

MARCH 19, 2018

TERREBONNE PARISH CONSOLIDATED WATERWORKS DISTRICT NO. 1



Melanie B Caillouet

March 19, 2018



2016-2017 Annual Engineer's Report

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TABLE OF CONTENTS

| | <u>Page Nos.</u> |
|--|------------------|
| Section I Introduction | 1 - 14 |
| Section II Operations Performance | 15 - 24 |
| Section III Performance of Actual and Budgeted Year | 25 - 29 |
| Section IV Capital Outlay | 30 - 35 |
| Section V Litigation | 36 - 37 |
| Section VI Management | 38 - 41 |
| Section VII Insurance | 42 - 43 |

List of Tables

| | |
|--|----|
| Table I Water Rates | 11 |
| Table II Meter Deposits and Other Fees | 13 |
| Table III History of Assessed Valuation | 14 |
| Table IV Operation Statistics of Sales and Consumption | 16 |
| Table V History of Customer Usage | 17 |
| Table VI Total Revenue Per Customer | 21 |
| Table VII Operating Expenses Per Customer | 22 |
| Table VIII Net Surplus Per Customer | 23 |
| Table IX History of Revenue, Expenses and Net Surplus | 24 |
| Table X Audited and Budgeted Revenue | 26 |
| Table XI Audited and Budgeted Operating Expenses | 27 |
| Table XII Audited and Budgeted Surplus and Parity Income | 29 |
| Table XIII Incomplete Projects | 32 |
| Table XIV Additional Local Projects for 2017-2018 | 35 |

List of Exhibits

| | |
|---|-------|
| Plate 1 Chloride (Salinity) Values in Raw Water from Intracoastal Waterway | 4 |
| Plate 2 Quantity of Water Produced and Sold | 18-19 |

Appendices

| | |
|---|------------|
| Appendix A - Departmental Expenses | A-1 |
| Appendix B - Departmental Expenses and Budget | B-1 to B-5 |
| Appendix C - Combined Debt Service Schedule | C-1 |

SECTION I

INTRODUCTION

INTRODUCTION:

This report reviews the results of operation and the financial condition of the Consolidated Waterworks District No. 1 of the Parish of Terrebonne in Louisiana (DISTRICT) for the audited year ending June 30, 2017. The report is prepared in accordance with the terms of the DISTRICT's bond resolution authorizing and securing all outstanding bonds. Arthur A. De Fraites, Jr. served as consultant to the DISTRICT, since December 20, 1994. Mr. De Fraites retired on December 31, 2015; therefore, Ms. Melanie B. Caillouet is now 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 Design, LLC 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, with that of Waterworks District Nos. 1, 2, and 3 of Terrebonne Parish, into a Parish-wide consolidated water district. The said water district would be governed by a Board of Commissioners and by an ordinance adopted by the Terrebonne Parish Consolidated Government on March 23, 1994, the Consolidated Waterworks District No. 1 (DISTRICT) of the Parish of Terrebonne, Louisiana was created.

GENERAL DESCRIPTION OF THE SYSTEM:

The DISTRICT operates the Schriever Water Treatment Plant and the Houma Water Treatment Plant. The plants and their systems are known as Public Water System Nos. 1109002 and 1109001, respectively. The DISTRICT operates these two (2) public water systems in accordance with applicable regulations, mainly Louisiana Administrative Code Title 51, Part XII (Water Supplies), Recommended Standards for Water Works (also known as the Ten State Standards), and applicable US EPA and Office of Homeland Security standards. The DISTRICT's two public water systems consist of two (2) surface water treatment plants, two (2) standpipes, sixteen (16) elevated storage towers, four (4) ground storage tanks, and 921 miles of transmission and distribution piping ranging in size up to 36 inches in diameter.

The DISTRICT's water system serves all the residents and businesses in Terrebonne Parish and four (4) sections of Lafourche Parish, namely Marydale Subdivision, the Grand Bois Community, the Pointe-Aux-Chenes Community, and Ferry Road.

RAW WATER SOURCES:

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

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

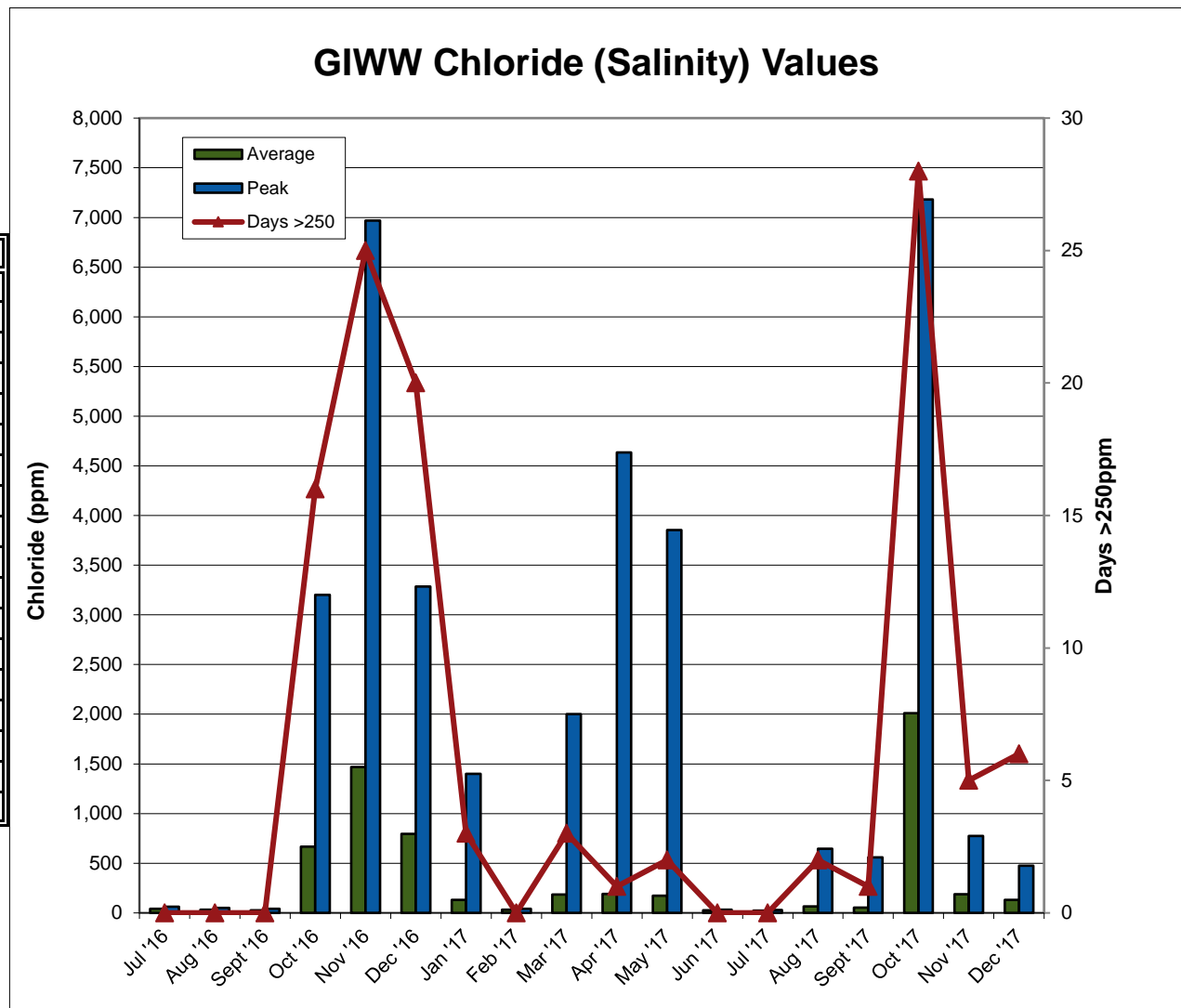
Plate 1 indicates average and maximum readings of chloride (salinity) in the raw water of the Houma Plant from the Gulf Intracoastal Waterway for the fiscal year. The exhibit also includes an extension of readings through December 2017. It is seen that there were 70 days in which salinity exceeded 250ppm during the fiscal period. High readings were recorded from October through January 2017 and again in March and May of 2017. It is noticed that high salinity readings

occurred again in fall of 2017. Through years of recording chloride levels in the Gulf Intracoastal Waterway, a pattern has become evident. Salinity levels peak during hurricane season between August and November. 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. The DISTRICT is well aware of the current higher levels of salinity during fall and coordinates their water requirements from other sources at these times. Generally, in those instances when salinity exceeds 200ppm, the majority of the water, serving customers from the Houma Plant, is from the Bayou Black reservoir and supplemented by the Schriever plant.

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

PLATE 1
Chloride (Salinity) Values in Raw Water from Intracoastal Waterway
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| Month | Average | Peak | Days >250 |
|----------|---------|------|-----------|
| Jul '16 | 42 | 61 | 0 |
| Aug '16 | 32 | 50 | 0 |
| Sept '16 | 27 | 42 | 0 |
| Oct '16 | 666 | 3200 | 16 |
| Nov '16 | 1470 | 6970 | 25 |
| Dec '16 | 795 | 3285 | 20 |
| Jan '17 | 131 | 1400 | 3 |
| Feb '17 | 32 | 41 | 0 |
| Mar '17 | 184 | 2000 | 3 |
| Apr '17 | 192 | 4635 | 1 |
| May '17 | 172 | 3855 | 2 |
| Jun '17 | 25 | 31 | 0 |
| Jul '17 | 22 | 30 | 0 |
| Aug '17 | 65 | 646 | 2 |
| Sept '17 | 52 | 560 | 1 |
| Oct '17 | 2011 | 7180 | 28 |
| Nov '17 | 187 | 775 | 5 |
| Dec '17 | 130 | 475 | 6 |



TREATMENT PLANTS:

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

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

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 16 filters. They use the same raw water source but operates independently from where the raw water is pumped into the plant to 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, alum, and polymer are added to the raw water at the beginning of the pipe run. Fluoride 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 rotation basis. The backwash water from the filters is sent back to the reservoir causing a silting problem in the reservoir. (It is the DISTRICT's hopes 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.

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 WTPs 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 CWWD office. The SCADA system at the Schriever WTP is equipped to monitor pressures in the distribution system. The operators at the Schriever WTP are now responsible for monitoring those pressures during non-office hours. The SCADA system equipment will soon be upgraded because of the upgrades to the software.

During the site visit, the operators discussed in-house maintenance projects and projects they would like to see come to fruition within the next five years. Those include installing air scour on the 16 filters on the west treatment train, making changes to the launder system so they can isolate the east and west treatment trains, and replace the roof on the main building. The chlorine dioxide system was replaced in October 2017 due to a change in chemical suppliers. The DISTRICT is currently investigating the possible automation of the chemical feeds so that feed amounts can be adjusted using SCADA.

Houma WTP:

The Houma WTP operates two separate treatment trains that run identically. The raw water is typically pumped from the reservoir and, only when the reservoir is low, from the GIWW. 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 is capable of producing 4mgd of treated water. Since the demand from the plant has been reduced in recent years, they operate one clarifier at

4mgd 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. Ammonia and sodium hypochlorite have to be injected to make chloramines before the water enters the ground storage tanks since the carbon filters removed the chlorine. 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.

During the site visit, the operators discussed capital projects they would like to see. These included renovating/replacing the raw water intake structure at the reservoir due to deteriorated frame work, replacing the aerators to help with taste and odor issues when they occur, replacing some chemical tanks, and adding air scour to the filters. The operators would also like to see the HVAC system replaced. One other request is to renovate the elevator. It was installed in 1968 and has not received any upgrades since.

