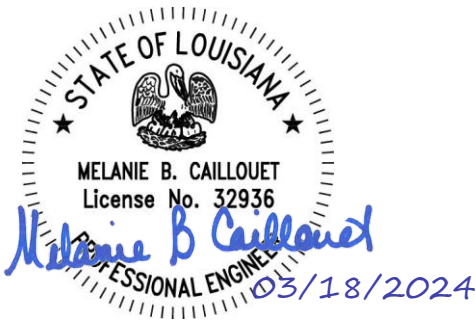


# TERREBONNE PARISH CONSOLIDATED WATERWORKS DISTRICT NO. 1



## 2022-2023 ANNUAL ENGINEER'S REPORT



**March 18, 2024**

**ASCE Project No. 053-009-02**



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# **Section I**

## **Introduction**

### **Introduction:**

This report reviews the results of the 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, 2023. 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 the time of his retirement. Ms. Melanie B. Caillouet assisted Mr. De Fraites for over ten years prior to his retirement, at which point she began acting in this capacity and completes the annual engineer's report per bond requirements for TPCW. Ms. Caillouet is a registered engineer (License Number 32936) in Louisiana since 2007 and is currently employed by All South Consulting Engineers, LLC.

### **Background:**

Legislation was introduced and passed in the 1992 session of the Louisiana Legislature that allowed for the consolidation of the City of Houma water system and Waterworks District Nos. 1, 2, and 3 of Terrebonne Parish, into a parish-wide consolidated water district. The 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 Nos. 1109001 and 1109002, respectively. TPCW operates these two public water systems in accordance with applicable regulations, mainly Louisiana Administrative Code Title 51, Part XII (Water Supplies), Recommended Standards for Water Works (also known as the Ten State Standards), and applicable USEPA and Office of Homeland Security standards. TPCW's two public water systems consist of two surface WTPs, two standpipes, fifteen elevated storage tanks, four ground storage tanks, and 915 miles of transmission and distribution piping ranging in size up to 36 inches in diameter. The

Lower Dulac Elevated Storage Tank, the sixteenth tank, was destroyed by Hurricane Ida in August 2021. Due to the reduction in water usage in this area, TPCW does not plan to replace it.

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. TPCW can 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's primary water supply is the Gulf Intracoastal Waterway (GIWW). A secondary source is an approximate 4.5-mile impounded segment of Bayou Black. 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.

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. The average number of days where the salinity level is greater than 250ppm is 48 days and ranged from 6 days in 2019 to 115 days in 2006. **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

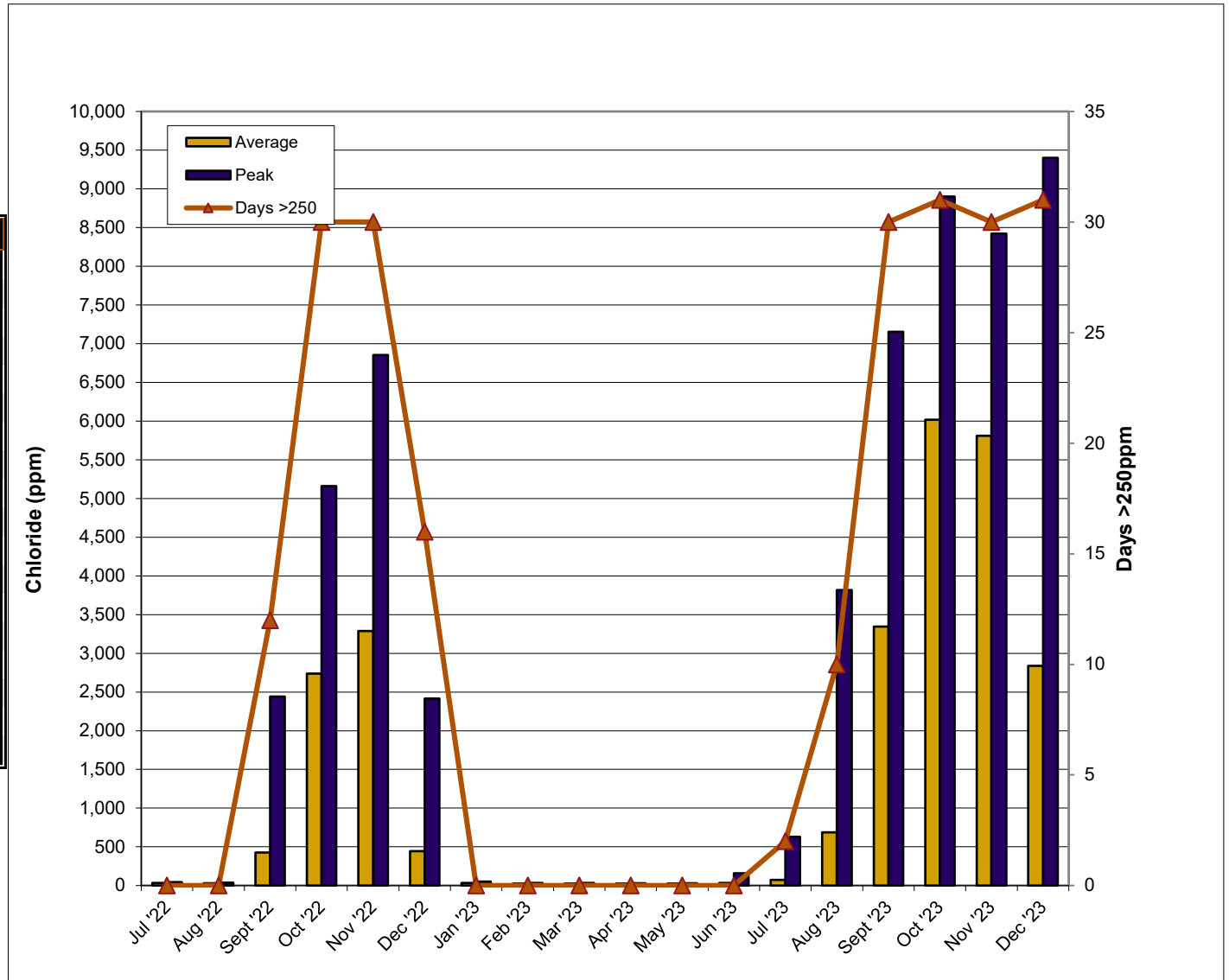
2023. It is seen that there were 88 days in which salinity exceeded 250ppm during the fiscal period which is twice the average. High readings were recorded every month from September 2022 through December 2022. It is noticed that high salinity readings occurred again in late summer and fall of 2023.

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 Salinity in Raw Water from GIWW

| Month    | Average | Peak | Days >250 |
|----------|---------|------|-----------|
| Jul '22  | 32      | 45   | 0         |
| Aug '22  | 31      | 38   | 0         |
| Sept '22 | 425     | 2440 | 12        |
| Oct '22  | 2739    | 5160 | 30        |
| Nov '22  | 3287    | 6855 | 30        |
| Dec '22  | 444     | 2415 | 16        |
| Jan '23  | 34      | 50   | 0         |
| Feb '23  | 27      | 35   | 0         |
| Mar '23  | 26      | 32   | 0         |
| Apr '23  | 25      | 29   | 0         |
| May '23  | 25      | 31   | 0         |
| Jun '23  | 32      | 160  | 0         |
| Jul '23  | 74      | 630  | 2         |
| Aug '23  | 686     | 3815 | 10        |
| Sept '23 | 3346    | 7155 | 30        |
| Oct '23  | 6016    | 8900 | 31        |
| Nov '23  | 5811    | 8420 | 30        |
| Dec '23  | 2839    | 9400 | 31        |



**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:

| <u>Plant</u>  | <u>Design Capacity<br/>MGD</u> |
|---------------|--------------------------------|
| Schriever WTP | 24                             |
| Houma WTP     | <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 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 trains' 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' pipe 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 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. 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:

1. Slurry Line – Schriever Plant to Bayou Lafourche (CIP-9-18-03): Currently the backwash water is returned to the reservoir after most of the solids are removed in the settling pond. When the settling pond needs dredging a large amount of solids enters the reservoir, which in turn needs to be dredged periodically to maintain capacity. This project returns the slurry to Bayou LaFourche instead of the reservoir. 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 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”.
2. Schriever WTP Reservoir Dredging (L-7-22-01): The backwash pond and reservoir currently have a high level of silt and need to be dredged. The engineering and bidding for the dredging of the backwash and reservoir pond has been completed and the construction began in September 2023. The dredged material is being pumped onto an adjacent property.



The renovation of the Schriever office is being completed in-house by the operators. Additional offices were created, and a new speaker system installed. Security cameras were also installed both on the exterior and interior of the plant. Employee computers have been upgraded and are running Windows 10. The sodium chlorite and alum tanks were replaced in Fall of 2022 and Spring of 2023, respectively. The concrete driveway on the back side of the plant is being replaced panel by panel as time allows.

Hurricane Ida caused severe damage in August 2021. Several projects related to the damage are in design and will proceed as funds become available from FEMA and TPCW's insurance. The last major project remaining for the Schriever WTP was the roof replacement which was completed in November 2023.

### ***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, one clarifier is operated 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 replaced the steel structure. One pump was refurbished; however, the other was worn so badly it was more economical

to purchase a new pump. The pump was bid out, purchased, delivered, and placed on the steel structure. It is currently not in operation due to some alterations and couplings being needed.

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. Procedures were altered and the Houma WTP is currently meeting the removal using mechanical means. TPCW began a tracer study to determine if a chemical means is an alternative. It was partially complete before the saltwater caused the Houma Plant to shut down for several months. The filter, clearwell, and ground storage tanks still need to be studied.

Hurricane Ida also damaged the Houma WTP. The last major project to be completed was the roof replacement which was completed in October 2023.

**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 fifteen water towers within the network additionally support the system. The total water storage capacity of TPCW is 18.65 million gallons. The system is comprised of approximately 917 miles of transmission and distribution piping ranging in sizes (as a % of the total) as follows:

|                       |        |
|-----------------------|--------|
| 36-inches - 14-inches | 7.54%  |
| 12-inches - 8-inches  | 61.67% |
| 6-inches - 4-inches   | 28.64% |
| Less than 4-inches    | 2.15%  |

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 or availability.

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:

| <u>Subdivision Names</u>                             | <u>No. of Lots</u> |
|--|--------------------|
| Summerfield Addendum 18, Phase B                     | 35 Lots            |
| Imperial Landing Subdivision, Phase B                | 40 Lots            |
| Benjamin Estates Subdivision, Phase 1                | 62 Lots            |
| West Manchester Subdivision, Addendum No. 3, Phase B | 6 Lots             |
| <u>Adley Oaks Phase B</u>                            | <u>107 Lots</u>    |
| TOTAL  | 250 Lots           |

### **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. All minimums were increased by \$5 on May 1, 2023, and increased the sales of TPCW for the last two months of the fiscal year. The minimum for “S” and “C” customers 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 for all water consumed. 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 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**

**"S" Rate: Single Occ. Residential**

| Meter                  | Gallons                       | Effective Beginning<br>October 1, 2019 | Effective Beginning<br>May 1, 2023 |
|------------------------|-------------------------------|--|------------------------------------|
| All Meters             | 2,000 Gals. (Minimum)         | \$10.00                                | \$15.00                            |
| Rate per 1,000 gallons | Above Minimum to 30,000 Gals. | \$3.60                                 | \$3.60                             |
|                        | Over 30,000 Gals.             | \$4.15                                 | \$4.15                             |

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

**"C" Rate: Commercial, Industrial, Institutional, and City Power Plant**

| Meter                  | Gallons                       | Effective Beginning<br>October 1, 2019 | Effective Beginning<br>May 1, 2023 |
|------------------------|-------------------------------|--|------------------------------------|
| All Meters             | 2,000 Gals. (Minimum)         | \$20.00                                | \$25.00                            |
| Rate per 1,000 gallons | Above Minimum to 30,000 Gals. | \$3.85                                 | \$3.85                             |
|                        | Over 30,000 Gals.             | \$4.40                                 | \$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<br>October 1, 2019 | Effective Beginning<br>May 1, 2023 |
|------------------------|---------------------------------|--|------------------------------------|
| All Meters             | No Water Is Included in Minimum | \$40.00                                | \$45.00                            |
| Rate per 1,000 gallons | Beginning with 0 Gallons        | \$4.47                                 | \$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 \$1.58615 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  $\$1.32693 + \$0.53077 = \$1.85770$ .

### **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 and currently charges \$840 per service connection. 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 2022-2023 was \$1,154 per service compared to \$824 per service last year. There is not one particular item that increased the cost of service installations. Should the service installation cost remain elevated in the coming year, an adjustment to the Service Connection Fee should be discussed. It's last adjustment was in 2012.

