WATERWORKS DISTRICT NO. 1

TERREBONNE PARISH, LOUISIANA

2020-2021 ANNUAL ENGINEER'S REPORT

APRIL 18, 2022

STATE OF LOUISIANA
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04/18/2022

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PROVIDENCE

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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, 2021. 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 No's. 1, 2, and 3 of Terrebonne Parish, into a Parish-wide consolidated water district. The Terrebonne Parish Consolidated Waterworks District No. 1 of the Parish of Terrebonne, Louisiana was created by an ordinance adopted by the Terrebonne Parish Consolidated Government (TPCG) on March 23, 1994 and would be governed by a Board of Commissioners.

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 No's. 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 tanks, four ground storage tanks, and 915 miles of transmission and distribution piping ranging in size up to 36 inches in diameter. One of the elevated storage tanks was destroyed by Hurricane Ida in August 2021 and its replacement is being discussed at this time.

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 per 1,000 gallons. Saltwater intrusion has not been and is not anticipated to become a problem for the Schriever WTP.

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 2021. It is seen that there were 81 days in which salinity exceeded 250ppm during the fiscal period. High readings were recorded every month from July through December 2020. The year 2020 had an active hurricane season. Hurricane Laura made landfall on August 22nd in Lake Charles and the salinity levels in the GIWW reached 250ppm on August 29th. It stayed above 250ppm for the majority of September, October, and November. It is noticed that high salinity readings occurred again in late summer and fall of 2021. 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 significantly higher than last year but is closer to the historical average than the last two years.

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.

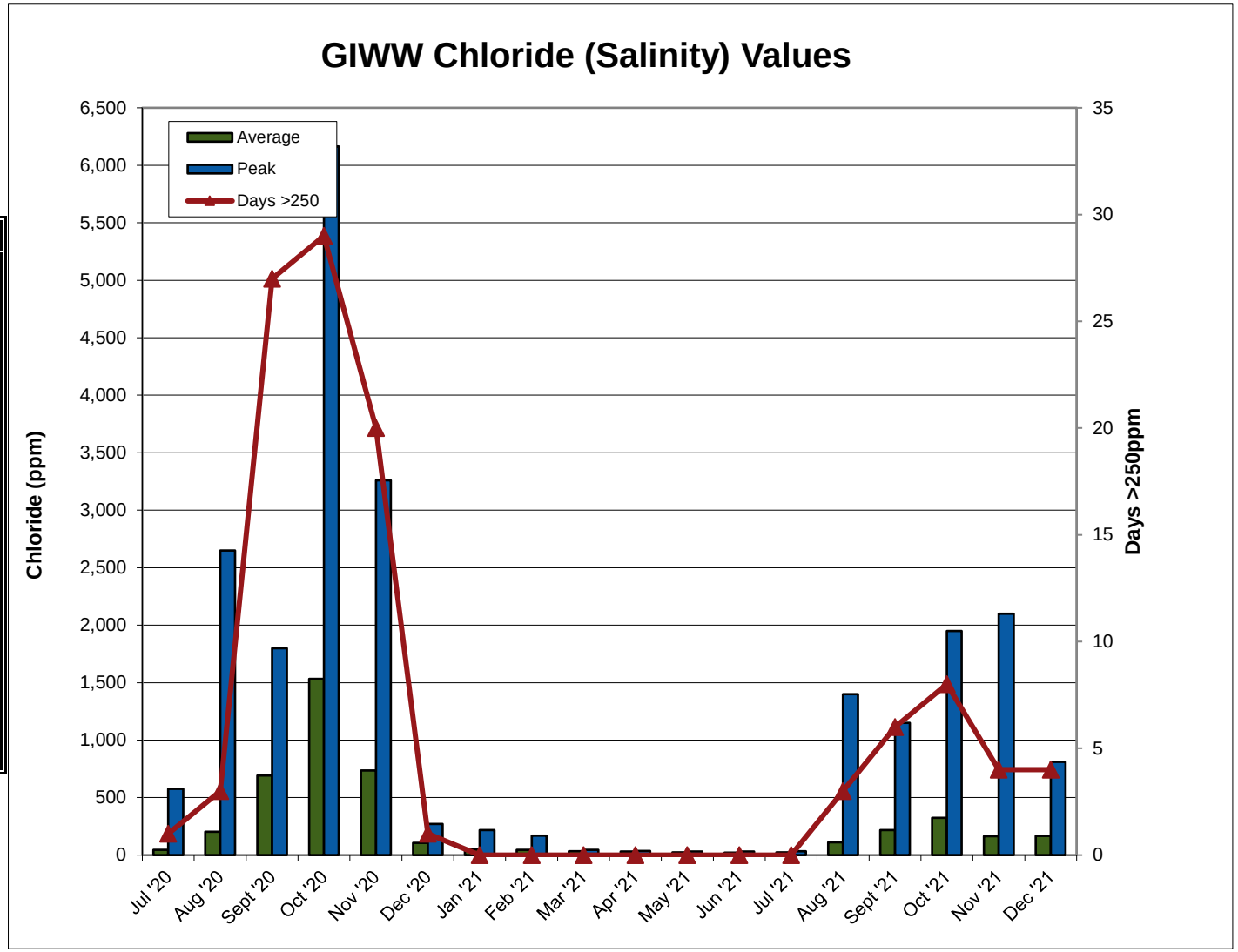
The primary source of saltwater contamination is the interconnection of the Houma Navigational Canal with the GIWW. The Terrebonne Levee and Conservation District has constructed a floating barge-type flood gate on the Houma Navigation Canal, but this is only closed in the event of a hurricane in the 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, 2020 to June 30, 2021

Month	Average	Peak	Days >250
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
Jan '21	47	217	0
Feb '21	46	170	0
Mar '21	33	46	0
Apr '21	30	36	0
May '21	23	32	0
Jun '21	22	30	0
Jul '21	25	33	0
Aug '21	111	1400	3
Sept '21	217	1150	6
Oct '21	324	1950	8
Nov '21	164	2100	4
Dec '21	166	810	4



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 WTP 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 are 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. 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 has no control of these locations. The control of the distribution system, which includes the water towers and standpipes, is part of the SCADA system maintained at the TPCW office. However, 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.

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 would reduce silting in the reservoir and should not cause a silting problem in Bayou Lafourche because of the velocity of the bayou. 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. Right-of-way acquisition has been a major delay because the effluent pipe travels through Lafourche Parish and one particular property owner does not want to give TPCW the right-of-way needed to cross their property. A Louisiana Department of Environmental Quality discharge permit was applied for and obtained to send the backwash water directly to Bayou Lafourche in 2018 in preparation for this project to be completed. Since that time, discharge monitoring reports have been submitted with "No Discharge".

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 pulled in during pumping operations. The rerouting project is having the same right-of-way issues as the return line. Property owners in Lafourche Parish do not see the benefit to them to give right-of-way to a Terrebonne Parish utility.

The renovation of the Schriever office is being completed in-house by the operators. Additional offices were created, and a new speaker system installed. The painting of the interior of the remaining plant is completed both up and downstairs. The computers were upgraded so they were compatible with Windows 11 and the server was replaced. Current projects include upgrading the software for the PLC and SCADA system and the installation of ten security cameras on the exterior and interior of the building.

The department head and the plant supervisors have requested several in-house maintenance projects and capital improvement projects be completed in the future. The concrete driveway on the back 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, namely the sodium chlorite and alum tanks. Finally, the design process for the dredging of the settling pond and reservoir needs to begin when the budget allows.

Hurricane Ida caused severe damage in August 2021. The replacement of the roof on the main building and lab building was on the future needs list but now Houston J. Lirette, Jr., a Professional Architect, is evaluating both to prove to the insurance company that a full roof replacement is necessary. The roll-up door for the bulk storage room was also damaged during the storm. After cost analysis it was determined to replace the roll up door in-kind. It is now on order but has an 8-week lead time.

