

## NONMAJOR ENTERPRISE FUNDS

Enterprise funds account for operations: (a) that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

**Baton Rouge River Center** accounts for the operation of a cultural and entertainment center composed of an arena, exhibition hall and theater of performing arts. Principal revenues of the fund are rents, commissions and governmental subsidies.

**Greater Baton Rouge Parking Authority** accounts for the operation of an off-street parking facility. Principal revenues of the fund are governmental subsidies and automobile parking fees.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINING STATEMENT OF NET ASSETS  
NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2007**

EXHIBIT C - 1

|                                       | Baton Rouge<br>River<br>Center | Greater<br>Baton Rouge<br>Parking<br>Authority | Total<br>Nonmajor<br>Enterprise<br>Funds |
|---------------------------------------|--------------------------------|--|--|
| <b>ASSETS</b>                         |                                |  |  |
| Current assets:                       |                                |  |  |
| Cash and cash equivalents             | \$ 2,409,141                   | \$ 2,873,799                                   | \$ 5,282,940                             |
| Accounts receivable - net             | 577,870                        | 66,933   | 644,803                                  |
| Accrued interest receivable           | 2,331                          | 19,249   | 21,580                                   |
| Due from other governments (Note 11)  | 468,581                        | --   | 468,581                                  |
| Prepaid items                         | 88,427                         | --   | 88,427                                   |
| Inventory                             | 50,597                         | --   | 50,597                                   |
| Total current assets                  | 3,596,947                      | 2,959,981                                      | 6,556,928                                |
| Noncurrent assets:                    |                                |  |  |
| Restricted assets:                    |                                |  |  |
| Cash and cash equivalents             | 3,827,571                      | --   | 3,827,571                                |
| Investments                           | 6,517,215                      | --   | 6,517,215                                |
| Accrued interest receivable           | 70,413                         | --   | 70,413                                   |
| Total restricted assets               | 10,415,199                     | --   | 10,415,199                               |
| Investment in joint venture (Note 19) | --                             | 2,348,958                                      | 2,348,958                                |
| Capital assets:                       |                                |  |  |
| Land                                  | 1,024,914                      | 808,586  | 1,833,500                                |
| Buildings                             | 69,734,371                     | 10,160,544                                     | 79,894,915                               |
| Improvements (other than buildings)   | 6,280,477                      | 22,685   | 6,303,162                                |
| Equipment                             | 1,039,149                      | 11,696   | 1,050,845                                |
| Construction work in progress         | 16,614                         | --   | 16,614                                   |
| Total capital assets                  | 78,095,525                     | 11,003,511                                     | 89,099,036                               |
| Accumulated depreciation              | (32,041,288)                   | (10,120,938)                                   | (42,162,226)                             |
| Net capital assets                    | 46,054,237                     | 882,573  | 46,936,810                               |
| Total noncurrent assets               | 56,469,436                     | 3,231,531                                      | 59,700,967                               |
| Total assets                          | 60,066,383                     | 6,191,512                                      | 66,257,895                               |

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINING STATEMENT OF NET ASSETS  
 NONMAJOR ENTERPRISE FUNDS  
 DECEMBER 31, 2007**

EXHIBIT C - 1  
 (Continued)

|   | Baton Rouge<br>River<br>Center | Greater<br>Baton Rouge<br>Parking<br>Authority | Total<br>Nonmajor<br>Enterprise<br>Funds |
|---|--------------------------------|--|--|
| <b>LIABILITIES</b>                              |                                |  |  |
| Current liabilities:                            |                                |  |  |
| Accounts and contracts payable                  | \$ 867,822                     | \$ 10,473                                      | \$ 878,295                               |
| Accrued salaries payable                        | 53,247                         | 6,741  | 59,988                                   |
| Unearned revenue                                | 1,007,890                      | 15,120   | 1,023,010                                |
| Bonds payable (Note 10)                         | --                             | 153,000  | 153,000                                  |
| Compensated absences payable                    | 36,133                         | 43,663   | 79,796                                   |
| Total current liabilities                       | 1,965,092                      | 228,997  | 2,194,089                                |
| Noncurrent liabilities:                         |                                |  |  |
| Bonds payable (Note 10)                         | --                             | 1,937,500                                      | 1,937,500                                |
| Net other post employment benefit obligation    | --                             | 69,796   | 69,796                                   |
| Total noncurrent liabilities                    | --                             | 2,007,296                                      | 2,007,296                                |
| Total liabilities                               | 1,965,092                      | 2,236,293                                      | 4,201,385                                |
| <b>NET ASSETS</b>                               |                                |  |  |
| Invested in capital assets, net of related debt | 46,054,237                     | 882,573  | 46,936,810                               |
| Restricted for capital projects                 | 10,415,199                     | --   | 10,415,199                               |
| Unrestricted                                    | 1,631,855                      | 3,072,646                                      | 4,704,501                                |
| Total net assets                                | \$ 58,101,291                  | \$ 3,955,219                                   | \$ 62,056,510                            |

