March 11, 2021

TERREBONNE PARISH CONSOLIDATED WATERWORKS DISTRICT NO. 1

2019-2020 Annual Engineer's Report

Prepared By:

Providence Engineering and Environmental Group LLC
1297 St. Charles Street, Suite H
Houma, Louisiana 70360
Phone (985) 876-6380
Fax (985) 876-0621
www.ProvidenceEng.com

Project No. 548-044-000

TABLE OF CONTENTS

List of Tables

List of Exhibits

Appendices

SECTION I

INTRODUCTION

INTRODUCTION:

This report reviews the results of operation and the financial condition of the Terrebonne Parish Consolidated Waterworks District No. 1 (TPCW) of the Parish of Terrebonne in Louisiana for the audited year ending June 30, 2020. The report is prepared in accordance with the terms of TPCW's bond resolution authorizing and securing all outstanding bonds. Arthur A. De Fraites, Jr. served as consultant to TPCW, from December 20, 1994 to December 31, 2015 at his retirement. Ms. Melanie B. Caillouet is now completing the annual engineer's report per bond requirements. Ms. Caillouet is a registered engineer (License Number 32936) in Louisiana since 2007 and has been employed with Providence Engineering and Environmental Group LLC (and its predecessors) since 2002.

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 and 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 (TPCG) on March 23, 1994, the Terrebonne Parish Consolidated Waterworks District No. 1 of the Parish of Terrebonne, Louisiana was created.

GENERAL DESCRIPTION OF THE SYSTEM:

TPCW operates the Houma Water Treatment Plant (WTP) and the Schriever WTP. The plants and their systems are known as Public Water System Nos. 1109001 and 1109002, respectively. TPCW operates these two 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. TPCW's two public water systems consist of two surface WTPs, two standpipes, sixteen elevated storage towers, four ground storage tanks, and 915 miles of transmission and distribution piping ranging in size up to 36 inches in diameter.

TPCW's water system serves all the residents and businesses in Terrebonne Parish and four sections of Lafourche Parish, namely Marydale Subdivision, the Grand Bois Community, the Pointe-Aux-Chenes Community, and Ferry Road.

RAW WATER SOURCES:

The Schriever WTP obtains its water from Bayou Lafourche, which originates at the Mississippi River in Donaldsonville. The water from Bayou Lafourche is pumped to a raw water reservoir at the Schriever Plant. 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 joining the BLFWD and an imposition of the BLFWD millage tax. This now allows TPCW 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 Houma WTP 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 two 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 WTP from the GIWW for the fiscal year. The exhibit also includes an extension of readings through December 2020. It is seen that there were 20 days in which salinity exceeded 250ppm during the fiscal period. High readings were recorded in July, September, and October 2020. It is noticed that high salinity readings occurred again in late summer and fall of 2020. Through years of recording chloride levels in the GIWW, a pattern has become evident. Salinity levels peak during hurricane season between August and November. There is also a small peak in the spring from March through May in most years; however, this peak is much

lower than in the fall. This year is slightly higher than last year but is still low compared to the historical average.

TPCW is aware of the higher levels of salinity during fall and coordinates their water requirements from other sources at these times. When GIWW salinity levels at the plant reach 100ppm, more frequent testing occurs and monitoring at Minors Canal begins. When levels in the GIWW reach 200ppm, the raw water source is shifted from the GIWW to the Bayou Black reservoir. If Minors Canal reaches 100ppm, Minors Gate is closed to protect Bayou Black and the reservoir. It is possible for the Schriever WTP to supply water to the Houma WTP distribution area, but it currently only occurs if there is an equipment failure or contamination of the Bayou Black reservoir.

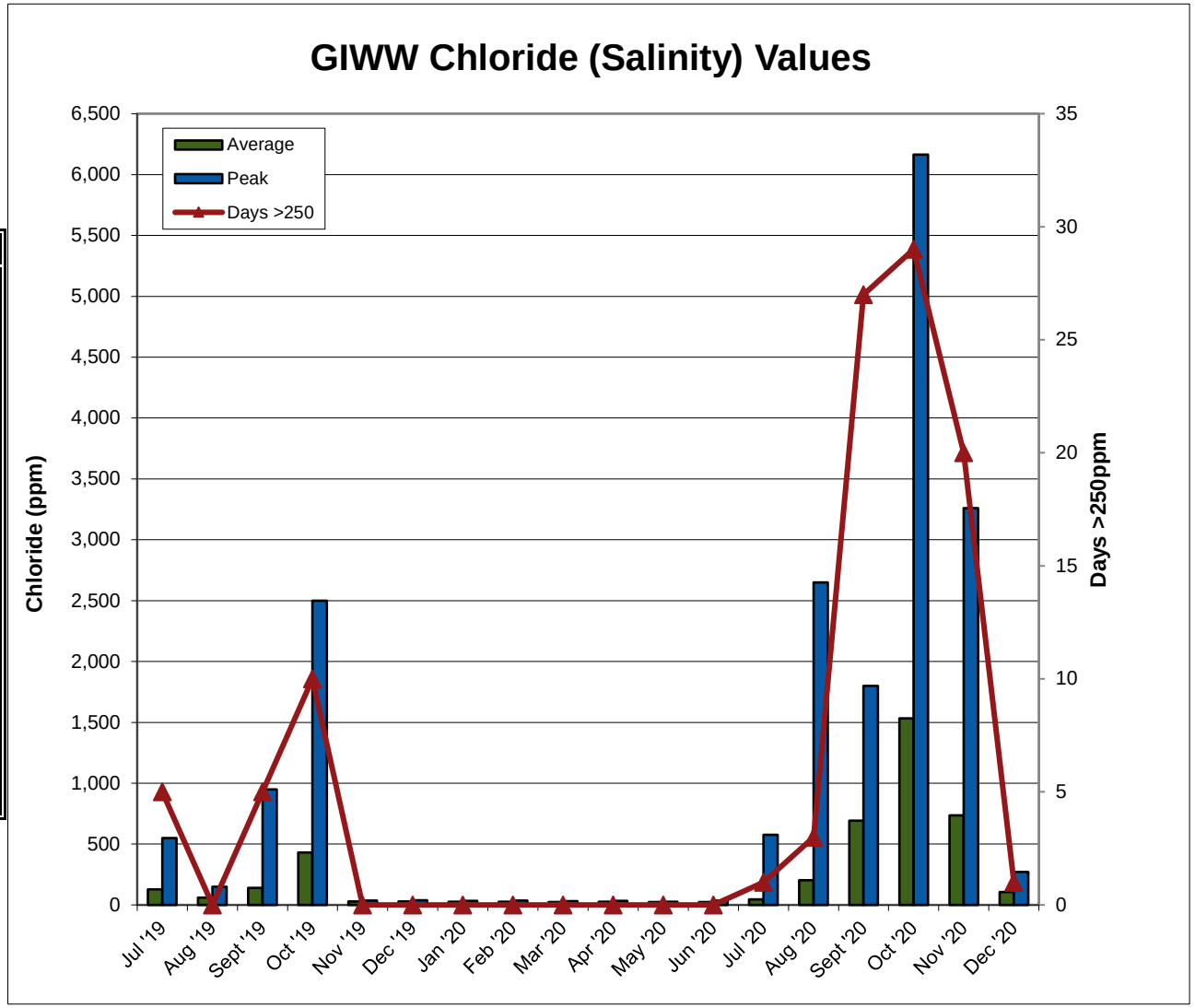
The primary source of saltwater contamination is the interconnection of the Houma Navigational Canal with the GIWW. The Terrebonne Levee and Conservation District has constructed a floating barge-type flood gate on the Houma Navigation Canal, but this is only closed in the event of a hurricane in the Gulf of Mexico. Although this structure was not designed with the purpose of mitigating saltwater intrusion in mind, it is highly effective in reducing and/or eliminating saltwater intrusion when it is closed

PLATE 1

Chloride (Salinity) Values in Raw Water from Intracoastal Waterway

July 1, 2019 to June 30, 2020

Month	Average	Peak	Days >250
Jul '19	129	550	5
Aug '19	61	150	0
Sept '19	139	950	5
Oct '19	431	2500	10
Nov '19	28	35	0
Dec '19	29	38	0
Jan '20	26	33	0
Feb '20	27	37	0
Mar '20	23	30	0
Apr '20	27	33	0
May '20	23	27	0
Jun '20	23	35	0
Jul '20	46	575	1
Aug '20	204	2650	3
Sept '20	693	1800	27
Oct '20	1532	6165	29
Nov '20	736	3260	20
Dec '20	107	270	1



TREATMENT PLANTS:

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

Plant	Design Capacity MGD
Schriever WTP	24
Houma WTP	8
TOTAL:	32

Schriever WTP:

The Schriever WTP is separated into the east and west sides. The east side of the plant has two treatment trains with eight filters, whereas the west side has four treatment trains with sixteen filters. They use the same raw water source but operate independently beginning where the raw water is pumped into the plant to a point after the filters where the water is commingled.

The Schriever Water Plant receives its raw water from Bayou Lafourche. There is a raw water reservoir on site to store the raw water and allow most of the solids to settle out of the water column. Two pipes bring the raw water from the reservoir to the clarifiers, one for the east treatment trains and the other for the west treatment trains. Chlorine dioxide and alum are added to the raw water at the beginning of the pipe run. Fluoride and polymer is also added to the west treatment train pipe. (Since the water from the west and east treatment trains are combined prior to distribution, it is not necessary to add fluoride to the east treatment trains as well.) The water is then treated by upflow clarifiers and filters. The west side has gravel, sand, and carbon in the filters with sweeps, while the east side only has sand and carbon with an air scour system. The filters are backwashed every 96 hours on a rotational basis. The backwash water from the filters is sent to a settling pond which has a weir that allows the water to enter the reservoir. When the settling pond needs to be dredged, some solids enter the reservoir causing a silting problem at the connection. (It is TPCW's hope that LDEQ will permit the backwash to be sent back to Bayou Lafourche. This would reduce silting in the reservoir and should not cause a silting problem in Bayou Lafourche because of the velocity of the bayou.) After the filters, the water is injected with corrosion inhibitor and chlorine on its way to separate clearwells. The treated water is then pumped from the clearwells into a 30-inch header

system where ammonium sulfate is added to continue disinfection in the distribution system with chloramines. The water is commingled in the header, before being pumped into two pipes, one heading north and the other south. Any excess water from the clearwells is stored in the ground storage tanks on site. Each storage tank has a mixer, so the water does not become stagnant and is mixed with new water coming in.

The Schriever and Houma WTPs both have SCADA systems. All plant operations, as well as ground storage tanks, can be monitored and controlled at each location individually. In addition, the system at the Schriever WTP can monitor the water towers, standpipes, and the Houma WTP's ground storage pressure, but they have no control of these locations. The control of the distribution system, which the water towers and standpipes are a part of, is part of the SCADA system maintained at the TPCW office. The SCADA system at the Schriever WTP is equipped to monitor pressures in the distribution system. The operators at the Schriever WTP are responsible for monitoring those pressures during non-office hours. TPCW upgraded the programmable logic controller (PLC) for the SCADA system in January 2020.