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 polymer are 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 remove 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 that are 12-inch and 24-inch in diameter.

The raw water intake structure is partially repaired. The structure itself had corroded, so TPCW is replacing the steel. Half of the structure has been replaced and the pump refurbished. The steel for the other half of the structure is on site but construction has not begun. The pump for that half cannot be refurbished because of the large amount of wear so a new pump is being investigated. Eventually a variable frequency drive (VFD) will be installed on these pumps to make them more energy efficient. The Houma WTP must comply with new EPA guidelines that require an extra log removal of cryptosporidium. EPA is requiring capital improvements that may include additional turbidity monitors and changes to the plant operation that could require plant modifications to meet these guidelines.

The department head requested several projects for the Houma WTP as well. These included replacing the sodium chlorite, alum, and ammonium sulfate storage tanks, replacing the screen structure and bulkhead 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.

Hurricane Ida also damaged the Houma WTP. Half of the metal roof was rolled back on the main building. A temporary metal roof was installed to seal the plant from further damage, but some of the substructure needs to be repaired and/or replaced. Two roll-up doors were damaged and also on back order for up to eight weeks.

Another concern for the Houma WTP is the Hanson Canal Pump Station project that began operation in July 2021. The pumps are bigger and thus pump more water from Bayou Black into the Hanson Canal than the previous station. The operators are aware salinity may become an issue because there is not as much fresh water coming downstream thus allowing more water to travel upstream. They will continue monitoring the raw water source closely and making chemical feed adjustments as necessary.

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 WTP, and two are located at the Schriever WTP. The Schriever WTP has a combined storage capacity of six million gallons, while the Houma WTP 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 Lower Dulac tank was destroyed by Hurricane Ida. So, beginning in September 2021, there were fifteen water towers with a capacity of 18.65 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 the project was constructed in accordance with their 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.)
CIS Center, Gray, LA	Waterline	2,102
Evangeline Estates, Phase B	53 Lots	1,425
Huffaker Property	Waterline	973
IDJC Community Resettlement, Phase 1	Waterline	4,360
TOTAL	53 Lots	8,860 ft.

CURRENT RATE STRUCTURE:

Table I indicates the water rates of TPCW, which were used during this fiscal year. "S" customers (residential) paid a minimum of $10.00, "C" customers (commercial, industrial, institutional, and the City Power Plant) paid $20.00, while "E" customers (export) paid $40.00. Each minimum comes with 2,000 gallons of water. Above the initial 2,000 gallons and up to 30,000 gallons, "S" and "C" 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. "E" 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 and number of units at that location. 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
Water Rates
July 1, 2020 to June 30, 2021

"S" Rate: Single Occ. Residential

Meter	Gallons	Effective Beginning October 1, 2019
All Meters	2,000 Gals. (Minimum)	$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, Institutional, and City Power Plant

Meter	Gallons	Effective Beginning October 1, 2019
All Meters	2,000 Gals. (Minimum)	$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 October 1, 2019
All Meters	2,000 Gals. (Minimum)	$40.00
Rate per 1,000 gallons	Above Minimum	$4.47

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 $1.63480 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 $1.15600+$0.46240, or $1.61840.

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 2020-2021 was $1,178 per service. TPCW currently charges $840 per service connection. This means that TPCW lost money for a service connection which was not the case last year.

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, 2020 to June 30, 2021

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

Note: Effective May 1, 1997, 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" and 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, 2020 to June 30, 2021

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	$93,293,417
2021	$999,504,683	$180,903,860	$1,180,408,543	($5,612,901)

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 19.12% to 34.60% with an annual average of 30.80%, which is higher than the US average range. The average "Unaccounted for Water" is 2% higher 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. Another item that could have caused this increase is the leak in the 24-inch transmission main. TPCW does not know when these leaks began and therefore cannot "account" for it. 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, 2020 to June 30, 2021

MONTH	NUMBER OF CUSTOMERS	NET SALES ($)	QUANTITY SOLD (Gallons)	AVERAGE BILL (per Customer per Month)	AVERAGE CONSUMPTION (per Customer per Month (Gals.))
July, 2020	43,570	$1,534,795.05	314,800,100	$35.23	7,225
August	43,623	$1,493,765.39	311,064,600	$34.24	7,131
September	43,750	$1,610,732.15	331,802,800	$36.82	7,584
October	43,706	$1,475,339.95	301,731,400	$33.76	6,904
November	43,828	$1,466,543.53	302,434,400	$33.46	6,900
December	43,738	$1,373,883.20	284,776,600	$31.41	6,511
January, 2021	43,653	$1,433,320.99	292,504,800	$32.83	6,701
February	43,683	$1,382,562.90	281,073,600	$31.65	6,434
March	43,860	$1,404,373.22	283,903,800	$32.02	6,473
April	43,759	$1,353,698.61	272,151,200	$30.94	6,219
May	43,865	$1,376,588.96	278,520,500	$31.38	6,349
June	43,907	$1,474,955.11	300,474,200	$33.59	6,843
TOTAL		$17,380,559.06	3,555,238,000		

Average number of Customers per Month	43,745	
Average Customer Bill per Month	$33.11	
Average Customer Consumption per Month	6,773	gallons per month