As with the Schriever WTP, the chlorine dioxide system was replaced in October 2017 which was due to a new supplier of the chemicals. The roof is currently being replaced on a filter building which was requested in last year's report. The DISTRICT is currently investigating the possible automation of the chemical feeds so that feed amounts can be adjusted using SCADA for the Houma WTP also.

Another concern for the Houma WTP is the Hanson Canal Pump Station project that is being conducted by Terrebonne Parish Consolidated Government. 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 make chemical feed adjustments as necessary when the project goes on line.

WATER TRANSMISSION AND DISTRIBUTION:

The water distribution systems for the two (2) public water systems of the DISTRICT include major transmission lines ranging from 16 inches to 36 inches in diameter. The two WTPs are interconnected through the ground storage tanks at the Houma WTP. Two (2) ground storage tanks are located at the Houma Plant and two (2) are located at the Schriever Plant. The Schriever Plant has a combined storage capacity of 6 million gallons, while the Houma Plant has a combined storage of 4 million gallons. Two (2) - three million gallon stand pipes and 16 water towers within the network additionally support the system. The total water storage capacity of the DISTRICT is 18.95 million gallons. The system is comprised of approximately 921 miles of transmission and distribution piping ranging in sizes (as a % of the total) as follows:

| | |
|-----------------------|--------|
| 36-inches - 14-inches | 8.00% |
| 12-inches - 8-inches | 59.68% |
| 6-inches - 4-inches | 29.60% |
| Less than 4-inches | 2.71% |

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 has been 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 the DISTRICT and the State of Louisiana Department of Health and Hospitals for approval prior to construction. The DISTRICT maintains

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

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

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

| <u>Subdivision Names</u> | <u>No. of Lots</u> | <u>Length (ft.)</u> |
|--|--------------------|---------------------|
| Bayou Country Sports Park | Waterline | 3,729 |
| DPW Administrative Building for TPCG | Waterline | 695 |
| Magellan Midstream Partners, LLC | Waterline | 621 |
| North Eagle Drive Extension | 1 Lot | 400 |
| Parkwood Place Subdivision | 144 Lots | 5,050 |
| South Central Planning & Development | Waterline | 223 |
| Southern Landing Apartments | Waterline | 220 |
| South Manchester Subdivision, Phase 1 | 6 Lots | 790 |
| <u>Sugar Mill Olde Towne, Addendum 2</u> | <u>15 Lots</u> | <u>650</u> |
| TOTAL | 166 Lots | 12,378 |

CURRENT RATE STRUCTURE:

Table I indicates the water rates of the DISTRICT, which were used during this fiscal year. Residential "S" customers paid a minimum of \$7.50, Commercial and Industrial "C" customers paid \$15.00, while Export "E" customers paid \$30.00. Each minimum comes with 2,000 gallons of water. Above the initial 2,000 gallons and up to 30,000 gallons, residential customers and commercial customers paid \$3.50 and \$3.75 per 1,000 gallons, respectively. Above 30,000 gallons they paid \$4.05 and \$4.30 per 1,000 gallons, respectively. Export customers paid \$4.30 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.

The DISTRICT adopted a resolution automatically increasing the rate per 1,000 gallons by \$0.10 each July 1st through 2017. A water rate study was conducted in September 2017 that recommended the rates be increased. Several rate structures were presented and the DISTRICT will likely decide on an option in Spring 2018.

Table I also shows the current rate structure for the City Power Plant that will be in effect until a new rate is negotiated with the City. Per the 2016-2017 audit, the cost of producing water averaged \$1.26/1,000 gallons. Since August 2012, the City Power Plant is paying \$1.30/1,000 gallons. The Power Plant is using only Schriever Plant water. It is suggested that the Power Plant rate be adjusted annually to the cost of water production plus 40% gallons for pumping and main line maintenance costs. Thus, the Power Plant and Lafourche Parish would be paying the same rate.

TABLE I**Water Rates**

Terrebonne CWWD#1
July 1, 2016 to June 30, 2017

"S" Rate: Single Occ. Residential

| Meter | Gallons | Effective Beginning July 1, 2016 |
|---------------------------|-------------------------------|-------------------------------------|
| All Meters | 2,000 Gals. (Minimum) | \$7.50 |
| Rate per 1,000 gallons | Above Minimum to 30,000 Gals. | \$3.50 |
| | Over 30,000 Gals. | \$4.05 |

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

"C" Rate: Commercial, Industrial, and Institutional

| Meter | Gallons | Effective Beginning July 1, 2016 |
|---------------------------|-------------------------------|-------------------------------------|
| All Meters | 2,000 Gals. (Minimum) | \$15.00 |
| Rate per 1,000 gallons | Above Minimum to 30,000 Gals. | \$3.75 |
| | Over 30,000 Gals. | \$4.30 |

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, 2016 |
|---------------------------|-----------------------|-------------------------------------|
| All Meters | 2,000 Gals. (Minimum) | \$30.00 |
| Rate per 1,000 gallons | Above Minimum | \$4.30 |

City Power Plant *

All water consumed

| Effective Beginning August 1, 2012 |
|---------------------------------------|
| \$1.30 |

Notes:

- An average "Energy Charge" will be added to each bill and is based on the average electricity costs of the system for the preceding 3-month period divided by the number of gallons sold during that same period.
- Water sold to Lafourche Parish during the Fiscal Year was at \$1.68194 per 1,000 gallons. The rate is established annually by the DISTRICT'S Auditor as a supplemental report to the Audit Report. The rate is set at the annual cost of water production plus 40% or \$0.05/1,000 gallons, whichever is higher. The rate per 1,000 gallons for the ensuing year will be \$1.26407+\$0.50563, or \$1.76970.

SERVICE CONNECTION:

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

The DISTRICT's staff periodically reviews expenditures of costs associated with the installation of new service connections. The DISTRICT's personnel provide labor and inventory parts for the service installations in conjunction with excavation equipment and an operator provided by an independent contractor. Contract labor and equipment services are bid every two years and are included with all expenses incurred by the DISTRICT on expense vouchers. The average cost of a service installation during 2016-2017 was \$555/service. This cost has been decreasing for the past three years. The DISTRICT may want to evaluate reducing this fee to better coincide with the actual cost of the average connection.

PROPERTY VALUATION:

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

TABLE II
Meter Deposits and Other Fees
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

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

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

SERVICE CONNECTIONS

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

FIRE HYDRANT METER (effective August 1, 2010)

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

PENALTIES/FEES

| | | |
|--|-----------|----------|
| Meter Installation Fee | \$25.00 | 8/1/2012 |
| Reconnect Fees | \$25.00 | 8/1/2012 |
| Reconnect after hours | \$25.00 * | 7/1/2001 |
| Turn water on/off after hours | \$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 |

*In Addition To Required Reconnect Fee

TABLE III
History of Assessed Valuation
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| 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 | \$45,872,161 |

SECTION II

OPERATIONS PERFORMANCE

CUSTOMER USAGE:

The customer usage on a monthly basis during the fiscal year is shown in **Table IV**, while a history of customer usage can be seen in **Table V**. This data was obtained from the monthly billings register of the DISTRICT. The billing register contains the summation of the quantity of water sold with related sales revenue. It does not reflect any adjustments granted in monthly billings. The average number of customers will be used as a basis to review key financial information per customer. The quantity produced from both water plants and sold to customers is graphically presented in **Plate 2**. Water loss for water distribution systems is typically between 20 and 25% in the Southeastern United States. The monthly water loss in the system ranged from 6.33% to 28.53% with an annual average of 21.65%, which is within the US average range. This water loss includes the 327 million gallons of water flushed from 16 locations during 2016-2017 Fiscal Year. The average water loss, including known water losses, is approximately 2% lower than last year. One factor that skewed the water loss data is the use of approximately 91 million gallons in March 2017. When adding this to the “Other Sales Not Metered” it caused the water loss for the month to drop to 6.33% when the other months’ average was 22.84%. This is still lower than last year. Factors that may contribute to unaccounted water may include:

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

TABLE IV
Operation Statistics of Sales and Consumption
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| MONTH | NUMBER OF CUSTOMERS | NET SALES (\$) | QUANTITY SOLD (Gallons) | AVERAGE BILL (per Customer per Month) | AVERAGE CONSUMPTION (per Customer per Month (Gals.)) |
|----------------------|------------------------------------|-------------------------------|--|--|---|
| | | | | | |
| July, 2016 | 43,458 | \$1,381,252.26 | 325,996,600 | \$31.78 | 7,501 |
| | | | | | |
| August | 43,319 | \$1,338,545.30 | 312,237,800 | \$30.90 | 7,208 |
| | | | | | |
| September | 43,239 | \$1,370,293.18 | 316,059,000 | \$31.69 | 7,310 |
| | | | | | |
| October | 43,394 | \$1,402,965.58 | 327,683,400 | \$32.33 | 7,551 |
| | | | | | |
| November | 43,468 | \$1,428,755.60 | 338,016,500 | \$32.87 | 7,776 |
| | | | | | |
| December | 43,428 | \$1,302,474.66 | 303,728,500 | \$29.99 | 6,994 |
| | | | | | |
| January, 2017 | 43,445 | \$1,259,833.95 | 290,946,800 | \$29.00 | 6,697 |
| | | | | | |
| February | 43,483 | \$1,302,665.29 | 302,468,100 | \$29.96 | 6,956 |
| | | | | | |
| March | 43,393 | \$1,178,666.51 | 270,904,200 | \$27.16 | 6,243 |
| | | | | | |
| April | 43,549 | \$1,274,558.65 | 300,568,700 | \$29.27 | 6,902 |
| | | | | | |
| May | 43,581 | \$1,336,115.40 | 311,397,700 | \$30.66 | 7,145 |
| | | | | | |
| June | 43,296 | \$1,376,535.61 | 321,954,700 | \$31.79 | 7,436 |

TOTAL \$15,952,661.99 3,721,962,000

Average number of Customers per Month 43,421

Average Customer Bill per Month \$30.62

Average Customer Consumption per Month 7,143 gallons per month

TABLE V
History of Customer Usage
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

