

MARCH 21, 2016

TERREBONNE PARISH CONSOLIDATED WATERWORKS DISTRICT NO. 1



**PROVIDENCE/GSE
ASSOCIATES, LLC**

Engineers • Architects • Planners • Surveyors

2014-2015 Annual Engineer's Report

Prepared By:

Providence/GSE Associates, LLC

991 Grand Caillou Road

Houma, Louisiana 70363

Phone (985) 876-6380

Fax (985) 876-0621

www.providenceeng.com

TABLE OF CONTENTS

	<u>Page Nos.</u>	
Section I	Introduction	1 - 11
Section II	Operations Performance	12 - 21
Section III	Performance of Actual and Budgeted Year	22 - 26
Section IV	Capital Outlay	27 - 30
Section V	Litigation	31 - 34
Section VI	Management	35 - 38
Section VII	Insurance	39 - 40

List of Tables

Table I	Water Rates	8
Table II	Meter Deposits and Other Fees	10
Table III	History of Assessed Valuation	11
Table IV	Operation Statistics of Sales and Consumption	13
Table V	History of Customer Usage	14
Table VI	Total Revenue Per Customer	18
Table VII	Operating Expenses Per Customer	19
Table VIII	Net Surplus Per Customer	20
Table IX	History of Revenue, Expenses and Net Surplus	21
Table X	Audited and Budgeted Revenue	23
Table XI	Audited and Budgeted Operating Expenses	24
Table XII	Audited and Budgeted Surplus and Parity Income	26
Table XIII	Incomplete Projects	28
Table XIV	Annual and Local Projects Balance Sheet for 2009-2010	30

List of Exhibits

Plate 1	Chlorides (Salinity) Values in Raw Water from Intracoastal Waterway	4
Plate 2	Quantity of Water Produced and Sold	15 - 16

Appendices

Appendix A - Departmental Expenses	A-1
Appendix B - Departmental Expense and Budget	B-1 to B-5
Appendix C - Revenue Bond Payment Schedule	C-1

SECTION I

INTRODUCTION

INTRODUCTION:

This report reviews the results of operation and the financial condition of the Consolidated Waterworks District No. 1 of the Parish of Terrebonne in Louisiana (DISTRICT) for the audited year ending June 30, 2015. The report is prepared in accordance with the terms of the DISTRICT's bond resolution authorizing and securing all outstanding bonds. Arthur A. De Fraites, Jr. served as consultant to the DISTRICT, since December 20, 1994. Mr. De Fraites retired on December 31, 2015; therefore, Ms. Melanie B. Caillouet is now serving as the DISTRICT's municipal advisor.

BACKGROUND:

Legislation was introduced and passed in the 1992 session of the Louisiana Legislature that allowed for the consolidation of the City of Houma water system, with that of Waterworks District Nos. 1, 2, and 3 of Terrebonne Parish, into a Parish-wide consolidated water district. The said water district would be governed by a Board of Commissioners and by an ordinance adopted by the Terrebonne Parish Consolidated Government on March 23, 1994, the Consolidated Waterworks District No. 1 (DISTRICT) of the Parish of Terrebonne, Louisiana was created.

GENERAL DESCRIPTION OF THE SYSTEM:

The DISTRICT operates the Schriever Water Treatment Plant and the Houma Water Treatment Plant. The plants and their systems are known as Public Water System Nos. 1109002 and 1109001, respectively. The DISTRICT operates these two (2) public water systems in accordance with applicable regulations, mainly Louisiana Administrative Code Title 51, Part XII (Water Supplies), Recommended Standards for Water Works (also known as the Ten State Standards), and applicable US EPA and Office of Homeland Security standards. The DISTRICT's two public water systems consist of two (2) surface water treatment plants, two (2) standpipes,

sixteen (16) elevated storage towers, four (4) ground storage tanks and 910 miles of transmission and distribution piping ranging in size up to 36 inches in diameter.

The DISTRICT's water system serves all the residents and businesses in Terrebonne Parish and three (3) sections of Lafourche Parish, namely Marydale Subdivision, the Grand Bois Community, and the Pointe-Aux-Chenes Community.

TREATMENT PLANTS:

The raw water supply for the DISTRICT is processed by two (2) water plants, namely the Schriever Water Treatment Plant and the Houma Water Treatment Plant. The combined capacity of the plants is 32 million gallons per day (MGD) and individually sized as follows:

<u>Plant</u>	<u>Design Capacity MGD</u>
Schriever Water Treatment Plant	24
Houma Water Treatment Plant	<u>8</u>
TOTAL:	32

RAW WATER SOURCES:

Each water plant receives its raw water from a reservoir, which is pumped from two (2) raw water sources. The Schriever Plant obtains its water from Bayou Lafourche, which originates at the Mississippi River in Donaldsonville. The overall quality of the water is good and is constantly being monitored by the Bayou Lafourche Fresh Water District (BLFWD) and other water customers utilizing Bayou Lafourche as a raw water source.

On May 4, 2013, Terrebonne Parish voters approved Terrebonne Parish join the BLFWD and an imposition of the BLFWD millage tax. This now allows the DISTRICT to obtain an unrestricted supply of raw water at the current rate of \$0.03/1,000 gallons. Saltwater intrusion has not been and is not anticipated to become a problem for the Schriever Plant.

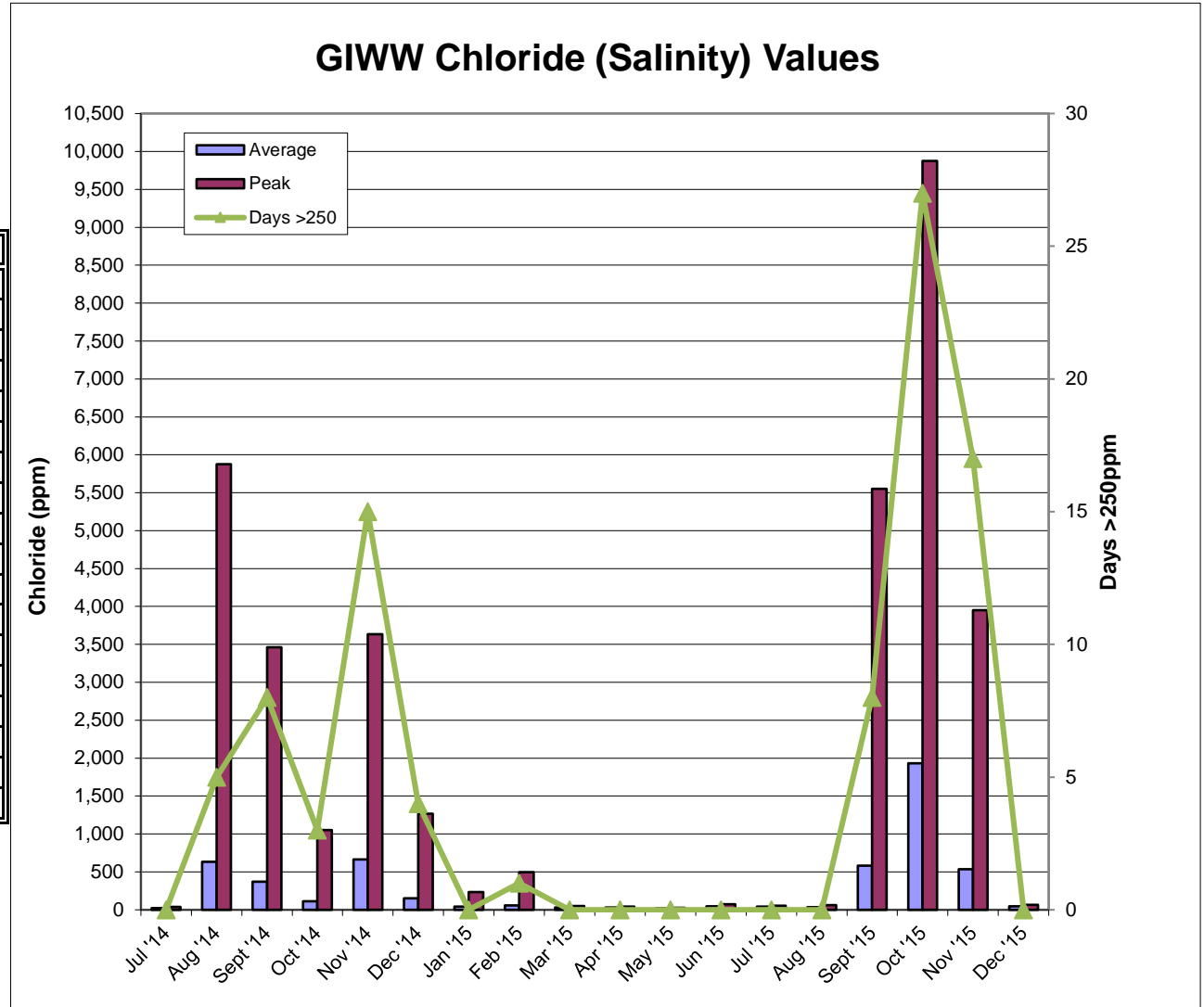
The City of Houma Plant receives its primary water supply from the Gulf Intracoastal Waterway (GIWW). A secondary source is from Bayou Black, which uses an approximate 4.5-mile impounded segment of the bayou as an additional reservoir. Saltwater intrusion has been and will likely remain a problem in the GIWW. There are three (3) saltwater intrusion control structures in the canals that directly connect the GIWW to Bayou Black. An aggressive program of closing the structures during progressive stages of saltwater intrusion and timely operations of the pumps discharging into the Bayou Black reservoir reduces, but does not eliminate, the possibility of contamination.

Plate 1 indicates average and maximum readings of chloride (salinity) in the raw water of the Houma Plant from the Gulf Intracoastal Waterway for the fiscal year. The exhibit also includes an extension of readings through December 2015. It is seen that there were 36 days in which salinity exceeded 250ppm during the fiscal period. High readings were recorded from August through December 2014. There was also a spike from September through November 2015. Through years of recording chloride levels in the Gulf Intracoastal Waterway, a pattern has become evident. Salinity levels peak during hurricane season between August and November. The DISTRICT is well aware of the current higher levels of salinity during fall and coordinates their water requirements from other sources at these times. Generally, in those instances when salinity exceeds 200ppm, the majority of the water, serving customers from the Houma Plant, is from the Bayou Black reservoir and supplemented by the Schriever plant.

The primary source of saltwater contamination is the interconnection of the Houma Navigational Canal with the Gulf Intracoastal Canal. The Terrebonne Levee and Conservation District has constructed a floating barge-type flood gate on the Houma Navigation Canal, but this is only closed in the event of a hurricane in the Gulf of Mexico. This structure has had no effect on the saltwater reaching the Houma Plant.

PLATE 1
Chloride (Salinity) Values in Raw Water from Intracoastal Waterway
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

Month	Average	Peak	Days >250
Jul '14	24	39	0
Aug '14	635	5875	5
Sept '14	369	3460	8
Oct '14	114	1050	3
Nov '14	665	3635	15
Dec '14	154	1265	4
Jan '15	44	235	0
Feb '15	56	495	1
Mar '15	30	52	0
Apr '15	30	44	0
May '15	22	26	0
Jun '15	46	75	0
Jul '15	42	54	0
Aug '15	36	62	0
Sept '15	584	5550	8
Oct '15	1934	9875	27
Nov '15	535	3950	17
Dec '15	45	67	0



WATER TRANSMISSION AND DISTRIBUTION:

The water distribution systems for the two (2) public water systems of the DISTRICT include major transmission lines ranging from 16 inches to 36 inches in diameter and interconnect the water plants of the system. Two (2) ground storage tanks are located at the Houma Plant and two (2) are located at the Schriever Plant. The Schriever Plant has a combined storage capacity of 6 million gallons, while the Houma Plant has a combined storage of 3 million gallons. Two (2) - three million gallon stand pipes and 16 water towers within the network additionally support the system with a total capacity of 8.95 million gallons. The system is comprised of approximately 910 miles of transmission and distribution piping ranging in sizes (as a % of the total) as follows:

36-inches - 14-inches	7.25%
12-inches - 8-inches	59.75%
6-inches - 4-inches	30.17%
Less than 4-inches	2.83%

The DISTRICT has made an effort during the 2014-2015 Fiscal Year to reduce the number of parallel lines in the system. They had a net decrease of 51 miles of transmission and distribution piping due to this endeavor for the fiscal year.