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINING STATEMENT OF REVENUES, EXPENSES,  
 AND CHANGES IN FUND NET ASSETS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

EXHIBIT C - 2

|   | <u>Baton Rouge<br/>River<br/>Center</u> | <u>Greater<br/>Baton Rouge<br/>Parking<br/>Authority</u> | <u>Total<br/>Nonmajor<br/>Enterprise<br/>Funds</u> |
|---|---|--|--|
| <b>OPERATING REVENUES</b>                           |   |  |  |
| Charges for services                                | \$ 11,487,797                           | \$ 845,829   | \$ 12,333,626                                      |
| Miscellaneous revenues                              | 510,113                                 | 736  | 510,849  |
| Total operating revenues                            | <u>11,997,910</u>                       | <u>846,565</u>   | <u>12,844,475</u>                                  |
| <b>OPERATING EXPENSES</b>                           |   |  |  |
| Personal services                                   | 2,112,191                               | 272,002  | 2,384,193  |
| Employee benefits                                   | 328,315                                 | 181,320  | 509,635  |
| Supplies  | 850,258                                 | 16,792   | 867,050  |
| Contractual services                                | 9,162,884                               | 88,957   | 9,251,841  |
| Depreciation  | 3,000,864                               | 37,028   | 3,037,892  |
| Management fee                                      | 288,916                                 | --   | 288,916  |
| Total operating expenses                            | <u>15,743,428</u>                       | <u>596,099</u>   | <u>16,339,527</u>                                  |
| Operating income (loss)                             | <u>(3,745,518)</u>                      | <u>250,466</u>   | <u>(3,495,052)</u>                                 |
| <b>NONOPERATING REVENUES (EXPENSES)</b>             |   |  |  |
| Operating grants                                    | 43,639                                  | --   | 43,639   |
| Net income (loss) from joint venture                | --                                      | 116,784  | 116,784  |
| Investment earnings                                 | 471,519                                 | 125,654  | 597,173  |
| Interest expense                                    | --                                      | (101,730)  | (101,730)  |
| Gain (loss) on disposition of capital assets        | 275                                     | --   | 275  |
| Total nonoperating revenues (expenses)              | <u>515,433</u>                          | <u>140,708</u>   | <u>656,141</u>                                     |
| Income (loss) before contributions<br>and transfers | (3,230,085)                             | 391,174  | (2,838,911)  |
| Capital contributions                               | 2,550,854                               | --   | 2,550,854  |
| Transfers in  | 1,683,795                               | 252,730  | 1,936,525  |
| Transfers out                                       | --                                      | (33,931)   | (33,931)   |
| Change in net assets                                | 1,004,564                               | 609,973  | 1,614,537  |
| Total net assets - January 1                        | <u>57,096,727</u>                       | <u>3,345,246</u>   | <u>60,441,973</u>                                  |
| Total net assets - December 31                      | <u>\$ 58,101,291</u>                    | <u>\$ 3,955,219</u>                                      | <u>\$ 62,056,510</u>                               |

The accompanying notes are an integral part of this statement.