There are two capital projects currently underway that will enhance the operations of the plant. Those are the installation of a return line from the plant to Bayou Lafourche for the backwash water and the Lefort Canal pipe rerouting to bypass the settling tank and reservoir. Currently the backwash water is returned to the reservoir after most of the solids are removed in the settling pond. When the settling pond needs dredging a large amount of solids enters the reservoir, which in turn needs to be dredged periodically to maintain capacity. This project to return the slurry to Bayou LaFourche instead of the reservoir is on the Capital Improvement list and is in the design stage. The Lefort Canal Rerouting would bring the raw water directly to the WTP. Currently this reservoir bypass is possible but is not the standard method of operation. The reservoir would not be taken out of service completely but would be used as a backup source of water. Prior to the rerouting, the intake structure at the LeFort Canal Pump Station needs to be modified because a significant amount of air is being sucked up during pumping operations. Once this is fixed, then the rerouting project can begin the planning stages.

In 2019-2020, several chemical tanks were replaced including, but not limited to, the fluoride and ammonium sulfate tanks. Another project underway is the renovation of the Schriever office which is being completed in-house by the operators. Additional offices were created, and a new speaker system installed.

Painting of the office was completed in early 2020. The painting of the interior of the remaining plant is currently underway.

The department head and the plant supervisors have requested several in-house maintenance projects and capital improvement projects be completed within the near future. The replacement of the roof on the main building and lab building is on that project list. The concrete driveway on the west side of the plant is being replaced panel by panel as time allows. As stated previously several chemical tanks have been replaced but two more are needed. Finally, the dredging of the settling pond and reservoir is being scheduled and should begin in the few months.

Houma WTP:

The Houma WTP operates two separate treatment trains that run identically. The raw water is typically pumped from the GIWW and when salinity becomes a concern, from the reservoir. There are two suction pumps at the intake structure. Chlorine dioxide, alum, and a polymer is added immediately after the pumps. If the water is being taken directly from the GIWW, polyaluminum chloride coagulant (PACC) is also added to help with sludge blanket formation. The raw water then enters one of the two clarifiers. Each clarifier can produce 4 mgd of treated water. Since the demand from the plant has been reduced in recent years, they operate one clarifier at 4 mgd for 12 hours a day. That plant will stay in operation for approximately six months and then the other will be put online. After exiting the clarifier, chlorine is added to the partially treated water in the trough before it enters the filters. The eight filters have gravel, sand, and anthracite. None of the filters currently have air scour for backwashing. From the filters the water goes to the clearwell for additional contact time. Pumps then take the water from the clearwell and transfer it to four carbon vessels where it is filtered even further. Free chlorine is added to the water prior to it entering the ground storage tanks since the carbon filters removed the chlorine. Ammonia and sodium hypochlorite must be injected as the water leaves the ground storage tanks to make chloramines as it enters the distribution system. The Houma WTP has two 2-million-gallon concrete ground storage tanks. Four pumps can be used to pump potable water into two distribution lines, a 12-inch and a 24-inch.

The raw water intake structure is currently being repaired. The structure itself had corroded, so TPCW is replacing the steel. Half of the structure has been replaced along with the pump. The other half of the structure is constructed but has not been erected in place. The pump for that half is being refurbished.

The department head requested several projects for the Houma WTP as well. These included replacing the remaining three chemical storage tanks that were not replaced in 2019-2020, replacing the screen structure at the Waterproof intake station, replacing the floor tile in the control room, and rehabilitating/replacing the concrete floors in the chlorine room and alum containment areas. The floor in the chlorine room cannot be replaced before the door and surrounding framework is replaced.

Another concern for the Houma WTP is the Hanson Canal Pump Station project that is being constructed by TPCG. It is our understanding that the pumps will be bigger and thus pump more water from Bayou Black into the Hanson Canal. By redirecting this flow, how will the raw water source for the Houma WTP be impacted? Will salinity become a bigger issue because there is not as much fresh water coming downstream thus allowing more water to travel upstream? The operators are aware and will be monitoring the raw water source closer and making chemical feed adjustments as necessary when the project goes online.

WATER TRANSMISSION AND DISTRIBUTION:

The water distribution systems for the two public water systems of TPCW include major transmission lines ranging from 16 inches to 36 inches in diameter. The two WTPs are interconnected through the ground storage tanks at the Houma WTP. Two ground storage tanks are located at the Houma Plant and two are located at the Schriever Plant. The Schriever Plant has a combined storage capacity of six million gallons, while the Houma Plant has a combined storage of four million gallons. Two 3-million-gallon standpipes and sixteen water towers within the network additionally support the system. The total water storage capacity of TPCW is 18.95 million gallons. The system is comprised of approximately 915 miles of transmission and distribution piping ranging in sizes (as a % of the total) as follows:

36-inches - 14-inches	7.60%
12-inches - 8-inches	60.92%
6-inches - 4-inches	28.84%
Less than 4-inches	2.64%

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. For larger transmission lines, concrete pipe is sometimes used because of its cost efficiency.

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 TPCW and the State of Louisiana Department of Health (LDH) for approval prior to construction. TPCW maintains standard specifications, which stipulates approved materials 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 TPCW's Board prior to the transfer of title to TPCW. Upon acceptance, TPCW receives the servitudes in which the waterlines were constructed and assumes ownership and operating and maintenance obligations.

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

Subdivision Names	No. of Lots	Length (ft.)
High Land Development Phase 3	3 Lots	1,590
La Belle Maison Phase C&D	28 Lots	2,969
12-Inch Waterline Along Valhi Blvd.	Waterline	600
Bayou Country Sports Park Waterline Extension	Waterline	818
Imperial Landing Subdivision Phase A	36 Lots	2,531
Belmont Place Subdivision	132 Lots	7,184
Gold Drive Waterline	1 Lot	440
West Thibodaux Bypass Road Waterline	9 Lots	1,240
Heritage Manor of Houma	5 Lots	1,783
TOTAL	214 Lots	19,155 ft.

CURRENT RATE STRUCTURE:

Table I indicates the water rates of TPCW, which were used during this fiscal year. From July through September 2019, the residential "S" customers paid a minimum of $7.50, commercial and industrial

"C" customers paid $15.00, while Export "E" customers paid $30.00. Those minimums were increased to $10.00, $20.00, and $40.00, respectively on October 1, 2019. 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 $3.60 and $3.85 per 1,000 gallons, respectively. Above 30,000 gallons they paid $4.15 and $4.40 per 1,000 gallons, respectively. Export customers paid $4.47 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 rate structure for the City Power Plant that was changed twice during the Fiscal Year. The first changed occurred on September 1, 2019 when the Power Plant was switched to the commercial "C" rates. The "C" minimum charge was increase on October 1, 2019 and therefore, the Power Plant experienced another rate increase.

TABLE I
Water Rates
July 1, 2019 to June 30, 2020

"S" Rate: Single Occ. Residential

Meter	Gallons	Effective Beginning July 1, 2017 / October 1, 2019
All Meters	2,000 Gals. (Minimum)	$7.50 / $10.00
Rate per 1,000 gallons	Above Minimum to 30,000 Gals.	$3.60
	Over 30,000 Gals.	$4.15

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

"C" Rate: Commercial, Industrial, and Institutional

Meter	Gallons	Effective Beginning July 1, 2017 / October 1, 2019
All Meters	2,000 Gals. (Minimum)	$15.00 / $20.00
Rate per 1,000 gallons	Above Minimum to 30,000 Gals.	$3.85
	Over 30,000 Gals.	$4.40

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, 2017 / October 1, 2019
All Meters	2,000 Gals. (Minimum)	$30.00 / $40.00
Rate per 1,000 gallons	Above Minimum	$4.47

City Power Plant *

Effective August 1, 2012 through August 31, 2019
$1.30

All water consumed

*The Power Plant was charged the "C" rate above beginning September 1, 2019.

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 $1.72443 per 1,000 gallons. The rate is established annually by the DISTRICT'S Auditor. 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 $1.16771+$0.46709, or $1.63480.

SERVICE CONNECTION:

The rates for meter deposits and other fees are shown in **Table II** with the dates on which they became effective.

TPCW's staff periodically reviews expenditures of costs associated with the installation of new service connections. TPCW'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 TPCW on expense vouchers. The average cost of a service installation during 2019-2020 was $799/service. TPCW currently charges $840 per service connection. This means that TPCW did not lose money for a service connection which was the case in previous years.

PROPERTY VALUATION:

Although TPCW does not have ad valorem tax bonds outstanding currently, 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 TPCW's consolidation.

TABLE II

Meter Deposits and Other Fees

July 1, 2019 to June 30, 2020

METER DEPOSITS	FEE	Effective Date
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/Transfer Fee	$25.00	8/1/2012
Disconnect/Reconnect Fees	$25.00	8/1/2012
Reconnect after hours	$25.00 *	7/1/2001
Call-Out Fee	$30.00	7/1/2001
Delinquent w/ water valve in box found open	$30.00 *	8/1/2012
NSF/returned checks	$25.00	5/1/2008
Meter Damage Fee	$150.00	

*In Addition To Required Reconnect Fee

TABLE III

History of Assessed Valuation

July 1, 2019 to June 30, 2020

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
2016	$922,511,933	$181,538,770	$1,104,050,703	$16,878,896
2017	$951,124,643	$181,919,325	$1,133,043,968	$28,993,265
2018	$948,226,968	$181,469,945	$1,129,696,913	($3,347,055)
2019	$1,007,034,509	$178,986,935	$1,186,021,444	$56,324,531
2020	$1,041,672,410	$181,317,920	$1,222,990,330	$36,968,886

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 TPCW. 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**. "Unaccounted for Water" for water distribution systems is typically between 20 and 25% in the Southeastern United States. The monthly "Unaccounted for Water" in the system ranged from 20.08% to 40.36% with an annual average of 28.53%, which is slightly higher than the US average range. The average "Unaccounted for Water" is slightly less than last year. This increase in "Unaccounted for Water" is partially due to TPCW better managing the flushing points. In the past, flushing was largely estimated based on time and flow rates of the autoflushers. Meters have been installed on most of the flushing points, thus minimizing the need for estimations. It is now known that the previous estimations were higher than the actual amount flushed. 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, and
6. timing of meter reading (plant's production versus meter reading and billings).