The predominant waterline material of transmission mains (16 inches or greater) consists of concrete pressure pipe. The distribution system was constructed with cast iron during the earlier stages of development. Then as alternate materials developed and became more economical, waterlines were constructed of asbestos cement pipe, ductile iron, PVC, and polyethylene (PE). At present, PVC and PE are the materials of choice due to its handling, durability, and economic considerations.

Residential subdivisions are required to have a minimum of 8-inch diameter water mains with fire hydrants. For new developments and subdivisions, the developer's Louisiana registered engineer prepares preliminary plans and submits them to the DISTRICT and the State of Louisiana Department of Health and Hospitals for approval prior to construction. The DISTRICT maintains

**TERREBONNE PARISH CONSOLIDATED
WATERWORKS DISTRICT NO. 1**

standard specifications, which stipulates approved material and construction methods. The developer's engineer is required to certify construction was built in accordance with his design and a request for final acceptance is submitted to the DISTRICT's Board prior to the transfer of title to the DISTRICT. Upon acceptance, the DISTRICT receives the servitudes in which the waterlines are constructed and assumes ownership and operating and maintenance obligations.

The following subdivisions and development extensions were granted final approval by the DISTRICT and have met requirements set forth in the DISTRICT's Subdivision Ordinance during the fiscal period:

<u>Subdivision Names</u>	<u>No. of Lots</u>	<u>Length (ft)</u>
Acadian Villa, Add. 2, Phase C	20	940
Barataria Station Apts.	Waterline	560
Beier Radio	Waterline	535
Butcher Road	Waterline	244
Capital Commercial Dev, Phase 4B	6	262
Crescent Place Subdivision	30	1,958
DeRoche Estates	46	2,088
Hillcrest Estates	45	3,107
Homewood Suites	Waterline	650
Houma-Terrebonne Airport Commission	Waterline	380
Hunting Energy Service, Phase III	Waterline	1,518
Palm Gardens Subdivision, Phase B	30	1,290
Safe Zone	Waterline	597
Settoon Towing	Waterline	1,984
Southdown West Subdivision, Add. 11, Phases D, 1 & 2	17	770
Southland Mall	Waterline	710
Summerfield Place Subdivision, Add. 17, Phase D	27	2,012
Terrebonne Port Commission	Waterline	325
TPCG – 8" along Rosemarie Dr.	Waterline	670
Trinity Commercial Park, Add. 2, Phases A & B	12	1,860
Valhi Commercial Park	21	2,820
<u>Walker Ridge Warehouse Facilities</u>	<u>Waterline</u>	<u>350</u>
 TOTAL	 254 Lots	 25,630

CURRENT RATE STRUCTURE:

Table I indicates the water rates of the DISTRICT, which were used during this fiscal year. Residential “S” customers paid a minimum of \$7.50, Commercial and Industrial “C” customers paid \$15.00, while Export “E” customers paid \$30.00. Each minimum comes with 2,000 gallons of water. Above the initial 2,000 gallons and up to 30,000 gallons, residential customers and commercial customers paid \$3.30 and \$3.55 per 1,000 gallons, respectively. Above 30,000 gallons they paid \$3.85 and \$4.10 per 1,000 gallons, respectively. Export customers paid \$4.17 per 1,000 gallons above the initial 2,000 gallons. In this structure multiple occupancies are also charged the “S” or “C” rates based on their customer classifications.

An energy adjustment is charged on the variable rates for water consumption over the initial water limit. This charge is a moving average of the system’s electrical costs for the prior three months of operation.

Table I also shows the current rate structure for the City Power Plant that will be in effect until a new rate is negotiated with the City. According to the 2014-15 audit, the cost of producing water averaged \$1.68/1,000 gallons. The City Power Plant is paying only \$1.30/1,000 gallons since August 2012. The Power Plant is using only Schriever Plant water. It is suggested that the Power Plant rate be adjusted annually to the cost of water production plus \$0.15/1,000 gallons for pumping and main line maintenance costs.

TABLE I

Water Rates

Terrebonne CWWD#1
July 1, 2014 to June 30, 2015

"S" Rate: Single Occ. Residential

Meter	Gallons	Effective Beginning July 1, 2014
All Meters	2,000 Gals. (Minimum)	\$7.50
Rate per 1,000 gallons	Above Minimum to 30,000 Gals.	\$3.30
	Over 30,000 Gals.	\$3.85

1,000 gals. rate subject to energy adjustment charge.

"C" Rate: Commercial, Industrial, and Institutional

Meter	Gallons	Effective Beginning July 1, 2014
All Meters	2,000 Gals. (Minimum)	\$15.00
Rate per 1,000 gallons	Above Minimum to 30,000 Gals.	\$3.55
	Over 30,000 Gals.	\$4.10

1,000 gals. rate subject to energy adjustment charge.

"M" Rate: Multiple Occ. Residential, Commercial, Industrial, Institutional and Mobile Home Parks

One minimum "S" or "C" rate per applicant as applicable. For each minimum charged, the customers will be entitled to two thousand (2,000) gallons of water. After this minimum volume has been reached, the applicable rate over 2,000 gallons shall apply.

In no event shall the minimum bill be less than the "S" rate minimum, except for mobile home trailer parks that have a master meter agreement with the DISTRICT.

"E" Rate: Water Exported Offshore

Meter	Gallons	Effective Beginning July 1, 2014
All Meters	2,000 Gals. (Minimum)	\$30.00
Rate per 1,000 gallons	Above Minimum	\$4.17

City Power Plant *

All water consumed

Effective Beginning August 1, 2012
\$1.30

Notes:

- An average "Energy Charge" will be added to each bill and is based on the average electricity costs of the system for the preceding 3-month period divided by the number of gallons sold during that same period.

- Water sold to Lafourche Parish during the Fiscal Year was at \$1.936844 per 1,000 gallons. The rate is established annually by the DISTRICT'S Auditor as a supplemental report to the Audit Report. The rate is set at the annual cost of water production plus 40%. The rate per 1,000 gallons for the ensuing year will be \$1.67590+\$0.67036, or \$2.34626.

SERVICE CONNECTION:

The rates for meter deposits and other fees are shown in **Table II** with the dates on which they became effective. The DISTRICT increased the service connection fee in August of 2012 to \$840.

The DISTRICT's staff periodically reviews expenditures of costs associated with the installation of new service connections. The DISTRICT's personnel provide labor and inventory parts for the service installations in conjunction with excavation equipment and an operator provided by an independent contractor. Contract labor and equipment services are bid every two years and are included with all expenses incurred by the DISTRICT on expense vouchers. The average cost of a service installation during 2014-2015 was \$799/service.

PROPERTY VALUATION:

Although the DISTRICT does not have ad valorem tax bonds outstanding at this time, it is important to review the annual changes in the assessed taxable value of property in Terrebonne Parish. **Table III** shows the historical assessed valuation of Terrebonne Parish since the DISTRICT's consolidation.

TABLE II
Meter Deposits and Other Fees
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

<u>METER DEPOSITS</u>	<u>FEE</u>	<u>Effective Date</u>
Standard (5/8" x 3/4") Meter	\$50	5/25/1994
1" Meter	\$300	5/25/1994
2" & Above	\$1,000	4/1/2000

Note: Effective 1- May- 97, Public bodies are not required to pay a meter deposit for services

SERVICE CONNECTIONS

Standard (5/8" x 3/4") Meter	\$840	8/1/2012
1" Meter	Actual Expenses w/ \$1,000 Downpayment	5/1/2008
2" & Above	Actual Expenses w/ \$2,000 Downpayment	4/1/2004

FIRE HYDRANT METER (effective August 1, 2010)

Non-refundable deposit fee	\$25 for 1 - 15 days \$40 for 16-30 days \$60 for 31-60 days \$80 for 61-90 days	
Rental	\$1.50 per day Water Usage-Customer billed at current water rate Late Return Charge - \$3.00/day beyond return date stated above	

PENALTIES/FEES

Meter Installation Fee	\$25.00	8/1/2012
Reconnect Fees	\$25.00	8/1/2012
Reconnect after hours	\$25.00 *	7/1/2001
Turn water on/off after hours	\$25.00	7/1/2001
Delinquent w/ water valve in box found open	\$30.00 *	8/1/2012
NSF/returned checks	\$25.00	5/1/2008

*In Addition To Required Reconnect Fee

TABLE III
History of Assessed Valuation
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

TAX YEAR	TAXABLE ASSESSED VALUE	HOMESTEAD EXEMPTIONS	TOTAL ASSESSED VALUE	AMOUNT OF CHANGE FROM PREVIOUS YEAR
1994	\$264,582,325	\$91,870,360	\$356,452,685	
1995	\$273,545,325	\$94,694,955	\$368,240,280	\$11,787,595
1996	\$284,627,220	\$99,088,555	\$383,715,775	\$15,475,495
1997	\$293,471,500	\$102,373,480	\$395,844,980	\$12,129,205
1998	\$312,754,147	\$106,223,565	\$418,977,712	\$23,132,732
1999	\$329,861,315	\$113,539,890	\$443,401,205	\$24,423,493
2000	\$361,587,645	\$131,836,605	\$493,424,250	\$50,023,045
2001	\$382,600,250	\$135,668,170	\$518,268,420	\$24,844,170
2002	\$400,366,940	\$141,038,005	\$541,404,945	\$23,136,525
2003	\$425,904,635	\$145,170,545	\$571,075,180	\$29,670,235
2004	\$461,860,250	\$151,796,400	\$613,656,650	\$42,581,470
2005	\$488,989,040	\$157,674,555	\$646,663,595	\$33,006,945
2006	\$532,633,035	\$160,970,875	\$693,603,910	\$46,940,315
2007	\$597,159,780	\$164,226,815	\$761,386,595	\$67,782,685
2008	\$709,298,030	\$169,519,980	\$878,818,010	\$117,431,415
2009	\$722,165,295	\$171,242,510	\$893,407,805	\$14,589,795
2010	\$741,791,975	\$172,892,410	\$914,684,385	\$21,276,580
2011	\$770,363,925	\$175,348,725	\$945,712,650	\$31,028,265
2012	\$810,700,735	\$179,113,825	\$989,814,560	\$44,101,910
2013	\$864,993,550	\$179,942,475	\$1,044,936,025	\$55,121,465
2014	\$893,469,950	\$180,091,915	\$1,073,561,865	\$28,625,840
2015	\$906,647,097	\$180,524,710	\$1,087,171,807	\$13,609,942

SECTION II

OPERATIONS PERFORMANCE

CUSTOMER USAGE:

The customer usage on a monthly basis during the fiscal year is shown in **Table IV**, while a history of customer usage can be seen in **Table V**. This data was obtained from the monthly billings register of the DISTRICT. The billing register contains the summation of the quantity of water sold with related sales revenue. It does not reflect any adjustments granted in monthly billings. The average number of customers will be used as a basis to review key financial information per customer. The quantity produced from both water plants and sold to customers is graphically presented in **Plate 2**. Water loss for water distribution systems is typically between 20 and 25% in the Southeastern United States. The water loss in the system ranged monthly from 11.43% to 35.29% with an annual average of 24.51%, which is within the US average range. However, due to additional regulations to maintain residual disinfection levels, the DISTRICT had to implement 16 flushing locations. The total water flushed during 2014-2015 Fiscal Year is 304 million gallons. When taking the flushings into account, the water loss for the year drops to 18.55%. The average water loss, including known water losses, is lower than last year. Factors that may contribute to unaccounted water may include:

1. Storage within the system (tanks, transmission, and distribution lines)
2. Water used to flush new waterline construction
3. Fire hydrant flow testing for fire district insurance ratings
4. Meter inaccuracies due to flows less than optional ranges and broken meters
5. Water line leakage
6. Timing of meter reading (plant's production versus meter reading and billings)