### **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**

**METER DEPOSITS**

| <u>Size</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" 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**

| <u>Size</u>                  | <u>Fee</u>                             | <u>Effective Date</u> |
|------------------------------|--|-----------------------|
| 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)**

| <u>Description</u>         | <u>Fee</u> |   |
|----------------------------|------------|---|
| Non-refundable deposit fee | \$25.00    | for 1 - 15 days   |
|                            | \$40.00    | for 16-30 days  |
|                            | \$60.00    | for 31-60 days  |
|                            | \$80.00    | 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**

| <u>Size</u>                                  | <u>Fee</u> | <u>Effective Date</u> | <u>Fee</u> | <u>Effective Date</u> |
|--|------------|-----------------------|------------|-----------------------|
| Meter Installation/Transfer Fee              | \$25.00    | 8/1/2012              | \$30.00    | 5/1/2023              |
| Delinquent/Reconnect Fees                    | \$25.00    | 8/1/2012              | \$40.00    | 5/1/2023              |
| After hours*                                 | \$25.00    | 7/1/2001              | \$30.00    | 5/1/2023              |
| Call-Out Fee                                 | \$30.00    | 7/1/2001              | \$30.00    | 7/1/2001              |
| Delinquent w/ water valve in box found open* | \$30.00    | 8/1/2012              | \$40.00    | 5/1/2023              |
| NSF/returned checks                          | \$25.00    | 5/1/2008              | \$30.00    | 5/1/2023              |
| Meter Damage Fee                             | \$150.00   |                       | \$150.00   |                       |
| Water Theft Charge                           |            |                       | \$150.00   | 5/1/2023              |

**TABLE III**  
**History of Assessed Valuation**

| <b>Tax Year</b> | <b>Taxable Assessed Value</b> | <b>Homestead Exemptions</b> | <b>Total Assessed Value</b> | <b>Amount of Change from Previous Year</b> |
|-----------------|-------------------------------|-----------------------------|-----------------------------|--|
| 1994            | \$264,582,325                 | \$91,870,360                | \$356,452,685               |  |
| 1995            | \$273,545,325                 | \$94,694,955                | \$368,240,280               | \$11,787,595                               |
| 1996            | \$284,627,220                 | \$99,088,555                | \$383,715,775               | \$15,475,495                               |
| 1997            | \$293,471,500                 | \$102,373,480               | \$395,844,980               | \$12,129,205                               |
| 1998            | \$312,754,147                 | \$106,223,565               | \$418,977,712               | \$23,132,732                               |
| 1999            | \$329,861,315                 | \$113,539,890               | \$443,401,205               | \$24,423,493                               |
| 2000            | \$361,587,645                 | \$131,836,605               | \$493,424,250               | \$50,023,045                               |
| 2001            | \$382,600,250                 | \$135,668,170               | \$518,268,420               | \$24,844,170                               |
| 2002            | \$400,366,940                 | \$141,038,005               | \$541,404,945               | \$23,136,525                               |
| 2003            | \$425,904,635                 | \$145,170,545               | \$571,075,180               | \$29,670,235                               |
| 2004            | \$461,860,250                 | \$151,796,400               | \$613,656,650               | \$42,581,470                               |
| 2005            | \$488,989,040                 | \$157,674,555               | \$646,663,595               | \$33,006,945                               |
| 2006            | \$532,633,035                 | \$160,970,875               | \$693,603,910               | \$46,940,315                               |
| 2007            | \$597,159,780                 | \$164,226,815               | \$761,386,595               | \$67,782,685                               |
| 2008            | \$709,298,030                 | \$169,519,980               | \$878,818,010               | \$117,431,415                              |
| 2009            | \$722,165,295                 | \$171,242,510               | \$893,407,805               | \$14,589,795                               |
| 2010            | \$741,791,975                 | \$172,892,410               | \$914,684,385               | \$21,276,580                               |
| 2011            | \$770,363,925                 | \$175,348,725               | \$945,712,650               | \$31,028,265                               |
| 2012            | \$810,700,735                 | \$179,113,825               | \$989,814,560               | \$44,101,910                               |
| 2013            | \$864,993,550                 | \$179,942,475               | \$1,044,936,025             | \$55,121,465                               |
| 2014            | \$893,469,950                 | \$180,091,915               | \$1,073,561,865             | \$28,625,840                               |
| 2015            | \$906,647,097                 | \$180,524,710               | \$1,087,171,807             | \$13,609,942                               |
| 2016            | \$922,511,933                 | \$181,538,770               | \$1,104,050,703             | \$16,878,896                               |
| 2017            | \$951,124,643                 | \$181,919,325               | \$1,133,043,968             | \$28,993,265                               |
| 2018            | \$948,226,968                 | \$181,469,945               | \$1,129,696,913             | (\$3,347,055)                              |
| 2019            | \$1,007,034,509               | \$178,986,935               | \$1,186,021,444             | \$56,324,531                               |
| 2020            | \$1,041,672,410               | \$181,317,920               | \$1,222,990,330             | \$36,968,886                               |
| 2021            | \$999,504,683                 | \$180,903,860               | \$1,180,408,543             | (\$42,581,787)                             |
| 2022            | \$1,035,157,872               | \$182,848,555               | \$1,218,006,427             | \$37,597,884                               |
| 2023            | \$1,054,469,363               | \$184,528,505               | \$1,238,997,868             | \$52,976,424                               |



## Section II

### Operations Performance

#### Customer Usage:

The monthly customer usage 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 is 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 ranges from 16% to above 75% in the United States according to the U.S. Environmental Protection Agency. However, TPCW aims to be between 20% and 25%. The monthly “Unaccounted for Water” in the system ranged from 24.64% to 40.11% with an annual average of 32.10%, which is slightly lower than last year but still above the TPCW goal. 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**

| Month           | Number of Customers | Net Sales (\$) | Quantity Sold (Gallons) | Average Bill (per Customer per Month) | Average Consumption (Gals. per Customer per Month) |
|-----------------|---------------------|----------------|-------------------------|---------------------------------------|--|
| July, 2022      | 43,114              | \$1,413,355.50 | 289,113,000             | \$32.78                               | 6,706  |
| August, 2022    | 43,280              | \$1,407,702.25 | 282,771,600             | \$32.53                               | 6,534  |
| September, 2022 | 43,087              | \$1,380,778.83 | 280,105,200             | \$32.05                               | 6,501  |
| October, 2022   | 43,031              | \$1,372,880.07 | 270,670,500             | \$31.90                               | 6,290  |
| November, 2022  | 43,022              | \$1,441,756.81 | 288,337,000             | \$33.51                               | 6,702  |
| December, 2022  | 43,120              | \$1,381,094.21 | 269,288,700             | \$32.03                               | 6,245  |
| January, 2023   | 43,068              | \$1,505,786.14 | 303,571,700             | \$34.96                               | 7,049  |
| February, 2023  | 43,036              | \$1,335,567.86 | 258,202,300             | \$31.03                               | 6,000  |
| March, 2023     | 43,108              | \$1,328,418.18 | 258,090,300             | \$30.82                               | 5,987  |
| April, 2023     | 43,010              | \$1,353,982.35 | 262,874,700             | \$31.48                               | 6,112  |
| May, 2023       | 43,099              | \$1,630,889.28 | 268,871,000             | \$37.84                               | 6,238  |
| June, 2023      | 43,081              | \$1,748,878.51 | 299,844,500             | \$40.60                               | 6,960  |

**TOTAL**

**\$17,301,089.99**

**3,331,740,500**

**Average number of Customers per Month**

**43,088**

**Average Customer Bill per Month**

**\$33.46**

**Average Customer Consumption per Month**

**6,444**

**gallons per month**

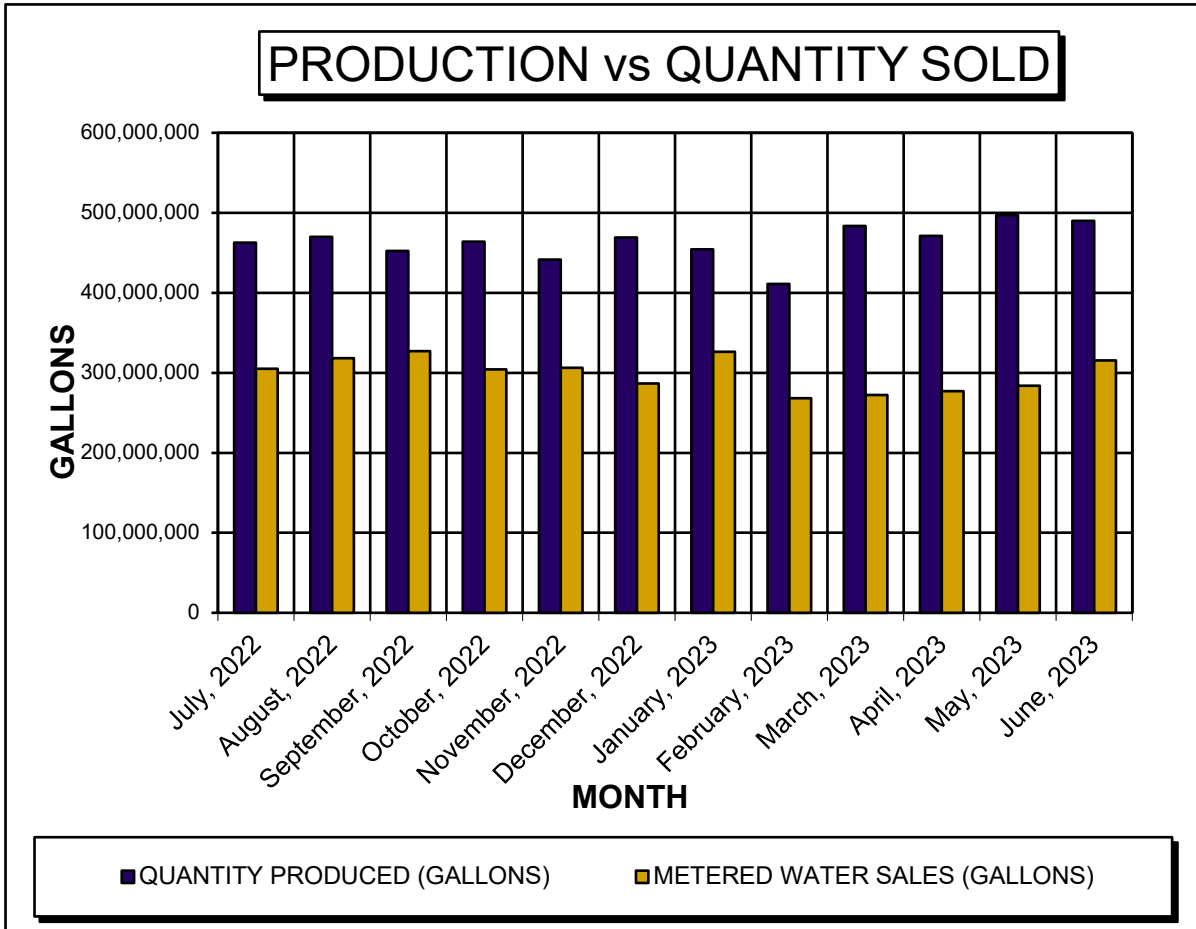
**TABLE V**  
**History of Customer Usage**

| 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                                 |
| 2022                  | 43,387                      | \$32.70                | 6,560                                 |
| 2023                  | 43,088                      | \$33.46                | 6,444                                 |