TABLE IV

Operation Statistics of Sales and Consumption

July 1, 2019 to June 30, 2020

MONTH	NUMBER OF CUSTOMERS	NET SALES ($)	QUANTITY SOLD (Gallons)	AVERAGE BILL (per Customer per Month)	AVERAGE CONSUMPTION (per Customer per Month (Gals.))
July, 2019	43,444	$1,530,145.47	345,751,400	$35.22	7,959
August	43,454	$1,332,025.02	320,327,800	$30.65	7,372
September	43,406	$1,447,066.56	333,815,500	$33.34	7,691
October	43,511	$1,592,066.13	323,008,000	$36.59	7,424
November	43,404	$1,456,911.36	308,131,400	$33.57	7,099
December	43,397	$1,456,168.92	291,690,400	$33.55	6,721
January, 2020	43,376	$1,472,006.07	298,864,600	$33.94	6,890
February	43,366	$1,386,159.75	284,551,000	$31.96	6,562
March	43,546	$1,301,138.15	258,553,100	$29.88	5,937
April	43,463	$1,477,550.47	302,050,000	$34.00	6,950
May	43,486	$1,539,422.96	319,105,403	$35.40	7,338
June	43,593	$1,475,094.72	302,469,900	$33.84	6,938
TOTAL		$17,465,755.58	3,688,318,503		

Average number of Customers per Month	43,454	
Average Customer Bill per Month	$33.49	
Average Customer Consumption per Month	7,073	gallons per month

TABLE V

History of Customer Usage

July 1, 2019 to June 30, 2020

Year Ending 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
2016	43,688	$30.45	7,256
2017	43,421	$30.62	7,143
2018	43,424	$30.63	7,078
2019	43,398	$29.64	6,724
2020	43,454	$33.49	7,073

PLATE 2

Quantity of Water Produced and Sold

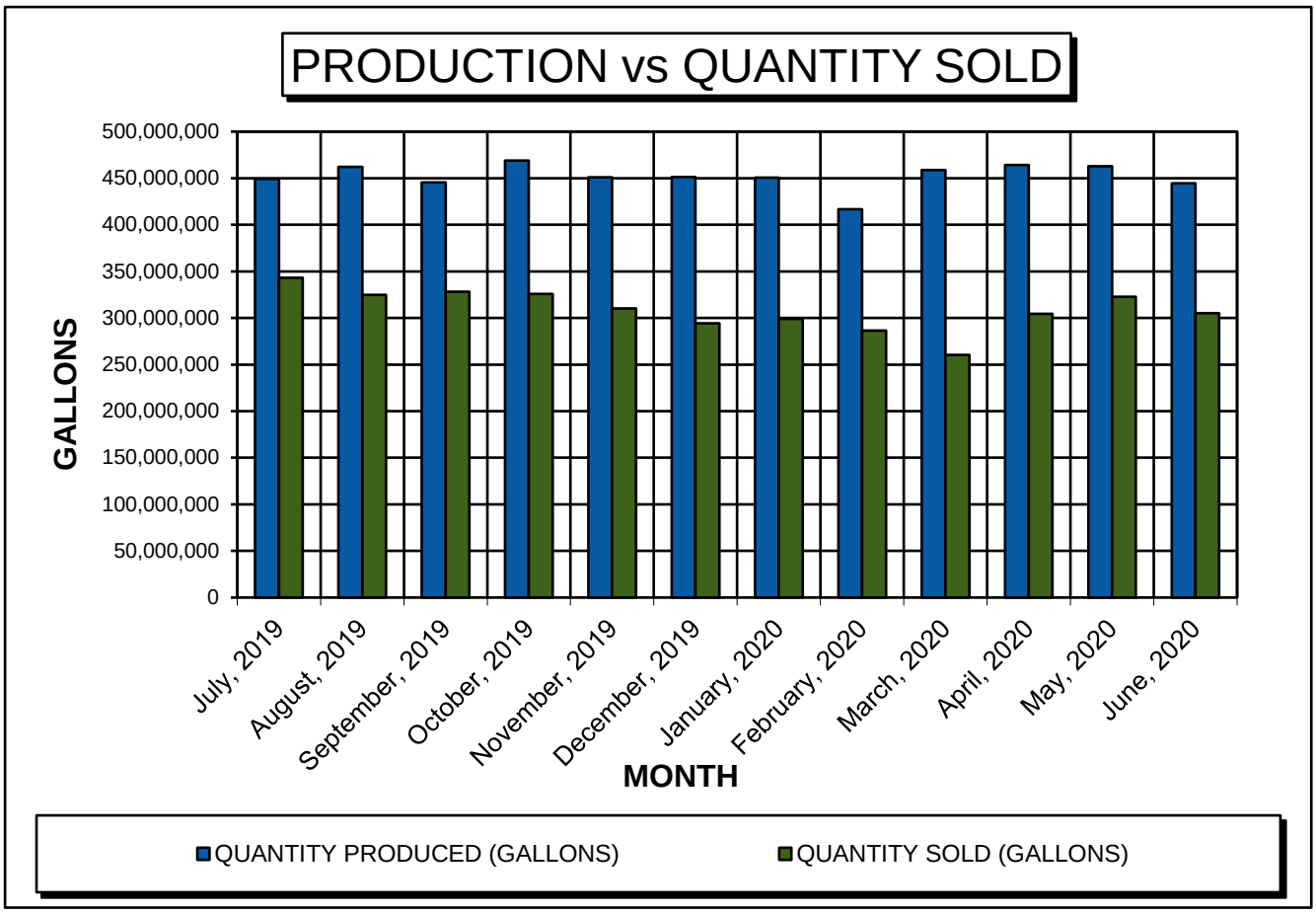
July 1, 2019 to June 30, 2020

MONTH	QUANTITY PRODUCED (GALLONS)	QUANTITY SOLD (GALLONS)	OTHER SALES NOT METERED (GALLONS)	TOTAL QUANTITY SOLD (GALLONS)	KNOWN FLUSHINGS (GALLONS)	WATER LOSS IN SYSTEM
July, 2019	449,215,000	339,837,200	3,323,530	343,160,730	15,850,811	20.08%
August, 2019	462,199,000	320,327,800	4,313,040	324,640,840	12,596,563	27.04%
September, 2019	445,366,000	324,962,500	3,358,120	328,320,620	13,049,323	23.35%
October, 2019	468,917,000	323,008,000	2,744,365	325,752,365	14,202,405	27.50%
November, 2019	450,990,000	308,131,400	2,041,154	310,172,554	14,265,303	28.06%
December, 2019	451,386,000	291,690,400	2,434,673	294,125,073	15,606,924	31.38%
January, 2020	450,579,000	296,140,300	2,995,157	299,135,457	15,640,086	30.14%
February, 2020	416,683,000	284,551,100	1,776,074	286,327,174	14,887,636	27.71%
March, 2020	458,919,000	258,553,100	1,953,070	260,506,170	13,185,872	40.36%
April, 2020	464,204,000	302,050,000	2,486,399	304,536,399	14,026,019	31.37%
May, 2020	462,969,000	319,933,900	2,852,020	322,785,920	14,514,456	27.14%
June, 2020	444,420,000	302,469,900	2,834,480	305,304,380	15,302,707	27.86%
TOTAL	5,425,847,000	3,671,655,600	33,112,082	3,704,767,682	173,128,107	28.53%
AVG/MONTH	452,153,917	305,971,300	2,759,340	308,730,640	14,427,342	28.53%

PLATE 2

Quantity of Water Produced and Sold

July 1, 2019 to June 30, 2020



PLANT PRODUCTION	MONTH	QUANTITY PRODUCED (GALLONS)	WATER LOSS IN THE SYSTEM
Least Production Months	February, 2020	416,683,000	27.71%
	June, 2020	444,420,000	27.86%
	September, 2019	445,366,000	23.35%
	July, 2019	449,215,000	20.08%
Average Production Months	January, 2020	450,579,000	30.14%
	November, 2019	450,990,000	28.06%
	December, 2019	451,386,000	31.38%
	March, 2020	458,919,000	40.36%
Highest Production Months	August, 2019	462,199,000	27.04%
	May, 2020	462,969,000	27.14%
	April, 2020	464,204,000	31.37%
	October, 2019	468,917,000	27.50%

REVENUES PER METERED CUSTOMER:

Table VI shows the total revenue per customer for TPCW as derived from TPCW's financial report for the year ending June 30, 2020. 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. The average revenue collected from each customer per month increased from the previous year by $3.44 and for the 2019-2020 year was $35.93. This was likely due to the increase in the minimum charges in October of 2019.

EXPENSES PER METERED CUSTOMER:

Table VII shows the total expenses per customer for TPCW as derived from TPCW's financial report for the year ending June 30, 2020. The average expense attributed to each customer per month decrease by almost $1 in comparison to the previous year. This is unusual and can be attributed to a negative $1.2 million in the Other Postemployment Benefits (OPEB) for the Engineering Department.

OPERATING SURPLUS:

The net operating surplus of TPCW 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 2007 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. An ordinance raised the variable rates by $0.10 per year through 2017 (fiscal year ending 2018) which explains the slight increases in revenue through 2018 and then a decrease in 2019. As previously discussed, the increase in the minimum charge on October 1, 2019 caused an increase in revenues in 2020. As is expected, expenses continued to increase with only a slight decrease in 2015 and 2016. There was a decrease in 2020 due to a re-evaluation in the OPEB expenses. Due to the increase in expenses and the decrease in revenues, the surplus per customer per month increased by $6.68 in 2020. This is the highest surplus per customer per month since 1995 when we began tracking this metric.

TABLE VI

Total Revenue Per Customer

July 1, 2019 to June 30, 2020

	Actual 2018-2019	Actual 2019-2020	Difference
Operating Revenue			
Sales	$15,459,210	$17,442,325	$1,983,115
Lafourche Parish Sales	$30,062	$27,453	($2,609)
Service Connections	$137,555	$152,745	$15,190
Meter Installation Fees	$137,025	$129,351	($7,674)
Penalties & Reconnect Fees	$159,063	$120,656	($38,407)
Total Operating Revenue	$15,922,915	$17,872,530	$1,949,615
Contract Services and Other Revenue			
Service Agreements			
Sewerage Districts	$215,064	$233,701	$18,637
Garbage collections	$110,232	$111,963	$1,731
* Interest on Investments	$466,478	$327,574	($138,904)
LA Act 125	$25,620	$25,992	$372
Miscellaneous	$179,107	$165,674	($13,433)
Total Other Revenue	$996,501	$864,904	($131,597)
Total Revenue	$16,919,416	$18,737,434	$1,818,018
Average Number of Customers	43,398	43,454	56
Operating Revenue/Customer/Month	$30.58	$34.27	$3.69
Other Revenue/Customer/Month	$1.91	$1.66	($0.25)
Total Revenue/Customer/Month	$32.49	$35.93	$3.44

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

TABLE VII

Operating Expenses Per Customer

July 1, 2019 to June 30, 2020

	Actual 2018-2019	Actual 2019-2020	Difference
Operating Expenses			
Department			
Administration	$1,018,946	$1,031,881	$12,935
Billings & Collections	$1,179,306	$1,709,889	$530,583
Meter Reading	$760,862	$1,037,036	$276,174
Warehouse & Meter Shop	$454,406	$111,281	($343,125)
Operations	$149,442	$160,458	$11,016
Engineering	$1,347,564	$49,151	($1,298,413)
Maintenance & Field Crews	$2,615,218	$2,916,073	$300,855
Waterplant*	$4,036,397	$4,421,872	$385,475
Bac-T-Lab	$444,613	$96,564	($348,049)
Total Operating Expenses (BEFORE Depreciation)	$12,006,754	$11,534,205	($472,549)
Add:			
Depreciation	$3,699,560	$3,716,825	$17,265
Total Operating Expenses (AFTER Depreciation)	$15,706,314	$15,251,030	($455,284)
Average Number of Customers	43,398	43,454	56
Operating Expense/Customer/Month (BEFORE Depreciation)	$23.06	$22.12	($0.94)
Operating Expense/Customer/Month (AFTER Depreciation)	$30.16	$29.25	($0.91)

* Waterplant expenses does not include filter amortization.