TABLE V

History of Customer Usage
July 1, 2020 to June 30, 2021

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
2021	43,745	$33.11	6,773

PLATE 2

Quantity of Water Produced and Sold

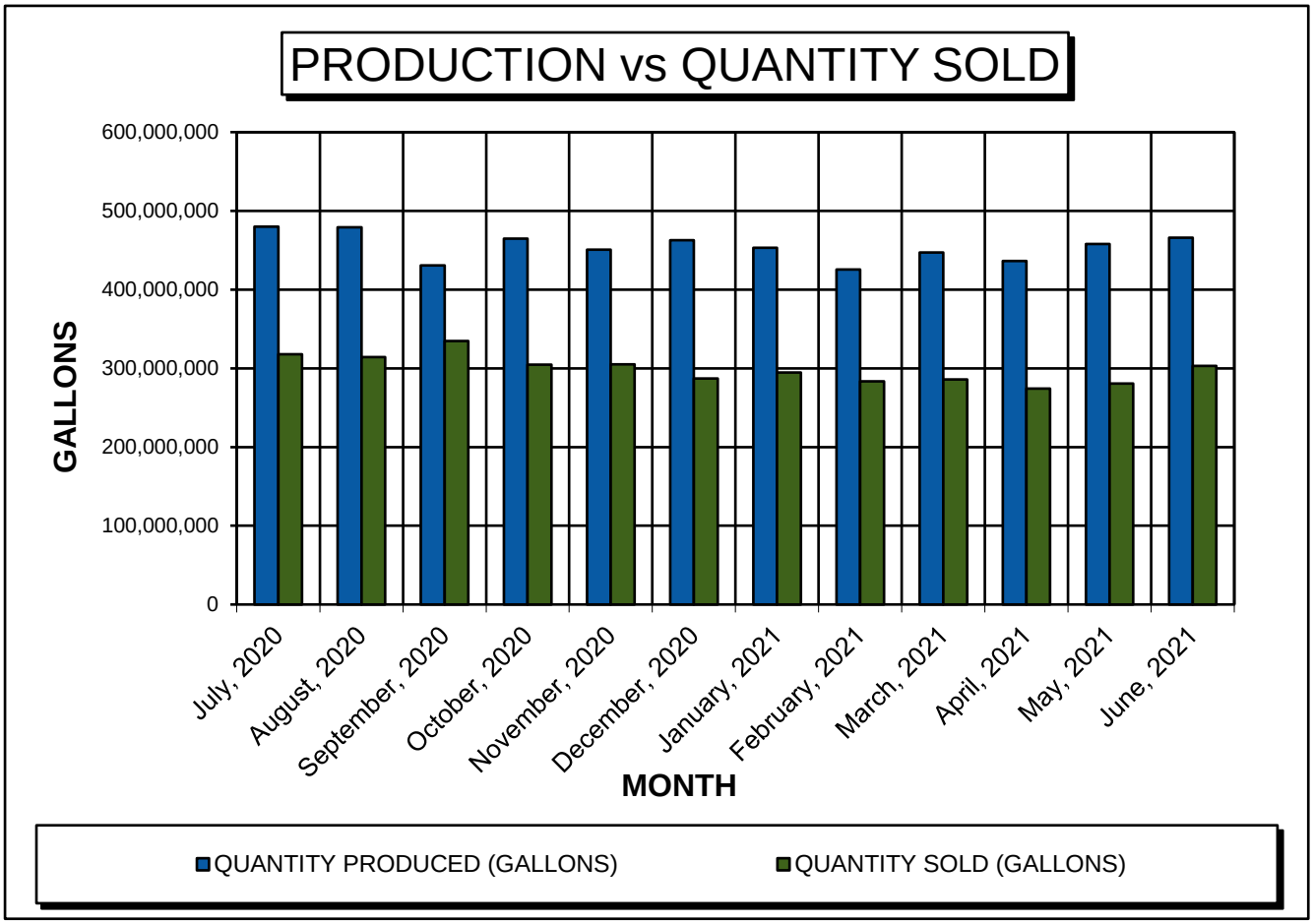
July 1, 2020 to June 30, 2021

MONTH	QUANTITY PRODUCED (GALLONS)	QUANTITY SOLD (GALLONS)	OTHER SALES NOT METERED (GALLONS)	TOTAL QUANTITY SOLD (GALLONS)	KNOWN WATER LOSS (GALLONS)	WATER LOSS IN SYSTEM
July, 2020	479,879,000	314,800,100	3,017,563	317,817,663	12,998,022	31.06%
August, 2020	479,189,000	311,064,600	3,211,629	314,276,229	14,489,502	31.39%
September, 2020	430,622,000	331,802,800	3,050,336	334,853,136	13,445,600	19.12%
October, 2020	464,767,000	301,731,400	2,926,580	304,657,980	14,221,632	31.39%
November, 2020	450,709,000	302,434,400	2,659,669	305,094,069	13,001,450	29.42%
December, 2020	462,880,000	284,776,600	2,482,216	287,258,816	18,772,513	33.89%
January, 2021	453,184,000	292,504,800	2,306,266	294,811,066	17,374,380	31.11%
February, 2021	425,425,000	281,073,600	2,391,139	283,464,739	15,359,335	29.76%
March, 2021	447,303,000	283,903,800	2,000,453	285,904,253	13,784,064	33.00%
April, 2021	436,515,000	272,151,200	2,279,523	274,430,723	17,044,260	33.23%
May, 2021	458,057,000	278,520,500	2,248,816	280,769,316	18,791,617	34.60%
June, 2021	466,021,000	300,474,200	2,630,869	303,105,069	18,797,250	30.93%
TOTAL	5,454,551,000	3,555,238,000	31,205,059	3,586,443,059	188,079,625	30.80%
AVG/MONTH	454,545,917	296,269,833	2,600,422	298,870,255	15,673,302	30.80%

PLATE 2

Quantity of Water Produced and Sold

July 1, 2020 to June 30, 2021



PLANT PRODUCTION	MONTH	QUANTITY PRODUCED (GALLONS)	WATER LOSS IN THE SYSTEM
Least Production Months	February, 2021	425,425,000	29.76%
	September, 2020	430,622,000	19.12%
	April, 2021	436,515,000	33.23%
	March, 2021	447,303,000	33.00%
Average Production Months	November, 2020	450,709,000	29.42%
	January, 2021	453,184,000	31.11%
	May, 2021	458,057,000	34.60%
	December, 2020	462,880,000	33.89%
Highest Production Months	October, 2020	464,767,000	31.39%
	June, 2021	466,021,000	30.93%
	August, 2020	479,189,000	31.39%
	July, 2020	479,879,000	31.06%

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, 2021. 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 decreased from the previous year by $1.21 and for the 2020-2021 year was $34.72. This is typical for years following rate increases. Customers start reducing the amount of water consumed to reduce their bills to pre-increase levels. The average customer in 2019-2020 used 7,073 gallons a month, but in 2020-2021 the average decreased to 6,773 gallons a month.

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, 2021. The average expense attributed to each customer per month decrease by $0.08 before depreciation and $0.13 after depreciation. Expenses are expected to increase significantly next year because of the economic downturn caused by COVID and Hurricane Ida.

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 discussed above, the revenues decreased slightly in 2021.

As 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 Other Post-Employment Benefits (OPEB) expenses. Due to the slight decrease in both expenses and in revenues, the surplus per customer per month also decreased in 2021 by $1.08.

TABLE VI

Total Revenue Per Customer

July 1, 2020 to June 30, 2021

	Actual 2019-2020	Actual 2020-2021	Difference
Operating Revenue			
Sales	$17,442,325	$17,218,928	($223,397)
Lafourche Parish Sales	$27,453	$33,407	$5,954
Service Connections	$152,745	$204,120	$51,375
Meter Installation Fees	$129,351	$137,548	$8,197
Penalties and Reconnect Fees	$120,656	$101,824	($18,832)
Total Operating Revenue	$17,872,530	$17,695,827	($176,703)
Contract Services and Other Revenue			
Service Agreements			
Sewerage Districts	$233,701	$233,998	$297
Garbage Collections	$111,963	$112,634	$671
* Interest on Investments	$327,574	$26,132	($301,442)
LA Act 125	$25,992	$26,089	$97
Miscellaneous	$165,674	$132,596	($33,078)
Total Other Revenue	$864,904	$531,449	($333,455)
Total Revenue	$18,737,434	$18,227,276	($510,158)
Average Number of Customers	43,454	43,745	291
Operating Revenue/Customer/Month	$34.27	$33.71	($0.56)
Other Revenue/Customer/Month	$1.66	$1.01	($0.65)
Total Revenue/Customer/Month	$35.93	$34.72	($1.21)

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

TABLE VII

Operating Expenses Per Customer

July 1, 2020 to June 30, 2021

	Actual 2019-2020	Actual 2020-2021	Difference
Operating Expenses			
Department			
Administration	$1,031,881	$950,938	($80,943)
Billings and Collections	$1,709,889	$1,196,638	($513,251)
Meter Reading	$1,037,036	$661,453	($375,583)
Warehouse and Meter Shop	$111,281	$286,537	$175,256
Engineering	$49,151	$1,247,146	$1,197,995
Operations	$160,458	$151,168	($9,290)
Distribution and Field Crews	$2,916,073	$2,583,725	($332,348)
Waterplant*	$4,421,872	$4,033,790	($388,082)
Bac-T-Lab	$96,564	$460,612	$364,048
Total Operating Expenses (BEFORE Depreciation)	$11,534,205	$11,572,007	$37,802
Add:			
Depreciation	$3,716,825	$3,715,873	($952)
Total Operating Expenses (AFTER Depreciation)	$15,251,030	$15,287,880	$36,850
Average Number of Customers	43,454	43,745	291
Operating Expense/Customer/Month (BEFORE Depreciation)	$22.12	$22.04	($0.08)
Operating Expense/Customer/Month (AFTER Depreciation)	$29.25	$29.12	($0.13)

* Waterplant expenses does not include filter amortization.