**PLATE 2**  
**Quantity of Water Produced and Sold**

| MONTH            | QUANTITY PRODUCED (GALLONS) | METERED WATER SALES (GALLONS) | OTHER SALES NOT METERED (GALLONS) | TOTAL QUANTITY SOLD (GALLONS) | KNOWN WATER LOSS (GALLONS) | WATER LOSS IN SYSTEM |
|------------------|-----------------------------|-------------------------------|-----------------------------------|-------------------------------|----------------------------|----------------------|
| July, 2022       | 462,598,510                 | 291,676,440                   | 13,490,350                        | 305,166,790                   | 21,965,310                 | 29.28%               |
| August, 2022     | 469,757,000                 | 285,873,880                   | 32,295,810                        | 318,169,690                   | 19,404,010                 | 28.14%               |
| September, 2022  | 452,378,300                 | 282,631,790                   | 44,556,518                        | 327,188,308                   | 13,541,348                 | 24.68%               |
| October, 2022    | 463,803,000                 | 273,559,922                   | 30,711,910                        | 304,271,832                   | 7,658,710                  | 32.75%               |
| November, 2022   | 441,717,000                 | 290,936,910                   | 15,140,048                        | 306,076,958                   | 14,403,548                 | 27.45%               |
| December, 2022   | 469,042,000                 | 272,423,490                   | 14,185,510                        | 286,609,000                   | 15,090,710                 | 35.68%               |
| January, 2023    | 454,476,000                 | 307,021,210                   | 19,096,110                        | 326,117,320                   | 16,376,210                 | 24.64%               |
| February, 2023   | 411,062,880                 | 260,923,460                   | 7,433,425                         | 268,356,885                   | 12,506,325                 | 31.67%               |
| March, 2023      | 483,683,200                 | 260,601,370                   | 11,480,030                        | 272,081,400                   | 17,618,810                 | 40.11%               |
| April, 2023      | 471,335,300                 | 265,752,790                   | 11,370,348                        | 277,123,138                   | 12,918,348                 | 38.46%               |
| May, 2023        | 497,235,200                 | 271,980,450                   | 11,693,970                        | 283,674,420                   | 15,213,810                 | 39.89%               |
| June, 2023       | 489,973,600                 | 303,528,670                   | 11,815,748                        | 315,344,418                   | 23,094,548                 | 30.93%               |
| <b>TOTAL</b>     | <b>5,567,061,990</b>        | <b>3,366,910,382</b>          | <b>223,269,774</b>                | <b>3,590,180,156</b>          | <b>189,791,684</b>         | <b>32.10%</b>        |
| <b>AVG/MONTH</b> | <b>463,921,833</b>          | <b>280,575,865</b>            | <b>18,605,815</b>                 | <b>299,181,680</b>            | <b>15,815,974</b>          | <b>32.10%</b>        |

**PLATE 2**  
**Quantity of Water Produced and Sold**



| PLANT PRODUCTION          | MONTH           | QUANTITY PRODUCED (GALLONS) | WATER LOSS IN THE SYSTEM |
|---------------------------|-----------------|-----------------------------|--------------------------|
| Least Production Months   | February, 2023  | 411,062,880                 | 31.67%                   |
|                           | November, 2022  | 441,717,000                 | 27.45%                   |
|                           | September, 2022 | 452,378,300                 | 24.68%                   |
|                           | January, 2023   | 454,476,000                 | 24.64%                   |
| Average Production Months | July, 2022      | 462,598,510                 | 29.28%                   |
|                           | October, 2022   | 463,803,000                 | 32.75%                   |
|                           | December, 2022  | 469,042,000                 | 35.68%                   |
|                           | August, 2022    | 469,757,000                 | 28.14%                   |
| Highest Production Months | April, 2023     | 471,335,300                 | 38.46%                   |
|                           | March, 2023     | 483,683,200                 | 40.11%                   |
|                           | June, 2023      | 489,973,600                 | 30.93%                   |
|                           | May, 2023       | 497,235,200                 | 39.89%                   |

### **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, 2023. Interest on investment consists of only the interest earned on non-restricted accounts and is used in determining parity income since it is available for operations. The average revenue collected from each customer per month increased from the previous year by \$3.93 and for the 2022-2023 year was \$38.18. Approximately half of this increase was in Interest on Investments. The other half was in Sales.

### **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, 2023. The average expense attributed to each customer per month increased by \$5.02 before depreciation and \$5.31 after depreciation. Expenses increased significantly because of the economic downturn caused by COVID and Hurricane Ida but appear to be stabilizing. The largest increases in expenses occurred in the Engineering, Distribution and Field Crews, and Water Plant departments.

### **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 remained steady from 2009 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. An increase in the minimum charge on October 1, 2019, caused an increase in revenues in 2020, but the revenues then started decreasing again in 2021. As stated in previous sections, a large increase in Interest on Investments and Sales caused the revenues to increase by almost \$4.00 per customer per month.

As expected, expenses continued to increase with only a slight decrease in 2015. There was a decrease in 2020 due to a re-evaluation in the Other Post-Employment Benefits (OPEB) expenses, but expenses rebounded in 2023. Due to the increase in revenues and an increase in expenses, the surplus per customer per month decreased in 2023 by \$1.09.

**TABLE VI**  
**Total Revenue Per Customer**

|                                | <b>Actual<br/>2021-2022</b> | <b>Actual<br/>2022-2023</b> | <b>Difference</b> |
|--------------------------------|-----------------------------|-----------------------------|-------------------|
| <b>OPERATING REVENUE</b>       |                             |                             |                   |
| Sales                          | \$16,688,005                | \$17,677,948                | \$989,943         |
| Lafourche Parish Sales         | \$35,167                    | \$38,850                    | \$3,683           |
| Service Connections            | \$265,440                   | \$237,880                   | (\$27,560)        |
| Meter Installation Fees        | \$148,556                   | \$125,741                   | (\$22,815)        |
| Penalties and Reconnect Fees   | \$61,480                    | \$80,546                    | \$19,066          |
| <b>TOTAL OPERATING REVENUE</b> | <b>\$17,198,648</b>         | <b>\$18,160,965</b>         | <b>\$962,317</b>  |

|  |                  |                    |                  |
|--|------------------|--------------------|------------------|
| <b>CONTRACT SERVICES AND OTHER REVENUE</b> |                  |                    |                  |
| Service Agreements                         |                  |                    |                  |
| Sewerage Districts                         | \$221,454        | \$202,703          | (\$18,751)       |
| Garbage collections                        | \$109,841        | \$111,387          | \$1,546          |
| *Interest on Investments                   | \$56,306         | \$997,372          | \$941,066        |
| LA Act 125                                 | \$25,293         | \$25,487           | \$194            |
| Miscellaneous                              | \$223,239        | \$242,743          | \$19,504         |
| <b>TOTAL CONTRACT AND OTHER REVENUE</b>    | <b>\$636,133</b> | <b>\$1,579,692</b> | <b>\$943,559</b> |

|                      |                     |                     |                    |
|----------------------|---------------------|---------------------|--------------------|
| <b>TOTAL REVENUE</b> | <b>\$17,834,781</b> | <b>\$19,740,657</b> | <b>\$1,905,876</b> |
|----------------------|---------------------|---------------------|--------------------|

|   |         |         |        |
|---|---------|---------|--------|
| <b>Average Number of Customers</b>      | 43,387  | 43,088  | (299)  |
| <b>Operating Revenue/Customer/Month</b> | \$33.03 | \$35.12 | \$2.09 |
| <b>Other Revenue/Customer/Month</b>     | \$1.22  | \$3.06  | \$1.84 |
| <b>Total Revenue/Customer/Month</b>     | \$34.25 | \$38.18 | \$3.93 |

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

**TABLE VII**  
**Operating Expenses Per Customer**

|   | <b>Actual<br/>2021-2022</b> | <b>Actual<br/>2022-2023</b> | <b>Difference</b>  |
|---|-----------------------------|-----------------------------|--------------------|
| <b>OPERATING EXPENSES</b>                                 |                             |                             |                    |
| Administration  | \$936,661                   | \$1,164,449                 | \$227,788          |
| Billings and Collections                                  | \$1,196,788                 | \$1,402,971                 | \$206,183          |
| Meter Reading   | \$694,299                   | \$845,248                   | \$150,949          |
| Warehouse and Meter Shop                                  | \$203,601                   | \$319,585                   | \$115,984          |
| Engineering   | \$1,045,352                 | \$1,453,522                 | \$408,170          |
| Operations  | \$118,412                   | \$126,652                   | \$8,240            |
| Distribution and Field Crews                              | \$3,102,424                 | \$3,741,765                 | \$639,341          |
| Water Plant   | \$4,229,438                 | \$4,822,031                 | \$592,593          |
| Bac-T-Lab   | \$428,988                   | \$592,770                   | \$163,782          |
| <b>TOTAL OPERATING EXPENSES<br/>(Before Depreciation)</b> | <b>\$11,955,963</b>         | <b>\$14,468,993</b>         | <b>\$2,513,030</b> |

|  |                     |                     |                    |
|--|---------------------|---------------------|--------------------|
| Add: Depreciation  | \$3,726,534         | \$3,849,226         | \$122,692          |
| <b>TOTAL OPERATING EXPENSES<br/>(After Depreciation)</b> | <b>\$15,682,497</b> | <b>\$18,318,219</b> | <b>\$2,635,722</b> |

|   |         |         |        |
|---|---------|---------|--------|
| <b>Average Number of Customers</b>                                | 43,387  | 43,088  | (299)  |
| <b>Operating Expense/Customer/Month<br/>(BEFORE Depreciation)</b> | \$22.96 | \$27.98 | \$5.02 |
| <b>Operating Expense/Customer/Month<br/>(AFTER Depreciation)</b>  | \$30.12 | \$35.43 | \$5.31 |



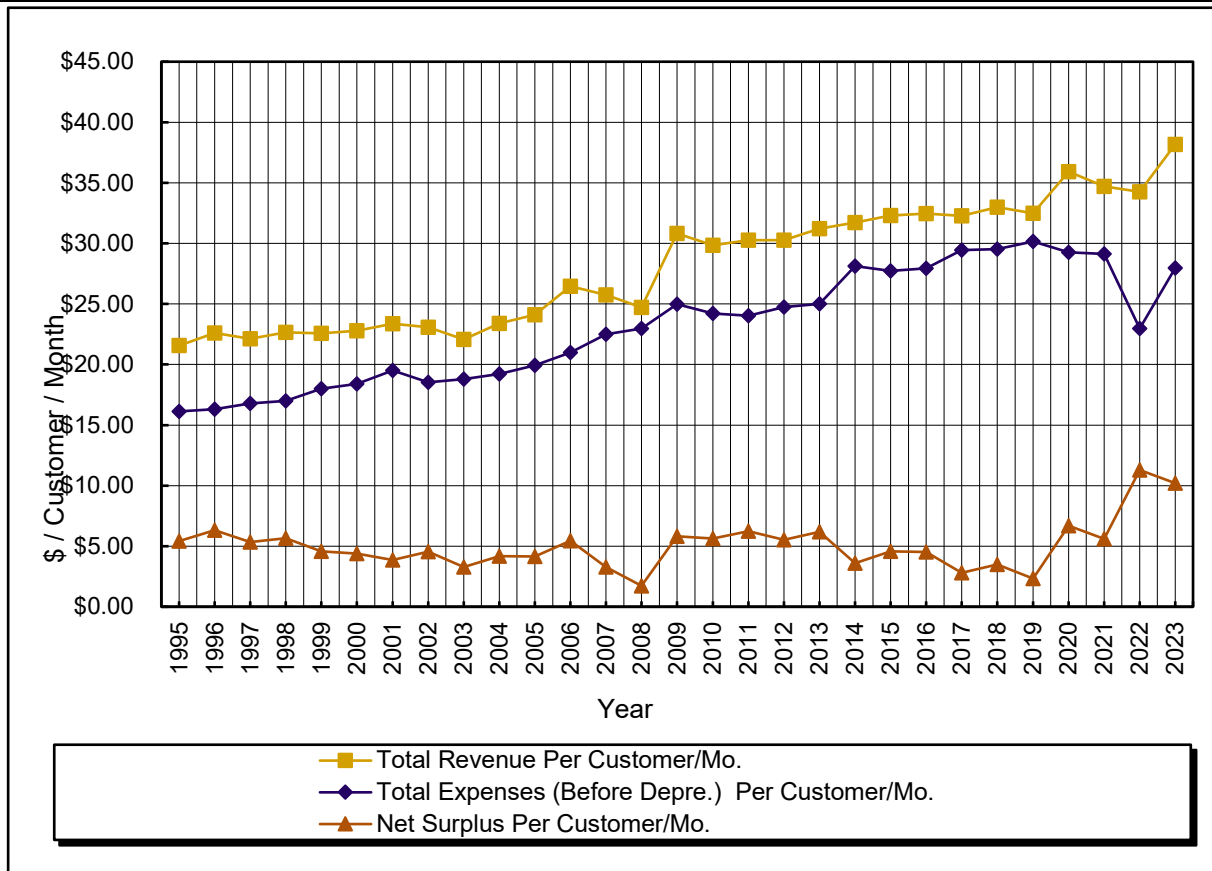
**TABLE VIII**  
**Net Surplus Per Customer**

|  | <b>Actual<br/>2021-2022</b> | <b>Actual<br/>2022-2023</b> | <b>Difference</b>  |
|--|-----------------------------|-----------------------------|--------------------|
| <b>REVENUE</b>                                     |                             |                             |                    |
| Operating Revenue                                  | \$17,198,648                | \$18,160,965                | \$962,317          |
| Other Revenue                                      | \$636,133                   | \$1,579,692                 | \$943,559          |
| <b>EXPENSES</b>                                    |                             |                             |                    |
| Operating Expenses                                 | \$11,955,963                | \$14,468,993                | \$2,513,030        |
| <b>OPERATING SURPLUS<br/>(Before Depreciation)</b> | <b>\$5,878,818</b>          | <b>\$5,271,664</b>          | <b>(\$607,154)</b> |
| Add: Depreciation                                  | \$3,726,534                 | \$3,849,226                 | \$122,692          |
| <b>OPERATING SURPLUS<br/>(After Depreciation)</b>  | <b>\$9,605,352</b>          | <b>\$9,120,890</b>          | <b>(\$484,462)</b> |

|  |         |         |          |
|--|---------|---------|----------|
| <b>Average Number of Customers</b>                               | 43,387  | 43,088  | (299)    |
| <b>Operating Surplus/Customer/Month</b><br>(Before Depreciation) | \$11.29 | \$10.20 | (\$1.09) |
| <b>Operating Surplus/Customer/Month</b><br>(After Depreciation)  | \$18.45 | \$17.64 | (\$0.81) |