TABLE VIII

Net Surplus Per Customer

July 1, 2019 to June 30, 2020

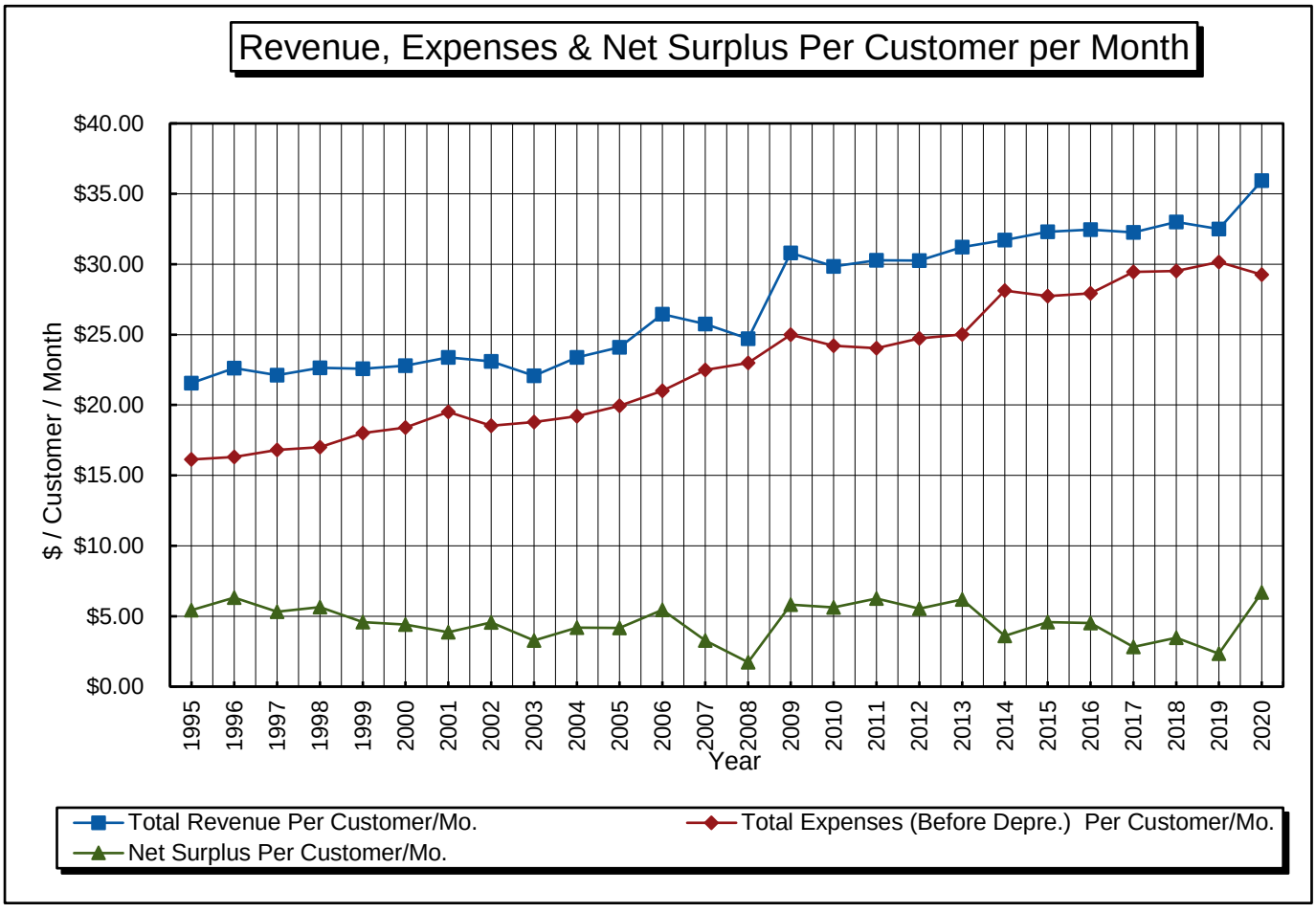
	Actual 2018-2019	Actual 2019-2020	Difference
REVENUE			
Operating Revenue	$15,922,915	$17,872,530	$ 1,949,615
Other Revenue	$996,501	$864,904	($131,597)
TOTAL REVENUE	$16,919,416	$18,737,434	1,818,018
EXPENSES			
Operating Expenses	$12,006,754	$11,534,205	$ (472,549)
OPERATING SURPLUS (BEFORE Depreciation)	$4,912,662	$7,203,229	2,290,567
Less: Depreciation	$3,699,560	$3,716,825	$ 17,265
OPERATING SURPLUS (AFTER Depreciation)	$1,213,102	$3,486,404	2,273,302
Average Number of Customers	43,398	43,454	56
Operating Surplus/Customer/Month (BEFORE Depreciation)	$9.43	$13.81	$ 4.38
Operating Surplus/Customer/Month (AFTER Depreciation)	$2.33	$6.69	$ 4.36

TABLE IX

History of Revenue, Expenses and Net Surplus

July 1, 2019 to June 30, 2020

Year Ending June 30th	Total Revenue Per Customer/Mo.	Total Expenses (Before Depre.) Per Customer/Mo.	Net Surplus Per Customer/Mo.
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
2016	$32.45	$27.93	$4.52
2017	$32.27	$29.46	$2.81
2018	$33.00	$29.52	$3.48
2019	$32.49	$30.16	$2.33
2020	$35.93	$29.25	$6.68



SECTION III

PERFORMANCE OF ACTUAL AND BUDGETED YEAR

GENERAL:

Each year, the engineering consultant, TPCW's auditor, General Manager, Chief Operating Officer, 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 TPCW's Board for review and approval.

PROJECTED REVENUE AND EXPENDITURES:

Actual audited revenues of the year ending June 30, 2020, 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 TPCW's auditor does not include amortization of painting of water towers and filter media in department expenses as shown in TPCW's budget. TPCW 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. The auditor includes the filter media in the audit under line item "Depreciation and Amortization". 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
July 1, 2019 to June 30, 2020

	Actual 2019-2020	Budgeted 2020-2021	Difference
Operating Revenue			
Sales	$17,442,325	$17,350,000	($92,325)
Lafourche Parish Sales	$27,453	$25,000	($2,453)
Service Connections	$152,745	$138,600	($14,145)
Meter Installation Fees	$129,351	$130,000	$649
Penalties & Reconnect Fees	$120,656	$125,000	$4,344
Total Operating Revenue	$17,872,530	$17,768,600	($103,930)
Contract Services and Other Revenue			
Service Agreements			
Sewerage Districts	$233,701	$220,000	($13,701)
Garbage collections	$111,963	$130,000	$18,037
Interest on Investments	$327,574	$325,000	($2,574)
LA Act 125	$25,992	$25,000	($992)
Miscellaneous	$165,674	$60,000	($105,674)
Total Other Revenue	$864,904	$760,000	($104,904)
Total Revenue	$18,737,434	$18,528,600	($208,834)

TABLE XI

Audited and Budgeted Operating Expenses

July 1, 2019 to June 30, 2020

OPERATING EXPENSES	ACTUAL 2019-2020	BUDGETED 2020-2021	Difference
DEPARTMENT			
Administrative	$1,031,881	$1,105,060	$73,179
Billings and Collections	$1,709,889	$1,318,694	($391,195)
Meter Reading	$1,037,036	$958,280	($78,756)
Warehouse and Meter Shop	$111,281	$409,841	$298,560
Utilities - Operations	$160,458	$155,000	($5,458)
Engineering	$49,151	$1,358,380	$1,309,229
Maintenance and Field Crews	$2,916,073	$2,529,797	($386,276)
Waterplant	$4,421,872	$4,361,216	($60,656)
Bac-T-Lab	$96,564	$538,048	$441,484
TOTAL OPERATING EXPENSES (BEFORE Depreciation & Amortization)	$11,534,205	$12,734,316	$1,200,111

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 TPCW be sufficient in meeting parity income requirements as set forth in the Revenue Bond Resolutions. At present, TPCW has five outstanding bonds. The 2010 bonds and 2014 DHH bonds require 125% of that year's principal and interest payment to meet parity. The 2012A and 2014 bonds mandate that revenues are sufficient to realize an operating surplus to cover 120% of the maximum future annual debt payment before depreciation and amortization. The newest bond issued in 2019 requires that revenues are sufficient to realize an operating surplus to cover 125% of the maximum future annual debt payment before depreciation and amortization. The principal and interest payments for 2020 through 2037 were evaluated to determine which requirement would yield the highest parity for each year. It was determined the 2019 bond requirement of 125% of the future maximum annual payment would be the greatest requirement until it is paid off in 2037.

It is seen that the system met its parity income requirements for the 2019-2020 fiscal year with sufficient funds to cover 125% of the future maximum annual payment which is $3,236,619 and had an excess of $4,070,610. The parity income requirements for 2020-2021 is the same as the 2019-2020 fiscal year. It is projected that TPCW will meet this requirement and have an excess of $2,661,665 for the 2020-2021 fiscal year. The debt retirement schedule (**Appendix C**) shows the semi-annual debt payments for future years.

TABLE XII

Audited and Budgeted Surplus and Parity Income

July 1, 2019 to June 30, 2020

	Actual 2019-2020	Budgeted 2020-2021	Difference
REVENUE			
Total Operating Revenue	$17,872,530	$17,768,600	($103,930)
Total Other Revenue	$864,904	$760,000	($104,904)
Total Revenue	$18,737,434	$18,528,600	($208,834)
EXPENSES			
Total Operating Expenses	$11,534,205	$12,734,316	$1,200,111
Service Connections (Parts & Contract Labor)	$141,440	$75,000	($66,440)
Total Expenses	$11,675,645	$12,809,316	$1,133,671
Surplus (BEFORE Depreciation)	$7,061,789	$5,719,284	($1,342,505)
less: Transfers			
Revenue Bonds (Sinking Fund & Reserve)	$2,484,375	$2,613,083	$128,708
Depreciation & Contingency Fund	$954,926	$926,430	($28,496)
Total Transfers	$3,439,301	$3,539,513	$100,212
Net Surplus	$3,622,488	$2,179,771	($1,442,717)
PARITY INCOME			
Net Surplus	$3,622,488	$2,179,771	($1,442,717)
Transfer: Revenue Bond Sinking Fund	$2,484,375	$2,613,083	$128,708
Transfer: Depreciation & Contingency Fund	$954,926	$926,430	($28,496)
Service Connections (Parts & Contract Labor)	$141,440	$75,000	($66,440)
Reserve Filter Media Amortization	$104,000	$104,000	$0
Total Parity Income	$7,307,229	$5,898,284	($1,408,945)
REQUIRED PARITY INCOME			
Maximum Amount of Principal & Interest	$2,589,295	$2,589,295	$0
*Coverage @ 125% of Annual Principal & Interest	$647,324	$647,324	$0
Required Parity Income	$3,236,619	$3,236,619	$0
Excess Income for Parity Purposes	$4,070,610	$2,661,665	($1,408,945)
% of Operating Revenue Available for Projects	26.40%	18.62%	

*The bond ordinances differ in coverage requirements. Therefore, the higher of the coverage requirements was used. The 125% coverage of the maximum succeeding year will be higher until the bonds are paid off in 2037.