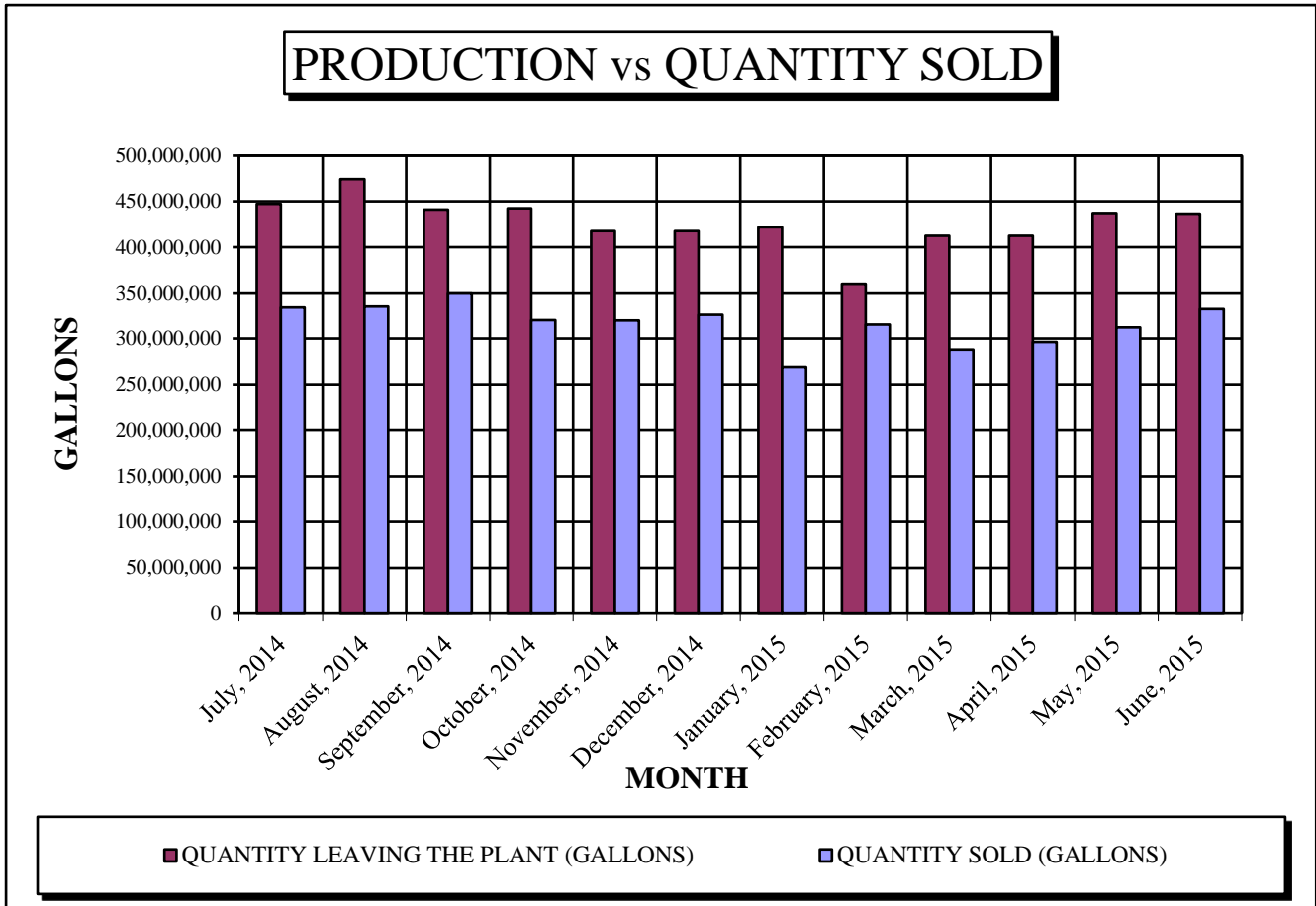
TABLE V
History of Customer Usage
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

YearEnding June 30th	Average Number of Customers	Average Bill per Month	Average Consumption per Month (gals.)
1995	34,202	\$19.89	8,009
1996	34,767	\$20.30	9,090
1997	35,407	\$19.68	8,728
1998	36,045	\$20.32	9,092
1999	36,848	\$20.74	9,316
2000	37,339	\$20.18	9,137
2001	37,882	\$20.72	8,710
2002	38,318	\$21.84	8,625
2003	39,044	\$20.09	7,941
2004	39,459	\$21.75	8,097
2005	39,969	\$22.48	7,655
2006	40,446	\$23.54	8,018
2007	41,200	\$23.37	7,718
2008	41,742	\$22.53	7,423
2009	42,113	\$28.54	7,525
2010	42,347	\$28.42	7,494
2011	42,440	\$29.14	7,736
2012	42,614	\$28.88	7,536
2013	42,968	\$28.94	7,378
2014	43,313	\$29.86	7,383
2015	43,552	\$30.22	7,300

PLATE 2
Quantity of Water Produced and Sold
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

MONTH	QUANTITY LEAVING THE PLANT (GALLONS)	QUANTITY SOLD (GALLONS)	OTHER SALES NOT METERED	KNOWN FLUSHINGS	WATER LOSS IN SYSTEM
July, 2014	447,344,000	334,757,700	4,509,670	34,298,400	16.49%
August, 2014	474,510,000	335,958,800	4,991,030	34,298,400	20.92%
September, 2014	441,137,000	350,313,100	4,324,310	33,192,000	12.08%
October, 2014	442,608,000	320,043,600	3,716,940	34,298,400	19.10%
November, 2014	417,735,000	319,555,800	3,572,510	28,268,400	15.88%
December, 2014	417,552,000	327,138,900	4,850,170	20,422,800	15.60%
January, 2015	421,704,000	269,346,800	3,538,940	20,422,800	30.45%
February, 2015	359,673,000	315,223,800	3,334,370	18,446,400	6.30%
March, 2015	412,285,000	287,968,400	3,472,540	20,422,800	24.36%
April, 2015	412,518,000	296,150,000	3,708,000	19,764,000	22.52%
May, 2015	437,313,000	311,939,000	3,922,722	20,422,800	23.10%
June, 2015	436,699,000	333,141,300	3,667,376	19,764,000	18.35%
Museum South/Havers	-21,940,600				
TOTAL	5,099,137,400	3,801,537,200	47,608,578	304,021,200	18.55%
AVG/MONTH	424,928,117	316,794,767	3,967,382	25,335,100	18.55%

PLATE 2
Quantity of Water Produced and Sold
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015



PLANT PRODUCTION	MONTH	QUANTITY PRODUCED (GALLONS)	Water Loss In System
Least Production Months	February, 2015	359,673,000	6.30%
	March, 2015	412,285,000	24.36%
	April, 2015	412,518,000	22.52%
	December, 2014	417,552,000	15.60%
Average Production Months	November, 2014	417,735,000	15.88%
	January, 2015	421,704,000	30.45%
	June, 2015	436,699,000	18.35%
	May, 2015	437,313,000	23.10%
Highest Production Months	September, 2014	441,137,000	12.08%
	October, 2014	442,608,000	19.10%
	July, 2014	447,344,000	16.49%
	August, 2014	474,510,000	20.92%

REVENUES PER METERED CUSTOMER:

Table VI shows the total revenue per customer for the DISTRICT as derived from the DISTRICT's financial report for the year ending June 30, 2015. Interest on investment consists of only the interest earned on non-restricted accounts and is used in determining parity income since it is available for operations.

EXPENSES PER METERED CUSTOMER:

Table VII shows the total expenses per customer for the DISTRICT as derived from the DISTRICT's financial report for the year ending June 30, 2015.

OPERATING SURPLUS:

The net operating surplus of the DISTRICT is shown in **Table VIII**. This presentation allows a review of changes in earning trends to assist in future operating considerations. A comparison of previous years' revenues, expenses, and surplus is shown in **Table IX**. The surplus represents the surplus available for mandated transfers, contingency expenditures, debt, and capital financing. Revenues decreased between the years ending in 2006 and 2008; however it increased in 2009 due to a change in the rate structure. Revenues have remained steady through 2012 with a slight increase in subsequent years. As is expected expenses continued to increase since 2004, however a slight decrease occurred in 2015. Due to the slight increase in revenues and a slight decrease in expenses, the surplus per customer per month did increase in 2015.

TABLE VI
Total Revenue per Customer
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

	<u>Actual</u> <u>2013-2014</u>	<u>Actual</u> <u>2014-2015</u>	<u>Difference</u>
<u>Operating Revenue</u>			
Sales	\$15,365,367	\$15,848,124	\$482,757
Lafourche Parish Sales	35,029	35,283	254
Service Connections	268,420	219,378	(49,042)
Meter Installation Fees	145,296	142,125	(3,171)
Penalties & Reconnect Fees	89,662	68,821	(20,841)
Total Operating Revenue	\$15,903,774	\$16,313,731	\$409,957
<u>Contract Services and Other Revenue</u>			
<u>Service Agreements</u>			
Sewerage Districts	215,706	214,035	(\$1,671)
Garbage collections	130,378	131,149	771
* Interest on Investments	21,236	12,589	(8,647)
LA Act 125	13,511	13,254	(257)
Miscellaneous	193,957	193,368	(589)
Total Other Revenue	\$574,788	\$564,395	(\$10,393)
Total Revenue	\$16,478,562	\$16,878,126	\$399,564
Average Number of Customers	43,313	43,552	239
Operating Revenue/Customer/Month	\$30.60	\$31.22	\$0.62
Other Revenue/Customer/Month	\$1.11	\$1.08	(\$0.03)
Total Revenue/Customer/Month	\$31.71	\$32.30	\$0.59

* Amount reported by Consolidated Waterworks District #1 on unrestricted accounts

TABLE VII
Operating Expenses per Customer
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

<u>Operating Expenses</u>	<u>Actual</u> <u>2013-2014</u>	<u>Actual</u> <u>2014-2015</u>	<u>Difference</u>
<u>Department</u>			
Administration	\$808,617	\$804,212	(\$4,405)
Billings & Collections	1,030,068	1,023,198	(6,870)
Meter Reading	762,196	716,859	(45,337)
Warehouse & Meter Shop	232,945	218,958	(13,987)
Operations	136,187	134,842	(1,345)
Engineering	596,420	630,821	34,401
Maintenance & Field Crews	2,784,936	3,099,634	314,698
Waterplant*	4,032,034	3,948,027	(84,007)
Bac-T-Lab	422,395	411,580	(10,815)
Total Operating Expenses (BEFORE Depreciation)	\$10,805,798	\$10,988,131	\$182,333
Add:			
Depreciation	\$3,812,072	\$3,503,221	(\$308,851)
Total Operating Expenses (AFTER Depreciation)	\$14,617,870	\$14,491,352	(\$126,518)
Average Number of Customers	43,313	43,552	239
Operating Expense/Customer/Month (BEFORE Depreciation)	\$20.79	\$21.02	\$0.23
Operating Expense/Customer/Month (AFTER Depreciation)	\$28.12	\$27.73	(\$0.39)