**TABLE IX**  
**History of Revenue, Expenses, and Net Surplus**

| 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                       |
| 2022                  | \$34.25                        | \$22.96   | \$11.29                      |
| 2023                  | \$38.18                        | \$27.98   | \$10.20                      |



## Section III

### Performance of Actual and Budgeted Year

#### General:

Each year, the engineering consultant, TPCW's auditor, General Manager, Chief Administrative 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, 2023, 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**. 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**

|                                 | Actual<br><u>2022-2023</u> | Budgeted<br><u>2023-2024</u> | Difference         |
|---------------------------------|----------------------------|------------------------------|--------------------|
| <b>OPERATING REVENUES</b>       |                            |                              |                    |
| Sales                           | \$17,677,948               | \$19,750,000                 | \$2,072,052        |
| Lafourche Parish Sales          | \$38,850                   | \$37,000                     | (\$1,850)          |
| Service Connections             | \$237,880                  | \$189,000                    | (\$48,880)         |
| Meter Installation Fees         | \$125,741                  | \$135,000                    | \$9,259            |
| Penalties and Reconnect Fees    | \$80,546                   | \$125,000                    | \$44,454           |
| <b>TOTAL OPERATING REVENUES</b> | <b>\$18,160,965</b>        | <b>\$20,236,000</b>          | <b>\$2,075,035</b> |

|   |                    |                    |                 |
|---|--------------------|--------------------|-----------------|
| <b>CONTRACT SERVICES AND OTHER REVENUES</b>                 |                    |                    |                 |
| Service Agreements  |                    |                    |                 |
| Sewerage Districts  | \$202,703          | \$175,000          | (\$27,703)      |
| Garbage Collections   | \$111,387          | \$132,000          | \$20,613        |
| Interest on Investments                                     | \$997,372          | \$425,000          | (\$572,372)     |
| LA Act 125  | \$25,487           | \$25,000           | -\$487          |
| Miscellaneous<br>(includes Insurance & FEMA Reimbursements) | \$242,743          | \$858,000          | \$615,257       |
| <b>TOTAL CONTRACT SERVICES<br/>AND OTHER REVENUES</b>       | <b>\$1,579,692</b> | <b>\$1,615,000</b> | <b>\$35,308</b> |

|                      |                     |                     |                    |
|----------------------|---------------------|---------------------|--------------------|
| <b>TOTAL REVENUE</b> | <b>\$19,740,657</b> | <b>\$21,851,000</b> | <b>\$2,110,343</b> |
|----------------------|---------------------|---------------------|--------------------|

**TABLE XI**  
**Audited and Budgeted Expenses**

|  | <u>Actual</u><br><u>2022-2023</u> | <u>Budgeted</u><br><u>2023-2024</u> | <u>Difference</u> |
|--|-----------------------------------|-------------------------------------|-------------------|
| <b>OPERATING EXPENSES</b>                                      |                                   |                                     |                   |
| Administrative   | \$1,164,449                       | \$1,318,175                         | \$153,726         |
| Billings and Collections                                       | \$1,402,971                       | \$1,499,030                         | \$96,059          |
| Meter Reading  | \$845,248                         | \$936,250                           | \$91,002          |
| Warehouse and Meter Shop                                       | \$319,585                         | \$419,100                           | \$99,515          |
| Engineering  | \$1,453,522                       | \$1,603,800                         | \$150,278         |
| Utilities - Operations   | \$126,652                         | \$155,000                           | \$28,348          |
| Maintenance and Field Crews                                    | \$3,741,765                       | \$3,310,900                         | (\$430,865)       |
| Waterplant   | \$4,822,031                       | \$5,305,375                         | \$483,344         |
| Bac-T-Lab  | \$592,770                         | \$629,250                           | \$36,480          |
| <b>TOTAL OPERATING EXPENSES</b><br><b>(After Depreciation)</b> | <b>\$14,468,993</b>               | <b>\$15,176,880</b>                 | <b>\$707,887</b>  |

### **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.

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. During Fiscal Year 2022-2023, TPCW had 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 that the 2019 bond requirement of 125% of the future maximum annual payment would be the greatest requirement until it is paid off in 2037. The 2012A and 2014 bonds were paid out in November 2022 and November 2023, respectively.

It is seen that the system met its parity income requirements for the 2022-2023 fiscal year with sufficient funds to cover 125% of the future maximum annual payment which is \$3,236,619 and had an excess of \$2,035,045. The parity income requirements for 2023-2024 is the same as the 2022-2023 fiscal year. It is projected that TPCW will meet this requirement and have an excess of \$3,437,501 for the 2023-2024 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**

|   | Actual<br>2022-2023 | Budgeted<br>2023-2024 | Difference         |
|---|---------------------|-----------------------|--------------------|
| <b>REVENUE</b>                                    |                     |                       |                    |
| Total Operating Revenue                           | \$18,160,965        | \$20,236,000          | \$2,075,035        |
| Total Other Revenue                               | \$1,579,692         | \$1,615,000           | \$35,308           |
| <b>Total Revenue</b>                              | <b>\$19,740,657</b> | <b>\$21,851,000</b>   | <b>\$2,110,343</b> |
| <b>EXPENSES</b>                                   |                     |                       |                    |
| Total Operating Expenses                          | \$14,468,993        | \$15,176,880          | \$707,887          |
| Service Connections (Parts and Contract Labor)    | \$407,277           | \$125,000             | (\$282,277)        |
| <b>Total Expenses</b>                             | <b>\$14,876,270</b> | <b>\$15,301,880</b>   | <b>\$425,610</b>   |
| <b>Surplus (Before Depreciation)</b>              | <b>\$4,864,387</b>  | <b>\$6,549,120</b>    | <b>\$1,684,733</b> |
| <b>LESS: TRANSFERS</b>                            |                     |                       |                    |
| Revenue Bonds (Sinking Fund and Reserve)          | \$2,476,404         | \$1,874,441           | -\$601,963         |
| Depreciation and Contingency Fund                 | \$1,385,308         | \$1,092,550           | (\$292,758)        |
| <b>Total Transfers</b>                            | <b>\$3,861,712</b>  | <b>\$2,966,991</b>    | <b>-\$894,721</b>  |
| <b>Net Surplus</b>                                | <b>\$1,002,675</b>  | <b>\$3,582,129</b>    | <b>\$2,579,454</b> |
| <b>PARITY INCOME</b>                              |                     |                       |                    |
| Net Surplus                                       | \$1,002,675         | \$3,582,129           | \$2,579,454        |
| Transfer: Revenue Bond Sinking Fund               | \$2,476,404         | \$1,874,441           | (\$601,963)        |
| Transfer: Depreciation and Contingency Fund       | \$1,385,308         | \$1,092,550           | (\$292,758)        |
| Service Connections (Parts and Contract Labor)    | \$407,277           | \$125,000             | -\$282,277         |
| <b>Total Parity Income</b>                        | <b>\$5,271,664</b>  | <b>\$6,674,120</b>    | <b>\$1,402,456</b> |
| <b>REQUIRED PARITY INCOME</b>                     |                     |                       |                    |
| 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                |
| <b>Required Parity Income</b>                     | <b>\$3,236,619</b>  | <b>\$3,236,619</b>    | <b>\$0</b>         |
| <b>Excess Income for Parity Purposes</b>          | <b>\$2,035,045</b>  | <b>\$3,437,501</b>    | <b>\$1,402,456</b> |
| % of Operating Revenue Available for Projects     | 14.77%              | 20.19%                |                    |

\*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 and the construction of a ground storage tank at the Schriever Water Treatment Plant. 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 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 was 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 expired in November 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. One project 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 five projects that are being partially funded by the Water Sector Program. Another category of capital projects is those projects required due to Hurricane Ida damage. These projects may be partially reimbursed by FEMA and/or TPCW's insurance. Finally, there are two sets of local projects; those authorized prior to June 30, 2023, and those authorized afterwards. The balance to complete all the projects authorized prior to June 30, 2023 is approximately \$16.3 million. Of this balance, CWF and WSP are contributing approximately \$5.2 million leaving TPCW to pay \$8.1 million. Again, FEMA and TPCW's insurance will reimburse TPCW for some of the IDA projects, but the amount is currently unknown. The authorized local projects for the 2023-2024 Fiscal Year have a total budget of \$505,730.45.

### **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 various parts of the system.
2. Replace waterlines
  - a. along Isle of Cuba Road in Schriever,
  - b. in LeCompte Subdivision in Bourg,
  - c. in Broadmoor Subdivision in Houma, and
  - d. crossing the bayou near Ashland Jail in Houma.
3. Demolition of Grand Caillou and West Gibson Elevated Storage Tanks.
4. Rehabilitation of the
  - a. North Terrebonne Standpipe Interior,
  - b. Dumas Elevated Storage Tank Interior, and
  - c. Cocodrie Elevated Storage Tank Exterior.

#### 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. Rehabilitation of the LeFort Canal Raw Water Pump Station.
4. Replace the effluent line.
5. Complete electrical system upgrades.

#### Houma WTP

1. Replace the piping for the high service pumps/ground storage tanks.
2. Relocation of the ammonia injection points.
3. Complete the raw water reservoir pump station renovations.

**TABLE XIII**  
**Incomplete Projects**

| Project No.                                | Project Description                              | Engineer                      | Engineering Fee      | Other/Contingencies | Construction Cost    | Overbudget / (Under Budget) | Total Project Budget   | Paid to Date        | Balance                |
|--|--|-------------------------------|----------------------|---------------------|----------------------|-----------------------------|------------------------|---------------------|------------------------|
| <b>Funds Provided by DWRLF 2014A Bonds</b> |  |                               |                      |                     |                      |                             |                        |                     |                        |
| 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        |
| <b>SUBTOTAL</b>                            |  |                               | <b>\$ 346,750.00</b> | <b>\$ 87,500.00</b> | <b>\$ 875,000.00</b> | <b>\$ -</b>                 | <b>\$ 1,309,250.00</b> | <b>\$ 47,574.38</b> | <b>\$ 1,261,675.62</b> |

|   |  |                                     |                        |                      |                         |             |                         |                      |                         |
|---|--|-------------------------------------|------------------------|----------------------|-------------------------|-------------|-------------------------|----------------------|-------------------------|
| <b>Funds Provided by WSP (Remainder to be Paid by District Surplus)</b> |  |                                     |                        |                      |                         |             |                         |                      |                         |
| CIP-09-22-01  | Dunn St. 12" Transmission Line   | GIS Engineering, LLC                | \$ 898,280.00          | \$ -                 | \$ 4,675,000.00         | \$ -        | \$ 5,573,280.00         | \$ 501,245.05        | \$ 5,072,034.95         |
| CIP-09-22-02  | HWTP - High Service Pump and Pipe Renovations                                  | David Waitz Engineering, Inc.       | \$ 126,981.42          | \$ 42,000.00         | \$ 713,140.00           | \$ -        | \$ 882,121.42           | \$ 36,043.87         | \$ 846,077.55           |
| CIP-09-22-03  | 12" Waterline on Bergeron St.  | All South Consulting Engineers, LLC | \$ 141,807.35          | \$ -                 | \$ 487,027.50           | \$ -        | \$ 628,834.85           | \$ 89,839.35         | \$ 538,995.50           |
| CIP-09-22-05  | GIWW Crossings at Short, Bourg, and Belanger Streets                           | All South Consulting Engineers, LLC | \$ 137,125.00          | \$ -                 | \$ 695,700.00           | \$ -        | \$ 832,825.00           | \$ 53,475.40         | \$ 779,349.60           |
| CIP-12-23-01  | Replacement of 24" Transmission Line - Williams Pump Station to Connely Street | All South Consulting Engineers, LLC | \$ 545,103.00          | \$ 450,000.00        | \$ 4,454,000.00         | \$ -        | \$ 5,449,103.00         | \$ -                 | \$ 5,449,103.00         |
| <b>SUBTOTAL</b>   |  |                                     | <b>\$ 1,849,296.77</b> | <b>\$ 492,000.00</b> | <b>\$ 11,024,867.50</b> | <b>\$ -</b> | <b>\$ 13,366,164.27</b> | <b>\$ 680,603.67</b> | <b>\$ 12,685,560.60</b> |