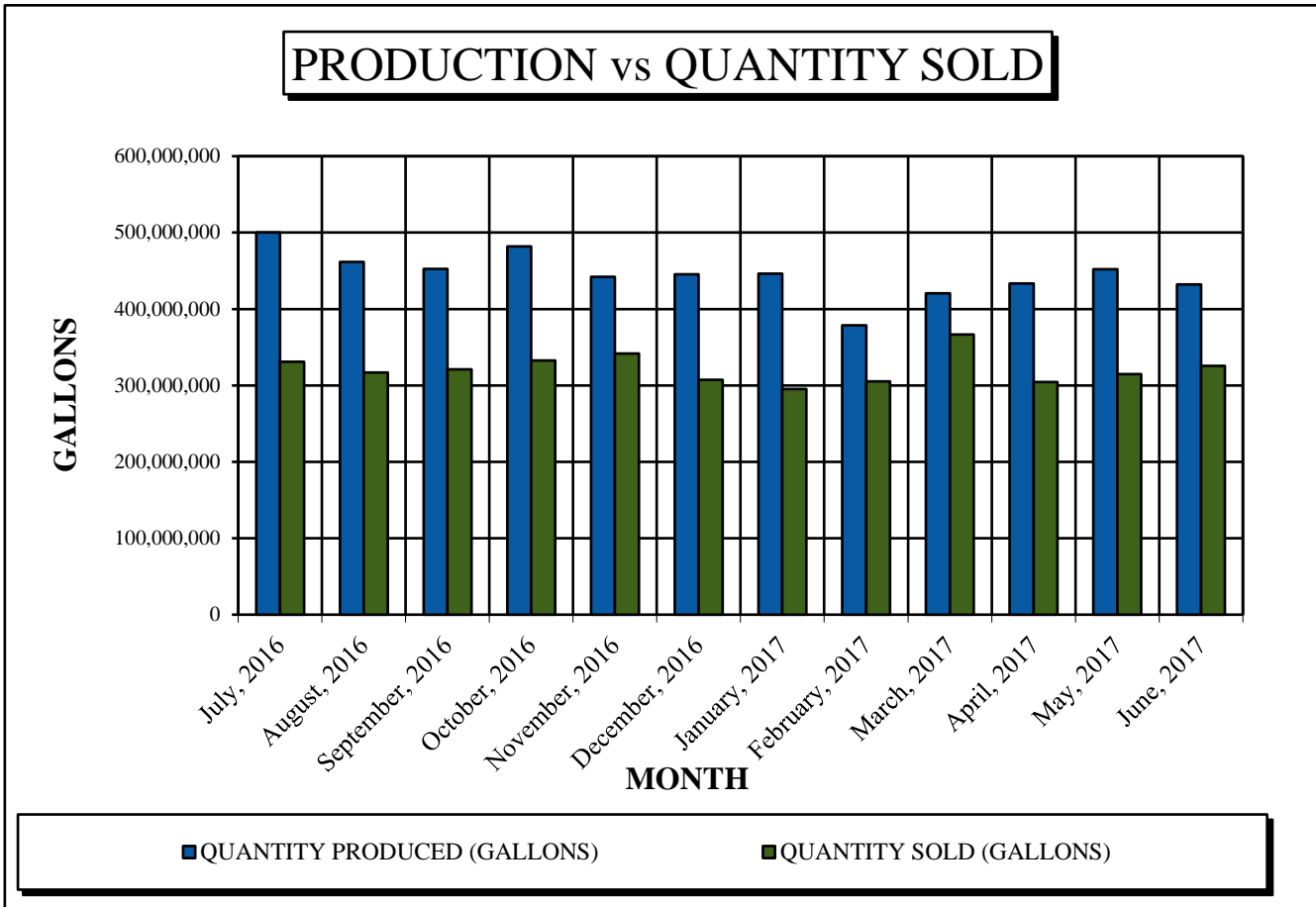
| YearEnding June 30th | Average Number of Customers | Average Bill per Month | Average Consumption per Month (gals.) |
|---------------------------------|--|-----------------------------------|--|
| 1995 | 34,202 | \$19.89 | 8,009 |
| 1996 | 34,767 | \$20.30 | 9,090 |
| 1997 | 35,407 | \$19.68 | 8,728 |
| 1998 | 36,045 | \$20.32 | 9,092 |
| 1999 | 36,848 | \$20.74 | 9,316 |
| 2000 | 37,339 | \$20.18 | 9,137 |
| 2001 | 37,882 | \$20.72 | 8,710 |
| 2002 | 38,318 | \$21.84 | 8,625 |
| 2003 | 39,044 | \$20.09 | 7,941 |
| 2004 | 39,459 | \$21.75 | 8,097 |
| 2005 | 39,969 | \$22.48 | 7,655 |
| 2006 | 40,446 | \$23.54 | 8,018 |
| 2007 | 41,200 | \$23.37 | 7,718 |
| 2008 | 41,742 | \$22.53 | 7,423 |
| 2009 | 42,113 | \$28.54 | 7,525 |
| 2010 | 42,347 | \$28.42 | 7,494 |
| 2011 | 42,440 | \$29.14 | 7,736 |
| 2012 | 42,614 | \$28.88 | 7,536 |
| 2013 | 42,968 | \$28.94 | 7,378 |
| 2014 | 43,313 | \$29.86 | 7,383 |
| 2015 | 43,552 | \$30.22 | 7,300 |
| 2016 | 43,688 | \$30.45 | 7,256 |
| 2017 | 43,421 | \$30.62 | 7,143 |

PLATE 2
Quantity of Water Produced and Sold
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| MONTH | QUANTITY PRODUCED (GALLONS) | QUANTITY SOLD (GALLONS) | OTHER SALES NOT METERED (GALLONS) | TOTAL QUANTITY SOLD (GALLONS) | KNOWN FLUSHINGS (GALLONS) | WATER LOSS IN SYSTEM |
|----------------------------|--|--|--|--|--|---------------------------------|
| July, 2016 | 500,393,000 | 325,996,600 | 4,793,320 | 330,789,920 | 26,858,400 | 28.53% |
| August, 2016 | 461,752,000 | 312,237,800 | 4,655,610 | 316,893,410 | 27,342,000 | 25.45% |
| September, 2016 | 452,573,000 | 316,059,000 | 4,923,640 | 320,982,640 | 26,460,000 | 23.23% |
| October, 2016 | 482,016,000 | 327,683,000 | 4,805,910 | 332,488,910 | 27,342,000 | 25.35% |
| November, 2016 | 442,010,000 | 338,016,500 | 3,710,290 | 341,726,790 | 26,460,000 | 16.70% |
| December, 2016 | 445,590,000 | 303,728,500 | 3,499,520 | 307,228,020 | 27,342,000 | 24.92% |
| January, 2017 | 446,458,000 | 290,946,800 | 4,378,650 | 295,325,450 | 27,342,000 | 27.73% |
| February, 2017 | 378,848,000 | 302,468,100 | 2,894,550 | 305,362,650 | 24,696,000 | 12.88% |
| March, 2017 | 420,654,000 | 270,904,200 | 95,786,868 | 366,691,068 | 27,342,000 | 6.33% |
| April, 2017 | 433,264,000 | 300,568,700 | 3,843,830 | 304,412,530 | 26,460,000 | 23.63% |
| May, 2017 | 452,276,000 | 311,397,700 | 3,452,500 | 314,850,200 | 27,342,000 | 24.34% |
| June, 2017 | 432,321,000 | 321,954,700 | 3,801,880 | 325,756,580 | 26,460,000 | 18.53% |
| Tank Drains | | | | | 6,346,874 | |
| Museum South/Havers | | | | | | |
| TOTAL | 5,348,155,000 | 3,721,961,600 | 140,546,568 | 3,862,508,168 | 327,793,274 | 21.65% |
| AVG/MONTH | 445,679,583 | 310,163,467 | 11,712,214 | 321,875,681 | 27,316,106 | 21.65% |
| | | | | | | |

*In March 2017, Project CIP-1-14-02 used 91,186,898 gallons of water.

PLATE 2
Quantity of Water Produced and Sold
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017



| PLANT PRODUCTION | MONTH | QUANTITY PRODUCED (GALLONS) | Water Loss In System |
|---------------------------|-----------------|-----------------------------|----------------------|
| Least Production Months | February, 2017 | 378,848,000 | 12.88% |
| | March, 2017 | 420,654,000 | 6.33% |
| | June, 2017 | 432,321,000 | 18.53% |
| | April, 2017 | 433,264,000 | 23.63% |
| Average Production Months | November, 2016 | 442,010,000 | 16.70% |
| | December, 2016 | 445,590,000 | 24.92% |
| | January, 2017 | 446,458,000 | 27.73% |
| | May, 2017 | 452,276,000 | 24.34% |
| Highest Production Months | September, 2016 | 452,573,000 | 23.23% |
| | August, 2016 | 461,752,000 | 25.45% |
| | October, 2016 | 482,016,000 | 25.35% |
| | July, 2016 | 500,393,000 | 28.53% |

REVENUES PER METERED CUSTOMER:

Table VI shows the total revenue per customer for the DISTRICT as derived from the DISTRICT's financial report for the year ending June 30, 2017. Interest on investment consists of only the interest earned on non-restricted accounts and is used in determining parity income since it is available for operations.

EXPENSES PER METERED CUSTOMER:

Table VII shows the total expenses per customer for the DISTRICT as derived from the DISTRICT's financial report for the year ending June 30, 2017.

OPERATING SURPLUS:

The net operating surplus of the DISTRICT is shown in **Table VIII**. This presentation allows a review of changes in earning trends to assist in future operating considerations. A comparison of previous years' revenues, expenses, and surplus is shown in **Table IX**. The surplus represents the surplus available for mandated transfers, contingency expenditures, debt, and capital financing. Revenues decreased between the years ending in 2006 and 2008; however, it increased in 2009 due to a change in the rate structure. Revenues have remained steady through 2012 with a slight increase in subsequent years. As is expected, expenses continued to increase with only a slight decrease in 2015 and 2017. Due to the increase in expenses and a slight decrease in revenues, the surplus per customer per month decreased significantly in 2017.

TABLE VI
Total Revenue per Customer
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| | <u>Actual</u> <u>2015-2016</u> | <u>Actual</u> <u>2016-2017</u> | <u>Difference</u> |
|---|---|---|--------------------------|
| <u>Operating Revenue</u> | | | |
| Sales | \$15,833,615 | \$15,720,382 | (\$113,233) |
| Lafourche Parish Sales | 33,610 | 32,384 | (1,226) |
| Service Connections | 203,280 | 160,052 | (43,228) |
| Meter Installation Fees | 139,159 | 139,918 | 759 |
| Penalties & Reconnect Fees | 47,864 | 142,205 | 94,341 |
| Total Operating Revenue | \$16,257,528 | \$16,194,941 | (\$62,587) |
| <u>Contract Services and Other Revenue</u> | | | |
| <u>Service Agreements</u> | | | |
| Sewerage Districts | 206,757 | 207,280 | \$523 |
| Garbage collections | 130,779 | 120,886 | (9,893) |
| * Interest on Investments | 33,110 | 103,505 | 70,395 |
| LA Act 125 | 13,582 | 18,337 | 4,755 |
| Miscellaneous | 368,127 | 167,969 | (200,158) |
| Total Other Revenue | \$752,355 | \$617,977 | (\$134,378) |
| Total Revenue | \$17,009,883 | \$16,812,918 | (\$196,965) |
| Average Number of Customers | 43,688 | 43,421 | (267) |
| Operating Revenue/Customer/Month | \$31.01 | \$31.08 | \$0.07 |
| Other Revenue/Customer/Month | \$1.44 | \$1.19 | (\$0.25) |
| Total Revenue/Customer/Month | \$32.45 | \$32.27 | (\$0.18) |

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

TABLE VII
Operating Expenses per Customer
Terrebonne CWWD#1
July 1, 2016 to June 30, 2017

| <u>Operating Expenses</u> | <u>Actual 2015-2016</u> | <u>Actual 2016-2017</u> | <u>Difference</u> |
|---|------------------------------------|------------------------------------|--------------------------|
| <u>Department</u> | | | |
| Administration | \$939,926 | \$950,358 | \$10,432 |
| Billings & Collections | 1,036,506 | 1,164,198 | 127,692 |
| Meter Reading | 701,449 | 712,342 | 10,893 |
| Warehouse & Meter Shop | 266,968 | 282,917 | 15,949 |
| Operations | 138,985 | 126,270 | (12,715) |
| Engineering | 867,195 | 1,151,659 | 284,464 |
| Maintenance & Field Crews | 2,548,584 | 2,607,659 | 59,075 |
| Waterplant* | 4,110,969 | 4,318,640 | 207,671 |
| Bac-T-Lab | 398,249 | 421,555 | 23,306 |
| Total Operating Expenses (BEFORE Depreciation) | \$11,008,831 | \$11,735,598 | \$726,767 |
| Add: | | | |
| Depreciation | \$3,631,042 | \$3,612,806 | (\$18,236) |
| Total Operating Expenses (AFTER Depreciation) | \$14,639,873 | \$15,348,404 | \$708,531 |
| Average Number of Customers | 43,688 | 43,421 | (267) |
| Operating Expense/Customer/Month (BEFORE Depreciation) | \$21.00 | \$22.52 | \$1.52 |
| Operating Expense/Customer/Month (AFTER Depreciation) | \$27.93 | \$29.46 | \$1.53 |

* Waterplant expenses does not include filter amortization.