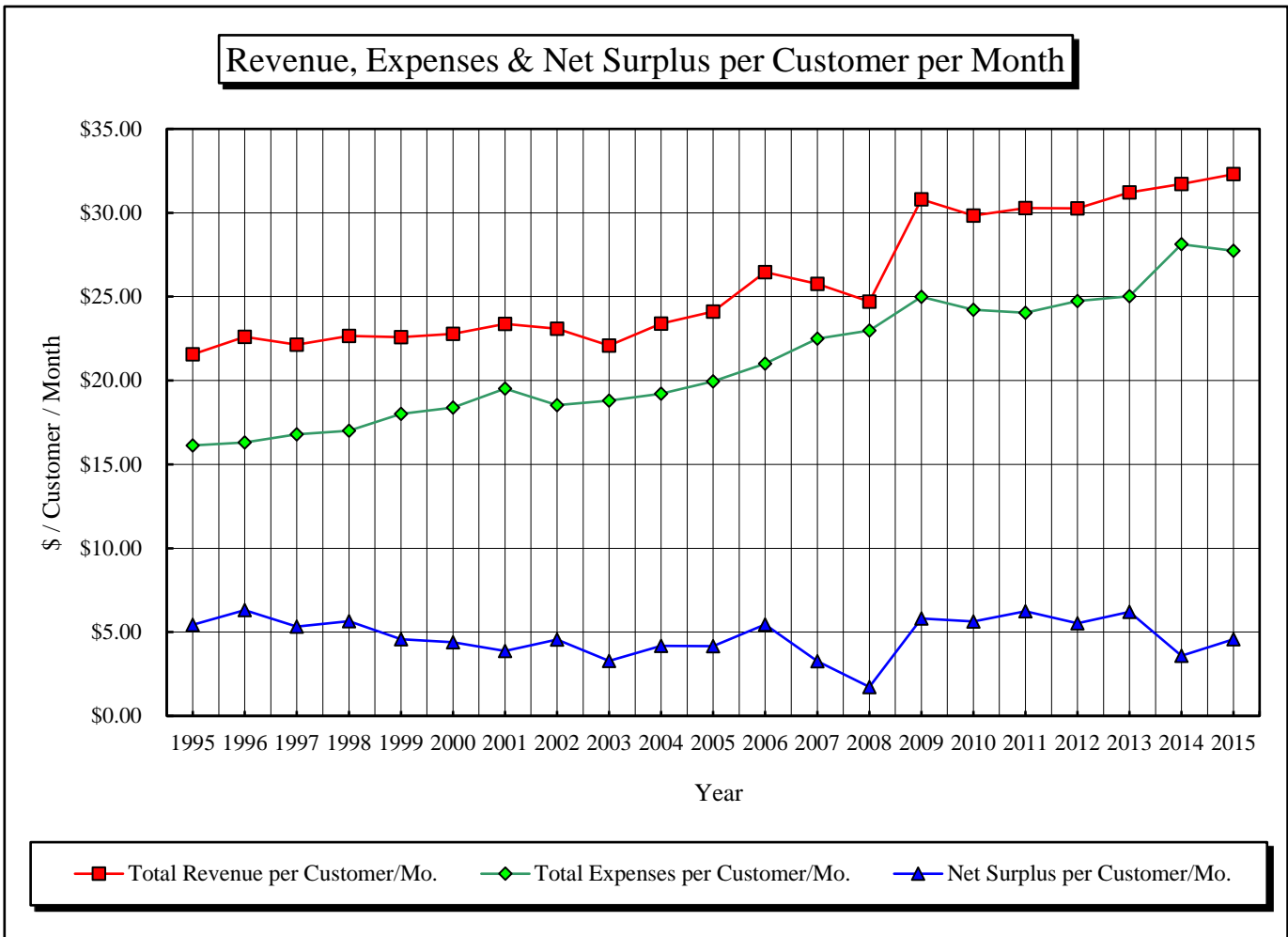
* Waterplant expenses does not include filter amortization.

TABLE VIII
Net Surplus per Customer
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

<u>REVENUE</u>	<u>Actual</u> <u>2013-2014</u>	<u>Actual</u> <u>2014-2015</u>	<u>Difference</u>
Operating Revenue	\$15,903,774	\$16,313,731	\$ 409,957
Other Revenue	574,788	564,395	(10,393)
TOTAL REVENUE	\$16,478,562	\$16,878,126	399,564
<u>EXPENSES</u>			
Operating Expenses	\$10,805,798	\$10,988,131	\$ 182,333
OPERATING SURPLUS (BEFORE Depreciation)	\$5,672,764	\$5,889,995	217,231
Less: Depreciation	\$3,812,072	\$3,503,221	\$ (308,851)
OPERATING SURPLUS (AFTER Depreciation)	\$1,860,692	\$2,386,774	526,082
Average Number of Customers	43,313	43,552	239
Operating Surplus/Customer/Month (BEFORE Depreciation)	\$10.91	\$11.27	\$ 0.36
Operating Surplus/Customer/Month (AFTER Depreciation)	\$3.58	\$4.57	\$ 0.99

TABLE IX
History of Revenue, Expenses and Net Surplus
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

YearEnding June 30th	Total Revenue per Customer/Mo.	Total Expenses per Customer/Mo.	Net Surplus per Customer/Mo.
2004	\$23.39	\$19.21	\$4.18
2005	\$24.10	\$19.94	\$4.16
2006	\$26.46	\$21.00	\$5.46
2007	\$25.76	\$22.49	\$3.27
2008	\$24.71	\$22.98	\$1.73
2009	\$30.81	\$24.99	\$5.82
2010	\$29.84	\$24.21	\$5.63
2011	\$30.28	\$24.03	\$6.25
2012	\$30.26	\$24.73	\$5.53
2013	\$31.22	\$25.02	\$6.20
2014	\$31.71	\$28.12	\$3.59
2015	\$32.30	\$27.73	\$4.57



SECTION III

**PERFORMANCE OF ACTUAL
AND BUDGETED YEAR**

GENERAL:

Each year, the consultant/municipal advisor, the DISTRICT's auditor, General Manager, Office Manager and various other staff members review year-to-date operating requirements and anticipated revenue and expenditures. After careful consideration, the development of an operating budget is presented to the Board for adoption. Any adjustments to the budget are made during the year when necessary, with the appropriate amendment presented to the DISTRICT's Board for review and approval.

PROJECTED REVENUE AND EXPENDITURES:

Actual audited revenues of the year ending June 30, 2015, and budgeted revenues for the following year, are indicated in **Table X**. Likewise, departmental actual and budgeted expenditures are shown in **Table XI**. Detailed department expenditures are indicated in **Appendix B**. It should be noted that the DISTRICT's auditor does not include amortization of painting of water towers and filter media in department expenses. The auditor does, however, include the filter media in the line item "Depreciation and Amortization". The DISTRICT includes the amortization of filter media in the water plant department expenses because a third of the carbon filter media must be replaced annually in order to maintain the filtration effectiveness. Tank painting is not generally a necessary annual expense and therefore is listed as a capital project when necessary.

TABLE X
Audited and Budgeted Revenue
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

	<u>Actual</u> <u>2014-2015</u>	<u>Budgeted</u> <u>2015-2016</u>	<u>Difference</u>
<u>Operating Revenue</u>			
Sales	\$15,848,124	\$15,800,000	(\$48,124)
Lafourche Parish Sales	35,283	35,000	(\$283)
Service Connections	219,378	252,000	\$32,622
Meter Installation Fees	142,125	135,000	(\$7,125)
Penalties & Reconnect Fees	68,821	72,000	\$3,179
Total Operating Revenue	\$16,313,731	\$16,294,000	(\$19,731)
<u>Contract Services and Other Revenue</u>			
<u>Service Agreements</u>			
Sewerage Districts	214,035	\$220,000	\$5,965
Garbage collections	131,149	130,000	(\$1,149)
Interest on Investments	12,589	7,500	(\$5,089)
LA Act 125	13,254	13,000	(\$254)
Miscellaneous	193,368	53,000	(\$140,368)
Total Other Revenue	\$564,395	\$423,500	(\$140,895)
Total Revenue	\$16,878,126	\$16,717,500	(\$160,626)

TABLE XI
Audited and Budgeted Operating Expenses
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

<u>OPERATING EXPENSES</u>	<u>ACTUAL</u> <u>2014-2015</u>	<u>BUDGETED</u> <u>2015-2016</u>	<u>Difference</u>
<u>DEPARTMENT</u>			
Administrative	\$804,212	\$1,006,997	\$202,785
Billings and Collections	1,023,198	1,078,707	55,509
Meter Reading	716,859	795,376	78,517
Warehouse and Meter Shop	218,958	246,559	27,601
Utilities - Operations	134,842	150,000	15,158
Engineering	630,821	813,922	183,101
Maintenance and Field Crews	3,099,634	2,963,563	(136,071)
Waterplant	3,948,027	4,266,802	318,775
Bac-T-Lab	411,580	437,550	25,970
TOTAL OPERATING EXPENSES	\$10,988,131	\$11,759,476	\$771,345
(BEFORE Depreciation & Amortization)			

PROJECTED SURPLUS AND PARITY INCOME:

Table XII is the presentation of the actual audited and budgeted operating surplus with required fund transfers before depreciation and amortization to determine parity income. Cost for service installations attributed to actual inventory of parts used and contract labor is also added to total expenses for operations funding purposes. However, these service installation expenses are capitalized and are added back to the operating surplus in determining available parity income.

In order to be in compliance with outstanding revenue bonding covenants, it is imperative that the earning capacity of the DISTRICT be sufficient in meeting parity income requirements as set forth in the Revenue Bond Resolutions. At present, parity income requirements mandate that revenues are sufficient to realize an operating surplus to cover 120% of the maximum future annual debt payment before depreciation and amortization.

It is seen that the system met its parity income requirements for the fiscal year, with sufficient funds to cover 120% of the maximum annual debt payment of \$2,666,290 and had an excess of \$2,794,447. It is projected that the DISTRICT will meet its required 120% of the maximum debt payment and have an excess of \$1,862,476 for the 2015-2016 fiscal year. The debt retirement schedule (**Appendix C**) shows the semi-annual debt payments for future years.

The goal of the DISTRICT was to have 15% of the operating revenue as surplus for funding local projects. This percentage was calculated by dividing the excess income for parity purposes and the 20% coverage by the operating revenue. For the 2014-2015 fiscal year, the DISTRICT had a surplus of 20.40%. It is anticipated that the surplus for 2015-2016 will be approximately 14.70%.

TABLE XII
Audited and Budgeted Surplus and Parity Income
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

	<u>Actual</u> <u>2014-2015</u>	<u>Budgeted</u> <u>2015-2016</u>	<u>Difference</u>
<u>REVENUE</u>			
Total Operating Revenue	\$16,313,731	\$16,294,000	(\$19,731)
Total Other Revenue	564,395	423,500	(\$140,895)
Total Revenue	\$16,878,126	\$16,717,500	(\$160,626)
<u>EXPENSES</u>			
Total Operating Expenses	\$10,988,131	\$11,759,476	\$771,345
Service Connections (Parts & Contract Labor)	124,895	150,000	\$25,105
Total Expenses	\$11,113,026	\$11,909,476	\$796,450
Surplus (BEFORE Depreciation)	\$5,765,100	\$4,808,024	(\$957,076)
less: Transfers			
Revenue Bonds (Sinking Fund & Reserve)	\$1,961,210	\$2,133,144	\$171,934
Depreciation & Contingency Fund	869,229	835,875	(\$33,354)
Total Transfers	\$2,830,439	\$2,969,019	\$138,580
Net Surplus	\$2,934,661	\$1,839,005	(\$1,095,656)
<u>PARITY INCOME</u>			
Net Surplus	\$2,934,661	\$1,839,005	(\$1,095,656)
Transfer: Revenue Bond Sinking Fund	1,961,210	2,133,144	\$171,934
Transfer: Depreciation & Contingency Fund	869,229	835,875	(\$33,354)
Service Connections (Parts & Contract Labor)	124,895	150,000	\$25,105
Reserve Filter Media Amortization	104,000	104,000	\$0
Total Parity Income	\$5,993,995	\$5,062,024	(\$931,971)
<u>REQUIRED PARITY INCOME</u>			
Maximum Amount of Principal & Interest	\$2,666,290	\$2,666,290	\$0
Coverage @ 120% of Maximum Principal & Interest	\$533,258	\$533,258	\$0
Required Parity Income	\$3,199,548	\$3,199,548	\$0
Excess Income for Parity Purposes	\$2,794,447	\$1,862,476	(\$931,971)
% of Operating Revenue Available for Projects	20.40%	14.70%	

SECTION IV

CAPITAL OUTLAY

2010 BOND ISSUE:

The DISTRICT applied and received a loan from the Louisiana Department of Health and Hospitals (LDHH), through the Drinking Water State Revolving Fund (DWSRF), for a \$1.9 million at 3.45% interest, which paid for the remaining balance on the 2003 Bond project and the construction of a ground storage tank at the Schriever Water Treatment Project, Project Numbers CIP-07-03-06 and L-02-07-02, respectively.

2012 BOND ISSUE:

Two (2) bonds were issued in 2012. Series 2012A was the issuance of \$17.3 million for new Capital Improvement Projects. Series 2012B was the refinancing of Series 2009 Bonds at 3.0% interest.