**GRANT AMOUNT \$ 5,222,200.00**  
**AMOUNT PROVIDED BY DISTRICT \$ 8,143,964.27**

|                               |                                     |                            |                      |             |                        |                     |                        |                        |                        |
|-------------------------------|-------------------------------------|----------------------------|----------------------|-------------|------------------------|---------------------|------------------------|------------------------|------------------------|
| <b>Hurricane Ida Projects</b> |                                     |                            |                      |             |                        |                     |                        |                        |                        |
| IDA-11-21-01                  | IDA - Fence Repairs                 | High Tide Consultants, LLC | \$ 40,455.58         | \$ -        | \$ 294,790.00          | \$ 2,372.83         | \$ 337,618.41          | \$ 334,860.19          | \$ 2,758.22            |
| IDA-04-22-02                  | Houma City Plant - Roof Replacement | Gros Flores Positerry, LLC | \$ 22,006.00         | \$ -        | \$ 182,000.00          | \$ 31.18            | \$ 204,037.18          | \$ 17,635.98           | \$ 186,401.20          |
| IDA-04-22-03                  | Schriever Plant - Roof Replacement  | Gros Flores Positerry, LLC | \$ 51,888.00         | \$ -        | \$ 468,000.00          | \$ 20.37            | \$ 519,908.37          | \$ 210,278.03          | \$ 309,630.34          |
| IDA-04-22-04                  | Tank Coatings and Repairs           | High Tide Consultants, LLC | \$ 105,871.85        | \$ -        | \$ 1,240,300.00        | \$ 83,893.49        | \$ 1,430,065.34        | \$ 839,888.93          | \$ 590,176.41          |
| **IDA-05-22-05                | Tank Structural Repairs             | In-House                   | \$ -                 | \$ -        | \$ 143,680.00          | \$ 0.03             | \$ 143,680.03          | \$ 143,680.03          | \$ -                   |
| IDA-06-22-06                  | Tank Electrical Repairs             | In-House                   | \$ -                 | \$ -        | \$ 69,230.00           | \$ -                | \$ 69,230.00           | \$ 2,500.00            | \$ 66,730.00           |
| *IDA-06-22-07                 | Lafort Canal Debris Removal         | Leonard Chauvin Surveying  | \$ 14,990.00         | \$ -        | \$ -                   | \$ -                | \$ 14,990.00           | \$ 14,990.00           | \$ -                   |
| <b>SUBTOTAL</b>               |                                     |                            | <b>\$ 235,211.43</b> | <b>\$ -</b> | <b>\$ 2,398,000.00</b> | <b>\$ 86,317.90</b> | <b>\$ 2,719,529.33</b> | <b>\$ 1,563,833.16</b> | <b>\$ 1,155,696.17</b> |

|   |  |                            |                      |             |                        |                          |                        |                      |                        |
|---|--|----------------------------|----------------------|-------------|------------------------|--------------------------|------------------------|----------------------|------------------------|
| <b>Local Projects Committed prior to June 30, 2023 (Funds Provided by District Surplus)</b> |  |                            |                      |             |                        |                          |                        |                      |                        |
| L-4-20-01   | Lower Montegut Waterline Replacement (On Hold) | In-House                   | \$ -                 | \$ -        | \$ 125,000.00          | \$ -                     | \$ 125,000.00          | \$ -                 | \$ 125,000.00          |
| L-7-20-04   | Montegut Waterline Replacement (On Hold)       | High Tide Consultants, LLC | \$ 175,757.23        | \$ -        | \$ 1,488,657.50        | \$ (1,544,608.95)        | \$ 119,805.78          | \$ 119,805.78        | \$ -                   |
| L-7-22-01   | Schriever WTP Reservoir Dredging               | Mid America Construction   | \$ 74,700.00         | \$ -        | \$ 743,516.81          | \$ -                     | \$ 818,216.81          | \$ 13,750.00         | \$ 804,466.81          |
| L-7-22-03   | Water Sector Program Consultant                | Owen & White               | \$ 30,000.00         | \$ -        | \$ -                   | \$ 25,284.18             | \$ 55,284.18           | \$ 55,284.18         | \$ -                   |
| L-01-23-01  | Tank Painting & Repair - Chauvin Elevated Tank | In-House                   | \$ -                 | \$ -        | \$ 235,600.00          | \$ 4,863.00              | \$ 240,463.00          | \$ 168,997.50        | \$ 71,465.50           |
| L-01-23-02  | Tank Painting & Repair - Gibson Elevated Tank  | In-House                   | \$ -                 | \$ -        | \$ 149,520.00          | \$ -                     | \$ 149,520.00          | \$ -                 | \$ 149,520.00          |
| <b>SUBTOTAL</b>   |  |                            | <b>\$ 280,457.23</b> | <b>\$ -</b> | <b>\$ 2,742,294.31</b> | <b>\$ (1,514,461.77)</b> | <b>\$ 1,508,289.77</b> | <b>\$ 357,837.46</b> | <b>\$ 1,150,452.31</b> |

**BALANCE FOR ALL PROJECTS AUTHORIZED PRIOR TO JUNE 30, 2023 \$ 16,253,384.70**

|  |  |                              |             |             |                      |             |                      |             |                      |
|--|--|------------------------------|-------------|-------------|----------------------|-------------|----------------------|-------------|----------------------|
| <b>Local Projects Committed after June 30, 2023 (Funds Provided by District Surplus)</b> |  |                              |             |             |                      |             |                      |             |                      |
| L-7-23-03  | Waterline Participation 2023-2024        | In-House                     | \$ -        | \$ -        | \$ 125,000.00        | \$ -        | \$ 125,000.00        | \$ -        | \$ 125,000.00        |
| L-7-23-04  | Bayou Petit Caillou Waterline Crossing   | In-House                     | \$ -        | \$ -        | \$ 125,000.00        | \$ -        | \$ 125,000.00        | \$ -        | \$ 125,000.00        |
| L-7-23-05  | Waterworks Main Office Landscaping       | Foret Contracting Group, LLC | \$ -        | \$ -        | \$ 30,730.45         | \$ -        | \$ 30,730.45         | \$ -        | \$ 30,730.45         |
| L-02-24-01   | Relocation 8" Waterline on Broadmoor Ave | High Tide Consultants, LLC   | \$ -        | \$ -        | \$ 225,000.00        | \$ -        | \$ 225,000.00        | \$ -        | \$ 225,000.00        |
| <b>SUBTOTAL</b>  |  |                              | <b>\$ -</b> | <b>\$ -</b> | <b>\$ 505,730.45</b> | <b>\$ -</b> | <b>\$ 505,730.45</b> | <b>\$ -</b> | <b>\$ 505,730.45</b> |

\*Contract was terminated.

\*\* Completed prior to June 30, 2023.

As of June 30, 2023, TPCW has a balance in various accounts for Annual Capital Outlay purposes in the following amounts:

|  |              |                      |
|--|--------------|----------------------|
| Surplus Fund – Cash                                      | \$ 5,201     |                      |
| Surplus Fund – CD Invest.                                | 1,050,000    |                      |
| Surplus Fund – LAMP                                      | 16,241,000   |                      |
| Depreciation and Contingency – CD Invest.                | 2,275,000    |                      |
| Depreciation and Contingency – Savings                   | 1,040,799    |                      |
| Depreciation and Contingency – LAMP                      | 1,223,000    |                      |
| Insurance Funds – Savings                                | 494,023      |                      |
| Insurance Funds – LAMP                                   | 1,966,934    |                      |
| Unrestricted Construction Fund – Cash                    | <u>1,911</u> | \$ 24,297,868        |
| Less: Reserve for Capital and<br><u>Contingency Fund</u> |              | <u>(-\$ 300,000)</u> |
| Total Funds Available for Annual Capital Projects        |              | \$ 23,997,868        |

In addition to the funds in TPCW's accounts, five projects are receiving a combined \$5.2 million from the Water Sector Program (WSP). Finally, there are currently seven projects that are to repair or replace infrastructure damaged by Hurricane Ida. The amount of funds that will be reimbursed by FEMA and TPCW's insurance is currently unknown but will be \$1.7 million at a minimum.

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 2023-2024 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 WSP Projects                                    | (-\$12,685,561)        |
| Funds Required for Hurricane Ida Projects                          | (-\$ 1,155,696)        |
| Funds Required for Local Projects Committed prior to June 30, 2023 | (-\$ 1,150,452)        |
| Funds Required for 2023-2024 Committed Local Projects              | (-\$ 505,730)          |
| <u>Funds Required for 2023-2024 Annual Projects</u>                | <u>(-\$ 1,929,045)</u> |
| Funds Required for Previously Committed Projects                   | (-\$18,688,160)        |

Total Unassigned Surplus Capital Funds

|   |                         |
|---|-------------------------|
| Unrestricted Funds (D and C, Surplus, and Bonds)        | \$ 23,997,868           |
| <u>Funds Required for Previously Committed Projects</u> | <u>(-\$ 18,688,160)</u> |
| <b>Total Unallocated Surplus Funds</b>                  | <b>\$ 5,309,708</b>     |

The Unallocated Surplus Funds for TPCW as of June 30, 2023, is approximately \$5.3 million for other projects TPCW would like to undertake in 2023-2024. In the upcoming years, the WSP, FEMA, and insurance will reimburse TPCW a minimum of \$6.7 million. However, these funds cannot be committed until they are received from their respective entities.

**TABLE XIV**  
**Annual Projects**

| <b>Project</b>                         | <b>Estimated Cost</b>  |
|--|------------------------|
| Tank Painting and Repairs              | \$ 300,000.00          |
| Residential Meter Replacements (3/4")  | \$ 451,845.00          |
| Treatment Plant - Capital Improvements | \$ 300,000.00          |
| Replacements of Critical System Valves | \$ 150,000.00          |
| Vehicles and Equipment                 | \$ 220,000.00          |
| Carbon - Rotational Replacement        | \$ 457,200.00          |
| Technology Upgrades                    | \$ 50,000.00           |
| <b>TOTAL</b>                           | <b>\$ 1,929,045.00</b> |

## 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) two (2) litigation matters.

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

**1) *Stathes v. Livas and Consolidated Waterworks, et al*, Docket no. 196673, 32nd Judicial District Court, Terrebonne Parish, Louisiana.**

This case involves a vehicular accident caused by a District employee driving a company vehicle while working on the job. The employee allegedly ran a stop sign in a residential area and impacted plaintiff's (Elizabeth Stathes) vehicle, which had the right of way. As of this writing, it is apparent that 100% of the liability for the accident will be placed on said employee.

Ms. Stathes' injuries are reported to be a neck strain radiating into her shoulder, and the extent of this injury as well as possibly others are unknown at this point. Discovery has just begun, and more facts will be forthcoming as the case progresses.

There are no present concerns that the plaintiff's damages will approach the District's substantial insurance policy limits.

**2) *Consolidated Waterworks et al v. AGC Chemicals Americas, Inc et al*, Docket no. 2:18-mn-2873-RMG, U.S. Dist. Ct., Dist. Of South Carolina**

This is a case involving a nationwide problem being dealt with by nationwide litigation. The manufacturers of so-called "forever chemicals" are defendants in this action brought by a host of water-providers, including the District, which has just joined in the suit as a plaintiff.

These chemicals are basically aqueous film-forming foam (“AFFF”) products that contained per- and poly-fluoroalkyl substances (“PFAS”), including perfluorooctanoic acid (“PFOA”). They were primarily found in foam products used in firefighting at airports and other areas. These chemicals have been detected in water sources nationwide, including ours. They persist indefinitely in the environment and are believed to cause serious harm to humans and animals, including cancers, thyroid disease, ulcerous colitis, hypertension and high cholesterol, among other health concerns.

Damages being sought include continued testing and monitoring costs as well as remedial actions. The District is being represented by a firm (Napoli Shkolnik) whose resume includes successful similar litigation. They are involved in settlement negotiations as part of a court-approved process which will hopefully result in significant monetary amounts to compensate the District and the many other water-providers for their losses. There is no clear timetable for any ultimate resolution to this complex litigation, and the District will monitor the progress and participate as required.



## 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       | Ms. Melanie B. Caillouet, P.E.,<br>All South Consulting Engineers, LLC |
| Bond Counsel                 | Mr. Jerry Osborne,<br>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 bond requirements.

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.