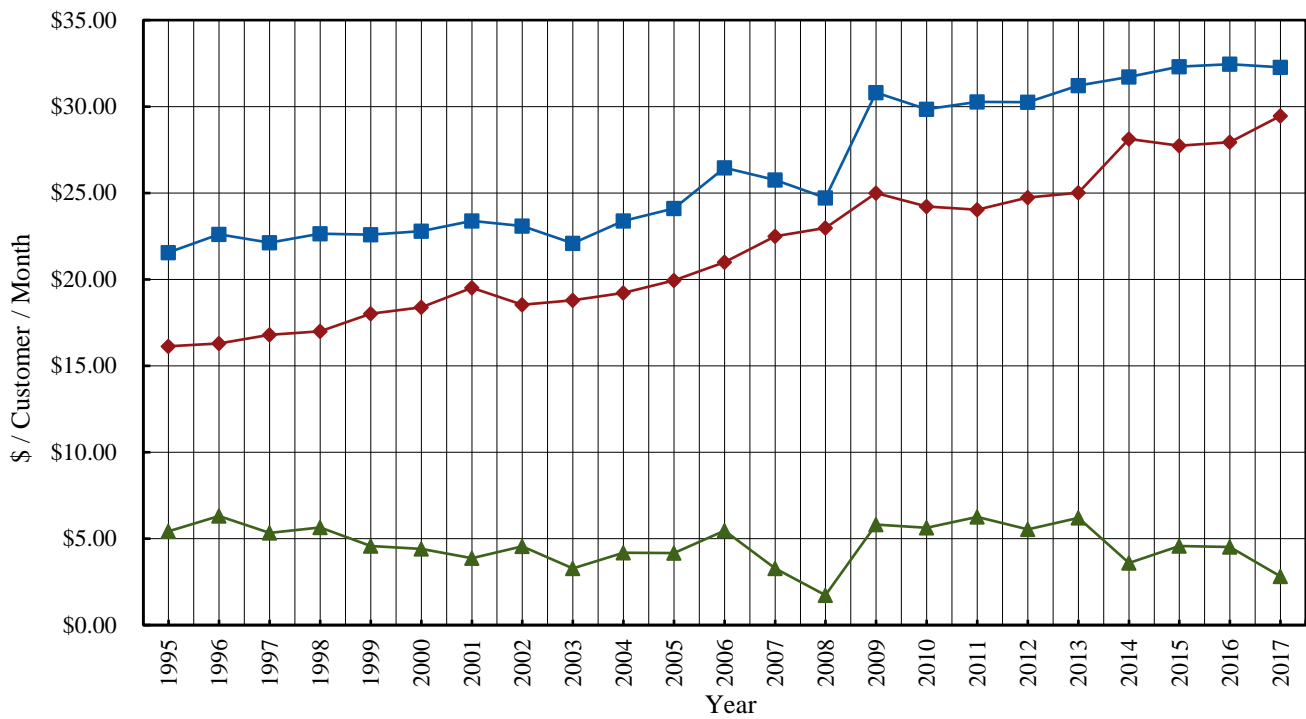
TABLE VIII
Net Surplus per Customer
Terrebonne CWWD#1
July 1, 2016 to June 30, 2017

| | <u>Actual</u> <u>2015-2016</u> | <u>Actual</u> <u>2016-2017</u> | <u>Difference</u> |
|--|---|---|--------------------------|
| <u>REVENUE</u> | | | |
| Operating Revenue | \$16,257,528 | \$16,194,941 | \$ (62,587) |
| Other Revenue | 752,355 | 617,977 | (134,378) |
| TOTAL REVENUE | \$17,009,883 | \$16,812,918 | (196,965) |
| <u>EXPENSES</u> | | | |
| Operating Expenses | \$11,008,831 | \$11,735,598 | \$ 726,767 |
| OPERATING SURPLUS (BEFORE Depreciation) | \$6,001,052 | \$5,077,320 | (923,732) |
| Less: Depreciation | \$3,631,042 | \$3,612,806 | \$ (18,236) |
| OPERATING SURPLUS (AFTER Depreciation) | \$2,370,010 | \$1,464,514 | (905,496) |
| Average Number of Customers | 43,688 | 43,421 | (267) |
| Operating Surplus/Customer/Month (BEFORE Depreciation) | \$11.45 | \$9.74 | \$ (1.71) |
| Operating Surplus/Customer/Month (AFTER Depreciation) | \$4.52 | \$2.81 | \$ (1.71) |

TABLE IX
History of Revenue, Expenses and Net Surplus
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| <u>YearEnding June 30th</u> | <u>Total Revenue per Customer/Mo.</u> | <u>Total Expenses per Customer/Mo.</u> | <u>Net Surplus per Customer/Mo.</u> |
|--|--|---|--|
| 2005 | \$24.10 | \$19.94 | \$4.16 |
| 2006 | \$26.46 | \$21.00 | \$5.46 |
| 2007 | \$25.76 | \$22.49 | \$3.27 |
| 2008 | \$24.71 | \$22.98 | \$1.73 |
| 2009 | \$30.81 | \$24.99 | \$5.82 |
| 2010 | \$29.84 | \$24.21 | \$5.63 |
| 2011 | \$30.28 | \$24.03 | \$6.25 |
| 2012 | \$30.26 | \$24.73 | \$5.53 |
| 2013 | \$31.22 | \$25.02 | \$6.20 |
| 2014 | \$31.71 | \$28.12 | \$3.59 |
| 2015 | \$32.30 | \$27.73 | \$4.57 |
| 2016 | \$32.45 | \$27.93 | \$4.52 |
| 2017 | \$32.27 | \$29.46 | \$2.81 |

Revenue, Expenses & Net Surplus per Customer per Month



■ Total Revenue per Customer/Mo.
 ◆ Total Expenses per Customer/Mo.
 ▲ Net Surplus per Customer/Mo.

SECTION III

**PERFORMANCE OF ACTUAL
AND BUDGETED YEAR**

GENERAL:

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

PROJECTED REVENUE AND EXPENDITURES:

Actual audited revenues of the year ending June 30, 2017, and budgeted revenues for the following year, are indicated in **Table X**. Likewise, departmental actual and budgeted expenditures are shown in **Table XI**. Detailed department expenditures are indicated in **Appendix B**. It should be noted that the DISTRICT's auditor does not include amortization of painting of water towers and filter media in department expenses. The auditor does, however, include the filter media in the line item "Depreciation and Amortization". The DISTRICT includes the amortization of filter media in the water plant department expenses because a third of the carbon filter media must be replaced annually in order to maintain the filtration effectiveness. Tank painting is not generally a necessary annual expense and therefore is listed as a capital project when necessary.

TABLE X
Audited and Budgeted Revenue
Terrebonne CWWD#1
July 1, 2016 to June 30, 2017

| | <u>Actual</u> <u>2016-2017</u> | <u>Budgeted</u> <u>2017-2018</u> | <u>Difference</u> |
|---|---|---|--------------------------|
| <u>Operating Revenue</u> | | | |
| Sales | \$15,720,382 | \$15,900,000 | \$179,618 |
| Lafourche Parish Sales | 32,384 | 33,000 | 616 |
| Service Connections | 160,052 | 126,000 | (34,052) |
| Meter Installation Fees | 139,918 | 135,000 | (4,918) |
| Penalties & Reconnect Fees | 142,205 | 100,000 | (42,205) |
| Total Operating Revenue | <hr/> \$16,194,941 | <hr/> \$16,294,000 | <hr/> \$99,059 |
| <u>Contract Services and Other Revenue</u> | | | |
| <u>Service Agreements</u> | | | |
| Sewerage Districts | \$207,280 | \$220,000 | \$12,720 |
| Garbage collections | 120,886 | 130,000 | 9,114 |
| Interest on Investments | 103,505 | 50,000 | (53,505) |
| LA Act 125 | 18,337 | 22,000 | 3,663 |
| Miscellaneous | 167,969 | 55,000 | (112,969) |
| Total Other Revenue | <hr/> \$617,977 | <hr/> \$477,000 | <hr/> (\$140,977) |
| Total Revenue | <hr/> \$16,812,918 | <hr/> \$16,771,000 | <hr/> (\$41,918) |

TABLE XI
Audited and Budgeted Operating Expenses
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| <u>OPERATING EXPENSES</u> | <u>ACTUAL</u> <u>2016-2017</u> | <u>BUDGETED</u> <u>2017-2018</u> | <u>Difference</u> |
|--------------------------------------|---|---|--------------------------|
| <u>DEPARTMENT</u> | | | |
| Administrative | \$950,358 | \$1,030,960 | \$80,602 |
| Billings and Collections | 1,164,198 | 1,220,194 | 55,996 |
| Meter Reading | 712,342 | 778,780 | 66,438 |
| Warehouse and Meter Shop | 282,917 | 342,741 | 59,824 |
| Utilities - Operations | 126,270 | 150,000 | 23,730 |
| Engineering | 1,151,659 | 1,348,730 | 197,071 |
| Maintenance and Field Crews | 2,607,659 | 2,935,947 | 328,288 |
| Waterplant | 4,318,640 | 4,388,866 | 70,226 |
| Bac-T-Lab | 421,555 | 451,448 | 29,893 |
| TOTAL OPERATING EXPENSES | \$11,735,598 | \$12,647,666 | \$912,068 |
| (BEFORE Depreciation & Amortization) | | | |

PROJECTED SURPLUS AND PARITY INCOME:

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

In order to be in compliance with outstanding revenue bonding covenants, it is imperative that the earning capacity of the DISTRICT be sufficient in meeting parity income requirements as set forth in the Revenue Bond Resolutions. At present, the DISTRICT 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, 2012B, 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 principal and interest payments for 2015 through 2037 were evaluated to determine which requirement would yield the highest parity for each year. It was determined that for the years 2015, 2016, and 2017, the highest parity would be 120% of the 2023 payment. From 2018 through 2037 the highest requirement is 125% of that year's payments.

It is seen that the system met its parity income requirements for the fiscal year, with sufficient funds to cover 120% of the maximum annual debt payment of \$2,696,535 and had an excess of \$1,945,478. It is projected that the DISTRICT will meet its required 125% of the 2018 debt payment of \$2,684,416 and have an excess of \$871,814 for the 2017-2018 fiscal year. The debt retirement schedule (**Appendix C**) shows the semi-annual debt payments for future years.

The goal of the DISTRICT was to have 15% of the operating revenue as surplus for funding local projects. This percentage was calculated by dividing the excess income for parity purposes and the 20% coverage by the operating revenue. For the 2016-2017 fiscal year, the DISTRICT had a surplus of 15.34%. It is anticipated that the surplus for 2017-2018 will be approximately 9.47%.