2014 BOND ISSUE:

The DISTRICT refinanced the 2003A bonds in the amount of approximately \$6 million at an interest rate of 3.0%. They were paying 5.25% interest prior. The DISTRICT also issued \$4.2 million in bonds through LDHH's DWSRF. LDHH is forgiving \$1.125 million of these bonds. The remaining bonds have a 3.45% interest rate.

Table XIII shows the bond projects along with the list of local projects funded by the DISTRICT using Surplus and Capital Additions funds. These local projects were previously authorized but have yet to be completed. The balance to complete the projects authorized prior to June 30, 2015 is approximately \$18.9 million. The DISTRICT has authorized only one additional local capital improvement project for the 2015-2016 Fiscal Year, which have a total budget of \$125,000.

TABLE XIII
Incomplete Projects
Terrebonne CWWD#1
July 1, 2014 to June 30, 2015

Project No.	Project Description	Engineer	Engineering Fee	Other/Contingencies	Construction Cost	Overbudget / (Under Budget)	Total Project Budget	Paid to Date	Balance
Funds Provided by 2012A Revenue Bonds									
CIP-9-12-10	Trunk Main - Servitudes, Surveying, and Permitting (includes Acquisition)	Providence/GSE Associates, LLC	\$ 400,000.00	\$ -	\$ -		\$ 400,000.00	\$ 260,305.46	\$ 139,694.54
CIP-11-12-11	Capital Improvement Project Facilitator	Arthur A. DeFraitres, Jr.	\$ 50,000.00	\$ -	\$ -	\$ 17,439.50	\$ 67,439.50	\$ 67,439.50	\$ -
CIP-4-13-01	Operating & Maintenance Manual	In House	\$ 125,000.00	\$ -	\$ -		\$ 125,000.00	\$ 6,325.00	\$ 118,675.00
CIP-1-14-01	36" Transmission Main from SWP Along LA Hwy 316 to US Hwy 90	Providence/GSE Associates, LLC	\$ 908,188.00	\$ 566,562.00	\$ 5,645,250.00	\$ 178,074.87	\$ 7,298,074.87	\$ 515,587.96	\$ 6,782,486.91
CIP-1-14-02	30" Transmission Main Along US Hwy 90 From LA Hwy 316 to LA Hwy 311	Milford & Associates, Inc.	\$ 747,991.69	\$ 575,334.00	\$ 5,753,340.00	\$ 6,567.00	\$ 7,083,232.69	\$ 1,143,345.89	\$ 5,939,886.80
CIP-3-15-01	2 - 2 MGD Ground Storage Tanks - Houma City Plant	All South Consulting Engineers, LLC	\$ 79,680.00	\$ 200,000.00	\$ 1,465,320.00		\$ 1,745,000.00	\$ 25,228.00	\$ 1,719,772.00
SUBTOTAL			\$ 2,310,859.69	\$ 1,341,896.00	\$ 12,863,910.00	\$ 202,081.37	\$ 16,718,747.06	\$ 2,018,231.81	\$ 14,700,515.25

2012A REVENUE BOND AMOUNT \$ 17,300,000.00
2012A REVENUE BONDS NOT ALLOCATED AS OF JUNE 30 \$ 581,252.94

Funds Provided by DWSRF 2014A Bonds

CIP-9-12-01	3700' Trunk Main Along Valhi Blvd North of Hollywood Rd	Providence/GSE Associates, LLC	\$ 146,000.00	\$ 89,300.00	\$ 890,700.00	\$ (1,068,408.50)	\$ 57,591.50	\$ 57,591.50	\$ -
CIP-9-12-02	16" Loop Along Valhi	T. Baker Smith, Inc.	\$ 105,100.00	\$ 44,755.00	\$ 434,145.00		\$ 584,000.00	\$ 58,896.75	\$ 525,103.25
CIP-9-12-03	Replace Mains in North Houma	T. Baker Smith, Inc.	\$ 144,500.00	\$ 46,900.00	\$ 514,130.00		\$ 705,530.00	\$ 78,519.00	\$ 627,011.00
CIP-9-12-04	8" and 12" Along Sixth St to Gum St and 12" Along New Orleans Blvd from Legion to Park	Milford & Associates, Inc.	\$ 108,892.60	\$ 43,107.40	\$ 440,000.00		\$ 592,000.00	\$ 229,203.77	\$ 362,796.23
CIP-9-12-05	Tie 24" Transmission Line to City System	Milford & Associates, Inc.	\$ 78,492.00	\$ 28,423.00	\$ 499,515.00	\$ (74,474.16)	\$ 531,955.84	\$ 493,232.74	\$ 38,723.10
CIP-9-12-06	12" on Tunnel Blvd from Liberty to Gabasse	Shaw Coastal, Inc.	\$ 111,962.00	\$ 45,000.00	\$ 448,650.00		\$ 605,612.00	\$ 54,231.82	\$ 551,380.18
CIP-9-12-07	2 Chlorine Booster Stations	Shaw Coastal, Inc.	\$ 66,644.00	\$ 14,744.00	\$ 136,000.00	\$ (213,864.00)	\$ 3,524.00	\$ 3,524.00	\$ -
SUBTOTAL			\$ 761,590.60	\$ 312,229.40	\$ 3,363,140.00	\$ (1,356,746.66)	\$ 3,080,213.34	\$ 975,199.58	\$ 2,105,013.76

DWSRF 2014A BOND AMOUNT \$ 4,200,000.00
DWSRF 2014A BONDS NOT ALLOCATED AS OF JUNE 30 \$ 1,119,786.66

Funds Provided with Grant Assistance (Remainder to be Paid by District Surplus)

CIP-9-12-08	8" and 12" Water Main Replacement in Barrios Subdivision	David Waitz Engineering, Inc.	\$ 83,500.00	\$ 47,011.00	\$ 469,689.00		\$ 600,200.00	\$ 36,245.00	\$ 563,955.00
SPN-246-01-0054	LA Hwy 57 Waterline Relocation	T. Baker Smith, Inc.	\$ 311,651.75	\$ 187,147.00	\$ 1,559,817.50	\$ 49,135.00	\$ 2,107,751.25	\$ 1,844,414.10	\$ 263,337.15
L-10-13-04	Waterline Replacement Along Shrimper's Row	All South Consulting Engineers, LLC	\$ 125,234.00	\$ 36,356.00	\$ 604,943.50	\$ -	\$ 766,533.50	\$ 61,381.89	\$ 705,151.61
SUBTOTAL			\$ 520,385.75	\$ 270,514.00	\$ 2,634,450.00	\$ 49,135.00	\$ 3,474,484.75	\$ 1,942,040.99	\$ 1,532,443.76

GRANT AMOUNT \$ 2,627,016.25
AMOUNT PROVIDED BY DISTRICT \$ 847,468.50

Local Projects Committed prior to June 30, 2014 (Funds Provided by District Surplus)

L-8-10-04	LCDBG - Houma Valve Replacement Program TGMC	Shaw Coastal, Inc.	\$ 253,181.00	\$ -	\$ 786,904.00	\$ (159,670.70)	\$ 880,414.30	\$ 880,414.30	\$ -
L-3-12-02	Administration of 2012 DWRLF Application	Arthur A. DeFraitres, Jr.	\$ 40,000.00	\$ -	\$ -	\$ 6,006.75	\$ 46,006.75	\$ 46,006.75	\$ -
L-9-13-02	Tank Painting & Repairs 2013-2014	Milford & Associates, Inc.	\$ 158,200.00	\$ 34,320.00	\$ 528,200.00	\$ 16,600.00	\$ 737,320.00	\$ 416,374.74	\$ 320,945.26
L-9-13-03	Houma Treatment Plant - Accelerator No. 2 Painting	Milford & Associates, Inc.	\$ 19,300.00	\$ -	\$ 178,679.00	\$ (5,422.01)	\$ 192,556.99	\$ 192,556.99	\$ -
L-1-15-01	Bayou Blue Intracoastal Waterline Crossing	Providence/GSE Associates, LLC	\$ 51,400.00	\$ 19,600.00	\$ 195,000.00		\$ 266,000.00	\$ 14,841.20	\$ 251,158.80
L-2-15-02	Theriot Tank Booster Chlorination station	In House	\$ -	\$ -	\$ 40,000.00	\$ 10,000.00	\$ 50,000.00	\$ 34,027.92	\$ 15,972.08
SUBTOTAL			\$ 522,081.00	\$ 53,920.00	\$ 1,728,783.00	\$ (132,485.96)	\$ 2,172,298.04	\$ 1,584,221.90	\$ 588,076.14

Local Projects Committed after June 30, 2015 (Funds Provided by District Surplus)

L-7-15-03	Waterline Participation 2015-16	In House	\$ -	\$ -	\$ 125,000.00		\$ 125,000.00	\$ -	\$ 125,000.00
-----------	---------------------------------	----------	------	------	---------------	--	---------------	------	---------------

**TERREBONNE PARISH CONSOLIDATED
WATERWORKS DISTRICT NO. 1**

As of June 30, 2015, the DISTRICT has a balance in various accounts for Annual Capital Outlay purposes in the following amounts:

Surplus Fund (Cash)	\$	103,036	
Surplus Fund – CD Invest.		1,250,000	
Surplus Fund - LAMP		7,390,000	
Depreciation & Contingency – CD Invest.		965,000	
Depreciation & Contingency – Savings		1,779,778	
Depreciation & Contingency – LAMP		<u>323,000</u>	
			\$ 11,810,814
Construction Fund – Savings (2012A Bonds)			\$ 12,760,449
Construction Fund – Savings (2014A Bonds)			<u>\$ 3,888,438</u>
Total Funds Available			\$ 28,459,701
Less: Reserve for Capital and			
<u>Contingency Fund</u>			(-\$ 300,000)
Total Funds Available for Annual Capital Projects			\$ 28,159,701

In addition to the funds in the DISTRICT’s accounts, three projects have been awarded grants from various federal and state departments. Those include

EPA STAG Grant Funds (CIP-9-12-08)	\$	291,000	
DOTD State Funding (SPN-246-01-0054)		\$ 309,944	
LCDBG Grant Funds (L-8-10-04)		<u>\$ 228,095</u>	
			\$ 829,039

The capital improvement and local projects that were begun prior to June 30, 2015 will be funded as shown below. The DISTRICT has annual projects and projects that they have committed to for the 2015-2016 fiscal year that also must be funded and are therefore included in the following calculations. Conversion of manual read meters to electronic read meters was on the Annual Projects List. In 2014-2015, the DISTRICT completed the conversion and therefore it was removed the list. They are shown on **Table XIV**.

Funds for 2012A Revenue Bond Projects		(-\$14,700,515)	
Funds for DWSRF 2014A Bond Projects		(-\$ 2,105,014)	
Funds for Grant Assisted Projects		(-\$ 1,532,444)	
Funds for Local Projects Committed prior to June 30, 2014		(-\$ 588,076)	
Funds for 2015-2016 Committed Local Projects		(-\$ 125,000)	
<u>Funds for 2015-2016 Annual Projects</u>		<u>(-\$ 1,850,000)</u>	
Funds Required for Previously Committed Projects		(-\$20,901,049)	

**TERREBONNE PARISH CONSOLIDATED
WATERWORKS DISTRICT NO. 1**

Total Unassigned Surplus Capital Funds

Unrestricted Funds (D&C, Surplus, and Bonds)	\$ 28,159,701
Total Grant Funds	\$ 829,039
<u>Funds Required for Previously Committed Projects</u>	<u>(-\$20,901,049)</u>
Total Unallocated Surplus Funds	\$ 8,087,691

Of the \$8,087,691 Total Unallocated Surplus Funds, \$1,701,040 is remaining from the 2012A and 2014A Revenue Bond Issues and must be used for projects meeting the bond issue requirements. Therefore, the Unallocated Surplus Funds for the DISTRICT as of June 30, 2015 is approximately \$6.4 million for other projects the DISTRICT would like to undertake in 2015-2016.