TABLE VIII

Net Surplus Per Customer

July 1, 2020 to June 30, 2021

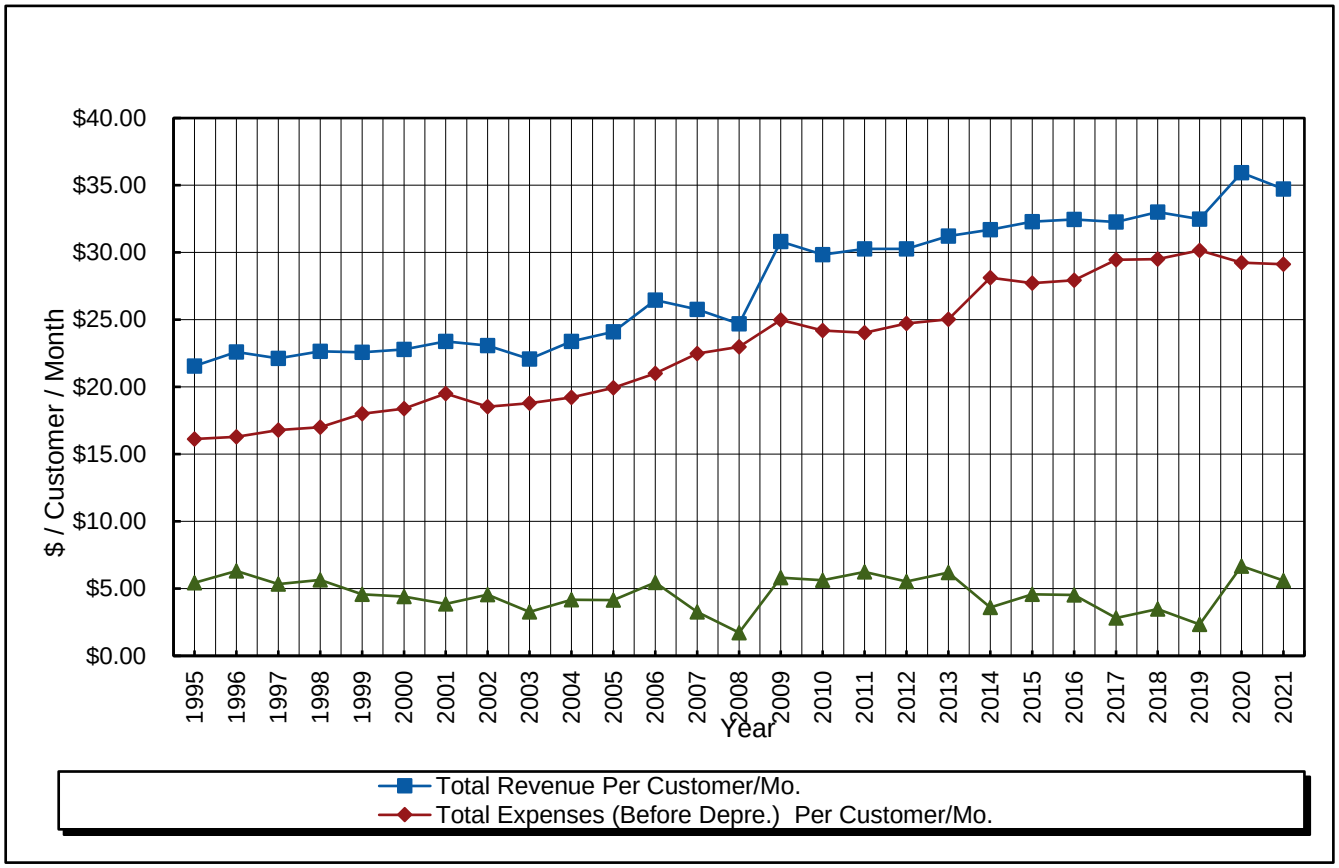
	Actual 2019-2020	Actual 2020-2021	Difference
REVENUE			
Operating Revenue	$17,872,530	$17,695,827	($176,703)
Other Revenue	$864,904	$531,449	($333,455)
TOTAL REVENUE	$18,737,434	$18,227,276	($510,158)
EXPENSES			
Operating Expenses	$11,534,205	$11,572,007	$37,802
OPERATING SURPLUS (BEFORE Depreciation)	$7,203,229	$6,655,269	($547,960)
Less: Depreciation	$3,716,825	$3,715,873	($952)
OPERATING SURPLUS (AFTER Depreciation)	$3,486,404	$2,939,396	($547,008)
Average Number of Customers	43,454	43,745	291
Operating Surplus/Customer/Month (BEFORE Depreciation)	$13.81	$12.68	($1.13)
Operating Surplus/Customer/Month (AFTER Depreciation)	$6.69	$5.60	($1.09)

TABLE IX

History of Revenue, Expenses, and Net Surplus

July 1, 2020 to June 30, 2021

Year Ending June 30th	Total Revenue Per Customer/Mo.	Total Expenses (Before Depre.) Per Customer/Mo.	Net Surplus Per Customer/Mo.
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
2021	$34.72	$29.12	$5.60



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, 2021, 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, 2020 to June 30, 2021

	Actual 2020-2021	Budgeted 2021-2022	Difference
Operating Revenue			
Sales	$17,218,928	$17,650,000	$431,072
Lafourche Parish Sales	$33,407	$34,000	$593
Service Connections	$204,120	$168,000	($36,120)
Meter Installation Fees	$137,548	$130,000	($7,548)
Penalties and Reconnect Fees	$101,824	$125,000	$23,176
Total Operating Revenue	$17,695,827	$18,107,000	$411,173
Contract Services and Other Revenue			
Service Agreements			
Sewerage Districts	$233,998	$225,000	($8,998)
Garbage Collections	$112,634	$133,000	$20,366
Interest on Investments	$26,132	$25,000	($1,132)
LA Act 125	$26,089	$25,000	($1,089)
Miscellaneous	$132,596	$55,000	($77,596)
Total Other Revenue	$531,449	$463,000	($68,449)
Total Revenue	$18,227,276	$18,570,000	$342,724

TABLE XI

Audited and Budgeted Operating Expenses

July 1, 2020 to June 30, 2021

OPERATING EXPENSES	ACTUAL 2020-2021	BUDGETED 2021-2022	Difference
DEPARTMENT			
Administrative	$950,938	$1,140,360	$189,422
Billings and Collections	$1,196,638	$1,387,144	$190,506
Meter Reading	$661,453	$935,030	$273,577
Warehouse and Meter Shop	$286,537	$401,041	$114,504
Engineering	$1,247,146	$1,530,880	$283,734
Utilities - Operations	$151,168	$155,000	$3,832
Maintenance and Field Crews	$2,583,725	$2,769,947	$186,222
Waterplant	$4,033,790	$4,478,166	$444,376
Bac-T-Lab	$460,612	$562,398	$101,786
TOTAL OPERATING EXPENSES (BEFORE Depreciation and Amortization)	$11,572,007	$13,359,966	$1,787,959

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 2020-2021 fiscal year with sufficient funds to cover 125% of the future maximum annual payment which is $3,236,619 and had an excess of $3,522,650. The parity income requirements for 2021-2022 is the same as the 2020-2021 fiscal year. It is projected that TPCW will meet this requirement and have an excess of $2,077,415 for the 2021-2022 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, 2020 to June 30, 2021