TABLE XII
Audited and Budgeted Surplus and Parity Income
Terrebonne CWWD#1
July 1, 2016 to June 30, 2017

| | <u>Actual</u> <u>2016-2017</u> | <u>Budgeted</u> <u>2017-2018</u> | <u>Difference</u> |
|--|---|---|--------------------------|
| <u>REVENUE</u> | | | |
| Total Operating Revenue | \$16,194,941 | \$16,294,000 | \$99,059 |
| Total Other Revenue | 617,977 | 477,000 | (\$140,977) |
| Total Revenue | \$16,812,918 | \$16,771,000 | (\$41,918) |
| <u>EXPENSES</u> | | | |
| Total Operating Expenses | \$11,735,598 | \$12,647,666 | \$912,068 |
| Service Connections (Parts & Contract Labor) | 104,287 | 90,000 | (\$14,287) |
| Total Expenses | \$11,839,885 | \$12,737,666 | \$897,781 |
| Surplus (BEFORE Depreciation) | \$4,973,033 | \$4,033,334 | (\$939,699) |
| less: Transfers | | | |
| Revenue Bonds (Sinking Fund & Reserve) | \$2,006,193 | \$2,515,230 | \$509,037 |
| Depreciation & Contingency Fund | 868,164 | 838,550 | (\$29,614) |
| Total Transfers | \$2,874,357 | \$3,353,780 | \$479,423 |
| Net Surplus | \$2,098,676 | \$679,554 | (\$1,419,122) |
| <u>PARITY INCOME</u> | | | |
| Net Surplus | \$2,098,676 | \$679,554 | (\$1,419,122) |
| Transfer: Revenue Bond Sinking Fund | 2,006,193 | 2,515,230 | \$509,037 |
| Transfer: Depreciation & Contingency Fund | 868,164 | 838,550 | (\$29,614) |
| Service Connections (Parts & Contract Labor) | 104,287 | 90,000 | (\$14,287) |
| Reserve Filter Media Amortization | 104,000 | 104,000 | \$0 |
| Total Parity Income | \$5,181,320 | \$4,227,334 | (\$953,986) |
| <u>REQUIRED PARITY INCOME</u> | | | |
| Maximum Amount of Principal & Interest | \$2,696,535 | \$2,684,416 | (\$12,119) |
| *Coverage @ 120% of Maximum Principal & Interest | \$539,307 | | |
| *Coverage @ 125% of Annual Principal & Interest | | \$671,104 | \$131,797 |
| Required Parity Income | \$3,235,842 | \$3,355,520 | \$119,678 |
| Excess Income for Parity Purposes | \$1,945,478 | \$871,814 | (\$1,073,664) |
| % of Operating Revenue Available for Projects | 15.34% | 9.47% | |

*The bond ordinances differ in coverage requirements. Therefore, the higher of the coverage requirements was used.

SECTION IV

CAPITAL OUTLAY

2010 BOND ISSUE:

The DISTRICT applied and received a loan from the Louisiana Department of Health and Hospitals (LDHH), through the Drinking Water Revolving Loan Fund (DWRLF), for a \$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.

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.

2014 BOND ISSUES:

The DISTRICT refinanced the 2003A bonds in the amount of approximately \$6 million at an interest rate of 3.0%. They were paying 5.25% interest prior. 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.

The DISTRICT also issued \$4.2 million in bonds through LDHH's DWRLF. LDHH is forgiving \$1.125 million of these bonds. The remaining bonds 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.

Table XIII shows the bond projects along with the list of local projects funded by the DISTRICT using Surplus and Capital Additions funds. These local projects were previously authorized but have yet to be completed. The balance to complete all of the projects authorized prior to June 30, 2017 is approximately \$4.4 million. The DISTRICT also has authorized two local capital improvement projects for the 2017-2018 Fiscal Year, which have a total budget of \$193,940.

FUTURE PROJECTS:

The staff discussed other projects they would like to see completed at the plants that would be beneficial to the treatment process. These projects are not necessary at this time, but will be considered capital projects if the DISTRICT decides to move forward with them.

1. Add air scour to the Schriever WTP west side filters
2. Add air scour to the Houma WTP filters
3. Replace the intake pumps and structure at the Houma WTP
4. Replace/repair the roof of the Schriever WTP main building
5. Alter launder system at the Schriever WTP so that the east and west sides can be isolated
6. Automate the chemical feeds at the Schriever WTP
7. Renovate the elevator at the Houma WTP
8. Replace the HVAC system at the Houma WTP
9. Replace waterlines in the City of Houma
10. Replace waterlines in the Bourg and Montegut Areas
11. Replace waterlines in the Schriever Area

TABLE XIII
Incomplete Projects
Terrebonne CWWD#1
July 1, 2016 to June 30, 2017

| Project No. | Project Description | Engineer | Engineering Fee | Other/ Contingencies | Construction Cost | Overbudget / (Under Budget) | Total Project Budget | Paid to Date | Balance |
|--|---|--|------------------------|------------------------|-------------------------|-----------------------------|-------------------------|-------------------------|-------------|
| Funds Provided by 2012A Revenue Bonds | | | | | | | | | |
| *CIP-9-12-01 | 3700' Trunk Main Along Valhi Blvd North of Hollywood Rd | Providence/GSE Associates, LLC | \$ 146,000.00 | \$ 89,300.00 | \$ 890,700.00 | \$ (1,068,408.50) | \$ 57,591.50 | \$ 57,591.50 | \$ - |
| *CIP-9-12-02 | 16" Loop Along Valhi | T. Baker Smith, Inc. | \$ 105,100.00 | \$ 44,755.00 | \$ 434,145.00 | \$ (521,929.38) | \$ 62,070.62 | \$ 62,070.62 | \$ - |
| *CIP-9-12-03 | Replace Mains in North Houma | T. Baker Smith, Inc. | \$ 144,500.00 | \$ 46,900.00 | \$ 514,130.00 | \$ (612,546.46) | \$ 92,983.54 | \$ 92,983.54 | \$ - |
| **CIP-9-12-07 | 2 Chlorine Booster Stations | Shaw Coastal, Inc. | \$ 66,644.00 | \$ 14,744.00 | \$ 136,000.00 | \$ (213,864.00) | \$ 3,524.00 | \$ 3,524.00 | \$ - |
| **CIP-9-12-08 | 8" and 12" Water Main Replacement in Barrios Subdivision | David Waitz Engineering, Inc. | \$ 83,500.00 | \$ 47,011.00 | \$ 469,689.00 | \$ 30,793.11 | \$ 630,993.11 | \$ 630,993.11 | \$ - |
| **CIP-9-12-10 | Trunk Main - Servitudes, Surveying, and Permitting (includes Acquisition) | Providence Engineering and Design, LLC | \$ 400,000.00 | \$ - | \$ - | \$ (136,072.16) | \$ 263,927.84 | \$ 263,927.84 | \$ - |
| **CIP-1-14-01 | 36" Transmission Main from SWP Along LA Hwy 316 to US Hwy 90 | Providence Engineering and Design, LLC | \$ 908,188.00 | \$ 566,562.00 | \$ 5,645,250.00 | \$ (305,358.72) | \$ 6,814,641.28 | \$ 6,814,641.28 | \$ - |
| **CIP-1-14-02 | 30" Transmission Main Along US Hwy 90 From LA Hwy 316 to LA Hwy 311 | Milford & Associates, Inc. | \$ 747,991.69 | \$ 575,334.00 | \$ 5,753,340.00 | \$ (439,384.81) | \$ 6,637,280.88 | \$ 6,637,280.88 | \$ - |
| **CIP-3-15-01 | 2 - 2 MGD Ground Storage Tanks - Houma City Plant | All South Consulting Engineers, LLC | \$ 79,680.00 | \$ 200,000.00 | \$ 1,465,320.00 | \$ 86,670.23 | \$ 1,831,670.23 | \$ 1,831,670.23 | \$ - |
| SUBTOTAL | | | \$ 2,681,603.69 | \$ 1,584,606.00 | \$ 15,308,574.00 | \$ (3,180,100.69) | \$ 16,394,683.00 | \$ 16,394,683.00 | \$ - |

2012A REVENUE BOND AMOUNT \$ 16,018,744.00
EPA STAG GRANT \$ 291,000.00
BOND PROCEED INTEREST EARNED \$ 39,092.17
AMOUNT PROVIDED BY DISTRICT \$ 45,846.83

Funds Provided by DWRLF 2014A Bonds

| | | | | | | | | | |
|------------------|--|-------------------------------------|----------------------|----------------------|------------------------|------------------------|------------------------|----------------------|------------------------|
| **CIP-9-12-04 | 8" and 12" Along Sixth St to Gum St and 12" Along New Orleans Blvd from Legion to Park | Milford & Associates, Inc. | \$ 108,892.60 | \$ 43,107.40 | \$ 440,000.00 | \$ (102,423.98) | \$ 489,576.02 | \$ 489,576.02 | \$ - |
| **CIP-9-12-05 | Tie 24" Transmission Line to City System | Milford & Associates, Inc. | \$ 78,492.00 | \$ 28,423.00 | \$ 499,515.00 | \$ (74,474.16) | \$ 531,955.84 | \$ 531,955.84 | \$ - |
| *CIP-9-12-06(XX) | 12" on Tunnel Blvd from Liberty to Gabasse | Shaw Coastal, Inc. | \$ 111,962.00 | \$ 45,000.00 | \$ 448,650.00 | \$ (551,380.18) | \$ 54,231.82 | \$ 54,231.82 | \$ - |
| CIP-9-12-06 | 12" on Tunnel Blvd from Liberty to Gabasse | David Waitz Engineering, Inc. | \$ 76,793.00 | \$ 45,000.00 | \$ 644,323.68 | \$ (72,149.94) | \$ 693,966.74 | \$ 22,657.15 | \$ 671,309.59 |
| CIP-11-12-11 | Capital Improvement Project Facilitator | Arthur A. DeFraites, Jr. | \$ 50,000.00 | \$ - | \$ - | \$ 17,439.50 | \$ 67,439.50 | \$ 67,439.50 | \$ - |
| CIP-4-13-01 | Operating & Maintenance Manual | In House | \$ 125,000.00 | \$ - | \$ - | \$ - | \$ 125,000.00 | \$ 6,325.00 | \$ 118,675.00 |
| CIP-9-16-04 | Waterline Along Bayou Blue Road | All South Consulting Engineers, LLC | \$ 221,208.00 | \$ 119,537.00 | \$ 1,195,370.00 | \$ - | \$ 1,536,115.00 | \$ 3,262.24 | \$ 1,532,852.76 |
| SUBTOTAL | | | \$ 663,455.00 | \$ 237,960.00 | \$ 2,787,858.68 | \$ (680,564.78) | \$ 3,008,708.90 | \$ 685,871.55 | \$ 2,322,837.35 |

DWRLF 2014A BOND AMOUNT \$ 4,200,000.00
DWRLF 2014A BONDS NOT ALLOCATED AS OF JUNE 30 \$ 1,191,291.10

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

| | | | | | | | | | |
|-----------------|---|----------------------------|---------------------|---------------------|----------------------|-------------|----------------------|-------------|----------------------|
| L-9-15-04 | Waterline Replacement Montegut | In House | \$ - | \$ - | \$ 260,000.00 | \$ - | \$ 260,000.00 | \$ - | \$ 260,000.00 |
| SPN-H.008411 | Bayou Terrebonne Bridge (LA660 & LA24) Waterline Relocation | Milford & Associates, Inc. | \$ 54,112.79 | \$ 22,455.00 | \$ 170,406.00 | \$ - | \$ 246,973.79 | \$ - | \$ 246,973.79 |
| SUBTOTAL | | | \$ 54,112.79 | \$ 22,455.00 | \$ 430,406.00 | \$ - | \$ 506,973.79 | \$ - | \$ 506,973.79 |