TABLE XIV
Additional Local Projects for 2015-2016
Terrebonne CWWD#1

Annual Projects

Residential Meter Replacements (20 yrs.)	\$ 200,000.00
Residential Meter Replacements Program (to complete AMR)	\$ 550,000.00
Large Meter Replacements (2"+) (10 yrs.)	\$ 75,000.00
Treatment Plant - Capital Improvements	\$ 300,000.00
Replacements of Critical System Valves	\$ 200,000.00
Vehicles & Equipment	\$ 100,000.00
Carbon - Rotational Replacement	\$ 300,000.00
New Waterline Construction/Financing	\$ 125,000.00
	<u>\$ 1,850,000.00</u>

SECTION V

LITIGATION

GENERAL:

From time to time, the DISTRICT gets involved in litigations, which may affect their financial status. Currently the DISTRICT is involved in three (3) litigations involving damages caused by the system. One (1) of the litigations will be settled and the other two (2) will not likely result in adverse monetary effects for the DISTRICT.

Mr. David Norman, the DISTRICT's attorney, has summarized the current litigations as follows:

“Roberta Duplantis v. NSB Properties and Consolidated Waterworks, et al., No. 164777”. This litigation concerned claims for personal injury when plaintiff alleged that on March 8, 2011 her husband drove over the area where a Waterworks meter is located and the grate collapsed. The grate and meter at issue are located on Country Drive in Bourg, Louisiana at the post office branch but were not installed or maintained by Waterworks; there was no record that Waterworks was ever advised of any defective condition prior to the accident. NSB Properties is the apparent owner of the premises. The plaintiff reportedly had back surgery due to a herniated disc.

Waterworks' insurance company has reported that all parties went to mediation in early December, 2015 and that the plaintiff settled all claims for \$250,000. Waterworks' insurance company contributed \$7,000 towards that amount. Dismissal of the suit and complete releases of Waterworks will be obtained.

As previously reported, Waterworks' insurer paid 100% of all defense and attorney costs, as well as the aforesaid \$7,000.

“Julie Toups and Russell Toups v. Markel Insurance Company, et al, No. 166164”.

This litigation concerns plaintiff’s claims she injured herself when she stepped into a hole that was near a waterline covered with undetermined material and that this area was somehow owned or maintained by Waterworks. All available information indicates that this area was on the customer’s side of the water meter. Waterworks only maintained the water line up to the customer’s water meter (as it does for all customers). Everything on the other side of the water meter, including the actual housing or box which encloses the meters, is the responsibility of the customer.

This is another case being fully funded and defended by Waterworks’ insurer. Counsel for the insurer/Waterworks is confident that plaintiffs will not prevail, but if any sum is paid in settlement or judgment it will be relatively nominal and 100% funded by the insurer.

The insurance attorney reports that this case has had no movement except that plaintiffs’ attorneys have withdrawn with no replacements having come yet. This will make disposing of the case difficult against unrepresented plaintiffs. The insurance attorney believes that his client may want to simply wait to see if no activity occurs within a three-year period, at which time it could be summarily dismissed for “abandonment”. That three-year period will be reportedly reached on April 3, 2017.

“Consolidated Waterworks District No. 1 of the Parish of Terrebonne v. Weeks Marine, Inc., No. 175886”. On or about December 3 or 4, 2014, Weeks Marine, Inc. reported to Waterworks that one of its spud barges may have struck a submerged waterline near Weeks’ facility on the Gulf Intracoastal Waterway. Subsequent reports from customers in the area and other tests confirmed that indeed the line in that area was severed and inoperative. Waterworks retained Providence/GSE Associates, LLC to provide an estimate and a design for replacing the 4-inch severed line with a larger 12-inch line which better suits Waterworks’ needs. The lawsuit will only seek the dollar amount to replace the smaller line that was actually severed (estimated now at \$250,000.00); the relatively low additional materials cost for the larger line (approximately \$21,000.00) will not be sought from Weeks, since Louisiana law provides that a wrongdoer (such

as Weeks) is only responsible for the damages needed to make a victim (such as Waterworks) whole.

Correspondence to and from Weeks Marine's insurance carrier was done before suit, but the parties were unable to agree on a dollar amount before the one-year anniversary date, making suit necessary. (Suit was filed on November 24, 2015.) Attempts at settling out-of-court with Weeks and its insurer for the costs of the replacement line will continue as the suit progresses.

SECTION VI

MANAGEMENT

GENERAL:

The DISTRICT is well staffed and supervised by key members with numerous years of experience. Each department is accounted for individually, but collectively, provides the citizens of Terrebonne Parish with a modern, highly developed, and well regarded water system. The Board of Commissioners is kept constantly informed on matters by the expertise of managers, engineers, consultants, accountants, and legal advisors. The Board has adopted a subdivision ordinance that stipulates the requirements regarding new development. Standard specifications are enforced to ensure construction material quality and adherence to construction methods. The management staff reviews system upgrades on a regular basis, develops specifications, and receives bids for bulk purchases of certain materials, supplies, and contractual labor, and distributes work among several engineering firms within the Parish. Providing a safe potable water supply to customers of the DISTRICT in the most cost effective manner is paramount to the concerns of the Board.

The Board acquires professional services from various firms when the need arises. These are as follows:

Legal Advisor	Mr. David Norman
Municipal Advisor	Ms. Melanie B. Caillouet, Providence/GSE Associates, LLC
Bond Counsel	Mr. Jerry Osborne, Foley & Judell, L. L. P.
Certified Public Accountants	Bourgeois Bennett, L.L.C.

MANAGEMENT PERSONNEL:

Mr. Michael Sobert is the General Manager of the DISTRICT since July 16, 2012. Mr. Sobert has a B.S. Degree in Electrical Engineering and a Masters of Business Administration. Prior to becoming General Manager, Mr. Sobert was a business owner in the private sector. Prior to owning his own business, Mr. Sobert served as a Senior Engineer with General Electric. Since his employment with the DISTRICT, he has dedicated himself to becoming well aware of all aspects of the distribution and treatment system of the DISTRICT, and EPA and Louisiana Department of Health and Hospitals (LDHH) requirements. He supervises all personnel of the DISTRICT and is responsible for informing the Board of Commissioners of its operating condition.

Mr. Michael LeCompte is a registered professional mechanical engineer (license inactive) who became a member of the staff in 1995 and is serving as Superintendent of Water Production. He maintains the highest levels of LDHH certifications that are required to operate Surface Water Treatment Plants.

Mr. Emery Chauvin, a registered professional civil engineer (license inactive), became a member of the staff in January 2001. He is serving as Superintendent of the Distribution System. He maintains the highest level of LDHH certifications that are required to operate a potable water distribution system.

Ms. Cecilia Norman has been serving as the Office Manager and staff accountant of the DISTRICT since January 1, 2000. Ms. Norman, who possesses a B.S. degree in accounting and personnel management, has 15 years prior experience serving as a comptroller. For the DISTRICT, Ms. Norman provides all the internal accounting, administers the investment of all funds, and ensures compliance with the DISTRICT's bonding requirements.

OPERATING PERSONNEL:

The operating personnel of the DISTRICT are broken down into seven (7) departments. The profiles of these departments are as follows:

Administration

Department Head - Michael Sobert, General Manager

Cecilia Norman, Office Manager

5 employees

Billing and Collecting

Department Head - Monique Prosperie, Billing & Collecting Manager

8 employees

Customer Service Representatives

Department Head – Kevin Cunningham, Supervisor

8 employees

Engineering

Department Head - Mary Trahan, Operations Manager

8 employees

Field Force

Department Head - Emery Chauvin, Superintendent, Distribution

Curtis Jackson, Field Superintendent

20 employees

Warehouse and Meter Shop

Supervised by Office Manager

3 employees

Water Plants

Department Head - Michael LeCompte, Superintendent, Water Treatment

Schriever Water Treatment Plant - Ivy Theriot, Supervisor

Houma Water Treatment Plant - Randy Hille, Supervisor

16 employees

Bac-T-Lab

Department Head - Ray Percle, Supervisor

3 employees

SECTION VII

INSURANCE

GENERAL:

The provisions of Section 904 of the DISTRICT's bond resolution dated May 12, 1994, provides that insurance will be carried and maintained on the physical properties of the system of a kind and in amounts normally carried by public utility companies engaged in the operation of similar water systems. It further provides that adequate public liability and property damage insurance will be carried and blanket fidelity and performance bonds to protect from loss of money will cover the DISTRICT.

The DISTRICT has supplied a summary of the DISTRICT's coverage, which appears on the following page. Our review of this summary indicates the DISTRICT is protected by insurance and fidelity bonds in amounts usually carried by water utility systems of similar size and character and the DISTRICT is, therefore, in compliance with Section 904 of the bond resolution.

SCHEDULE OF INSURANCE IN FORCE

**Consolidated Waterworks District No. 1 of the Parish of Terrebonne,
State of Louisiana**

June 30, 2015

(Unaudited)

Insurer	Type of Coverage	Amount of Insurance	Expiration Date
Arch Insurance Company	Automobile liability	\$ 1,000,000	July 1, 2015
Arch Insurance Company	General liability	\$ 3,000,000	July 1, 2015
Louisiana United Businesses' Association	Workers' compensation	\$ 1,000,000	July 1, 2015
Continental Casualty Company	Combined building & personal property	\$ 30,000,000	June 1, 2016
Continental Casualty Company	Public employee dishonesty, forgery or alteration, theft, disappearance & destruction	\$ 25,000	June 1, 2016
Firemans Fund Insurance Companies/ Allianz Global Corporate & Specialty	Computer equipment	\$ 178,790	July 1, 2015
Harleysville Mutual Insurance Company	Flood	\$ 500,000	August 1, 2015

APPENDIX A

Departmental Expenses



APPENDIX A
Departmental Expenses
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

	ADMINISTRATION	BILLINGS & COLLECTIONS	METER READING	WAREHOUSE & METER SHOP	ENGINEERING	OPERATIONS	MAINTENANCE & FIELD CREWS	WATERPLANT	LAB	TOTAL
Accounting	\$45,285									\$45,285
Attorney	77,469									77,469
Backflow Prevention Program										0
Bayou Black Reservoir Maintenance								6,228		6,228
Board Members	16,605									16,605
Bond Agent Fees	1,000									1,000
Chemicals							12,992	1,246,511		1,259,503
Collection Agency		16,692								16,692
Computer Supplies					5,922			1,228		7,150
Consulting Engineer	15,195									15,195
Data Processing		190,259								190,259
DHH Emergency Rule							110,045			110,045
Employee Group Insurance	73,442	87,195	128,533	26,385	67,382		245,360	214,514	51,890	894,701
Equipment & Bld'g.Repairs	15,469	24,556	5,431	5,726					5,962	57,144
Equipment - Field Repairs							198,792			198,792
Freight				739			162	286	5,518	6,705
Gasoline and Oil	1,684	1,684	29,535	1,401	10,467		49,054	14,992	10,360	119,177
Generator Fuel								9,605		9,605
GIS Network					39,912					39,912
Insurance and Bonds	30,579	27,584	45,704	9,452	25,726		140,662	263,473	18,220	561,400
Janitorial Service	16,500								7,097	23,597
Lab Analysis								2,800	45,248	48,048
Lab Equipment and Supplies									21,185	21,185
Meter Parts and Repair			597	3,761						4,358
Office Supplies and Expenses	33,466	59,685	4,678	2,400	6,752		4,025	12,388	6,134	129,528
Other Postemployment Benefit	901	11,410	40,990	14,329	26,781		64,836	68,339	23,155	250,741
Payroll Taxes	35,915	27,796	35,881	11,341	34,104		86,151	90,794	15,700	337,682
Plant Maintenance								238,001		238,001
Plant Supplies								10,168		10,168
Postage		246,837								246,837
Publish Proceedings	4,633									4,633
Radio Communications	9,142	1,855	12,645		15,027		34,560	14,218	6,221	93,668
Raw Water Cost								134,766		134,766
Retirement Expenses	24,759	20,853	25,886	5,392	20,455		61,872	65,002	11,378	235,597
Salaries	366,050	300,801	372,766	117,136	360,154		907,939	937,052	167,222	3,529,120
Seminars and Schools	10,616		395		14,663		18,697	8,704	1,727	54,802
Small Tools			1,015	2,721			12,645	1,582		17,963
Telephone Service		5,659						6,581	1,373	13,613
Tractor Repairs								822		822
Truck and Auto Repair	1,093	332	12,803		3,476		17,526	5,280	4,669	45,179
Uniforms							4,267	921		5,188
Utilities	24,409					134,842		593,772	8,521	761,544
Warehouse Supplies				18,175						18,175
Waterline Maintenance							1,091,547			1,091,547
Watertower Maintenance							38,502			38,502
TOTAL	\$804,212	\$1,023,198	\$716,859	\$218,958	\$630,821	\$134,842	\$3,099,634	\$3,948,027	\$411,580	\$10,988,131