	Actual 2020-2021	Budgeted 2021-2022	Difference
REVENUE			
Total Operating Revenue	$17,695,827	$18,107,000	$411,173
Total Other Revenue	$531,449	$463,000	($68,449)
Total Revenue	$18,227,276	$18,570,000	$342,724
EXPENSES			
Total Operating Expenses	$11,572,007	$13,359,966	$1,787,959
Service Connections (Parts and Contract Labor)	$287,432	$90,000	($197,432)
Total Expenses	$11,859,439	$13,449,966	$1,590,527
Surplus (BEFORE Depreciation)	$6,367,837	$5,120,034	($1,247,803)
less: Transfers			
Revenue Bonds (Sinking Fund and Reserve)	$2,546,058	$2,605,746	$59,688
Depreciation and Contingency Fund	$949,372	$928,500	($20,872)
Total Transfers	$3,495,430	$3,534,246	$38,816
Net Surplus	$2,872,407	$1,585,788	($1,286,619)
PARITY INCOME			
Net Surplus	$2,872,407	$1,585,788	($1,286,619)
Transfer: Revenue Bond Sinking Fund	$2,546,058	$2,605,746	$59,688
Transfer: Depreciation and Contingency Fund	$949,372	$928,500	($20,872)
Service Connections (Parts and Contract Labor)	$287,432	$90,000	($197,432)
Reserve Filter Media Amortization	$104,000	$104,000	$0
Total Parity Income	$6,759,269	$5,314,034	($1,445,235)
REQUIRED PARITY INCOME			
Maximum Amount of Principal and Interest	$2,589,295	$2,589,295	$0
*Coverage @ 125% of Annual Principal and Interest	$647,324	$647,324	$0
Required Parity Income	$3,236,619	$3,236,619	$0
Excess Income for Parity Purposes	$3,522,650	$2,077,415	($1,445,235)
% of Operating Revenue Available for Projects	23.56%	15.05%	

*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 Plant (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 bond projects remaining on the list are to be completed using local funds because the bonds have been expended. 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, 2021, and those authorized afterwards. The balance to complete all the projects authorized prior to June 30, 2021 is approximately $9.39 million. Over half of this balance is the Emergency Replacement of a 24" Transmission Line. The budget at the end of the fiscal year was $5,018,630.00. However, the location of the waterline is in discussion and the new route budget would be approximately $13.4 million. TPCW applied for and received a $5 million grant through the Water Sector Program for this project in the 2021-2022 fiscal year. The authorized local projects for the 2021-2022 Fiscal Year have a total budget of $125,000.00.

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. Abandon redundant lines in the City of Houma
    a. Saadi Street
    b. Main Street Downtown
    c. Grinage Street
    d. Goode Street
    e. Verrett Street
2. Replace waterlines along Highway 24 South (Main Street) from Highway 311 to Highway 660
3. Demolition of Grand Caillou Tank
4. Commissioning of South Terrebonne Pump
5. 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 where not previously replaced

Houma WTP

1. Conduct maintenance on the raw water reservoir
2. Install VFD controls on the Reservoir Intake Pumps
3. Change the manual butterfly valve where the Schriever water and Houma water commingle to an automated valve

TABLE XIII

Incomplete Projects

July 1, 2020 to June 30, 2021

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-9-18-03	Slurry Line - Schriever Plant to Bayou Lafourche	David Waitz Engineering, Inc.	$ 221,750.00	$ 87,500.00	$ 875,000.00	$ -	$ 1,184,250.00	$ 41,249.38	$ 1,143,000.62
		SUBTOTAL	**$ 346,750.00**	**$ 87,500.00**	**$ 875,000.00**	**$ -**	**$ 1,309,250.00**	**$ 47,574.38**	**$ 1,261,675.62**
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	$ 88,935.18	$ 542,748.47	$ 542,748.47	$ -
**SPN-H.010890	Hollywood Road Roundabout	Hide Tide Consultants, LLC	$ 39,040.00	$ -	$ 73,688.00	$ 10,259.96	$ 122,987.96	$ 122,987.96	$ -
L-6-20-02	Waterline Through Bayou Country Sports Park - Hwy 311 to Valhi	All South Consulting Engineers, LLC	$ 53,966.00	$ 11,830.50	$ 254,810.00	$ (21,649.50)	$ 298,957.00	$ 165,088.40	$ 133,868.60
**L-4-21-03	Bayou Cane Fire Dept. - Hydrant Installations	In-House	$ -	$ -	$ 100,000.00	$ 2,987.77	$ 102,987.77	$ 102,987.77	$ -
		SUBTOTAL	**$ 173,058.00**	**$ 29,628.66**	**$ 784,461.13**	**$ 80,533.41**	**$ 1,067,681.20**	**$ 933,812.60**	**$ 133,868.60**
						GRANT AMOUNT	**$ 570,178.33**		
					AMOUNT PROVIDED BY DISTRICT		**$ 497,502.87**		
Local Projects Committed prior to June 30, 2021 (Funds Provided by District Surplus)									
L-4-20-01	Lower Montegut Waterline Replacement	In-House	$ -	$ -	$ 125,000.00		$ 125,000.00	$ -	$ 125,000.00
**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	$ 87,368.90	$ 1,577,045.83
**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
L-3-21-01	16-Inch Waterline Along Westside Blvd. Extension		$ -	$ -	$ 550,000.00	$ -	$ 550,000.00	$ -	$ 550,000.00
**L-4-21-02	Wetlands Delineation, Schriever Water Plant	T. Baker Smith, LLC	$ 12,450.00	$ -	$ -	$ -	$ 12,450.00	$ 1,911.50	$ 10,538.50
L-5-21-04	Emergency Replacement 24" Transmission Line	Providence Engineering and Env Group	$ 398,117.00	$ 456,200.00	$ 4,164,313.00	$ -	$ 5,018,630.00	$ 12,362.00	$ 5,006,268.00
**Drive-Thru	Additional Drive-Thru Lane	In-House	$ -	$ -	$ 67,000.00	$ (5,376.35)	$ 61,623.65	$ 61,623.65	$ -
		SUBTOTAL	**$ 591,139.36**	**$ 456,200.00**	**$ 7,350,405.50**	**$ (5,376.35)**	**$ 8,392,368.51**	**$ 398,516.18**	**$ 7,993,852.33**
						BALANCE FOR ALL PROJECTS AUTHORIZED PRIOR TO JUNE 30, 2021		**$**	**9,389,396.55**
Local Projects Committed after June 30, 2021 (Funds Provided by District Surplus)									
L-7-21-05	Waterline Participation 2021-2022	In-House	$ -	$ -	$ 125,000.00	$ -	$ 125,000.00	$ -	$ 125,000.00
		SUBTOTAL	**$ -**	**$ -**	**$ 125,000.00**	**$ -**	**$ 125,000.00**	**$ -**	**$ 125,000.00**

*Contract was terminated.
** Completed prior to June 30, 2021.

As of June 30, 2021, TPCW has a balance in various accounts for Annual Capital Outlay purposes in the following amounts:

Surplus Fund (Cash)	$ 50,908	
Surplus Fund – CD Invest.	1,050,000	
Surplus Fund – LAMP	16,574,000	
Depreciation and Contingency – CD Invest.	2,275,000	
Depreciation and Contingency – Savings	1,082,939	
Depreciation and Contingency – LAMP	1,473,000	
		$ 22,505,847
Less: Reserve for Capital and Contingency Fund		(-$ 300,000)
Total Funds Available for Annual Capital Projects		$ 22,205,847

In addition to the funds in TPCW's accounts, four projects (L-4-17-01, SPN-H.010890, L-6-20-02, L-4-21-03) received or will be receiving funds from various federal, state, and local departments. L-4-17-01, Replace Water Mains Along Palm Avenue is receiving $122,074 from the Community Water Enrichment Fund (CWEF). LDOTD provided most of the funding in the amount of $122,916.56 for H.010890, Hollywood Road Roundabout. Two CWEF grants will contribute a total of $222,200 to L-6-20-02, Waterline Through Sports Park Complex – Highway 311. The final project with outside funding is the Bayou Cane Fire Department (BCFD) - Hydrant Installations (L-4-21-03). BCFD received the grant for the entire project ($102,987.77) and signed a cooperative endeavor agreement with TPCW for the installation.

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 2021-2022 fiscal year that also must be funded and are therefore included in the following calculations. They are shown on **Table XIV**.