SECTION IV

CAPITAL OUTLAY

2010 BOND ISSUE:

TPCW applied for and received a loan from the Louisiana Department of Health (LDH), through the Drinking Water Revolving Loan Fund (DWRLF), for $1.9 million at 3.45% interest. These funds were used to pay the remainder of the North and South Terrebonne Standpipes Renovation (L-02-017-02) and the construction of a ground storage tank at the Schriever Water Treatment Project (CIP-07-03-06). This bond issue requires 125% coverage of that year's principal and interest payments to meet parity. It also requires a minimum of $200,000 in the Depreciation and Contingencies Fund. This bond issue will be paid off in 2030.

2012 BOND ISSUES:

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. These bond issues require 120% coverage of the maximum principal and interest payments for future years to meet parity. It also requires a minimum of $300,000 in the Depreciation and Contingencies Fund. The last payment for the 2012B bonds was in 2017. In the fall of 2019, a bond was issued to refund most of the 2012A bonds. Due to this refunding, the remaining $1.765 million will be paid off in November 2022.

2014 BOND ISSUES:

TPCW 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. This bond issue requires 120% coverage of the maximum principal and interest payments for future years to meet parity. It also requires a minimum of $300,000 in the Depreciation and Contingencies Fund. This bond will expire in 2023.

TPCW also issued $4.2 million in bonds through LDH's DWRLF. LDH is forgiving $1.125 million of these bonds. The remaining amount will have a 3.45% interest rate. This bond issue requires 125% coverage of that year's principal and interest payments to meet parity. It also requires a minimum of $200,000 in the Depreciation and Contingencies Fund. This bond will be paid off in 2035.

2019 BOND ISSUE:

TPCW refinanced most of the 2012A bonds in the amount of $14.32 million at a variable interest rate not exceeding 3.248%. They were paying 4% interest prior. This bond issue requires 125% coverage of the maximum principal and interest payments for future years to meet parity. It also requires a minimum of $300,000 in the Depreciation and Contingencies Fund. This bond will expire in 2037.

Table XIII shows the bond projects along with the list of local projects funded by TPCW using Surplus and Capital Additions funds. Some of these projects were completed prior to the end of the fiscal year. The completed bond projects remain on the list to determine the amount of funds remaining to be allocated ($80,497.84). There are also several projects that are being funded or partially funded by other agencies. Finally, there are two sets of local projects; those authorized prior to June 30, 2020 and those authorized afterwards. The balance to complete all the projects authorized prior to June 30, 2020 is approximately $2.37 million. The authorized local projects for the 2020-2021 Fiscal Year have a total budget of $2.62 million.

FUTURE PROJECTS:

The staff discussed other projects they would like to see completed at the plants and in the distribution system. These projects are not necessary at this time but will require funds to be set aside if TPCW decides to move forward with them.

Distribution System

1. Highway 55 Waterline Replacement Project – Replace approximately 19,000 feet of 8-inch waterline from Klondyke tank to Highway 665
2. Abandon redundant lines in the City of Houma
    a. Saadi Street
    b. Main Street Downtown
    c. Grinage Street
    d. Goode Street
    e. Verrett Street
3. Replace waterlines along Highway 24 South (Main Street) from Highway 311 to Highway 660
4. Demolition of Grand Caillou Tank
5. Commissioning of South Terrebonne Pump
6. Replace inoperable valves in various locations

Schriever WTP

1. Renovations to the chlorine room, including repairs to the cylinder racks, paint, and adding heaters
2. Inspection and possible repairs to the walls of the filters and clarifiers on the east side of the plant
3. Installation of automated valves on the filters

Houma WTP

1. Conduct maintenance on the raw water reservoir
2. Install VFD controls on the Reservoir Intake Pumps
3. Ground storage tank bypass for Schriever WTP to supply water to Houma WTP's service area

TABLE XIII
Incomplete Projects
July 1, 2019 to June 30, 2020

Project No.	Project Description	Engineer	Engineering Fee	Other/ Contingencies	Construction Cost	Overbudget / (Under Budget)	Total Project Budget	Paid to Date	Balance
Funds Provided by DWRLF 2014A Bonds									
CIP-4-13-01	Operating & Maintenance Manual	In House	$ 125,000.00	$ -	$ -	$ -	$ 125,000.00	$ 6,325.00	$ 118,675.00
**CIP-9-16-04	Waterline Along Bayou Blue Road	All South Consulting Engineers, LLC	$ 221,208.00		$ 920,083.51	$ (125,209.27)	$ 1,016,082.24	$ 1,016,082.24	$ -
CIP-9-18-03	Slurry Line - Schriever Plant to Bayou Lafourche	David Waitz Engineering, Inc.	$ 221,750.00	$ 87,500.00	$ 875,000.00	$ -	$ 1,184,250.00	$ -	$ 1,184,250.00
		SUBTOTAL	**$ 567,958.00**	**$ 87,500.00**	**$ 1,795,083.51**	**$ (125,209.27)**	**$ 2,325,332.24**	**$ 1,022,407.24**	**$ 1,302,925.00**
Funds Provided with Grant Assistance (Remainder to be Paid by District Surplus)									
L-4-17-01	Replacement of Water Mains Along Palm Avenue	Aptim	$ 80,052.00	$ 17,798.16	$ 355,963.13	$ 74,415.54	$ 528,228.83	$ 238,925.82	$ 289,303.01
**SPN-H.008411	Bayou Terrebonne Bridge (LA660 & LA24) Waterline Relocation	Milford & Associates, Inc.	$ 54,112.79	$ 22,455.00	$ 170,406.00	$ 3,136.07	$ 250,109.86	$ 250,109.86	$ -
**SPN-H.001498	Waterline Replacement Under Company Canal	Providence Engineering and Design, LLC	$ 55,000.00	$ 10,500.00	$ 105,000.00	$ (10,184.67)	$ 160,315.33	$ 160,315.33	$ -
SPN-H.010890	Hollywood Road Roundabout	Hide Tide Consultants, LLC	$ 39,040.00	$ -	$ 73,688.00	$ 10,259.96	$ 122,987.96	$ 104,871.23	$ 18,116.73
L-6-20-02	Waterline Through Bayou Country Sports Park - Hwy 311 to Valhi	All South Consulting Engineers, LLC	$ 53,966.00	$ 33,495.00	$ 334,950.00	$ -	$ 422,411.00	$ -	$ 422,411.00
		SUBTOTAL	**$ 282,170.79**	**$ 84,248.16**	**$ 1,040,007.13**	**$ 77,626.90**	**$ 1,484,052.98**	**$ 754,222.24**	**$ 729,830.74**
						GRANT AMOUNT	**$ 877,687.15**		
						AMOUNT PROVIDED BY DISTRICT	**$ 606,365.83**		
Local Projects Committed prior to June 30, 2020 (Funds Provided by District Surplus)									
**L-12-15-05	Office Renovations	Houston Lirette, Architect	$ 94,487.00	$ 74,448.70	$ 650,000.00	$ 24,272.44	$ 843,208.14	$ 843,208.14	$ -
**L-1-16-02	Office Roof Replacement	Houston Lirette, Architect	$ -	$ -	$ 150,000.00	$ 51,886.39	$ 201,886.39	$ 201,886.39	$ -
**L-3-19-01	Poine-Aux-Chenes Tank Relocate Overflow Line	Hide Tide Consultants, LLC	$ 500.00	$ -	$ 23,625.00	$ 200.00	$ 24,325.00	$ 24,325.00	$ -
*L-5-19-02	Neptune Pilot Program	In-House	$ -	$ -	$ -	$ -	$ -	$ -	$ -
**L-7-19-03	Waterline Participation 2019-2020	In-House	$ -	$ -	$ 125,000.00	$ (125,000.00)	$ -	$ -	$ -
**L-4-20-01	Lower Montegut Waterline Replacement	In-House	$ -	$ -	$ 125,000.00		$ 125,000.00	$ -	$ 125,000.00
		SUBTOTAL	**$ 94,987.00**	**$ 74,448.70**	**$ 1,073,625.00**	**$ (48,641.17)**	**$ 1,194,419.53**	**$ 1,069,419.53**	**$ 125,000.00**
						BALANCE FOR ALL PROJECTS AUTHORIZED PRIOR TO JUNE 30, 2020		**$**	**2,157,755.74**
Local Projects Committed after June 30, 2020 (Funds Provided by District Surplus)									
L-7-20-03	Waterline Participation 2020-2021	In-House	$ -	$ -	$ 125,000.00	$ -	$ 125,000.00	$ -	$ 125,000.00
L-7-20-04	Montegut Waterline Replacement	High Tide Consultants, LLC	$ 175,757.23	$ -	$ 1,488,657.50	$ -	$ 1,664,414.73	$ -	$ 1,664,414.73
L-7-20-05	Tank Painting & Repairs - Dulac Tank	In-House	$ 4,815.13	$ -	$ 163,145.00	$ -	$ 167,960.13	$ -	$ 167,960.13
L-7-20-06	Tank Painting & Repairs - Lower Dulac Tank	In-House	$ -	$ -	$ 67,290.00	$ -	$ 67,290.00	$ -	$ 67,290.00
L-12-20-07	Lefort Canal Intake Repairs	In-House	$ -	$ -	$ 150,000.00	$ -	$ 150,000.00	$ -	$ 150,000.00
L-12-20-08	Schriever WTP Reservoir Dredging		$ -	$ -	$ 450,000.00	$ -	$ 450,000.00	$ -	$ 450,000.00
		SUBTOTAL	**$ 180,572.36**	**$ -**	**$ 2,444,092.50**	**$ -**	**$ 2,624,664.86**	**$ -**	**$ 2,624,664.86**

*Contract was terminated.
** Completed prior to June 30, 2020.

As of June 30, 2020, TPCW has a balance in various accounts for Annual Capital Outlay purposes in the following amounts:

Surplus Fund (Cash)	$ 165,759	
Surplus Fund – CD Invest.	825,000	
Surplus Fund – LAMP	14,569,000	
Depreciation & Contingency – CD Invest.	1,950,000	
Depreciation & Contingency – Savings	1,227,650	
Depreciation & Contingency – LAMP	1,473,000	
		$ 20,210,409
Less: Reserve for Capital and Contingency Fund		(-$ 300,000)
Total Funds Available for Annual Capital Projects		$ 19,910,409

In addition to the funds in TPCW's accounts, five projects (L-4-17-01, SPN-H.008411, SPN-H.001498, SPN-H.010890, and L-6-20-02) received or will be receiving funds from various federal, state, and local departments. TPCG provided $122,074 for L-4-17-01, Replace Water Mains Along Palm Avenue and those funds are included in the above Total Funds Available for Annual Capital Projects. H.008411 is the Bayou Terrebonne Bridge (LA660 & LA24) Waterline Relocation project and was fully reimbursed ($250,109.86) by LA Department of Transportation and Development (LDOTD). H.001498, Waterline Replacement Under Company Canal will be fully reimbursed ($160,315.33) by LDOTD. LDOTD also will provide all funding in the amount of $122,987.96 for H.010890, Hollywood Road Roundabout, which was completed after the end of the fiscal year. Although H.001498 and H.010890 are now completed, LDOTD has yet to reimburse TPCW. A Community Water Enrichment Fund (CWEF) grant will contribute $222,200 to L-6-20-02, Waterline Through Sports Park Complex – Highway 311 to Valhi but the funds have not been received.