### **Operating Personnel:**

The operating personnel of TPCW are separated into eight 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

### **Warehouse and Purchasing**

Supervised by Chief Administrative Officer

5 employees

### **Engineering**

Department Head - Jacob Prosperie, P.E., Chief Engineer

13 employees

### **Distribution Field Maintenance**

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

19 employees

### **Water Treatment Plants**

Department Head - Brennan LeBlanc, Staff Engineer  
Schriever Water Treatment Plant - Ivy Theriot, Supervisor  
Houma Water Treatment Plant - Randy Hille, Supervisor

18 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.

In previous years, TPCW carried a \$3 million general liability policy as well as a \$10 million excess liability policy. For the Fiscal Year 2022-2023, the excess liability was reduced to \$5 million. This change was caused by a large increase in the premium and with the knowledge of the healthy financial status of TPCW.

**SCHEDULE OF INSURANCE IN FORCE**

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

June 30, 2023

(Unaudited)

| Insurer                                | Type of Coverage   | Amount of Insurance | Expiration Date |
|--|--|---------------------|-----------------|
| Travelers                              | Automobile liability   | \$1,000,000         | July 1, 2023    |
| The Charter Oak Fire Insurance Company | General liability  | \$3,000,000         | July 1, 2023    |
| Travelers                              | General liability (Excess)   | \$5,000,000         | July 1, 2023    |
| Bridgefield Insurance Company          | Workers' compensation  | \$1,000,000         | July 1, 2023    |
| Swiss Re                               | Combined building and personal property  | \$2,500,000         | July 1, 2023    |
| Bridgefield Insurance Company          | Combined building and personal property  | \$2,500,000         | July 1, 2023    |
| Travelers                              | Public employee dishonesty, forgery or alteration, theft, disappearance, and destruction | \$100,000           | July 1, 2022    |
| Great American Insurance Company       | Computer equipment and software  | \$501,000           | July 1, 2023    |
| Indian Harbor Insurance Company        | Pollution liability  | \$1,000,000         | July 1, 2025    |
| American Bankers Insurance             | Flood  | \$500,000           | August 1, 2023  |
| Houston Casualty Company               | Cyber liability  | \$2,000,000         | July 1, 2023    |

# **Appendix A**

## **Departmental Expenses**



107 West Woodlawn Ranch Road  
Houma, Louisiana 70363  
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**APPENDIX A**  
**Departmental Expenses**

|                                   | ADMINISTRATION     | BILLINGS & COLLECTIONS | METER READING    | WAREHOUSE & METER SHOP | ENGINEERING        | OPERATIONS       | DISTRIBUTION & FIELD CREWS | WATER PLANT        | LAB              | TOTAL               |
|-----------------------------------|--------------------|------------------------|------------------|------------------------|--------------------|------------------|----------------------------|--------------------|------------------|---------------------|
| Accounting                        | \$56,950           |                        |                  |                        |                    |                  |                            |                    |                  | \$56,950            |
| Attorney                          | 48,278             |                        |                  |                        |                    |                  |                            |                    |                  | \$48,278            |
| Bayou Black Reservoir Maintenance |                    |                        |                  |                        |                    |                  |                            | 3,269              |                  | \$3,269             |
| Board Members                     | 34,453             |                        |                  |                        |                    |                  |                            |                    |                  | \$34,453            |
| Bond Agent Fees                   | 17,061             |                        |                  |                        |                    |                  |                            |                    |                  | \$17,061            |
| Chemicals                         |                    |                        |                  |                        |                    |                  | 15,689                     | 1,539,561          |                  | \$1,555,250         |
| Computer Supplies                 |                    |                        |                  |                        | 532                |                  |                            |                    |                  | \$532               |
| Consulting Engineer               | 21,523             |                        |                  |                        |                    |                  |                            |                    |                  | \$21,523            |
| Data Processing                   |                    | 310,529                |                  |                        |                    |                  |                            |                    |                  | \$310,529           |
| Employee Group Insurance          | 124,921            | 134,441                | 169,166          | 48,194                 | 210,094            |                  | 311,460                    | 306,768            | 88,459           | \$1,393,503         |
| Equipment and Bldg.Repairs        | 51,208             | 72,025                 |                  | 4,257                  |                    |                  | 217,822                    | 25,310             | 8,215            | \$378,837           |
| Equipment - Field Repairs         |                    |                        |                  |                        |                    |                  | 33,535                     |                    |                  | \$33,535            |
| Freight                           |                    |                        |                  | 2,820                  |                    |                  |                            | 11,939             | 0                | \$14,759            |
| Gasoline and Oil                  | 2,512              | 2,512                  | 23,868           | 6,411                  | 18,843             |                  | 45,932                     | 17,367             | 12,562           | \$130,007           |
| Generator Fuel                    |                    |                        |                  |                        |                    |                  |                            | 9,098              |                  | \$9,098             |
| GIS Network                       |                    |                        |                  |                        | 133,420            |                  |                            |                    |                  | \$133,420           |
| Insurance and Bonds               | 43,986             | 24,572                 | 53,629           | 15,902                 | 55,066             |                  | 149,940                    | 224,859            | 30,201           | \$598,155           |
| Janitorial Service                | 24,000             |                        |                  |                        |                    |                  |                            |                    | 7,742            | \$31,742            |
| Lab Analysis                      |                    |                        |                  |                        |                    |                  |                            |                    | 22,540           | \$22,540            |
| Lab Equipment and Supplies        |                    |                        |                  |                        |                    |                  |                            |                    | 42,111           | \$42,111            |
| Meter Parts and Repair            |                    |                        |                  | 2,107                  |                    |                  |                            |                    |                  | \$2,107             |
| Office Supplies and Expenses      | 62,962             | 64,986                 | 1,049            | 3,254                  | 6,263              |                  | 702                        | 27,387             | 8,092            | \$174,695           |
| Other Postemployment Benefit      | (21,889)           | (13,971)               | (11,193)         | (27,343)               | (33,547)           |                  | (169,464)                  | (48,913)           | 4,107            | (\$322,213)         |
| Payroll Taxes                     | 49,106             | 37,510                 | 43,793           | 18,662                 | 76,477             |                  | 88,465                     | 116,386            | 25,884           | \$456,283           |
| Plant Maintenance                 |                    |                        |                  |                        |                    |                  |                            | 209,478            |                  | \$209,478           |
| Plant Supplies                    |                    |                        |                  |                        |                    |                  |                            | 2,523              |                  | \$2,523             |
| Postage                           |                    | 276,559                |                  |                        |                    |                  |                            |                    |                  | \$276,559           |
| Publish Proceedings               | 6,258              |                        |                  |                        |                    |                  |                            |                    |                  | \$6,258             |
| Radio Communications              | 25,038             | 28,550                 | 12,339           | 5,426                  | 14,691             |                  | 16,996                     | 19,631             | 11,290           | \$133,961           |
| Raw Water Cost                    |                    |                        |                  |                        |                    |                  |                            | 134,555            |                  | \$134,555           |
| Retirement Expenses               | 60,881             | 50,093                 | 57,727           | 18,087                 | 96,557             |                  | 111,201                    | 150,412            | 33,886           | \$578,844           |
| Salaries                          | 514,803            | 414,023                | 478,130          | 205,463                | 819,608            |                  | 947,824                    | 1,238,883          | 282,743          | \$4,901,477         |
| Seminars and Schools              | 8,395              | 775                    | 575              |                        | 35,426             |                  | 3,380                      | 2,549              | 1,054            | \$52,154            |
| Small Tools                       |                    |                        | 1,374            | 2,890                  |                    |                  | 25,788                     | 2,135              |                  | \$32,187            |
| Telephone Service                 |                    | 299                    |                  |                        |                    |                  |                            | 5,085              | 1,722            | \$7,106             |
| Tractor Repairs                   |                    |                        |                  |                        |                    |                  |                            | 1,699              |                  | \$1,699             |
| Truck and Auto Repair             | 599                | 68                     | 14,791           | 41                     | 20,092             |                  | 53,447                     | 885                | 5,380            | \$95,303            |
| Uniforms                          |                    |                        |                  |                        |                    |                  | 4,203                      |                    |                  | \$4,203             |
| Utilities                         | 33,404             |                        |                  |                        |                    | 126,652          |                            | 821,165            | 6,782            | \$988,003           |
| Warehouse Supplies                |                    |                        |                  | 13,414                 |                    |                  |                            |                    |                  | \$13,414            |
| Waterline Maintenance             |                    |                        |                  |                        |                    |                  | 1,851,345                  |                    |                  | \$1,851,345         |
| Watertower Maintenance            |                    |                        |                  |                        |                    |                  | 33,500                     |                    |                  | \$33,500            |
| <b>TOTAL</b>                      | <b>\$1,164,449</b> | <b>\$1,402,971</b>     | <b>\$845,248</b> | <b>\$319,585</b>       | <b>\$1,453,522</b> | <b>\$126,652</b> | <b>\$3,741,765</b>         | <b>\$4,822,031</b> | <b>\$592,770</b> | <b>\$14,468,993</b> |

|                            |         |         |         |        |         |        |         |          |         |          |
|----------------------------|---------|---------|---------|--------|---------|--------|---------|----------|---------|----------|
| Average No. of Customers   | 43,088  |         |         |        |         |        |         |          |         |          |
| Annual Costs per Customer  | \$27.02 | \$32.56 | \$19.62 | \$7.42 | \$33.73 | \$2.94 | \$86.84 | \$111.91 | \$13.76 | \$335.81 |
| Monthly Costs per Customer | \$2.25  | \$2.71  | \$1.64  | \$0.62 | \$2.81  | \$0.25 | \$7.24  | \$9.33   | \$1.15  | \$27.98  |

# Appendix B

## Departmental Expenses and Budget



107 West Woodlawn Ranch Road  
Houma, Louisiana 70363  
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**APPENDIX B**  
**Departmental Expenses and Budget**

|                               | <u>ACTUAL</u><br><u>2021-2022</u> | <u>ACTUAL</u><br><u>2022-2023</u> | <u>Increase /</u><br><u>(Decrease)</u> | <u>Budget</u><br><u>2023-2024</u> | <u>Budget</u><br><u>Increase /</u><br><u>(Decrease)</u> |
|-------------------------------|-----------------------------------|-----------------------------------|--|-----------------------------------|---|
| <b>ADMINISTRATIVE</b>         |                                   |                                   |  |                                   |   |
| Salaries                      | \$498,493                         | \$514,803                         | \$16,310                               | \$539,000                         | \$24,197  |
| Other Postemployment Benefits | (108,541)                         | (21,889)                          | 86,652                                 | 31,000                            | 52,889  |
| Employee Group Insurance      | 111,406                           | 124,921                           | 13,515                                 | 136,000                           | 11,079  |
| Payroll Taxes                 | 48,354                            | 49,106                            | 752                                    | 53,100                            | 3,994   |
| Retirement Expenses           | (33,467)                          | 60,881                            | 94,348                                 | 40,425                            | (20,456)  |
| Office Supplies and Expenses  | 66,889                            | 62,962                            | (3,927)                                | 58,000                            | (4,962)   |
| Gasoline and Oil              | 2,129                             | 2,512                             | 383                                    | 3,000                             | 488   |
| Accounting                    | 45,700                            | 56,950                            | 11,250                                 | 55,000                            | (1,950)   |
| Attorney                      | 54,640                            | 48,278                            | (6,362)                                | 80,000                            | 31,722  |
| Board Members                 | 30,172                            | 34,453                            | 4,281                                  | 38,000                            | 3,547   |
| Bond Agent Fees               | 17,865                            | 17,061                            | (804)                                  | 2,500                             | (14,561)  |
| Consulting Engineers          | 18,526                            | 21,523                            | 2,997                                  | 80,000                            | 58,477  |
| Insurance and Bonds           | 35,664                            | 43,986                            | 8,322                                  | 48,650                            | 4,664   |
| Janitorial Service            | 24,000                            | 24,000                            | 0                                      | 24,000                            | 0   |
| Publishing Proceedings        | 2,560                             | 6,258                             | 3,698                                  | 5,500                             | (758)   |
| Communications                | 21,817                            | 25,038                            | 3,221                                  | 28,000                            | 2,962   |
| Equipment Repair (Office)     | 59,997                            | 51,208                            | (8,789)                                | 40,000                            | (11,208)  |
| Truck and Auto Repair         | 677                               | 599                               | (78)                                   | 1,000                             | 401   |
| Seminars and Schools          | 7,787                             | 8,395                             | 608                                    | 18,000                            | 9,605   |
| Utilities                     | 31,993                            | 33,404                            | 1,411                                  | 37,000                            | 3,596   |
| <b>TOTAL</b>                  | <b>\$936,661</b>                  | <b>\$1,164,449</b>                | <b>\$227,788</b>                       | <b>\$1,318,175</b>                | <b>\$153,726</b>  |