Funds Required for DWRLF 2014A Bond Projects	(-$ 1,261,676)
Funds Required for Grant Assisted Projects	(-$ 133,869)
Funds Required for Local Projects Committed prior to June 30, 2021	(-$ 7,993,852)
Funds Required for 2021-2022 Committed Local Projects	(-$ 125,000)
Funds Required for 2021-2022 Annual Projects	(-$ 1,445,000)
Funds Required for Previously Committed Projects	(-$10,959,397)

Total Unassigned Surplus Capital Funds

Unrestricted Funds (D and C, Surplus, and Bonds)	$ 22,205,847
Projected Reimbursements from Grant Projects (Remaining)	
L-4-17-01, Replace Water Mains along Palm Avenue	$ 122,074
SPN-H.010890, Hollywood Road Roundabout	$ 122,917
L-6-20-02, Waterline Through Bayou Country Sports Park	$ 222,200
L-4-21-03, Bayou Cane Fire Department – Hydrant Installations	$ 102,988
Funds Required for Previously Committed Projects	(-$ 10,959,397)
Total Unallocated Surplus Funds	**$ 11,816,629**

The Unallocated Surplus Funds for TPCW as of June 30, 2021 is approximately $11.8 million for other projects TPCW would like to undertake in 2021-2022.

TABLE XIV

Incomplete Projects

July 1, 2020 to June 30, 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 and 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 TPCW gets involved in litigation, which may affect their financial status. Currently the TPCW is involved in (or has an interest in) three (3) litigation matters.

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

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

This is a suit for contractual and other damages which grew out of a TPCW 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").

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 TPCW 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 and extra costs incurred for which BET sued LaGreca as the at-fault party. Pursuant to an

agreement between BET and TPCW, BET will also seek to recuperate Waterworks' damages from LaGreca and its bond company as enumerated above in the same lawsuit.

Recently, LaGreca filed certain Peremptory Exceptions which if granted would have the result of dismissing TPCWs' claims. Counsel for BET has filed a vigorous denial to LaGreca's exceptions, and no hearing was set to consider the exceptions before the trial dates—thus, they will likely be referred to the merits at trial.

Trial was begun in July 2021 with the plaintiff, BET, putting on its case and that of TPCW. After BET rested its case, trial was continued to new dates for its conclusion, which will consist of defendant's case and any rebuttal from BET/TPCW after that. Those new trial dates were set on March 28 and 29, 2022, but continued at the Judge's behest, and new dates have not been set as of this writing.

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

2) *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 TPCW, based upon a vehicular accident in December 2018. One of TPCWs' employees, Freddie Goodwin, was stopped behind Hebert's vehicle a red light. When it turned green, Goodwin thought Hebert had started forward and pressed his accelerator; she had not, and Goodwin struck the rear of Hebert's vehicle with the TPCW truck he was driving while on the job.

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 serious injuries to her cervical area from this accident. There is a report of a recommendation of surgery, but none has been scheduled as of this writing.

The case is being handled by TPCWs' insurer, who is providing first-dollar coverage and defense counsel. That counsel anticipates settlement discussions to commence soon. Although liability appears to be 100% against TPCWs' employee, it is also apparent that there is no realistic chance that plaintiff's damages will exceed the very substantial insurance limits carried by TPCW.

3) *Consolidated Waterworks District No. 1 v. Atmos Energy LLC and GridSource Inc.,* 32nd Judicial District for the Parish of Terrebonne

This is a suit brought by TPCW against the contractor, GridSource, Inc. ("GridSource"), and against the gas company hiring GridSource, Atmos Energy, LLC ("Atmos"), for the damages done to (and costs of repair of) one of TPCWs' lines in Schriever. On November 5, 2020, TPCW was contacted by GridSource to locate one of TPCWs' lines near 473 West Main Street in Schriever where GridSource was going to perform boring services under concrete to install a gas line for Atmos, and TPCW did attempt to locate its line.

Some days later, on November 18th, GridSource damaged TPCWs' line at that location when it bored under the concrete. It turned out that TPCWs' locate markings were a few feet off of the actual waterline location at the beginning of the boring, but TPCWs' staff believes that GridSource was negligent for failing to realize that they had hit the waterline initially and continuing to bore approximately 40 feet past first contact as the original locate began to align more closely with the actual submerged line. This continuing to bore for approximately 40 more feet caused much more damage than had GridSource initially halted their boring machine.

Costs to repair and replace the damaged TPCWs' line are over $50,000 and suit has recently been filed, and service upon all defendants is underway. Although TPCW was at fault in initially marking its line, it is believed that GridSource is primarily at fault for TPCWs' damages. There should be no counterclaim against TPCW for any damages on behalf of GridSource or Atmos.

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 constantly informed on matters by the 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 required to operate the distribution systems of the two TPCW Public Water Supplies. 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 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. Mrs. Trahan retired in December of 2021.

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 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 TPCW Public Water Supplies. His duties consist of assisting the General Manager in operating TPCW and supervising the Engineering, Distribution and Treatment Departments. Mr. Prosperie relocated to Tennessee in February 2022.

OPERATING PERSONNEL:

The operating personnel of TPCW are separated 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, Field

Supervised by the Customer Service Manager

9 employees

Engineering

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

16 employees

Field Maintenance

Department Head - Lloyd Benoit, Distribution Superintendent
Devon Woods, Distribution Supervisor

16 employees

Warehouse and Purchasing

Supervised by Chief Administrative Officer

3 employees

Water Treatment Plants

Department Head - Brennan LeBlanc, Staff Engineer

Schriever Water Treatment Plant - Ivy Theriot, Supervisor

Houma Water Treatment Plant - Randy Hille, Supervisor

17 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 comparable 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, 2021

(Unaudited)

Insurer	Type of Coverage	Amount of Insurance	Expiration Date
Tokio Marine Specialty Insurance Company	Automobile liability	$1,000,000	July 1, 2021
Tokio Marine Specialty Insurance Company	General liability	$3,000,000	July 1, 2021
Tokio Marine Specialty Insurance Company	General liability	$10,000,000	July 1, 2021
Louisiana United Businesses' Association	Workers' compensation	$1,000,000	July 1, 2021
North American Elite Insurance Company	Combined building and personal property	$30,000,000	July 1, 2021
Tokio Marine Specialty Insurance Company	Public employee dishonesty, forgery or alteration, theft, disappearance, and destruction	$100,000	July 1, 2021
Allianz Global Corporate & Specialty	Computer equipment and software	$409,000	July 1, 2021
Indian Harbor Insurance Company	Pollution liability	$1,000,000	July 1, 2021
American Bankers Insurance	Flood	$500,000	August 1, 2021
Lloyds of London	Cyber liability	$2,000,000	March 1, 2022

