

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year. (Include any permanently impaired capital assets listed above that are still idle at the end of the fiscal year, any temporarily impaired capital assets, and any assets impaired in prior years that are still idle at the end of the current fiscal year.)

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
Notes to the Financial Statement
As of and for the year ended December 31, 2008

Type of asset	Carrying Value of Idle Impaired Assets	Reason for Impairment
Buildings - permanently impaired		
Buildings - temporarily impaired		
Movable Property - permanently impaired		
Movable Property - temporarily impaired		
Infrastructure - permanently impaired		
Infrastructure - temporarily impaired		

DD EMPLOYEE TERMINATION BENEFITS

The Port Commission had no termination benefit liability or expense as of December 31, 2008

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 1
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended December 31, 2008
(Fiscal Close)

Name	Amount
Brian, Randy	$ 1,575
Crawford Jr., Grady	900
Davis IV, Hall	975
Delpit, Joseph	375
Dragg, Alvin	1,425
Feldmand, Barbara	675
Hurdle, Brady	300
Ishmael, Calvin	375
Johnson, Larry	1,500
Loup, Raymond	1,200
Pugh, William	1,275
Rigell, William	1,125
Temple III, Collis	750
Thibaut, Charles	975
Watts, Robert	1,275
Sheets, Blaine	1,050
Bennett, Kirt	300
Ellis, Greg	300
Hardy, Timothy	225
Juneau, Jerald	300
Machen, Angela	300
Prieren, Jr., Roy	225
Poche, Randy	300
Schexnayder, Donald	225
	$ 17,925

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 2
SCHEDULE OF GRANT RECEIPTS
For the Year Ended December 31, 2008

Federal Grants	CFDA No.	Amount Received
2005 Port Security Grant	97.056	99,882
2006 Port Security Grant	97.056	108,022
State Grants		
Grain Dock Rehabilitation		317,400

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 3-A
SCHEDULE OF NOTES PAYABLE
DECEMBER 31, 2008
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 12/31/07	Redeemed (Issued)	Principal Outstanding 12/31/08	Interest Rates	Interest Outstanding 12/31/08
1999A	3/31/99	$5,700,000	$4,110,000	$250,000	$3,860,000	8% - 5.5%	$1,269,564
1999B	3/31/99	$3,300,000	$2,380,000	$145,000	$2,235,000	8% - 5.25%	$704,543
Total		$9,000,000	$6,490,000	$395,000	$6,095,000		$1,974,107

*Send copies of new amortization schedules

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 3-B
SCHEDULE OF BONDS PAYABLE
DECEMBER 31, 2008
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 12-31-07	Redeemed (Issued)	Principal Outstanding 12-31-08	Interest Rates	Interest Outstanding 12-31-08
		$	$	$	$		$
Total		$	$	$	$		$

*Send copies of new amortization schedules

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 4-A
SCHEDULE OF CAPITAL LEASE AMORTIZATION
DECEMBER 31, 2008

Ending	Payment	Interest	Principal	Balance
2009	$ --	$ --	$ --	$ --
2010	--	--	--	--
2011	--	--	--	--
2012	--	--	--	--
2013	--	--	--	--
2014-2018	--	--	--	--
2019-2023	--	--	--	--
2024-2028	--	--	--	--
2029-2033	--	--	--	--
Total	$ --	$ --	$ --	$ --

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 4-B
SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended December 31, 2008

Fiscal Year Ending	Principal	Interest
2009	$ 420,000	$ 314,376
2010	440,000	290,955
2011	465,000	267,682
2012	490,000	242,960
2013	520,000	216,619
2014-2018	3,050,000	622,315
2019	710,000	19,200
Total	$ 6,095,000	$ 1,974,107

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 4-C
SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended December 31, 2008

Fiscal Year Ending.	Principal	Interest
2009	$	$
2010		
2011		
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
Total	$	$

STATE OF LOUISIANA
GREATER BATON ROUGE PORT COMMISSION
SCHEDULE 15
COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than $1 million, explain the reason for the change

	2008	2007	Difference	Percentage Change
1) Revenues	$ 6,078,123	$ 6,630,924	$ (552,801)	(8%)
Expenses	7,474,439	6,486,015	988,424	15%
2) Capital assets	53,614,160	52,831,548	782,612	1%
Long-term debt	6,185,707	6,589,556	(403,849)	(6%)
Net Assets	64,903,732	64,848,577	55,155	0%

Explanation for change: _____

SCHEDULE 16 COOPERATIVE ENDEAVORS
FOR THE YEAR ENDED DECEMBER 31, 2008
NAME

AGENCY NUMBER
AGENCY

SCHEDULE 16 - COOPERATIVE ENDEAVOR AGREEMENTS
FOR THE YEAR ENDED JUNE 30, 2008

AGENCY NAME:
AGENCY NUMBER:

Contract Financial Management System #	Parties to the Coop	Brief Description of the Coop	Multi-year, One Time, or Other Appropriation	Original Amount of Coop, Plus Amendments, if any	Date of Original Coop was Effective	End Date of Coop, as Amended, if Applicable	Funding Source per Coop Agreement based on Net Liability as of December 31, 2008							Paid Inception to Date as of 12 31 2008	Net Liability as of 12 31 2008
							100% State	100% SGR	100% Stat. Ded	100% G.O. Bonds	100% Federal	100% IAT	100% Combination		
NONE															0.00
															0.00
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PORT OF GREATER BATON ROUGE

Post Office Box 380 • Port Allen, Louisiana 70767-0380 • Phone (225) 342-1660 • Fax (225) 342-1666 • www.portgbr.com

June 20, 2009

Attn: William Stamm, CPA
Duplantier, Hrapmann, Hogan & Maher, LLP
1340 Poydras Street, Suite 2000
New Orleans, LA 70112

Dear Mr. Stamm,

I am writing to give the Management's Response to finding **2008-1,** that your audit team brought up in their work on the Greater Baton Rouge Port Commission's annual financial report for December 31, 2008.

2008-1 At December 31, 2008, the Greater Baton Rouge Port Commission had $747,341 of cash on deposit in excess of federally insured limits and pledged securities. Louisiana Revised Statutes require that deposits be secured in their entirety by federal deposit insurance or pledged securities. We recommend that management closely monitor cash balances and transfer excess balances to other banks or investment accounts to reduce the potential for loss and to remain in compliance with state law.

Management's Response: The unsecured cash at December 31, 2008 resulted from an investment account transfer that had yet to be reinvested at year end. The situation was remedied soon after and represents an isolated occurrence. We will closely monitor cash balances in the future to ensure that the Port Commission's cash is entirely secured.

If you need further comment or information, please contact me at 225-342-1660.

Thank you,

Bradley L. Stueber

Bradley L Stueber
Director of Finance and Administration
Greater Baton Rouge Port Commission