GRANT AMOUNT \$ 329,973.79
AMOUNT PROVIDED BY DISTRICT \$ 177,000.00

Local Projects Committed prior to June 30, 2017 (Funds Provided by District Surplus)

| | | | | | | | | | |
|-----------------|--|--|----------------------|----------------------|------------------------|-----------------------|------------------------|----------------------|------------------------|
| L-1-15-01 | Bayou Blue Intracoastal Waterline Crossing | Providence Engineering and Design, LLC | \$ 51,400.00 | \$ 19,600.00 | \$ 195,000.00 | \$ (69,834.99) | \$ 196,165.01 | \$ 181,735.01 | \$ 14,430.00 |
| L-12-15-05 | Office Renovations | Houston Lirette, Architect | \$ 94,487.00 | \$ 74,448.70 | \$ 650,000.00 | \$ - | \$ 818,935.70 | \$ 16,346.10 | \$ 802,589.60 |
| L-1-16-01 | Office Back Warehouse Renovations | In House | \$ - | \$ - | \$ 138,520.00 | \$ - | \$ 138,520.00 | \$ 138,520.00 | \$ - |
| L-1-16-02 | Office Roof Replacement | In House | \$ - | \$ - | \$ 150,000.00 | \$ - | \$ 150,000.00 | \$ - | \$ 150,000.00 |
| L-12-16-04 | Water Model Build & Calibration | IDModeling | \$ - | \$ - | \$ 103,425.00 | \$ - | \$ 103,425.00 | \$ 29,401.50 | \$ 74,023.50 |
| L-4-17-01 | Replacement of Water Mains Along Palm Avenue | TBD | \$ - | \$ - | \$ 296,834.00 | \$ - | \$ 296,834.00 | \$ - | \$ 296,834.00 |
| L-6-17-02 | Tank Painting - Bayou Black | David Waitz Engineering | \$ 16,000.00 | \$ 31,600.00 | \$ 300,000.00 | \$ - | \$ 347,600.00 | \$ - | \$ 347,600.00 |
| SUBTOTAL | | | \$ 161,887.00 | \$ 125,648.70 | \$ 1,833,779.00 | \$ (69,834.99) | \$ 2,051,479.71 | \$ 366,002.61 | \$ 1,685,477.10 |

Local Projects Committed after June 30, 2017 (Funds Provided by District Surplus)

| | | | | | | | | | |
|-----------------|-----------------------------------|--------------------------------------|---------------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|
| L-9-17-03 | Schriever System Assessment | Corona Environmental Consulting, LLC | \$ 68,940.00 | \$ - | \$ - | \$ - | \$ 68,940.00 | \$ - | \$ 68,940.00 |
| L-9-17-04 | Waterline Participation 2017-2017 | In-House | \$ - | \$ - | \$ 125,000.00 | \$ - | \$ 125,000.00 | \$ - | \$ 125,000.00 |
| SUBTOTAL | | | \$ 68,940.00 | \$ - | \$ 125,000.00 | \$ - | \$ 193,940.00 | \$ - | \$ 193,940.00 |

*Contract was terminated.

** Completed prior to June 30, 2017.

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

As of June 30, 2017, the DISTRICT has a balance in various accounts for Annual Capital Outlay purposes in the following amounts:

| | | |
|---|----------------|----------------------|
| Surplus Fund (Cash) | \$ 41,250 | |
| Surplus Fund – CD Invest. | 825,000 | |
| Surplus Fund – LAMP | 11,580,000 | |
| Depreciation & Contingency – CD Invest. | 950,000 | |
| Depreciation & Contingency – Savings | 2,047,014 | |
| Depreciation & Contingency – LAMP | <u>623,000</u> | |
| | | \$ 16,066,264 |
| <u>Construction Fund</u> | | <u>4,421</u> |
| Total Funds Available | | 16,070,685 |
| Less: Reserve for Capital and | | |
| <u>Contingency Fund</u> | | <u>(-\$ 300,000)</u> |
| Total Funds Available for Annual Capital Projects | | \$ 15,770,685 |

In addition to the funds in the DISTRICT's accounts, three projects (CIP-9-12-08, SPN-H.008411, and L-9-15-04) have been awarded grants from various federal and state departments. CIP-2-12-08 is the 8" and 12" Water Main Replacement in Barrios Subdivision project and is partially funded (\$291,000) through the US EPA STAG program. H.008411 is the Bayou Terrebonne Bridge (LA660 & LA24) Waterline Relocation project and is partially funded (\$246,973.79) by LA Department of Transportation and Development (LA DOTD). The third project, L-9-15-04, is the Water Replacement in Montegut and is partially funded (\$83,000) through the Community Water Enrichment Fund (CWEF). Some funds have been received from US EPA, but neither of the other programs have started to reimburse the DISTRICT.

The capital improvement and local projects that were begun prior to June 30, 2017 will be funded as shown below. The DISTRICT has annual projects and projects that they have committed to for the 2017-2018 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 | (-\$ 2,322,837) |
| Funds for Grant Assisted Projects | (-\$ 506,974) |
| Funds for Local Projects Committed prior to June 30, 2017 | (-\$ 1,685,477) |
| Funds for 2017-2018 Committed Local Projects | (-\$ 193,940) |
| <u>Funds for 2017-2018 Annual Projects</u> | <u>(-\$ 1,950,000)</u> |
| Funds Required for Previously Committed Projects | (-\$ 6,659,228) |

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

Total Unassigned Surplus Capital Funds

| | |
|---|------------------------|
| Unrestricted Funds (D&C, Surplus, and Bonds) | \$ 15,770,685 |
| <u>Funds Required for Previously Committed Projects</u> | <u>(-\$ 6,659,228)</u> |
| Total Unallocated Surplus Funds | \$ 9,111,457 |

Of the \$9,106,095 Total Unallocated Surplus Funds, \$1,191,291 is remaining from the 2014A Revenue Bond Issue and must be used for projects meeting the bond issue requirements. Therefore, the Unallocated Surplus Funds for the DISTRICT as of June 30, 2017 is approximately \$7.9 million for other projects the DISTRICT would like to undertake in 2017-2018. The distribution system is aging and some areas, such as Downtown Houma, need maintenance, repairs, or upgrades. The DISTRICT plans to conduct a study of the distribution system to determine the areas of need and develop a five-year capital improvement plan for these projects.

TABLE XIV
Additional Local Projects for 2017-2018
 Terrebonne CWWD#1

Annual Projects

| | |
|--|------------------------|
| Tank Painting & Repairs (15 yrs.) | \$ 600,000.00 |
| Residential Meter Replacements (20 yrs.) | \$ 250,000.00 |
| Large Meter Replacements (2"+) (10 yrs.) | \$ 150,000.00 |
| Treatment Plant - Capital Improvements | \$ 300,000.00 |
| Replacements of Critical System Valves | \$ 200,000.00 |
| Vehicles & Equipment | \$ 125,000.00 |
| Carbon - Rotational Replacement | \$ 325,000.00 |
| | \$ 1,950,000.00 |

SECTION V

LITIGATION

GENERAL:

From time to time, the DISTRICT gets involved in litigations, which may affect their financial status. Currently the DISTRICT is involved in one (1) litigation involving damages to its system.

On February 1, 2018, Mr. David Norman, the DISTRICT's attorney, summarized the current litigation as follows:

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

Correspondence to and from Weeks Marine's insurance carrier was done before suit, but the parties were unable to agree on a dollar amount before the one-year anniversary date, making suit necessary. (Suit was filed on November 24, 2015.)

The project to replace the waterline was finally completed in June 2017. The total cost of the replacement of the line was approximately \$194,000.00 for the 12-inch line actually installed, but the estimated cost of replacing the line with 4-inch pipe (approximately \$158,000.00) will be sought at trial.

Weeks is mounting a defense based on denying liability (fault) for the incident and rupture, but most of its argument is that its exposure should be mitigated by a couple of factors. First, Weeks maintains that it should only be liable for the cost of replacing the 4-inch cast iron pipe that was destroyed which was decades-old (late 1950's). The old cast iron pipe was shorter in length than the new PE pipe that was bored at a considerable depth below the channel, as mandated by the US Army Corps of Engineers. However, Providence Engineering and Design, LLC's quote on material costs shows that cast iron pipe would actually be more expensive than the PE, at the present quantities. Weeks also is arguing that the pipe that it ruptured should be discounted since it was decades old (late 1950's) and therefore was depreciated. The depreciation argument may hold some weight, but when Weeks tries to claim that its exposure should be lessened because the current cost of materials and labor for the greater amount of PE pipe used for replacement would be higher than installing the shorter amount of cast iron pipe it damaged, Weeks should be unsuccessful. That's because such an installation method (laying iron pipe in a shallow trench at the bottom of the channel) is no longer feasible from a cost standpoint-- labor and materials would be much more expensive and laying a pipe on the bottom of a channel is prohibited by current Corps regulations.

Attempts at settling out-of-court with Weeks and its insurer for the costs of the replacement line have thus far proved unsuccessful. A trial date of January 22, 2018 was continued, and a new trial date is being sought as of January 25, 2018. It will be tried to a jury at the request of Weeks.

SECTION VI

MANAGEMENT

GENERAL:

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

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

| | |
|--|---|
| Legal Advisor | Mr. David Norman |
| Engineering Consultant (per bond covenants) | Ms. Melanie B. Caillouet, Providence Engineering and Design, LLC |
| Bond Counsel | Mr. Jerry Osborne, Foley & Judell, L.L.P. |
| Certified Public Accountants | Bourgeois Bennett, L.L.C. |

MANAGEMENT PERSONNEL:

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

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

Mrs. Mary Trahan has been serving as Operations Manager for the DISTRICT since 2014. She maintains the highest levels of LA Department of Health and Hospitals certifications that are required to operate the Distribution of the two (2) Public Water Supplies the DISTRICT operates. Her duties consist of assisting the General Manager in operating the DISTRICT and supervising the engineering and distribution departments.

OPERATING PERSONNEL:

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

Administration

Department Head - Michael Sobert, General Manager

Cecilia Norman, Chief Administrative Officer

5 employees

Billing and Collecting

Department Head - Monique Prosperie, Billing & Collecting Manager

8 employees

Customer Service Representatives

Department Head – Kevin Cunningham, Supervisor

8 employees

Engineering

Department Head - Mary Trahan, Operations Manager

14 employees

Field Force

Department Head - Curtis Jackson, Field Superintendent

21 employees

Warehouse and Meter Shop

Supervised by Chief Administrative Officer

3 employees

Water Plants

Schriever Water Treatment Plant - Ivy Theriot, Supervisor

Houma Water Treatment Plant - Randy Hille, Supervisor

18 employees

Bac-T-Lab

Department Head - Ray Percle, Supervisor

3 employees

SECTION VII

INSURANCE

GENERAL:

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

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

SCHEDULE OF INSURANCE IN FORCE

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

June 30, 2017

(Unaudited)

| <u>Insurer</u> | <u>Type of Coverage</u> | <u>Amount of Insurance</u> | <u>Expiration Date</u> |
|---|---|----------------------------|------------------------|
| Arch Insurance Company | Automobile liability | \$ 1,000,000 | July 1, 2017 |
| Arch Insurance Company | General liability | \$ 3,000,000 | July 1, 2017 |
| Louisiana United Businesses' Association | Workers' compensation | \$ 1,000,000 | July 1, 2017 |
| Continental Casualty Company | Combined building & personal property | \$ 30,000,000 | June 1, 2017 |
| Arch Insurance Company | Public employee dishonesty, forgery or alteration, theft, disappearance & destruction | \$ 100,000 | June 1, 2017 |
| Fireman's Fund Insurance Companies/ Allianz Global Corporate & Specialty | Computer equipment | \$ 409,000 | July 1, 2017 |
| American Bankers Insurance | Flood | \$ 850,000 | August 1, 2017 |
| Indian Harbor Insurance Company | Pollution Liability | \$ 2,000,000 | July 1, 2019 |