The capital improvement and local projects will be funded as shown below. TPCW has annual projects and projects that they have committed to for the 2020-2021 fiscal year that also must be funded and are therefore included in the following calculations. They are shown on **Table XIV**.

Funds for DWRLF 2014A Bond Projects	(-$ 1,302,925)
Funds for Grant Assisted Projects	(-$ 729,831)
Funds for Local Projects Committed prior to June 30, 2020	(-$ 125,000)
Funds for 2020-2021 Committed Local Projects	(-$ 2,624,665)
Funds for 2019-2020 Annual Projects	(-$ 1,445,000)
Funds Required for Previously Committed Projects	(-$ 6,227,421)

Total Unassigned Surplus Capital Funds

Unrestricted Funds (D&C, Surplus, and Bonds)	$ 19,910,409
Projected Reimbursements from Grant Projects (Remaining)	
SPN-H.001498, Waterline Replacement Under Company Canal	$ 160,315
SPN-H.010890, Hollywood Road Roundabout	$ 122,988
L-6-20-02, Waterline Through Bayou Country Sports Park	$ 222,200
Funds Required for Previously Committed Projects	(-$ 6,227,421)
Total Unallocated Surplus Funds	**$ 14,188,491**

The Unallocated Surplus Funds for TPCW as of June 30, 2020 is approximately $14.2 million for other projects TPCW would like to undertake in 2020-2021.

TABLE XIV
Additional Local Projects for 2020-2021

Annual Projects

Residential Meter Replacements (20 yrs.)	$	250,000.00
Large Meter Replacements (2"+) (10 yrs.)	$	-
Treatment Plant - Capital Improvements	$	300,000.00
Replacements of Critical System Valves	$	150,000.00
Vehicles & Equipment	$	200,000.00
Carbon - Rotational Replacement	$	300,000.00
New Waterline Construction/Financing	$	125,000.00
Technology Upgrades	$	120,000.00
	$	**1,445,000.00**

SECTION V

LITIGATION

GENERAL:

From time to time, the DISTRICT gets involved in litigation, which may affect their financial status. Currently the DISTRICT is involved in (or has an interest in) three litigation matters.

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

Byron E. Talbot, Contractor, Inc. v. Consolidated Waterworks District No.1, LaGreca Services, Inc. and The Gray Insurance Company, No. 180,744", 32nd Judicial District for the Parish of Terrebonne:

This is a suit for contractual and other damages which grew out of a Waterworks Capital Improvements Project known as "30-Inch Water Main along U.S. Hwy. 90 from Bayou Blue to LA Hwy. 311", Project No. CIP-1-14-02 (the "Project").

As the Waterworks Board well knows, the Project ran into difficulties when a large segment of submerged pipeline was allowed to sit for a lengthy period of time filled with surrounding swamp water. The contractor, Byron E. Talbot, Contractor, Inc., ("BET") had employed a subcontractor, LaGreca Service, Inc. ("LaGreca") to bore this segment of the pipeline under and through a designated wetlands area. Due to the alleged actions/inactions of LaGreca, swamp water was allowed to fill that segment of pipeline and remain within it for several months.

Because of this contamination, BET halted work on the ongoing Project and expended much time and effort trying to clean the pipe for suitable use. These attempts at cleaning and decontamination involved a large amount of water for repeated flushing and running a mechanical "pig" through the affected area. The dollar amount of the water used for this cleaning was calculated at $392,103.66. Additionally, the Project was delayed because of these cleaning efforts and "liquidated damages" in the amount of $180,000.00 were incurred and owed to Waterworks pursuant to the Project's contract.

Moreover, BET maintains that it suffered its own damages as a result of delays necessary to clean the affected pipeline. BET sued LaGreca for these extra costs incurred as the at-fault party. Pursuant to an agreement between BET and Waterworks, BET will also seek to recoup Waterworks' damages from LaGreca and its bond company (on Waterworks' behalf) as enumerated above in the same lawsuit.

To date, various pre-trial motions have been argued and resolved. Waterworks has been dismissed from the case as a named party. Pre-trial discovery is or should be underway and a trial date of April 6, 2021 has been set, and the possibility of settlement will be explored.

Waterworks should have no exposure itself for any out-of-pocket liability, and it stands a good chance of successfully recouping its damages from the at-fault parties.

Frances Hebert v. Consolidated Waterworks District No.1, 32nd Judicial District for the Parish of Terrebonne:

This is a suit for personal injuries brought by plaintiff, Frances Hebert, against Waterworks, based upon a vehicular accident in December, 2018. One of Waterworks' employees, Freddie Goodwin, was on the job driving a Waterworks' truck; he was stopped behind Hebert's vehicle at a red light. When it turned green, Goodwin thought Hebert had started forward and pressed his accelerator; she had not begun moving, and Goodwin struck the rear of Hebert's vehicle.

There was minimal damage to the rear of Hebert's vehicle, and she said emphatically she was not injured at the scene. Nonetheless, she now claims significant injuries to her cervical area from this accident. Initial investigation shows pre-existing medical conditions and the possibility of prior accidents.

The case is being handled by Waterworks' insurer, who is providing first-dollar coverage and defense counsel. Although liability appears to be 100% against a Waterworks' employee, it is also apparent that there is no realistic chance that plaintiff's damages will exceed the insurance limits of over one million dollars.

The case has not been set for trial yet.

Joann Mosely v. Consolidated Waterworks District No.1, 17th Judicial District for the Parish of Lafourche:

This is suit for personal injuries stemming from a rear-end collision in March, 2018 involving Waterworks' ex-employee, Freddie Goodwin (again). Liability is again 100% against Waterworks, and once more, plaintiff's injuries and possible damages for medical expenses and pain and suffering are well within Waterworks' large policy limits. Waterworks' insurance company is once again providing first-dollar coverage and providing defense counsel.

Plaintiff's claimed injuries are primarily to her neck area and she is currently undergoing pain management. She has not been recommended for any surgeries at this time.

After failing to appear for deposition twice, the plaintiff was finally deposed on November 17, 2020. She is being scheduled for an Independent Medical Exam by request of the insurer, and afterwards defense counsel will attempt settlement for a sum comfortably within the policy limits.

There are no conferences, hearing dates, or trial dates set at this time.

SECTION VI

MANAGEMENT

GENERAL:

TPCW 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 their 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 inside and outside of the Parish. Providing a safe potable water supply to customers of TPCW 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, III
Engineering Consultant (per bond covenants)	Ms. Melanie B. Caillouet, Providence Engineering and Environmental Group 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 TPCW and has been since July 16, 2012. Mr. Sobert has a B.S. Degree in Electrical Engineering and a Master of Business Administration. He maintains the highest levels of LDH certifications that are required to operate the distribution systems of the two Public Water Supplies TPCW operates. 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 TPCW, he has dedicated himself to becoming aware of all aspects of the distribution and treatment system of TPCW, and EPA, and Louisiana Department of Health (LDH) requirements. He supervises all personnel of TPCW and is responsible for informing the Board of Commissioners of its operating condition.

Ms. Cecilia Norman has been serving as the Chief Administrative Officer and staff accountant of TPCW 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 TPCW, Ms. Norman provides all the internal accounting, administers the investment of all funds, and ensures compliance with TPCW's bonding requirements.

Mrs. Mary Trahan has been serving as Operations Manager for TPCW since 2014. She maintains the highest levels of LDH certifications that are required to operate the distribution systems of the two Public Water Supplies TPCW operates. Her duties consist of assisting the General Manager in operating TPCW and supervising the Engineering and Distribution Departments.

Mr. Jacob Prosperie has been serving as Chief Engineer for TPCW since December 2019 and has been employed with TPCW since February 2015. Mr. Prosperie, who has a B.S. degree in Mechanical Engineering, is currently licensed as a Professional Engineer in Civil Engineering in the State of Louisiana and maintains the highest levels of LDH certifications that are required to operate the distribution systems of the two Public Water Supplies TPCW operates. His duties consist of assisting the General Manager in operating TPCW and supervising the Engineering, Distribution and Treatment Departments.

OPERATING PERSONNEL:

The operating personnel of TPCW are broken down into eight (8) departments. The profiles of these departments are as follows:

Administration

Department Head - Michael Sobert, General Manager
Cecilia Norman, Chief Administrative Officer

5 employees

Billing and Collecting

Department Head - Monique Prosperie, Customer Service Manager

8 employees

Customer Service Representatives

Department Head - Kevin Cunningham, Supervisor

8 employees

Engineering

Department Head - Jacob Prosperie, P.E., Chief Engineer
Mary Trahan, Operations Manager

10 employees

Field Maintenance

Department Head - Curtis Jackson, Distribution Supervisor

17 employees

Warehouse and Purchasing

Supervised by Chief Administrative Officer

3 employees

Water Treatment Plants

Department Head - Brennan LeBlanc, Staff Engineer

Schriever WTP - Ivy Theriot, Supervisor

Houma WTP - Randy Hille, Supervisor

19 employees

Bac-T-Lab

Department Head - Ray Percle, Supervisor

4 employees

SECTION VII

INSURANCE

GENERAL:

The provisions of TPCW's bond resolutions provide 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 TPCW.