I-V

Average No. of Customers	43,552									
Annual costs per customer	\$18.47	\$23.49	\$16.46	\$5.03	\$14.48	\$3.10	\$71.17	\$90.65	\$9.45	\$252.30
Monthly costs per customer	\$1.54	\$1.96	\$1.37	\$0.42	\$1.21	\$0.26	\$5.93	\$7.55	\$0.79	\$21.03

APPENDIX B

Departmental Expenses and Budget



APPENDIX B**Departmental Expense and Budget**

Terrebonne CWWD#1

July 1, 2014 to June 30, 2015

	ACTUAL 2013-2014	ACTUAL 2014-2015	Increase / (Decrease)	Budget 2015-2016	Budget Increase / (Decrease)
<u>ADMINISTRATIVE</u>					
Salaries	\$317,065	\$367,734	\$50,669	\$417,000	\$49,266
Other Postemployment Benefits	1,363	901	(462)	28,897	27,996
Employee Group Insurance	68,231	73,442	5,211	96,000	22,558
Payroll Taxes	30,647	35,915	5,268	42,000	6,085
Retirement Expenses	29,488	24,759	(4,729)	37,500	12,741
Office Supplies and Expenses	32,160	33,466	1,306	35,000	1,534
Accounting	44,795	45,285	490	47,000	1,715
Attorney	86,676	77,469	(9,207)	125,000	47,531
Board Members	15,304	16,605	1,301	17,000	395
Bond Agent Fees	2,937	1,000	(1,937)	3,600	2,600
Consulting Engineers	19,967	15,195	(4,772)	15,000	(195)
Consulting Risk Manager	0	0	0	0	0
Insurance and Bonds	31,503	30,579	(924)	37,000	6,421
Janitorial Service	21,784	16,500	(5,284)	20,000	3,500
Publishing Proceedings	2,931	4,633	1,702	5,000	367
Radio Communications	9,278	9,142	(136)	10,000	858
Equipment Repair (Office)	51,285	15,469	(35,816)	25,000	9,531
Truck and Auto Repair*	906	1,093	187	2,000	907
Seminars and Schools	18,103	10,616	(7,487)	19,000	8,384
Utilities	24,194	24,409	215	25,000	591
TOTAL	\$808,617	\$804,212	(\$4,405)	\$1,006,997	\$202,785

*These items are included as part of "Salaries" in the audit; therefore they were added to "Salaries" for the budget year.

BILLINGS AND COLLECTIONS

Salaries	\$311,868	\$300,801	(\$11,067)	\$316,500	\$15,699
Other Postemployment Benefits	18,560	11,410	(7,150)	34,007	22,597
Employee Group Insurance	93,627	87,195	(6,432)	97,500	10,305
Payroll Taxes	28,635	27,796	(839)	31,500	3,704
Retirement Expenses	30,114	20,853	(9,261)	28,500	7,647
Gasoline and Oil	1,269	1,684	415	2,000	316
Office Supplies and Expenses	64,885	59,685	(5,200)	53,000	(6,685)
Collection Agency	16,564	16,692	128	15,000	(1,692)
Data Processing	166,675	190,259	23,584	185,000	(5,259)
Equipment Maintenance/Lease	27,687	24,556	(3,131)	30,000	5,444
Insurance and Bonds	27,306	27,584	278	30,000	2,416
Postage	234,776	246,837	12,061	245,000	(1,837)
Radio Communications	1,330	1,855	525	2,500	645
Truck and Auto Repairs	217	332	115	1,000	668
Seminars and Schools	419	0	(419)	1,000	1,000
Telephone	6,136	5,659	(477)	6,200	541
TOTAL	\$1,030,068	\$1,023,198	(\$6,870)	\$1,078,707	\$55,509

*Merchant Bankcard Fee is included as part of "Data Processing" in the audit; therefore they were added to "Data Processing" for the budget year.

APPENDIX B
Departmental Expense and Budget
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

	ACTUAL 2013-2014	ACTUAL 2014-2015	Increase / (Decrease)	Budget 2015-2016	Budget Increase / (Decrease)
<u>METER READING</u>					
Salaries	\$388,114	\$372,766	(\$15,348)	\$395,000	\$22,234
Other Postemployment Benefits	54,883	40,990	(13,893)	50,126	9,136
Employee Group Insurance	127,521	128,533	1,012	146,750	18,217
Payroll Taxes	36,844	35,881	(963)	40,000	4,119
Retirement Expenses	36,328	25,886	(10,442)	36,000	10,114
Gasoline and Oil	39,350	29,535	(9,815)	29,000	(535)
Office Supplies and Expenses	681	4,678	3,997	5,000	322
Small Tools	3,351	1,015	(2,336)	4,000	2,985
Insurance and Bonds	47,878	45,704	(2,174)	47,000	1,296
Radio Communications	9,111	12,645	3,534	15,000	2,355
Equipment Repair (Office)	6,730	5,431	(1,299)	12,000	6,569
Meter Parts & Supplies	0	597	597	2,500	1,903
Truck and Auto Repairs	11,276	12,803	1,527	12,000	(803)
Schools & Seminars	78	395	317	1,000	605
Uniforms	51	0	(51)	0	0
TOTAL:	\$762,196	\$716,859	(\$45,337)	\$795,376	\$78,517
<u>WAREHOUSE AND METER SHOPS</u>					
Salaries	\$114,151	\$117,136	\$2,985	\$117,000	(\$136)
Other Postemployment Benefits	18,297	14,329	(3,968)	22,659	8,330
Employee Group Insurance	24,746	26,385	1,639	38,000	11,615
Payroll Taxes	10,795	11,341	546	11,600	259
Retirement Expenses	9,573	5,392	(4,181)	7,500	2,108
Gasoline and Oil	1,479	1,401	(78)	1,000	(401)
Office Supplies and Expenses	2,000	2,400	400	2,500	100
Small Tools	719	2,721	2,002	1,500	(1,221)
Warehouse Supplies	18,513	18,175	(338)	16,000	(2,175)
Freight	169	739	570	1,000	261
Insurance and Bonds	10,947	9,452	(1,495)	9,300	(152)
Equipment Repairs	8,449	5,726	(2,723)	8,000	2,274
Meter Repairs Parts	13,107	3,761	(9,346)	10,000	6,239
Schools & Seminars	0	0	0	500	500
TOTAL	\$232,945	\$218,958	(\$13,987)	\$246,559	\$27,601

*These items are included as part of "Salaries" in the audit; therefore they were added to "Salaries" for the budget year.

APPENDIX B
Departmental Expense and Budget
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

	ACTUAL 2013-2014	ACTUAL 2014-2015	Increase / (Decrease)	Budget 2015-2016	Budget Increase / (Decrease)
ENGINEERING					
Salaries	\$354,439	\$360,154	\$5,715	\$453,500	\$93,346
Other Postemployment Benefits	26,998	26,781	(217)	26,222	(559)
Employee Group Insurance	60,204	67,382	7,178	105,200	37,818
Payroll Taxes	34,088	34,104	16	45,000	10,896
Retirement Expenses	28,073	20,455	(7,618)	41,000	20,545
Computer Supplies	2,091	5,922	3,831	6,000	78
Gasoline and Oil	9,439	10,467	1,028	12,000	1,533
Office Supplies and Expenses	2,353	6,752	4,399	5,500	(1,252)
GIS Network	35,508	39,912	4,404	50,000	10,088
Insurance and Bonds	22,903	25,726	2,823	34,000	8,274
Radio Communications	11,601	15,027	3,426	14,500	(527)
Truck and Auto Repair	1,423	3,476	2,053	5,000	1,524
Equipment & Building Repairs	0	0	0	0	0
Seminars and Schools	7,004	14,663	7,659	16,000	1,337
Freight	0	0	0	0	0
Uniforms	296	0	(296)	0	0
TOTAL:	\$596,420	\$630,821	\$34,401	\$813,922	\$183,101

*These items are included as part of "Salaries" in the audit; therefore they were added to "Salaries" for the budget year.

MAINTENANCE AND FIELD CREWS

Salaries	\$837,853	\$907,939	\$70,086	\$895,000	(\$12,939)
Other Postemployment Benefits	80,094	64,836	(15,258)	89,713	24,877
Employee Group Insurance	233,430	245,360	11,930	304,000	58,640
Payroll Taxes	78,592	86,151	7,559	88,750	2,599
Retirement Expenses	79,491	61,872	(17,619)	81,000	19,128
Chemicals	18,835	12,992	(5,843)	35,000	22,008
Gasoline and Oil	69,203	49,054	(20,149)	42,000	(7,054)
Office Supplies and Expenses	39,204	4,025	(35,179)	5,600	1,575
Small Tools	6,747	12,645	5,898	15,000	2,355
Backflow Prevention Program	0	0	0	25,000	25,000
DHH Emergency Rule	92,470	110,045	17,575	5,000	(105,045)
Freight	485	162	(323)	500	338
Insurance and Bonds	176,689	140,662	(36,027)	153,000	12,338
Radio Communications	24,689	34,560	9,871	35,000	440
Equipment & Bldg. Maintenance	0	0	0		0
Equipment Repairs (Field)	101,204	198,792	97,588	150,000	(48,792)
Truck and Auto Repair	28,759	17,526	(11,233)	20,000	2,474
Water Tower Maintenance	72,379	38,502	(33,877)	125,000	86,498
Waterline Maintenance	830,944	1,091,547	260,603	875,000	(216,547)
Seminars and Schools	9,453	18,697	9,244	15,000	(3,697)
Uniforms	4,415	4,267	(148)	4,000	(267)
TOTAL:	\$2,784,936	\$3,099,634	\$314,698	\$2,963,563	(\$136,071)

*These items are included as part of "Salaries" in the audit; therefore they were added to "Salaries" for the budget year.