APPENDIX A

Departmental Expenses



PROVIDENCE

APPENDIX A
Departmental Expenses
Terrebonne CWWD#1
July 1, 2016 to June 30, 2017

2016-2017 Annual Engineer's Report

A-1

Providence Engineering and Design, LLC

| | ADMINISTRATION | BILLINGS & COLLECTIONS | METER READING | WAREHOUSE & METER SHOP | ENGINEERING | OPERATIONS | MAINTENANCE & FIELD CREWS | WATERPLANT | LAB | TOTAL |
|-----------------------------------|------------------|------------------------|------------------|------------------------|--------------------|------------------|---------------------------|--------------------|------------------|---------------------|
| Accounting | \$51,400 | | | | | | | | | \$51,400 |
| Attorney | 88,875 | | | | | | | | | 88,875 |
| Backflow Prevention Program | | | | | | | | | | 0 |
| Bayou Black Reservoir Maintenance | | | | | | | | 6,962 | | 6,962 |
| Board Members | 13,848 | | | | | | | | | 13,848 |
| Bond Agent Fees | 2,600 | | | | | | | | | 2,600 |
| Chemicals | | | | | | | 25,659 | 1,301,942 | | 1,327,601 |
| Collection Agency | | 10,397 | | | | | | | | 10,397 |
| Computer Supplies | | | | | 4,982 | | | 100 | | 5,082 |
| Consulting Engineer | 18,500 | | | | | | | | | 18,500 |
| Data Processing | | 218,524 | | | | | | | | 218,524 |
| DHH Emergency Rule | | | | | | | | | | 0 |
| Employee Group Insurance | 90,282 | 98,393 | 142,845 | 48,227 | 144,554 | | 237,987 | 268,121 | 61,274 | 1,091,683 |
| Equipment & Bld'g.Repairs | 36,262 | 46,196 | 1,884 | 16,069 | | | | | 10,131 | 110,542 |
| Equipment - Field Repairs | | | | | | | 123,621 | | | 123,621 |
| Freight | | | | 341 | | | | 2,390 | 7,577 | 10,308 |
| Gasoline and Oil | 1,555 | 1,536 | 20,743 | 1,391 | 10,763 | | 30,620 | 13,348 | 7,726 | 87,682 |
| Generator Fuel | | | | | | | | 12,165 | | 12,165 |
| GIS Network | | | | | 39,160 | | | | | 39,160 |
| Insurance and Bonds | 33,358 | 26,786 | 38,533 | 10,327 | 45,712 | | 141,882 | 258,724 | 17,532 | 572,854 |
| Janitorial Service | 18,000 | | | | | | | | 7,742 | 25,742 |
| Lab Analysis | | | | | | | | | 37,379 | 37,379 |
| Lab Equipment and Supplies | | | | | | | | | 25,073 | 25,073 |
| Meter Parts and Repair | | | | 155 | | | | | | 155 |
| Office Supplies and Expenses | 41,471 | 57,808 | 235 | 3,488 | 11,383 | | 1,758 | 15,383 | 5,766 | 137,292 |
| Other Postemployment Benefit | 11,243 | 51,201 | 50,518 | 9,692 | 60,855 | | 83,576 | 65,889 | 12,066 | 345,040 |
| Payroll Taxes | 42,045 | 31,272 | 35,197 | 14,507 | 64,949 | | 80,748 | 100,137 | 16,934 | 385,789 |
| Plant Maintenance | | | | | | | | 397,595 | | 397,595 |
| Plant Supplies | | | | | | | | 7,871 | | 7,871 |
| Postage | | 240,614 | | | | | | | | 240,614 |
| Publish Proceedings | 3,092 | | | | | | | | | 3,092 |
| Radio Communications | 8,578 | 1,707 | 9,805 | 960 | 16,227 | | 26,464 | 8,787 | 4,969 | 77,497 |
| Raw Water Cost | | | | | | | | 125,035 | | 125,035 |
| Retirement Expenses | 43,805 | 35,282 | 38,720 | 11,284 | 59,373 | | 85,986 | 108,130 | 18,509 | 401,089 |
| Salaries | 412,577 | 336,567 | 365,445 | 146,279 | 674,717 | | 822,676 | 1,027,338 | 175,896 | 3,961,495 |
| Seminars and Schools | 5,001 | 1,365 | 662 | 1,227 | 9,779 | | 5,668 | 4,931 | 2,201 | 30,834 |
| Small Tools | | | 965 | 930 | | | 9,457 | 1,559 | | 12,911 |
| Telephone Service | | 6,232 | | | | | | 12,642 | 1,009 | 19,883 |
| Tractor Repairs | | | | | | | | 4,199 | | 4,199 |
| Truck and Auto Repair | 239 | 318 | 6,790 | | 9,205 | | 27,292 | 3,456 | 1,444 | 48,744 |
| Uniforms | | | | | | | 4,081 | 642 | | 4,723 |
| Utilities | 27,627 | | | | | 126,270 | | 571,294 | 8,327 | 733,518 |
| Warehouse Supplies | | | | 18,040 | | | | | | 18,040 |
| Waterline Maintenance | | | | | | | 894,428 | | | 894,428 |
| Watertower Maintenance | | | | | | | 5,756 | | | 5,756 |
| TOTAL | \$950,358 | \$1,164,198 | \$712,342 | \$282,917 | \$1,151,659 | \$126,270 | \$2,607,659 | \$4,318,640 | \$421,555 | \$11,735,598 |
| Average No. of Customers | 43,421 | | | | | | | | | |
| Annual costs per customer | \$21.89 | \$26.81 | \$16.41 | \$6.52 | \$26.52 | \$2.91 | \$60.06 | \$99.46 | \$9.71 | \$270.28 |
| Monthly costs per customer | \$1.82 | \$2.23 | \$1.37 | \$0.54 | \$2.21 | \$0.24 | \$5.01 | \$8.29 | \$0.81 | \$22.52 |

APPENDIX B

Departmental Expenses and Budget



APPENDIX B
Departmental Expenses and Budget
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| | <u>ACTUAL</u> <u>2015-2016</u> | <u>ACTUAL</u> <u>2016-2017</u> | <u>Increase /</u> <u>(Decrease)</u> | <u>Budget</u> <u>2017-2018</u> | <u>Budget</u> <u>Increase /</u> <u>(Decrease)</u> |
|-------------------------------|---|---|--|---|--|
| <u>ADMINISTRATIVE</u> | | | | | |
| Salaries | \$445,337 | \$414,132 | (\$31,205) | \$424,500 | \$10,368 |
| Other Postemployment Benefits | 11,243 | 11,243 | 0 | 35,960 | 24,717 |
| Employee Group Insurance | 92,057 | 90,282 | (1,775) | 107,000 | 16,718 |
| Payroll Taxes | 42,512 | 42,045 | (467) | 42,000 | (45) |
| Retirement Expenses | 25,523 | 43,805 | 18,282 | 34,000 | (9,805) |
| Office Supplies and Expenses | 40,936 | 41,471 | 535 | 40,000 | (1,471) |
| Accounting | 51,250 | 51,400 | 150 | 50,000 | (1,400) |
| Attorney | 74,882 | 88,875 | 13,993 | 125,000 | 36,125 |
| Board Members | 15,609 | 13,848 | (1,761) | 17,000 | 3,152 |
| Bond Agent Fees | 5,600 | 2,600 | (3,000) | 5,000 | 2,400 |
| Consulting Engineers | 8,500 | 18,500 | 10,000 | 15,000 | (3,500) |
| Insurance and Bonds | 37,603 | 33,358 | (4,245) | 33,000 | (358) |
| Janitorial Service | 18,000 | 18,000 | 0 | 20,000 | 2,000 |
| Publishing Proceedings | 4,561 | 3,092 | (1,469) | 5,000 | 1,908 |
| Radio Communications | 11,125 | 8,578 | (2,547) | 7,000 | (1,578) |
| Equipment Repair (Office) | 21,458 | 36,262 | 14,804 | 25,000 | (11,262) |
| Truck and Auto Repair* | 684 | 239 | (445) | 500 | 261 |
| Seminars and Schools | 9,681 | 5,001 | (4,680) | 19,000 | 13,999 |
| Utilities | 23,365 | 27,627 | 4,262 | 26,000 | (1,627) |
| TOTAL | \$939,926 | \$950,358 | \$10,432 | \$1,030,960 | \$80,602 |

*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 | \$296,262 | \$336,567 | \$40,305 | \$348,250 | \$11,683 |
| Other Postemployment Benefits | 51,201 | 51,201 | 0 | 63,444 | 12,243 |
| Employee Group Insurance | 70,864 | 98,393 | 27,529 | 126,000 | 27,607 |
| Payroll Taxes | 26,967 | 31,272 | 4,305 | 34,500 | 3,228 |
| Retirement Expenses | 17,230 | 35,282 | 18,052 | 28,000 | (7,282) |
| Gasoline and Oil | 1,442 | 1,536 | 94 | 1,500 | (36) |
| Office Supplies and Expenses | 65,864 | 57,808 | (8,056) | 60,000 | 2,192 |
| Collection Agency | 10,574 | 10,397 | (177) | 12,000 | 1,603 |
| Data Processing | 172,018 | 218,524 | 46,506 | 220,000 | 1,476 |
| Equipment Maintenance/Lease | 36,261 | 46,196 | 9,935 | 42,000 | (4,196) |
| Insurance and Bonds | 27,988 | 26,786 | (1,202) | 30,000 | 3,214 |
| Postage | 250,293 | 240,614 | (9,679) | 245,000 | 4,386 |
| Radio Communications | 1,858 | 1,707 | (151) | 8,000 | 6,293 |
| Truck and Auto Repairs | 1,622 | 318 | (1,304) | 500 | 182 |
| Seminars and Schools | 25 | 1,365 | 1,340 | 1,000 | (365) |
| Telephone | 6,037 | 6,232 | 195 | 0 | (6,232) |
| TOTAL | \$1,036,506 | \$1,164,198 | \$127,692 | \$1,220,194 | \$55,996 |

APPENDIX B
Departmental Expenses and Budget
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| | <u>ACTUAL</u> <u>2015-2016</u> | <u>ACTUAL</u> <u>2016-2017</u> | <u>Increase /</u> <u>(Decrease)</u> | <u>Budget</u> <u>2017-2018</u> | <u>Budget</u> <u>Increase /</u> <u>(Decrease)</u> |
|-------------------------------|---|---|--|---|--|
| <u>METER READING</u> | | | | | |
| Salaries | \$373,653 | \$365,445 | (\$8,208) | \$368,500 | \$3,055 |
| Other Postemployment Benefits | 50,518 | 50,518 | 0 | 86,030 | 35,512 |
| Employee Group Insurance | 129,610 | 142,845 | 13,235 | 167,500 | 24,655 |
| Payroll Taxes | 34,978 | 35,197 | 219 | 37,000 | 1,803 |
| Retirement Expenses | 21,807 | 38,720 | 16,913 | 29,750 | (8,970) |
| Gasoline and Oil | 18,763 | 20,743 | 1,980 | 18,000 | (2,743) |
| Office Supplies and Expenses | 865 | 235 | (630) | 2,500 | 2,265 |
| Small Tools | 424 | 965 | 541 | 2,500 | 1,535 |
| Insurance and Bonds | 39,488 | 38,533 | (955) | 41,000 | 2,467 |
| Radio Communications | 12,561 | 9,805 | (2,756) | 7,500 | (2,305) |
| Equipment Repair (Office) | 5,706 | 1,884 | (3,822) | 7,500 | 5,616 |
| Meter Parts & Supplies | 2,801 | 0 | (2,801) | 0 | 0 |
| Truck and Auto Repairs | 10,275 | 6,790 | (3,485) | 10,000 | 3,210 |
| Schools & Seminars | 0 | 662 | 662 | 1,000 | 338 |
| Uniforms | 0 | 0 | 0 | 0 | 0 |
| TOTAL: | \$701,449 | \$712,342 | \$10,893 | \$778,780 | \$66,438 |