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

SCHEDULE OF INSURANCE IN FORCE

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

June 30, 2020

(Unaudited)

Insurer	Type of Coverage	Amount of Insurance	Expiration Date
Tokio Marine Specialty Insurance Company	Automobile liability	$ 1,000,000	July 1, 2020
Tokio Marine Specialty Insurance Company	General liability	$ 3,000,000	July 1, 2020
Tokio Marine Specialty Insurance Company	Excess liability	$ 10,000,000	July 1, 2020
Louisiana United Businesses' Association	Workers' compensation	$ 1,000,000	July 1, 2020
North American Elite Insurance Company	Combined building & personal property	$ 30,000,000	July 1, 2020
Tokio Marine Specialty Insurance Company	Public employee dishonesty, forgery or alteration, theft, disappearance & destruction	$ 100,000	July 1, 2020
Allianz Global Corporate & Specialty	Computer equipment and software	$ 409,000	July 1, 2020
American Bankers Insurance	Flood	$ 500,000	August 1, 2020
Tokio Marine Specialty Insurance Company	Cyber Liability	$ 2,000,000	March 1, 2021

APPENDIX A

Departmental Expenses

PROVIDENCE

APPENDIX A

Departmental Expenses

July 1, 2019 to June 30, 2020

	ADMINISTRATION	BILLINGS & COLLECTIONS	CUSTOMER SERVICE	WAREHOUSE & METER SHOP	ENGINEERING	OPERATIONS	DISTRIBUTION & FIELD CREWS	WATERPLANT	LAB	TOTAL
Accounting	$57,450									$57,450
Attorney	30,175									30,175
Bayou Black Reservoir Maintenance								6,502		6,502
Board Members	10,697									10,697
Bond Agent Fees	2,600									2,600
Chemicals							11,288	1,219,136		1,230,424
Collection Agency		3,065								3,065
Computer Supplies					4,484				780	5,264
Consulting Engineer	14,681									14,681
Data Processing		273,897								273,897
Employee Group Insurance	98,701	102,535	140,219	48,491	170,337		243,089	263,497	70,331	1,137,200
Equipment and Bldg.Repairs	30,326	59,031	4,800	3,008					5,518	102,683
Equipment - Field Repairs							83,774			83,774
Freight				1,621			0	958	879	3,458
Gasoline and Oil	1,606	1,606	14,551	1,495	11,688		26,807	9,240	6,426	73,419
Generator Fuel								21,581		21,581
GIS Network					60,743					60,743
Insurance and Bonds	35,290	25,475	33,451	16,045	53,392		142,548	251,554	20,359	578,114
Janitorial Service	24,000								7,742	31,742
Lab Analysis									42,408	42,408
Lab Equipment and Supplies									30,520	30,520
Meter Parts and Repair				1,926						1,926
Office Supplies and Expenses	55,778	65,838	1,679	3,532	14,885		3,869	21,687	6,485	173,753
Other Postemployment Benefit	86,295	530,970	314,738	(211,492)	(1,226,521)		728,964	349,804	(394,724)	178,034
Payroll Taxes	44,191	32,344	41,382	19,757	75,526		82,105	109,989	22,311	427,605
Plant Maintenance								233,471		233,471
Plant Supplies								7,638		7,638
Postage		233,202								233,202
Publish Proceedings	3,092									3,092
Radio Communications	12,337	2,765	6,746	1,488	17,035		9,776	2,833	2,894	55,874
Raw Water Cost								138,107		138,107
Retirement Expenses	31,549	24,018	30,316	9,656	52,235		58,211	79,704	17,395	303,084
Salaries	462,552	348,840	441,722	204,967	794,462		867,217	1,170,328	243,238	4,533,326
Seminars and Schools	4,384	340	45	295	9,221		2,115	5,656	4,482	26,538
Small Tools			292	941			6,801	1,353		9,387
Telephone Service		5,820						11,937	1,671	19,428
Tractor Repairs								2,574		2,574
Truck and Auto Repair	428	143	7,095		11,664		14,863	1,665	573	36,431
Uniforms							5,185	350		5,535
Utilities	25,749					160,458		512,308	7,276	705,791
Warehouse Supplies				9,551						9,551
Waterline Maintenance							629,394			629,394
Watertower Maintenance							67			67
TOTAL	$1,031,881	$1,709,889	$1,037,036	$111,281	$49,151	$160,458	$2,916,073	$4,421,872	$96,564	$11,534,205
Average No. of Customers	43,454									
Annual Costs per Customer	$23.75	$39.35	$23.87	$2.56	$1.13	$3.69	$67.11	$101.76	$2.22	$265.44
Monthly Costs per Customer	$1.98	$3.28	$1.99	$0.21	$0.09	$0.31	$5.59	$8.48	$0.19	$22.12

APPENDIX B

Departmental Expenses and Budget

PROVIDENCE

APPENDIX B

Departmental Expenses and Budget

July 1, 2019 to June 30, 2020

	ACTUAL 2018-2019	ACTUAL 2019-2020	Increase / (Decrease)	Budget 2020-2021	Budget Increase / (Decrease)
ADMINISTRATIVE					
Salaries	$443,929	$464,158	$20,229	$479,000	$14,842
Other Postemployment Benefits	35,960	86,295	50,335	35,960	(50,335)
Employee Group Insurance	95,332	98,701	3,369	117,000	18,299
Payroll Taxes	44,003	44,191	188	48,000	3,809
Retirement Expenses	33,435	31,549	(1,886)	36,000	4,451
Office Supplies and Expenses	43,376	55,778	12,402	50,000	(5,778)
Accounting	54,205	57,450	3,245	64,000	6,550
Attorney	99,990	30,175	(69,815)	80,000	49,825
Board Members	13,782	10,697	(3,085)	17,000	6,303
Bond Agent Fees	2,600	2,600	0	2,600	0
Consulting Engineers	16,681	14,681	(2,000)	15,000	319
Insurance and Bonds	34,761	35,290	529	42,000	6,710
Janitorial Service	19,000	24,000	5,000	24,000	0
Publishing Proceedings	2,387	3,092	705	5,000	1,908
Communications	12,090	12,337	247	13,000	663
Equipment Repair (Office)	36,048	30,326	(5,722)	32,000	1,674
Truck and Auto Repair*	150	428	278	500	72
Seminars and Schools	9,810	4,384	(5,426)	19,000	14,616
Utilities	20,506	25,749	5,243	25,000	(749)
TOTAL	$1,018,045	$1,031,881	$13,836	$1,105,060	$73,179

*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	$342,709	$354,660	$11,951	$375,000	$20,340
Other Postemployment Benefits	63,444	530,970	467,526	63,444	(467,526)
Employee Group Insurance	107,426	102,535	(4,891)	116,000	13,465
Payroll Taxes	32,166	32,344	178	37,000	4,656
Retirement Expenses	26,024	24,018	(2,006)	28,250	4,232
Gasoline and Oil	1,997	1,606	(391)	2,000	394
Office Supplies and Expenses	48,333	65,838	17,505	67,000	1,162
Collection Agency	6,360	3,065	(3,295)	4,500	1,435
Data Processing	254,613	273,897	19,284	280,000	6,103
Equipment Maintenance/Lease	42,200	59,031	16,831	74,000	14,969
Insurance and Bonds	28,518	25,475	(3,043)	25,500	25
Postage	226,113	233,202	7,089	235,000	1,798
Communications	8,581	2,765	(5,816)	9,000	6,235
Truck and Auto Repairs	194	143	(51)	500	357
Seminars and Schools	2,019	340	(1,679)	1,500	1,160
					$0
TOTAL	$1,190,697	$1,709,889	$519,192	$1,318,694	($391,195)

APPENDIX B

Departmental Expenses and Budget

July 1, 2019 to June 30, 2020

	ACTUAL 2018-2019	ACTUAL 2019-2020	Increase / (Decrease)	Budget 2020-2021	Budget Increase / (Decrease)
CUSTOMER SERVICE - FIELD					
Salaries	$378,258	$441,722	$63,464	$490,000	$48,278
Other Postemployment Benefits	86,030	314,738	228,708	86,030	(228,708)
Employee Group Insurance	136,735	140,219	3,484	200,000	59,781
Payroll Taxes	35,959	41,382	5,423	48,500	7,118
Retirement Expenses	28,824	30,316	1,492	36,750	6,434
Gasoline and Oil	19,776	14,551	(5,225)	17,000	2,449
Office Supplies and Expenses	582	1,679	1,097	2,000	321
Small Tools	0	292	292	1,500	1,208
Insurance and Bonds	34,776	33,451	(1,325)	36,000	2,549
Communications	8,438	6,746	(1,692)	7,500	754
Mobile Read Services	0	0	0	20,000	20,000
Equipment Repair (Office)	4,800	4,800	0	0	(4,800)
Truck and Auto Repairs	5,760	7,095	1,335	8,000	905
Schools and Seminars	2,300	45	(2,255)	5,000	4,955
TOTAL:	$742,238	$1,037,036	$294,798	$958,280	($78,756)
WAREHOUSE AND METER SHOPS					
Salaries	$221,838	$204,967	($16,871)	$225,000	$20,033
Other Postemployment Benefits	31,291	(211,492)	(242,783)	31,291	242,783
Employee Group Insurance	46,317	48,491	2,174	56,000	7,509
Payroll Taxes	21,056	19,757	(1,299)	22,500	2,743
Retirement Expenses	10,965	9,656	(1,309)	11,000	1,344
Gasoline and Oil	2,783	1,495	(1,288)	4,200	2,705
Office Supplies and Expenses	2,264	3,532	1,268	3,500	(32)
Small Tools	1,593	941	(652)	2,000	1,059
Warehouse Supplies	14,713	9,551	(5,162)	20,000	10,449
Freight	388	1,621	1,233	1,000	(621)
Insurance and Bonds	15,140	16,045	905	19,500	3,455
Communication	1,501	1,488	(13)	1,600	112
Equipment Repairs	3,207	3,008	(199)	7,500	4,492
Meter Repairs Parts	816	1,926	1,110	3,000	1,074
Truck and Auto Repairs	0	0	0	750	750
Schools and Seminars	1,649	295	(1,354)	1,000	705
TOTAL	$375,521	$111,281	($264,240)	$409,841	$298,560

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

APPENDIX B

Departmental Expenses and Budget

July 1, 2019 to June 30, 2020

	ACTUAL 2018-2019	ACTUAL 2019-2020	Increase / (Decrease)	Budget 2020-2021	Budget Increase / (Decrease)
ENGINEERING					
Salaries	$741,306	$794,462	$53,156	$748,000	($46,462)
Other Postemployment Benefits	68,880	(1,226,521)	(1,295,401)	68,880	1,295,401
Employee Group Insurance	154,865	170,337	15,472	216,000	45,663
Payroll Taxes	72,026	75,526	3,500	74,000	(1,526)
Retirement Expenses	52,790	52,235	(555)	55,500	3,265
Computer Supplies	7,093	4,484	(2,609)	7,500	3,016
Gasoline and Oil	15,878	11,688	(4,190)	14,000	2,312
Office Supplies and Expenses	8,601	14,885	6,284	14,500	(385)
GIS Network	79,955	60,743	(19,212)	70,000	9,257
Insurance and Bonds	50,291	53,392	3,101	42,000	(11,392)
Communications	16,724	17,035	311	18,000	965
Truck and Auto Repair	7,045	11,664	4,619	10,000	(1,664)
Seminars and Schools	13,955	9,221	(4,734)	20,000	10,779
TOTAL:	$1,289,409	$49,151	($1,240,258)	$1,358,380	$1,309,229

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

DISTRIBUTION AND FIELD CREWS					
Salaries	$984,154	$867,217	($116,937)	$900,000	$32,783
Other Postemployment Benefits	157,447	728,964	571,517	157,447	(571,517)
Employee Group Insurance	246,798	243,089	(3,709)	270,000	26,911
Payroll Taxes	92,705	82,105	(10,600)	88,750	6,645
Retirement Expenses	67,708	58,211	(9,497)	63,100	4,889
Chemicals	7,943	11,288	3,345	2,500	(8,788)
Gasoline and Oil	37,284	26,807	(10,477)	32,000	5,193
Office Supplies and Expenses	1,359	3,869	2,510	5,000	1,131
Small Tools	6,209	6,801	592	10,000	3,199
Backflow Prevention Program	0	0	0	2,500	2,500
DHH Emergency Rule	0	0	0	0	0
Freight	0	0	0	0	0
Insurance and Bonds	132,850	142,548	9,698	110,000	(32,548)
Communications	16,023	9,776	(6,247)	13,000	3,224
Equipment Repairs (Field)	115,986	83,774	(32,212)	150,000	66,226
Truck and Auto Repair	21,253	14,863	(6,390)	15,000	137
Water Tower Maintenance	0	67	67	50,000	49,933
Waterline Maintenance	695,132	629,394	(65,738)	650,000	20,606
Seminars and Schools	4,686	2,115	(2,571)	6,500	4,385
Uniforms	5,081	5,185	104	4,000	(1,185)
TOTAL:	$2,592,618	$2,916,073	$323,455	$2,529,797	($386,276)