**APPENDIX B**  
**Departmental Expenses and Budget**

|                                 | <u>ACTUAL</u><br><u>2021-2022</u> | <u>ACTUAL</u><br><u>2022-2023</u> | <u>Increase /</u><br><u>(Decrease)</u> | <u>Budget</u><br><u>2023-2024</u> | <u>Budget</u><br><u>Increase /</u><br><u>(Decrease)</u> |
|---------------------------------|-----------------------------------|-----------------------------------|--|-----------------------------------|---|
| <b>BILLINGS AND COLLECTIONS</b> |                                   |                                   |  |                                   |   |
| Salaries                        | \$389,558                         | \$414,322                         | \$24,764                               | \$437,000                         | \$22,678  |
| Other Postemployment Benefits   | (72,145)                          | (13,971)                          | 58,174                                 | 30,000                            | 43,971  |
| Employee Group Insurance        | 129,909                           | 134,441                           | 4,532                                  | 164,000                           | 29,559  |
| Payroll Taxes                   | 35,915                            | 37,510                            | 1,595                                  | 43,000                            | 5,490   |
| Retirement Expenses             | (25,854)                          | 50,093                            | 75,947                                 | 32,800                            | (17,293)  |
| Gasoline and Oil                | 2,129                             | 2,512                             | 383                                    | 3,000                             | 488   |
| Office Supplies and Expenses    | 68,787                            | 64,986                            | (3,801)                                | 70,000                            | 5,014   |
| Collection Agency               | 233                               | 0                                 | (233)                                  | 500                               | 500   |
| Data Processing                 | 65,893                            | 64,356                            | (1,537)                                | 60,000                            | (4,356)   |
| Merchant Card Fees              | 231,281                           | 246,173                           | 14,892                                 | 245,000                           | (1,173)   |
| Equipment Maintenance/Lease     | 71,205                            | 72,025                            | 820                                    | 74,000                            | 1,975   |
| Insurance and Bonds             | 20,150                            | 24,572                            | 4,422                                  | 26,230                            | 1,658   |
| Postage                         | 249,655                           | 276,559                           | 26,904                                 | 270,000                           | (6,559)   |
| Communications                  | 29,443                            | 28,550                            | (893)                                  | 40,000                            | 11,450  |
| Truck and Auto Repairs          | 284                               | 68                                | (216)                                  | 500                               | 432   |
| Seminars and Schools            | 345                               | 775                               | 430                                    | 3,000                             | 2,225   |
| <b>TOTAL</b>                    | <b>\$1,196,788</b>                | <b>\$1,402,971</b>                | <b>\$206,183</b>                       | <b>\$1,499,030</b>                | <b>\$96,059</b>   |

|   |                  |                  |                  |                  |                 |
|---|------------------|------------------|------------------|------------------|-----------------|
| <b>CUSTOMER SERVICE - FIELD (METER READING)</b> |                  |                  |                  |                  |                 |
| Salaries  | \$468,097        | \$478,130        | \$10,033         | \$495,000        | \$16,870        |
| Other Postemployment Benefits                   | (38,424)         | (11,193)         | 27,231           | 25,000           | 36,193          |
| Employee Group Insurance                        | 168,940          | 169,166          | 226              | 192,000          | 22,834          |
| Payroll Taxes                                   | 43,384           | 43,793           | 409              | 48,750           | 4,957           |
| Retirement Expenses                             | (30,857)         | 57,727           | 88,584           | 37,000           | (20,727)        |
| Gasoline and Oil                                | 20,222           | 23,868           | 3,646            | 25,000           | 1,132           |
| Office Supplies and Expenses                    | 988              | 1,049            | 61               | 2,000            | 951             |
| Small Tools                                     | 1,356            | 1,374            | 18               | 1,500            | 126             |
| Insurance and Bonds                             | 34,257           | 53,629           | 19,372           | 58,800           | 5,171           |
| Communications                                  | 14,169           | 12,339           | (1,830)          | 15,000           | 2,661           |
| Mobile Read Services                            | 0                | 0                | 0                | 23,000           | 23,000          |
| Truck and Auto Repairs                          | 12,167           | 14,791           | 2,624            | 10,000           | (4,791)         |
| Schools and Seminars                            | 0                | 575              | 575              | 3,200            | 2,625           |
| <b>TOTAL</b>                                    | <b>\$694,299</b> | <b>\$845,248</b> | <b>\$150,949</b> | <b>\$936,250</b> | <b>\$91,002</b> |

**APPENDIX B**  
**Departmental Expenses and Budget**

|                                  | <b>ACTUAL<br/>2021-2022</b> | <b>ACTUAL<br/>2022-2023</b> | <b>Increase /<br/>(Decrease)</b> | <b>Budget<br/>2023-2024</b> | <b>Budget<br/>Increase /<br/>(Decrease)</b> |
|----------------------------------|-----------------------------|-----------------------------|----------------------------------|-----------------------------|---|
| <b>WAREHOUSE AND METER SHOPS</b> |                             |                             |                                  |                             |   |
| Salaries                         | \$197,036                   | \$205,463                   | \$8,427                          | \$226,000                   | \$20,537                                    |
| Other Postemployment Benefits    | (107,309)                   | (27,343)                    | 79,966                           | 30,000                      | 57,343                                      |
| Employee Group Insurance         | 49,124                      | 48,194                      | (930)                            | 63,000                      | 14,806                                      |
| Payroll Taxes                    | 18,011                      | 18,662                      | 651                              | 22,300                      | 3,638                                       |
| Retirement Expenses              | (9,764)                     | 18,087                      | 27,851                           | 17,000                      | (1,087)                                     |
| Gasoline and Oil                 | 5,111                       | 6,411                       | 1,300                            | 6,000                       | (411)                                       |
| Office Supplies and Expenses     | 2,962                       | 3,254                       | 292                              | 3,500                       | 246   |
| Small Tools                      | 1,051                       | 2,890                       | 1,839                            | 2,500                       | (390)                                       |
| Warehouse Supplies               | 17,654                      | 13,414                      | (4,240)                          | 13,000                      | (414)                                       |
| Freight                          | 1,283                       | 2,820                       | 1,537                            | 1,500                       | (1,320)                                     |
| Insurance and Bonds              | 13,711                      | 15,902                      | 2,191                            | 17,200                      | 1,298                                       |
| Communication                    | 5,871                       | 5,426                       | (445)                            | 6,100                       | 674   |
| Equipment Repairs                | 7,844                       | 4,257                       | (3,587)                          | 7,500                       | 3,243                                       |
| Meter Repairs Parts              | 282                         | 2,107                       | 1,825                            | 1,500                       | (607)                                       |
| Truck and Auto Repairs           | 10                          | 41                          | 31                               | 1,000                       | 959   |
| Schools and Seminars             | 724                         | 0                           | (724)                            | 1,000                       | 1,000                                       |
| <b>TOTAL</b>                     | <b>\$203,601</b>            | <b>\$319,585</b>            | <b>\$115,984</b>                 | <b>\$419,100</b>            | <b>\$99,515</b>                             |

|                               |                    |                    |                  |                    |                  |
|-------------------------------|--------------------|--------------------|------------------|--------------------|------------------|
| <b>ENGINEERING</b>            |                    |                    |                  |                    |                  |
| Salaries                      | \$723,618          | \$819,608          | \$95,990         | \$854,000          | \$34,392         |
| Other Postemployment Benefits | (115,703)          | (33,547)           | 82,156           | 42,000             | 75,547           |
| Employee Group Insurance      | 177,735            | 210,094            | 32,359           | 284,000            | 73,906           |
| Payroll Taxes                 | 68,492             | 76,477             | 7,985            | 84,000             | 7,523            |
| Retirement Expenses           | (47,152)           | 96,557             | 143,709          | 64,000             | (32,557)         |
| Computer Supplies             | 1,641              | 532                | (1,109)          | 3,000              | 2,468            |
| Gasoline and Oil              | 15,965             | 18,843             | 2,878            | 18,000             | (843)            |
| Office Supplies and Expenses  | 4,451              | 6,263              | 1,812            | 6,000              | (263)            |
| GIS Network                   | 128,428            | 133,420            | 4,992            | 145,000            | 11,580           |
| Insurance and Bonds           | 37,753             | 55,066             | 17,313           | 56,800             | 1,734            |
| Communications                | 13,951             | 14,691             | 740              | 14,000             | (691)            |
| Truck and Auto Repair         | 21,852             | 20,092             | (1,760)          | 9,000              | (11,092)         |
| Seminars and Schools          | 14,321             | 35,426             | 21,105           | 24,000             | (11,426)         |
| <b>TOTAL</b>                  | <b>\$1,045,352</b> | <b>\$1,453,522</b> | <b>\$408,170</b> | <b>\$1,603,800</b> | <b>\$150,278</b> |

**APPENDIX B**  
**Departmental Expenses and Budget**

|                                     | <u>ACTUAL</u><br><u>2021-2022</u> | <u>ACTUAL</u><br><u>2022-2023</u> | <u>Increase /</u><br><u>(Decrease)</u> | <u>Budget</u><br><u>2023-2024</u> | <u>Budget</u><br><u>Increase /</u><br><u>(Decrease)</u> |
|-------------------------------------|-----------------------------------|-----------------------------------|--|-----------------------------------|---|
| <b>DISTRIBUTION AND FIELD CREWS</b> |                                   |                                   |  |                                   |   |
| Salaries                            | \$906,940                         | \$947,824                         | \$40,884                               | \$1,034,000                       | \$86,176  |
| Other Postemployment Benefits       | (107,103)                         | (169,464)                         | (62,361)                               | 115,000                           | 284,464   |
| Employee Group Insurance            | 267,118                           | 311,460                           | 44,342                                 | 368,000                           | 56,540  |
| Payroll Taxes                       | 86,443                            | 88,465                            | 2,022                                  | 101,850                           | 13,385  |
| Retirement Expenses                 | (59,129)                          | 111,201                           | 170,330                                | 77,550                            | (33,651)  |
| Chemicals                           | 6,707                             | 15,689                            | 8,982                                  | 12,000                            | (3,689)   |
| Gasoline and Oil                    | 39,818                            | 45,932                            | 6,114                                  | 45,000                            | (932)   |
| Office Supplies and Expenses        | 1,517                             | 702                               | (815)                                  | 5,000                             | 4,298   |
| Small Tools                         | 11,356                            | 25,788                            | 14,432                                 | 20,000                            | (5,788)   |
| Insurance and Bonds                 | 119,923                           | 149,940                           | 30,017                                 | 154,500                           | 4,560   |
| Communications                      | 17,087                            | 16,996                            | (91)                                   | 18,000                            | 1,004   |
| Equipment Repairs (Field)           | 181,696                           | 251,357                           | 69,661                                 | 150,000                           | (101,357)   |
| Truck and Auto Repair               | 31,695                            | 53,447                            | 21,752                                 | 15,000                            | (38,447)  |
| Water Tower Maintenance             | 70,181                            | 33,500                            | (36,681)                               | 80,000                            | 46,500  |
| Waterline Maintenance               | 1,519,440                         | 1,851,345                         | 331,905                                | 1,100,000                         | (751,345)   |
| Seminars and Schools                | 2,733                             | 3,380                             | 647                                    | 10,000                            | 6,620   |
| Uniforms                            | 6,002                             | 4,203                             | (1,799)                                | 5,000                             | 797   |
| <b>TOTAL</b>                        | <b>\$3,102,424</b>                | <b>\$3,741,765</b>                | <b>\$639,341</b>                       | <b>\$3,310,900</b>                | <b>(\$430,865)</b>                                      |

| <b>OPERATIONS</b> |           |           |         |           |          |
|-------------------|-----------|-----------|---------|-----------|----------|
| Utilities         | \$118,412 | \$126,652 | \$8,240 | \$155,000 | \$28,348 |