APPENDIX B
Departmental Expense and Budget
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

	ACTUAL 2013-2014	ACTUAL 2014-2015	Increase / (Decrease)	Budget 2015-2016	Budget Increase / (Decrease)
<u>OPERATIONS</u>					
Utilities	\$136,187	\$134,842	(\$1,345)	\$150,000	\$15,158
<u>WATER PLANT</u>					
Salaries	\$912,658	\$937,052	\$24,394	\$925,000	(\$12,052)
Other Postemployment Benefits	80,479	68,339	(12,140)	96,902	28,563
Employee Group Insurance	196,919	214,514	17,595	243,000	28,486
Payroll Taxes	86,736	90,794	4,058	91,750	956
Retirement Expenses	87,162	65,002	(22,160)	83,750	18,748
Chemicals	1,319,552	1,246,511	(73,041)	1,325,000	78,489
Computer Supplies	840	1,228	388	2,500	1,272
Generator Fuel	1,536	9,605	8,069	15,000	5,395
Gasoline and Oil	9,086	14,992	5,906	14,000	(992)
Office Supplies and Expenses	11,612	12,388	776	12,000	(388)
Raw Water Cost	131,398	134,766	3,368	130,000	(4,766)
Small Tools	788	1,582	794	2,000	418
Plant Supplies	10,575	10,168	(407)	9,000	(1,168)
Freight	53	286	233	500	214
Insurance and Bonds	308,175	263,473	(44,702)	297,000	33,527
Lab Analysis	1,512	2,800	1,288	3,000	200
Radio Communications	11,018	14,218	3,200	15,000	782
Bayou Black Reservoir Maintenance	5,361	6,228	867	7,500	1,272
Plant Maintenance	213,058	238,001	24,943	250,000	11,999
Tractor Repairs	2,708	822	(1,886)	3,000	2,178
Truck and Auto Repair	3,841	5,280	1,439	6,000	720
Seminars and Schools	5,507	8,704	3,197	8,000	(704)
Telephone	6,601	6,581	(20)	7,000	419
Uniforms	410	921	511	900	(21)
Utilities	624,449	593,772	(30,677)	615,000	21,228
Reserve Filter Media	104,000	104,000	0	104,000	0
TOTAL:	\$4,136,034	\$4,052,027	(\$84,007)	\$4,266,802	\$214,775

APPENDIX B
Departmental Expense and Budget
 Terrebonne CWWD#1
 July 1, 2014 to June 30, 2015

<u>LAB</u>	<u>ACTUAL</u> <u>2013-2014</u>	<u>ACTUAL</u> <u>2014-2015</u>	<u>Increase /</u> <u>(Decrease)</u>	<u>Budget</u> <u>2015-2016</u>	<u>Budget</u> <u>Increase /</u> <u>(Decrease)</u>
Salaries	\$172,833	\$167,222	(\$5,611)	\$171,500	\$4,278
Other Postemployment Benefits	27,604	23,155	(4,449)	11,200	(11,955)
Employee Group Insurance	47,309	51,890	4,581	59,500	7,610
Payroll Taxes	16,778	15,700	(1,078)	17,000	1,300
Retirement Expenses	16,747	11,378	(5,369)	16,000	4,622
Computer Supplies	374	0	(374)	750	750
Gasoline and Oil	13,842	10,360	(3,482)	10,500	140
Lab Equipment and Supplies	17,720	21,185	3,465	17,000	(4,185)
Office Supplies and Expenses	6,529	6,134	(395)	7,500	1,366
Freight	3,923	5,518	1,595	7,000	1,482
Insurance and Bonds	18,971	18,220	(751)	22,000	3,780
Janatorial Services	7,445	7,097	(348)	8,000	903
Lab Analysis	40,272	45,248	4,976	53,500	8,252
Radio Communications	4,281	6,221	1,940	6,500	279
Equipment and Building Repairs	6,639	5,962	(677)	7,000	1,038
Truck and Auto Repair	4,980	4,669	(311)	5,000	331
Seminars and Schools	5,576	1,727	(3,849)	7,000	5,273
Telephone	1,839	1,373	(466)	2,000	627
Utilities	8,733	8,521	(212)	8,600	79
TOTAL:	\$422,395	\$411,580	(\$10,815)	\$437,550	\$25,970

APPENDIX C

Revenue Bond Payment Schedule



COMBINED DEBT SERVICE SCHEDULE

WATER REVENUE BONDS
 CONSOLIDATED WATERWORKS DISTRICT NO. 1, PARISH OF TERREBONNE, STATE OF LOUISIANA

Payment Date	SERIES 2010 BONDS					REFUNDING SERIES 2012B BONDS					SERIES 2012A BONDS					REFUNDING SERIES 2014 BONDS					TAXABLE SERIES 2014 (DHH) BONDS (\$1,125,000 Forgiven at delivery)					Combined Semi-Annual Service	Combined Bond Year Debt Service	Combined Fiscal Year Debt Service (ending 6/30)					
	Principal Due	Interest Rate (1)	Interest Due	Semi-Annual Service	Bond Year Debt Service	Principal Due	Interest Rate	Interest Due	Semi-Annual Service	Bond Year Debt Service	Principal Due	Interest Rate	Interest Due	Semi-Annual Service	Bond Year Debt Service	Principal Due	Interest Rate	Interest Due	Semi-Annual Service	Bond Year Debt Service	Principal Due	Interest Rate	Interest Due	Annual Fee Rate	Annual Fee Due				Semi-Annual Service	Bond Year Debt Service			
01-May-2015			27,341.25	27,341.25				17,700.00	17,700.00				376,431.25	376,431.25				85,275.00	85,275.00						32,253.33	5,466.67	37,720.00			544,467.50		544,467.50	
01-Nov-2015	76,000	3.450%	27,341.25	103,341.25	130,682.50	380,000	3.000%	17,700.00	397,700.00	415,400.00	485,000	3.000%	376,431.25	861,431.25	1,237,862.50			85,275.00	85,275.00	170,550.00				45,356.25	7,887.50	53,043.75	90,763.75		1,500,791.25	2,045,238.75			
01-May-2016			26,030.25	26,030.25				12,000.00	12,000.00				369,156.25	369,156.25				85,275.00	85,275.00						45,356.25	7,887.50	53,043.75			545,505.25	2,046,296.50		
01-Nov-2016	78,000	3.450%	26,030.25	104,030.25	130,060.50	390,000	3.000%	12,000.00	402,000.00	414,000.00	500,000	3.000%	369,156.25	869,156.25	1,238,312.50			85,275.00	85,275.00	170,550.00	109,000	2.950%	45,356.25	0.500%	7,887.50	162,043.75	215,087.50	1,622,505.25	2,168,010.50				
01-May-2017			24,684.75	24,684.75				6,150.00	6,150.00				361,656.25	361,656.25				85,275.00	85,275.00						43,748.50	7,415.00	51,163.50			528,929.50	2,151,434.75		
01-Nov-2017	81,000	3.450%	24,684.75	105,684.75	130,369.50	410,000	3.000%	6,150.00	416,150.00	422,300.00	515,000	3.000%	361,656.25	876,656.25	1,238,312.50			85,275.00	85,275.00	170,550.00	113,000	2.950%	43,748.50	0.500%	7,415.00	164,163.50	215,327.00	1,647,929.50	2,176,859.00				
01-May-2018			23,287.50	23,287.50									353,931.25	353,931.25				85,275.00	85,275.00						42,081.75	7,132.50	49,214.25			511,708.00	2,159,637.50		
01-Nov-2018	84,000	3.450%	23,287.50	107,287.50	130,575.00						530,000	3.000%	353,931.25	883,931.25	1,237,862.50	930,000	2.000%	85,275.00	1,015,275.00	1,100,550.00	117,000	2.950%	42,081.75	0.500%	7,132.50	166,214.25	215,428.50	2,172,708.00	2,684,416.00				
01-May-2019			21,838.50	21,838.50									345,981.25	345,981.25				75,975.00	75,975.00						40,356.00	6,840.00	47,196.00			490,990.75	2,663,698.75		
01-Nov-2019	87,000	3.450%	21,838.50	108,838.50	130,677.00						545,000	3.500%	345,981.25	890,981.25	1,236,962.50	950,000	3.000%	75,975.00	1,025,975.00	1,101,950.00	121,000	2.950%	40,356.00	0.500%	6,840.00	168,196.00	215,392.00	2,195,990.75	2,684,981.50				
01-May-2020			20,337.75	20,337.75									336,443.75	336,443.75				61,725.00	61,725.00						38,571.25	6,337.50	44,908.75			463,615.25	2,657,606.00		
01-Nov-2020	90,000	3.450%	20,337.75	110,337.75	130,675.50						565,000	4.000%	336,443.75	901,443.75	1,237,887.50	985,000	3.000%	61,725.00	1,046,725.00	1,108,450.00	125,000	2.950%	38,571.25	0.500%	6,337.50	170,108.75	215,217.50	2,228,615.25	2,692,230.50				
01-May-2021			18,785.25	18,785.25									325,143.75	325,143.75				46,950.00	46,950.00						36,727.50	6,225.00	42,952.50			433,831.50	2,662,446.75		
01-Nov-2021	93,000	3.450%	18,785.25	111,785.25	130,570.50						590,000	4.000%	325,143.75	915,143.75	1,240,287.50	1,015,000	3.000%	46,950.00	1,061,950.00	1,108,900.00	130,000	2.950%	36,727.50	0.500%	6,225.00	172,952.50	215,905.00	2,261,831.50	2,695,663.00				
01-May-2022			17,181.00	17,181.00									313,343.75	313,343.75				31,725.00	31,725.00						34,810.00	5,900.00	40,710.00			402,959.75	2,664,791.25		
01-Nov-2022	96,000	3.450%	17,181.00	113,181.00	130,362.00						610,000	4.000%	313,343.75	923,343.75	1,236,687.50	1,035,000	3.000%	31,725.00	1,066,725.00	1,098,450.00	134,000	2.950%	34,810.00	0.500%	5,900.00	174,710.00	215,420.00	2,277,959.75	2,680,919.50				
01-May-2023			15,525.00	15,525.00									301,143.75	301,143.75				16,200.00	16,200.00						32,833.50	5,365.00	38,398.50			371,267.25	2,649,227.00		
01-Nov-2023	100,000	3.450%	15,525.00	115,525.00	131,050.00						635,000	3.125%	301,143.75	936,143.75	1,237,287.50	1,080,000	3.000%	16,200.00	1,096,200.00	1,112,400.00	139,000	2.950%	32,833.50	0.500%	5,365.00	177,398.50	215,797.00	2,325,267.25	2,696,534.50				
01-May-2024			13,800.00	13,800.00									291,221.88	291,221.88												30,783.25	5,217.50	36,000.75			341,022.63	2,666,289.88	
01-Nov-2024	103,000	3.450%	13,800.00	116,800.00	130,600.00						655,000	3.250%	291,221.88	946,221.88	1,237,443.75											28,674.00	4,860.00	33,534.00			402,959.75	2,664,791.25	
01-May-2025			12,023.25	12,023.25									280,578.13	280,578.13												26,674.00	4,860.00	31,534.00			326,135.38	2,649,227.00	
01-Nov-2025	107,000	3.450%	12,023.25	119,023.25	131,046.50						675,000	3.375%	280,578.13	955,578.13	1,236,156.25											26,674.00	4,860.00	31,534.00			341,022.63	2,666,289.88	
01-May-2026			10,177.50	10,177.50									269,187.50	269,187.50												26,491.00	4,490.00	30,981.00			310,346.00	2,649,227.00	
01-Nov-2026	110,000	3.450%	10,177.50	120,177.50	130,355.00						700,000	3.375%	269,187.50	969,187.50	1,238,375.00											26,491.00	4,490.00	30,981.00			326,135.38	2,649,227.00	
01-May-2027			8,280.00	8,280.00									257,375.00	257,375.00												24,234.25	4,107.50	28,341.75			295,996.75	2,649,227.00	
01-Nov-2027	114,000	3.450%	8,280.00	122,280.00	130,560.00						725,000	5.000%	257,375.00	982,375.00	1,239,730.00											24,234.25	4,107.50	28,341.75			310,346.00	2,649,227.00	
01-May-2028			6,313.50	6,313.50									239,250.00	239,250.00												21,889.00	3,710.00	25,599.00			271,162.50	2,649,227.00	
01-Nov-2028	118,000	3.450%	6,313.50	124,313.50	130,627.00						760,000	5.000%	239,250.00	999,250.00	1,238,500.00											21,889.00	3,710.00	25,599.00			295,996.75	2,649,227.00	
01-May-2029			4,278.00	4,278.00									220,250.00	220,250.00												19,470.00	3,300.00	22,770.00			247,298.00	2,649,227.00	
01-Nov-2029	122,000	3.450%	4,278.00	126,278.00	130,556.00						800,000	5.000%	220,250.00	1,020,250.00	1,240,500.00											19,470.00	3,300.00	22,770.00			271,162.50	2,649,227.00	
01-May-2030			2,173.50	2,173.50									200,250.00	200,250.00												16,962.50	2,875.00	19,837.50			222,261.00	2,649,227.00	
01-Nov-2030	126,000	3.450%	2,173.50	128,173.50	130,347.00						840,000	5.000%	200,250.00	1,040,250.00	1,240,500.00											16,962.50	2,875.00	19,837.50			247,298.00	2,649,227.00	
01-May-2031													179,250.00	179,250.00												14,366.50	2,435.00	16,801.50			196,051.50	2,649,227.00	
01-Nov-2031													179,250.00	1,059,250.00	1,238,500.00											14,366.50	2,435.00	16,801.50			222,261.00	2,649,227.00	
01-May-2032													157,250.00	157,250.00												11,682.00	1,980.00	13,662.00			128,051.50	2,649,227.00	
01-Nov-2032													157,250.00	1,082,250.00	1,239,500.00											11,682.00	1,980.00	13,662.00			144,544.00		