APPENDIX A

DEPARTMENTAL EXPENSES

APPENDIX A

Departmental Expenses

July 1, 2020 to June 30, 2021

	ADMINISTRATION	BILLINGS & COLLECTIONS	METER READING	WAREHOUSE & METER SHOP	ENGINEERING	OPERATIONS	DISTRIBUTION & FIELD CREWS	WATERPLANT	LAB	TOTAL
Accounting	$55,700									$55,700
Attorney	45,540									45,540
Bayou Black Reservoir Maintenance								7,123		7,123
Board Members	13,889									13,889
Bond Agent Fees	3,929									3,929
Chemicals							8,573	1,323,223		1,331,796
Collection Agency		1,420								1,420
Computer Supplies					3,758					3,758
Consulting Engineer	12,380									12,380
Data Processing		296,194								296,194
Employee Group Insurance	104,592	109,711	146,957	49,534	174,673		253,322	280,510	72,775	1,192,074
Equipment and Bldg.Repairs	43,801	71,481		5,319					6,032	126,633
Equipment - Field Repairs							148,924			148,924
Freight				73			0	0	610	683
Gasoline and Oil	1,397	1,397	13,275	3,771	10,480		25,812	12,299	7,049	75,480
Generator Fuel								11,533		11,533
GIS Network					164,196					164,196
Insurance and Bonds	43,827	21,833	34,742	19,350	41,186		114,438	212,356	18,319	506,051
Janitorial Service	24,000								6,948	30,948
Lab Analysis									25,197	25,197
Lab Equipment and Supplies									34,163	34,163
Meter Parts and Repair				295						295
Office Supplies and Expenses	58,848	66,566	572	2,896	6,044		3,124	21,182	6,149	165,381
Other Postemployment Benefit	(22,673)	(16,736)	(10,351)	(47,347)	19,940		(55,071)	34,225	(10,646)	(108,659)
Payroll Taxes	46,107	33,061	38,246	20,516	68,854		72,324	103,848	23,561	406,517
Plant Maintenance								194,451		194,451
Plant Supplies								2,558		2,558
Postage		240,490								240,490
Publish Proceedings	3,075									3,075
Radio Communications	8,513	9,490	6,653	1,328	14,238		12,591	7,439	3,381	63,633
Raw Water Cost								130,189		130,189
Retirement Expenses	5,901	4,376	5,072	1,826	8,796		9,162	13,584	3,102	51,819
Salaries	476,839	353,907	408,793	219,221	717,039		755,542	1,089,748	251,289	4,272,378
Seminars and Schools	49	1,878	2,068	586	7,518		3,204	220	175	15,698

APPENDIX A

Departmental Expenses

July 1, 2020 to June 30, 2021

	ADMINISTRATION	BILLINGS & COLLECTIONS	METER READING	WAREHOUSE & METER SHOP	ENGINEERING	OPERATIONS	DISTRIBUTION & FIELD CREWS	WATERPLANT	LAB	TOTAL
Small Tools			1,765	495			18,666	851		21,777
Telephone Service		1,554						9,064	1,719	12,337
Tractor Repairs								2,819		2,819
Truck and Auto Repair	364	16	13,661	79	10,424		26,160	2,975	1,526	55,205
Uniforms							3,209	0		3,209
Utilities	24,860					151,168		573,593	9,263	758,884
Warehouse Supplies				8,595						8,595
Waterline Maintenance							1,134,596			1,134,596
Watertower Maintenance							49,149			49,149
TOTAL	$950,938	$1,196,638	$661,453	$286,537	$1,247,146	$151,168	$2,583,725	$4,033,790	$460,612	$11,572,007
Average No. of Customers	43,745									
Annual Costs per Customer	$21.74	$27.35	$15.12	$6.55	$28.51	$3.46	$59.06	$92.21	$10.53	$264.54
Monthly Costs per Customer	$1.81	$2.28	$1.26	$0.55	$2.38	$0.29	$4.92	$7.68	$0.88	$22.05

APPENDIX B

DEPARTMENTAL EXPENSES AND BUDGET

APPENDIX B

Departmental Expenses and Budget

July 1, 2020 to June 30, 2021

	ACTUAL 2019-2020	ACTUAL 2020-2021	Increase / (Decrease)	Budget 2021-2022	Budget Increase / (Decrease)
ADMINISTRATIVE					
Salaries	$464,158	$478,236	$14,078	$506,000	$27,764
Other Postemployment Benefits	86,295	(22,673)	(108,968)	35,960	58,633
Employee Group Insurance	98,701	104,592	5,891	119,000	14,408
Payroll Taxes	44,191	46,107	1,916	51,000	4,893
Retirement Expenses	31,549	5,901	(25,648)	37,800	31,899
Office Supplies and Expenses	55,778	58,848	3,070	50,000	(8,848)
Accounting	57,450	55,700	(1,750)	55,000	(700)
Attorney	30,175	45,540	15,365	80,000	34,460
Board Members	10,697	13,889	3,192	17,000	3,111
Bond Agent Fees	2,600	3,929	1,329	2,600	(1,329)
Consulting Engineers	14,681	12,380	(2,301)	15,000	2,620
Insurance and Bonds	35,290	43,827	8,537	30,000	(13,827)
Janitorial Service	24,000	24,000	0	24,000	0
Publishing Proceedings	3,092	3,075	(17)	5,000	1,925
Communications	12,337	8,513	(3,824)	28,000	19,487
Equipment Repair (Office)	30,326	43,801	13,475	40,000	(3,801)
Truck and Auto Repair*	428	364	(64)	1,000	636
Seminars and Schools	4,384	49	(4,335)	18,000	17,951
Utilities	25,749	24,860	(889)	25,000	140
TOTAL	$1,031,881	$950,938	($80,943)	$1,140,360	$189,422

*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, 2020 to June 30, 2021

	ACTUAL 2019-2020	ACTUAL 2020-2021	Increase / (Decrease)	Budget 2021-2022	Budget Increase / (Decrease)
BILLINGS AND COLLECTIONS					
Salaries	$354,660	$355,461	$801	$391,000	$35,539
Other Postemployment Benefits	530,970	(16,736)	(547,706)	63,444	80,180
Employee Group Insurance	102,535	109,711	7,176	145,000	35,289
Payroll Taxes	32,344	33,061	717	38,200	5,139
Retirement Expenses	24,018	4,376	(19,642)	29,000	24,624
Gasoline and Oil	1,606	1,397	(209)	2,000	603
Office Supplies and Expenses	65,838	66,566	728	67,000	434
Collection Agency	3,065	1,420	(1,645)	4,500	3,080
Data Processing	67,907	67,258	(649)	60,000	(7,258)
Merchant Card Fees	205,990	228,936	22,946	220,000	
Equipment Maintenance/Lease	59,031	71,481	12,450	74,000	2,519
Insurance and Bonds	25,475	21,833	(3,642)	25,000	3,167
Postage	233,202	240,490	7,288	240,000	(490)
Communications	2,765	9,490	6,725	25,000	15,510
Truck and Auto Repairs	143	16	(127)	500	484
Seminars and Schools	340	1,878	1,538	2,500	622
					$0
TOTAL	$1,709,889	$1,196,638	($513,251)	$1,387,144	$199,442
CUSTOMER SERVICE - FIELD (METER READING)					
Salaries	$441,722	$408,793	($32,929)	$476,000	$67,207
Other Postemployment Benefits	314,738	(10,351)	(325,089)	86,030	96,381
Employee Group Insurance	140,219	146,957	6,738	192,000	45,043
Payroll Taxes	41,382	38,246	(3,136)	47,000	8,754
Retirement Expenses	30,316	5,072	(25,244)	36,000	30,928
Gasoline and Oil	14,551	13,275	(1,276)	14,000	725
Office Supplies and Expenses	1,679	572	(1,107)	2,000	1,428
Small Tools	292	1,765	1,473	1,500	(265)
Insurance and Bonds	33,451	34,742	1,291	37,000	2,258
Communications	6,746	6,653	(93)	14,500	7,847
Mobile Read Services	0	0	0	16,000	16,000
Equipment Repair (Office)	4,800	0	(4,800)	0	0
Truck and Auto Repairs	7,095	13,661	6,566	8,000	(5,661)
Schools and Seminars	45	2,068	2,023	5,000	2,932
TOTAL:	$1,037,036	$661,453	($375,583)	$935,030	$273,577