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

APPENDIX B

Departmental Expenses and Budget

July 1, 2019 to June 30, 2020

	ACTUAL 2018-2019	ACTUAL 2019-2020	Increase / (Decrease)	Budget 2020-2021	Budget Increase / (Decrease)
OPERATIONS					
Utilities	$129,581	$160,458	$30,877	$155,000	($5,458)
WATER PLANT					
Salaries	$1,072,269	$1,182,265	$109,996	$1,240,000	$57,735
Other Postemployment Benefits	143,966	349,804	205,838	143,966	(205,838)
Employee Group Insurance	260,623	263,497	2,874	309,000	45,503
Payroll Taxes	103,833	109,989	6,156	122,250	12,261
Retirement Expenses	81,762	79,704	(2,058)	92,500	12,796
Chemicals	1,192,917	1,219,136	26,219	1,200,000	(19,136)
Computer Supplies	0	0	0	0	0
Generator Fuel	5,761	21,581	15,820	15,000	(6,581)
Gasoline and Oil	11,863	9,240	(2,623)	12,000	2,760
Office Supplies and Expenses	20,283	21,687	1,404	23,000	1,313
Raw Water Cost	116,162	138,107	21,945	140,000	1,893
Small Tools	437	1,353	916	2,000	647
Plant Supplies	8,654	7,638	(1,016)	9,000	1,362
Freight	0	958	958	1,000	42
Insurance and Bonds	216,671	251,554	34,883	211,000	(40,554)
Lab Analysis	0	0	0	0	0
Communications	14,437	2,833	(11,604)	20,000	17,167
Bayou Black Reservoir Maint.	6,486	6,502	16	7,000	498
Plant Maintenance	200,411	233,471	33,060	225,000	(8,471)
Tractor Repairs	4,104	2,574	(1,530)	3,000	426
Truck and Auto Repair	2,065	1,665	(400)	5,000	3,335
Seminars and Schools	3,732	5,656	1,924	5,000	(656)
Uniforms	311	350	39	500	150
Utilities	522,331	512,308	(10,023)	575,000	62,692
Reserve Filter Media	104,000	104,000	0	0	(104,000)
TOTAL:	$4,093,078	$4,525,872	$432,794	$4,361,216	($164,656)

APPENDIX B

Departmental Expenses and Budget

July 1, 2019 to June 30, 2020

	ACTUAL 2018-2019	ACTUAL 2019-2020	Increase / (Decrease)	Budget 2020-2021	Budget Increase / (Decrease)
LAB					
Salaries	$186,727	$244,909	$58,182	$252,000	$7,091
Other Postemployment Benefits	8,906	(394,724)	(403,630)	23,898	418,622
Employee Group Insurance	64,258	70,331	6,073	80,000	9,669
Payroll Taxes	17,324	22,311	4,987	25,000	2,689
Retirement Expenses	12,900	17,395	4,495	18,900	1,505
Computer Supplies	0	780	780	750	(30)
Gasoline and Oil	7,759	6,426	(1,333)	9,000	2,574
Lab Equipment and Supplies	24,326	30,520	6,194	25,000	(5,520)
Office Supplies and Expenses	5,630	6,485	855	6,500	15
Freight	7,959	879	(7,080)	1,500	621
Insurance and Bonds	18,675	20,359	1,684	21,000	641
Janitorial Services	7,594	7,742	148	8,000	258
Lab Analysis	45,525	42,408	(3,117)	34,000	(8,408)
Communications	3,285	2,894	(391)	5,500	2,606
Equipment and Building Repairs	6,151	5,518	(633)	8,000	2,482
Truck and Auto Repair	6,662	573	(6,089)	4,000	3,427
Seminars and Schools	4,507	4,482	(25)	7,000	2,518
Utilities	8,483	7,276	(1,207)	8,000	724
TOTAL:	$436,671	$96,564	($340,107)	$538,048	$441,484

APPENDIX C

COMBINED DEBT SERVICE SCHEDULE

PROVIDENCE

APPENDIX C

Combined Debt Service Schedule

July 1, 2019 to June 30, 2020

WATER REVENUE BONDS

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

	UNREFUNDED SERIES 2012A BONDS			SERIES 2010 BONDS				REFUNDING SERIES 2014 BONDS			TAXABLE SERIES 2014 BONDS				REFUNDING BONDS, DATED 12-Dec-19							
Payment Date	Principal Due	Interest Rate	Interest Due	Principal Due	Interest Rate	Administrative Interest Rate	Interest Due	Principal Due	Interest Rate	Interest Due	Principal Due	Interest Rate	Administrative Interest Rate	Interest Due	Principal Due	Interest Rate	Interest Due	Semi-Annual Total	Bond Year Total	Fiscal Year Total (ending 6/30)	Bond Year Total Less Admin. Fee
01-May-20			35,300.00				20,337.75			61,725.00				45,108.75			151,085.08	313,556.58		313,556.58	
01-Nov-20	565,000	4.000%	35,300.00	90,000	2.950%	0.500%	20,337.75	985,000	3.000%	61,725.00	125,000	2.950%	0.500%	45,108.75	125,000	1.865%	195,649.75	2,248,121.25	2,561,677.83		2,542,707.83
01-May-21			24,000.00				18,785.25			46,950.00				42,952.50			194,484.13	327,171.88		2,575,293.13	
01-Nov-21	590,000	4.000%	24,000.00	93,000	2.950%	0.500%	18,785.25	1,015,000	3.000%	46,950.00	130,000	2.950%	0.500%	42,952.50	135,000	1.965%	194,484.13	2,290,171.88	2,617,343.76		2,599,448.76
01-May-22			12,200.00				17,181.00			31,725.00				40,710.00			193,157.75	294,973.75		2,585,145.63	
01-Nov-22	610,000	4.000%	12,200.00	96,000	2.950%	0.500%	17,181.00	1,035,000	3.000%	31,725.00	134,000	2.950%	0.500%	40,710.00	135,000	2.005%	193,157.75	2,304,973.75	2,599,947.50		2,583,167.50
01-May-23							15,525.00			16,200.00				38,398.50			191,804.38	261,927.88		2,566,901.63	
01-Nov-23				100,000	2.950%	0.500%	15,525.00	1,080,000	3.000%	16,200.00	139,000	2.950%	0.500%	38,398.50	775,000	2.126%	191,804.38	2,355,927.88	2,617,855.76		2,602,225.76
01-May-24							13,800.00							36,000.75			183,566.13	233,366.88		2,589,294.76	
01-Nov-24				103,000	2.950%	0.500%	13,800.00				143,000	2.950%	0.500%	36,000.75	790,000	2.176%	183,566.13	1,269,366.88	1,502,733.76		1,488,298.76
01-May-25							12,023.25							33,534.00			174,970.93	220,528.18		1,489,895.06	
01-Nov-25				107,000	2.950%	0.500%	12,023.25				148,000	2.950%	0.500%	33,534.00	805,000	2.311%	174,970.93	1,280,528.18	1,501,056.36		1,487,851.36
01-May-26							10,177.50							30,981.00			165,669.15	206,827.65		1,487,355.83	
01-Nov-26				110,000	2.950%	0.500%	10,177.50				153,000	2.950%	0.500%	30,981.00	825,000	2.411%	165,669.15	1,294,827.65	1,501,655.30		1,489,725.30
01-May-27							8,280.00							28,341.75			155,723.78	192,345.53		1,487,173.18	
01-Nov-27				114,000	2.950%	0.500%	8,280.00				159,000	2.950%	0.500%	28,341.75	850,000	2.531%	155,723.78	1,315,345.53	1,507,691.06		1,497,076.06
01-May-28							6,313.50							25,599.00			144,967.03	176,879.53		1,492,225.06	
01-Nov-28				118,000	2.950%	0.500%	6,313.50				164,000	2.950%	0.500%	25,599.00	870,000	2.581%	144,967.03	1,328,879.53	1,505,759.06		1,496,509.06
01-May-29							4,278.00							22,770.00			133,739.68	160,787.68		1,489,667.21	
01-Nov-29				122,000	2.950%	0.500%	4,278.00				170,000	2.950%	0.500%	22,770.00	895,000	2.631%	133,739.68	1,347,787.68	1,508,575.36		1,500,735.36
01-May-30							2,173.50							19,837.50			121,965.95	143,976.95		1,491,764.63	
01-Nov-30				126,000	2.950%	0.500%	2,173.50				176,000	2.950%	0.500%	19,837.50	915,000	2.731%	121,965.95	1,360,976.95	1,504,953.90		1,498,573.90
01-May-31														16,801.50			109,471.63	126,273.13		1,487,250.08	
01-Nov-31											182,000	2.950%	0.500%	16,801.50	940,000	2.831%	109,471.63	1,248,273.13	1,374,546.26		1,369,676.26
01-May-32														13,662.00			96,165.93	109,827.93		1,358,101.06	
01-Nov-32											188,000	2.950%	0.500%	13,662.00	970,000	2.931%	96,165.93	1,267,827.93	1,377,655.86		1,373,695.86
01-May-33														10,419.00			81,950.58	92,369.58		1,360,197.51	
01-Nov-33											195,000	2.950%	0.500%	10,419.00	995,000	2.981%	81,950.58	1,282,369.58	1,374,739.16		1,371,719.16
01-May-34														7,055.25			67,120.10	74,175.35		1,356,544.93	
01-Nov-34											201,000	2.950%	0.500%	7,055.25	1,025,000	3.031%	67,120.10	1,300,175.35	1,374,350.70		1,372,305.70
01-May-35														3,588.00			51,586.23	55,174.23		1,355,349.58	
01-Nov-35											208,000	2.950%	0.500%	3,588.00	1,055,000	3.081%	51,586.23	1,318,174.23	1,373,348.46		1,372,308.46
01-May-36																	35,333.95	35,333.95		1,353,508.18	
01-Nov-36															1,090,000	3.131%	35,333.95	1,125,333.95	1,160,667.90		1,160,667.90
01-May-37																	18,270.00	18,270.00		1,143,603.95	
01-Nov-37															1,125,000	3.248%	18,270.00	1,143,270.00	1,161,540.00	1,143,270.00	1,161,540.00
	1,765,000		143,000.00	1,179,000			257,749.50	4,115,000		313,200.00	2,615,000			831,519.00	14,320,000		4,586,629.49	30,126,097.99	30,126,097.99	30,126,097.99	29,968,233.01