WAREHOUSE AND METER SHOPS

| | | | | | |
|-------------------------------|------------------|------------------|-----------------|------------------|-----------------|
| Salaries | \$139,006 | \$146,279 | \$7,273 | \$170,000 | \$23,721 |
| Other Postemployment Benefits | 9,692 | 9,692 | 0 | 31,291 | 21,599 |
| Employee Group Insurance | 37,889 | 48,227 | 10,338 | 59,500 | 11,273 |
| Payroll Taxes | 12,996 | 14,507 | 1,511 | 17,000 | 2,493 |
| Retirement Expenses | 5,796 | 11,284 | 5,488 | 10,500 | (784) |
| Gasoline and Oil | 889 | 1,391 | 502 | 1,200 | (191) |
| Office Supplies and Expenses | 1,229 | 3,488 | 2,259 | 3,500 | 12 |
| Small Tools | 3,202 | 930 | (2,272) | 2,000 | 1,070 |
| Warehouse Supplies | 20,878 | 18,040 | (2,838) | 20,000 | 1,960 |
| Freight | 503 | 341 | (162) | 1,000 | 659 |
| Insurance and Bonds | 10,698 | 10,327 | (371) | 11,750 | 1,423 |
| Radio Communication | 0 | 960 | 960 | 1,000 | |
| Equipment Repairs | 7,964 | 16,069 | 8,105 | 8,000 | (8,069) |
| Meter Repairs Parts | 16,226 | 155 | (16,071) | 5,000 | 4,845 |
| Schools & Seminars | 0 | 1,227 | 1,227 | 1,000 | (227) |
| TOTAL | \$266,968 | \$282,917 | \$15,949 | \$342,741 | \$59,784 |

*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
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| | <u>ACTUAL</u> <u>2015-2016</u> | <u>ACTUAL</u> <u>2016-2017</u> | <u>Increase /</u> <u>(Decrease)</u> | <u>Budget</u> <u>2017-2018</u> | <u>Budget</u> <u>Increase /</u> <u>(Decrease)</u> |
|-------------------------------|---|---|--|---|--|
| <u>ENGINEERING</u> | | | | | |
| Salaries | \$485,130 | \$674,717 | \$189,587 | \$794,500 | \$119,783 |
| Other Postemployment Benefits | 60,855 | 60,855 | 0 | 68,880 | 8,025 |
| Employee Group Insurance | 89,943 | 144,554 | 54,611 | 188,600 | 44,046 |
| Payroll Taxes | 44,216 | 64,949 | 20,733 | 78,500 | 13,551 |
| Retirement Expenses | 22,005 | 59,373 | 37,368 | 56,750 | (2,623) |
| Computer Supplies | 3,428 | 4,982 | 1,554 | 6,000 | 1,018 |
| Gasoline and Oil | 8,061 | 10,763 | 2,702 | 9,500 | (1,263) |
| Office Supplies and Expenses | 9,807 | 11,383 | 1,576 | 6,500 | (4,883) |
| GIS Network | 72,894 | 39,160 | (33,734) | 50,000 | 10,840 |
| Insurance and Bonds | 35,365 | 45,712 | 10,347 | 51,000 | 5,288 |
| Radio Communications | 17,305 | 16,227 | (1,078) | 15,000 | (1,227) |
| Truck and Auto Repair | 6,308 | 9,205 | 2,897 | 8,500 | (705) |
| Seminars and Schools | 11,878 | 9,779 | (2,099) | 15,000 | 5,221 |
| TOTAL: | \$867,195 | \$1,151,659 | \$284,464 | \$1,348,730 | \$197,071 |

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

MAINTENANCE AND FIELD CREWS

| | | | | | |
|-------------------------------|--------------------|--------------------|-----------------|--------------------|------------------|
| Salaries | \$839,791 | \$822,676 | (\$17,115) | \$1,020,000 | \$197,324 |
| Other Postemployment Benefits | 83,576 | 83,576 | 0 | 157,447 | 73,871 |
| Employee Group Insurance | 232,866 | 237,987 | 5,121 | 333,000 | 95,013 |
| Payroll Taxes | 79,933 | 80,748 | 815 | 100,500 | 19,752 |
| Retirement Expenses | 48,504 | 85,986 | 37,482 | 82,000 | (3,986) |
| Chemicals | 26,200 | 25,659 | (541) | 25,000 | (659) |
| Gasoline and Oil | 29,612 | 30,620 | 1,008 | 26,000 | (4,620) |
| Office Supplies and Expenses | 3,173 | 1,758 | (1,415) | 5,000 | 3,242 |
| Small Tools | 7,697 | 9,457 | 1,760 | 10,000 | 543 |
| Backflow Prevention Program | 0 | 0 | 0 | 25,000 | 25,000 |
| DHH Emergency Rule | 6,581 | 0 | (6,581) | 0 | 0 |
| Freight | 1,013 | 0 | (1,013) | 0 | 0 |
| Insurance and Bonds | 144,449 | 141,882 | (2,567) | 150,000 | 8,118 |
| Radio Communications | 35,431 | 26,464 | (8,967) | 20,000 | (6,464) |
| Equipment Repairs (Field) | 166,968 | 123,621 | (43,347) | 150,000 | 26,379 |
| Truck and Auto Repair | 20,777 | 27,292 | 6,515 | 18,000 | (9,292) |
| Water Tower Maintenance | 15,808 | 5,756 | (10,052) | 50,000 | 44,244 |
| Waterline Maintenance | 795,468 | 894,428 | 98,960 | 750,000 | (144,428) |
| Seminars and Schools | 6,147 | 5,668 | (479) | 10,000 | 4,332 |
| Uniforms | 4,590 | 4,081 | (509) | 4,000 | (81) |
| TOTAL: | \$2,548,584 | \$2,607,659 | \$59,075 | \$2,935,947 | \$328,288 |

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

OPERATIONS

| | | | | | |
|-----------|-----------|-----------|------------|-----------|----------|
| Utilities | \$138,985 | \$126,270 | (\$12,715) | \$150,000 | \$23,730 |
|-----------|-----------|-----------|------------|-----------|----------|

APPENDIX B
Departmental Expenses and Budget
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| | <u>ACTUAL</u> <u>2015-2016</u> | <u>ACTUAL</u> <u>2016-2017</u> | <u>Increase /</u> <u>(Decrease)</u> | <u>Budget</u> <u>2017-2018</u> | <u>Budget</u> <u>Increase /</u> <u>(Decrease)</u> |
|-----------------------------------|---|---|--|---|--|
| <u>WATER PLANT</u> | | | | | |
| Salaries | \$980,445 | \$1,027,338 | \$46,893 | \$1,022,000 | (\$5,338) |
| Other Postemployment Benefits | 65,889 | 65,889 | 0 | 143,966 | 78,077 |
| Employee Group Insurance | 235,686 | 268,121 | 32,435 | 312,000 | 43,879 |
| Payroll Taxes | 91,643 | 100,137 | 8,494 | 102,000 | 1,863 |
| Retirement Expenses | 56,797 | 108,130 | 51,333 | 82,000 | (26,130) |
| Chemicals | 1,343,698 | 1,301,942 | (41,756) | 1,300,000 | (1,942) |
| Computer Supplies | 104 | 100 | (4) | | (100) |
| Generator Fuel | 0 | 12,165 | 12,165 | 15,000 | 2,835 |
| Gasoline and Oil | 9,653 | 13,348 | 3,695 | 9,500 | (3,848) |
| Office Supplies and Expenses | 12,665 | 15,383 | 2,718 | 13,500 | (1,883) |
| Raw Water Cost | 141,456 | 125,035 | (16,421) | 145,000 | 19,965 |
| Small Tools | 1,304 | 1,559 | 255 | 2,000 | 441 |
| Plant Supplies | 7,400 | 7,871 | 471 | 9,000 | 1,129 |
| Freight | 3,069 | 2,390 | (679) | 2,500 | 110 |
| Insurance and Bonds | 277,001 | 258,724 | (18,277) | 257,000 | (1,724) |
| Lab Analysis | 460 | 0 | (460) | 3,000 | 3,000 |
| Radio Communications | 14,900 | 8,787 | (6,113) | 20,000 | 11,213 |
| Bayou Black Reservoir Maintenance | 7,592 | 6,962 | (630) | 7,500 | 538 |
| Plant Maintenance | 272,704 | 397,595 | 124,891 | 250,000 | (147,595) |
| Tractor Repairs | 2,505 | 4,199 | 1,694 | 3,000 | (1,199) |
| Truck and Auto Repair | 2,001 | 3,456 | 1,455 | 5,000 | 1,544 |
| Seminars and Schools | 3,984 | 4,931 | 947 | 5,000 | 69 |
| Telephone | 7,991 | 12,642 | 4,651 | 0 | (12,642) |
| Uniforms | 907 | 642 | (265) | 900 | 258 |
| Utilities | 571,115 | 571,294 | 179 | 575,000 | 3,706 |
| Reserve Filter Media | 104,000 | 104,000 | 0 | 104,000 | 0 |
| TOTAL: | \$4,214,969 | \$4,422,640 | \$207,671 | \$4,388,866 | (\$33,774) |

APPENDIX B
Departmental Expenses and Budget
 Terrebonne CWWD#1
 July 1, 2016 to June 30, 2017

| | <u>ACTUAL</u> <u>2015-2016</u> | <u>ACTUAL</u> <u>2016-2017</u> | <u>Increase /</u> <u>(Decrease)</u> | <u>Budget</u> <u>2017-2018</u> | <u>Budget</u> <u>Increase /</u> <u>(Decrease)</u> |
|--------------------------------|---|---|--|---|--|
| <u>LAB</u> | | | | | |
| Salaries | \$171,412 | \$175,896 | \$4,484 | \$180,500 | \$4,604 |
| Other Postemployment Benefits | 12,066 | 12,066 | 0 | 23,898 | 11,832 |
| Employee Group Insurance | 54,875 | 61,274 | 6,399 | 71,000 | 9,726 |
| Payroll Taxes | 16,035 | 16,934 | 899 | 17,800 | 866 |
| Retirement Expenses | 10,043 | 18,509 | 8,466 | 14,500 | (4,009) |
| Computer Supplies | 0 | 0 | 0 | 750 | 750 |
| Gasoline and Oil | 8,352 | 7,726 | (626) | 8,000 | 274 |
| Lab Equipment and Supplies | 18,708 | 25,073 | 6,365 | 17,000 | (8,073) |
| Office Supplies and Expenses | 5,736 | 5,766 | 30 | 6,500 | 734 |
| Freight | 5,582 | 7,577 | 1,995 | 7,500 | (77) |
| Insurance and Bonds | 18,696 | 17,532 | (1,164) | 20,000 | 2,468 |
| Janitorial Services | 7,742 | 7,742 | 0 | 8,000 | 258 |
| Lab Analysis | 42,555 | 37,379 | (5,176) | 45,000 | 7,621 |
| Radio Communications | 6,232 | 4,969 | (1,263) | 3,500 | (1,469) |
| Equipment and Building Repairs | 8,583 | 10,131 | 1,548 | 8,000 | (2,131) |
| Truck and Auto Repair | 2,280 | 1,444 | (836) | 4,000 | 2,556 |
| Seminars and Schools | 99 | 2,201 | 2,102 | 5,000 | 2,799 |
| Telephone | 1,370 | 1,009 | (361) | 2,000 | 991 |
| Utilities | 7,883 | 8,327 | 444 | 8,500 | 173 |
| TOTAL: | \$398,249 | \$421,555 | \$23,306 | \$451,448 | \$29,893 |

APPENDIX C

COMBINED DEBT SERVICE SCHEDULE



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

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