APPENDIX B

Departmental Expenses and Budget

July 1, 2020 to June 30, 2021

	ACTUAL 2019-2020	ACTUAL 2020-2021	Increase / (Decrease)	Budget 2021-2022	Budget Increase / (Decrease)
WAREHOUSE AND METER SHOPS					
Salaries	$204,967	$219,221	$14,254	$219,000	($221)
Other Postemployment Benefits	(211,492)	(47,347)	164,145	31,291	78,638
Employee Group Insurance	48,491	49,534	1,043	57,000	7,466
Payroll Taxes	19,757	20,516	759	21,700	1,184
Retirement Expenses	9,656	1,826	(7,830)	12,000	10,174
Gasoline and Oil	1,495	3,771	2,276	4,200	429
Office Supplies and Expenses	3,532	2,896	(636)	3,500	604
Small Tools	941	495	(446)	2,000	1,505
Warehouse Supplies	9,551	8,595	(956)	15,000	6,405
Freight	1,621	73	(1,548)	1,000	927
Insurance and Bonds	16,045	19,350	3,305	16,000	(3,350)
Communication	1,488	1,328	(160)	6,100	4,772
Equipment Repairs	3,008	5,319	2,311	7,500	2,181
Meter Repairs Parts	1,926	295	(1,631)	3,000	2,705
Truck and Auto Repairs	0	79	79	750	671
Schools and Seminars	295	586	291	1,000	414
TOTAL	$111,281	$286,537	$175,256	$401,041	$114,504

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

ENGINEERING					
Salaries	$794,462	$717,039	($77,423)	$824,000	$106,961
Other Postemployment Benefits	(1,226,521)	19,940	1,246,461	68,880	48,940
Employee Group Insurance	170,337	174,673	4,336	233,000	58,327
Payroll Taxes	75,526	68,854	(6,672)	81,000	12,146
Retirement Expenses	52,235	8,796	(43,439)	58,000	49,204
Computer Supplies	4,484	3,758	(726)	5,000	1,242
Gasoline and Oil	11,688	10,480	(1,208)	10,000	(480)
Office Supplies and Expenses	14,885	6,044	(8,841)	12,000	5,956
GIS Network	60,743	164,196	103,453	151,000	(13,196)
Insurance and Bonds	53,392	41,186	(12,206)	43,000	1,814
Communications	17,035	14,238	(2,797)	15,000	762
Truck and Auto Repair	11,664	10,424	(1,240)	10,000	(424)
Seminars and Schools	9,221	7,518	(1,703)	20,000	12,482
TOTAL:	$49,151	$1,247,146	$1,197,995	$1,530,880	$283,734

*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, 2020 to June 30, 2021

	ACTUAL 2019-2020	ACTUAL 2020-2021	Increase / (Decrease)	Budget 2021-2022	Budget Increase / (Decrease)
DISTRIBUTION AND FIELD CREWS					
Salaries	$867,217	$755,542	($111,675)	$953,000	$197,458
Other Postemployment Benefits	728,964	(55,071)	(784,035)	157,447	212,518
Employee Group Insurance	243,089	253,322	10,233	336,000	82,678
Payroll Taxes	82,105	72,324	(9,781)	94,000	21,676
Retirement Expenses	58,211	9,162	(49,049)	67,000	57,838
Chemicals	11,288	8,573	(2,715)	8,500	(73)
Gasoline and Oil	26,807	25,812	(995)	25,000	(812)
Office Supplies and Expenses	3,869	3,124	(745)	5,000	1,876
Small Tools	6,801	18,666	11,865	10,000	(8,666)
Backflow Prevention Program	0	0	0	0	0
Freight	0	0	0	0	0
Insurance and Bonds	142,548	114,438	(28,110)	122,000	7,562
Communications	9,776	12,591	2,815	16,000	3,409
Equipment Repairs (Field)	83,774	148,924	65,150	150,000	1,076
Truck and Auto Repair	14,863	26,160	11,297	15,000	(11,160)
Water Tower Maintenance	67	49,149	49,082	50,000	851
Waterline Maintenance	629,394	1,134,596	505,202	750,000	(384,596)
Seminars and Schools	2,115	3,204	1,089	6,500	3,296
Uniforms	5,185	3,209	(1,976)	4,500	1,291
TOTAL:	$2,916,073	$2,583,725	($332,348)	$2,769,947	$186,222

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

OPERATIONS					
Utilities	$160,458	$151,168	($9,290)	$155,000	$3,832

APPENDIX B

Departmental Expenses and Budget

July 1, 2020 to June 30, 2021

	ACTUAL 2019-2020	ACTUAL 2020-2021	Increase / (Decrease)	Budget 2021-2022	Budget Increase / (Decrease)
WATER PLANT					
Salaries	$1,182,265	$1,098,812	($83,453)	$1,280,000	$181,188
Other Postemployment Benefits	349,804	34,225	(315,579)	143,966	109,741
Employee Group Insurance	263,497	280,510	17,013	354,000	73,490
Payroll Taxes	109,989	103,848	(6,141)	126,200	22,352
Retirement Expenses	79,704	13,584	(66,120)	96,000	82,416
Chemicals	1,219,136	1,323,223	104,087	1,200,000	(123,223)
Computer Supplies	0	0	0	0	0
Generator Fuel	21,581	11,533	(10,048)	15,000	3,467
Gasoline and Oil	9,240	12,299	3,059	12,000	(299)
Office Supplies and Expenses	21,687	21,182	(505)	23,000	1,818
Raw Water Cost	138,107	130,189	(7,918)	140,000	9,811
Small Tools	1,353	851	(502)	2,000	1,149
Plant Supplies	7,638	2,558	(5,080)	9,000	6,442
Freight	958	0	(958)	1,000	1,000
Insurance and Bonds	251,554	212,356	(39,198)	232,000	19,644
Lab Analysis	0	0	0	0	0
Communications	2,833	7,439	4,606	24,000	16,561
Bayou Black Reservoir Maint.	6,502	7,123	621	7,000	(123)
Plant Maintenance	233,471	194,451	(39,020)	225,000	30,549
Tractor Repairs	2,574	2,819	245	3,000	181
Truck and Auto Repair	1,665	2,975	1,310	5,000	2,025
Seminars and Schools	5,656	220	(5,436)	5,000	4,780
Uniforms	350	0	(350)	0	0
Utilities	512,308	573,593	61,285	575,000	1,407
Reserve Filter Media	104,000	104,000	0	104,000	0
TOTAL:	$4,525,872	$4,137,790	($388,082)	$4,582,166	$444,376

APPENDIX B

Departmental Expenses and Budget

July 1, 2020 to June 30, 2021

	ACTUAL 2019-2020	ACTUAL 2020-2021	Increase / (Decrease)	Budget 2021-2022	Budget Increase / (Decrease)
LAB					
Salaries	$244,909	$253,008	$8,099	$260,000	$6,992
Other Postemployment Benefits	(394,724)	(10,646)	384,078	23,898	34,544
Employee Group Insurance	70,331	72,775	2,444	85,000	12,225
Payroll Taxes	22,311	23,561	1,250	25,750	2,189
Retirement Expenses	17,395	3,102	(14,293)	19,500	16,398
Computer Supplies	780	0	(780)	0	0
Gasoline and Oil	6,426	7,049	623	8,000	951
Lab Equipment and Supplies	30,520	34,163	3,643	30,000	(4,163)
Office Supplies and Expenses	6,485	6,149	(336)	7,250	1,101
Freight	879	610	(269)	1,000	390
Insurance and Bonds	20,359	18,319	(2,040)	22,000	3,681
Janitorial Services	7,742	6,948	(794)	8,000	1,052
Lab Analysis	42,408	25,197	(17,211)	30,000	4,803
Communications	2,894	3,381	487	13,500	10,119
Equipment and Building Repairs	5,518	6,032	514	8,000	1,968
Truck and Auto Repair	573	1,526	953	4,000	2,474
Seminars and Schools	4,482	175	(4,307)	7,000	6,825
Utilities	7,276	9,263	1,987	9,500	237
TOTAL:	$96,564	$460,612	$364,048	$562,398	$101,786

APPENDIX C

COMBINE DEBT SERVICE SCHEDULE

APPENDIX C

Combined Debt Service Schedule

July 1, 2020 to June 30, 2021

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

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