**APPENDIX B**  
**Departmental Expenses and Budget**

|                               | <b>ACTUAL<br/>2021-2022</b> | <b>ACTUAL<br/>2022-2023</b> | <b>Increase /<br/>(Decrease)</b> | <b>Budget<br/>2023-2024</b> | <b>Budget<br/>Increase /<br/>(Decrease)</b> |
|-------------------------------|-----------------------------|-----------------------------|----------------------------------|-----------------------------|---|
| <b>WATER PLANT</b>            |                             |                             |                                  |                             |   |
| Salaries                      | \$1,224,420                 | \$1,243,968                 | \$19,548                         | \$1,425,000                 | \$181,032                                   |
| Other Postemployment Benefits | (332,528)                   | (48,913)                    | 283,615                          | 85,000                      | 133,913                                     |
| Employee Group Insurance      | 301,626                     | 306,768                     | 5,142                            | 429,000                     | 122,232                                     |
| Payroll Taxes                 | 116,229                     | 116,386                     | 157                              | 140,500                     | 24,114                                      |
| Retirement Expenses           | (81,114)                    | 150,412                     | 231,526                          | 106,875                     | (43,537)                                    |
| Chemicals                     | 1,462,277                   | 1,539,561                   | 77,284                           | 1,625,000                   | 85,439                                      |
| Computer Supplies             | 0                           | 0                           | 0                                | 0                           | 0   |
| Generator Fuel                | 27,682                      | 9,098                       | (18,584)                         | 15,000                      | 5,902                                       |
| Gasoline and Oil              | 15,401                      | 17,367                      | 1,966                            | 18,000                      | 633   |
| Office Supplies and Expenses  | 21,174                      | 27,387                      | 6,213                            | 27,000                      | (387)                                       |
| Raw Water Cost                | 148,272                     | 134,555                     | (13,717)                         | 148,000                     | 13,445                                      |
| Small Tools                   | 1,297                       | 2,135                       | 838                              | 3,000                       | 865   |
| Plant Supplies                | 4,049                       | 2,523                       | (1,526)                          | 5,000                       | 2,477                                       |
| Freight                       | 14,807                      | 11,939                      | (2,868)                          | 1,000                       | (10,939)                                    |
| Insurance and Bonds           | 239,630                     | 224,859                     | (14,771)                         | 234,500                     | 9,641                                       |
| Lab Analysis                  | 0                           | 0                           | 0                                | 0                           | 0   |
| Communications                | 18,973                      | 19,631                      | 658                              | 22,500                      | 2,869                                       |
| Bayou Black Reservoir Maint.  | 6,571                       | 3,269                       | (3,302)                          | 7,000                       | 3,731                                       |
| Plant Maintenance             | 351,851                     | 234,788                     | (117,063)                        | 225,000                     | (9,788)                                     |
| Tractor Repairs               | 1,102                       | 1,699                       | 597                              | 3,000                       | 1,301                                       |
| Truck and Auto Repair         | 4,781                       | 885                         | (3,896)                          | 5,000                       | 4,115                                       |
| Seminars and Schools          | 6,597                       | 2,549                       | (4,048)                          | 5,000                       | 2,451                                       |
| Utilities                     | 676,341                     | 821,165                     | 144,824                          | 775,000                     | (46,165)                                    |
| <b>TOTAL</b>                  | <b>\$4,229,438</b>          | <b>\$4,822,031</b>          | <b>\$592,593</b>                 | <b>\$5,305,375</b>          | <b>\$483,344</b>                            |

**APPENDIX B**  
**Departmental Expenses and Budget**

|                                | <u>ACTUAL</u><br><u>2021-2022</u> | <u>ACTUAL</u><br><u>2022-2023</u> | <u>Increase /</u><br><u>(Decrease)</u> | <u>Budget</u><br><u>2023-2024</u> | <u>Budget</u><br><u>Increase /</u><br><u>(Decrease)</u> |
|--------------------------------|-----------------------------------|-----------------------------------|--|-----------------------------------|---|
| <b>LAB</b>                     |                                   |                                   |  |                                   |   |
| Salaries                       | \$276,126                         | \$284,465                         | \$8,339                                | \$293,000                         | \$8,535   |
| Other Postemployment Benefits  | (78,533)                          | 4,107                             | 82,640                                 | 7,500                             | 3,393   |
| Employee Group Insurance       | 79,300                            | 88,459                            | 9,159                                  | 104,000                           | 15,541  |
| Payroll Taxes                  | 25,801                            | 25,884                            | 83                                     | 29,000                            | 3,116   |
| Retirement Expenses            | (18,293)                          | 33,886                            | 52,179                                 | 22,000                            | (11,886)  |
| Gasoline and Oil               | 10,650                            | 12,562                            | 1,912                                  | 14,000                            | 1,438   |
| Lab Equipment and Supplies     | 34,053                            | 42,111                            | 8,058                                  | 30,000                            | (12,111)  |
| Office Supplies and Expenses   | 6,844                             | 8,092                             | 1,248                                  | 7,250                             | (842)   |
| Freight                        | 0                                 | 0                                 | 0                                      | 2,000                             | 2,000   |
| Insurance and Bonds            | 22,333                            | 30,201                            | 7,868                                  | 31,500                            | 1,299   |
| Janitorial Services            | 7,742                             | 7,742                             | 0                                      | 8,000                             | 258   |
| Lab Analysis                   | 23,205                            | 22,540                            | (665)                                  | 40,000                            | 17,460  |
| Communications                 | 11,299                            | 11,290                            | (9)                                    | 12,000                            | 710   |
| Equipment and Building Repairs | 16,943                            | 8,215                             | (8,728)                                | 8,000                             | (215)   |
| Truck and Auto Repair          | 2,409                             | 5,380                             | 2,971                                  | 4,000                             | (1,380)   |
| Seminars and Schools           | 60                                | 1,054                             | 994                                    | 7,000                             | 5,946   |
| Utilities                      | 9,049                             | 6,782                             | (2,267)                                | 10,000                            | 3,218   |
| <b>TOTAL</b>                   | <b>\$428,988</b>                  | <b>\$592,770</b>                  | <b>\$163,782</b>                       | <b>\$629,250</b>                  | <b>\$36,480</b>   |

# Appendix C

## Combine Debt Service Schedule



107 West Woodlawn Ranch Road  
Houma, Louisiana 70363  
[www.ascellc.com](http://www.ascellc.com)  
(985) 537-8893

## APPENDIX C Combined Debt Service Schedule

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

| Payment Date | UNREFUNDED SERIES 2012A BONDS, 10-30-12 |               |              | SERIES 2010 BONDS DWRLF, ISSUE DATE 12-29-10 |               |               |              | REFUNDING SERIES 2014 ISSUE DATE 5-6-2014 |               |              | TAXABLE SERIES 2014 BONDS DWRLF, ISSUE DATE 12-2014 |               |               |              | REFUNDING BONDS DATED 12-DEC-19 |               |               | Semi-Annual Total | Bond Year Total | Fiscal Year Total | Bond Year Total Less Admin Fee |
|--------------|---|---------------|--------------|--|---------------|---------------|--------------|---|---------------|--------------|---|---------------|---------------|--------------|---------------------------------|---------------|---------------|-------------------|-----------------|-------------------|--------------------------------|
|              | Principal Due                           | Interest Date | Interest Due | Principal Due                                | Interest Rate | Interest Rate | Interest Due | Principal Due                             | Interest Rate | Interest Due | Principal Due                                       | Interest Rate | Interest Rate | Interest Due | Principal Due                   | Interest Rate | Interest Due  |                   |                 |                   |                                |
| 05/01/20     |   |               | 35,300.00    |  |               |               | 20,337.75    |   |               | 61,725.00    |   |               | 45,108.75     |              |                                 | 151,085.08    | 313,556.58    |                   | 313,556.58      |                   |                                |
| 11/01/20     | 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      |                                |
| 05/01/21     |   |               | 24,000.00    |  |               |               | 18,785.25    |   |               | 46,950.00    |   |               | 42,952.50     |              |                                 | 194,484.13    | 327,171.88    |                   | 2,575,293.13    |                   |                                |
| 11/01/21     | 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      |                                |
| 05/01/22     |   |               | 12,200.00    |  |               |               | 17,181.00    |   |               | 31,725.00    |   |               | 40,710.00     |              |                                 | 193,157.75    | 294,973.75    |                   | 2,585,145.63    |                   |                                |
| 11/01/22     | 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      |                                |
| 05/01/23     |   |               |              |  |               |               | 15,525.00    |   |               | 16,200.00    |   |               | 38,398.50     |              |                                 | 191,804.38    | 261,927.88    |                   | 2,566,901.63    |                   |                                |
| 11/01/23     |   |               |              | 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      |                                |
| 05/01/24     |   |               |              |  |               |               | 13,800.00    |   |               |              |   |               | 36,000.75     |              |                                 | 183,566.13    | 233,366.88    |                   | 2,589,294.76    |                   |                                |
| 11/01/24     |   |               |              | 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      |                                |
| 05/01/25     |   |               |              |  |               |               | 12,023.25    |   |               |              |   |               | 33,534.00     |              |                                 | 174,970.93    | 220,528.18    |                   | 1,489,895.06    |                   |                                |
| 11/01/25     |   |               |              | 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      |                                |
| 05/01/26     |   |               |              |  |               |               | 10,177.50    |   |               |              |   |               | 30,981.00     |              |                                 | 165,669.15    | 206,827.65    |                   | 1,487,355.83    |                   |                                |
| 11/01/26     |   |               |              | 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      |                                |
| 05/01/27     |   |               |              |  |               |               | 8,280.00     |   |               |              |   |               | 28,341.75     |              |                                 | 155,723.78    | 192,345.53    |                   | 1,487,173.18    |                   |                                |
| 11/01/27     |   |               |              | 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      |                                |
| 05/01/28     |   |               |              |  |               |               | 6,313.50     |   |               |              |   |               | 25,599.00     |              |                                 | 144,967.03    | 176,879.53    |                   | 1,492,225.06    |                   |                                |
| 11/01/28     |   |               |              | 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      |                                |
| 05/01/29     |   |               |              |  |               |               | 4,278.00     |   |               |              |   |               | 22,770.00     |              |                                 | 133,739.68    | 160,787.68    |                   | 1,489,667.21    |                   |                                |
| 11/01/29     |   |               |              | 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      |                                |
| 05/01/30     |   |               |              |  |               |               | 2,173.50     |   |               |              |   |               | 19,837.50     |              |                                 | 121,965.95    | 143,976.95    |                   | 1,491,764.63    |                   |                                |
| 11/01/30     |   |               |              | 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      |                                |
| 05/01/31     |   |               |              |  |               |               |              |   |               |              |   |               | 16,801.50     |              |                                 | 109,471.63    | 126,273.13    |                   | 1,487,250.08    |                   |                                |
| 11/01/31     |   |               |              |  |               |               |              |   |               |              |   |               | 16,801.50     | 940,000      | 2.831%                          | 109,471.63    | 1,248,273.13  | 1,374,546.26      | 1,369,676.26    |                   |                                |
| 05/01/32     |   |               |              |  |               |               |              |   |               |              |   |               | 13,662.00     |              |                                 | 96,165.93     | 109,827.93    |                   | 1,358,101.06    |                   |                                |
| 11/01/32     |   |               |              |  |               |               |              |   |               |              |   |               | 13,662.00     | 970,000      | 2.931%                          | 96,165.93     | 1,267,827.93  | 1,377,655.86      | 1,373,695.86    |                   |                                |
| 05/01/33     |   |               |              |  |               |               |              |   |               |              |   |               | 10,419.00     |              |                                 | 81,950.58     | 92,369.58     |                   | 1,360,197.51    |                   |                                |
| 11/01/33     |   |               |              |  |               |               |              |   |               |              |   |               | 10,419.00     | 995,000      | 2.981%                          | 81,950.58     | 1,282,369.58  | 1,374,739.16      | 1,371,719.16    |                   |                                |
| 05/01/34     |   |               |              |  |               |               |              |   |               |              |   |               | 7,055.25      |              |                                 | 67,120.10     | 74,175.35     |                   | 1,356,544.93    |                   |                                |
| 11/01/34     |   |               |              |  |               |               |              |   |               |              |   |               | 7,055.25      | 1,025,000    | 3.031%                          | 67,120.10     | 1,300,175.35  | 1,374,350.70      | 1,372,305.70    |                   |                                |
| 05/01/35     |   |               |              |  |               |               |              |   |               |              |   |               | 3,588.00      |              |                                 | 51,586.23     | 55,174.23     |                   | 1,355,349.58    |                   |                                |
| 11/01/35     |   |               |              |  |               |               |              |   |               |              |   |               | 3,588.00      | 1,055,000    | 3.081%                          | 51,586.23     | 1,318,174.23  | 1,373,348.46      | 1,372,308.46    |                   |                                |
| 05/01/36     |   |               |              |  |               |               |              |   |               |              |   |               |               |              |                                 | 35,333.95     | 35,333.95     |                   | 1,353,508.18    |                   |                                |
| 11/01/36     |   |               |              |  |               |               |              |   |               |              |   |               |               | 1,090,000    | 3.131%                          | 35,333.95     | 1,125,333.95  | 1,160,667.90      | 1,160,667.90    |                   |                                |
| 05/01/37     |   |               |              |  |               |               |              |   |               |              |   |               |               |              |                                 | 18,270.00     | 18,270.00     |                   | 1,143,603.95    |                   |                                |
| 11/01/37     |   |               |              |  |               |               |              |   |               |              |   |               |               | 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   | 29,968,232.99     |                                |

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