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

EXHIBIT C - 3

|  | Baton Rouge<br>River<br>Center | Greater<br>Baton Rouge<br>Parking<br>Authority | Total<br>Nonmajor<br>Enterprise<br>Funds |
|--|--------------------------------|--|--|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                             |                                |  |  |
| Cash received from customers   | \$ 12,037,265                  | \$ 848,155                                     | \$ 12,885,420                            |
| Cash payments to suppliers for goods and services                        | (10,163,276)                   | (105,233)                                      | (10,268,509)                             |
| Cash payments to employees for services and benefits                     | (2,442,827)                    | (370,742)                                      | (2,813,569)                              |
| Net cash provided by (used for) operating activities                     | (568,838)                      | 372,180  | (196,658)                                |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>                  |                                |  |  |
| Operating grants received  | 43,639                         | --   | 43,639                                   |
| Transfers in from other funds  | 1,683,795                      | 252,730  | 1,936,525                                |
| Transfers out to other funds   | --                             | (33,931)                                       | (33,931)                                 |
| Net cash provided by (used for) noncapital financing activities          | 1,727,434                      | 218,799  | 1,946,233                                |
| <b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>         |                                |  |  |
| Proceeds from sale of capital assets                                     | 275                            | --   | 275                                      |
| Acquisition and construction of capital assets                           | (1,193,745)                    | (5,310)  | (1,199,055)                              |
| Principal paid on bonds, obligations and capital leases                  | --                             | (146,500)                                      | (146,500)                                |
| Interest paid on bonds, obligations and capital leases                   | --                             | (101,730)                                      | (101,730)                                |
| Capital contributed by other governments                                 | 2,593,322                      | --   | 2,593,322                                |
| Net cash provided by (used for) capital and related financing activities | 1,399,852                      | (253,540)                                      | 1,146,312                                |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                             |                                |  |  |
| Purchase of investments  | (6,517,215)                    | --   | (6,517,215)                              |
| Proceeds from sales and maturities of investments                        | 6,306,072                      | --   | 6,306,072                                |
| Cash received from joint venture activity                                | --                             | 233,464  | 233,464                                  |
| Cash paid for expenses of joint venture                                  | --                             | (90,396)                                       | (90,396)                                 |
| Interest received on investments   | 458,428                        | 123,850  | 582,278                                  |
| Net cash provided by (used for) investing activities                     | 247,285                        | 266,918  | 514,203                                  |
| Net increase (decrease) in cash and cash equivalents                     | 2,805,733                      | 604,357  | 3,410,090                                |
| Cash and cash equivalents, January 1                                     | 3,430,979                      | 2,269,442                                      | 5,700,421                                |
| Cash and cash equivalents, December 31                                   | \$ 6,236,712                   | \$ 2,873,799                                   | \$ 9,110,511                             |
| Classified as:   |                                |  |  |
| Current assets   | \$ 2,409,141                   | \$ 2,873,799                                   | \$ 5,282,940                             |
| Restricted assets  | 3,827,571                      | --   | 3,827,571                                |
| Totals   | \$ 6,236,712                   | \$ 2,873,799                                   | \$ 9,110,511                             |

The accompanying notes are an integral part of this statement.

Continued

**CITY OF BATON ROUGE - PARISH OF EAST BATON ROUGE  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

EXHIBIT C - 3  
(Continued)

|   | Baton Rouge<br>River<br>Center | Greater<br>Baton Rouge<br>Parking<br>Authority | Total<br>Nonmajor<br>Enterprise<br>Funds |
|---|--------------------------------|--|--|
| <b>Reconciliation of operating income to net cash provided by (used for) operating activities:</b>        |                                |  |  |
| Operating income (loss)   | \$ (3,745,518)                 | \$ 250,466                                     | \$ (3,495,052)                           |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities: |                                |  |  |
| Depreciation  | 3,000,864                      | 37,028   | 3,037,892                                |
| Increase (decrease) in compensated absences payable   | (7,975)                        | 11,644   | 3,669                                    |
| Increase (decrease) in net other post employment benefit obligation                                       | --                             | 69,796   | 69,796                                   |
| Change in assets and liabilities:   |                                |  |  |
| Decrease (increase) in accounts receivable  | (92,313)                       | --   | (92,313)                                 |
| Decrease (increase) in prepaid items  | (22,673)                       | --   | (22,673)                                 |
| Decrease (increase) in inventory  | (10,161)                       | --   | (10,161)                                 |
| Increase (decrease) in accounts and contracts payable   | 171,616                        | 2,106  | 173,722                                  |
| Increase (decrease) in accrued salaries payable   | 5,654                          | 1,140  | 6,794                                    |
| Increase (decrease) in unearned revenue   | 131,668                        | --   | 131,668                                  |
| Total adjustments   | 3,176,680                      | 121,714  | 3,298,394                                |
| Net cash provided by (used for) operating activities  | \$ (568,838)                   | \$ 372,180                                     | \$ (196,658)                             |
| Non cash investing, capital, and financing activities:  |                                |  |  |
| Gain in fair value of investments   | \$ 72,744                      | \$ 19,249                                      | \$ 91,993                                |

The accompanying notes are an integral part of this statement.